

Isabel Verstraete

DOES YOUR BRAND CARE?

building a better world with
the **CARE** Principles

Lannoo
Campus

D/2021/45/74 – ISBN 978 94 014 7503 7 – NUR 802, 800

Cover design and illustrations: Lucia Biancalana

Interior design: Wendy De Haes

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Contents

| | |
|-----------------------------------------------------------------------------------------------------------------|-----|
| CHAPTER 1 | |
| Why I developed the C A R E Principles: a personal note | 6 |
| CHAPTER 2 | |
| The 'next normal': tooling up for constant change | 12 |
| CHAPTER 3 | |
| Why brands should start showing they care today – if they want to thrive tomorrow | 18 |
| CHAPTER 4 | |
| The C A R E Principles: how collaboration, agility, reliability and empathy can make your brand future-proof | 26 |
| CHAPTER 5 | |
| Why Collaboration is key | 36 |
| CHAPTER 6 | |
| Why Agility matters | 52 |
| CHAPTER 7 | |
| Why Reliability is crucial | 80 |
| CHAPTER 8 | |
| Why Empathy works | 100 |
| CHAPTER 9 | |
| Embracing the new kids on the block: Generations Z and Alpha | 124 |
| CHAPTER 10 | |
| The C A R E SCAN: How much does your company C A R E? | 134 |
| THANKS! | 138 |
| ABOUT | 140 |
| PRAISE FOR DOES YOUR BRAND CARE? | 142 |
| END NOTES | 148 |

CHAPTER 1

Why I developed the C A R E Principles: a personal note



I must have been about five years old when I was on holiday in Spain with my mother and grandparents. We spent the last afternoon on a sunny Spanish beach. Shops filled with colourful plastic beach toys caught my attention. I asked my mum if I could go and check them out. She agreed but told me not to cross the street.

I was in total awe of the sheer quantity of beach balls, shovels, buckets, pails and inflatables in every shape and colour. I wandered off with my head in the clouds, filled with the rainbow vision I had just seen. Without knowing that this would become part of my job, I was researching variations in products between one shop and another. Every next shop seemed to have something slightly different and even more appealing to my little self. I revelled in the vibrant colours of all these plastic toys, compared the holiday drawings on the beach balls, was mesmerized by the shapes of inflatable boats and colourful air mattresses, and lost all track of time and place.

I was completely captured by the intense, powerful message communicated by this beach gear: 'Buy me and you'll have fun on the beach!' Suddenly I found myself crying, surrounded by people talking to me in a language I didn't understand. Not much later, my mum picked me up from a local police station. That last night in the hotel, my mum tried to dance but that proved difficult with me literally stuck to her legs, afraid of losing her. A feeling I never wanted to experience again: my mum was my anchor in life.

This anecdote summarizes my life quite well. I have always been curious, always interested in what was around the next corner or under the surface of things, fascinated by products, brands and retail. Today, I am still walking with my head in the clouds, searching for something to spot, something to discover, something new to surprise me. Today, I still can't pass a beachfront toy store without feeling the energy and sparkle these shops have always given me!

My mother—who has always been a tremendous example in my life—always trusted me and stimulated my curiosity and desire to get the most out of life. My fulfilling life has given me two daughters, Lua and Rocky, and a loving boyfriend, Rob, with whom I have spent more than a decade of my life. Career stops took me to Paris, Brussels and Amsterdam, and now I live and work in Antwerp.

I have worked on the corporate side of the fence and for advertising agencies. My biggest motivation in my work has always been the ability to help brands. In 2011, I realized more than ever that I couldn't help brands any longer from within an advertising agency. The role and effect of advertising was about to change due to digitization.

I launched my own brand strategy consultancy and a couple of years later Kate Stockman crossed my path on an international repositioning campaign. The assignment ended up in the formation of Stockmanverstraete. Together we had a successful business venture, leading strategic assignments in marketing, branding, strategy, communication and innovation.

Near the end of 2019, I was about to start a major repositioning assignment for a well-known corporate brand. My agenda was filled to bursting for the next couple of months when I received the news that my mother had terminal skin cancer. After a sleepless night and a phone call to my business partner, I withdrew from the job and started to take care of my mother full-time. My life took a serious turn, as I mainly spent time with my mother when the Covid-19 lockdown came. More painful news soon followed when my father was also diagnosed with cancer. While my father was recovering from his operation and treatment, my mum died on a sunny day in July. Hoping to have finished this book before she passed away, I knew I had lost the race. This devastating experience, coming at the same time as a deadly virus racing through the world, gave me grief, sorrow and stress. I wanted to go back to a world free of this deadly new disease. A world in which I could continue my beloved job. A world in which my parents were healthy, and I could hold them tight. A world in which my adolescent daughters could live the life of youngsters as we had known it.

**It's only when
the tide goes
out that you
learn who has
been swimming
naked.**

Warren Buffett, investor

However, I realized pretty soon that the world as we knew it wouldn't return, and that the turbulence we are facing today has been building up since long before the current health crisis. I saw that the world had flipped and that business as usual wouldn't return. I wondered: Am I doing the right thing? Isn't it time for

me—a brand consultant who always sells her advice—to flip my business as well and start to focus on doing the right thing? My biggest motivation in my work has always been the ability to help brands: Am I helping them in the best way now? I asked myself these questions over and over again ...

So I paused, took a few steps back and felt a sudden urge to study, to research, to listen, to learn and to understand the world in which we had landed. I looked at my own profession and the world with fresh eyes. Realizing that if we want to evolve to a place of greater fairness and safety for our planet and its people, I came to the conclusion that we genuinely need to rethink the way we live and what we do.

We need to face our attitudes, our priorities and our compassion.

We need to reconsider what and how we consume.

We need to think about what we stand for and how we voice that.

We live in a polarized society in which the negative voices, controversial sentiments and oppositions are growing. In this society, it is important to highlight what goes well, and it is time to resist negative voices in society, to counter them with positive action.

And we need to act now, for ourselves and our children, and not leave the burden of the mess we're in on their shoulders.

I am rebelling against inertia, negativity, apathy and cynicism. In the early days of the first lockdown, I launched a daily post on all my social media: 'Positive News of the Day'. I did this because I strongly believe that there are good reasons to be hopeful and positive about the future. I believe that there is a very real current of change and that we can all—individual by individual—help to make the world a better place. We need to realize that we can all change, that we can use our voices as a positive force. These 'Positive News of the Day' posts gave me some oxygen in the midst of the pandemic. It was great to see so many amazing examples of companies that care for more than just earning money. It felt good to pass on this oxygen to others and to focus on what matters, not on what sells.

So I continued to search every day for positive signals of change. This little project of mine was the beginning of a completely new chapter of my life. In my daily research, I saw so many brands that managed to adapt—seemingly without

effort—to numerous and rapid changes in society. I analyzed the companies that seemed to deal better with the crisis, and I discovered a pattern driving their success.

This pattern is marked by a shift in attitude towards the way they do business. These brands dare to showcase a softer, more caring version of themselves. These companies have understood that in order to remain in business, they now need to focus more on solving than on selling. Out of the 'Positive News of the Day' posts grew a vision for a book, a web platform for positive change and the C A R E Scan, a new methodology for helping brands prepare for this new normal in which we have landed. Sharing my ideas and providing positive inspiration was definitely the thing that kept me going in these challenging times.

So, I wrote down the knowledge I had built up over the thirty years of my career. I combined it with newfound wisdom gleaned from online lessons, gathering insights from authors much smarter than me, such as Simon Sinek, and conversations with highly respected friends, clients and business contacts who generously granted me their time. I connected the dots between what I experienced in my job as a consultant and what I see ahead of us. Enjoy the book: I can only hope it sparkles with the positive changes the world needs, bright and shiny like so many colourful beach toys on a sunny day.

I guess it's clear that I'm a born optimist—you might even call me a 'new optimist'—as I believe we need to focus on what matters, not on what sells. I'm also a doer, so in addition to this book, you'll find even more positive inspiration from brands that care on my web platform and in my video podcasts. You can take classes on how to inject CARE into your company or you can take a C A R E Scan and find out how well your brand scores on the C A R E Principles.

Take care,
Isabel

PS: I dedicate this book to my mother, who taught me to fearlessly believe in myself, and to my daughters, who challenge me every day to become a more caring version of myself. This one is for you, my girls!

CHAPTER 2

The 'next normal': tooling up for constant change



It goes without saying that companies already do a lot of good things and entrepreneurs are working hard to keep their companies thriving. Everybody today is working on sustainability goals. CEOs understand that they need to be flexible in order to keep millennials on board. In terms of holiday entitlements, European countries have the best scores; Belgian employees even have an average of thirty-four holidays a year!¹

Thanks to the pandemic, nearly all employers have finally introduced digital and flexible working. Most employees will keep it once the health situation has stabilized. Homeworking is here to stay. While many companies are already doing their best, some are starting to feel as if doing their best isn't quite enough.

What will business look like tomorrow? Well, it will look quite different to what it does now, which is why you'll need to think now and act tomorrow if you want to adapt your company to the next normal,² because we have indeed landed in a turbulent decade. In the old days, business life was pretty simple and straightforward. You were running a business and making money, and most of your employees worked for you for their entire career. Companies were black boxes to anyone who didn't work there. Back then, customers hardly had a voice, let alone thought of using it. They were just buying products and services based on their personal taste and how much they were prepared to spend.

Marketing made a difference by building brand awareness and by developing brand preference. In pretty much any sector, you had an 'A' brand which was considered 'the best and most expensive' option on the market, followed by some cheaper and less performant brands. Life was simple and clear. In the first decade of this century, attributes beyond the mere commercial entered the picture. Brands had to explain to consumers where they were sourcing, whether their manufacturing process was environmentally friendly and how they treated their own employees. Still, that didn't seem too complicated either.

Fast forward to today. People are openly questioning companies on their behaviour. Critical journalism platforms, some newspapers and consumer organizations are fuelling these feelings of distrust and are openly questioning the

morality of brands. Brand boycotts and the naming and shaming of companies have become powerful tools for exposing companies that think they can continue with 'business as usual' while pretending they care.

Companies are facing a new reality in which some of their customers have bigger and stronger social media platforms than they do. These consumer voices sometimes become more powerful than the brand's own voice, and are often considered more honest, authentic and true. Businesses no longer compete in the commercial arena but in the ethical and moral arena, and this is not a fleeting phenomenon: this is what people will expect from now on. Companies will have to examine thorny issues and either alleviate or resolve them. Both people and the planet we live on are on the brink of catastrophe—something we'll dive further into later on. Businesses must find a new balance between commercial and moral objectives.

The C A R E Principles start from a core belief that spreads out in three simple mantras:

1. It is about the future

(and nobody really cares how good your brand was in the past).

2. It is about your clients

(and not about enriching yourself).

3. It is about their lives

(and not about your challenges).

Change in society today occurs at a much faster pace than changes within company walls—that's a fact. The gap between where the world is heading and what companies can do about it is widening. In order to close this gap, and in order to achieve success, organizations must undergo a transformation: from being strictly business enterprises to being social enterprises as well. Companies tomorrow will be valued as much for their interaction with and impact on society as for their financial results.

Some organizations—such as B Certified Corporation,³ for example—deserve special mention. It is an amazing initiative that was launched by three friends who left careers in business and private equity to create an organization dedicated to making it easier for mission-driven companies to protect and improve their positive impact over time. Certified B Corporations are companies that balance

profit and purpose. The certification requires them to legally consider the impact of their decisions on their workers, customers, suppliers, community and environment. These certified businesses are proving that competing to be not only 'best in the world' but also 'best for the world' is a winning strategy!

You can't be a part of a solution if you don't recognize how you are a part of the problem.

Elaine Welteroth, American journalist

So, sure, your corporate social responsibility plan and your marketing purpose were a very good start and will differentiate you from your competitors today. That is fine for

now. However, it is not enough for tomorrow. In order to remain ahead of your competitors, you will need to make a profound shift in your manner of thinking and doing, and in the way you approach business. The C A R E Principles will help you make this shift at your own pace, with the right, unique mix that fits your company's true nature and feels honest and authentic.

**It's good not
only to be best
in the world,
but also best
for the world.**

CHAPTER 3

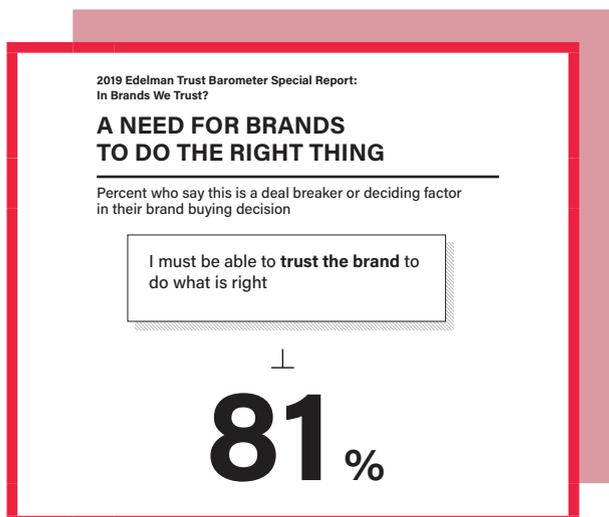
**Why brands should
start showing they care
today—if they want to
thrive tomorrow**



Today the world is in the midst of a health crisis, a social crisis, an economic crisis, an environmental crisis and a psychological crisis all rolled into one. Covid-19 caused them to snowball. This harsh reality causes a lot of grief. To deal with grief, frustration and setbacks, people used to turn to religious or political leaders in search of help. Today, in many countries, belief in religion has faded. Political leaders in many democracies find themselves in a weakened position, and political systems divided along the ideological lines of 'left' and 'right' feel archaic and out of date. Some political leaders cling to power using techniques as old as the Roman Empire: techniques including violence, excessive control and propaganda in the form of fake news.

People are beginning to realize that many things have been going wrong, and it feels as if the whole world is racing at a speed that no longer seems under control. Civilian protests, demonstrations and commotion on a small or large scale is revealing the gap between those in command and the average Joe. People have lost trust. They are suspicious of those in power, a feeling that was present long before Covid-19! This loss of trust in the once powerful institutions that kept the world running is visible in all kinds of research worldwide.

Edelman Intelligence,⁴ a global insight and analytics consultancy, conduct a yearly global survey on trust. Their Trust Barometer⁵ demonstrates how people have lost trust in governments, media and companies over the last few years. In 2019⁶ however, an overwhelming number of people—a whopping 81%—were looking at brands and asking them to do the right thing!



This creates a huge opportunity for companies to step in and do just that. But with great opportunity comes great responsibility. Your company will have to make a fundamental decision: stay the same and remain part of the problem or adapt and work towards a solution. Several companies have already understood the need to shift gears, ethically speaking, and are changing course by becoming more engaged. They have found charities to which they can donate and their marketing departments have developed a higher purpose. Their mission statements express how much they value their staff and their clients.

Without doubt, these are all great ways to stimulate goodwill among certain stakeholders and consumers. It is definitely a step in the right direction. But in order to really make a positive change, companies need to ask themselves how they can play a role in people's lives. How can they show they care about their staff, their clients, their communities? How can they understand their fears and dreams? How can they help allay the first and achieve the second? Understanding that it is not about words but about actions is one of the biggest shifts brands are facing today. Because, let's face it, people can only be happy about your sustainability efforts or your rainforest alliances if they have the basics of their own lives straightened out, and if they feel that your efforts for the planet overlap with their own concerns. Tomorrow it won't be enough to have your company values on the wall while underpaying your workers.⁷ It won't be acceptable to support the World Wide Fund for Nature (WWF)⁸ while destroying the rainforest in search of resources.

Obviously, some companies will continue to try to cut corners at the expense of their staff, their community, their country and the planet. Most companies won't act on positive change because they suddenly became philanthropists. No, they will do it under the pressure of several generations. Fuelled by young people who don't understand why they have to pay the price for the disasters left to them by the previous generations. These young consumers will become even more demanding on issues such as ethical behaviour and transparency. Working for a company that doesn't walk the talk will become an obstacle for many employees, and thus the cost of hiring talent will continue to rise.

Companies will need to express themselves loud and clear about what they stand for and how they will show that they care. Not through mission statements, freshly painted values or advertising campaigns, but through an open, honest and authentic relationship with their employees, clients and communities. Companies will need to prove that they can be trusted on every level, that they really do mean well.

The overall insight behind the C A R E Principles is about—well, caring: taking care of someone or something. Anyone can care. Taking care is not about how deep your pockets are, but about how big your heart is. Success definitely lies ahead for companies that realize they need to be outspoken about the things they care about. Brands can become powerful forces for positive change in society and they are in a position to lead the way by taking responsibility. So you should ask yourself: What side do you want your company to be on? Do you want to remain part of the problem, or will you be part of the solution?



Frankly, there are no real guidelines when it comes to caring—there are so many ways to care, and so many things to care about! The important lesson about care is that it needs to be authentic: it needs to resonate with your true nature. Care comes from the heart. It is not a marketing tool for changing your brand image. Care is a way of facing outwards: of engaging with the world on myriad levels, whether by reaching out to those closest to you or launching a platform to help save the world. Reaching out, lending a helping hand, marshalling others for a good cause—these are all effective ways of caring. In the following three