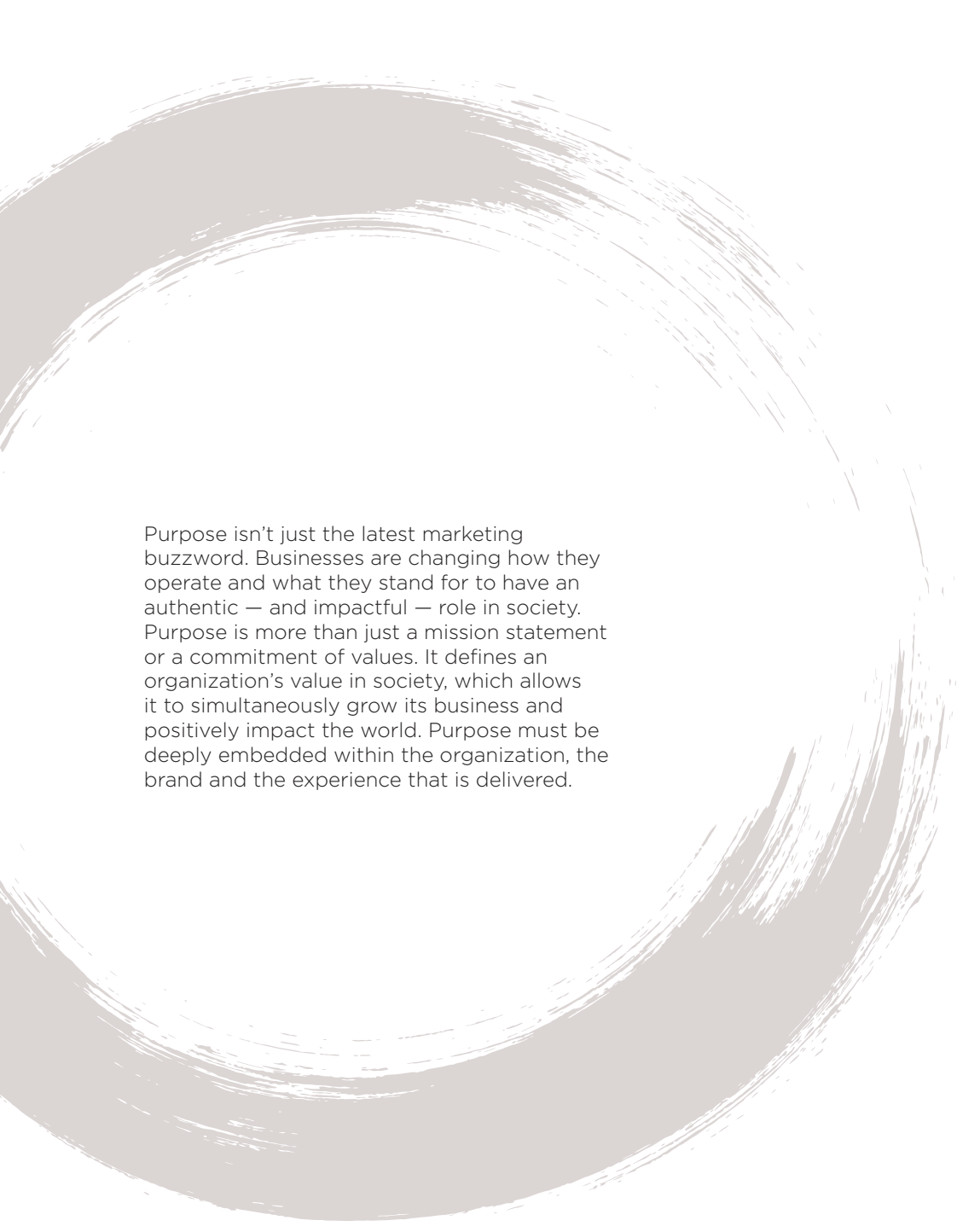


An abstract graphic composed of several overlapping, hand-drawn brushstrokes in various shades of orange and red. The strokes are thick and textured, creating a sense of movement and depth. They form a central, somewhat circular shape with multiple layers and overlapping lines, set against a plain white background.

2018 Cone/Porter Novelli Purpose Study:

How to Build Deeper Bonds, Amplify Your
Message and Expand Your Consumer Base



Purpose isn't just the latest marketing buzzword. Businesses are changing how they operate and what they stand for to have an authentic — and impactful — role in society. Purpose is more than just a mission statement or a commitment of values. It defines an organization's value in society, which allows it to simultaneously grow its business and positively impact the world. Purpose must be deeply embedded within the organization, the brand and the experience that is delivered.

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The evolution of responsible business is yet again taking an exciting turn as we encounter a perfect storm. Thanks to omnipresent social media and near unprecedented levels of activism across demographics (age and lifestyles), social consciousness is no longer exclusive to the enlightened Millennial or hybrid-loving consumer. Today, mainstream consumers expect companies to have a more meaningful reason for being beyond the products they create. They need a reason to like you, defend you or champion you — and price and quality are no longer enough.

Businesses that take a Purpose-driven approach will be rewarded with an entirely new level of consumer engagement — one that goes far beyond a product-based or transactional relationship. Businesses that lead with Purpose can build deeper bonds with existing consumers by engaging around shared interests about issues that matter. By leading with Purpose and shared values, companies are able to expand the consumer base and enlist these advocates to further amplify the brand message.

This report is filled with the need-to-know data and insights on why Purpose-driven brands will lead in the marketplace. Here, we pulled out the overarching insights every practitioner should consider:



Purpose is more than just a trend, it's the new norm. Americans have expectations of companies to lead with Purpose by not just making money, but positively impacting society as well. Companies need to identify, communicate and live their Purpose to maintain relevance, trust and competitive advantage.



Purpose and business practices must be aligned. Americans believe that a company's operations should be in alignment with its unique Purpose, with corporate social responsibility (CSR) as the primary way for companies to articulate and share their Purpose. Companies must “walk-the-talk” to demonstrate their Purpose in action.



Purpose must be multifaceted. Americans feel there are many ways companies should express their Purpose, whether that is investing in important social causes or connecting with consumers on the issues that matter most to them. Companies should evaluate how they can uniquely share Purpose in a way that is authentic to the brand.



No issue is off limits. Americans expect companies to address important hot-button issues from privacy and internet security to gun control. But this isn't a call for a company to insert itself into every issue that crops up. Rather, companies should use Purpose as a lens to determine what issues to stand up for and how.



Purpose is redefining loyalty. When companies lead with Purpose they can create deeper emotional bonds with consumers. These bonds transcend functional product attributes — yielding a pride of association and willingness to defend it that is otherwise hard to earn. This multidimensional relationship allows companies to retain entirely new levels of brand loyalists.



Loyal consumers will amplify Purpose. The majority of consumers stand ready and willing to share the content of Purpose-driven brands far and wide, whether they are encouraging purchases or sharing stories. Companies can tap these supporters to even further amplify the brand message and “endorse” the brand to entirely new audiences.



Purpose will expand consumer base. Purpose-driven companies will gain the license to enter new markets and expand product lines. Brand devotees are willing to try products in different categories from their favorite Purpose-driven company while new consumers are more willing to test out products for the first time.



Competitive advantage transcends the cash register. Most Americans consider a company’s Purpose and authentic role in society when making a variety of decisions — from where to work to what to invest in. Companies must remember to communicate Purpose not just to consumers, but all stakeholders, to meet broader expectations and realize the full benefits.



Quality is still an important factor in purchase decisions. When compared to companies differentiating with low-cost or high-quality products, Purpose leads in a number of ways — including positive emotional connection, pride in being associated with the company, willingness to share information about the brand and more. Yet, Purpose is no panacea. To remain competitive, companies cannot cut corners on quality as that remains the primary factor in purchase decisions.



No industry gets a pass. Americans believe it’s an expectation across all industries — from healthcare to manufacturing. Companies must look inwards to ensure their articulation of Purpose is not only authentic, but differentiating.

This study presents the findings of an online survey conducted March 8-16, 2018 by M/A/R/C Research among a random sample of 1,006 Americans, comprising 502 men and 504 women, ages 20+. The margin of error associated with a sample of this size is $\pm 3\%$ at a 95% level of confidence.

We broadly described “Purpose-driven companies” to respondents as “organizations that are committed to both making money and making a positive impact on the world (e.g., strong environmental practices, being a good employer, supporting critical issues, giving back to communities).”

THE EVOLVING BUSINESS **AND CONSUMER LANDSCAPE**

Every few years, the world of responsible business goes through a metamorphosis — taking foundational elements and building upon them to find entirely new ways to grow the bottom line while making a positive impact. Over time, companies have led with concepts like strategic philanthropy, cause marketing, CSR and now, Purpose. And while one approach does not necessarily replace the other, the bar continues

to be raised. In fact, more than three-quarters (78%) of Americans believe it is no longer acceptable for companies to just make money, they expect companies to positively impact society as well. This demonstrates that companies can not only be a powerful force for good — it's simply an expected way of doing business today.

BENEFITS TO **LEADING WITH PURPOSE**

Purpose-driven companies will gain competitive differentiation across a variety of decisions — the first of which goes straight to a company's bottom-line. Nearly nine-in-10 (88%) Americans say they would buy products from a company leading with Purpose. Other important benefits range from that company's license to operate to its ability to garner top-tier talent. Eighty-five percent of Americans say they would be likely to support a Purpose-driven company in their community while more than two-thirds (68%) say they would want to work for that company.

Finally, more than half (54%) would want to invest in a company that strongly articulates its role and value in society.

Why are Americans compelled to support Purpose-driven brands? It helps them feel that they are making a personal difference. In fact, eight-in-10 (80%) consumers say when they buy products or services from Purpose brands, they feel like they are doing their part to make a positive impact as well.

PURPOSE-DRIVEN COMPANIES GAIN AMERICANS' SUPPORT IN THE FOLLOWING WAYS:

88%

WOULD BUY PRODUCTS/SERVICES FROM THAT COMPANY

85%

WOULD SUPPORT THAT COMPANY IN THEIR COMMUNITY

68%

WOULD WORK FOR THAT COMPANY

54%

WOULD INVEST IN THAT COMPANY

DEMONSTRATING **PURPOSE**

Purpose isn't elitist or only for the B-Corps of the world. It is multifaceted, with many different ways for companies to authentically live and express their Purpose. When asked in what ways it was important for companies to articulate their Purpose, Americans felt companies should start from within. Most important was that the company operates in a way that benefits society and the environment

(89%) through responsible business practices. However, nearly as important was having a North Star and strong values that guide how a company positively contributes to society. But they need to see it to believe it. Americans also want to see how companies are showing up and making a difference in their communities and in their communications.

TOP WAYS AMERICANS FEEL COMPANIES SHOULD DEMONSTRATE THEIR PURPOSE:



Corporate Social Responsibility

Operating in a way that benefits society and the environment



Purpose Brand Strategy

Having a strong belief or commitment that guides how the company positively contributes to society



Social Impact

Supporting causes in communities and around the world



Brand Communications

Connecting to consumers emotionally through issues they care about

It may come as no surprise that CSR topped the list of ways a company should demonstrate its Purpose — Americans feel companies must “walk the talk,” aligning their actions and behavior with their Purpose. In fact, nearly nine-in-10 (88%) feel companies have a responsibility to demonstrate that they are operating in a way that is aligned with their Purpose in society. It is more critical

than ever for brands to examine how their business operations are ladder up to that Purpose statement or reason for being. Today’s sophisticated consumer will not take do-good marketing messages at face value as they are looking under the hood to ensure companies are “living their Purpose” externally as well as internally.

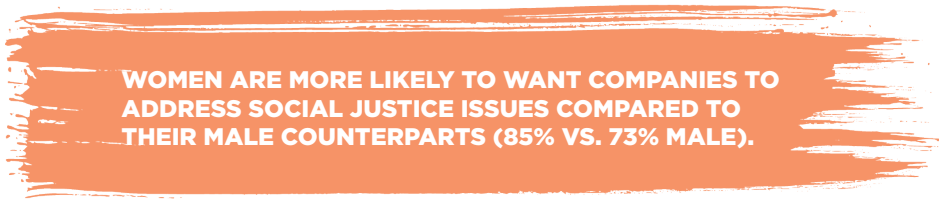
THE INTERSECTION OF **PURPOSE + SOCIAL JUSTICE**

When it comes to articulating Purpose, companies must also look far beyond their operational footprint. Just as the bar has been raised for companies to play a positive role in society, consumers also expect companies to connect with them emotionally on issues that matter to them personally (71%). With the explosion of social justice issues in the news and newsfeeds today, consumers are not only hyper-aware, but hyper-engaged and eager for companies to join them. In fact, nearly four-in-five (79%) Americans believe companies should work to address social justice issues.

The primary top-of-mind issues Americans want companies to address include privacy and internet security (86%), domestic job growth (86%) and access to healthcare (85%).

These issues are perhaps leading because of the direct impact on the financial and overall well-being of nearly all Americans regardless of race, creed, income level or background. However, companies shouldn't stop there.

From #MeToo to March for Our Lives, the last year has seen unprecedented levels of support for critical social justice issues that connect with Americans on a far deeper and vastly more emotional level. And although some of these issues may transcend a company's immediate operational footprint, Americans feel companies should have a seat at the table to solve these complex and hot-button topics, including sexual harassment (83%), racial equality (81%), women's rights (80%) and gun control (69%).



WOMEN ARE MORE LIKELY TO WANT COMPANIES TO ADDRESS SOCIAL JUSTICE ISSUES COMPARED TO THEIR MALE COUNTERPARTS (85% VS. 73% MALE).

LEADING TOP-OF-MIND ISSUES CONSUMERS WANT COMPANIES TO ADDRESS:



86% PRIVACY AND INTERNET SECURITY



86% DOMESTIC JOB GROWTH



85% ACCESS TO HEALTHCARE



83% SEXUAL HARASSMENT



81% RACIAL EQUALITY



80% WOMEN'S RIGHTS



76% COST OF HIGHER EDUCATION



74% IMMIGRATION



73% CLIMATE CHANGE



69% GUN CONTROL



63% LGBTQ RIGHTS



56% FAKE NEWS

HOW PURPOSE **BUILDS DEEPER BONDS**

Purpose is a powerful thing. It has the ability to create relationships on a far deeper level with consumers by connecting on shared values and issues as opposed to product attributes and price. Purpose creates a spectrum of ways brands can build deeper bonds and loyalty with consumers. This new relationship starts at a base level, where consumers believe Purpose-driven brands will take care of them and they are willing to open their hearts and wallets in return. In fact, not only do more than three-quarters (77%) of Americans feel a stronger emotional connection to these brands, they also feel these companies care about them and their families more than traditional brands (67%).

This stronger emotional connection also leads to a positive and prideful relationship with the brand. Nearly eight-in-10 (79%) consumers say they would be more loyal to a Purpose-driven

company, while 70 percent say they would be proud to be associated with that company, such as wearing a logo prominently.

Relationships grounded in Purpose will also help companies through tough times as this group of ardent advocates will go out of their way to protect and support that company. Seventy-three percent of Americans say they would be likely to defend a Purpose-driven company if someone spoke badly of it — and another two-thirds (67%) say if that company made a misstep, they would be more willing to forgive that company over a company that does not lead with Purpose.

Consumers of Purpose-driven brands are redefining modern-age loyalty. They are personally committed and vested in the brand and its success — from pride in being associated with that brand to eagerly defending it.

WOMEN FEEL A STRONGER EMOTIONAL CONNECTION TO PURPOSE-DRIVEN COMPANIES COMPARED TO MEN (78% VS. 66% MALE).

AMERICANS FEEL A DEEPER BOND WITH PURPOSE-DRIVEN COMPANIES

COMPARED TO OLDER GENERATIONS, MILLENNIALS ARE PROUDER TO ASSOCIATE WITH PURPOSE-DRIVEN BRANDS (51% VS. 32% GEN X VS. 41% BABY BOOMERS).

79%

SAY THEY WOULD BE MORE LOYAL TO A PURPOSE-DRIVEN COMPANY

77%

SAY THEY FEEL A STRONGER EMOTIONAL CONNECTION TO PURPOSE-DRIVEN COMPANIES

73%

SAY THEY WOULD BE LIKELY TO DEFEND A PURPOSE-DRIVEN COMPANY IF PEOPLE SPOKE BADLY OF IT

70%

SAY THEY WOULD BE PROUD TO BE ASSOCIATED WITH A PURPOSE-DRIVEN COMPANY (E.G., WEAR THAT COMPANY'S LOGO)

67%

SAY THEY WOULD BE MORE WILLING TO FORGIVE A PURPOSE-DRIVEN COMPANY IF THAT COMPANY MAKES A MISSTEP THAN A TRADITIONAL COMPANY

67%

SAY THEY BELIEVE PURPOSE-DRIVEN COMPANIES CARE ABOUT THEM AND THEIR FAMILIES MORE THAN TRADITIONAL COMPANIES

HOW PURPOSE CAN **EXPAND THE CONSUMER BASE**

In addition to connecting to their hearts, Purpose-driven brands are equally well-poised to gain new customers or market share. Nearly nine-in-10 (88%) consumers say they would buy a product from a Purpose-driven company.

Purpose-driven brands curate a deep loyalty, meaning their brand advocates will not only try new items (75%) but even pay more (57%) just

to lend support to their favorite companies. And, Purpose acts as a strong differentiator on the shelves. Americans are willing to go outside the comfort zones of their typical purchases just to give a Purpose-driven product a shot (66%). This gives these companies the flexibility to enter new markets and offer new product lines, knowing that their devoted followers will join them in the journey.

PARENTS ARE MORE WILLING TO TRY AN ENTIRELY NEW PRODUCT LINE FROM A PURPOSE-DRIVEN COMPANY THEY ALREADY SUPPORT (83% VS. 75% U.S. AVERAGE).

CONSUMERS ARE LIKELY TO SUPPORT PURPOSE-DRIVEN COMPANIES IN THE FOLLOWING WAYS:



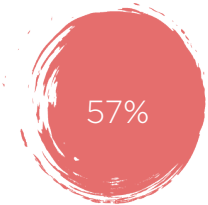
WOULD BUY A PRODUCT FROM THAT COMPANY



WOULD TRY AN ENTIRELY NEW PRODUCT LINE FROM A COMPANY THEY ALREADY SUPPORT



WOULD SWITCH FROM A PRODUCT THEY TYPICALLY BUY TO A NEW PRODUCT FROM THAT COMPANY



WOULD PAY MORE FOR A PRODUCT FROM THAT COMPANY

HOW PURPOSE ENLISTS ADVOCATES TO **AMPLIFY THE BRAND MESSAGE**

Due to the strong emotional connection, loyalty and sense of pride, Purpose advocates stand ready to further amplify the brand message. Three-quarters (78%) of Americans would tell others to buy products from Purpose-driven companies and nearly as many (73%) would share information or stories about that company. Beyond touting the company and its products, consumers also want to play a role in advancing the positive impact that company seeks to make.

Nearly two-thirds (65%) say they would advocate for issues that company supports.

Consumers' willingness to tell a Purpose-driven brand's story means that company will have an expanded reach to entirely new audiences. They are being introduced and "endorsed" based on their role in society and shared values versus a transactional and transient benefit, further expanding its future loyal consumer base.

AMERICANS ARE LIKELY TO AMPLIFY A PURPOSE-DRIVEN COMPANY'S BRAND MESSAGE IN THE FOLLOWING WAYS:



78% WOULD TELL OTHERS TO BUY PRODUCTS FROM THAT COMPANY



76% WOULD TELL FRIENDS AND FAMILY ABOUT THAT COMPANY



73% WOULD SHARE INFORMATION OR STORIES ABOUT THAT COMPANY



65% WOULD ADVOCATE FOR ISSUES THAT COMPANY SUPPORTS

Beyond positive word of mouth, consumers of Purpose-driven companies are taking their megaphones to social media. Sixty-eight percent of Americans say they are more willing to share content from Purpose-driven companies with their social networks over that of traditional companies. But these brand advocates are

willing to share more than just information about commitments to society and the environment (66%), they are just as likely to share product information (66%) as well as promotions and sales (64%) and the company's overall mission (62%).

AMERICANS WILL SHARE THE FOLLOWING TYPES OF CONTENT FROM PURPOSE-DRIVEN COMPANIES:

- 66%** COMMITMENTS TO SOCIETY AND THE ENVIRONMENT
- 66%** PRODUCTS
- 64%** PROMOTIONS AND SALES
- 63%** INFORMATION ABOUT THE ISSUES THAT IT SUPPORTS
- 62%** OVERALL MISSION
- 56%** WAYS FOR INDIVIDUALS TO GET INVOLVED TO SUPPORT ISSUES

PURPOSE TRUMPS COST AND QUALITY

The staunch conviction that cost and quality will always win to differentiate and gain competitive advantage is being called into question in this new era. When asked to choose between supporting Purpose-driven, low-cost or quality brands, Americans still leaned in on Purpose. Americans felt more strongly that they would have a more positive emotional connection (50%) to a Purpose-driven company over a company leading with low-cost or quality. And perhaps because of that strong emotional connection, Purpose also took the lead in Americans' willingness to defend (48%) Purpose-brands over other brands. Purpose also trumped cost and quality when it came to sharing information or stories about that company (45%), and being proud to be associated with that company (42%).

Yet, shoppers still see the importance of high-quality products. Quality topped Purpose and cost in terms of loyalty (40%), purchase (41%) and telling others to buy a product (44%).

Here we see Purpose leading in five of the eight ways consumers will act to support brands. And while quality is a primary factor in deciding what to buy and which brands to recommend to others, Purpose-driven companies stand to gain in the hearts, minds and passion of Americans. This also signals a strong message to marketers and business executives. Purpose cannot be the only brand attribute that is highlighted in the marketing mix. It is still important to ensure the product is of high-quality and sold at a competitive price in order to win on all eight behaviors.

MORE THAN HALF OF MILLENNIALS WOULD DEFEND A PURPOSE-DRIVEN COMPANY IF PEOPLE SPOKE BADLY OF IT (54% VS. 48% U.S. AVERAGE).


CONSUMERS WILL TAKE THE FOLLOWING ACTIONS BASED UPON PRIORITY ATTRIBUTE (PURPOSE, COST OR QUALITY)

	PURPOSE	COST	QUALITY
Have a positive emotional connection to that company	50%	20%	30%
Share information or stories about that company	45%	23%	33%
Buy products from that company	20%	39%	41%
Defend that company if people spoke badly of it	48%	19%	33%
Be more loyal to that company	33%	27%	40%
Be proud to be associated with that company (e.g., wear that company's logo)	42%	18%	40%
Support that company if it wanted to move into my community	47%	24%	29%
Tell other people to buy products from that company	27%	29%	44%

INDUSTRY FOCUS: **LEADING WITH PURPOSE**

Purpose is industry agnostic. In fact, three-quarters of Americans feel strongly that all industries must not only have a deeply rooted sense of Purpose, but they must share that Purpose with consumers. When asked among which industries it was most important to have and communicate a sense of Purpose, Health and Wellness (87%) topped the list, followed by Food and Beverage (81%) and Technology (81%). It may not be surprising that

these industries have the highest bar, as they are the most personal and omnipresent in consumers' daily lives. Still, all companies must make sure to share that Purpose with a surround-sound approach in mind. Six-in-10 (61%) Americans don't believe a company has Purpose unless it is clearly stated in places they can easily find, such as on product packaging, the company website or in the employee handbook.



**NEARLY NINE-OUT-OF-10
PARENTS (89%) FEEL IT IS IMPORTANT
FOR THE FOOD AND BEVERAGE
INDUSTRY TO HAVE AND
COMMUNICATE A STRONG SENSE OF
PURPOSE (89% VS. 81% U.S. AVERAGE).**

AMERICANS FEEL THE FOLLOWING INDUSTRIES MUST HAVE
AND COMMUNICATE A SENSE OF PURPOSE:



87% HEALTH &
WELLNESS



81% FOOD &
BEVERAGE



81% TECHNOLOGY



79% MANUFACTURING



78% AUTOMOTIVE



77% RETAIL



77% FINANCIAL
SERVICES



76% PROFESSIONAL
SERVICES




76% FOOTWEAR
& APPAREL

CONCLUSION

Purpose is more than a trendy buzzword or shiny new tool in a marketer's arsenal, it is a way of doing business that is deeply embedded into the business, brand and experience that is delivered. It's a North Star, a guiding principle and strong message to the marketplace. Companies that lead with Purpose will find it opens doors to an

entirely new level of consumer relationship. The 2018 Cone/Porter Novelli Purpose Study proves that businesses that lead with Purpose can build deeper bonds with existing consumers, expand the consumer base and enlist these advocates to further amplify the brand message.



Now more than ever, companies need to clearly articulate — then deliver upon— their unique Purpose. This North Star allows companies to know what to stand for and when — and authenticates their role and value in society. **It's time to lead with Purpose.**

ABOUT

CONE & PORTER NOVELLI

Cone is a Porter Novelli public relations and marketing agency that is Always Making a Difference for business, brands and society. We help organizations define their authentic Purpose, weaving it into the brand DNA to both grow the business and positively impact the world.

Porter Novelli is a global public relations agency born from the idea that the art of communication can advance society. Over 45 years ago, we opened our doors — and people’s eyes and minds — for brands driven to make a positive impact. Today, we are a global agency with the entrepreneurial spirit of boutique specialists.

Together, we continue to build that bridge between Purpose and business imperatives, and believe that a healthy bottom line can also make a remarkable impact. With deep subject matter expertise in Purpose Brand Strategy, CSR, Social Impact, Social Marketing, and Brand Communications, we create breakthrough work and unforgettable experiences to ignite action around issues that matter.

Select services include:

Purpose positioning

CSR platforms

Social impact platforms and signature programs

Materiality assessments and reporting

Stakeholder engagement

Employee engagement

Strategic philanthropy

Partnership development

Public relations

Thought leadership

Digital and social strategy

Content creation and amplification

Influencer engagement

Creative

Planning and research

