

BRANDS & STANDS

SOCIAL PURPOSE is the **NEW BLACK**

How can your company stand and deliver?



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This year, Dick's Sporting Goods® took a stand. In the wake of the shooting at Marjory Stoneman Douglas High School in Parkland, Florida, the company made a bold decision to discontinue its sales of assault-style rifles. In response to public outcry over gun violence, the company took this stand and stuck by it. They didn't equivocate or change their minds when opposing parties criticized them. They didn't need reassurance or reward, they just did what they felt was right. In our culture, there's a sea change going on when it comes to companies taking a stand for things. The "CEO Activist" model is becoming more and more accepted, and companies aren't shying away from voicing their opinions on current, and often controversial, political issues. Consumers expect it, too.

86%

86% of consumers believe that companies should take a stand for social issues.

How do consumers feel about companies pushing social purpose?

In a nationwide survey of 1,000 consumers, we sought to:

- Learn what types of social causes consumers most want companies to address
- Figure out how taking a stand on social issues can create connection with, and win loyalty from, consumers
- Explore what makes consumers love brands more in general, and how social responsibility and environmental causes fit into the bigger picture of brand relationship

64%

*The results tell a loud and clear story. Consumers believe companies should take a stand – and they'll support that stand with their purchases. **64% of those who said it's "extremely important" for a company to take a stand on a social issue said they were "very likely" to purchase a product based on that commitment.***

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Social purpose makes a good investment, if done correctly

How do these attitudes really play out? How do they affect brand favorability? A closer look at the results reveals some importance nuances companies should keep in mind as they pursue social purpose.

Don't fall for just anything ... stand for the right thing

Nearly two-thirds of consumers believe that certain issues fit with certain brands.

64% believe companies should provide ongoing support for issues that align with the types of products or services they offer.

Compare that to only 13% who believe companies should support an issue that is currently in the news. To figure out what purpose your company should espouse, look to your primary business first. For example:

- Hellmann's® mayonnaise supports the production of cage-free eggs, a key ingredient in its product.
- The TOMS® One for One® program matches each pair of shoes bought with the donation of shoes to a child in need.
- Stella Artois® has been supporting clean drinking water for people in the developing world since 2015, and asking consumers to "Buy a Lady a Drink" through their chalice purchase promotion.

These companies started with their core business and identified a social purpose that made sense for them. This doesn't mean companies can't or shouldn't get involved in a variety of causes, but it's much more likely consumers will remember your brand's cause if it relates to your primary product or service. So that's where you should focus your storytelling and marketing efforts.

Shout it from the rooftops!

Despite consumers' strong beliefs that companies should actively support social causes, they aren't good at remembering which companies are doing what. Consumers receive a constant barrage of messages from all sides, so if you want credit for your social purpose stand, it's essential that you make your message stand out and that it's easy to remember and to relate back to your brand.

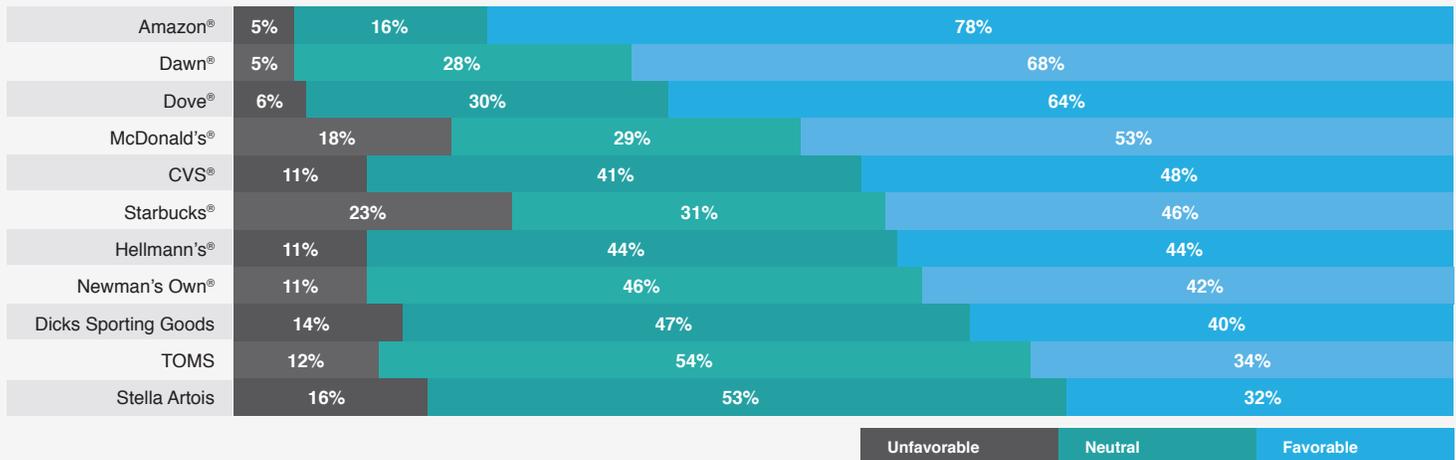
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92%

While they think taking a stand is important, consumers have a hard time connecting brands and stands. **92% could not correctly match more than half of the brands we tested to their stands.**

This lack of ability to connect the brand with its corresponding stand translates to somewhat weak favorability scores for many of these companies.



Brands and stands we tested:

- Amazon donates .5% of the price of eligible purchases to the charitable organization of choice.
- CVS stopped selling cigarettes and other tobacco products.
- Dawn has donated thousands of bottles to wildlife rescue workers at The Marine Mammal Center and International Bird Rescue to help rescue and release wild animals affected by oil pollution.
- Dick's Sporting Goods took a stand on selling guns, removing assault-style rifles from its offerings and instating a minimum age for gun purchases.
- Dove helps young people overcome body image issues and fulfill their potential by building positive body confidence and self-esteem.
- Hellmann's Mayonnaise and Mayonnaise Dressings are now made exclusively from cage-free eggs.
- McDonald's aims to get 100% of its packaging from renewable, recycled or certified sources by 2025.
- Newman's Own Foundation donates 100% of net profits and royalties from the sale of food and beverage products to support nonprofits around the world.
- Starbucks committed to hire more than 10,000 refugees globally over five years.
- Stella Artois supports the "Buy a Lady a Drink" campaign to help provide clean water for people in the developing world.
- TOMS One for One program matches every pair of shoes purchased with a new pair of shoes for a child in need.

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But once consumers know which brands stand for which purpose, they become more favorable toward them.

To know you is to love you

49% of consumers could name a brand that they have become more favorable toward in general, and most said that the reason a brand's image improved in their minds was because the brand came out with a new or updated product (53%) or provided great customer service (34%). But when prompted, 30% of those who named a brand that had improved in their minds said the brand image improved because of the social stand it took – which made social purpose the third most impactful thing a company could do to increase brand image. In mature product categories where consumers could see two brands as similar in terms of new products, service, performance, etc., social purpose can absolutely be the thing that tips the scales in one brand's favor ... and its products into consumers' carts.

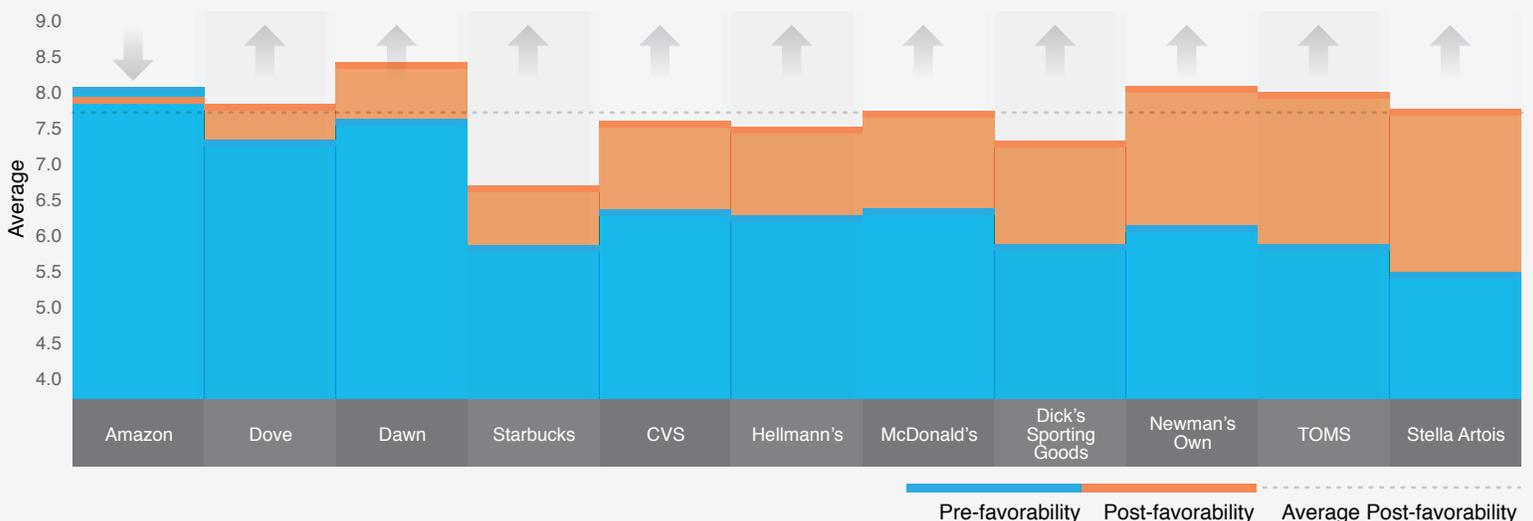
Out of 30% of those who named a brand that had improved in their minds because of the social stand it took ...

- 16% said it was because the brand “took a stand on an issue that aligns with products and services they offer.”
- 13% said it was because they “found out they support one of my favorite causes.”
- 11% said it was because the brand “took a stand on a current social issue.”

34% of consumers felt better about the brands we tested after learning what stands they take.

Social purpose levels the playing field

Looking at that same list of companies and their average favorability scores, we saw that when consumers learned about the brands' social purposes, the playing field suddenly leveled.



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Any company has a chance to stand and deliver.

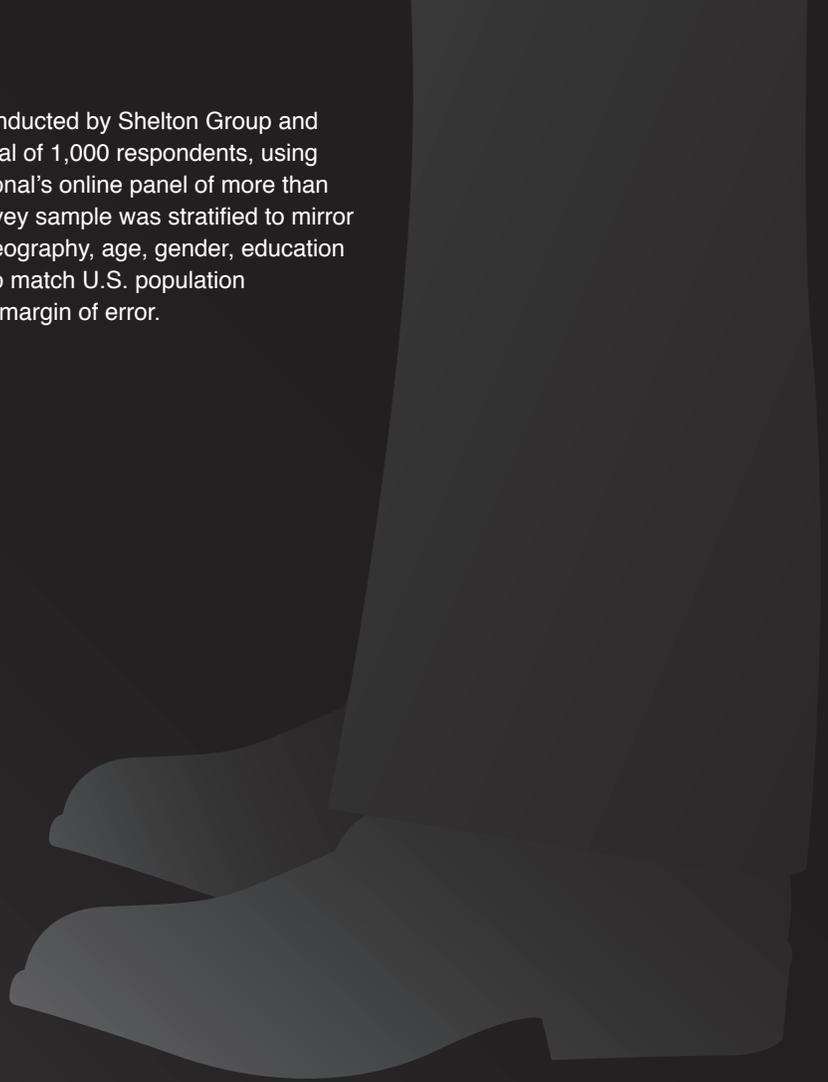
No matter where you are on your sustainability journey, if you make a bold commitment and tell your story loudly and compellingly enough, you have just as good a chance to win brand love as any other company.

The keys are:

- *Choose a social purpose that fits with your business' products and services*
- *Pursue it passionately*
- *Communicate, communicate, communicate*

Methodology

This proprietary research study was conducted by Shelton Group and fielded in April 2018. We surveyed a total of 1,000 respondents, using members of Survey Sampling International's online panel of more than 3.5 million U.S. Internet users. The survey sample was stratified to mirror the U.S. population, using quotas for geography, age, gender, education and race; data were weighted slightly to match U.S. population distributions. The study had a +/- 3.1% margin of error.



about

Shelton^{Grp}

Shelton Group is the nation's leading marketing communications firm focused exclusively on energy and the environment. If you're trying to build a brand around energy responsibility and sustainability – or sell products that minimize environmental impact – we understand your marketing challenges like no one else.

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