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STRATEGY

How to install purpose in your brand and company

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Sticking to a well-defined corporate purpose will engender trust with customers, prospects and stakeholders in good times and bad

By Rich DePencier and Philippe Harousseau

In 2020, the world went home.

More precisely, the world went completely and irrevocably online.

Indeed, it was a good time to be Mark Zuckerberg, and a bad time to be a street vendor. Social media became social everything, and the Web was not just the place to be as it had been a very long while but the only place to be.

Not cosmetic
In 2021, popular cosmetics retailer Lush stepped off all social media platforms. Was this some miscalculated publicity stunt, or outright corporate suicide?

No, it was simple adherence to the principles held at the company's core to its purpose.

"I've spent all my life avoiding putting harmful ingredients in my products," wrote CEO Mark Constantine. "There is now overwhelming evidence we are being put at risk when using social media. I'm not willing to expose my customers to this harm, so it's time to take it out of the mix."

The immediate economic downsides to such a decision is precisely what makes the story so remarkable and there are plenty more stories like it. It conveys something more than the "mission statement" on yet another "About Us" page. It is putting your money where your mouth is when it hurts.

Here is a well-known secret: authenticity breeds equity. That is why Lush abandoning social media is not a poor business decision, but an excellent one.

Stakeholders are no longer willing to take purpose at face value. Hopping on bandwagons hardly even counts as an afterthought.

However, when a company is willing to really bite the bullet, to swim against the current to uphold what it believes in, that is integrity that consumers will not forget.

That is brand equity that becomes brand loyalty when the economy recedes and consumers become more price sensitive which is precisely where we find ourselves today.

If all that sounds sentimentalist, here is a number: 66 percent of Americans will switch from a familiar brand to a new one based solely on the latter's sense of purpose. That is good business.


Rich DePencier

A principled stand

Below is a brief overview of the four basic principles that business leaders must establish to cultivate purpose that will ballast their brands for years and decades to come.

Do not fake it

It is not advisable to hand-select an attractive "cause" from the embarrassment of choices and slap it atop your brand.

Purpose must lay at the core of the company.

Everything the company says and does must be aligned with and directed toward that purpose.

Oftentimes, the best way to identify that purpose is not making up a new one but rediscovering the reason for the brand's existence in the first place. What problem was it created to solve? Why?

Doing thorough research on a company's birth will usually indicate an inherent purpose, even if it has since strayed therefrom.

Once identified, the purpose must resume its position as the beating heart.

Subsequent decisions should navigate not around it but through it. It is the driving force behind every movement.

Bite the bullet

In times such as these, when recession seems imminent and the future uncertain, business leaders are hard pressed to sacrifice extraneous agendas in favor of those more vital to the survival of the company.

Terminating social media marketing or donating proceeds to charity as expressions of the company's core values seem to fall in the former category and are wont to get axed. But recall that purpose is the center and lifeblood of a business, not an appendage.

Compromising on values when times get rough is a surefire way to undermine any investments that have hitherto been deposited into either consumer trust or employee buy-in.

When, however, a company refuses to budge even in the face of uncertainty, it purchases loyalty that will weather the deepest kind of plunge.

Recruit with purpose

Few things are so vital to a company's success as a shared vision within its community.

A misaligned, undetermined employee is little more than a cog, and he or she will very much feel like one.

The majority of jobseekers are unlikely to even consider a company without a transparent cultural vision, in fact.

But an employee who truly believes in the purpose of the business, and whose personal values are in common with the whole, is a force invested in making the goals of the company a reality.

It is vital, therefore, that companies incorporate statements of purpose in every step of the recruiting process, building a team that is fundamentally united around it.

Avoid the bandwagon
With purpose in place and spirits high, the urge to expand is natural.

In fact, not jumping on every new cause, political trend or viral story as a force for good invokes a fear of missing out all the other companies are doing it, after all.

Remember: purpose must be authentic.

No company has a scope broad enough to fit all the world's issues. Chasing the vogue will communicate ulterior motives.

It is advisable to stick with the values that warrant the brand's existence in the first place. The company has authority in that fight precisely because the values are and have always been at its forefront.


Philippe Harousseau

CORPORATE PURPOSE IS rumored to be dying under the weight of a struggling market. No one has time for antics anymore.

It is more sensible, however, to say that no one ought to have time for anything else.

When the going gets rough, what will separate your brand from the next? Pricing? In lieu of loyalty, yes.

But when customers, shareholders and employees can see unrelenting purpose in the very makeup of your company, trust will hold firm when everything else gives.

Rich DePencier, based in the Greater Seattle area, is area managing partner and chief marketing officer and Philippe Harousseau is Atlanta-based chief marketing officer, both with Chief Outsiders, a leading fractional CMO network.