2019

BRANDZ™

Purpose 2020 - Igniting Purpose Led Growth

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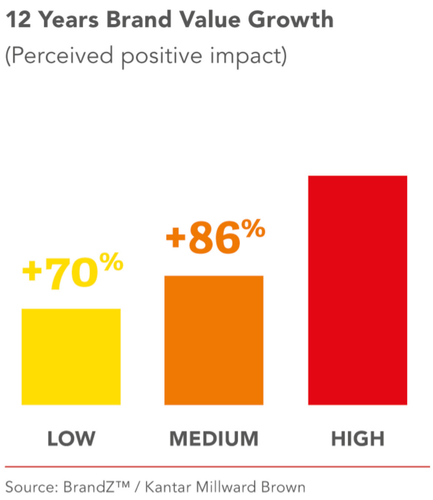
Being a purpose-led business is no longer an option. Research and experience show that purpose is required to sustain an enduring competitive edge in consumer preference, talent acquisition and business growth.

The WPP/ Kantar Millward Brown BrandZ TM brands perceived as having a high positive impact on people's lives have grown brand value 2.5 times more than brands with low perceived impact.



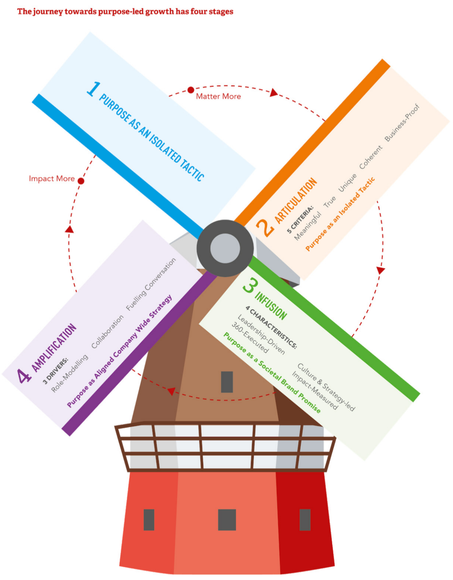
Notwithstanding such strong evidence, purpose is often criticized. Not because it is unimportant or irrelevant, but because it is misunderstood. Purpose is confused with corporate social responsibility (CSR) activities to protect the world rather than recognized to be initiatives that positively impact the world. Or it is thought to be some sort of doubletalk like greenwashing. It is easy for companies to fall into these confusions, though, so it is vital to follow a proven path to get purpose right.

Becoming purpose led is a journey

Purpose moves from a starting point to "matter more" to an end point to "impact more." Purpose often begins as an isolated tactic that, properly shepherded, grows into a promise or longer-term societal commitment that cuts across marketing functions and aims to build a brand's reputation. Next stage is for it become a company-wide strategy - a guiding principle for growth around the entire organization. Only then can it move onto the final stage, a purpose-led movement, creating positive social impact beyond the company itself.

Brands and companies begin at different stages in this journey. Some, like Patagonia, are born out of purpose. Others, such as Lego, are halfway down the path, while others, such as Nestlé, are just starting out.

There are three big steps in the journey; articulation, infusion and finally, amplification that get a brand from strategy to movement. These steps and their criteria constitute the Kantar Consulting Purpose 2020 framework.



Step 1: Articulation - Take a stand

Purpose is not vision or mission. Purpose is the reason a brand exists—it is the positive impact a brand makes in people's lives and the world they live in. Purpose articulates which direction a company is headed and what it does to get there. This is more than what a company sells, and thus, purpose is a challenging task. Five criteria to move from tactics to promise:

- Meaningful: purpose must have a strong, relevant meaning if it is to resonate. It does so by tapping into a societal tension that is bigger than functional and emotional benefits.
- True: purpose must be true to a brand's character by moving only into territories where a brand has the credibility to do so. and being careful not to trivialize serious issues or over-commercialize social problems.
- Unique: purpose must be connected to something that is distinctive about a brand in its category.
- Coherent: must be aligned not only with the brand but with the wider company, through all elements including communications, product or even external suppliers.
- Business proof: must be integrated with business goals, not ancillary to the core commercial focus of a company.

Step 2: Infusion – Involve everyone!

Infusing purpose means inspiring everyone, every time and everywhere. It is not one function like marketing, but all functions, all propositions and all decisions. In Marketing 2020, 80% of over-performing companies said they linked everything they did to purpose, compared to only 32% of under-performing companies. Four characteristics that transition a promise to a strategy:

- Leadership-driven: senior leadership must embrace purpose and commit to it in an explicit way.
- Culture- and strategy-led: purpose should engage both the heart and the mind. 91% of over-performing companies in Marketing 2020 said purpose was shared throughout the organization, versus 61% of underperforming companies.
- 360-executed: purpose must be brought to life in everything - communication, product, service and retail should combine in an integrated way.
- Impact-measured: this means going beyond traditional KPIs to include societal KPIs such as measures of impact on attitudes, values and behaviors.

Step 3: Amplification - Spark a Movement

Once purpose is articulated and infused, it must be advanced beyond the company itself. This means sparking a movement and stimulating others to join the cause. Three key ways to spark a movement:

- Role-modeling: inspiring others through actions and decisions. A company must set the bar high and then live up to those standards.
- Collaboration: working with others to accomplish a purpose. For example, Tony's Chocolonely is willing to work with anyone, even direct competitors, to fight for their purpose of slave-free cocoa.
- Cultural conversation: keeping the movement alive by constantly refueling and revitalizing the conversation about a company's purpose.

Driving purpose led growth

The path to purpose is one of aiming high to find a meaning beyond the category while navigating the terrain at ground level without stumbling. It entails finding a long-term societal tension that is relevant but unique while staying true to the brand and company.