Anne Bahr Thompson DO GOOD.

Beyond Consumer Outrage

Seven Guidelines to Rebuild Trust and Realign Purpose

THE TAKEAWAY

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(You can read the full article here.)

As the new administration in the US takes its place in the White House, poised to shape the future of geopolitics and commerce, brand leaders are confronting a stark reality: trust continues to fray. Polarization, misinformation and a sense of betrayal permeate public discourse. Institutions once seen as pillars of stability are now viewed with suspicion.

It's easy to dismiss the outrage as noise, but what if it's something more? What if outrage isn't the enemy but a signal—a mirror reflecting the fractures in trust and purpose we've overlooked?

When viewed this way, outrage becomes more than a reaction to missteps. It reveals where alignment has broken, offering a chance to recalibrate and reconnect. For brand leaders, I see this as a moment to champion intention, curiosity and courage. Those willing to lean into this challenge have an opportunity to transform outrage into a catalyst for meaningful social influence and change. Perhaps most importantly, the choices we each make today will shape the future.

Adopting an intentional, systemic approach is the best way to rebuild trust and transform outrage into an opportunity. In my work with clients, I have found seven principles help to navigate today's complex environment. That said, it's equally important to recognize that there are no guarantees.... I find consistency, alignment, preparedness and courage to be the best mantras.

1. Marketers are fiduciaries

A marketer's first role is to be a steward of their brands. Their responsibility is to ensure that every action they take is anchored in purpose and a brand's core operating principles, not to amplify personal beliefs and values. Acting as a fiduciary requires balancing societal responsibility with business outcomes, harmonizing the influence a brand has the power to wield over culture public discourse with the integrity of the brand's promises.

2. Purpose is a living discipline

Purpose is more than a statement: it's a compass—true to your business operations yet broad enough to encompasses a social mission. By necessity, purpose must unfold alongside people's evolving needs and societal expectations. A brand like Natura, whose purpose is to nurture beauty and relationships for a better way of living and doing business, exemplifies this by respecting the biodiversity of the Amazon when sourcing ingredients, integrating sustainability into supply chains and addressing local community needs.

Purpose thrives when it's treated as a discipline requiring intentionality at every level. When a brand leader tells you it's time to move on from purpose, they've misunderstood it entirely—would you ever move on from strategic planning?

3. Purpose architecture mitigates risk

Purpose without structure and clarity risks becoming superficial. Guided by nuanced audience insights and materiality, purpose architecture offers a strategic framework to differentiate corporate and product brand roles—and further distinguishes operational commitments (sustainability and regulatory compliance) from messaging.

Begin developing purpose architecture by systems mapping potentially conflicting perspectives and expectations - spoken and unspoken - of customers, employees, investors and other stakeholders. And, importantly, consider segmenting by ideology to identify both messages that resonate and red flags to navigate and ensure you use scenario planning to be prepared for potential crises.

4. A values-driven POV builds confidence

Stakeholders seek alignment between a company's values and its actions. So, it's essential to identify where your brand has earned the right to lead and take confident, values-driven action. The question isn't if you should speak up—it's whether your audience grants you permission to add your voice to the conversation.

A clear POV is a lens for navigating this complexity, guiding consistency and clarity necessary to strengthen credibility and avoid virtue signaling. Airbnb's program that offers housing to refugees is an earnest act of belonging that resonates with people's deepest values. By turning its ethos into action, Airbnb transforms its mission into tangible hope, rebuilding trust and loyalty at a human level.

5. Diversity is competitive advantage

Diversity is a strategic asset, driving innovation and connection. A Washington Post/IPSOS poll (April 2024) found 61% of Americans support DEI practices, saying they are a "good thing." And McKinsey data from 2023 shows companies with ethnically diverse leadership are 39% more likely to outperform peers. Signaling their belief in its strategic value, both Costco's and Apple's boards recently recommending that investors reject shareholder proposals from the National Center for Public Policy Research (NCPPR) that ask the companies to publish a report on the risk of DEI programs or eliminate them completely.

Homogenous brand and marketing teams risk developing campaigns and programs that don't resonate across different audience demographics and psychographics. Oxford University research indicates that diverse advertising increases short-term sales by 3.5% and long-term sales by 16%, demonstrating how inclusive storytelling is an important aspect of resonating with modern audiences. Importantly, DEI isn't a prerequisite for hiring diversly; individual brand leaders can always choose to bring people with different backgrounds or who think differently onto their teams, even as official policies are pulled back.

6. Sustainability as Resilience

Sustainability amplifies trust and fuels innovation when deeply embedded into a brand's operations. <u>Kantar</u> reports that sustainability adds \$193 billion to the value of the top 100 global brands. And 93% of consumers say they want to live a more sustainable lifestyle.

By aligning sustainability with long-term business strategy, brands address immediate environmental concerns while demonstrating accountability and forward-thinking approaches. Effective sustainability strategies foster trust and relevance in an increasingly environmentally conscious marketplace. Ikea's unwavering commitment to sustainability reflects its ability to unlock value creation from society's evolving priorities. Whether addressing consumer pushback, adopting renewable energy or embracing circularity, Ikea shows that resilience is rooted in the willingness to adapt, evolve and lead from purpose.

7. Unify Cross-Functionally

Siloed efforts lead to inconsistency; champion a collaborative approach across marketing, PR, HR, operations and, yes, even finance and bring the C-suite and potentially the Board alongside to ensure a harmonized front and standing stronger, together. Integrated efforts help organizations adapt effectively to external pressures while fostering coherence across teams and initiatives.

Establishing multi-functional Brand/Purpose Councils are an effective way to align teams and initiatives, foster coherence and resilience, and increase operational effectiveness and financial efficiencies.

The path forward: An invitation to marketers

Outrage isn't simply a rejection of purpose, sustainability, DEI or even taking a stand. It's an invitation to reimagine brand leadership. We can see fractured trust as a call to step back or as a chance to move forward more intentionally with purpose, cautiously and bravely, not recklessly.

The choices we each make today shape tomorrow. Will you let public frustration and anger drown out possibility, or will you seize this moment to lead with courage, clarity and purpose? The future isn't waiting; brand leaders are shaping it right now. And in choosing courage and clarity, we can turn outrage into trust—and trust into enduring success

To learn more about how your brand can activate these principles or get support integrating purpose, sustainability and DEI effectively into brand development and organizational culture, <u>please reach out</u>.