

# Marketplace Insights from Business in the Community

May 2016

News, research and the latest buzz on purpose-driven brands and customer trust

## **Business case for purpose**

[The Purposeful Company Interim Report 2016](#) considers the effects being a purposeful company can have on innovation, customer service and employee engagement. It argues British companies are inadequately organised around clear corporate purposes, with the economic cost of this lost value generation estimated to exceed £130bn a year. Placing the responsibilities with the government, it calls on business to push for a feasible reform programme, and be part of shaping the agenda rather than waiting for external interventions. Journalist and Taskforce member Will Hutton further explains how [“these issues are central not just to reviving the legitimacy of business by putting purpose at its heart – they are the key to creating long-term value for business and society.”](#)

[Recent research from Deloitte](#) suggests that companies with purpose can gain greater financial and recruitment success – as well as higher employee satisfaction. Results revealed that 60% of Millennials want to join businesses with a 'purpose' that is embedded into everything they do, which goes beyond altruistic means. Added to this, 80% who anticipated long term commitment believed they held shared values with the company. An article from [HR Grapevine](#) discusses the findings in more detail.

## **Purpose in practice**

A recent paper from agency Claremont Communications attempts to put into perspective what [purpose-driven business actually means when put into practice](#). The paper explains that purpose must be seen as a process, as part of everyday business activities. The paper highlights 5 recommendations for business including clear articulation, embedding, measurement, communication and recruiting with purpose.

PwC hosted their annual Building Public Trust awards, which recognise corporate reporting but in recent years have expanded to include debate on what builds trust with citizens. PwC will be having trust debates throughout May and June 2016. You can read the outcomes from last year's debates and watch video interviews with citizens, employees, students and business leaders [online here](#). 3 key themes were identified from talking with citizens: Going beyond profit, Being authentic and being Consistent.

This [article](#) from Marketing Week brings to life the varying approaches to putting purpose into practice – focusing mostly on customer engagement campaigns. These range from a Bisto advertising angle which encourages people to connect with elderly people in their community through their 'Spare Chair Sunday' campaign, through to Durex developing a safe sex emoji. Both Bisto and Durex are able to claim business benefits either through increased exposure or increased sales value, linking back to claims that [companies grow faster if they stand for something more than profit](#).

## **Embedding purpose in your business**

[This paper](#) summarises a recent roundtable think-tank Tomorrow's Company held on how managers can embed purpose and values in their organisation. It is highlighted that there has too often been more talk than action. Although the importance of purpose and values are acknowledged, companies and managers have been ineffective in embedding them throughout their organisation. Organisational scale and maturity, external pressures, management failings and limits of human psychology were all noted as barriers, with commitment from senior management and real life experience considered some of the solutions.

[This article in Management Today](#) outlines why tomorrow's CEO will come from Marketing, not necessarily Finance where 52% of business leaders learn the ropes currently. A quick and compelling read by a former Marketer, this blog states that because of the fast changing relationships between brands and customers based on transparency, the role of the Marketer is shifting, with prizes for those that have a unique and worthwhile business rather than those who shout the loudest. Real marketing is defining what the company 'is, not just what it 'says'.

In a similar vein, this month saw the Marketing Society launch their new [Manifesto for Marketing Leadership](#). The Manifesto is split across 3 themes in which Marketing Leaders should focus their efforts evenly to succeed; Future, Engage and Deliver. Agreeing to a guiding Purpose is one of the key recommendations in the Future sphere, and involves understanding why your organisation and brand exists.

## **Engaging with customers**

Campaign magazine follows up a recent event on advertising and conscious capitalism and asks [what the best way to communicate your purpose is](#). The article includes input from Mike Barry, director of sustainable business at Marks & Spencer, and Freya Williams, chief executive of sustainability communications agency Futerra. Looking closely at the relationship consumers have with sustainable marketing, it highlights the lack of trust in sustainability claims and the need for companies to not only speak in a language in which the consumer understands but also to reflect purpose in behaviours, as this is what consumers will judge.

In this latest blog, Sustainable Brands offer [5 effective ways to actively connect with a growing market of conscious consumers](#) through listening, communicating, building trust, driving change and internal engagement.

[On Purpose: Delivering a Branded Customer Experience People Love](#), is a book published late last year which aims to help businesses survive the era of dwindling customer trust and shifting loyalties. Comparing survey results from the leading brands they reference versus average companies, the authors conclude that [On Purpose brands place much more emphasis on being purpose-driven and customer experience](#). Although confident in their conclusions, it's important to note the small sample used. See how your company compares by completing the free [On Purpose survey](#).

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