

THE PURPOSE ADVANTAGE

How to Unlock New Ways
of Doing Business

Jeff Fromm + Philippa Cross

2.0





A BARKLEY BOOK



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THE
PURPOSE
ADVANTAGE
2.0

BLURBS

The business of business is way more than just selling stuff. This book will show you how leading with values is not just the right thing to do to bring about a more sustainable world, but will actually create stronger bonds with your customers.

Jerry Greenfield, Co-Founder Ben & Jerry's

“Purpose-driven brands are winning consumers’ hearts and investors’ wallets. This book gives readers a roadmap to create a powerful brand.”

Jenny Rooney, Editor of CMO Network, Forbes

“A thought-provoking tool kit to help companies with purpose engage people who care about who is behind the brands they buy and why they do what they do.”

Joey Bergstein, CEO, Seventh Generation

BLURBS

“The Purpose Advantage gets at the heart of what being a purposeful organization means and how ‘doing good business’ can differentiate a brand and influence today’s socially conscious consumers.”

Bob Liodice, CEO, Association of National Advertisers

“More than ever, we need clear thinking to help brands and businesses to clarify how they will authentically benefit society. Doing so will open up opportunities and protect the sources of social and natural value on which their - and society’s - success depends.”

Ben Kellard, Director of Business Strategy, Cambridge Institute for Sustainability Leadership

FOREWORD

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What matters
is what you
do next.

FOREWORD

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As we begin to emerge from a global pandemic-induced lockdown and continue to wrestle with social unrest, I am at once concerned by our collective challenges and hopeful that we are finally ready to face them. In my role as founder and CEO of Sustainable Brands, a global community of brand innovators shaping the future of commerce worldwide, we've seen global brands and agencies increasingly recognize that:

1. Global social and environmental challenges are having an increased impact on business stability.
2. The competitive landscape is shifting to favor those brands who are addressing these challenges through brand innovation.
3. As a result, these issues need to take a more central place in discussions about business and brand strategy. Not someday in the future, but today.

Today, more and more people are finally making the connection between social and environmental issues. There's an increasing recognition of the role that brands and businesses play in all our lives. We're seeing more of society not only give permission to, but expect brands to be playing a more active role in helping us collectively progress on both fronts. And the good news is, brands can and are making meaningful contributions to drive changes that make our economic ecosystems more equitable and sustainable.

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And boy do we need this. We are living on borrowed resources and borrowed time. We continue to use nearly two times the natural resources the earth can restore each year to drive our global economy. We face increasingly polarized populations, the acceleration of climate-related disruptions and biodiversity loss, increasing income inequality, and threats of looming job market disruption stemming from the accelerating capabilities of AI and robotics. Each of these concerns alone, and certainly all of them combined, give us clear reason to acknowledge that our current paradigm of take-make-waste has run its course. Those of us who are conscious of these and other concerning megatrends are justifiably challenged to imagine how we can restore our ecosystems to health and sustainability without rapid and coordinated response.

In 2006, we saw that need and developed Sustainable Brands to provide a bridge to better brands, connecting brand strategists with innovators, scientists, economists, engineers, NGOs, academics and storytellers – all with the goal of finding ways to leverage the power of brands to influence the system toward a flourishing future. A future in which those brands that provide sustainable products and services, that truly serve the community and its people, will win in the marketplace.

Our ambition from the beginning was to help expand the conversation out of the sustainability office and into the C-suite; into the heart of the core conversation about corporate strategy and brand purpose. And it's been fun to watch the business and brand transformation start to unfold! Our members, and members of our community that surround them, get that it is not enough to craft a new marketing campaign, or heaven forbid, a cause-related program – or even to innovate on a single front. What we're talking about is a whole business transformation that takes a conventional brand of yesterday on the journey to becoming a sustainable, and even regenerative force in society today. We're challenging brands to transform themselves from the inside out – first, to work from a place of purpose beyond profit, to use brand influence to inspire and enable sustainable

FOREWORD

lifestyles across stakeholder groups, to operate regeneratively, delivering net positive products and services to market, and to align governance with stated sustainability commitments. This is what it truly means to be a Sustainable Brand and it's codified in the five core principles of our Brand Transformation Roadmap.

Brands are on a journey of transformation, and every journey needs a guidebook — a guidebook that shares stories from the road from those who have gone before and offers practical steps to pave the way for those that dare to go next.

“The Purpose Advantage” is a great example of such a guide. Many of the interviews you will read in this book are the stories of Sustainable Brand network members such as SAP, Unilever, Ben & Jerry's, and Walmart. Their stories and those of the other wonderful change-making organizations in this book highlight just how businesses are transforming themselves TODAY, and give ample inspiration for what you could, and most definitely should, do next.

Jeff and Philippa are connected to our Sustainable Brand community, as affiliate members, friends, guest speakers and conference participants. I am excited for the launch of their book and I hope more brands use it as a tool to better their consumers' and employees' lives and most importantly, the planet we all share.

A foreword by KoAnn Skrzyniarz, CEO & Founder of Sustainable Brands.

INTRODUCTION

INTRODUCTION

“Now, more than ever,
leading your company
with purpose and
authenticity matters.”

INTRODUCTION

INTRODUCTION

We wrote *The Purpose Advantage*™'s first edition to help brands find that sweet spot between what they're good at and what the world needs. It was a short how-to guide to inspire brands to take action — and it hit the spot. Brand leaders told us they devoured the book in a single sitting as essential preparation before diving deep into their own purpose-led brand journey.

At the time, purpose felt like an advantage that leading brands leveraged to drive growth in ways that were good for business and for the world. Then 2020 hit, and Purpose went from being a discussion about strategic advantage to an imperative. Suddenly, companies who really cared for their workers stood out in stark relief against those that didn't. Those that had never tried to create a more diverse and inclusive workplace found they had very little to say, when that's all consumers wanted to hear.

INTRODUCTION

This second edition of “The Purpose Advantage” reflects the urgency of our time. It includes a greater breadth of examples so that readers see their own potential, regardless of industry or business model. We include pivotal thinking inspired by research into whole brands, what we call the kind of brands that are built from the inside out around a core belief inspired by purpose — knowing that every action they take defines them. We also articulate the role purpose plays across the Whole Brand Spectrum: a series of decision points from business decisions to marketing ideas that can serve as a playground and framework for how you envision your brand.

Business Ideas

Inside

Sustainability Culture Products + Services Design + Experience



Marketing Ideas

Outside

Actions PR Content Advertising

A brand doesn't exist in a vacuum, separate from the society we operate in. Purpose exists outside our business operations and marketing communications, and brands that ignite purpose across their entire enterprise are simply more successful.

The book starts with inspiration.

Chapter One shares stories from three very different companies: a start-up restaurant chain, a mature dairy cooperative, and a large IT consulting firm. Each company is reimagining their own business model by pivoting to a purpose that better meets the needs of the people they serve and the environment.

Chapter Two introduces the idea that the division between company and brand has been erased. Whole brands are those that understand they are the sum total of everything they do inside and outside their business. United by Purpose, a core idea that permeates through everything they do. We ground you in the definitions of purpose, “The Purpose Advantage”, and sustainability. We bring this to life through the case study of Seventh Generation, a brand that has embedded its purpose across the Whole Brand Spectrum from product design to advocacy for policy change on safe chemicals. And we summarize the learnings of these cases through the Purpose Profit Loop, a framework that breaks down how purpose drives culture, innovation and consumer connection in order to deliver business growth.

Chapter Three shows what it takes to move beyond woke and green wash for brands to make meaningful change. Learn from reactions to the social and environmental challenges of 2020 and how brands such as Ben & Jerry’s, Dove, Planet Fitness and Patagonia have risen above to be leaders.

Chapter Four makes the case that True Believers aren’t always the people you’re selling to. Many of the great whole brands modern consumers love are just as focused on building a strong internal brand culture as they are their external reputation. Enriching internal experiences is yet another stop on the Purpose Profit Loop that builds employee engagement and better business outcomes.

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Chapter Five shares stories of how leading companies are reimagining their supply chains and inventing new materials that better connect consumers to where their products come from — and how shared frameworks, such as the United Nations Sustainable Development Goals and the Circular Economy, are inspiring new business ideas from IT software to beer made from bread waste.

Chapter Six explores societal forces that place purpose at the heart of branding through the perspectives of consumers. We dig into the consumer connection part of the Purpose Profit Loop to better understand how purpose drives customer trust and loyalty. We also describe the psychology of purchase and the role brands play in helping our brains make faster and easier decisions so we can get on with living our lives. Brands that stay true to their purpose consistently attract and keep True Believers in their orbit. And increasingly, these super-advocates want to see their own purpose reflected in the companies and brands they support.

Chapter Seven goes deeper into the “smart business” case for purpose and sustainability. We explore how investors such as Blackrock and Jefferies prioritize purpose-led business brands and drive meaningful change for public companies. We also discuss how large-scale retailers like Walmart and Amazon are inspiring change for privately held companies.

Chapter Eight condenses our insights into a series of four frameworks with corresponding exercises for you to apply the learnings to your own organization — based on our real-life experiences with clients. It’s important to note that this isn’t a simple or fast process, but rather an ongoing commitment to delivering on your brand’s genuine purpose. Your brand purpose, and the way you go about executing it will evolve. It’s not a one-stop shop or one-time action, but a committed consistent and ongoing commitment to instilling your Purpose Advantage.

A Note on Collaboration

Jeff and Philippa first met in 2019 as the first edition of “The Purpose Advantage” took shape. Jeff had come to this topic through a deep understanding of millennial and Gen Z audiences he developed through considerable consumer research and four prior publications. Philippa has 15 years of experience working on the insides of brands such as Ben & Jerry’s and Unilever, which have prioritized purpose, and perhaps more importantly, sustainability at the core of their own business models.

This book and its subsequent workshop are the culmination of both of their respective career trajectories and shared consultancy work over the past two years. So, while “The Purpose Advantage” is written in Jeff’s voice, the work is a partnership, as the writing and ideas are shared equally between Jeff, Philippa and a team of professionals at Barkley — led by Lindsey DeWitte — that work tirelessly on brand purpose and sustainability through the lens of brand action.

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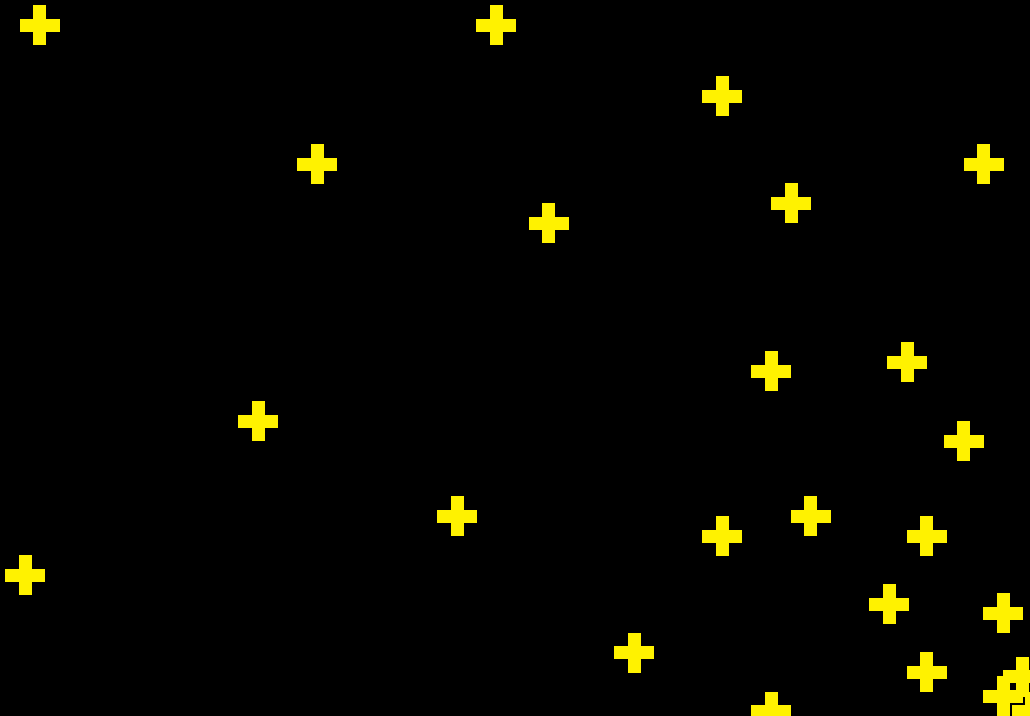
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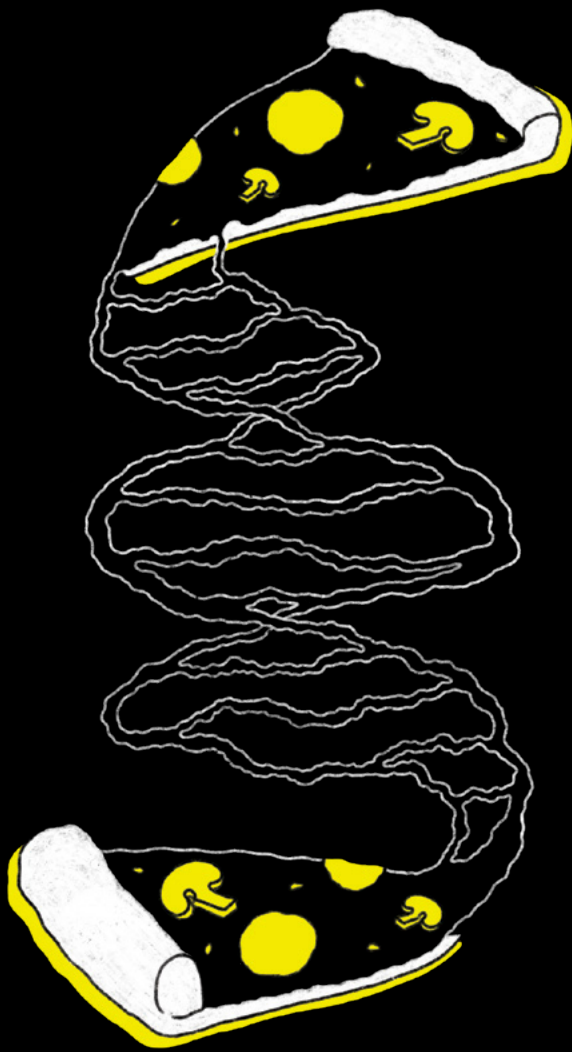
On a radical shift, profitable patterns
+ futureproofing brands

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The Purpose Advantage™ Workshop





ONE
ONE

On aspirational
pizza, sustainable
dairy + borderless
workplaces

The meaning of life is to find your purpose.
The purpose of life is to give it away.

Pablo Picasso

ONE

“How can I help you today?”

A smiling employee waited to take my order as I puzzled over the options.

“Is it really the same price, no matter how much I put on it? Even if I add ALL the veggies?!” I asked.

“It really, really is. It’s called a MOD® pizza for a reason.”

When I first heard about the pizza chain, I was sold on the idea of a custom pie, but truthfully, didn’t expect much. However, within the first 60 seconds of my first MOD experience, I knew something was different.

At first glance, the large wall by the people waiting in line reminded me more of a teenage bedroom and less of a retail chain. It was plastered with photos — image after image, each offering up a different smiling face, much like the one that greeted me at the counter. The wall to my left presented a graffiti-esque quote: “What matters most is what you do next.” The letters M, O and D stood out in bold, contrasting red.

MOD. There it was again. A MOD pizza? According to the menu in hand, a MOD pizza was an 11-inch pizza, crafted right in front of you. A scan of the menu listed unexpectedly named topping configurations — Jasper, Calexico, Dillon James, and so on — or I could choose from 30 craveable toppings to make my own configuration for the “perfect pizza.” Guaranteed, asserted a short paragraph at the end.

“Don’t love what you ordered? Let us know. We’re all about second chances.”
Second chances.

I pondered this as I watched my pepperoni, spicy sausage, mozzarella and rosemary pizza slide into a flaming oven — I clearly passed on the healthier options. What exactly did they mean about second chances? As I

found a seat among soccer moms, giggling teens and a few loner business professionals, I ran a quick search on my phone. What was up with MOD? With 20-plus years of experience working with brands of all sizes and shapes, I was no stranger to clever branding, tasteful ambiance or friendly staff, but something seemed different here.

I didn't get far into my search before my pizza was ready. As I noshed, I resolved to get to the bottom of what was really happening at MOD — and a few weeks later, I finally found myself on the phone with co-founder Scott Svenson. As we chatted, that “second chances” line started to make sense.

While Scott and his wife Ally had owned successful restaurants in the past, they hadn't picked the idea of fast-dining artisanal pizza lightly. In fact, in 2008, Ally had even cautioned Scott that,

+
+ “The last thing the world needs is +
+ another soulless restaurant chain.” +
+ +
+ +

Scott shared the questions that formed the essence of MOD. What if everyone could get exactly what they wanted, made fresh on demand, for as little as possible? And what if employees were paid as much as possible and given real opportunities for growth, even second chances?

There it was again, the subtle message I'd seen in the menu. Aside from guaranteeing you'd love your pizza or you could try again, MOD was hinting at the core of what their business believed. The deeper purpose at MOD wasn't to just make great pizza, but to put people first. MOD was all about being a “force for positive change in the lives and the communities we serve.” But how exactly did they do this?

A people-first approach to pizza pie leads to rapid growth.

The positive change first started early on when his team was looking at what could be done about the high employee turnover rate standard to the food industry. “As any business owner knows, it’s difficult to maintain a high standard of quality when employees leave as soon as they’re trained,” he pointed out.

As Scott and his team looked within their own ranks, they noticed a trend among some of their most committed employees: they might not have even been hired elsewhere. Due to their complicated histories, from resume gaps to brushes with the law, these people had found themselves struggling to find employment. At MOD, they received above-industry pay, benefits and an empowering team environment. These employees were grateful and it showed in their work and how they treated guests. They were more patient, friendly and eager to serve.

“When we took care of our people, they took care of our customers,” Scott says.

“This commitment was a little bit unconventional. There was definitely some risk and cost involved, but we believed over time we would get payback on those investments and build sustainable competitive advantage by virtue of making the purpose about the people.”

The result of the people-first mission? By 2018, MOD had expanded rapidly to more than 404 stores across 28 states and the U.K., attained the title of fastest-growing pizza chain, and registered \$398 million in systemwide sales, a 45% year-over-year increase. Plus, they earned a five-star review from this author.

By hiring those who might have otherwise been overlooked and paying them well, MOD created a sustainable business model while contributing to the community. MOD hit the sweet spot where purpose meets profit — where doing good is scalable and return on investment is no longer restricted to

financial return but includes community benefits.

MOD has zeroed in on an advantage not easily replicated by any other restaurant brand. That's not because of some closely held secret pepperoni ingredient, but because MOD's very DNA is built on a strong purpose: a purpose that connects with their consumers, engages their employees, and drives innovation in the industry by offering second chances to people looking for employment. This human capital strategy is the secret ingredient that allows the fastest-growing pizza restaurant to also impact the world for the better.

How brands that didn't start with purpose can evolve their models

If you're thinking a *Purpose Advantage*[™] is only for brands that built this into their business model from scratch, think again.

I am now 1,800 miles inland in my hometown of Kansas City talking with David Darr, Chief Sustainability Officer at Dairy Farmers of America (DFA). To some, that job title might sound like a misnomer: Can dairy be sustainable? Popular depictions of methane emissions from burping cows and smelly manure can lead you to think dairy is a problem.

But David, 19 years at DFA and a self-identified farm kid from Ohio, firmly believes that dairy is far from a problem and can actually be one of the solutions to a warming climate and helping rural America thrive. I'm intrigued so I push him to prove it. I am from Missouri, the "Show Me State," and all.

David explains manure — far from a waste — is being turned into renewable electricity and energy through anaerobic digestion on DFA farms. He tells me about the Noble family in Western New York who were looking for a way

to bring future generations back to the dairy and farming operations. They invested in an anaerobic digestion system, which would leverage not only dairy farm waste but also food waste from neighboring retailers and food manufacturers. Today they are powering their entire farm on the energy they create and keeping food waste out of landfills. But more important than that, David says, “It’s allowing them to create more jobs in their communities. It’s allowing them to grow their family business.”

And this is just the beginning.

“We’ve got interest coast to coast, from farms, large and small, that are looking at how they can be part of renewable solutions for our country, not just producing good food for people.”

DFA now runs a renewable consulting business as part of its Farm Services program to help other farmers into the renewable solutions game. And they have a multi-year strategic partnership with Vanguard Renewables who have \$200 million to invest in on-farm renewables.

The co-op is also the first in the country to set a science-based greenhouse gas (GHG) target with the Science Based Target initiative* to reduce emissions by 30% by 2030 and as part of dairy industry wide goals to have net-zero emissions by 2050.

The *Science Based Targets initiative is a collaboration between the Carbon Disclosure Project, the World Resources Institute, the World Wildlife Fund, and the United Nations Global Compact that supports companies who set targets in line with what science says is necessary to keep the planet within 2 degrees Celsius of warming by 2030 (3.6 degrees Fahrenheit).

For dairy farms, net-zero means balancing carbon emissions with carbon reductions or carbon sequestration. Carbon reductions can come from using or producing renewable energy, whether biogas from anaerobic digestion or solar panels or windmills on farms. Another important reduction is reducing cow burping, aka methane emissions, by modifying their diets. Carbon sequestration, on the other hand, means keeping carbon stored in the soil by allowing crops to cover the soil all season and not tilling the earth.

The goal is ambitious and while they don't know exactly everything they will have to do to achieve it, "we're aligned on the actions and initiatives and committed to building out roadmaps with our members and businesses," he says.

This all comes back to DFA's purpose: how they help support farmers, deliver good food to people and do it in a way that's great for society and our planet.

DFA is one of the largest cooperatives in the country with 13,000 member farmers, and up until recently, not one strongly associated with sustainability. Its mission is to "Enrich communities through all the possibilities of dairy," and for DFA, sustainability is a big part of that.

"We woke up and realized that brands and customers were definitely looking for more information on where their food came from," David explains. "It made us realize we needed to better quantify what farmers were doing to better tell our story."

DFA created the Gold Standard program that enabled them to better evaluate members on animal care, environmental stewardship, and farm safety and training. The program involves meeting with member farmers annually, collecting data and seeing their operations firsthand. Initially, the data was reported back to some of the co-op's big multinational customers like Nestlé, Unilever and others who had set audacious environmental goals for their

supply chains. It was while sitting in one of the national headquarters of one of these national customers when David noticed they were talking about the investments being made in farmer support centers in different parts of the world, to support the production of products in alignment with their sustainability goals.

“Maybe unique to us is the robust area of farm services we offer to members, so we really can be an agent of change that brings new products, programs and technologies to members to help them through change from where they are today to where the supply chain is looking for the future,” he says.

While the co-op offers programs on soil health, farm economics and animal welfare, this direct relationship with farmers is also a strength because it can help them understand stories and practices firsthand. So, rather than top-down, sometimes it’s a bottom-up transfer of ideas and inspiration.

What’s more, the farmers get a voice and an influence that’s far deeper in the supply chain than they might ordinarily get in other sorts of business relationships. It’s a situation that’s ultimately led to some very ambitious environmental goals that might not have been possible, let alone achievable without this level of engagement.

If DFA’s sustainability journey was prompted by B2B multinational customers, what’s sustaining the transformation is coming from the cooperative and the farmers themselves. Their realization that what makes them truly different from other food companies is that they are owned by the farmers, with all profits going back to the member farmers. At a time when less than 1% of the country is producing 100% of the food at prices often lower than production costs, sustaining rural livelihoods to feed the rest of us seems like a high purpose indeed.

But does this “farmer-first” strategy have any meaning for the consumer?

DFA also owns consumer-facing brands like Kemps Ice Cream, TruMoo, Borden Butter, and Live Real Farms. David believes consumer demand for sustainability is only growing stronger, and where once there was a gap between what consumers would say versus their buying behavior, this gap is slowly evolving in a post-COVID context.

“COVID has heightened for all of us how the decisions we make and actions we take have impacts in our communities. We are going to see consumers put their dollars behind brands that don’t just say they’re doing the right things, but are able to back it up and prove it with data.”

Data is something this co-op certainly has lots of and is banking on it will help secure their business into the future. We finish up by going full circle, talking about my favorite topic, pizza. Turns out that DFA supplies the majority of the milk that ends up as cheese on your favorite crusts around the country.

“Whether it’s the cheese on the pizza, or ice cream on the pie, finding a way to make people feel great through dairy while supporting families in rural America and doing it in a way that’s good for the environment is what it’s all about,” David says.

Service-based brands can opt in on purpose, too.

You’re not a pizza company that built your company from scratch, and you’re not a mature dairy B2B that operates emerging B2C consumer brands. You’re a service brand. Is all this still relevant to you?

Yes.

This time our travels Zoom us to Mumbai, India, with some COVID virtual meeting fatigue. Tata Consultancy Services (TCS) is India's second-largest company, worth some \$23 billion with 149 locations across 46 countries. Except these locations and countries may be about to grow exponentially, because this particular information technology and consulting services business made a bold commitment to borderless workplaces this year.

What is a borderless workplace, you ask? For TCS this means that by 2025, only 25% of its workplace will be required to come to the office. It's their 25x25 goal. This bold strategy delivers environmental benefits in less greenhouse gas emissions from commuting and office space. Huge cost savings come from reduced rental for office real estate. Employees are happier as work-life balance becomes a possibility. And, there's a talent benefit: the ability to access talent on a truly global scale. It really is a win-win for shareholders, employees and the environment.

While many of us were scrambling in March 2020 to shift to remote work, TCS was several steps ahead. I caught up with Ashok Krish, Global Head, Digital Workplace, and asked whether millennials were driving this shift.

"They clearly did, but only partially. More than 80% of the TCS workforce are millennials. For the last decade, it's been one of our biggest priorities to find what technologies and kinds of corporate value systems will appeal to this demographic."

"Surprisingly, we've found that it's often some of the youngest employees who prefer to be in an office, while mid-level employees — someone with five years of experience or more — need more flexibility in terms of working from home, and as such, are big proponents of borderless workspaces," Ashok says.

Responding to the needs and life stage of your people and making a pivot in organizational structure might play with employees. A service business is a people business, and putting people first makes sense. But collaboration is a critical skill in consulting and building a strong employee culture through employee engagement drives performance.

Ashok explains their 25x25 goal is based on the observations we've made of what works and what doesn't: "We believe in 25x25 because we know there are some things that just have to be done in person, whether that's one-on-one conversations, relationship building or negotiations."

Making the shift has evolved through trial and training to find what can work to bring people together to work productively.

"In a physical workplace, employee engagement comes for free. However, it's not the same virtually," he says. "Now, you must coordinate shorter events with higher frequencies and ensure they are engaging and participative. There are a ton of things we have to retrain people to enhance virtual collaboration."

Little did TCS know how a strategy that begins with a better life for its people could accelerate so quickly in response to world events. Today a remote workforce requires a knowledge base and skill set that TCS is already advising their clients on how to manage. TCS believes the future of work is already headed this way and is already living today what it may consult others to achieve.

Ashok believes that there is still this assumption that people will eventually go back to the office, but that businesses that are able to facilitate a hybrid model successfully will have a tremendous advantage, not only from a cost standpoint but also purely from a productivity, sustainability and workplace flexibility standpoint.

SUMMARY

So what do this pizza company, dairy cooperative and IT consultancy have in common? These three brands incorporate their purpose and its impact on people and the planet into how they do business. They focused on social and environmental issues that help differentiate their unique brand and act as a catalyst to drive change. And what their stories show is that leading with purpose is far from an added expense; it ultimately helps generate more revenue and profits.



TWO
TWO

On whole
brands, winning
conditions
+ the seventh
generation

"We are looking ahead, as is one of the first mandates given us as chiefs, [that] every decision we make relates to the welfare and well-being of the seventh generation to come."

Chief Oren Lyons, Onondaga Nation.

TWO

Branding, as we know it, has evolved — and fragmented, intrusive, marketing-only brands no longer win in the modern market.

For today's modern consumers and empowered employees, the lines between company and brand have been erased. In his book "Scratch: How to build a potent modern brand from the inside out," author Tim Galles writes that this is the single, biggest change modern companies and organizations must understand to be successful: Not just agency jargon or business speech, a brand is a set of powerful ideas, the totality of your company or organization, built from the inside out.

"It's an amalgam of expectations and experiences, promises you make and keep to your employees, consumers, the world. It's what comes to life in people's minds — that memory — how they imagine and interpret the actions and ideas of your organization," Galles says.

Today, your brand is every action it takes, from the way you treat your employees to how it interacts with the world. His premise lays out the concept of the whole brand: When a business works as a unified whole, driven by a core belief and fueled with purpose, it evolves into something much greater than the sum of its parts: A whole brand. Transparent. Authentic.

This new definition breaks down the wall between a brand's story and how it communicates that story in a way that connects people to the whole brand.

What's a whole brand?

A whole brand is an organization that treats everything it does as the brand. Your purpose inspires a core, long idea at its center to guide, inspire and connect every action a whole brand takes, from business decisions to marketing ideas.

Business Ideas

Inside

Sustainability Culture Products + Services Design + Experience



Marketing Ideas

Outside

Actions PR Content Advertising

A whole brand is congruent, full of purpose and action, and it matches what it says and does internally with what it says and does externally. And, ultimately, a whole brand measures its success by balancing profit and performance with its impact on people, communities and the planet.

Having a whole brand isn't just about alignment, it drives efficiency inside an organization and profitability outside the organization. It is a powerful tool for opportunity spotting, internal integration, collaboration, alignment, communication and growth.

Whole brands dominate the market, on purpose.

With an entire workforce working together around a single purpose to animate your brand across the Whole Brand Spectrum, your brand value goes up. In a recent study by Barkley, "The 360-Degree Advantage: How whole brands dominate," we found that the value of being a whole brand vs. a fragmented brand is quantifiable.

WHOLE BRANDS:

- + Are recommended nearly twice as often

- + Triple fragmented brands in "bought most often"

- + Double fragmented brands in market penetration

- + Are rated five times more likely as a "brand on the rise"

- + Are eleven times more likely to command a premium price

When it comes to sustainability, we find the word was first defined by the United Nations' Brundtland Commission back in 1987, which declared, "**Sustainable** development . . . meets the needs of the present without compromising the ability of future generations to meet their own needs."

Inherent in this idea is balancing quality of life for all. Later in 1994, sustainability godfather and noted sustainability expert John Elkington extended the idea further to create the **triple bottom line**, an accounting framework that incorporated measuring a company's financial performance alongside its impact on the environment and society. The phrase "People, Planet and Profit" has become the shorthand for the concept of balancing these three interrelated areas.

Today's leading brands are not only reporting on financial performance, but also on their sustainability commitments through annual sustainability or ESG (Environmental, Social, and Governance) reporting. This is where stakeholders can see how brands are acting on their purpose and view brand efforts toward the tangible and measurable commitments they have made. In other words, it's the action plan for achieving a brand's purpose. And, it can give brands an advantage over others. And **70% of whole brands take sustainability seriously.**

Definitions

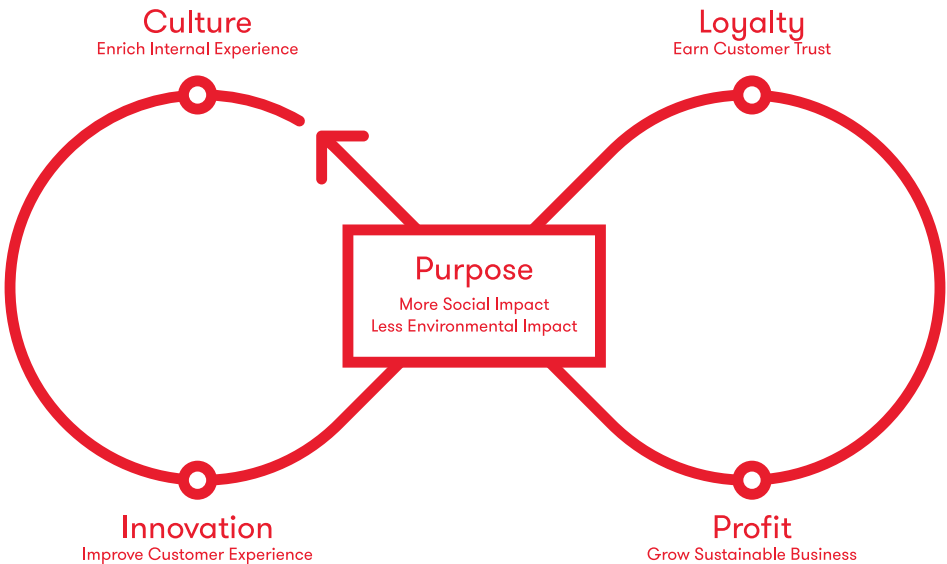
Purpose: The reason your brand exists beyond profit.

Sustainability: The commitments a brand is making to advance people, planet and communities (along with profitability).

Purpose Advantage™: The powerful combination of purpose and sustainability that propels brands and offers functional, emotional and societal benefits and the result of consistent action toward achieving purpose and sustainability goals.

Think of it this way: Purpose is your mindset, the why of your brand's existence that comes from leadership and is integrated across the organization to guide your decision-making. Sustainability is how you act on that mindset through tangible actions, programs and initiatives that help support people and the planet, activating your brand impact in the world.

A critical lever in this is “brand culture.” We believe that culture, specifically “brand culture,” is a critical component to building the organizational conditions needed to win with your people for the purposes of winning the brand impact opportunity.



Our study of whole brands reveals that shifting your focus from the myopic view of consumer needs to the larger frame of world needs will lead to better innovation and superior experiences that modern consumers desire. We call this the Purpose Profit Loop: When you have a clear purpose that encompasses your impact socially or environmentally, you achieve enriched internal experience (Culture), better customer experiences (Innovation), more stakeholder trust (Loyalty). This enables sustainable growth (Profit).

SUMMARY

Today, your brand is the sum experience of how consumers interact with your company or organization — more than a mark and a message. Brands that are built on purpose, around a core idea that inspires everything it does from the inside out, from business decisions to marketing messages, dominate the market. Consider purpose and sustainability as a mindset and action plan to maximize your brand's impact on people, planet and communities, inspire your workforce, and genuinely connect with the people you are trying to reach.

WHOLE BRAND IN ACTION:

seventh
generation®

One of the best examples of a whole brand that leverages purpose to find a competitive advantage is Seventh Generation®.

Founded in 1988, Seventh Generation started with the goal of nurturing the health of the next seven generations and beyond. The concept of seven generations is based on the Great Law of the Iroquois people: **“In our every deliberation, we must consider the impact of our decisions on the next seven generations.”**

Sound familiar? It’s the Brundtland Commission’s definition of sustainability previously asserted through a Native American lens. Through this mindset, the company evolved from a mail-order company selling energy, water and resource-saving products to a multi-national home care brand today. By creating natural, safe and organic cleaning products, Seventh Generation remains committed to providing “clean without compromise.” Through a combination of lobbying and product, logistical and packaging innovation, Seventh Generation weaves this purpose into every single thing they do.

“Our purpose drives our business and the business drives our purpose,” says its CEO Joey Bergstein. “The truer we are to it, the better job we do at creating safe, effective and natural products. The better the products, both for the consumer and the environment, the better the business results, which we can then reinvest into innovating our products and the marketplace itself, bringing us back to our mission of nurturing the health of the next seven generations and beyond.”

For Seventh Generation, purpose isn’t something the company talks about, but is something it does, foundational to every new initiative and is benevolent to consumers, employees and the environment.

Those intentional actions weren’t just received with applause from consumers. They resulted in \$250 million in annual sales, double-digit growth rates since 2006, and a \$600 million acquisition by Unilever®. ¹

It’s clear that a purpose like Seventh Generation’s is working and consumers are ready to reward brands united behind a clear mindset, fully integrated into their brand culture, which results in sustainable business action.

1. “Inside Seventh Generation’s Quest to Blow Up Without Selling Out” Fortune, 2016, <http://fortune.com/seventh-generation-green-cleaning-products/>

INTERSTITIAL

+



\$13.94
at Walmart
(115 fl oz)

\$12.99
at Walmart
(100 fl oz)



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ABOUT THE AUTHOR



+ PHILIPPA CROSS +

Philippa Cross is a Sustainability & Communications Strategist. For over 15 years, her passion has been helping global brands bring environmental and social impact into their core to engage with consumers around a shared purpose.

Philippa leads Sustainability at Barkley, the world's largest B-Corp Certified agency, where she works with brands to find the sweet spot between what they're good at and what the world needs. Prior to joining Barkley, Philippa was a senior global sustainable business director at Unilever and helped develop the Unilever Sustainable Living Plan. While there, she developed sustainable agriculture programs for brands including Ben & Jerry's, Hellmann's and Knorr to deliver tangible business impact, proving that brands that do good, do well.

Philippa has a Master's in Sustainability Leadership from the University of Cambridge and continues to be involved with the program, developing the next generation of sustainable business leaders. She has lived in cities across Asia and Europe but now calls Kansas City home. When she's not helping businesses grow, Philippa and her husband are raising two kids and a square-foot veggie garden.

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ABOUT THE AUTHOR



+ JEFF FROMM +

As one of the world's leading consumer trend experts, Jeff Fromm is a contributor to Forbes and a co-author of three prior books on millennials and Gen Z. His initial book was the result of the first large-scale public study of millennials as consumers, conducted in a research partnership between Barkley, Boston Consulting Group and Service Management Group in 2010 & 2011.

When he's not on an airplane, he works as a partner at ad agency Barkley, leading workshops, speaking and consulting with executives. Jeff also serves on the Board of Directors for Three Dog Bakery and has a rescue dog named Winnie.

Jeff graduated from the Wharton School of the University of Pennsylvania and attended the London School of Economics.

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WHAT IS YOUR ADVANTAGE?

Strong brands build emotional connections. WE call that Brand Love®. This book is the first in a series that examines the nature of competitive advantage.

In today's market, skeptical consumers have more ways than ever to automate how easily they interact with—and frequently ignore—brands. The implication? Connecting with them takes more than merely providing a good product. Drawing from interviews with CEOs of some of the most successful brands, this book uncovers the importance of finding and communicating your brand's reason for existing in order to best connect with consumers. *The Purpose Advantage™* means standing for something more than your bottom line — this is the road map for how to do it.

“A thought-provoking tool kit to help companies with purpose engage people who care about who is behind the brands they buy and why they do what they do.”

Joey Bergstein, CEO, Seventh Generation

“More than ever, we need clear thinking to help brands and businesses to clarify how they will authentically benefit society. Doing so will open up opportunities and protect the sources of social and natural value on which their – and society's – success depends.”

Ben Kellard, Director of Business Strategy, Cambridge Institute for Sustainability Leadership



Jeff Fromm is an expert, writer, and international speaker on consumer trends and brand purpose. He has written three best-selling books.



Philippa Cross has a master's degree in Sustainability Leadership from the University of Cambridge, and helped Unilever develop its Sustainable Living Plan. Prior to that, she worked on creating N'Ice Dairy Air aka Carbon Neutral, fairtrade ice cream at Ben & Jerry's.

100% of all profits
will go to The BrandLab.
Learn more at TheBrandLab.org

