

**PURPOSE  
ISN'T  
PURPOSE  
UNTIL  
IT'S  
REAL**



The world is literally on fire – and it feels as though  
we are fiddling with paper straws while it burns.

**Arwa Mahdawi, Guardian**

# PURPOSE. WTF?



The world's on fire, people are less engaged with business than ever, and yet brands don't seem to be able to grasp the opportunity in front of them. Which is, to become newly relevant by embracing their role in solving human, societal and environmental problems.

At a time when business lifespans are shorter than ever – and consumers claim they wouldn't care if most brands disappeared tomorrow – that's a problem.

And it's not just a problem for businesses. From widespread political disengagement to rising inequality to a runaway climate crisis, the world is facing an unprecedented series of challenges. Ones that businesses have had a significant role in causing. And could play a central role in solving.

# SO WHAT WENT WRONG?

'Purpose' was meant to solve all of this. But the predicted rise of socially conscious, purpose-led, impact-focused businesses just hasn't happened fast enough.

Why?

We think the problem lies in the whole concept of 'purpose', or at least how it's been sold to brand and business leaders.

Starting with books like 'Good to Great', purpose has been synonymous with boardroom-led navel gazing. We've been conditioned to believe that there's only one way to do it, and that it comes from the top. That there's one linear 'purpose process' that begins in the C-Suite and ends (eventually) with business transformation and positive social impact.

The problem is, most of us don't have enough influence on what happens in the C-suite. And the C-suite is often too insulated from the issues that matter to staff, stakeholders, customers and fellow citizens to engage with this new paradigm.

Which means – nothing happens. As problems accelerate the focus becomes shorter not longer. And business gets more and more out of step with the needs of the world it operates in.

And we just can't let that happen.

# 1 in 3

Only 1 in 3 can trust most of the brands they buy from according to 2019 Edelman Trust Barometer

# 41%

Of people think businesses ought to bring about positive change.

**Wolff Olins**

# 76%

Of marketing leaders believe their organisation has a defined purpose, but only one in ten actually have a corporate purpose statement backed by a meaningful activation plan.

**Purpose 2020 Kantar Consulting**

# 1/2

Nearly half of UK consumers abandon brands due to poor corporate behaviour.

**The Independent May 2017**

# NO MORE NAVELS.

The team at GOOD decided we needed to take a new approach. To stop looking at the theory and start looking at the practise. More specifically, we looked at 100 growing, successful, purposeful businesses. We examined what impacts they were making, in what areas of their business, and on what issues.

We looked at where purpose stemmed from, and how it was expressed. And not surprisingly, we discovered that the 'one purpose' assumption just wasn't true.

Rather than one model of purpose that each business replicated in its own way, we discovered many.

We found that businesses who'd got on with it had overcome internal and external challenges by focussing on impact. They'd looked at what they could do, not what they should say.

And by doing so, they'd achieved more results, faster, than organisations who'd aimed at total alignment behind a silver-bullet purpose statement.

In other words, they'd made purpose real.

Now we want to share these findings and this thinking, to inspire others to do the same. Because your staff, customers, stakeholders won't wait.

And the world simply can't.

**HUMAN  
NEEDS  
ARE NOW  
HUMANITY  
NEEDS.**





## HUMAN NEEDS ARE NOW HUMANITY NEEDS

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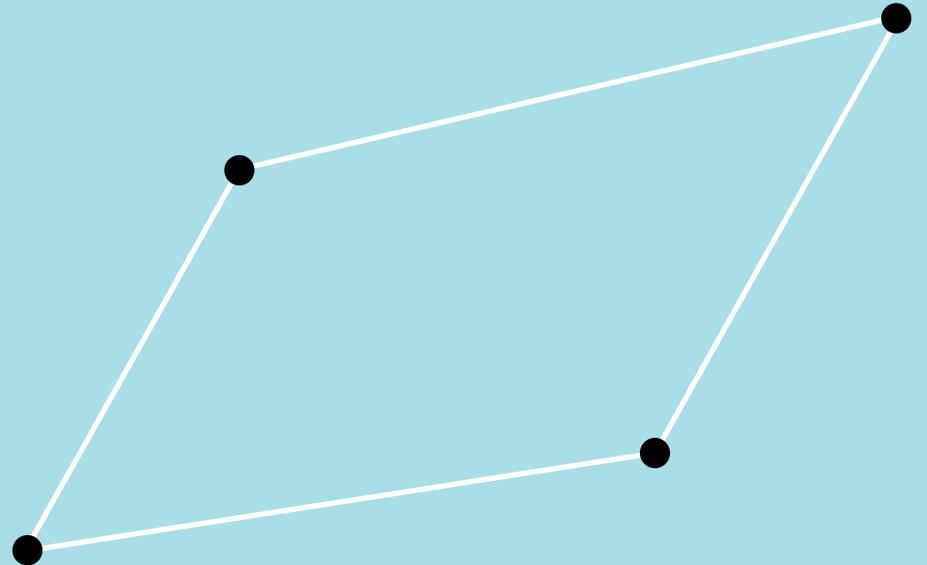
The way smart businesses understand humans is changing. But not fast enough. Too many understand human beings only as consumers. Fashion brands know everything about what their customers wear, but not why.

The progress of brands has been to understand that consumer needs interact with human needs – our desire for meaning and purpose, for love and companionship, for status and personal development. But at one level this just lead to the explosion of emotive advertising we've seen in the last few years. Brands pretending to be more human by making 'sadvertising'.

That's not enough any more. As citizens, with access to a relentless news cycle and real-time, global data, our worldview has exploded. We're more worried about fires in the Amazon than what car our neighbour is driving. We care far more about gender inequality than insurance rates.

So the most powerful and transformative intersection is now that between human needs and humanity needs. Because as people, our attention, desires and fears are increasingly bound up in 'the world' rather than just 'our world'.

# INTRODUCING THE PURPOSE PRISM



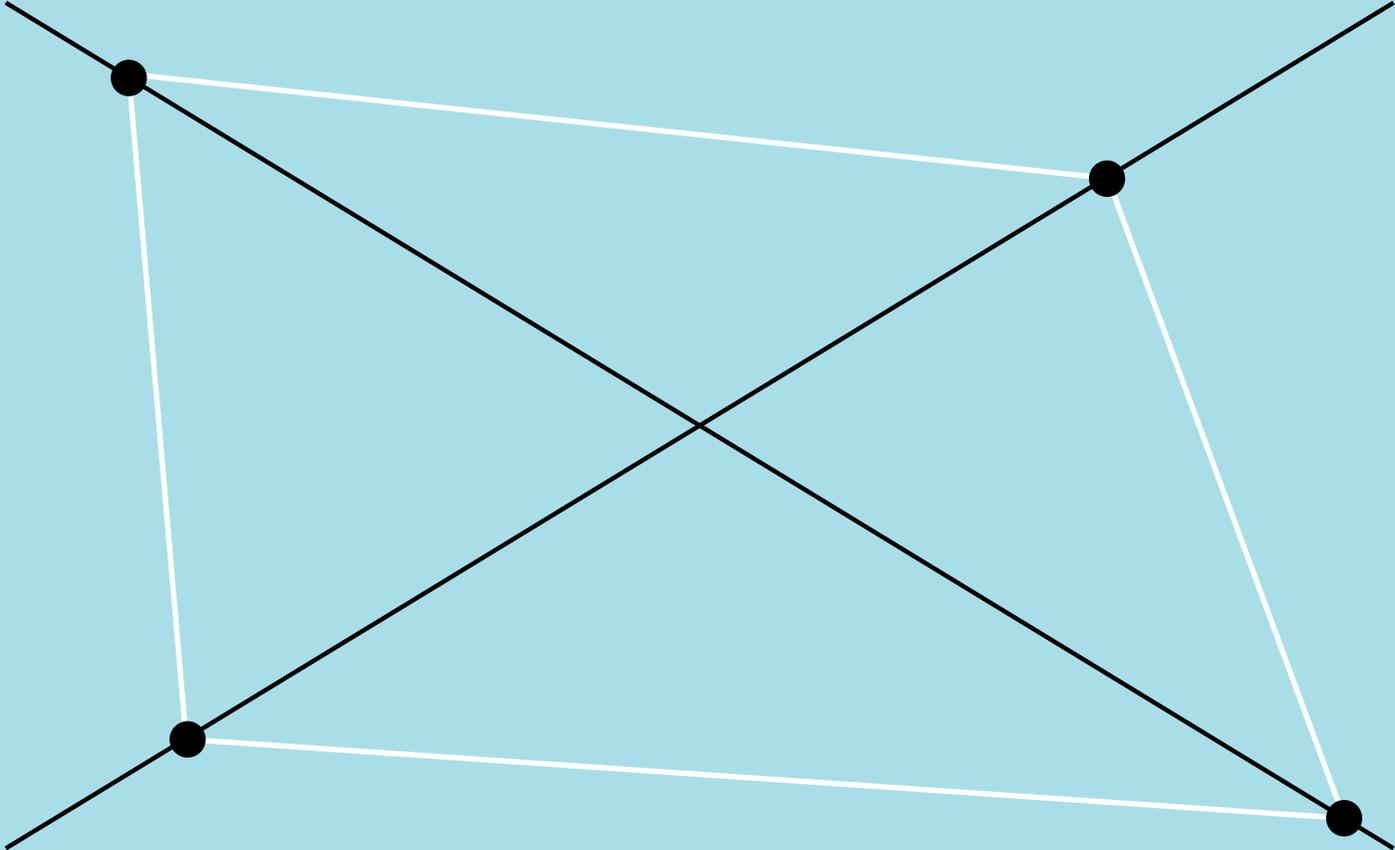
INFLUENCE

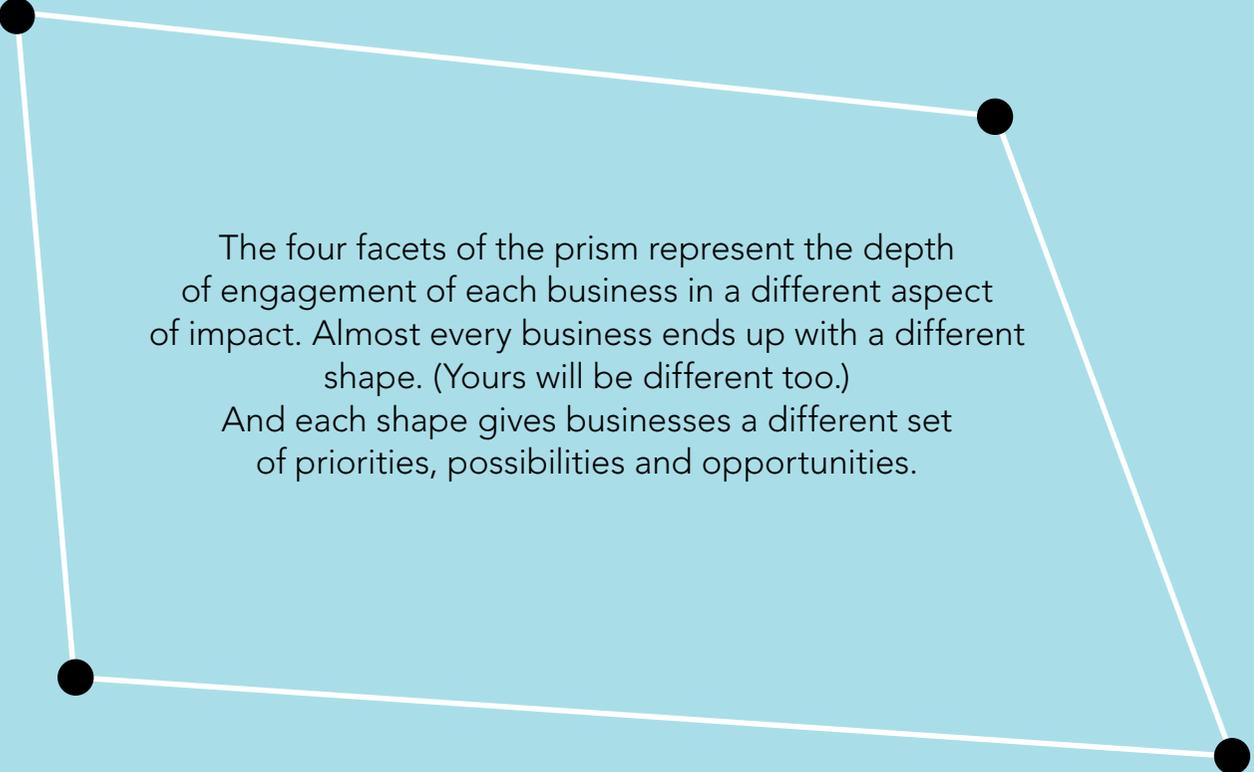
PEOPLE



PLANET

PRODUCTS





The four facets of the prism represent the depth of engagement of each business in a different aspect of impact. Almost every business ends up with a different shape. (Yours will be different too.) And each shape gives businesses a different set of priorities, possibilities and opportunities.



## INFLUENCE

How brands are using their advertising, marketing, influencers & ambassadors and media budgets to change culture, behaviours, expectations and attitudes.



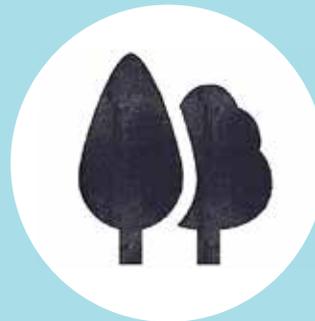
## PEOPLE

How businesses are positively impacting the lives of others, from customers to communities to marginalised groups.



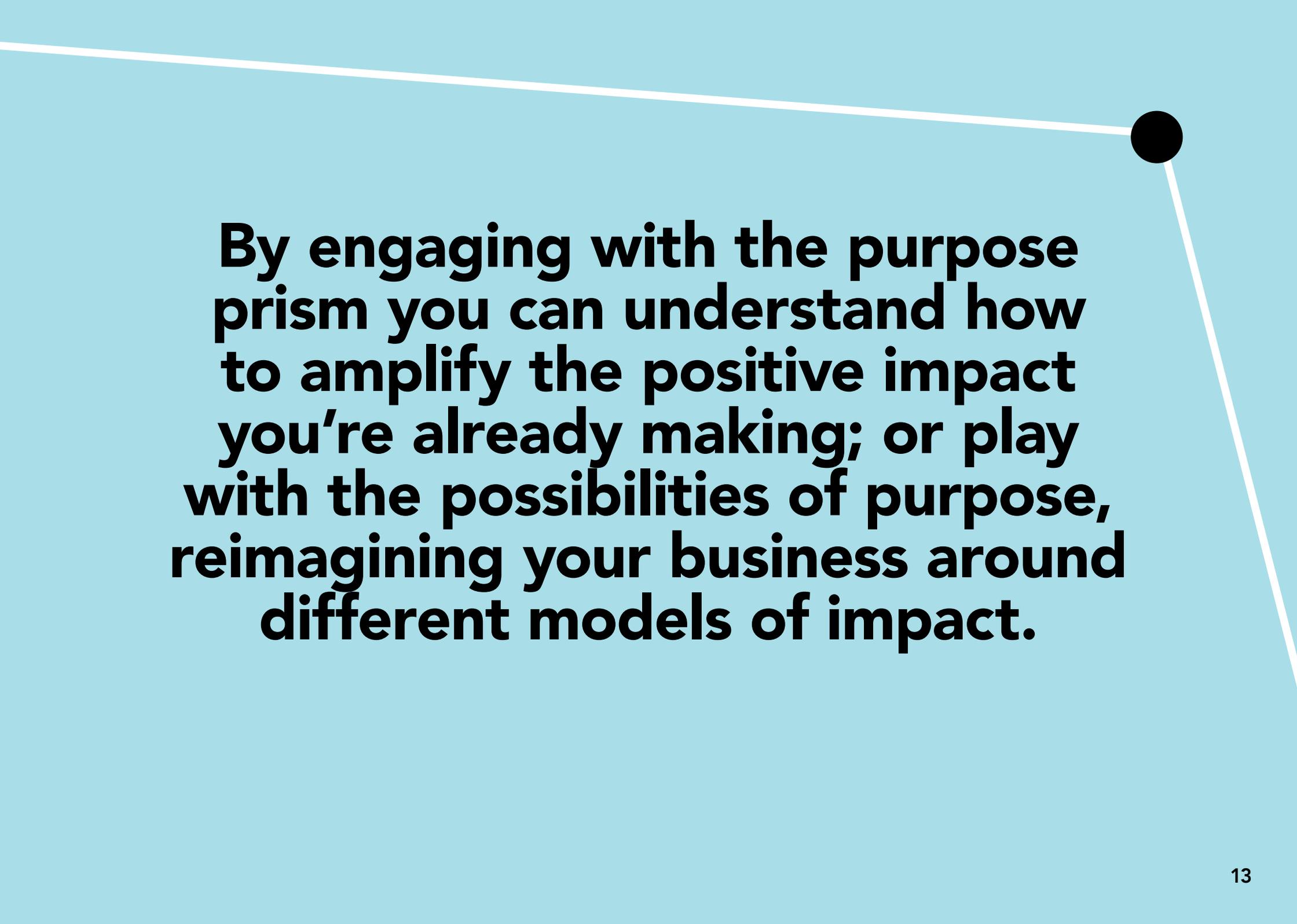
## PRODUCTS

How brands are embracing purpose-led innovation to create new products, services and operations that have a positive impact.



## PLANET

How brands are supercharging their efforts to transform supply chains, practices, packaging, behaviours to reduce environmental harm, or even become carbon-negative.



**By engaging with the purpose prism you can understand how to amplify the positive impact you're already making; or play with the possibilities of purpose, reimagining your business around different models of impact.**



# **BREAKING DOWN THE FOUR LEVERS OF IMPACT**

# PEOPLE



Creating genuine impact in the people space starts with a radical change of mindset. Brands operating in this space widen their concept of audience.

They understand that their staff are more than just an asset, they are a stakeholder group with a fundamental role to play in delivering impact.

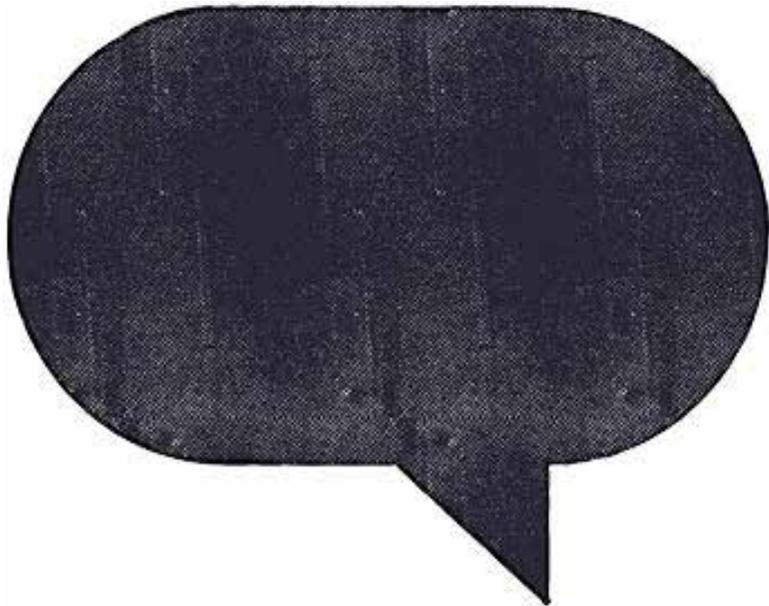
They move to understand their customers' roles as far more than consumers, but as citizens and humans, whose needs are interconnected with those of humanity. And they start to see people outside their 'circle' – such as marginalised communities or beneficiary groups – as partners in delivering impact.

<b>From</b>		<b>To</b>
Staff	→	Stakeholders
Customers	→	Citizens
Beneficiaries	→	Partners

We're working with ESCADA to support women on their journeys to redefine power & success on their own terms.



# INFLUENCE



All brands have influence on culture, whether they know it or not. The smart ones are those who recognise that their influence can have a profound impact on human attitudes and behaviours. From tackling bullying, homophobia and racial hatred, to driving shifts in fundamental concepts such as masculinity, brands are recognising their power to make positive change through what they say, as much as what they do. And often, as in the case of Gillette and masculinity or L’Oreal and bullying, brands are taking the brave step of taking on their own historical responsibility for negative impacts.

<b>From</b>		<b>To</b>
Reflecting culture	————>	Changing culture
Advertising	————>	Advocacy
Products	————>	Ideas
Neutral	————>	Progressive

KLM is the world’s first airline to encourage people to fly less, not more. For 20 years, Dove has been challenging society’s assumptions about beauty. Gillette has reinvented its slogan ‘the best a man can get’ for the modern age.

# PRODUCTS



Products and services are the most visible aspects of a brand's impact. They're the ones that millions of people see and interact with daily. They're often the hardest to change, but the required investment in innovation, packaging and supply chains means that progressive product innovations are among the most visible and authentic commitments brands can make to positive impact. Many of the companies we looked at had harnessed product innovation, service design and customer experience in the service of positive impact – and gained significant competitive advantage and sector leadership by doing so.

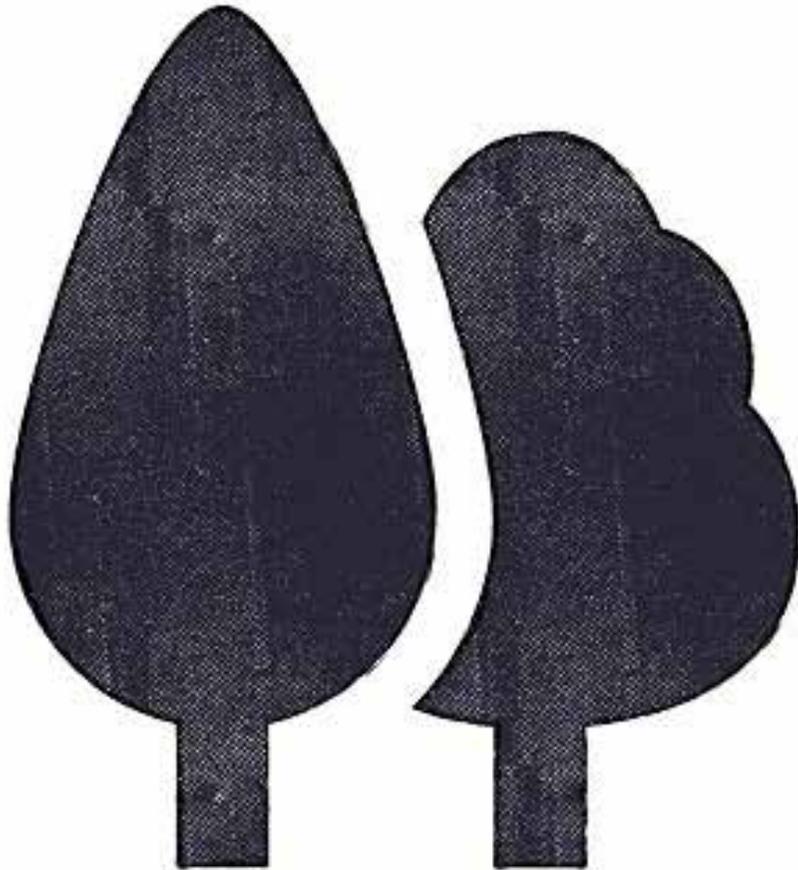
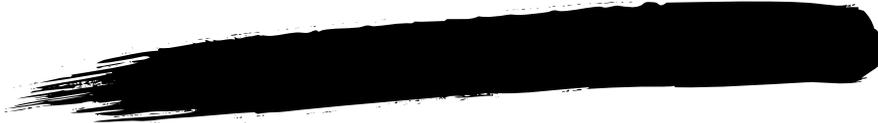


<b>From</b>		<b>To</b>
Hidden innovation	→	Collaborative design
Incremental efficiency	→	Progressive reinvention
Chasing parity	→	Resetting the rules

LUSH has built its whole model to focus on natural ingredients with reusable packaging in stores that enable the whole process.



# PLANET



The planet is in big trouble, and business has a huge case to answer. Sustainability was once very much a behind-the-scenes activity, of interest to special interest groups, regulators and investors.

Today it's a fundamental differentiator for business, one that doesn't just drive positive sentiment but also mitigates or even harnesses the (justified) anger of customers, staff, investors and wider society.



# TIME TO BIN THE 'PURPOSE PYRAMID'?

The linear, 'top down' view of purpose assumes a strongly hierarchical business structure and culture. It's an assumption that we've seen time and time again that doesn't match reality. Businesses today aren't single entities, but complex machines with competing and diverse cultures, priorities and metrics in play.

What that means is that the traditional 'purpose pyramid' – where a visionary CEO emerges from the boardroom with a vision of a sustainable, progressive and human purpose for the business – no longer holds true. Such CEOs do exist, and can be transformative, as we've seen with leaders like Paul Polman. But they're rare and don't match the reality most of the people we spoke to live in.



**PURPOSE  
CAN  
START  
ANYWHERE**



**(INCLUDING WITH YOU)**

**PURPOSE  
CAN  
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ANYWHERE**

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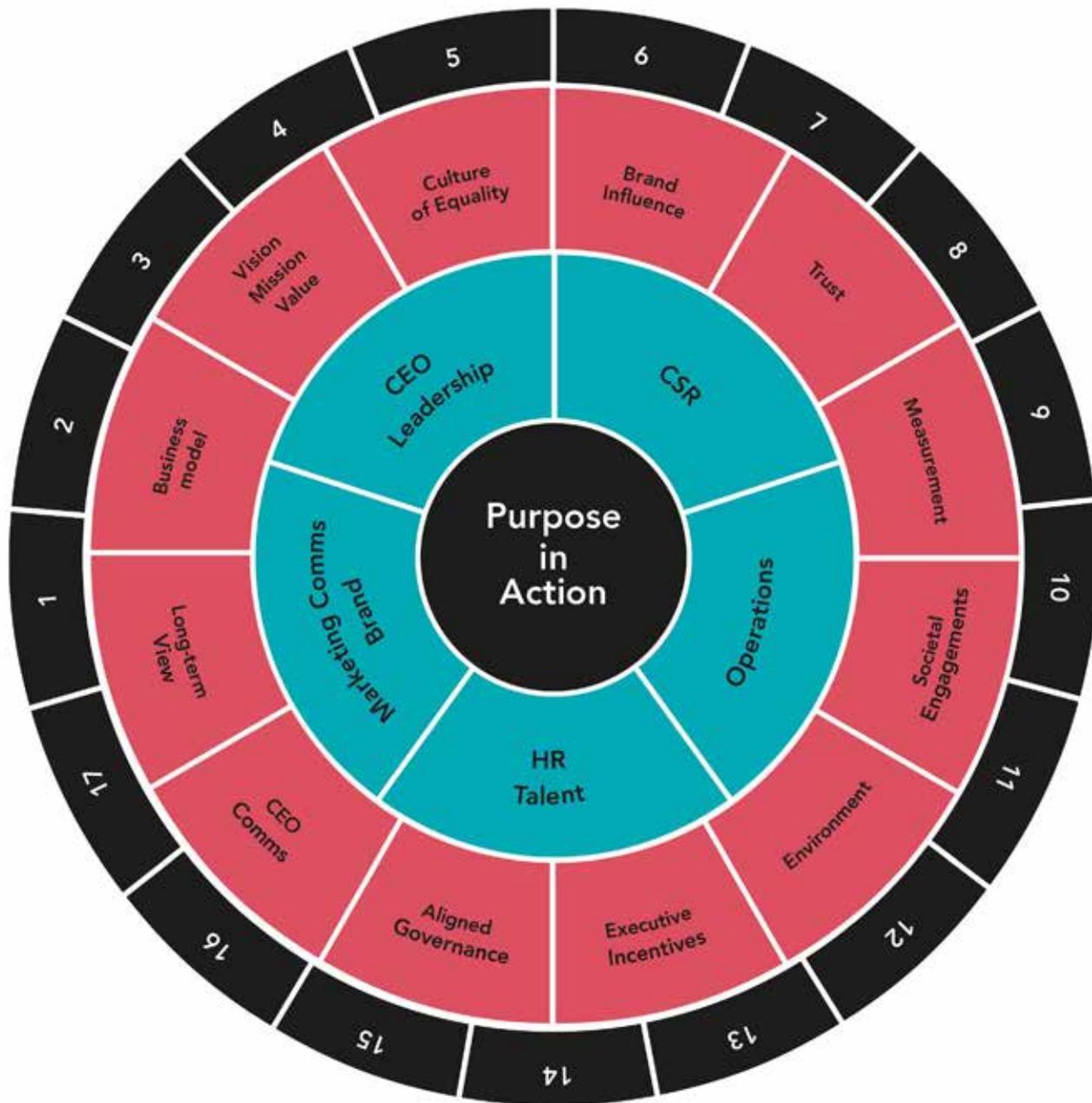
Our research showed that, in the companies we looked at, purpose began in many different areas of the business. As the approach demonstrated results, other areas of the business became more aligned. And it's no surprise to learn that the more areas of the business were aligned, the more purposeful and successful each business became.

That means we can ditch the 'purpose pyramid' in favour of something like a wheel. Not all areas of the business have to be aligned for the business to make a positive impact. The aim should be to align more segments. We all know some businesses where fundamental aspects will be slow to change. But that can't hold business back from embarking on the journey.

Having said all that, fundamental misalignment is a reputational risk. For instance, if you're launching a female empowerment initiative, your company's pay and employment practices should match up.

But this is a journey, and no-one arrives at the destination fully fledged. Brands that wait for the whole business to align behind a purpose strategy will miss the opportunity to create a positive impact.





**PURPOSE  
CAN  
START  
ANYWHERE**

We identified five internal champions (middle ring) whose support and investment leads to actionable purpose strategies. Just one person or department is enough to trigger purposeful work across an organisation, but alignment amongst those internal champions enable greater impact and make a company-wide effort more likely.

Our research also highlighted 12 components across external and internal elements of the organisation where purpose can be considered and expressed. These fall into three categories; leadership (although purpose doesn't live in the c-suite they are still important ambassadors and agents of change), strategy and business values, and impact for people, planet and customers.

# 67%

Agree that a good reputation may get me to try a product, but unless I come to trust the company behind the product, I will soon stop buying it.

**2019 Edelman Trust Barometer**

# 2 in 3

Nearly 2 in 3 people are now belief-driven buyers.

**Edelman Earned Brand Report 2018**

# x2

Genuine purpose-led brands stand to grow at twice the rate of those without any higher-order societal aim.

**Kantar**

# 55%

Of people are willing to pay extra for products and services from companies committed to positive social and environmental impact.

**Nielsen**

# WHAT NEXT?



It's time to make purpose real. GOOD's team are here to help. If you'd like to commission a purpose audit to help you understand the shape you're in, run a workshop to explore different impact models, or commission us to bring your strategy to life with a powerful idea, get in touch.

# WE BUILD BELIEF

**GOOD**  
AGENCY

We build belief in brands, businesses and causes.

We build purpose into brands and activate them brilliantly, internally and externally. We fundraise, engage, campaign and convince. We work above, below and through the line to answer the challenges that a changing world sets our clients.

Why? Because people do more with brands they believe in. They buy more, give more, care more, share more and stay longer.

We're an award-winning, full-service, independent agency of 50-plus brilliant, purpose-driven people. We have over 20 years' experience. And we only work with brands and people we believe in.



# METHODOLOGY



## **25 years**

GOOD Agency has 25 years' experience understanding purpose and impact. Our work with businesses, brands and charities informed a set of hypotheses about purpose, and how it can be instilled into an organisation.

## **100 companies**

We collated a list of 100 companies who are considered 'purposeful', either through their business make-up (i.e. 'born with' companies like Bulb), organisational strategy (i.e. companies with thorough sustainability action plans like Tesco) or communications (i.e. they communicate a positive or purposeful message through their advertising like Lush).

We selected our case studies to cover all sectors and sizes, organisations with different ownership models, established organisations and new ones too. Where possible we also verified the financial stability of the organisations, and weighted our analysis on those that are either growing, or sustaining their growth. This ensured that we were gathering learnings from a whole spectrum of different organisations, with different approaches to purpose. We deliberately left out the companies others always look at, such as Patagonia and Unilever.

# METHODOLOGY

## **40 conversations**

Alongside this desk-based analysis we conducted over 40 conversations with businesses that wanted to know where to start, or how to do more.

Once all the data was collated, we tagged, categorised and mapped the findings, looking for different ways to navigate this complex and multi-faceted landscape.

## **Four levers**

Businesses are complex machines, so instead of labelling the whole organisation, we focused on the all-important actions. The programmes, initiatives, partnerships and activity that led to real change.

Through this we identified four levers which can lead to demonstrable positive impact both internally and externally. An organisation can use all four levers to create change, or just one, and we found many examples of companies using the levers in different ways, showing impact can take many shapes.

## **Five champions**

We also looked at HOW companies had made purpose real internally. We identified the five champions and twelve components of an aligned organisation.

Just like with our levers of impact, we found evidence of many different approaches to integrating social purpose throughout the organisation.

So, we developed a model to help businesses navigate the right journey for them, helping them to see the next step they should take on their journey to a purposeful organisation.

# APPENDIX

The world is literally on fire – and it feels as though we are fiddling with paper straws while it burns.

*Arwa Mahdawi, Guardian*

Only 1 in 3 can trust most of the brands they buy from  
*according to 2019 Edelman Trust Barometer*

Genuine purpose-led brands stand to grow at twice the rate of those without any higher-order societal aim. *Kantar*

41% of people think businesses ought to bring about positive change. *Wolff Olins*

Nearly 2 in 3 people are now belief-driven buyers.  
*Edelman Earned Brand Report 2018*

“The average lifetime of companies is shrinking. If you were listed in the S&P 500 in 1935, the life span of a company was 90 years. Today, it is 18 years. Every two weeks a company is going off that system,” *Dominic Barton said at the 2nd Economic Times Global Business Summit.*

67% agree that a good reputation may get me to try a product, but unless I come to trust the company behind the product, I will soon stop buying it. *2019 Edelman Trust Barometer*

Nearly half of UK consumers abandon brands due to poor corporate behaviour. *The Independent May 2017*

‘Inequality: Is it rising, and can we reverse it?’  
*The Guardian, Sept 2019*

76% of marketing leaders believe their organisation has a defined purpose, but only one in ten actually have a corporate purpose statement backed by a meaningful activation plan.  
*Purpose 2020 Kantar Consulting*

Looking to the future, almost two-thirds of millennials and centennials, who are fast becoming the economic engine, express a preference for ‘brands that have a point of view and stand for something’. *Purpose 2020 Kantar Consulting*

55% of people are willing to pay extra for products and services from companies committed to positive social and environmental impact. *Nielsen*

**FIND IT.  
BUILD IT.  
ALIGN IT.  
EXPRESS IT.**

# MAKE IT REAL.

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