

# The post-Purpose role for brands

An Ipsos Point of View



# The post-Purpose role for brands

An Ipsos Point of View

Brands have a role to play in our society and culture, beyond economic prosperity and maximizing shareholder value.

In an attempt to demonstrate their goodwill, many brands have spent the last few years wordsmithing and trying to demonstrate a "purpose." Post-COVID-19, brands can no longer lure consumers remixing marketing platitudes. They are now expected to inform and educate the public and make a positive contribution to the world around them.

In short:

- Brands can no longer merely claim a purpose. They must demonstrate their positive impact on society and the economy.
- Brands are now expected to educate people about the state of things, not only product know-how.
- People also expect brands to help businesses recover from the pandemic and engage in sustainable behavior.

Understanding and addressing these new expectations is key to keeping brands at the top of consumers' minds. Indeed, brand health is a constantly evolving concept as consumers' expectations shift over time, especially in the context of a global pandemic. It is therefore more important than ever to track people's perception of brands and the initiatives they undertake. In this article, we'll walk through steps brands should take with some examples of brands who are ahead of this curve.

## **People Expect Brands to Play New Roles**

Brands can no longer merely advertise their products. They must also educate consumers in their area of expertise. In the most recent lpsos study on brand truth, 7 in 10 people stated that they hold tech companies responsible for educating people on using their software and platforms.

That's why Microsoft plans to provide digital skills training for 25 million people this year under a new, multi-million-dollar initiative. The initiative will bring together <u>multiple branches</u> of the company, including LinkedIn and GitHub.

In a similar vein, Google offers free training, tools, and resources to help people grow their digital skills, career, and business. In particular, <u>Grow With Google</u> can help business owners rebound from the pandemic by teaching them how to manage their business remotely, create a website, and connect directly with their customers.

In finance, nearly 3 out of 4 people feel that financial services companies are responsible for educating people across topics like investment (74%), money management (73%), and saving (72%).

For example, Bank of America has a <u>Better Money Habits</u> initiative. It provides free tools and practical training about money to help people acquire the knowledge they need to make smarter financial decisions.

Finally, in healthcare, about 8 in 10 respondents feel that healthcare companies are responsible for educating people across topics like diseases and symptoms (84%), physical fitness (82%), and leading a healthy lifestyle (80%). Today, healthcare providers such as Aetna, Blue Cross, and Kaiser Permanente provide extensive information on how to protect oneself from COVID-19.

#### **Actions Speak Loudly**

Brands must demonstrate their positive impact on society, and not just talk about it.

In tech for example, making slick phones and intuitive user interfaces is no longer enough. Ipsos' survey on brand truth reveals that 7 in 10 participants expect tech platforms to actively enforce their standards of behavior (71%) and censor content proven to be misleading (68%). Further, people expect tech companies to support small businesses through the economic recovery. And the younger people are, the more emphasis they place on tech brands' contribution (18–34: 62%, 35–54: 55%, 55+: 48%).

To that end, SalesForce, Paypal, and Slack have teamed up with GoDaddy and 27 other companies to create "<u>open we stand</u>," a platform that helps small business stay afloat amid virus. Also, American Express has established "Stand for Small," a coalition of more than 40 companies across media, technology, consumer goods, professional services, and many other industries, that have come together to provide meaningful support to small businesses as they navigate the impacts of the pandemic.

Brands should also engage in sustainable behavior, and not just flaunt "sustainability" as a buzzword. The Ipsos brand truth survey shows that 48% are more likely to trust companies that have sustainability/social responsibility programs. In line with these findings, Google searches on "How to live a sustainable lifestyle" have increased by more than 4,550% between February and May. This suggests that as people are spending more time at home, they are doubling down on their <u>commitment to live</u> sustainably. Sustainability now spans all sectors: not only in clothing and apparel (Patagonia and Toms), but also in industries as diverse as food (Beyond Meat), cleaning products (Seventh Generation), and cosmetics (L'Oréal). Interestingly, tech brands are also committing to sustainability practices: Apple already powers its stores, offices, and data centers with renewable electricity. Next, it plans to make all its products with clean energy by 2030. Google is already the largest corporate purchaser of renewables in the world. Further, Google is implementing a 5-year sustainability strategy to build sustainability into everything it does.

Although the public's expectations towards brands had started shifting before COVID-19, the pandemic has rushed brands to no longer *talk about* but to *demonstrate* their positive impact on society. Education, economic recovery, and sustainability are just three of the initiatives the public seek. But brands can also contribute to society through innovation, safeguarding user's data privacy, or protecting users from harmful online content, among other avenues. In any case, a brand's contribution must feel tangible and relatable to the public. To do so, brands must move away from bold, vague mission statements and focus instead on *what can your brand do for me, my family, my business, and my community.* So too must brand measurement evolve to account for these new expectations.

## **Contact:**

Emmanuel.Probst@lpsos.com

#### **About Ipsos**

Ipsos is the world's third largest market research company, present in 90 markets and employing more than 18,000 people.

Our passionately curious research professionals, analysts and scientists have built unique multispecialist capabilities that provide true understanding and powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. We serve more than 5,000 clients across the world with 75 business solutions.

Founded in France in 1975, Ipsos is listed on the Euronext Paris since July 1st, 1999. The company is part of the SBF 120 and the Mid-60 index and is eligible for the Deferred Settlement Service (SRD).

ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP

www.ipsos.com

