



Why have a clear purpose

Drawing from existing
research on topics
including customer
expectations, workforce
trends and innovation,
this section serves as a
Business Case for why businesses
and brands should assess having
purpose. Use this material to aid
discussion between different
functional leaders inside your
organisation, and consider the
merits of adopting a purpose-driven
approach to running your business
or brand.

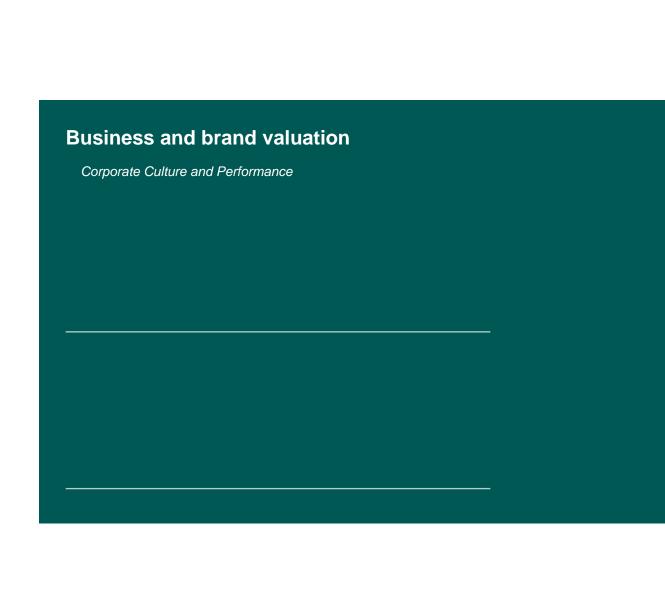
What purpose should be about

Purpose is fast becoming a frm feature in Marketing, Corporate Responsibility and Boardroom conversations, but there is little available to help answer some of the basic questions people have, such

SEE PAGE 4



Proft and phand togethe



Commercial growth

Focusing your efforts on plugging social or environmental gaps in the market can help you to sell more while having a positive impact at the same time. A shared purpose helps to set guidelines to staff on how a company wishes to operate and grow, which encourages staff to think innovatively and beyond basic product

Burson Marsteller and Business a purposeful approach to busine achieving 17% better performan

change in consumer mindset.

Fast growing companies that can by their purpose are able to uncoand develop stronger sales char becoming apparent having a stro

For further reading on the commercial opportunities of embracing sustainability, check out Fortune Favours the Brave, a 2013 report by Accenture, Marks & Spencer and Business in the Community

The size of the market for businesses to engage in social and environmental related innovation is estimated at £100bn in the UK alone.²

Example

'Sustaina of the co twice the

Attracting talent

Companies with a strong sense of purpose are shown to perform well fnancially as well as having a high level of With organisations of all sizes competing talent, standing for something bigger is a

Almost 9 in 10 employees surveyed in Deloitte's Millennial Survey believe that "the success of a business should be measured in terms of more than just its f nancial performance".²

60% of Millennials want to j companies with a 'purpose' embedded in the business.

Retaining talent

retention. Research conducted by the Chartered Institute of Personnel and Development (CIPD) reveals employees are more likely to be engaged and satisfed when they fully understand an organisations 89% of respondents in Harvard Business Review's Business Case for Purpose survey agreed that companies with a shared sense of purpose would have greater employee satisfaction.

83% of over 1,400 US employees surveyed by PwC named purpose among their top priorities for offering meaning in daily work, and many feel a shared sense of purpose contributes heavily to employee satisfaction.⁶

CIPD suggest that employed only find more meaning in a discretionary effort and are logical to see why CIPD condriving sustainable organis. Millennial Survey found that the same set of values as the same set of values are same set of values as the same set of values as the same set of values are same set of values as the same set of values are same set of values as the same set of values are same

themselves committing mo

Purpose could connect all parts of the societal ecosystem ...companies with a clearly expressed purpose might directly contribute to a new level of joined-up action from business, governments, NGOs [nongovernmental organizations] and entrepreneurs.¹

Other businesses

EY state that by offering a shared common ground, purpose can help build bridges across business functions within organisations and even between different organisations. New partnerships can evolve from a shared sense of purpose, resulting in product and process innovation.

Government

Pressure on government to the trend for smaller gove are increasingly looking to challenges.

GlobeScan's 2016 Sustain share the same level of reas the government. Colla alike the opportunity to factogether.

Example:

Ford and Jose Cuervo are exploring using the tequila producer's agave plant byproduct to develop more sustainable bioplastics to employ in Ford vehicles, helping both businesses live out their

- Share this information with colleagues and get together to review the opportunity for your business or brand
- Present to your Executive team about the opportunities of being a purpose-driven business or brand
- Get in touch with Business in the Community.
 We can help you bring these messages to life inside your business through presentations and workshops with your colleagues and senior leaders.

Come a

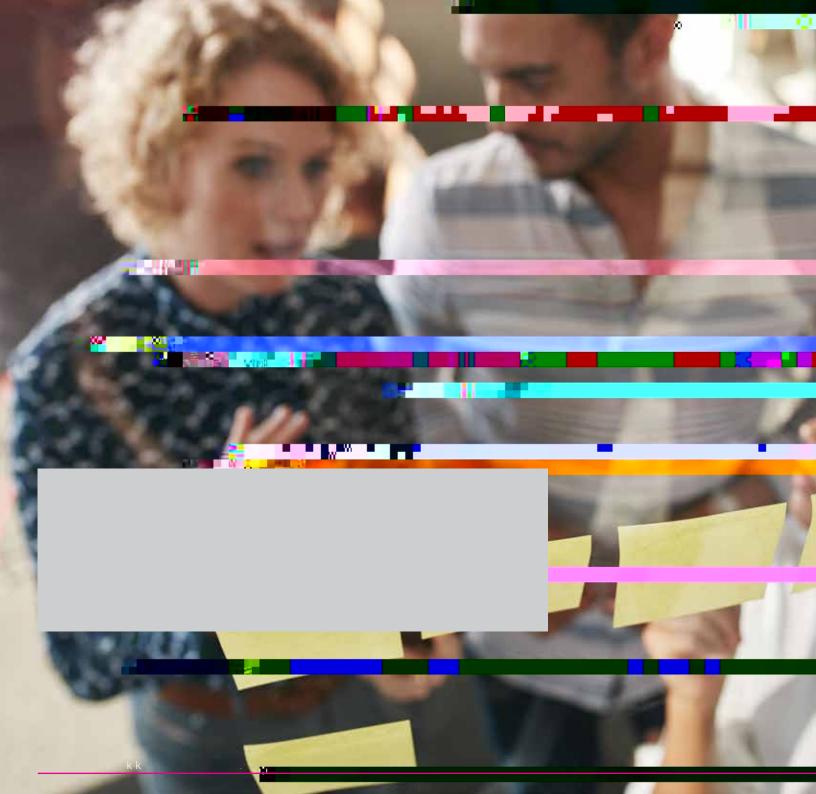
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Contact Charle Director - char +44 (0

To be kept inform

Business in the (Insight

www.bitc.o



What is purpose?

Purpose conveys why your business exists and acts commercial strategy and behaviours. Your purpose schange that the business seeks to create in the world one that has considered the role it can play to improve

thinking to its products, marketing and customer exp

It's a powerful strategy device that can help brands connect better with customers and grow sustainably. For the business, this can uidn-ck newmarketi

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A good purpose must be

Relevant to how you make your money

About the world outside

What it shouldn't be

A campaign or a strapline

k . . k k

A tool simply for employee engage



A convenient wraparound for even

k k

These purpose statements capture many of the 'must haves'. All of these businesses are on a journey and will be required to make bold decisions if they are truly to live by these, as customer and stakeholder scrutiny grows.

Ratings such as Radley Yeldar's Fit for Purpose Index brands by the relevance of their purpose and whether taking sufficient action to turn this ambition into reality

Company	Purpose	Why we like it
Hermes Investment Management	To achieve the best outcome for the pensioners on whose behalf we invest	Hermes' purpose isn't necessarily articulated as an official purpose isn't necessarily articulated as an official purpose isn't necessarily articulated as an official purpose. Nusseibeh regularly speaks to the financial press about how to though their immediate customers are pension funds, not indifferent of mind is said to encourage investment teams to make a which includes making a competitive financial return, but no quality of life is undermined through unsustainable investment.
CH2M	Laying the foundation for human progress by turning challenge into opportunity	CH2M are global engineering consultants, specialising in major and rail. Their purpose is based on a common thread across a cities and communities through the deployment of infrastructurinto commercial growth (for their clients and themselves), encommercial growth (for their clients who are looking for an increasing aim of many of their clients who are
Philips	Improving people's lives through meaningful innovation	Philips are known for their consumer household appliances are manufacturing and medicine. The purpose has remained much haven't rested on their laurels; the way they have delivered or 1990s they moved from private R&D to a more inclusive Oper also hosting non-Philips businesses. We like that Philips community through throwaway goods, but meaningful innovation which the
Pearson	Help people all over the world make progress in their lives through learning.	Pearson, a global education business, have gone through a lost Pearson set an ambitious goal for every Pearson product and on improving peoples' lives through learning'. Pearson recogn short-term proft but not meet the goals of their customers (ed for continued commercial success. Linking products back to the relevance with customers. CEO John Fallon states "We judge - not by the products that we make but by their impact on lear

•		is against – protective proprietary business models. There is substituting the substitution of their products and
Danone	To bring health through food to as many people as possible	In 1929 one of Danone's founders created the brand's frst slow yogurt is the right dessert for happy, healthy digestion." Health for nearly 100 years, and in 2007 resulted in Danone selling of baby nutrition brands such as Cow & Gate. The purpose appear but wider activities which build engagement with customers an
Jaguar Land Rover	Delivering experiences that our customers love, for life	Whilst not explicitly written as JLR's purpose, this phrase featu communications. We like that it is obviously focused on delight the biggest luxury car manufacturer' - as this increases the like frst. The inclusion of 'for life' should help to instil an ambition for also sustainability and longevity. Their vehicles are long-lasting 85% recyclable.
Unilever	Making sustainable living commonplace	Unilever believe that their distinct purpose will help them to reagrowth at the same time as reducing their environmental footpon nature and is relevant to their products. The key for Unilever and decisions they make about their brand portfolio – whether to re

make it universally accessible and useful Their commitment to making it universally accessible is bold a

Google has diversifed over the past decade from internet sear

to have a low-cost of entry and open-source. Their purpose is

To organise the world's information and

Google

1 Where is our business or brand currently?

Ask yourself

- Note: The control of the control
- n What do you stand against as well as for?
- n What products or services do most of your revenue come from currently?
 - n How do they impact on people and society, either directly or later down the line?
 - What potential do they have to improve society for example enabling education, fnancial security, health and wellbeing, environmental sustainability?
 - n Where do they risk undermining this positive potential, for example via environmental or human impacts in the production or consumption?
- Is there a uniting theme across your portfolio of products or services, either in terms of reach into people's lives, or what they enable customers to achieve? If not, is there a common theme in how these products or services are made?
- What category or sector would you say you are in currently? Are there other traits that are unique to you that could see you opening up new revenue streams? For example, Jaguar Land Rover are a car manufacturer, but they

2 Where does our busin

Ask yourself

- n Where do we see our revenue comi Tip: Don't think narrowly about what a video rental company and now the service. Consider the impact of:
 - n Technology (current and fut
 - r
- nnChanging customer appet8

3 What could the scale of our impact be?

Different purposes have different scales of impact that the business or brand is striving to achieve. They tend to have a beneficiary of this impact, either explicit or implicit. This beneficiary can range from the company owners, to the planet itself. **Is your purpose**

- Use the previous provocations to review the relevance of your existing purpose, or to articulate one for the business or brand
- We recommend that you use these questions as part of Executive strategy sessions. Involve groups of employees to feed in suggestions from different parts of the business.
- Business in the Community can present on the fundamentals of purpose to an audience within your business, and help facilitate discussions using these provocations to assist you in shaping your purpose.



Summary

Coming up with a relevant purpose statement is relatively straightforward. Where most effort is required is for companies to bring to life their purpose through positive products and services, an inclusive and honest customer experience, and bold marketing.

This isn't just about advertising with a social angle, this is about corporate culture; Millward Brown's annual RepZ study of brand reputation shows a clear correlation between brand trust and corporate trust. In 2016, behaviours from the corporation behind well-known brands permeate how people feel about household names. Leadership scandals and poor customer relations adversely impact on people's attitudes to the brand.

So what do successful purdo that makes them stand What are the qualities that likely to succeed, avoid rideeper with their customes

Business in the Communication hallmarks of a purpose-didialogue with the Marketp Team and member compared to the communication of the compared to the comp

Five of these hallmarks form to businesses. An additional fou may not apply to every single can be what pushes a comparextraordinary.





Establishing the business or brand purpose begins at the top.

key focus of how the business is managed.

What does excellence look like?

make in the world, and this is refected in the company's strategy and planning.

Why is this impo

The value to the business people throughout the business framed by the very top least it will not achieve the beninspiring employees.

In addition, research has space for confict between The principle that the two



Who demonstrates this in practice?

P&G was experiencing a diffcult period, it adopted its company purpose and aimed to align its brands behind it. When Robert McDonald became CEO in 2010, he put the purpose – improving the lives of the world's consumers – even closer to the heart of its business strategy.

That has resulted in employees across the company being given a measurable purpose-driven goal to show how many lives have they

where the P&G Baby Care Group set up Pampers mobile clinics to reduce rates of infant mortality. Not only has this helped to save lives, but it has also seen sales of Pampers soaring, with West Africa among P&G's fastest-growing markets.

Since adopting its purpose-driven approach, P&G has reversed its decline and seen considerable growth across the company.

What

Create

manag

• Establ

routine

Review

The company drives its fnancial performance with products

achieve your purpose. With will remain unfulflled. If the societal challenges, then end help meet those challenges future legislation and help to Keeping the wider context circumstances will abruptly

instance, if you choose to i product because of its curr product creating controvers material consequences that

Who demonstrates this in practice?

CVS Health

on their path to better health. It quickly realised that, the sale of tobacco although proftable, conficted with that purpose and it decided to pull such products from its pharmacies. While general merchandise sales fell 5% in 2015, thanks to the decision to ban nicotine products the positive attention generated helped push up pharmacy services revenues by 13.5%.

reduction in tobacco sales across all retailers in states where CVS had a significant market share, suggesting that the removal of a convenient purchase location had helped some people to quit smoking.

Veolia

The company's overall brand positioning is aligned with its purpose and the nature of its communications with its customers.

What does excellence look like?

The purpose underpins the personality and the appeal of the brand in such a way that customers naturally understand the difference that the company is seeking to make, and why it matters to them.

This link between the brand and purpose is a core part of the brand values, consistently refected across marketing channels including social media.

the brand stand apart from the casual claims and "purpose wash" of others.

Why is this impor

Consistency and authentic between the company and story in a coherent way, cu intentions are genuine. That

Customers are increasingly

purposeful brand this can be

/ho demonstrates	this in practice?	
AP adopted its purpose a	s being 'to help the world ru	ın better
derstanding the needs of i	ts customers, but also their	customers.

managed in line with the promise What does excellence look like? The company has reviewed its impacts across its full range of

Who demonstrates this in practice?

Interface is a manufacturer of modular carpet tiles for offces and

programme to eliminate negative impact on the environment is apparent in all areas of business. Working with their supply chain, customers and employees has allowed them to reduce their impact through development of innovative products such as Biosfera, a new product whose carbon footprint is half the one of a typical carpet tile, as well as a glue-less installation system which allows more tiles to be reused or recycled. Interface has been instrumental in launching innovative supply chain concepts across Europe to reduce costs whilst providing profts for freight forwarders encouraging forwarders to become sustainable

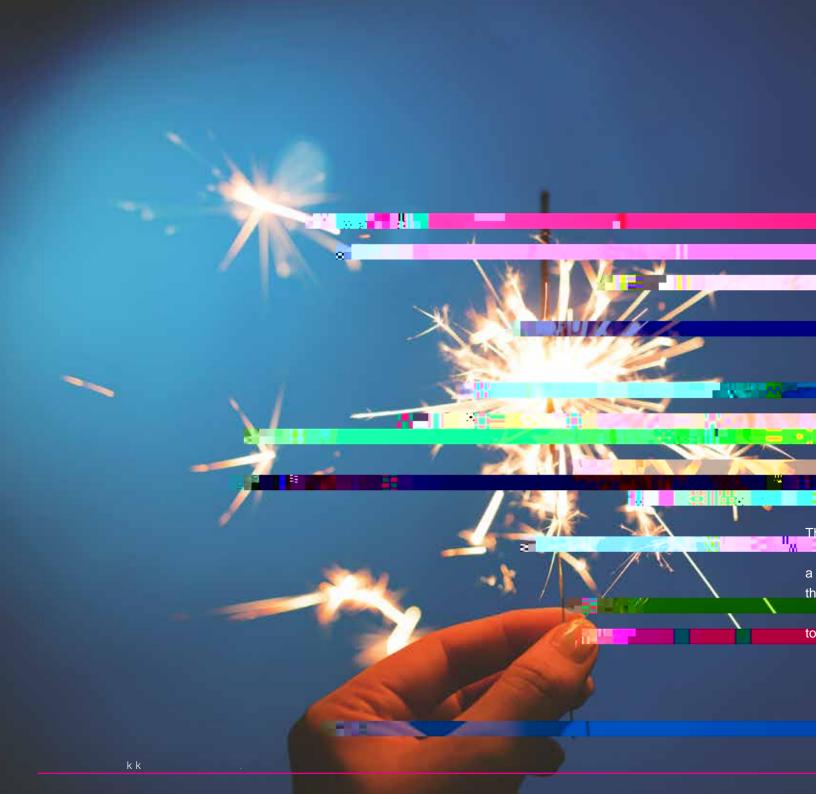
after the initial sale by engaging customers and offering support with sustainable services such as their ReEntry scheme, collecting carpets

unturned in their mission to go beyond reducing negative impact to creating a positive one.

Through its Plan A progran

offering across the full rang product to have a 'Plan A's the two-thirds mark.

heart of British life, it has deprocesses are held up for it as more obvious purposeful products or healthy ready it maintain customer trust by



Unilever's Dove brand has based its appeal on its campaigning statement around modern attitudes to beauty and body image. Its 'campaign for real beauty' challenged industry norms where impossibly-perfect images achieved via photo manipulation were held up as

Now the Dove Self-Esteem Project is a key part of achieving its

youth leaders to help identify ways to boost the self-esteem and confidence of young people.

Over ten years, the brand positioning has seen it increase its sales from \$2.5bn in its frst year to \$4bn ten years later. But it has also seen the conversation it started around beauty grow through that time, and being taken up by others following its lead. When it started, just 2% of women considered themselves beautiful. Now research suggests that women have embraced wider definitions of what constitutes beauty, and the backlash against photoshopping models has become a point of

What sl

Identify power it

Establish part of you

the most e

The company is able to evidence that it is executing its purpose well, achieving some form of commercial gain as well as making a positive

What does excellence look like?

The company is succeeding in the marketplace, with growing market share and trading from a strong reputation with customers and other key stakeholders.

If it is in transition with purpose-driven products and services, it is tracking the contribution made to the bottom line by these products and ensuring that they are strongly performing.

The company is also focused on the non-financial aspects of the purpose, tracking its positive impact on society as appropriate, and able to show that such impact is creating

Why is this impor

Good intentions will count poor. The company needs providing products and ser the performance points the in this, as it is in all other p

At the same time, the social must be realised. That mean always checking for uninterevidence the positive impartments age to weave into your message to your message your message your message your message your message your me

Nike has defined its purpose as being "to bring inspiration and innovation to every athlete in the world". That innovation explicitly

delivered through its community impact.

The company has been highly proactive in ensuring its performance in both areas match the strength of its bottom line performance. The

produce one 'green' brand within the larger whole.

It has delivered huge changes, including headline performance measures such as 92% of waste diverted from landfll and energy use cut by half across its supply chain. It has innovated new materials from waste, and has an overall target of producing 'closed loop products'. Since 2008, Nike's revenue has increased by 64% while its emissions have only increased by 20%, showing that it is on the right track with an ambitious set of targets set to keep it going.

Unilever has a wide ra umbrella, but has been ver core purpose ('to make sus sustainability and seeking

This strategy, well-impleme Sustainable Living brands growth, and grew at twice

What sh

specifcally



IBM to demonstrate the effectiveness of a new technology
– grid computing, they joined forces with leading science, education
and philanthropic organisations to create one of the largest public
humanitarian grids in existence, the World Community Grid. By using



3M has based its profle as a world-class innovator on employee engagement for many years. It provides its employees with up to 15% of their time to create a pool of practical ideas that are potential

How Business in the Community can help you unlock some of the big barriers to having a

Business need	How Business in the Community can he
Engage and inspire company being a purpose-driven business	Involve company leadership in the Busines and forums designed for C-suite leaders a in particular the Marketplace Leadership T Inspire senior leadership via a Seeing is B
Gain widespread commitment a compelling and authentic	Present to your business using the information business case, bringing brand examples to Facilitate an interactive discussion and pla leaders, using The Purpose Checklist, to g
Get advice on how your company	Perform an in depth diagnosis of the statu- barriers and enablers for change. Support

 Use the Purpose Checklist to rate your business or brand's integration of purpose into your key commercial activities. Individual teams could compare the company's activities against





Business in the Community

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