





THE BRANDS OF TOMORROW ARE  
PLACING HUMAN VALUES AT THE  
HEART OF EVERYTHING THEY  
SAY AND DO.



**“FIND OUT WHO YOU ARE  
AND DO IT ON PURPOSE”**

*Dolly Parton*



## FOREWORD BY FOUNDER AND CEO CHRIS GORELL BARNES

Digital and in particular, social media is changing the rules when it comes to marketing. With over 50% of all media now consumed via peer-to-peer, the dynamics of message propagation have fundamentally changed for good.

It is increasingly difficult to buy our way into consumer affections – we have to earn our way in. Marketing communications must be aimed at creating social value in our audiences rather than social envy. It is the supreme irony of our times that the more connected we become as a race, the greater our need for social validation to maintain those connections. The status anxiety we fear today is as much about a lack of things to say on Facebook as it is not having a new car. For brands the key to success is not just satisfying a consumer's material needs but their social needs too.

As a result, brand communications have to become more intimate; they are as much about conversations as campaigns. However, you cannot easily have a conversation with a corporation. The interactions must be rooted in human rather than corporate values. What is more, given the transparency that social media affords, it is not enough to simply tell great stories; you must live them too. If not, the resultant social backlash could kill your communications.

The new kids on the block, the Airbnbs and Lyfts, have the advantage. They were forged in the digital age and so instinctively know the rules of the game. For everyone else, a whole new way of behaving must be learnt. But the good news is that, as the likes of Patagonia and Red Bull have shown, the necessary behaviours needed to succeed can be learnt.

The winners will be led by a clearly defined purpose. This will provide the necessary framework to humanise your brand and guide the behaviour of your entire organisation for competitive advantage. But what exactly is purpose?

At Adjust Your Set, our aim is to lead brands through constant change. In order to do so, we occasionally like to shine a light on where we see the market going and why. Drawing on a range of sources currently circulating the industry, this is our view on what purpose is, why it is important, and how you might go about applying it to your organisation for business success.

## INTRODUCTION

As Simon Sinek said, “people don’t buy what you do, but why you do it.” This is what Steve Jobs understood for Apple, Richard Branson for Virgin and Anita Roddick for The Body Shop. In the digital era, it is peer-to-peer that drives effective propagation of messages. For that to occur, you have to lead your communications with human values.

The potent combination of passion and determination embodied by the likes of Steve Jobs gives a clue to achieving success. The values these people embody and how they translate directly into actions is the secret sauce for successful brand communications in the digital and social era.

But not every brand can be led by a visionary who can automatically bestow the necessary values and behaviour onto a business. What differentiates today’s fastest-growing brands is that they have learnt to replace a visionary person with a visionary purpose: one that is capable of taking both customers and colleagues along on a shared journey. People don’t follow these brands just to see what they are doing today, but also what they are going to do tomorrow. It is the journey as much as the destination that excites. And in a post-campaign world that journey is increasingly brought to life through telling stories.

However, the most effective brands don’t just tell great stories – they live them. The digital world is iterative and only getting faster. In order to execute effectively, intent and actions must be in lockstep.

Marketers can no longer be focused solely on devising strategies for what their business should say, but also how it should act and why. In order to keep ahead of the game, corporations must place customer values at the core and iterate quickly around that for success.

Purpose is your brand strategy to becoming social and agile. It bestows human values onto your business and then uses those to drive everything you say and do. Executed effectively, purpose can realign your entire approach to business. It allows more traditional brands to take on the start-ups and win in the digital era.



# THREE STEPS TO SUCCESS

Purpose is your framework to help you achieve  
the customer-centric point of view necessary  
to support successful storytelling.  
In this paper you will learn:

**WHAT PURPOSE IS**  
**PURPOSE & THE CUSTOMER EXPERIENCE**  
**DOING IT ON PURPOSE**

## STEP ONE

# WHAT IS PURPOSE?

Why is it important to your brand communications strategy?

## PURPOSE

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The reason for which something is done or created or for which something exists.

*"The purpose of the meeting is to appoint a trustee."*

Synonyms: motive, motivation, grounds, cause, impetus, occasion, reason, point, basis, justification.

A person's sense of resolve or determination.

*"There was a new sense of purpose in her step as she set off."*

Synonyms: determination, resoluteness, resolution, resolve, firmness (of purpose).

*Oxford Dictionary*

# DIGITAL HAS MADE THE WORLD HUMAN CENTRED

Purpose bestows human values on a brand so you can connect with consumers in a meaningful way. It defines your behaviour and ensures that what you say is consistent with what you do.

Purpose sets a business motivation and determination – it brings together intent and action into a single social and agile framework that both humanises and provides a sense of direction to the entire organisation.

The evolution of a brand has its roots very much in the product. This product-centric view served the world well in the days of mass advertising. However, digital has made the world human-centred. Mass communication has given way to conversations, which must be rooted in social values if they are to succeed.

The brands with purpose are the ones that will win in the digital future. In the next few sections we will demonstrate why.

## PURPOSE & MESSAGE PROPAGATION

By now, we are all familiar with the Stengel 50, which shows that those businesses that place human ideals at the heart of their organisation outperformed the S&P 500 by almost 400% from 2000 to 2010. But what is less talked about is why this occurs and how, thanks to digital, this divergence is only set to accelerate.

If we examine the Stengel graph (right), we can see that prior to around January 2003 there was very little divergence between the Stengel 50 and the rest of the S&P 500. It is only once we move beyond this date that a noticeable divergence occurs. This correlates exactly with the beginnings of the mass adoption of digital media (right).

Before digital, corporations could simply buy their way into consumer affections through mass media. However, today, the masses *are* the media and over 50% of all media consumed is peer-to-peer. Unlike advertising, you can't force social communications on consumers: it must be earned. People only share content they feel reflects their personal beliefs, integrity and behaviour. In the peer-to-peer world, there has to be social value attached to the customer experience or propagation simply won't occur.

This social value comes from the human ideals of the brand, which have been described by Stengel as follows:

**Eliciting joy:** Activating experiences of happiness, wonder and limitless possibility.

**Enabling connection:** Enhancing the ability of people to connect with each other and the world in meaningful ways.

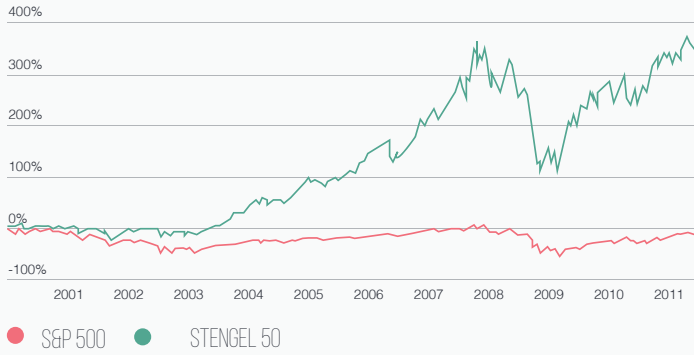
**Inspiring exploration:** Helping people explore new horizons and new experiences.

**Evoking pride:** Giving people increased confidence, strength and vitality.

**Impacting society:** Affecting society broadly, from challenging the status quo to redefining categories.

For those organisations led by visionary leaders like Steve Jobs or Richard Branson transference occurs, their values go back to the brand. However, not every organisation has a visionary leader. But the good news is that this process can be created and this book outlines a simple process that shows how.

## THE STENGE 50 VS. S&P 500

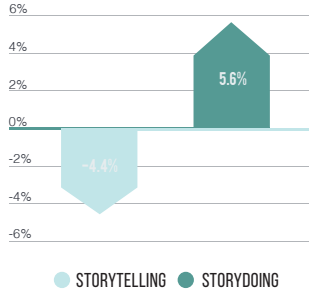


## NUMBER OF INTERNET USERS IN THE US

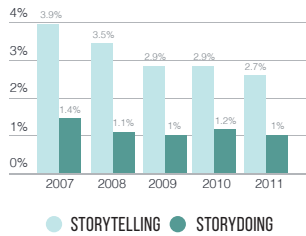


# WALKING THE TALK BRANDS THAT ACT THEIR STORIES AS WELL AS TELL THEM GAIN ADVANTAGE

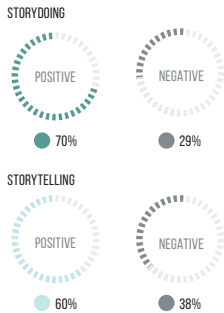
ANNUALISED SHARE PRICE GROWTH (2007 – 2011)



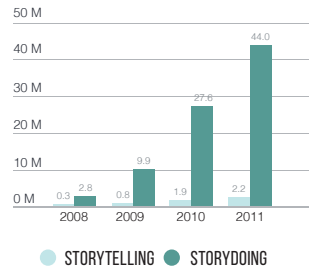
MEDIA SPEND AS % OF ANNUAL REVENUE (2007 – 2011)



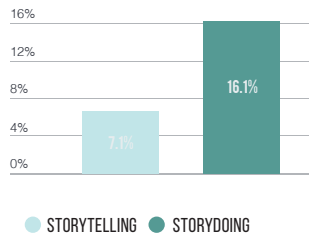
SENTIMENT OF SOCIAL MEDIA MENTIONS (2008 – 2012)



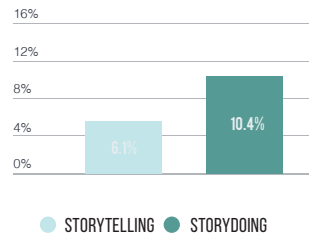
NUMBER OF SOCIAL MEDIA MENTIONS (2008 – 2011)



ANNUALISED OPERATING INCOME GROWTH RATE (2007 – 2011)



ANNUALISED REVENUE GROWTH RATE (2007 – 2011)



## PURPOSE MUST DRIVE BUSINESS BEHAVIOUR

In 2009, Simon Sinek developed a thought model called 'The Golden Circle', which was derived from in-depth research into successful brands. Sinek found that the majority of brands have been thinking, acting and communicating in a way completely opposite to how people think, act and communicate in real life.

When asked why their customers chose a particular company, answers included "for their 'fantastic products' or 'good prices'". Sinek claims this proves that most businesses have no idea why customers are their customers. They lack a purpose. To be an influential company, you must be driven by the *why*. Sinek's Golden Circle puts the *why*, or their purpose, at the core of the organisation. This is then followed by the *how*, the explanation of how they achieve the *why* and then the *what*, which is the company's products and services. Sinek identified that most companies tend to lead their communications with what they produce, but to be successful in today's customer-centric world they must start with their values – the *why*.

Those corporations who place values at the heart of their business will outperform the market. People want to engage with brands that share their beliefs. For example, Apple don't project themselves as being computer manufacturers – they champion those who "think different". It is this value-based proposition that they use to connect with consumers and build outward from there.

However, it is all very well for Apple to "think different", but if the products they sell and the way they behave do not live up to expected standards, then consumers won't engage for long. In a transparent world, it is not enough to have values. You have to live by them. And purpose is the bridge that connects why you exist to how you behave.

As the stats from Storydoing.com on the left show, there is growing evidence that demonstrates that those brands that bring intent and action together are significantly outperforming the market.

## DEFINING BEHAVIOURS FOR YOUR BUSINESS

There are many ways to define how your business should behave, but an increasingly popular approach is based on Jungian Archetypes. Archetypes are personified symbols that allow the conscious mind to identify with, or access, subconscious desires, meanings and truths. Archetypes represent our aspirations, not just in a material sense, but in a more mystical or spiritual sense. They instil meaning into brands, are naturally genuine and authentic and crucially, they form a fundamental component of stories.

In their book, *The Hero and the Outlaw*, former Young & Rubicam strategist Margaret Mark and co-author Carol Pearson demonstrate how Jungian Archetypes can be leveraged to bring meaning and profit to a brand. By selecting the correct behaviours to associate with your ideals, it is possible to form a much deeper connection with consumers. For example, Nike is a Hero brand whereas Harley-Davidson is an Outlaw brand.

The combination of Brand Ideal coupled with Jungian Archetype can provide a solid purpose-based platform upon which a meaningful communications strategy can be overlaid.

To the right, we can see a breakdown of the 12 brand archetypes derived from the work of the psychologist Carl Jung.



**FREEDOM**

**SOCIAL**

**EGO**

**OUTLAW**  
**EXPLORER**  
**CREATOR**  
**HERO**  
**MAGICIAN**  
**SAGE**  
**RULER**  
**INNOCENT**  
**REGULAR**  
**CAREGIVER**  
**LOVER**  
**JESTER**

**ORDER**

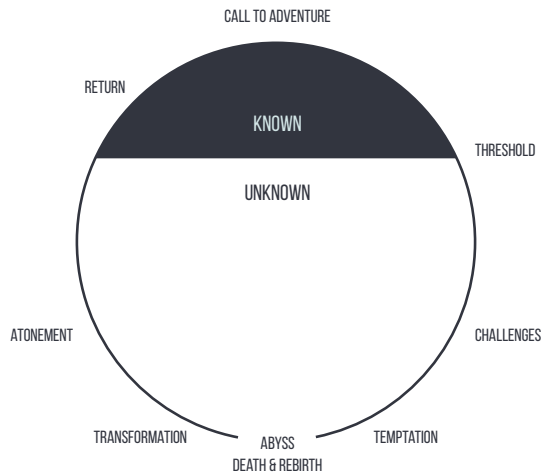
## PURPOSE & THE HERO'S JOURNEY

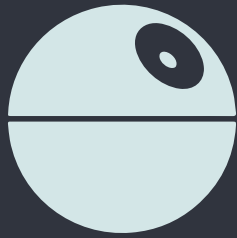
Once you have defined behaviours for your business you must then apply them to your stories. In the pre-digital world, brand attributes formed the underlying platform for marketing communications. In today's customer-centric world, human values must be at the centre. Without it, your stories will fail to connect.

Joseph Campbell, an American psychologist and mythological researcher, wrote a seminal book called *The Hero with a Thousand Faces*. In this book, Campbell identified many common patterns running through hero myths and stories from around the world. He distilled this pattern down to a structure called the monomyth, which is closely intertwined with Jungian Archetypes.

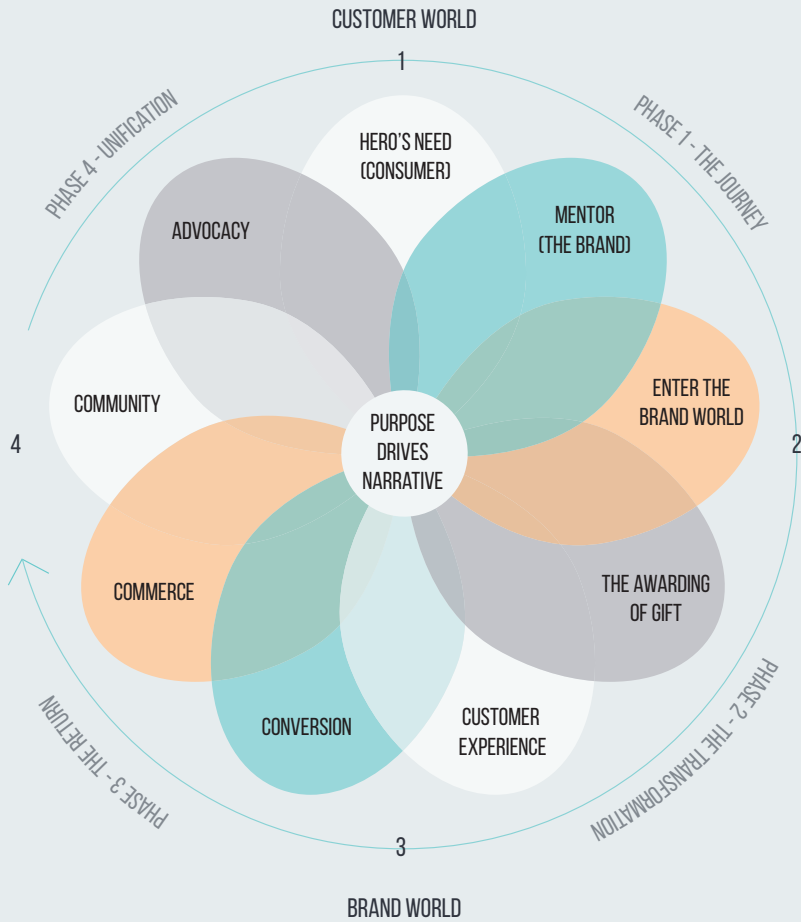
Many Hollywood films, from *The Lion King*, to *The Wizard of Oz*, *Harry Potter* and *Star Wars*, are based on this hero's journey. If there is any doubt as to whether storytelling can lead to commerce, then one need look no further than *Star Wars*. Not only did the films break all box office records for the time, but the profits from related merchandising continues to run into billions of dollars to this day. Below is a broad outline of the structure.

Every hero starts with a need – the call to adventure. The quest to fulfil this need is what drives the story. On her journey, the hero is guided by a mentor who often presents her with a magical gift that gives her special powers. After many adventures, the hero achieves a revelation: a resolution for their need and ultimate fulfilment. Once the hero has achieved her goal, she returns to the real world and shares the story with her friends. This structure appears again and again in storytelling and on the following pages we can see how it can be adapted by brands for a new approach to the customer journey.





VADER IS LUKES FATHER



## ADAPTING THE HERO'S JOURNEY TO THE CUSTOMER JOURNEY

On the left is a version of the classic Hero's Journey, modified for brand marketers. The underlying structure is adapted from a book called *The Writer's Journey: Mythic Structure for Storytellers*, by Christopher Vogler. This narrative form underpins many of the world's most powerful stories; it transcends cultures and has been identified as far afield as ancient Greece to modern day Hollywood. Where this approach differs from traditional marketing is that here your narrative is driven by a truth, or the moral of the story. This builds authenticity. In traditional marketing it is often the opposite – a myth drives the story and this approach is increasingly being seen through by savvy audiences.

There are four rough phases of development.

**Phase 1:** The hero (your customer) has an unfulfilled need. They are unhappy with the status quo and are open to new ideas. Either through search or discovery, they encounter a mentor (your brand) who has the potential to open up new and exciting possibilities to them (the brand purpose).

**Phase 2:** The hero crosses the threshold to embark on a shared journey with the mentor. The hero is presented with a magic gift that bestows special powers and helps them on their journey in Hollywood films this can be for example a lightsabre, ruby slippers or a ring, but for the brand this could be access to free gifts or unique experiences that have the power to bestow social value on the consumer and draw them into the brands world.

**Phase 3:** The hero and mentor embark on a series of adventures together. This is the customer experience and it gradually draws the consumer closer to the brand. Over time, the consumer builds trust and is converted to the brand's point of view. This trusting relationship leads to the potential for commerce.

**Phase 4:** Armed with a shared sense of purpose, the hero becomes part of a community of fans. Belonging to the community provides an elevated feeling of social status brought about by a shared sense of purpose. It encourages ongoing engagement driven by the community, and advocacy follows as community members aim to invite others to join in.

STEP TWO

# PURPOSE & CUSTOMER EXPERIENCE

How does purpose apply to the entire customer experience in order to ensure consistency across everything you say and do?

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## PURPOSE & THE CUSTOMER EXPERIENCE

Once you have created your purpose and narrative structure, this should then be applied to the entire customer experience. For success to be achieved, it is imperative that the stories we tell are consistent with the way we behave. Google's Zero Moment of Truth (ZMOT) illustrates why (right).

As can be seen in the diagram, digital and in particular, social media has broken down the divisions that previously existed between the various stages of the customer experience. What a brand says now competes directly with what consumers are saying about it. The interrelationships highlighted by ZMOT illustrate why it is so important to align what a brand says with what it does. Purpose should be your strategy to ensure consistency of approach across both.

**The Stimulus:** In the old world, above-the-line campaigns were used to drive all the stimulus needed to push people to the top of a sales funnel, but no more. Today, when a consumer sees a stimulus, the first thing they do is reach for their smartphone and search. The content they find is known as the ZMOT. It is this behaviour that has given rise to content marketing and it is here that your strategy must be centred.

The stimulus now becomes amplifications of this content, designed to pull more people into the conversation at peak times.

**The ZMOT:** In order to support this new type of customer journey, a new content layer must be created to capture search traffic and support digital brand discovery. The resultant content is driven by brand purpose, which forms the overarching narrative for the entire customer experience.

**The First Moment of Truth:** They say your product is your marketing, so if it could talk what would it say about you? Thanks to social media, customers know everything about your products before they even get to the store. This content mixes directly with brand-originating content and ratings. If it is negative it can kill your marketing dead. To limit negative sentiment you should act in a way that is consistent with your purpose in the manufacture process.

**The Second Moment of Truth:** Finally, the customer gets your product home where they may judge you again. Sentiment can be based on anything from delivery times to customer support and aftercare. Your end-to-end service is now a very public part of the overall customer experience, and so must be aligned to a central and consistent purpose.





THE STIMULUS (AMPLIFICATION)



ZERO MOMENT OF TRUTH (CONTENT)



FIRST MOMENT OF TRUTH (SHELF)



SECOND MOMENT OF TRUTH (EXPERIENCE)

CUSTOMER SERVICE FEEDBACK

ETHICAL FEEDBACK

## PURPOSE & CONTENT

In the 2014 “State of the Internet” report, Mary Meeker identified three core conditions (the Internet Trifecta) that leading digital businesses are adopting in order to drive increased market share. They are Content, Community and Commerce.

Purpose must be what drives all three of these. So as long as your purpose supports an inspiring and culturally resonant narrative that goes beyond product, people will be drawn to it and want to be a part of it. This is what leads to conversations and community, and from there trust is formed, which should ultimately lead to commerce.

As an example of how this effect works, Meeker pointed to two rising stars of the connected economy, Airbnb and Houzz. Both of these set out with a clear mission: respectively, to disrupt the travel market and to revolutionise interior decoration. Armed with a defining purpose, they convert this into a narrative expressed through content and a killer customer experience. Over time, this content is used to connect people with a community of fans all sharing a common purpose which is driven by the brand ideals. Eventually, this leads to a marketplace where the brand sits at the centre, facilitating commercial transactions.

The days of talking at consumers are over; to succeed, people have to feel they have a voice and a stake in the process. By using purpose to inform a more social approach and meaningful narrative, businesses can actually improve their chances of stellar reach and sustained attention. They do so by placing themselves at the heart of a community of fans who are all connecting through a shared purpose that they define.

## EVERYTHING DESIGN PROFESSIONALS NEED TO KNOW

When founders Adi Tatarko and Alon Cohen redesigned their home, they started the way most of us do: with a tall stack of magazines and referrals for home professionals from people they knew. But when those piles of torn-out pages failed to make their dream a reality, they felt stuck. The problem was that they could not explain to the architects and designers they talked to what they wanted doing to their home from the images that were in their head. There had to be a better way. So they invented Houzz.

Houzz is a site dedicated to connecting consumers and design professionals, with the purpose of removing the barriers between homeowners and great design. What started as a side project has now become a vibrant community of homeowners, home design enthusiasts and home improvement professionals from across the world.

The site is designed to bridge the gap between homeowners frustrated at being unable to explain what they want and professionals struggling to interpret clients' ideas. It features seemingly countless pictures of the insides and outsides of homes and flats, which can be flicked through until something catches the eye.

This is enhanced by community advice bulletin boards, as well as hundreds of interior design stories created by the Houzz in-house editorial team.

Content on the website is mostly put up by architects, builders and interior decorators. This also includes details of lamps, beds and tables used to create a particular look – in effect, they are the portfolios of home improvement professionals. On the other side lies the Houzz community who use the galleries to find what they are looking to achieve, to hook up with suitable professionals or to connect with each other in order to discuss and share ideas.

From being run from home on a shoestring, Houzz now sits at the epicentre of a community of over 25 million people, all sharing a similar purpose. As a result the site has attracted in excess of \$200 million in investment. Revenues are generated through advertising by home furnishing and improvement companies, professionals registering their services and commission earned from sales of items such as lamps and chairs. The rapid rise over the past five years has led it to an estimated value today of more than \$2 billion.

*Source – Guardian and Houzz.com*

## CASE STUDY

# HOUZZ

## PURPOSE & PRODUCT

As we saw in the ZMOT, your product is your marketing and thanks to social media, every aspect of it is now a major component of the entire product lifecycle. All of which is now part of the purchase consideration.

It is no longer just down to whether your product meets a specific consumer need. According to a 2013 Cone Communications report, when presented with two similar products, over 91% of global consumers polled would switch brands to an alternative associated with a good cause, given comparable price and quality. Until recently, corporates would attempt to offset negative externalities of the manufacturing process through corporate social responsibility (CSR). However, this approach is now starting to unravel. This was highlighted in a recent report surveying 25 corporate C-Level leaders commissioned by PR consultancy Stockwell Communications. The respondents' view on CSR was damning:

"CSR is a terrible term and should be outlawed. The danger is that it is seen as something separate; you end up with the separation of the people managing it from the rest of the corporation. The company's purpose in society should be the starting point of the corporate strategy. Through CSR it has become an adjunct and that is very unhelpful."

*Source – Stockwell Communications*

CSR often fails to yield any long-term benefits to society and is actually a cost to the business, making it difficult to justify commercially in the longer term. Furthermore, an over-reliance on CSR can actually be dangerous to a company's long-term health as it can shift the focus of a company's purpose away from the centre and out towards the margins. For purpose to work it must be core to your strategy, not a reputational tactic.

So, in place of CSR we are instead seeing the rise of an alternative strategy called Shared Value, otherwise known as Profits from Purpose. This approach, championed by Michael E Porter of the Harvard Business School, aims to directly target the reduction of negative externalities associated with the manufacturing process through innovations in management or technology. The resultant cost savings make the improvements sustainable from a commercial perspective. What is more, this approach also allows businesses to be far more transparent in linking what they say to what they do – a benefit that CSR rarely affords.

As an example of this, since 1990 DuPont have saved over \$2 billion in reduced energy use through endless efficiency drives. Also, changes in the materials that McDonald's use to wrap food have reduced solid waste by over 30%. In both these cases, apart from their environmental benefits, these actions are simply just smart business decisions. More recently we have seen the launch of Unilever's Sustainable Living Plan, where their aim is to halve the environmental footprint of their business while increasing profits. These and many more examples can be found on the website [www.sharedvalue.org](http://www.sharedvalue.org).

However, despite the great successes that these businesses have achieved, one thing they often fail to do is communicate their success to consumers in any kind of engaging way. Often relegated to a corporate responsibility section of their website, these transformational ideas often gain little attention. In reality, their impact on consumers could be the most significant part of their brand communications and should be a core part of their marketing strategy. This failure to communicate is a missed opportunity to engage, especially if the benefits are sustainable. As an example of how it should be done, witness how Patagonia have earned huge respect and significant commercial advantage by turning their approach to sustainability into an open conversation called the Footprint Chronicles.

## PATAGONIA IS TURNING POSSIBLE CONFRONTATION INTO CONVERSATION

Patagonia make clothes for outdoor activities such as climbing, skiing, snowboarding, surfing, fly fishing, paddling and trail running. In all of the sports they service, Patagonia believe in honouring the connection between the individual and nature.

In order to demonstrate commitment to their purpose, they believe in using “business to inspire and implement solutions to the environmental crisis.” In order to achieve this, they donate their time, services and at least 1% of sales to help protect the environment that they love. However, they also know that a significant proportion of their business activities, from lighting stores to dyeing shirts, causes pollution.

So, rather than waiting for consumers to pick up on the negative externalities of their business, they decided to be pro-active and turn what could have been a confrontation into a conversation. So, in 2007 they launched *The Footprint Chronicles*.

*The Footprint Chronicles* tells the stories that other businesses typically don't. Through rich content such as maps, images, stories and videos, consumers can clearly see where products originate from and learn about any negative externalities associated with their manufacture. And where there are issues, it also gives the business a platform to form conversations as to how they intend to improve the situation.

Through being open and honest about what they do and by acting in a way consistent with their values, this has opened up a whole new way of engaging with consumers. From its origins as a separate site, the information contained within the Chronicles is now integrated right into the shopping experience on the ecommerce platform, in store and now throughout all their communications.

This was most famously seen when the company placed an ad in the *New York Times* on Black Friday in 2011, asking people not to buy their products unless they really needed them. As a result of this campaign, sales actually went up. Patagonia don't need to create traditional advertising that dramatises products; their mission and purpose is enough to inspire consumers and this affords them a platform to form meaningful conversations.

Patagonia's approach to communications is “clear is the new clever.” They believe that consumers are less interested in clever advertising. What they really want is great quality products provided by a brand with a shared set of values, which acts out those values in everything they do. And their approach seems to be working, with Patagonia reporting a doubling of revenues and a tripling of profits from 2008 to 2012.

## CASE STUDY

# PATAGONIA

## PURPOSE & THE ORGANISATION

Your employees are the engine of your business, a key component of customer experience and increasingly, an important consideration of your owned media strategy. Your purpose driven strategy and how it links to employee engagement can drive competitive advantage across all of these areas.

In an interview with the *Guardian* Unilever's CEO, Paul Polman, described how the company's Sustainable Living Plan is motivating employees. Since its launch, the engagement score in their regular staff survey jumped by 10 percentage points. As Polman points out:

"In any company, you have to go back to what drives people. Making more money or being bigger means less and less."

What is more, it appears that engaging employees with an inspiring purpose not only gives greater job satisfaction, but it can have a significant uplift on profitability at the same time. A 2012 Gallup survey reported that employees were 202% more productive when suitably engaged.

However, employee engagement doesn't always have to be about sustainability; motivation can come in many forms.

Zappos are a leading example of how to use purpose as a driving force for successful business. Their culture of happiness goes way beyond a simple brand idea. It is a mantra that dominates everything they do, especially when focused around customer service. They have taken this purpose and made it their entire business strategy – even when it comes to hiring and firing.

In addition to inspiring employees, purpose can also be used to help organise teams. As digital has forced the organisation to become ever-more collaborative in nature, the role of traditional top-down management structures is declining. Instead, multidisciplinary teams organise themselves collaboratively around agile tasks, each focused on delivering a particular component of the overall customer experience.

In place of managers, purpose provides the inspiration, motivation and direction necessary to ensure effective agile operations. As a result, it is possible to achieve a form of hive mind approach that drives the business forward based on a clearly defined sense of purpose. In this instance, managerial feedback is replaced by direct customer feedback, which ensures absolute focus and customer centricity at all times.

Finally, there is a media consideration. Your employees are also consumers and have access to the same social channels. Every member of your staff is now a brand ambassador, whether they know it or not. According to Pew Research, each Facebook user currently has, on average, 338 friends, and what they are saying about where they work and what they do can have a huge effect on everything from brand sentiment to hiring the best talent.

No matter how many employees you have, immersing your staff in a clearly defined purpose can yield a significant competitive advantage, not just motivationally but as an organising principle for customer-centric self-governance. This can allow team members a certain degree of autonomy as they strive to deliver the ultimate customer experience. All the while, they are safe in the knowledge that the customer's need is always at the heart of everything that they do.



## ZAPPOS, PURPOSE AND THE ORGANISATION

During a four-hour meeting in November 2013, Tony Hsieh, the CEO of Zappos, announced that they were doing away with managers, job titles and traditional hierarchies forever.

In its place, they implemented a system called Holacracy. Invented by Brian Robertson, a former software entrepreneur, Holacracy is a collaborative approach to business organisation, designed for the agile era. Instead of a top-down hierarchy which creates politics, red tape and bottlenecks, tasks are assigned to groups of people called "circles". Each person within a circle has an assigned role and set of tasks that they need to complete in order to fulfil their role. A person can be a part of any number of circles and they are given all the authority they need to complete their tasks without having to constantly refer to a manager for permission.

In order for the system to work, circles and the individuals within them are trained to look for tensions. These are defined as the gap between where things are currently and where they should be. The ultimate goal of the entire system is to remove any and all tensions in pursuing the overall purpose of the organisation. By organising in this way, everyone has both the accountability and authority to ensure that they can efficiently deliver their part of the overall purpose of the organisation. The whole system is held together not by tiers of managers but by a clearly defined and communicated purpose.

What makes this approach effective for a business like Zappos is that their whole purpose is built around their customer service proposition of "happiness". By enshrining the customer at the heart of everything they do, this new organisational structure not only improves efficiency, it also ensures that customer-centricity is built into everything they do. The system as a whole moves forward by training teams to constantly look for tensions and how they could further the happiness of their customers.

## CASE STUDY

# ZAPPOS



## PURPOSE & PERSONAL MEDIA

It is not just owned media that is changing. Increasingly, we are seeing another type of media emerging, which could quite possibly become the most important media type of all. We are calling this Personal Media, and while for many the future is mobile, in reality it is about being personal. It's the ultimate in Customer Relationship Management (CRM).

Starting first with mobile services, Personal Media is already starting to accelerate into the home with the likes of Hive and Nest. With the advent of wearables such as iWatches and various health-based wristbands, this process is starting to accelerate. Increasingly, these brand-provided products will often be free or at least subsidised, but in reality the payment will be in data. This new type of media will become the ultimate driver of brand-consumer relationships in the future. But how does purpose come into this? Well, it has been said that in the networked world the only meaningful currency is trust, and it is your clearly defined purpose that should help deliver that level of trust for your business.

As the Internet of Things becomes ever-more important over the coming years, only those brands who are able to form the most trusted networks with consumers will be able to engage in this world effectively. The world of today is all about driving value from connectivity. In order to do this, brands will need data and trust, and be able to reward that with killer customer experiences. The likes of Amazon built their business on removing middlemen from the sales process and then creating an elevated customer experience by using data to drive personalised recommendations.

The new wave of businesses such as Lyft or Airbnb have created value by using connectivity to create capacity that did not previously exist. They have gained sufficient trust, so that consumers will happily share detailed personal information with them. Without this data, their business simply wouldn't work. By combining technical alchemy with a clearly communicated purpose, both these brands have created value that was never possible before.

The business opportunities of the future will come through establishing new types of relationships that were simply not possible before. But to make the most of this opportunity you will need trust. Rather than centring your brand communications around media channels, they will be centred around the individual – the egosystem. But if you are not trusted enough by that individual you will be locked out. With estimates of over 50 billion Internet-connected devices due to be switched on by 2020, the opportunities that will arise through an almost infinite set of new connection permutations is set to explode exponentially. But it is only those with a clear sense of purpose who will be able to access the trust necessary to reap the full benefits of this world.

Purpose, and the trust it bestows, will play a crucial role in your long-term CRM strategy. It is this that will determine whether people will provide access to the data and integrations you require in order to drive ever more value in the marketplace. Once you have it you have to execute brilliantly against it, because even if the trust is there, if the resulting customer experience fails to excite then your data connection will be unplugged.

## DATA AND THE RISE OF PERSONAL MEDIA

Brands can leverage purpose to help drive value from personal data. First of all, their transparency of intent helps build the trust necessary for consumers to grant access to their personal data in the first place. Secondly, the brand's social values can help determine the type of applications to create for consumers in return for access to their data.

For digital first businesses, their core platforms tend to be both data-rich and fully integrated into the customer experience. So, they are naturally at a distinct advantage. But for those businesses defined in the pre-digital era, they need to determine equivalent applications necessary to achieve the same level of data relationship with consumers. This must move beyond optimising ecommerce conversions and instead focus on optimising the customer relationship. This is a core differential between how trading and marketing teams should view data.

Recently, Spotify provided a great example as to how digital businesses can harness their data to strengthen their relationship with consumers. In December 2014 every user received a personalised email detailing a review of his or her "year in music". As well as telling them what their most listened to tracks, artists and genres were, it also said where and when they listened most, as well as suggesting new songs they might like to discover based on their listening habits.

What is more, they summed up the annual data across all of their users in order to create an engaging multimedia site featuring video, music and stories. This showed everything from basic insights, such as the world's most popular songs and artists, to more interesting nuggets, such as the fact that in Brazil, music listening took a significant nosedive after their football team lost 1 – 7 to Germany in the World Cup. Acting as a discovery tool in this way helps elevate Spotify's social value to users beyond merely being a music distribution service.

## CASE STUDY

# SPOTIFY

Instead, it becomes an increasingly important lens as to how users view themselves and their place in the world. But the data must be used wisely, as Facebook showed when it came to their “year in review” feed. In this case, Facebook’s algorithm mistakenly included a picture of a user’s deceased daughter as a highlight of his year, leading to significant social backlash from irate users.

When it comes to more traditional businesses using data to add value to the relationship, we are already familiar with the likes of the Nike FuelBand and the partnership between Hive and British Gas. A relatively early example was the Fiat eco:Drive, which launched in tandem with the revamp of the Fiat 500 in 2008. Here, a central purpose of the Fiat 500 positioning was about efficient city driving. So, in order to reinforce this message, Fiat created a system that allowed consumers to plug a USB stick into their car to record their driving style. Once home, the data is downloaded into the Fiat-supplied eco:Drive software package, which provides tips as to how further fuel and CO<sub>2</sub> reductions could be made. By following the guidance given, drivers could save an average 15% extra in running costs. Fiat anonymously aggregates all the data from participating drivers into a community called Ecoville, where the total global CO<sub>2</sub>, fuel and cost savings can be seen. This whole process provides a benefit for drivers, who can save money, a benefit for the environment and a benefit for Fiat, who gain customer loyalty while boosting their environmental credentials.

Over time, these types of data-led initiatives will only grow. In a time where differentiation between products is minimal, the data relationship could become the new battleground for brands looking to lock in lifetime customer value. In return for providing genuinely useful information, consumers will allow brands to access ever-more personal data. The more value the brand drives for the user from that data, the greater the loyalty. Over time, it is easy to see a point where customers will think long and hard before switching brand preference not because of the product, but because people will not want to break the tie of personalised content and service provision because it has real value and utility.

**STEP THREE**

# **DO IT ON PURPOSE**

How do you apply a purpose-led strategy to ensure effective content marketing and brand publishing across the entire organisation?

YOU  
DICT  
AND  
YOU  
BEH

R PURPOSE  
TATES INTENT  
D DRIVES  
R BRAND  
AVIOUR

## USING PURPOSE TO DRIVE THE ENTIRE ORGANISATION

To the right is the value chain that today's marketer must consider in order to ensure they are ready for the digital-first world. It is not just the communications layer, but the entire customer experience that must now be managed. So much so, that the modern Chief Marketing Officer is now being thought of more as a Chief Experience Officer. Without full control over the entire experience the whole thing will fall apart. Being the custodian of a clear and compelling brand purpose and ensuring that it is applied effectively throughout the entire organisation will be your key to success. Here follows an example as to how this could be achieved.

**Create Purpose:** Establish business intent and behaviours relevant to the brand. If appropriate, use Stengel and Jungian Archetypes as guides. Connect brand to consumer culture through big purpose-inspired ideas. Test, iterate and refine with real customers.

**Corporate Culture:** Once purpose and creative approach is defined, engage all internal stakeholders, especially product development and customer service teams. Build a purpose-led business culture for transparent engagement and agile delivery. Incentivise teams based on cultural as well as financial targets.

**Customer Journey:** Use storytelling techniques such as the hero's journey to map out core content types. Map each journey stage to your customer journey to provide the necessary structure to inform your content strategy.

**Content Strategy:** Create full content strategy and supporting publishing plans in order to populate an always-on customer journey. Define budgets, return on investment (ROI) metrics and success criteria.

**Content Publishing:** Build and hire a team, assign budgets and activate full content publishing plan.

**Ecosystem:** Activate distribution services across owned, earned, paid and personal media. Use data to define targeted media partnerships for syndication and personalise the customer experience. Also, hire influencers and bloggers for added authority and to aid in community activation.

**Consumer:** Use data to accurately measure responses to content. Also, monitor applications for micro messaging via personal devices/apps. Listen and respond to consumer-originating content, report content successes and failures. Build your community and base metrics on long-term customer value criteria.

**Measure and Evolve:** Create live reports and dashboards. Use agile publishing methodology to constantly evolve the service in line with consumer culture. Measure and report on KPIs and ROI attainment.

PURPOSE

CORPORATE  
CULTURE

CUSTOMER  
JOURNEY

CONTENT  
STRATEGY

ROI METRICS

CONSUMER CONTENT IN

PUBLISHING

OWNED

EARNED

ECOSYSTEM

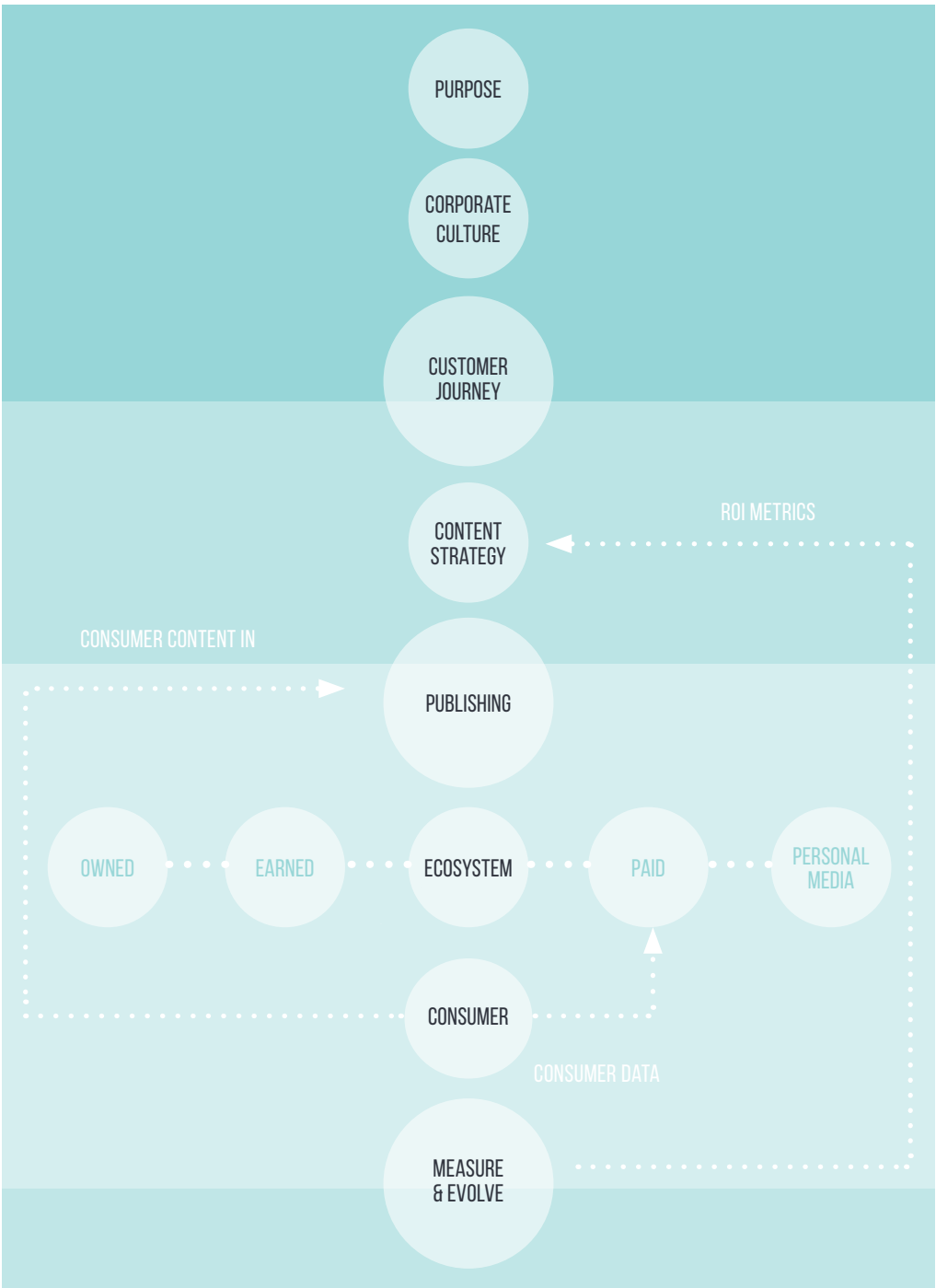
PAID

PERSONAL  
MEDIA

CONSUMER

CONSUMER DATA

MEASURE  
& EVOLVE



## HOW AIRBNB USES PURPOSE & CONTENT

What started as AirBedAndBreakfast.com in 2008, when its co-founders rented out air mattresses in the living room of their San Francisco loft, has grown into a multi-billion dollar company with more than 800,000 listings in close to 200 countries - but maintaining a brand community is still paramount. In a report on the next wave of social business, corporate research firm Altimeter Group named a consumer "desire for community" as one of the driving forces behind Airbnb's success. In the following sections, we look at how Airbnb have developed a customer-centric brand purpose and then developed an engagement process that ties in almost exactly with each key stage of the hero's journey.

### THE HERO, THE MENTOR AND A PURPOSE

In order to ensure a sense of community is maintained, everything Airbnb do is built around their core customer-centric purpose of "making people feel like they belong." As Brian Chesky, a co-founder, puts it:

*"At the end of the day, what we're trying to do is bring the world together. You're not getting a room, you're getting a sense of belonging."*

And while they may not be supplying the end product, the business is selling an experience, and when a brand facilitates a peer-to-peer service it has to gain the trust of users on all sides. In the case of Airbnb, that means cossetting both hosts and guests. How does it do this? Through rich, community-centric storytelling.

### STORYTELLING

A pair of Brooklyn artists who act as Airbnb hosts, a South Korean couple using Airbnb for a 24-country trip, and a chronically ill New Yorker for whom listing her apartment meant "protection from homelessness" are among those featured on the brand's Stories site.

Because Airbnb's audience is comprised of hosts who provide lodging as well as the guests who use it, in-depth features and videos offer insight into both experiences. Here too, the brand underscores its focus on belonging by working with local photographers and directors to tell moving stories.

## CASE STUDY

# AIRBNB



Last year, Airbnb made social media history when it released the world's first crowdsourced Vine, conceived by ad agency Mullen San Francisco and distributed via Twitter.

Hollywood & Vines incorporated footage from 100 Vine users all tasked with filming individual shots that were compiled into a visual story about "travel, adventure and finding your place in the world." More than four minutes long, it has generated nearly 350,000 YouTube views and has been praised for its considerable creativity.

Independent of the Stories videos, Airbnb launched its first content amplification campaign last December, with another visual foray into brand storytelling.

Birdbnb was created with agency Pereira & O'Dell and offered a delightful perspective on the brand's listings by showcasing 50 birdhouses created by artists in the likeness of 50 Airbnb homes.

The campaign included a five-minute film that was played in select theatres as well as being featured online, and a microsite with bonus content like audio clips that introduced consumers to the artists and their process. This past November another film was used to amplify Airbnb's "Belong Anywhere" mantra.

*"We strongly believe in the power of good storytelling, and in recent months we have evolved our strategy to place the focus on our community,"* said Airbnb's Head of Global SEO, Dennis Goedegebuure, who led the project.

Wall and Chain was developed with Berlin agency VCCP and New York animation studio Psyop to commemorate the 25th anniversary of the fall of the Berlin Wall. It recounts the story of an Airbnb guest who travelled to Berlin for the first time since working as a guard during the Cold War.

Thanks to its remarkable twist, the video racked up more than 5.7 million YouTube views in its first month online. It further established Airbnb as a conduit for life-affirming travel experiences, and heightened the brand's relevance.

Between a calendar of Berlin Wall-related events on the Belong Anywhere site and an interactive feature about Airbnb's effect on the Berlin culture and economy (part of its Economic Impact series), the brand managed to insert itself into a timely global conversation.

## **ECONOMIC IMPACT STUDIES: ETHICS, SOCIETY AND CITIZENSHIP**

To demonstrate its commitment to supporting local communities, Airbnb conducted its first Economic Impact Study on San Francisco in 2012. Through host and guest surveys, bookings data, and assessments by local economists it has since done the same in cities like New York, Paris, Sydney, and most recently, Montreal. Hosts and guests can find the reports on Airbnb's Economic Impact Studies site, where they can "learn more about the Airbnb community's positive impact on cities around the world."

The content serves a purpose beyond making the locals feel warm and fuzzy. It's also about building trust, authority and reputation. Airbnb's pioneering journey has been fraught with legal battles about such issues as zoning rules and hotel taxes. Hospitality laws from city to city are far from uniform, and the company's business model doesn't always harmonise with local regulations. New York's "Illegal Hotel Law" prohibits residents from renting out an apartment for fewer than 30 days, causing the state's attorney general to argue that almost three-quarters of Airbnb's New York City listings are illegal.

Earlier this year the company incurred fines for similar activity in Spain. Even hosts themselves have been subject to penalties. In the company's home city of San Francisco - and Portland, and New York - it has started to collect the required transient occupancy tax on behalf of its hosts.

Content like Economic Impact Studies - along with Airbnb's recent sponsorship of the New York City Marathon and a feel-good ad campaign that included billboards in subway stations - helps to diffuse the legal drama and give the company a leg up in the court of public opinion.

## PRINT MAGAZINE: THE GIFT

*Pineapple* is Airbnb's print magazine. The winter 2014 edition includes features like an interview with a London gallery curator and a culinary tour of Seoul. It had an initial print run of 18,000 copies which were earmarked as gifts for Airbnb hosts as well as being sold in book stores.

Airbnb calls the glossy magazine "a tangible collection of our community's stories and inspirations." It's a description that speaks to the brand's core values and identity. It will be a prized possession on anyone's coffee table and receiving a copy will give the recipient an elevated sense of social status, further locking them into the purpose of the brand.

## NEIGHBOURHOODS: COMMUNITY AND ADVOCACY

For a community-driven brand whose livelihood depends on encouraging consumers to travel, creating digital neighborhood guides is an intuitive strategy. Airbnb Neighbourhoods went live in late 2012, with the promise of delivering high-quality content coupled with advice from hosts. The seven-city collection has since expanded to encompass neighbourhoods in almost two dozen locales around the world.

Neighbourhood content is heavily tagged with a wide array of area attributes (“subculture”, “historic beginnings”, “nightlife”, “yummy mummies”) to guide users to lodging that’s right for their needs.

Maps and testimonials from travellers and residents do a lot to enhance the guides, each of which ends with a call to action inviting readers to share their local knowledge, but the cornerstone of this content is photography. In keeping with a tradition of enlisting professional photographers to elevate the appeal of its property listings, Airbnb relies on local photographers to capture a neighbourhood’s vibe, and even posts their bios in each gallery. Neighbourhood features are rounded out with popular area-specific listings to nudge visitors down the purchase funnel.

## CONCLUSION

Founded in 2008, Airbnb is now valued at over \$10 billion. Certainly business innovation and technology are largely to thank for the brand’s colossal success. But there’s also no doubt that digital storytelling strategies that kindle excitement by showcasing the people and places that make Airbnb truly unique deserve their share of the glory.

*Source - Contently.com*

# CONCLUSION

We live in a world where marketing communications are as dependent on what a brand does as what it says. Consumers are no longer passive receptors but active participants in two-way conversations with brands. In order to connect, marketers must be able to engage in a human way and do so at scale. What is more, brands must have something worthwhile to say and adopt a point of view worthy enough to attract an audience and inspire participation. All of this must be done in a media landscape that is both noisy and constantly evolving. This is no easy feat and requires a completely new way of structuring brand communications. Content marketing provides the necessary approach that allows brands to sustain an always-on conversation, but that alone is not enough to ensure success. For that to occur, the brand must also be able to bestow social value on the consumer in a manner that is consistent in everything they say and do.

For too long, the focus of brand communications has been on generating status anxiety. In the peer-to-peer world people tend not to pass on their anxieties, unless of course it is negative sentiment which is more often than not associated with bad brands. Instead, we must focus on generating shared value between the consumer and the brand. Shared values inspire conversations, create clarity of intent and increase the likelihood of message propagation through digital. To achieve this, a brand needs purpose.

The brands that will succeed will lead with human values in order to form the necessary social bond with consumers. And because the world is transparent, they will understand that those values must be applied not just to everything they say but to everything they do. Purpose is your platform to ensure this is achieved.

Purpose locks in human values at the core of the organisation and drives all subsequent behaviour. It is the humanising component that connects why you exist to what you do. It sets your mission, inspires employees and shapes your ethics.

But ultimately, your purpose dictates intent and drives your brand behaviour. Telling people what you are doing right now can get you engagement. But it is getting people to care enough about what you plan to do tomorrow that you really must strive for. This is what brings them back and it is driven by your core narrative. Your customers are the heroes of your brand story and you must be the guide that takes them on a shared journey that engages and inspires. It encourages participation, conversation and communities based around a shared sense of purpose that just happens to be defined by you.

The next wave of start-ups are automatically building businesses with human values at their core. They know there is no other way to succeed in the digital era, where customer - centricity is part of the DNA. Purpose must be at the heart of the strategy traditional brands adopt in order to compete.

Patagonia is very much the poster child of purpose. Their Footprint Chronicles brilliantly demonstrate how confrontation can be turned into conversation by transparency and purpose, yielding significant commercial benefits. Any brand can achieve this. But as Airbnb shows, this doesn't have to be about sustainability, as long as a clear and inspiring purpose is defined that fixes your brand's role clearly in the social sphere. It must be relevant to your business, inspiring enough to make people care and built into everything you do. We will leave the final word on the importance of purpose to Yvon Chouinard, the CEO of Patagonia and someone who definitely "does it on purpose".

**“IT’S ALL LINKED: QUALITY PRODUCT, QUALITY CUSTOMER SERVICE, QUALITY WORKPLACE, QUALITY OF LIFE FOR YOUR EMPLOYEES, EVEN QUALITY OF LIFE FOR ALL LIVING THINGS ON THIS PLANET. IF YOU MISS ANY ONE PIECE, THERE IS A GOOD CHANCE YOU WILL MISS IT ALL.”**

Yvon Chouinard – CEO of Patagonia



# MESSAGE PROPAGATION

**50%**

OF ALL MEDIA CONSUMED  
IN THE US IS NOW PEER-TO-PEER

*Alex Bogusky - The Naked Brand Film 2012*

IN 2010, PEOPLE IN THE  
US GENERATED MORE THAN  
**500 BILLION**  
PEER IMPRESSIONS PER YEAR.  
THIS MEDIA IS CREATED  
BY YOUR BRAND'S ADVOCATES

*Forrester and Adage 2011*

# PURPOSE DRIVES

As broadcast dominance gives way to digital, brands have to change their approach to communications if they want to connect with audiences.

Brands must create social value in their interactions if they are to form meaningful connections. Purpose should be the framework that ensures the stories you tell and the way you behave are rooted in human values.

In addition to providing the social conditions to increase message propagation via peer-to-peer networks, purpose can open the door to a range of commercial benefits.

# EMPLOYEE ENGAGEMENT

ENGAGED EMPLOYEES CAN BE  
**202%**  
**MORE EFFECTIVE**

UNILEVER REPORTED  
**10%**  
INCREASE IN EMPLOYEE  
ENGAGEMENT AFTER THEY  
LAUNCHED THE  
SUSTAINABLE LIVING PLAN

*Gallup 2012*

88%



OF CONSUMERS FEEL A RESPONSIBILITY TO PURCHASE PRODUCTS THAT THEY FEEL ARE

**SOCIALLY & ENVIRONMENTALLY**

RESPONSIBLE

*Cone Communications 2013*

91%

OF CONSUMERS ARE PREPARED TO **SWITCH BRANDS** TO ONE ASSOCIATED WITH A GOOD CAUSE, GIVEN COMPARABLE PRICE AND QUALITY

*Cone Communications 2013*

# ETHICAL BUSINESS PRACTICES

STENDEL NOTED THAT BRANDS WHO LEAD WITH **IDEALS** CAN OUTPERFORM THE MARKET BY UP TO **400%**

*Stengel 50*

THE HARVARD BUSINESS REVIEW NOTES THAT **MISSION** DRIVEN BRANDS CAN OUTPERFORM THE MARKET BY

**9:1**

*Harvard Business Review*

# BUSINESS VALUE

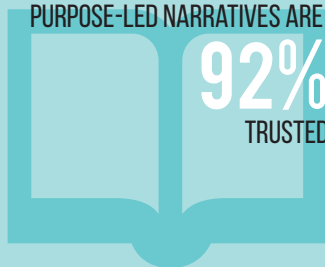
# TRUST & TRANSPARENCY

IN A NETWORKED WORLD, **TRUST** IS THE ONLY MEANINGFUL CURRENCY

*Tim Hunt - The Guardian 2013*

PURPOSE-LED NARRATIVES ARE

**92%**  
TRUSTED



ADVERTISING IS

**24%**  
TRUSTED



*Nielsen 2009*

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