What do consumers really think about social purpose?

5th June 2019

Cut To The Chase 5

Everybody is talking about the importance of purpose.

Having a social purpose is like eating vegan – everybody knows it's important to do it but not a lot of people commit to doing what it takes.

"The public expectations of your company have never been greater... Every company must not only deliver financial performance, but also show how it makes a positive contribution to society. Without a sense of purpose, no company, either public or private, can achieve its full potential."

No, it was not Paul Polman who said this…

…it was Larry Fink, Chairman and CEO of BlackRock, Inc.

SHARED PURPOSE

If not done right, purpose clearly produces mixed feelings

Big Business Has a New Scam: The 'Purpose Paradigm'

Multinational corporations are luring millennial workers with empty promises and self-serving slogans.

"Contrary to its purported aim, the point of purpose isn't to *drive* change. It's to make sure any change stays within the tightly bound comfort zone of the world's most powerful executives."

NATIONAL BEST SELLER

WINNERS TAKE ALL

The ELITE CHARADE of CHANGING the WORLD

ANAND GIRIDHARADAS

01.17.19

"Brand purpose" is a lie

From Gillette to Starbucks to Johnson & Johnson, companies love to extol the virtues of their brand, without actually living up to them. Here is what today's companies could learn from the Quakers, writes Paddle Consulting's Brian Millar.

Mark Ritson: A true brand purpose doesn't boost profit, it sacrifices it

Time and again companies have proved unwilling to stick to their lofty purpose statements when it costs them money. For purpose to have any meaning, corporations need to put it before profit.
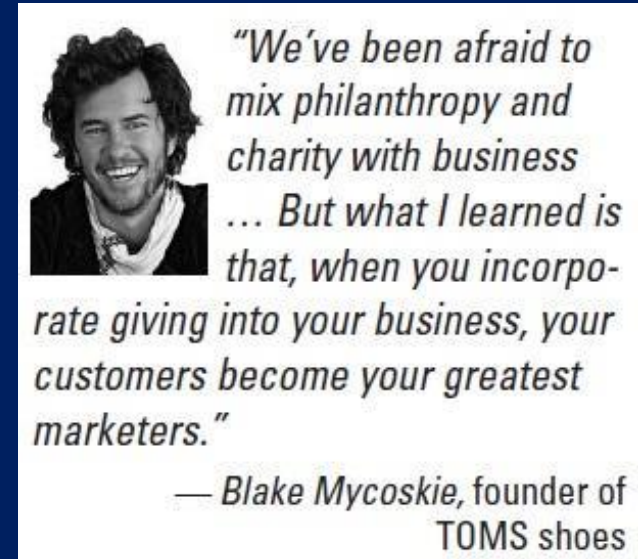
By Mark Ritson 21 Mar 2019 7:00 am

Brands Have Learned the Value of Purpose. Now They Must Actually Become Purpose-Led

SHARED PURPOSE

So why is authentic purpose so difficult to achieve?

There are 3 tensions that underpin why purpose is so difficult for so many companies fail to get right

- Companies created in the past were fundamentally driven by growth and delivering profit. Having a social purpose requires a philosophical shift for them. → **Believability issue**

- For most companies which are not created with purpose at their core, the drive to be purposeful is externally imposed by consumer and audience expectations. → **Depth issue**

- The line on responsibility split between government and business to take care of society is increasingly blurred. → **Expectations issue**

"Greed…is good!"
- Michael Douglas, as Gordon Gekko, in *Wall Street* (1987)

"We've been afraid to mix philanthropy and charity with business … But what I learned is that, when you incorporate giving into your business, your customers become your greatest marketers."

— Blake Mycoskie, founder of TOMS shoes

SHARED PURPOSE

These tensions mean that there are two types of companies out there – with a very different experience of purpose

Very few are
'SOCIAL PURPOSE NATIVES': brands which integrated social purpose into their business models from the start

Most companies, however, see themselves as
'SOCIAL PURPOSE IMMIGRANTS': established brands which have grown without a well-defined social-purpose strategy and are now seeking to develop one

Perceptions of authentic purpose are anchored in:

- Audience expectations,
- Company track-record with purpose, and
- Company reputations with regards to issues linked to their activity

SHARED PURPOSE

Some key questions companies face when defining a social purpose

Whether to develop a purpose and what issue to anchor it in…

- What license do we as a company have to 'help solve' social issues?
- Isn't purpose just for consumer brands or does it have a role to play in the B2B space?
- What issues would we be credible in helping to solve? Do these need to be immediately business-relevant?
- How to involve employees to inform our purpose focus?

Importantly, it's not just about what issue you pick but how you engage on it…

- What types of purpose activity are authentic? Is purpose-driven marketing enough?
- How do we demonstrate we are serious about making an impact on an issue?

Some of the things we've heard from brands:

"We are not Unilever, we make sugary snacks. We don't feel we have a license to help solve wider social issues."

"Shouldn't we start focusing on mental health because obesity is so 'yesterday' as an issue."

"We need to show we have some skin in the game and that this position we are holding has cost us too, otherwise we won't be credible."

SHARED PURPOSE

Why are some purpose campaigns perceived to be inauthentic?

- Credibility of brand carrying the message
- Don't know their audience
- Too dramatic of a pivot without context
- Self-agrandisement, not humility to know your role in the issue ecosystem
- The company isn't actually doing anything that makes an impact
- Using an issue vs. championing it

What do consumers really think about social purpose?

5th June 2019

Cut To The Chase 5

There are some pretty serious issues out there...

Cut To The Chase 5

d.

It's hard to argue that the top 5 social issues aren't serious...

Top 5 ranked by consumers as the either very or extremely serious
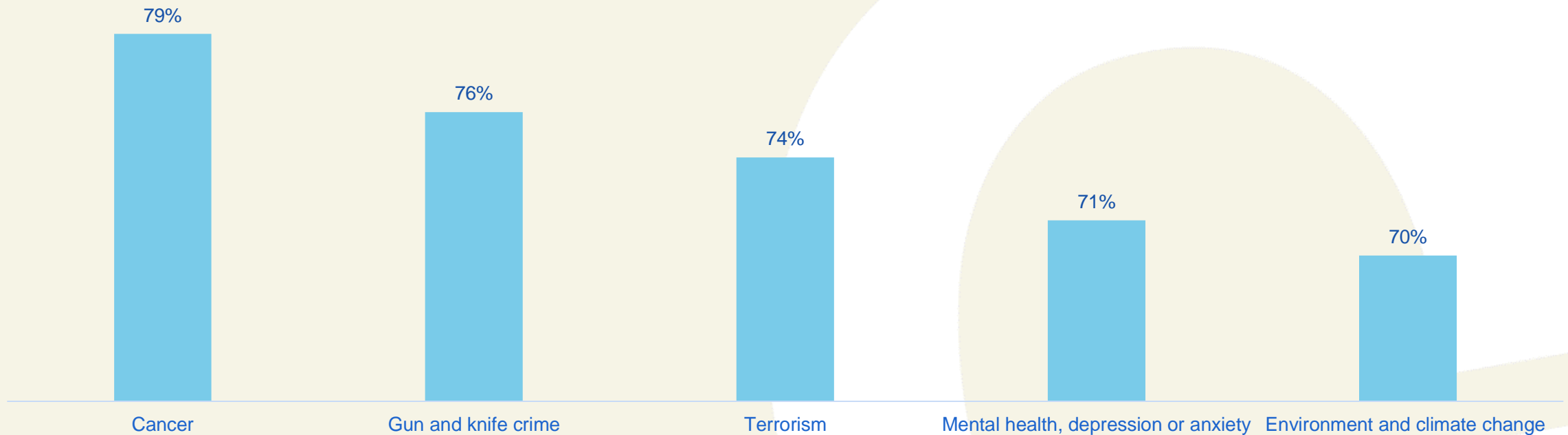
79%	76%	74%	71%	70%
Cancer	Gun and knife crime	Terrorism	Mental health, depression or anxiety	Environment and climate change

SP1 The following are some issues that are potential problems or causes in society, either in this country or around the world.   Thinking about these issues, how serious a problem or cause do you consider each one to be? [NET Very and extremely serious] N=2,007

But there's a long tail of issues we think are serious...

From the environment to human rights, health issues and education

Bar chart values:

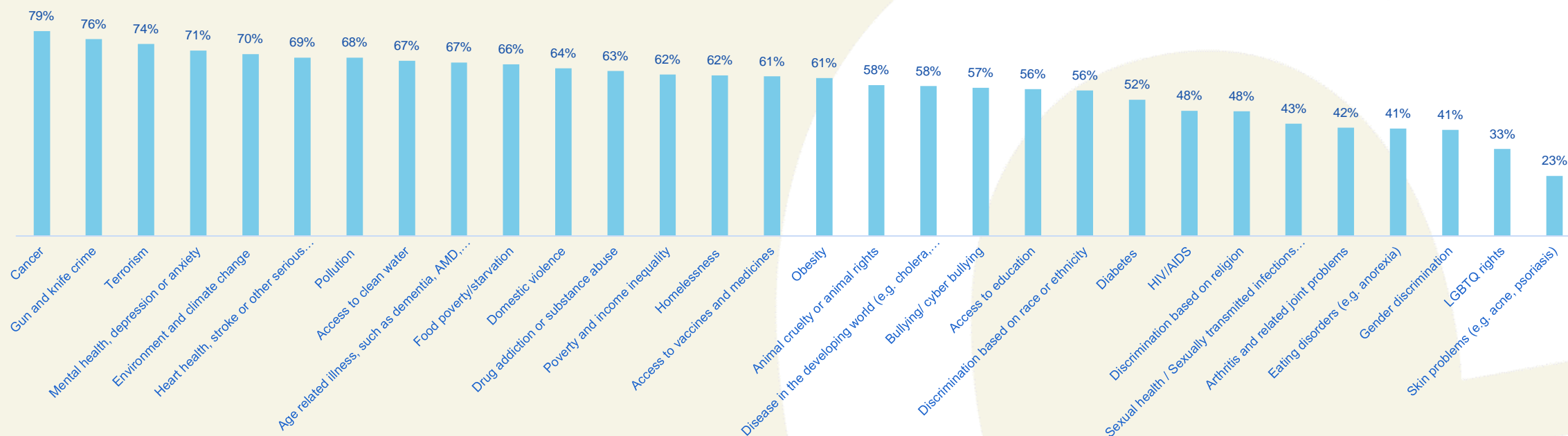| Issue	%
Cancer	79%
Gun and knife crime	76%
Terrorism	74%
Mental health, depression or anxiety	71%
Environment and climate change	70%
Heart health, stroke or other serious...	69%
Pollution	68%
Access to clean water	67%
Age related illness, such as dementia, AMD,...	67%
Food poverty/starvation	66%
Domestic violence	64%
Drug addiction or substance abuse	63%
Poverty and income inequality	62%
Homelessness	62%
Access to vaccines and medicines	61%
Obesity	61%
Animal cruelty or animal rights	58%
Disease in the developing world (e.g. cholera,...	58%
Bullying/ cyber bullying	57%
Access to education	56%
Discrimination based on race or ethnicity	56%
Diabetes	52%
HIV/AIDS	48%
Discrimination based on religion	48%
Sexual health / Sexually transmitted infections...	43%
Arthritis and related joint problems	42%
Eating disorders (e.g. anorexia)	41%
Gender discrimination	41%
LGBTQ rights	33%
Skin problems (e.g. acne, psoriasis)	23%

SP1 The following are some issues that are potential problems or causes in society, either in this country or around the world.   Thinking about these issues, how serious a problem or cause do you consider each one to be? N=2,007

d.

What are the most "important" social issues?

d.

Whilst Cancer still tops the list of **important** social issues, the environment and climate change move up the list.

Top 5 most important social issues
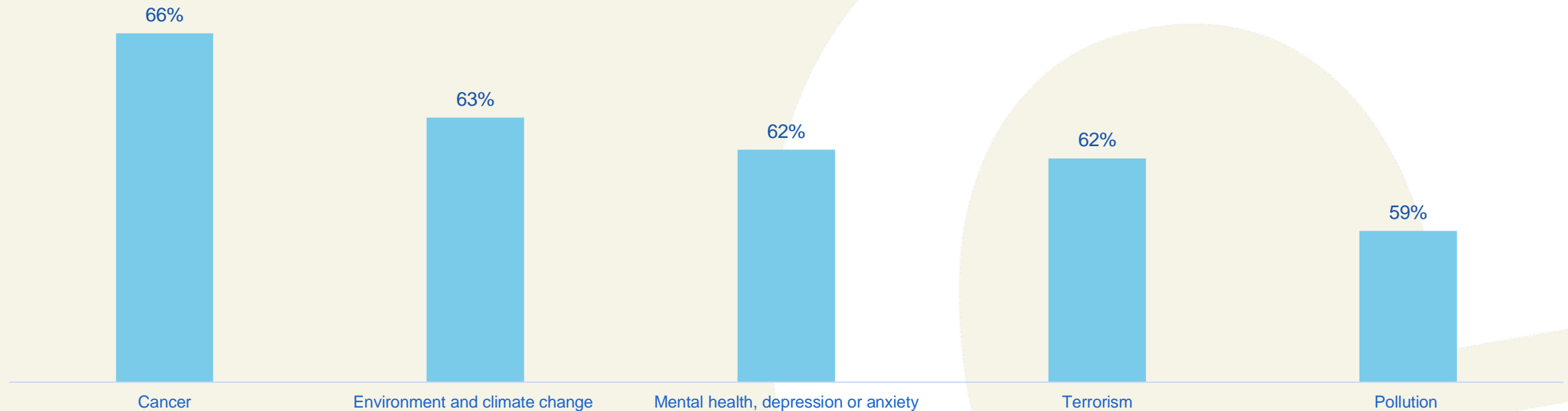
SP2 - How important to you personally are each of these issues or causes? N=2,007

There's a long list of important social issues many of which impact only part of the population

Long list of social issues ranked by importance to the general population

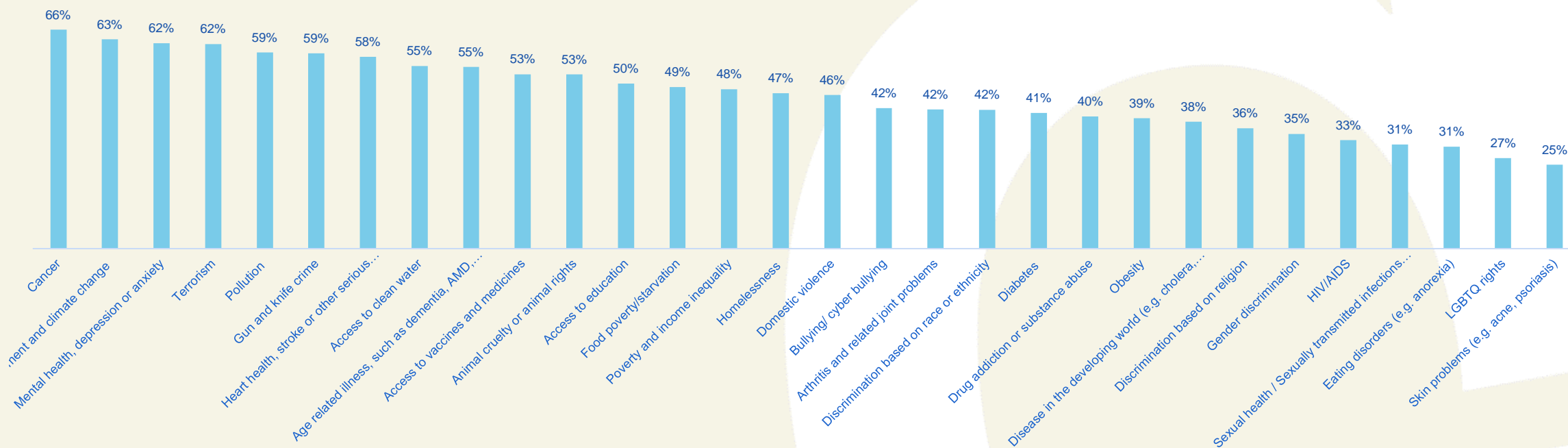| Issue	%
Cancer	66%
...ment and climate change	63%
Mental health, depression or anxiety	62%
Terrorism	62%
Pollution	59%
Gun and knife crime	59%
Heart health, stroke or other serious...	58%
Access to clean water	55%
Access to vaccines and medicines	55%
Age related illness, such as dementia, AMD,...	53%
Animal cruelty or animal rights	53%
Access to education	50%
Food poverty/starvation	49%
Poverty and income inequality	48%
Homelessness	47%
Domestic violence	46%
Bullying/ cyber bullying	42%
Arthritis and related joint problems	42%
Discrimination based on race or ethnicity	42%
Diabetes	41%
Drug addiction or substance abuse	40%
Obesity	39%
Disease in the developing world (e.g. cholera,...	38%
Discrimination based on religion	36%
Gender discrimination	35%
HIV/AIDS	33%
Sexual health / Sexually transmitted infections...	31%
Eating disorders (e.g. anorexia)	31%
LGBTQ rights	27%
Skin problems (e.g. acne, psoriasis)	25%

SP2 - How important to you personally are each of these issues or causes? N=2,007

d.

What are consumers doing about these issues?

Cut To The Chase 5

d.

When it comes to taking action, there's a lot of talk... and a little bit of action...
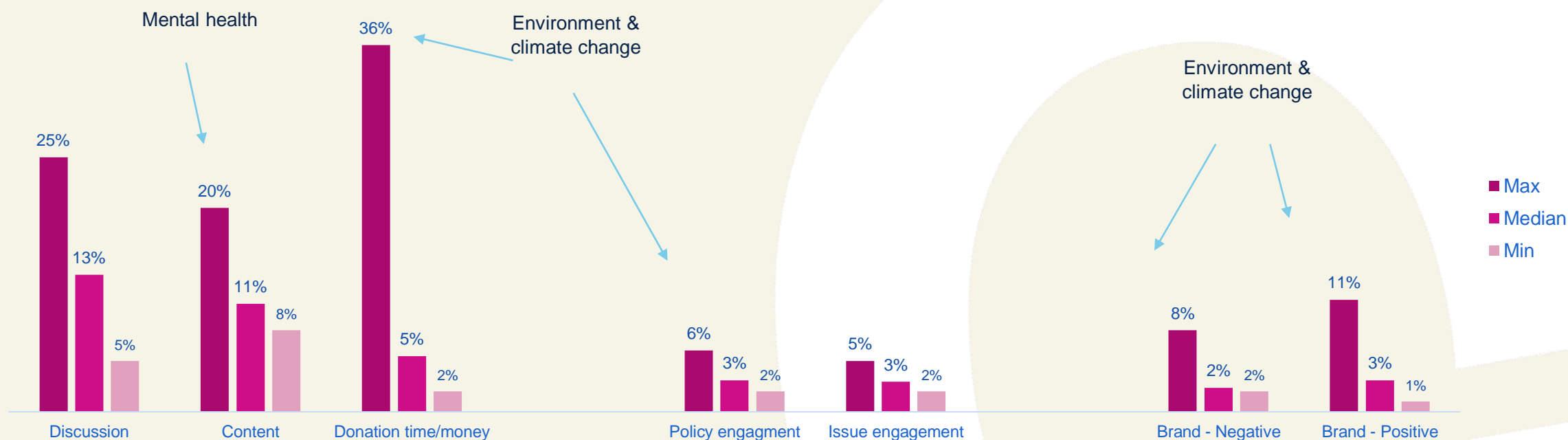
Action taken in the last 6 months	Cancer	Environment and climate change	Mental health	Terrorism	Gun and knife crime	Pollution	Heart health, stroke etc.	Access to clean water	Age related illness	Access to vaccines and medicines	Animal cruelty or animal rights
None of the above	40%	44%	47%	61%	63%	52%	57%	65%	54%	66%	49%
Talked about this issue/cause with family, friends or colleagues	17%	22%	22%	17%	16%	17%	12%	5%	15%	8%	14%
Donated money to a charity working in this area	29%	7%	11%	2%	1%	4%	13%	10%	12%	4%	17%
Posted or shared content about this issue/cause on social media	5%	7%	7%	3%	3%	5%	2%	1%	3%	3%	6%
Read someone else's blog who talks about this issue/cause	4%	6%	7%	3%	3%	4%	3%	2%	3%	2%	4%
Other action/activity	3%	6%	4%	2%	2%	6%	3%	2%	3%	2%	3%
Bought a product/ service from a brand because they supported this cause	6%	7%	3%	1%	1%	4%	4%	2%	3%	1%	5%
Taken part in a fund-raising activity for a charity working in this area	7%	2%	3%	1%	1%	2%	3%	2%	3%	1%	3%
Commented about this issue on someone's blog	2%	3%	3%	1%	2%	2%	1%	1%	2%	2%	2%
Written comments on an online bulletin board, website, chat room or blog	2%	3%	2%	1%	1%	2%	1%	1%	2%	2%	2%
Boycotted a company's products because of what it does or doesn't do in this area	1%	5%	1%	2%	1%	4%	1%	1%	1%	1%	4%
Paid a premium price for a product because they supported the cause	2%	4%	1%	1%	1%	2%	1%	2%	1%	1%	2%
Advised someone to use or avoid a company because of what it does or doesn't do	1%	4%	2%	1%	1%	3%	1%	1%	1%	1%	3%
Volunteered for a charity working in this area	3%	2%	3%	1%	1%	1%	1%	1%	2%	1%	2%
Written or called a politician (e.g. the Prime Minister, your MP)	1%	2%	1%	2%	2%	2%	1%	1%	1%	1%	2%
Attended a public meeting	1%	2%	2%	1%	1%	2%	1%	1%	1%	1%	1%
Attended a protest march or demonstration about this topic	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	2%
Served on a committee of a local organisation	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Contacted a brand directly about this issue (e.g. via letter or social media)	1%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%
Written an article for a magazine or newspaper about this issue/cause	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Written about this issue/cause in your blog (if you have one)	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%
Served as an officer of a club or organisation	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Written a letter to an editor or called a live broadcast	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%

SP8 Which, if any, of the following actions have you personally taken, in the last 6 months, in order to help address each issue, or support that cause? N=2,007

d.

On average just 13% of consumers are actively discussing the these social issues although some gain more traction than others

Discussion with family and friends leads to content consumption and authoring, then donation of time and money. Further on, there is engagement with policy and issue directly as well as an impact on brand purchasing.

Mental health

Environment & climate change

Environment & climate change

Legend:
- Max
- Median
- Min

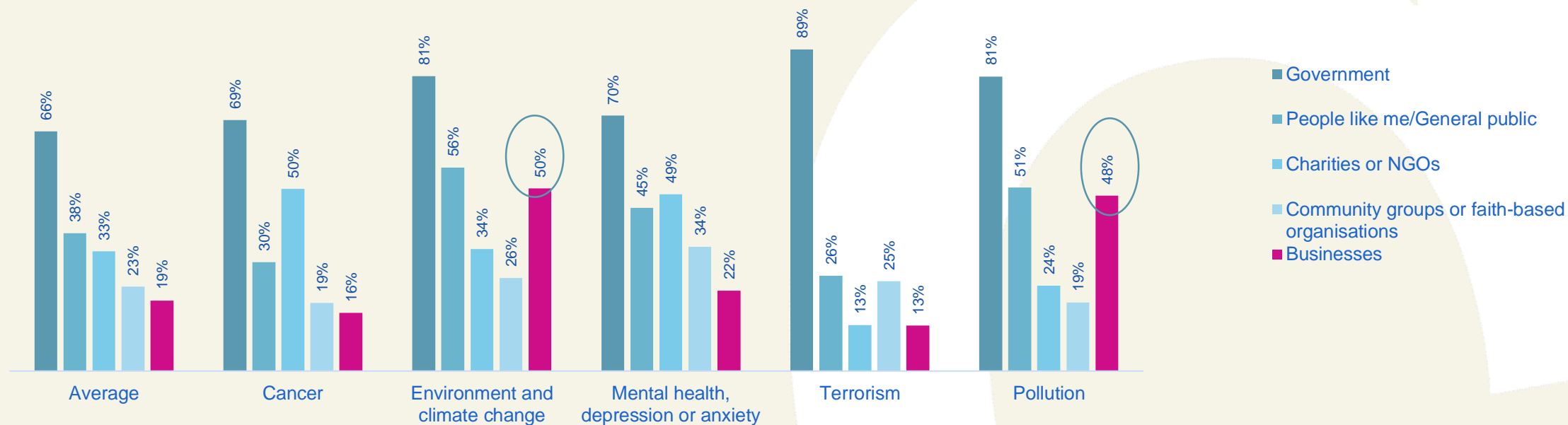|	Discussion	Content	Donation time/money	Policy engagment	Issue engagement	Brand - Negative	Brand - Positive
Max	25%	20%	36%	6%	5%	8%	11%
Median	13%	11%	5%	3%	3%	2%	3%
Min	5%	8%	2%	2%	2%	2%	1%

SP8 Which, if any, of the following actions have you personally taken, in the last 6 months, in order to help address each issue, or support that cause? [Median values across causes] N=2,007

d.

So, who should be addressing these social issues?

d.

Government is seen as the lead institution responsible for taking action on societal issues but business does have a role to play
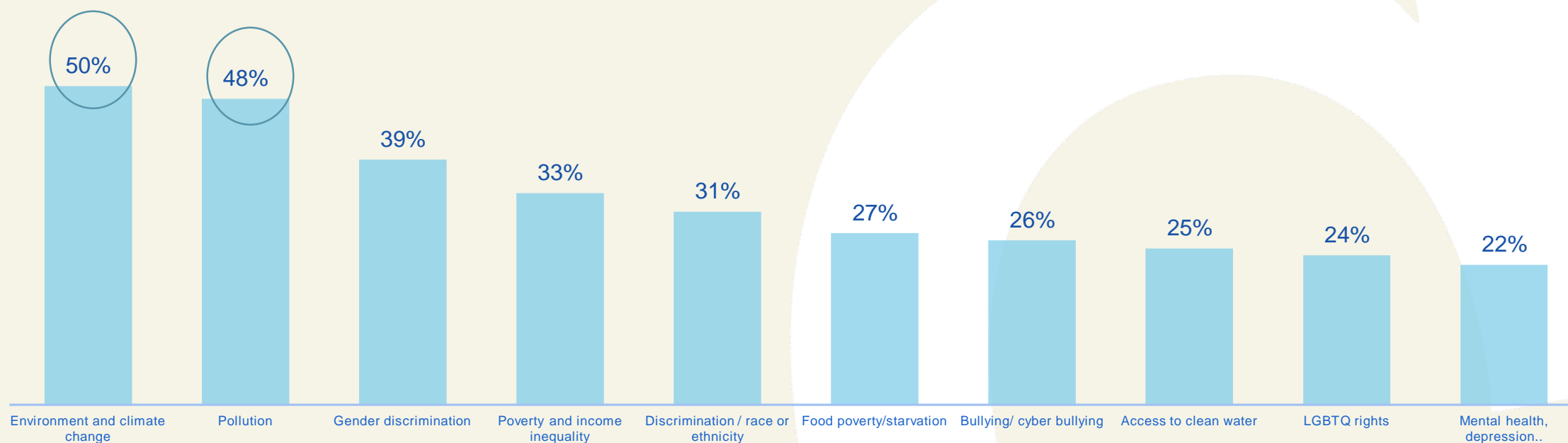
Business is not required to take action across all social issues.

Average: Government 66%, People like me/General public 38%, Charities or NGOs 33%, Community groups or faith-based organisations 23%, Businesses 19%

Cancer: Government 69%, People like me/General public 30%, Charities or NGOs 50%, Community groups or faith-based organisations 19%, Businesses 16%

Environment and climate change: Government 81%, People like me/General public 56%, Charities or NGOs 34%, Community groups or faith-based organisations 26%, Businesses 50%

Mental health, depression or anxiety: Government 70%, People like me/General public 45%, Charities or NGOs 49%, Community groups or faith-based organisations 34%, Businesses 22%

Terrorism: Government 89%, People like me/General public 26%, Charities or NGOs 13%, Community groups or faith-based organisations 25%, Businesses 13%

Pollution: Government 81%, People like me/General public 51%, Charities or NGOs 24%, Community groups or faith-based organisations 19%, Businesses 48%

Legend:
- Government
- People like me/General public
- Charities or NGOs
- Community groups or faith-based organisations
- Businesses

SP3 - Thinking now about creating solutions for the following issues…   Who do you think should take responsibility for taking action to address and help solve each of these issues? Average across all issues and top 5 based on importance shown.

Business in general is given licence to take action on the environment – Equality and the food chain also feature highly

Rank of social issues where Business is cited as responsible for taking action to help sole the issue, alongside other institutions

Issue	%
Environment and climate change	50%
Pollution	48%
Gender discrimination	39%
Poverty and income inequality	33%
Discrimination / race or ethnicity	31%
Food poverty/starvation	27%
Bullying/ cyber bullying	26%
Access to clean water	25%
LGBTQ rights	24%
Mental health, depression..	22%

SP3 - Thinking now about creating solutions for the following issues...   Who do you think should take responsibility for taking action to address and help solve each of these issues? Average across all issues and top 5 based on importance shown.

d.

Where do consumers want business to help?

Cut To The Chase 5

d.

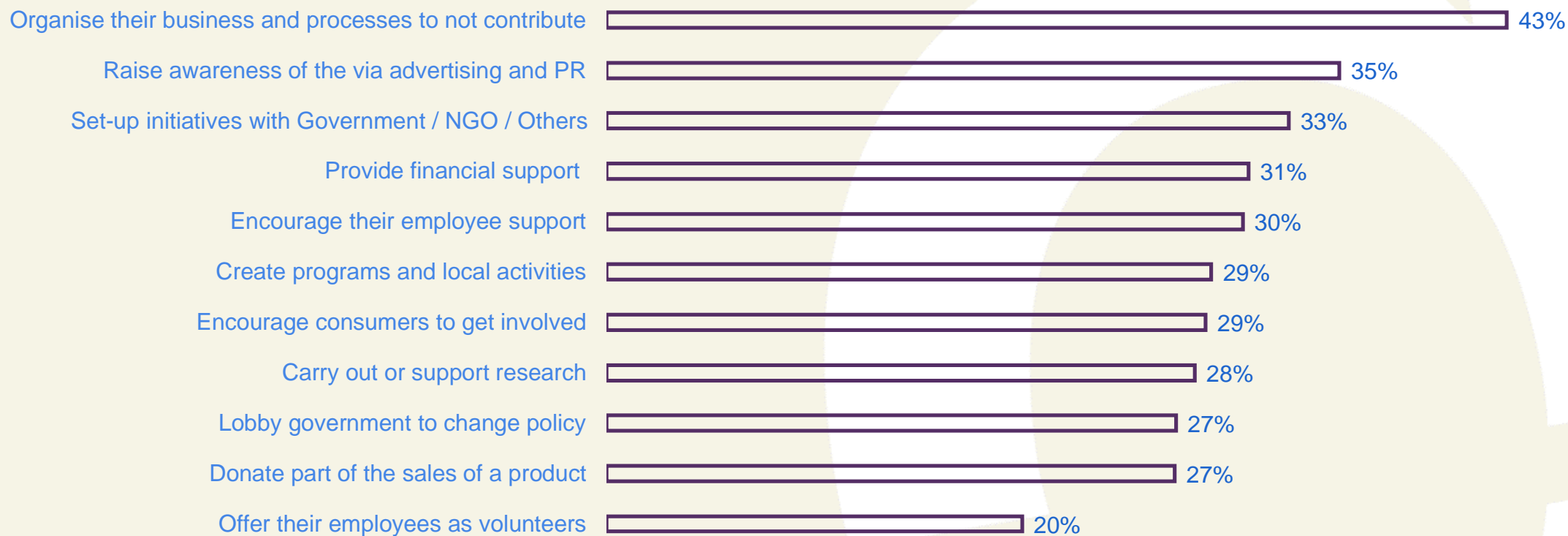# Each sector has key social issues to address

Issue	Alcoholic drinks	Automotive	Beauty brands	Clothing or footwear brands	Telecoms	Financial services brands	Food brands	Household cleaning	Pharma	Oil, gas and petrol	Other personal care	Soft drinks brands	Sport clothing and equipment	Technology brands	Travel brands	Utilities providers
Pollution	43	89	54	51	49	43	56	74	57	100	46	49	43	62	85	89
Obesity	68	9	20	20	10	10	97	9	39	8	24	87	27	17	12	8
Environment and climate change	45	82	55	56	53	48	63	69	57	97	45	52	48	69	86	87
Access to vaccines and medicines	12	13	18	13	18	27	12	15	90	20	26	14	14	24	21	19
Food poverty /starvation	37	18	19	22	22	34	89	19	34	27	22	56	21	25	27	28
Diabetes	57	7	11	13	14	13	85	11	57	7	19	71	15	13	14	13
Disease in the developing world	21	21	25	24	30	35	30	24	82	36	31	25	23	32	38	36
Cancer	40	29	40	23	29	28	43	32	81	33	35	38	23	33	24	26
Mental health, depression or anxiety	57	36	52	42	52	53	44	35	74	36	45	39	46	51	41	38
Arthritis and related joint problems	21	16	18	21	22	20	25	16	73	13	30	22	22	23	20	17
Bullying/ cyber bullying	25	21	30	27	66	30	22	20	25	21	25	25	26	72	25	23
Heart health, stroke etc,	59	17	22	18	20	20	64	18	71	18	30	52	32	23	19	18
Drug addiction or substance abuse	47	8	16	9	16	17	19	10	70	13	16	19	13	16	16	9
Animal cruelty or animal rights	23	19	70	40	24	23	51	45	62	28	46	25	26	25	29	25
Access to clean water	29	21	20	21	22	28	37	30	41	46	24	41	21	26	38	67
HIV/AIDS	24	19	26	17	20	21	17	17	66	15	32	19	18	18	20	20
Poverty and income inequality	37	34	34	44	44	66	51	35	42	44	37	36	38	45	38	52
Gender discrimination	50	50	65	62	55	58	48	49	50	48	56	48	58	55	53	49
LGBTQ rights	46	43	61	59	56	52	48	43	51	44	54	48	55	54	52	46
Discrimination based on race or ethnicity	50	50	60	60	59	59	51	50	54	51	53	51	58	58	59	52
Age related illness	23	17	27	21	31	35	31	23	60	22	35	20	19	35	23	28
Access to education	22	21	22	26	51	58	29	22	32	36	22	25	27	56	33	35
Skin problems	15	9	56	19	9	12	22	27	56	8	42	18	12	12	12	10
Eating disorders (e.g. anorexia)	29	6	31	26	15	15	56	10	33	11	29	41	20	16	9	7
Homelessness	33	21	27	38	31	53	43	25	37	29	36	28	27	31	29	39
Terrorism	22	28	22	22	49	49	20	23	28	32	21	22	22	53	45	34
Discrimination based on religion	44	44	46	50	53	49	44	41	43	44	45	45	48	51	49	45
Sexual health	29	13	25	20	24	11	11	16	47	13	35	20	13	14	17	16
Domestic violence	45	25	37	33	37	34	27	32	35	26	34	29	25	34	28	29
Gun and knife crime	35	27	21	28	32	25	19	19	24	24	19	24	32	34	24	18

SP5 For each of the following issues/causes, which types of business do you think should be involved in each area? % Selected indexed against maximum. DNA highlighting is within columns and issues are ranked on average value across the sectors.

d.

Consumers want businesses to firstly stop contributing to the social issues, raise awareness and facilitate partnerships
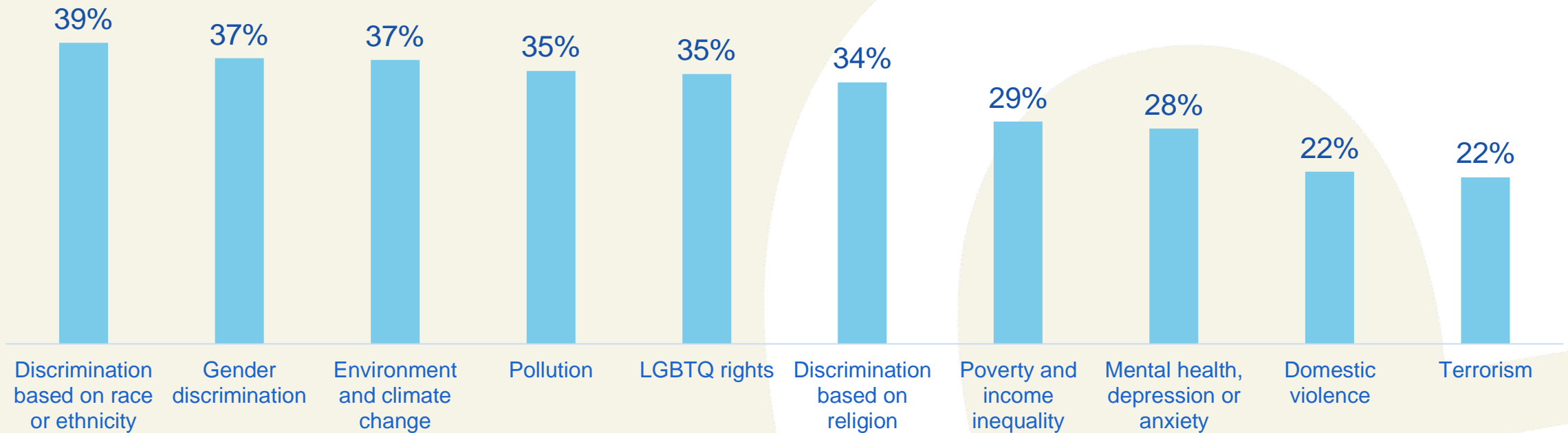
How should businesses help with the social issue?

Organise their business and processes to not contribute	43%
Raise awareness of the via advertising and PR	35%
Set-up initiatives with Government / NGO / Others	33%
Provide financial support	31%
Encourage their employee support	30%
Create programs and local activities	29%
Encourage consumers to get involved	29%
Carry out or support research	28%
Lobby government to change policy	27%
Donate part of the sales of a product	27%
Offer their employees as volunteers	20%

SP4 – Ranked average across social issues, excluding Not sure, Other action, None of the above [Base, those mentioning business as a solution]

d.

In B2B, if "industry" is less obvious to a consumer, a generic role evolves around "workplace" such as discrimination and the environment

In the absence of an associated industry or sector, consumers rank the following social issues for B-to-B businesses. These issues are clearly difficult for a brand to address in day-to-day business.

Category	Percentage
Discrimination based on race or ethnicity	39%
Gender discrimination	37%
Environment and climate change	37%
Pollution	35%
LGBTQ rights	35%
Discrimination based on religion	34%
Poverty and income inequality	29%
Mental health, depression or anxiety	28%
Domestic violence	22%
Terrorism	22%

SP5 Still thinking about how businesses can act to help find solutions for different issues/causes... For each of the following issues/causes, which types of business do you think should be involved in each area? Showing "B-to-B" businesses (businesses who supply other businesses)

d.

Summary

Cut To The Chase 5

d.

Summary

1

Cancer, Environment and climate change, Mental health, Terrorism and Pollution top the list of social issues but in reality.

Cancer and the Environment are the social issues with most direct engagement from consumers.

This engagement can lead to interactions in policy, addressing the social issue directly and can also impact reputation and consideration of brands.

2

Government is seen as the lead institution responsible for taking action on societal issues but business does have a role to play.

Generic business is seen as important in addressing the environment, climate change and pollution but this does not take into account how individual sectors are perceived.

3

Each sector has key social issues to address, some more obvious, some less so.

Consumers want businesses to firstly stop contributing to the social issues, raise awareness and facilitate partnerships.

Understanding the nuances of each sector, as well as consumer engagement with issues is critical to engaging with social purpose.

SHARED PURPOSE

Building authentic purpose – 5 lessons for success

5th June 2019

The thing we most hear from clients: They want to be seen as a leader on an issue. But are not willing to do what it takes to be a leader.

Before embarking on developing a social purpose, get real about what is possible for your organisation.

Start with what you are willing to do. Not just what you are willing to say.

SHARED PURPOSE

1. Understand the essence of the audience you want to impact and their belief system.
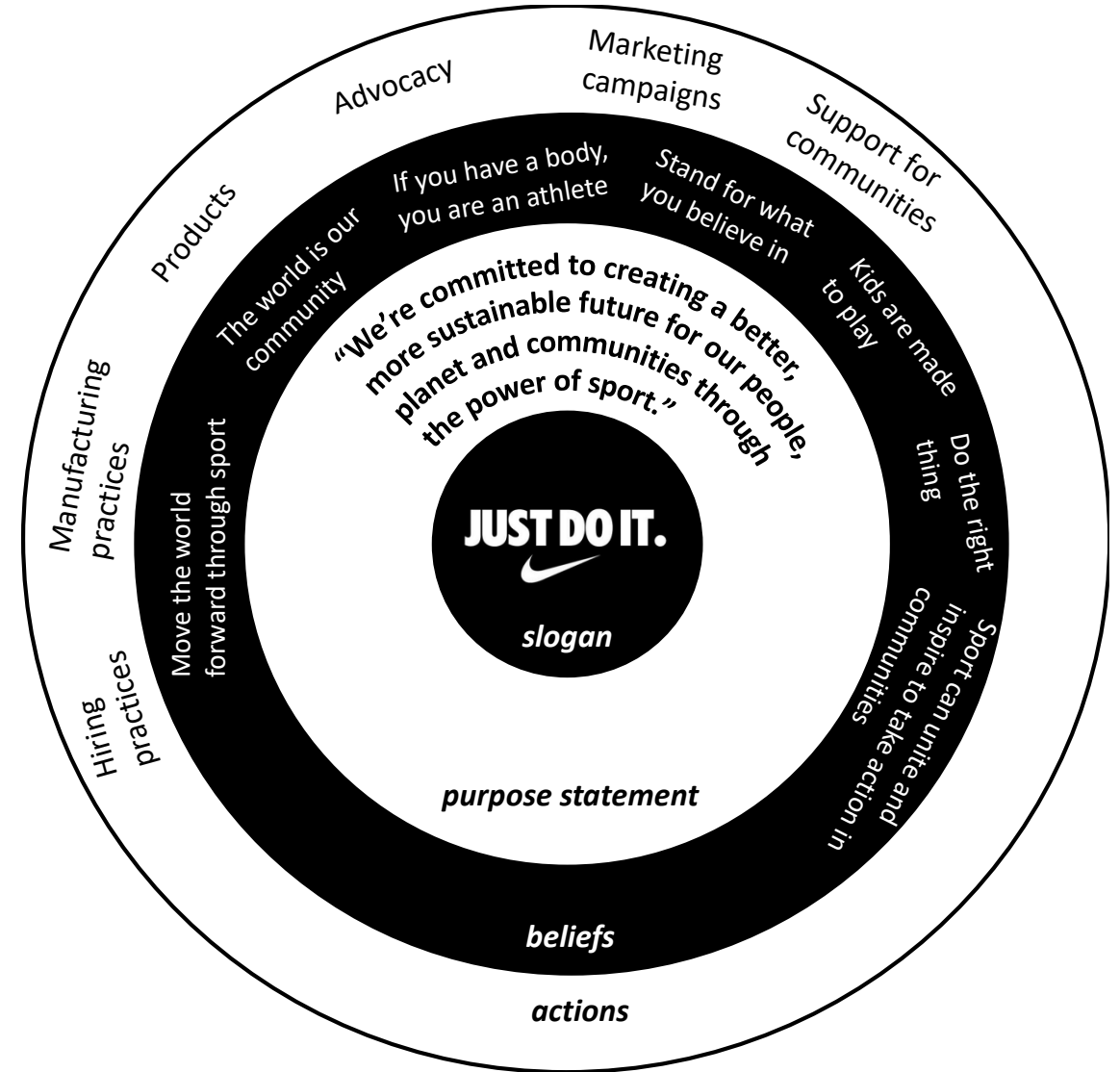
What issues do people think are important for your sector to address?

What actions do they see as credible for you to take?

2. Take a 360° view of relevant issues & be thoughtful about the one you pick to champion.

COMPANY VALUES & HERITAGE

+

CONSUMER & STAKEHOLDER PRIORITIES

+

PRODUCT/ BUSINESS EXTERNALITIES

3. When you define your core purpose, define a set of beliefs or principles that inform your actions.

Advocacy

Marketing campaigns

Support for communities

Products

If you have a body, you are an athlete

Stand for what you believe in

The world is our community

Kids are made to play

Manufacturing practices

"We're committed to creating a better, more sustainable future for our people, planet and communities through the power of sport."

Do the right thing

Hiring practices

Move the world forward through sport

JUST DO IT.

slogan

Sport can unite and inspire to take action in communities

purpose statement

beliefs

actions

4. Take a stand and don't be afraid to upset people.
Leadership can be uncomfortable.
Take advantage of opportunities to speak up.

5. Embed purpose into the way your company does business, don't just treat it as a slogan or a marketing campaign.

THE ERA OF CORPORATE BULLSH*T IS OVER.

AUTHENTIC PURPOSE REQUIRES COMPANIES TO GO BEYOND JUST PURPOSE-LED MARKETING.

MAKE A MEASURABLE DIFFERENCE.

MAKE SURE YOU ARE
- RAISING AWARENESS TO DRIVE ACTION
- CONVENING INITIATIVES WITH GOVERNMENT AND CIVIL SOCIETY
- PUTTING FINANCIAL SUPPORT BEHIND YOUR PURPOSE
- ENABLING CONSUMERS TO GET INVOLVED
- SUPPORTING RESEARCH AND ADVOCATING FOR CHANGE

ANCHOR STEWARDSHIP OF SOCIAL PURPOSE WITH THE C-SUITE. NOT MARKETING. OR HR.

SHARED PURPOSE

…last but not least…

Make sure your house is in order.

THE KEY THING CONSUMERS EXPECT IS FOR BUSINESS NOT TO CONTRIBUTE TO SOCIAL ISSUES.

❑ **PRODUCT QUALITY**

❑ **SUPPLY CHAIN SAFETY**

❑ **ETHICAL CORPORATE GOVERNANCE**

❑ **TRANSPARENCY**

❑ **REPORTING**

are table-stakes which underpin but are not sufficient for a successful purpose

Questions?

Cut To The Chase 5

d.

What do consumers really think about social purpose?

5th June 2019

Cut To The Chase 5