

Inspiring global alignment through value creation

The IIRC's Global Conference 2019

Purpose-led communications



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How do brands and companies shift the dial from one-off purpose-driven campaigns?

Juliet Markham, Stephen Butler & James Whittingham

Purpose-led communications

How do brands and companies shift the dial from one-off purpose-driven campaigns to using purpose to drive business transformation and value creation that will propel progress, participation, and innovation

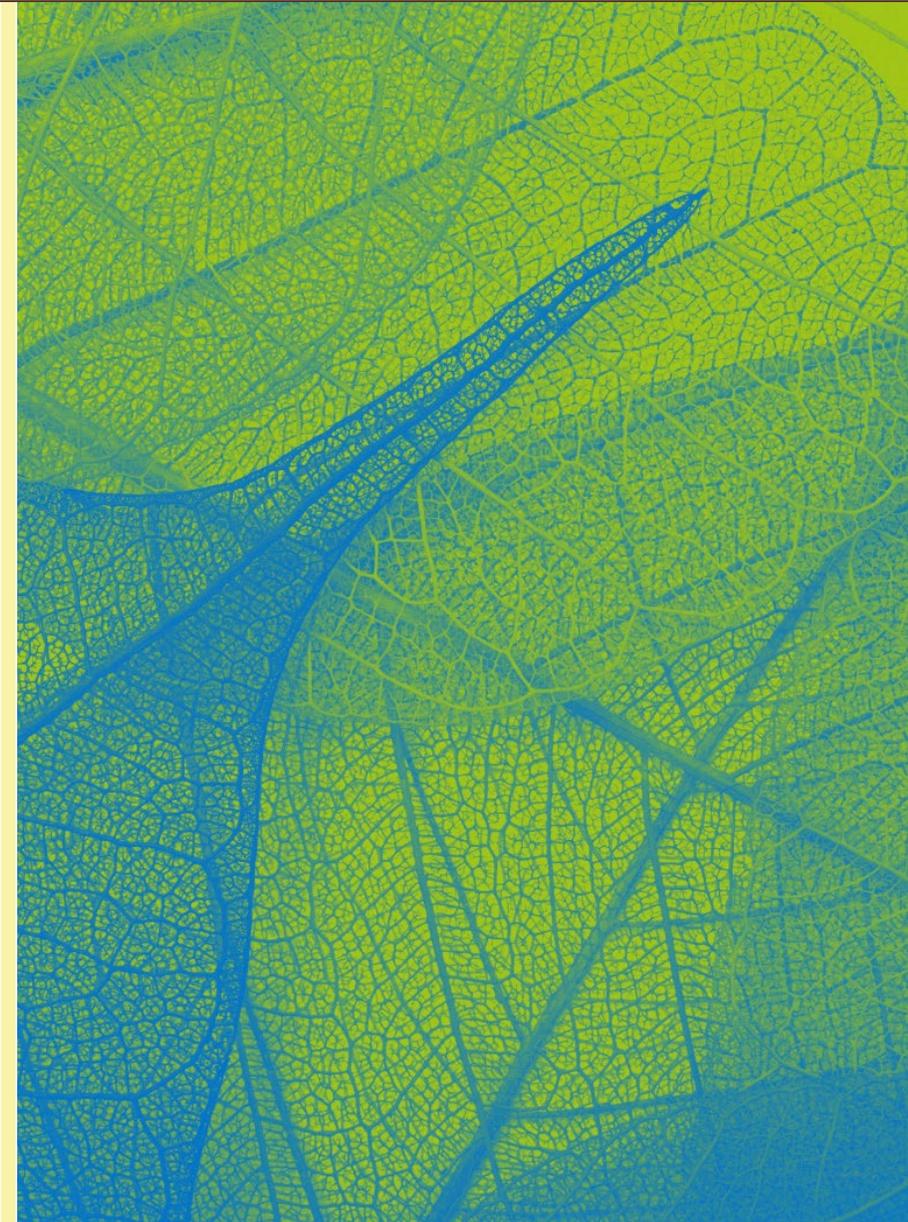
Agenda

Introduction and welcome by Juliet Markham, Head of Communications – IIRC

Why purpose and why now? Stephen Butler and James Whittingham, Luminous

Round Table Workshop – James Whittingham, Luminous

Summary and wrap-up - Juliet Markham, Head of Communications – IIRC



About Luminous

Our purpose is to help individuals and businesses shine.

As a strategic communications partner, we shine fresh light on what really matters about your business, illuminating what sets you apart to create and deliver brighter brand and comms, investor engagement and sustainable business solutions that resonate deeply with your key influencers.



Our clients



Our client-base consists of organisations across a range of sectors and geographies.

We work with over 50 FTSE-listed businesses, mainly in the FTSE 350, as well as some ambitious Main Market, Small Cap and AIM companies.

We also work with large private organisations across Europe.

Unearthing purpose

Shifting the lens

From....

Purpose as a marketing exercise

Purpose as a high-level statement

Purpose as a wrapper for existing initiatives

To...

Purpose as a business transformation journey

Purpose delivered through actions and behaviours

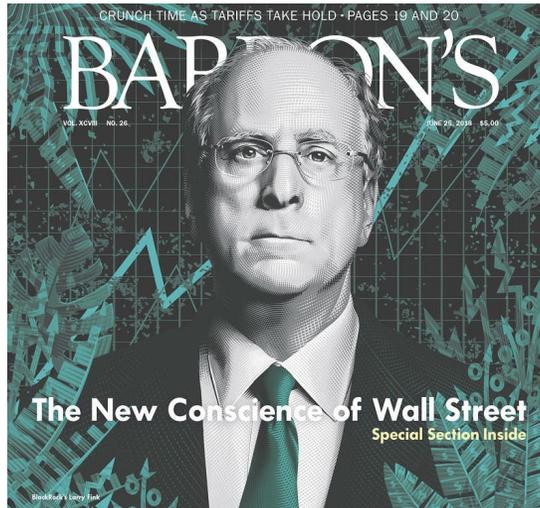
Purpose as a driver for innovation, progress and participation



Unearthing purpose

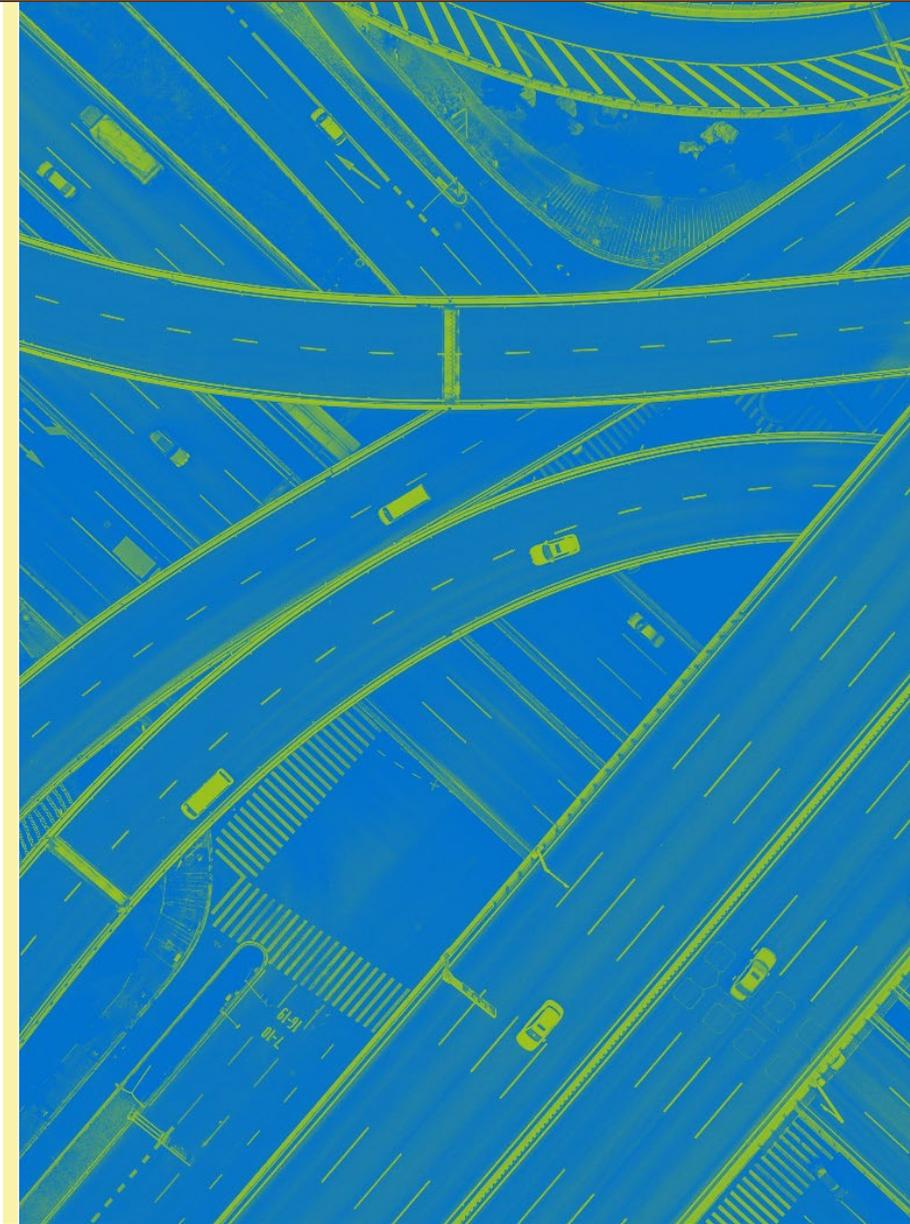
Investors are increasingly looking beyond just financial measures

“Purpose is not the sole pursuit of profits but the animating force for achieving them.”



“Purpose is not a mere tagline or marketing campaign; it is a company’s fundamental reason for being – what it does every day to create value for its stakeholders.”

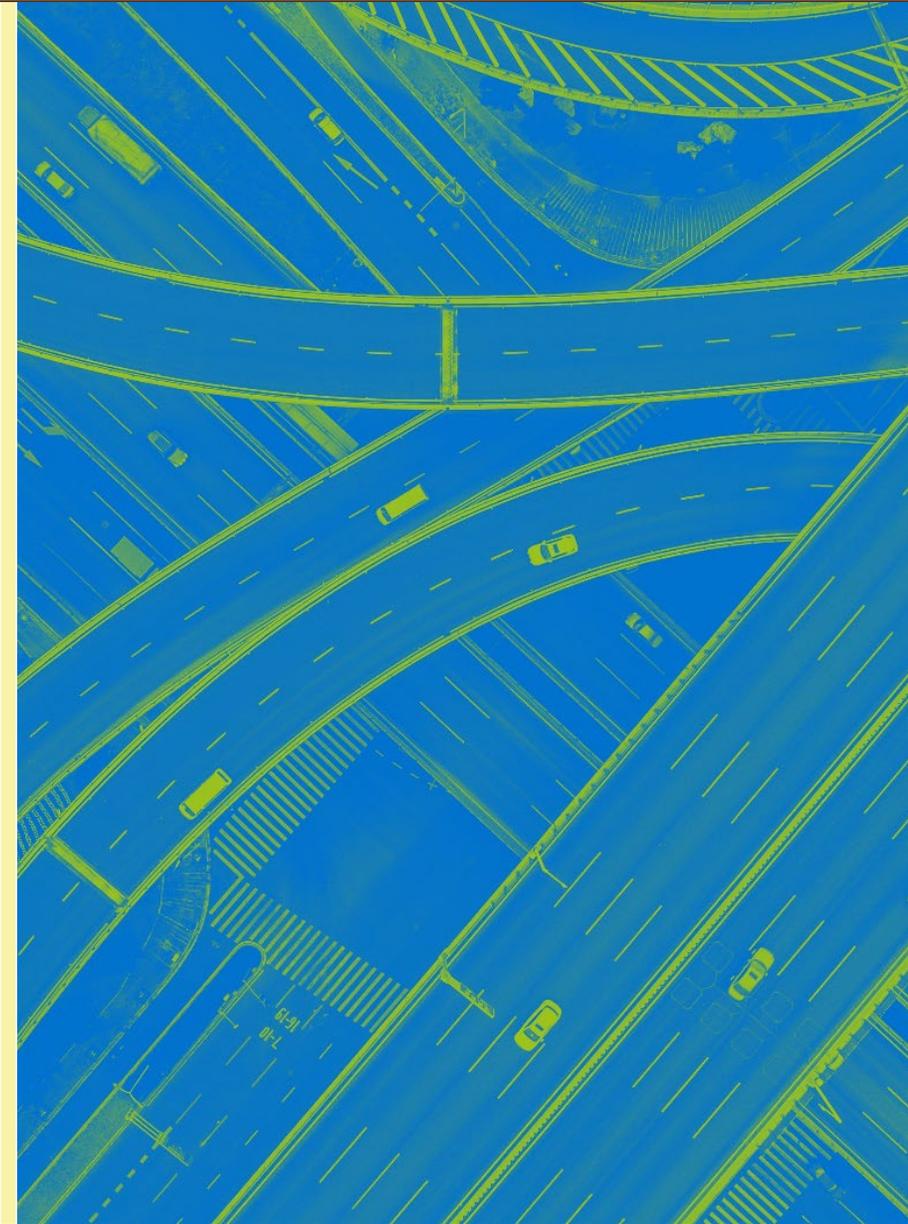
Larry Fink’s 2019 Letter to CEO’s Purpose & Profit



The business case is clear

Over 80% of CEOs believe that a strong sense of purpose drives customer loyalty, ability to transform and employee satisfaction.

CEO Survey, EY



External factors

The Financial Reporting Council (UK) - recent changes

The Guidance on the **Strategic Report** describes how a **company's purpose** should be seen as why it exists, while **its strategy** should describe the intended means of fulfilling its purpose.

Together they should provide an overview of why and how the company aims to generate and preserve value and should be reflected in its objectives and key performance indicators.

The new **Corporate Governance Code** firmly places the responsibility for establishing the company's purpose with the board, which should satisfy itself that it is aligned with the company's strategy, values, culture and remuneration.



Our approach to purpose

We define a purpose that supports brand values, is aligned to strategy and business model and makes sustainability commitments that are relevant to stakeholders.

Our approach to unearthing purpose:

Understanding the external context and competitor positioning

Review of brand platform and culture dashboard

Analysis of current strategy, business model and KPIs

Review sustainability strengths and issues



Good example - Unilever

'To make sustainable living commonplace'

The Unilever Sustainable Living Plan

The Unilever Sustainable Living Plan sets out to decouple our growth from our environmental footprint, while increasing our positive social impact. Our Plan has three big goals to achieve, underpinned by nine commitments and targets spanning our social, environmental and economic performance across the value chain. We will continue to work with others to focus on those areas where we can drive the biggest change and support the UN Sustainable Development Goals.

We have three big goals

IMPROVING HEALTH AND WELL-BEING FOR MORE THAN 1 BILLION

By 2020 we will help more than a billion people take action to improve their health and well-being.

- Health & hygiene >
- Improving nutrition >

We are taking action on the UN Sustainable Development Goals

REDUCING ENVIRONMENTAL IMPACT BY HALF

By 2030 our goal is to halve the environmental footprint of the making and use of our products as we grow our business.*

- Greenhouse gases >
- Water use >
- Waste & packaging >
- Sustainable sourcing >

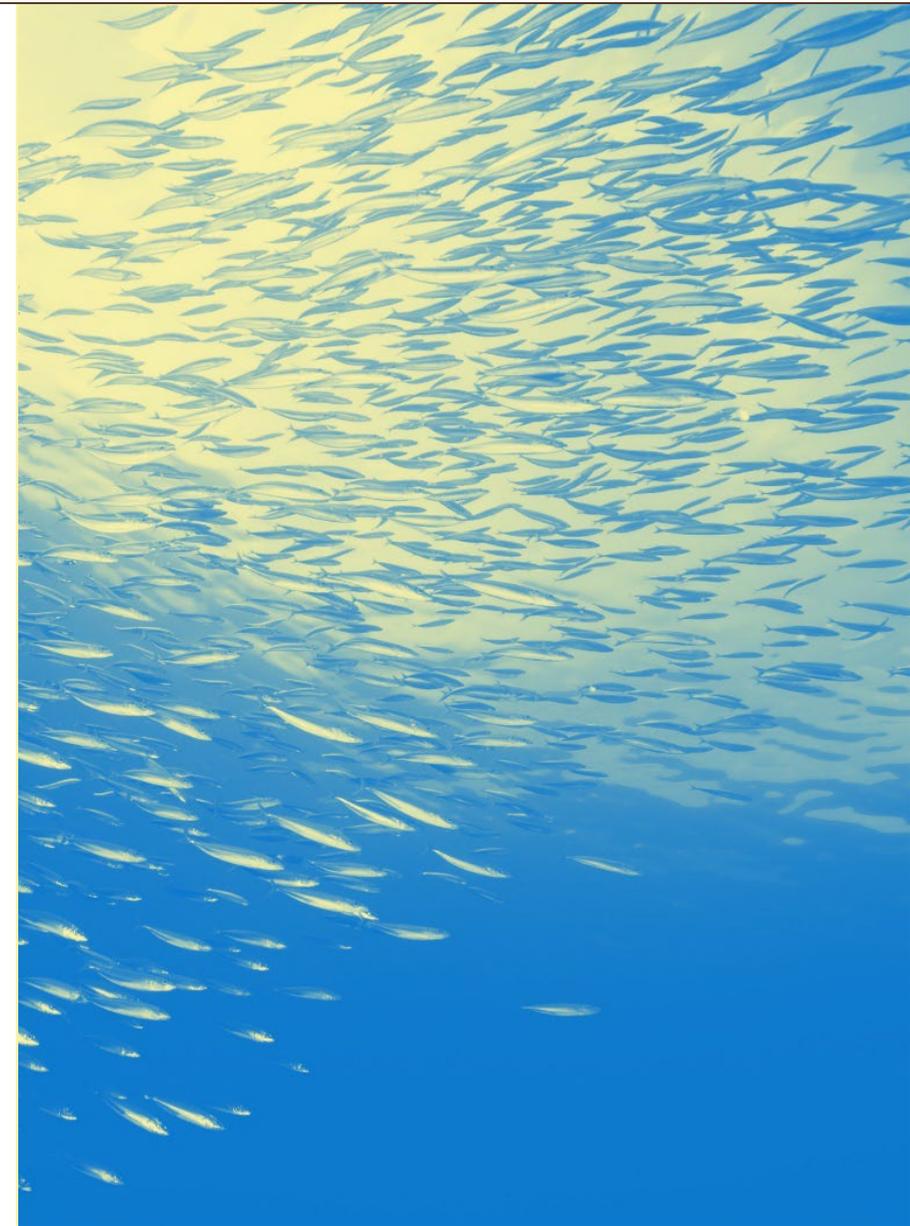
We are taking action on the UN Sustainable Development Goals

ENHANCING LIVELIHOODS FOR MILLIONS

By 2020 we will enhance the livelihoods of millions of people as we grow our business.

- Fairness in the workplace >
- Opportunities for women >
- Inclusive business >

We are taking action on the UN Sustainable Development Goals



Good example - Whole Foods Market

“Our deepest purpose as an organization is helping support the health, well-being and healing of both people – customers, Team Members and business organizations in general – and the planet”



Not so good example - Pepsi

“Pepsi was trying to project a global message of unity, peace and understanding,” the company said in a statement to the Associated Press....

“Clearly we missed the mark, and we apologize.”

Pepsi pulls Kendall Jenner ad ridiculed for co-opting protest movements

Company admits it ‘missed the mark’ after ad was mocked on social media and by civil rights activists including Martin Luther King Jr’s daughter

- **Kendall Jenner’s Pepsi ad criticized for co-opting protest movements for profit**



The ad sees Kendall Jenner diffuse a standoff with police by handing the officer a Pepsi.

Pepsi has withdrawn and apologized for a new ad campaign featuring Kendall Jenner, after the company faced a [backlash](#) for a video that co-opted the imagery of protest movements to sell soda.

Not so good example - Gillette

There were positive remarks about the brand addressing 'toxic masculinity', but alas, many negative remarks.

Criticism at the time noted the video implied that men were '*sexual harassers*' or '*violent thugs*' and that the brand does not care about this issue with further criticism that claimed the advertisement was 'emasculating'.



Workshop Session

- We would like each table to tackle the same question regarding purpose, but each table will focus on **a different organisation**
 - What does a corporate purpose need to embody?
 - Does it go far enough? What else should we expect from this brand/company?
 - Then consider, does the language work? What does it **need more or less of**?
 - What does the purpose mean to key stakeholder groups and what's in it for them (in terms of value)?

Luminous IIRC Purpose workshop

What does a corporate purpose need to embody?

The role business plays in developing a sustainable world

Company spotlight

Coca-Cola

Purpose:

To refresh the world in mind, body and spirit. To inspire moments of optimism and happiness through our brands and actions

luminous

Workshop Session

- Appoint a spokesperson whom will feed back for a few minutes at the end of the session.
- You have around 25 minutes for this task.
- Materials are on your tables.
- **Any questions?**

Exercise 1

Does it go far enough? What else should we expect from this brand/company?

Does the language work? What does it need MORE or LESS of?

Exercise 2

Keeping employees, investors and consumers in mind fill out the below.

Employees		Investors	
What does the Company do / produce?			
What does the purpose mean for employees?		What does the purpose mean for investors?	
What's in it for employees i.e. the value it creates?		What's in it for investors i.e. the value it creates?	
Consumers			
What's the purpose pitfall in terms of communications? How do they avoid the Gillette moment when translating it to consumers?			
Overall how would you rate the purpose statement?			
<input type="radio"/> Bad	<input type="radio"/> Fair	<input type="radio"/> Good	<input type="radio"/> Excellent

Issue 1

Sustainability Matters

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Closing remarks

