
WILL 2019 BE THE YEAR BRANDS EMBRACE PURPOSE?

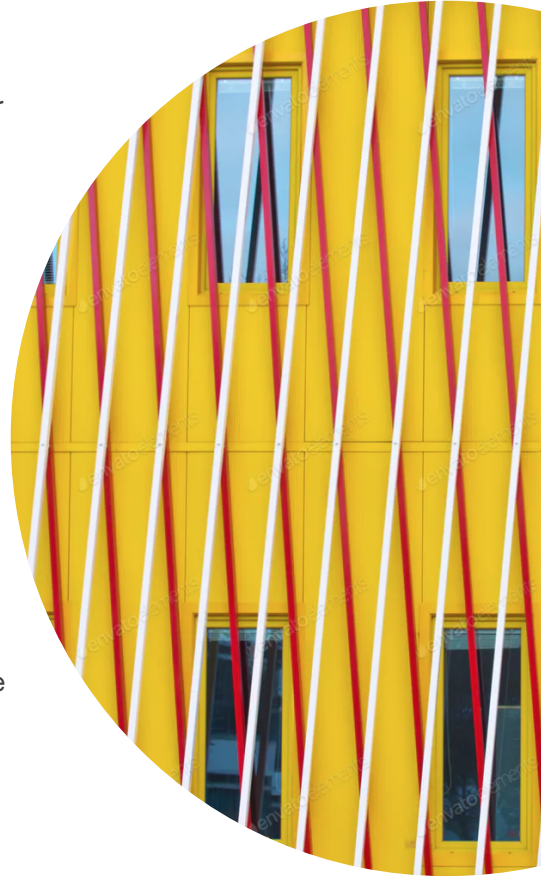
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In today's charged political and social environment, with the UK government seemingly occupied elsewhere, the rise of populism in both the US and across Europe, and the UN warning that we have 12 years to limit the effects of climate change, consumers are looking for new forces for good.

It's no wonder then that 52% of people care more about brands acting with purpose now than they did last year, and 8 out of 10 people in the UK believe it is important that brands have a voice on social issues.

At the back end of last year, Iceland made the unusual step not to produce their own Christmas advert, but instead struck a deal with Greenpeace to rebadge an animated short film featuring the plight of orangutans whose rainforest habitats are being destroyed by the palm oil industry in Asia.

This campaign highlighted the fact that earlier in the year Iceland became the first major UK supermarket to pledge to remove palm oil from all its own-brand foods. Even though the commercial was banned from appearing on TV it was ranked the 'most powerful' advert of Christmas 2018. 72% of the public declared they were more likely to shop at Iceland as a result of the campaign, with 83% feeling more positive about the brand overall.



How purpose is helping build brands...

Expectations of brands are growing. An overwhelming 80% of consumers now think big businesses have a responsibility to use their size and wealth to do good. Historically businesses have shied away from lobbying for causes for fear of disrupting their own delicate political relationships but 73% of consumers would welcome brands using their power to influence government and policy for good. With this mounting desire for brands to show enough courage to step up and represent their audiences' interests and causes, it is no longer an option to take a back seat.

Despite many businesses having to work within highly regulated environments, there is scope for them to push their immediate commercial boundaries and have a voice in other areas that may not directly relate to their business. Taking on governments and legislatures with issues such as human rights and climate change might seem like an ambitious job, but to get cut through it's the big stuff that's effective.

Sky's Ocean Rescue programme for example, aims to shine a spotlight on the issues affecting ocean health and find innovative solutions to the problem of ocean plastics. Even though Sky do not have a vested monetary interest in oceans they state that the campaign goes beyond the confines of the business and is at the heart of who they are. The company adopted a top-down approach and as a result of aggressive lobbying, more than 220 MPs and MEPs, including Environment Secretary Michael Gove, signed up to the #PassOnPlastic pledge, with sustainability bible edie.net declaring that the campaign had "ignited a wave of transformation" across consumers and businesses alike.

Brands face huge pressure to get it right when launching purpose-based initiatives, however those that do correctly gauge the public mood can reap the rewards. 80% of people are more likely to buy from a brand that 'does good' with 52% willing to pay a premium for that assurance. This number rises to almost two thirds amongst millennials which is having a direct impact on commercial success.

Take Nike; although they faced an initial political backlash when they announced a partnership with Colin Kaepernick, their gamble with engaging in such a potent issue paid off, with sales increasing by 31% in just days after the ad was unveiled and by \$6 billion within the month. The initial outrage may have lost Nike some customers, but the campaign sealed the brands relationship with a much larger, and growing customer base.



...2019 will be the year when purpose becomes an expectation

To build and maintain a brand that is relevant to today's consumers, purpose needs to be at the heart of the business and the external face of the brand. Consumers rely on external reputation, rather than their own research, to determine a brands credentials and often see little distinction between the big competing brands – it is only the ones that go over and beyond like Iceland and Sky, or are purpose-led, like The Body Shop, that stand out. Brands can't dabble in purpose; it has to define them as a business.

