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Defining Brands by How They Make a Difference

Brands exist in a world with global challenges.

As our planet grows smaller and smaller, thanks to growing interconnectivity brought about by advances in communication technology, the Internet, commerce and travel, brands will continue to play a greater role in addressing these challenges, not only for their own marketing posture, but for the benefit of the global community.

As the World Economic Forum, an international organization committed to public-private cooperation, suggests, the world's biggest challenges will require the active involvement of both public and private sectors. From a macro-perspective, the WEF identified the 10 biggest global challenges that concern both governments and brands in 2016 as follows:

- Food Security: Ending hunger and improving nutrition worldwide
- Economic Growth: Ending drastic income inequalities
- Unemployment: Stimulating job growth
- Climate Change: Reducing greenhouse gases that lead to global warming
- Global Finance: Recovery from the last financial crisis and continued growth
- The Future of the Internet: Increasing beyond the 43% of the world's currently connected population
- Gender Equality: Closing the earnings gap to make stronger economies
- Global Trade and Investment: Facilitating economic cooperation to drive growth
- Long-term investing: Funding basic systems and services
- Healthcare: By 2050, there will be 2 billion over age 60

Naturally, a healthier world economy creates a better environment for brands to exist and to thrive, be they global, regional or local in reach and influence.

Many brands already acknowledge their role as “corporate citizen” in the world or local community by devoting a portion of their time, talents and treasure to support of non-profit charities or organizations that align with corporate philosophies or customer concerns. For example, BP has become actively involved in conservation efforts and air quality or Mohawk flooring (because >80% of its customers are female) supports breast cancer research through Susan G. Komen or Harley-Davidson's support for the great outdoors through its support of The Nature Conservancy.

As social media continues to drive brand marketing, cause-related marketing strategy and purpose driven brands will grow as a result. The linkage is plain:

- Social media seeks to build a relationship between brand and customer
- Community or cause-related concerns and service by the brand relates to customer

How They Make a Difference, cont.

concerns and passions

- Socially-connected customers will align their brand loyalties and purchase behaviors to brands that think and behave as they do

We see a growing trend in this area, as brands must recognize that in the face of growing challenges, it is no longer enough to provide a quality product or good service. Brands must also provide evidence of a “higher calling”—a desire to build a legacy—their legacy. As has been observed, Millennials “came of age during the Enron scandal” and so now expect more from companies. No doubt as Millennials push Boomers out of the way as the dominate consumer group, brands of the future will be defined not only by what makes them different, but how they make a difference.

But answering this challenge is in itself a challenge. Acknowledging the responsibility to make the world a better place is one thing. Choosing the path to do it is another. It must never be made out of the desire for “good PR” or as a counter-move to a competitor or as taking advantage of the next “do good” opportunity that comes down the pike. Commitments based on pure marketing motivations will wither over time as budgets become constrained for this reason or that.

On the contrary, adopting and championing a cause must be seen as a natural outgrowth of the brand’s positioning and reason for being. For example, the motivation may be anchored in the brand story, a struggle that was met by the founder, or by a chronic condition in the brand’s sphere of influence. And once determined, the commitment must be solidified strategically as part of the overall long term marketing plan, including:

- Encouraging customer participation
- Practicing transparency in everything
- Strictly adhering to all cause marketing guidelines
- Issuing updates or reports on the impact of the brand’s support

After the environmental movement began to gain traction after the first Earth Day in 1970, many brands sensed opportunity and jumped on the bandwagon. Not long after, the derogatory term “green washing” was coined. There will always be opportunists and imitators in the marketplace.

Truly great brands, whether they are global or local in scale, will do their part to make the world they market in a better place. They will do so because that’s who they are, not because that’s what they want you to think they are. These are the brands that will be rewarded with a more valuable future.

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