Navigating the conflicting ideologies of brand activism

Marketers have always battled for consumer attention, but this has become overwhelming due to the sheer amount of content available online. Geri Ruci, a marketing analyst at Posito, looks at the challenges brands face when trying to do the right thing.

As presented in our recent <u>industry posit</u>, brands face a battle to differentiate themselves, and more importantly, generate trust. According to <u>Edelman's Trust Barometer</u>, businesses are less likely to serve the interests of society than the government, the media or NGOs.

Brands have an opportunity to do so by aligning with societal issues, but this comes with its own challenges. The debate is not new and untouched. It involves the comparison of two different ideologies. On the one hand, Milton Freedman, perhaps the most influential economist of the last century, elaborated on the idea that the sole purpose of a businesses' social responsibility is to increase profits for shareholders (New York Times 1970). On the other, Peter Drucker adds up the responsibility that entities must-have for the community even though the primary goal is the performance of their "institutions".

Society's current lack of trust in brands has brought these differing ideologies to the surface. A look at the available statistics shows marketers are in favour

of Druker's position and supporting social issues. The highly regarded Marketer's Toolkit 2020 revealed 77% of 800 client and agency-side executives want brands to take a stance on them. Yet, this has been accompanied by a hesitancy when deciding upon the best course of action.

Types of brand activism

Nooshin Warren, assistant professor of marketing at the University of Arizona, believes there are two types of social issues on which brands can take a stance and these depend on the consensus that they generate with the public. In the first category are widely desirable issues related to obesity, poverty, drug/alcohol abuse, security, wellbeing. Taking a stand on these issues is highly favourable for brands because there is consensus in society about the benefits of doing so.

On the other hand, brands have the opportunity to support issues which they believe will result in 'public good'. Nooshin argues that 'good' in this context is debatable, making this corporate activism. Brands that do this successfully leverage a value proposition and mission statement that is strongly aligned with activism. In effect, their brand is based on activism and can not exist without it. On the other hand, brands that try to capitalise because they see an opportunity risk "woke washing", a term given to brands that are perceived as being insincere about a cause.

Nooshin also provides evidence that brands should consider activism in regard to long term instead of short term gain. This is supported by Les Binet and Peter Field's research "The Long and the Short of it", which argues that impulsive sales are much easier to profit from if the activities are built on strong creative foundations and sincerity with the values of customers. The Marketer's Toolkit further emphasises this view, explaining how long-term brand building is more aligned with sustainable growth.

Controversies and contradictories

Of course, brands would be wise to consider the past experiences of others before deciding whether to take a stand. In particular, there are many instances of perceived hypocrisy where brands may be supporting a cause, yet perhaps acting in questionable ways.

We Are Pi's campaign "stop anti-black advertising casting" illustrates this clearly. At a time when Black Lives Matter protests are hitting the headlines, and brands are supporting the cause, it would be hard to argue against the bias that still exists within the industry. The campaign, launched at this year's Cannes Live, showed 94% of respondents from agencies, brands, and

production companies believe the ad industry should take action on racist decision-making in the casting process.

This is further demonstrated by a <u>Diversish</u> campaign developed by AMV BBDO, which presents "a satirical look at businesses that call themselves diverse but overlook, ignore or postpone anything to do with disability. It calls for business leaders to stop being divers-ish and commit to action on disability inclusion" according to the campaign's 2019 <u>press release</u>.

But there is also the question of whether brands should be taking a stance on social issues. According to political and communication strategist <u>Toby Ralph</u>: "The job of dishwashing is to clean plates and not hector you on civil disobedience. The policy should be determined by people and the people we elect, not by soap powders. Brands should shut up." And this trepidation is clearly illustrated in the <u>Marketing Society</u> blog about the Black Lives Matter protests.

Final thoughts

<u>Philip Kotler</u>, broadly called 'the father of modern marketing', believed: "Brands can be progressive activists – making the world better, or regressive activists – making the world worse". This article shows the complex challenges that brands face in making the world a better place. But this is becoming increasingly pressing as they attempt to win back the trust of consumers.

To do so, they must be more truthful and transparent, which surely must be for the good of society. And there is room for optimism. According to the <u>Trust Barometer 2020</u>, the majority of consumers believe companies can take actions that benefit society, whilst also gaining commercially. It would appear that Peter Drucker's argument is gaining pace.

Geri Ruci is a marketing analyst at Posito.

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Article by GERI RUCI