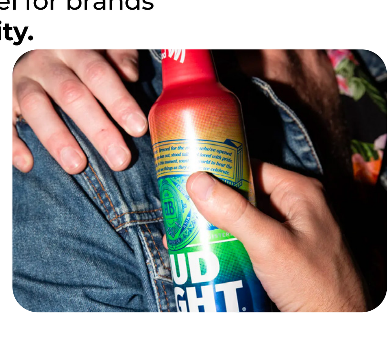
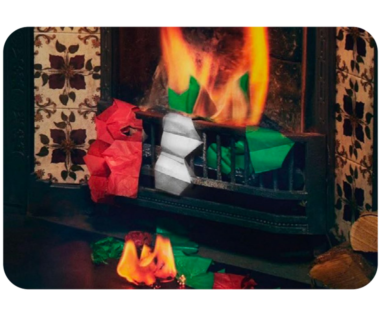
MINDFUL AUTHENTICITY

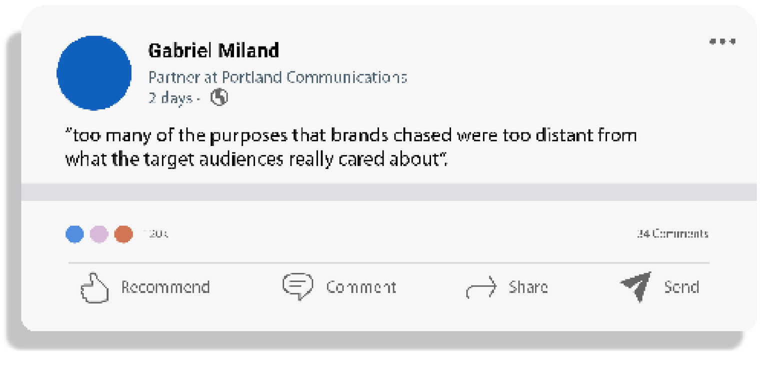
Our research across four markets into ethical business and how to communicate profit with purpose has helped us formulate a model for brands to augment their purpose driven strategy with **mindful authenticity.**



Purpose driven strategy has been spoken about a lot but has not really taken hold in the public domain in the way many expected. Accusations of greenwashing and "woke" washing are rife, however, while there are a small number of high-profile examples of significant public opinion backlash (Bud Light's campaign with Dylan Mulvaney is an often-cited illustration of this), in general, the public response has been indifference. These statement campaigns simply have not shifted the dial.



In attempting to explain why, several commentators have observed the disparity between purpose campaigns and what consumers truly want from a brand. A recent example comes from Gabriel Milland of Portland Communications who posted on LinkedIn:



Purpose driven communications have underwhelmed because, to date, they have rarely addressed what the majority are concerned about when interacting with the products and services they buy.

So, how can purpose be delivered in a way that truly impacts business outcomes?

In this piece, we investigate the public perception of what constitutes a purposeful brand. This highlights a simple strategy: to be **mindful** of, and leverage, what you already mean to consumers as central to your purpose, laying a foundation of **authenticity** to carefully align with bigger social issues when appropriate. This is not necessarily a novel approach, simply a data-backed articulation of how brands can do this well. Using the retail sector as an example, our analysis allows us to identify which brands are already doing this well across the world and provides a model for how all brands can use insight to match them.

THE BRANDS PEOPLE CONSIDER TO BE ETHICAL MIGHT SURPRISE YOU...

Top 5 spontaneously mentioned ethical brands in each market:

Who do you think is a good example of an ethical company?

	US	UK	GERMANY	INDIA
1	amazon	amazon	amazon	TATA
2	Walmart	THE BODY SHOP	REWE	amazon
3	Apple	LUSH	trigema	Reliance Industries Limited
4	Chick-fil-A	M&S	ALNATURA	Starbucks
5	patagonia	co-op	adidas	Google

In the US, UK and Germany, Amazon is named twice as often as the second most frequently named brand. Amazon provides a good example of the gap between the professional thinking in purposeful business practice and the reality for consumers. The brand delivers for its customers, they obsess over this, and it comes through in every aspect of their proposition. By consistently meeting the high expectations they have set, they come to mind for many people across the world as a 'good' company.

Looking at the other brands on this list, there appear to be three routes to occupying a strong share of mind in 'good' business:

1. **Familiarity** plays a role here. If your brand is widely used and accessible enough you will be top of mind for multiple associations, including being 'good'. Tata, Walmart and Apple fit this model.
2. **Goodness baked in** as part of the brand story. Some brands included are conceived with a clear ethical message which resonates with people – Lush, Body Shop, Patagonia, Co-op, Alnatura and Chick Fil-A all have an easily recalled mission.
3. **Latent ESG** which fits with the brand's identity. Other brands have done a great job finding and speaking about their purpose having already established a brand identity – M&S, Trigema and Reliance have taken to this well.

WE THINK

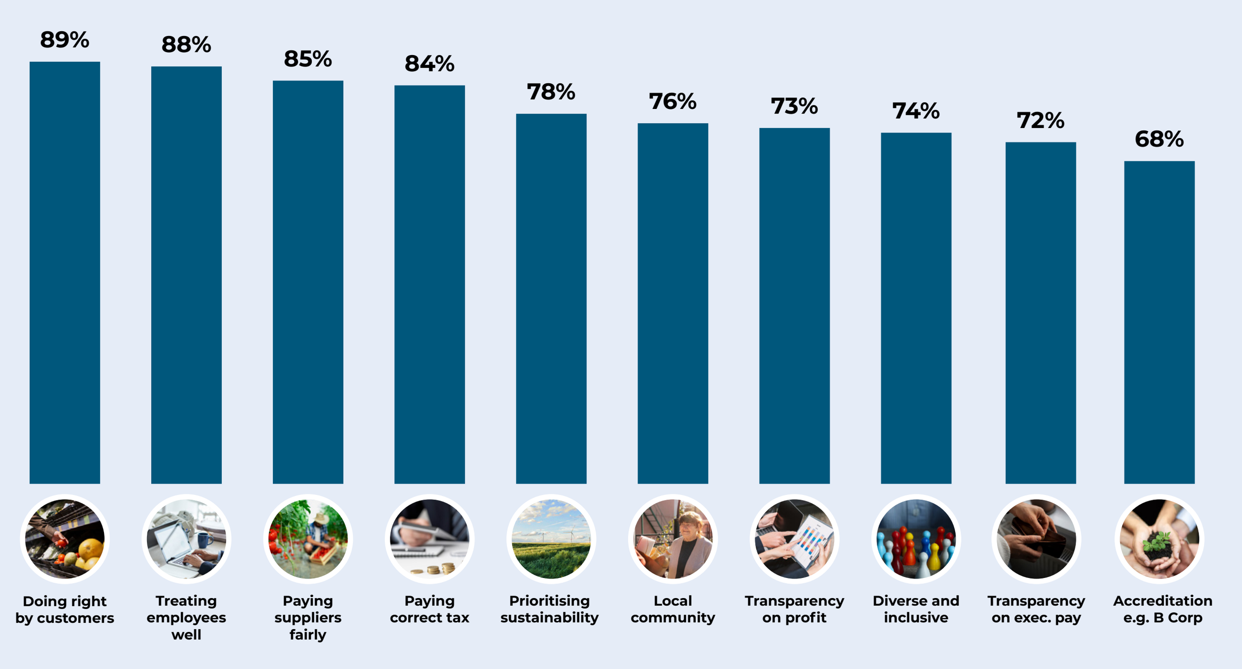
This is why we advocate for mindful authenticity to augment purpose driven strategy:

Think about how you help people in their day-to-day life, understand how that forms your purpose from a customer point of view and demonstrate it consistently.

FAIRNESS IS THE FOUNDATION OF PURPOSEFUL BUSINESS

Every feature of purpose led business we tested came through as important for the majority across all of our markets of study.

How important are each of these features to informing your opinion about a business?
% important



That said, there is a clear top tier of purposeful business. The four most important features all centre on **fairness.**

- **Doing right by customers**
- **Treating employees well**
- **Paying suppliers fairly**
- **Paying correct tax**

} **FAIRNESS**

Specifically, fairness for the various parties involved in a transaction – customers, employees, the supply chain and the country you are operating in through taxes. Our data suggests that for business to be truly purposeful, fairness is a hygiene factor.

That's not to discount sustainability, community efforts and accreditation as these are evidently important to a significant proportion, but these form a secondary layer on top of a foundation of fairness. Indeed, there are opportunities to be closely aligned to these factors, but they should be chosen carefully (mindfully) and assessed for alignment with each brand's purpose to be delivered authentically.

WE THINK

Fairness is the foundation of purpose across the world for consumers – fairness for customers, staff, suppliers and the wider economy. Brands need to be aware which, if any, of these is already baked into their positioning or has the potential to align through latent ESG messaging by deeply understanding how they are perceived by existing and potential customers and why.

PURPOSE DRIVEN COMMS CAN BE SIMPLE

A retail story

The retail sector provides an accessible example of our model for mindful authenticity. Using correspondence analysis, we are able to map the relative strength of association of retail brands to the purposeful perceptions we ranked above.

Identifying brand purpose through the eyes of consumers

We wanted to see how some of the brands we all interact with fit with these purpose factors to provide an analytical route to understanding consumer perceptions. The plots below show the relationship between three different retail brands in the US and UK and the factors which contribute to brands being considered purposeful. Physical proximity of a brand to a statement indicates the relative strength of association when compared against the other brands.

01 In both markets, Amazon sits closest to "Doing right by customers", a competitive strength which shows their positioning as 'customer obsessed' is aligning with how they are perceived.

02 Given the different retail landscapes, we then see market specificity. In the US, Walmart is transparent and locally impactful while Target is more closely aligned with diversity. Paying the correct tax pulls our US retailers apart with Amazon much further away than the other retail giants we have included.

03 In the UK, we see alignment with the features we might expect. Firstly, John Lewis sits closest to "Treating employees well", suggesting their structure as a partnership is coming through for a consumer audience. Sainsbury's fits best with "Paying suppliers fairly", another of the core elements of fairness and something they could further lean into as part of their purpose driven strategy.

Our findings show these brands are most closely associated with those ethical features related to their wider brand positioning.

This speaks to the value of understanding how your brand is perceived, playing to your strengths and being mindful of how this translates to purpose. To be clear, this is not encouragement for navel gazing and only looking internally at what you want your brand to stand for, but rather for understanding what your customers perceive you to stand for and delving into why.

Once you have established this understanding, don't constantly change messaging, don't worry about saying the right thing about every new issue - own who you are and what you do well for more mindful authenticity that matters.

WE THINK

Authenticity is the biggest challenge in purpose driven marketing. Scepticism is deeply ingrained, in fact **68% across our four markets find it hard to believe adverts claiming brands are doing something good** for the world (see our previous bulletin).

To close the authenticity gap, brands should focus on meeting customer expectations, doing what they say they will and delivering consistently. The first step is being led by customers and then to lean into these associations to build genuine, mindful authenticity.

MINDFUL AUTHENTICITY:

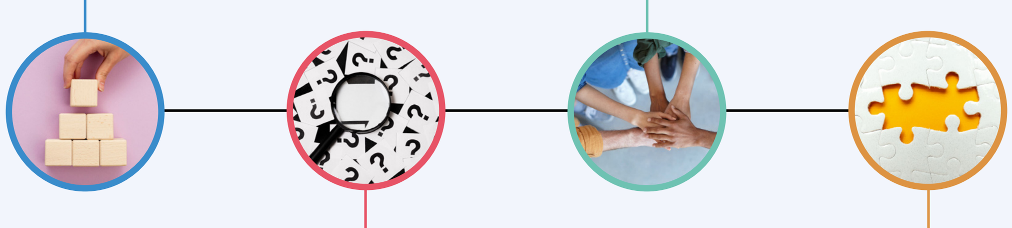
An insight based model for purpose driven strategy

01 Find your foundation

Research what your customers, desired customers and stakeholders associate your brand with in terms of purpose and constantly monitor this.

03 Emphasise your strengths

Repeatedly demonstrate those elements of your proposition in your products, service delivery and comms to further deepen that association.



02 Delve into why

Deeply understand why you have these associations and which part(s) of your proposition are delivering this.

04 Look for the gaps

When this is embedded and there is no more movement in your monitoring, look for which features of purpose no one in your category is aligned with. Obsess about which, if any, of these will overlay with your foundation and only bring in what you can authentically deliver.

Our next Thinks piece...

...will be a global sustainability segmentation based on environmental behaviours and an AI text analysis unpacking the barriers to more sustainable consumption.

Get your brand involved.

To gain a deeper understanding of your brand, and how you can communicate purpose with authenticity, reach out to Carol or Jon below to be included in our programme of self-funded research for 2024.

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Thinks Insight & Strategy is a global agency dedicated to putting the people that matter to our clients at the heart of their thinking. We help them to solve pressing social challenges, build better brands, drive new behaviours and communicate more effectively.