

Over 50% of US consumers cannot name a brand that is making a difference when it comes to environment, diversity – GfK

New research points to opportunity for stronger brand differentiation around purpose-driven marketing

NEW YORK, NY, UNITED STATES, March 21, 2023 /EINPresswire.com/ --Marketers generally assume that brands helping causes – from the environment to Black Lives Matter – get "extra credit" from consumers for their good works. But a new study by GfK – in collaboration with Goodvertising Agency – suggests that purpose-driven marketing efforts are not standing out in the memories of many Americans.

<u>Download the full GfK report</u> on this study

The latest wave of research in the Purpose Impact Monitor series shows that, when asked to spontaneously identify companies that are making a difference in three key areas – the environment and climate change, diversity and inclusion, and giving back to the community – more than half of US consumers could not name one. (See Table 1.) Levels for diversity and the environment were nearly 60%, while the proportion for community was slightly lower.

Table 2. Unable to think of a brand "promoting diversity and inclusion" – demographics

Among US consumers

-	Total	\$30K- \$60K	\$125K+	<u>Demo-</u> <u>crat</u>	Indepe ndent	Repub- lican	"Other" party
No brands diversity	57%	56%	36%	48%*	60%	61%	75%

Source: GfK's Purpose Impact Monitor

* To be read: 48% of Democrats could not name any brands that they thought were promoting diversity and inclusion

Table 2 -- Purpose Impact Monitor

Table 1. Unable to think of any purposeful brands

Among US consumers

"Working to make things better" (overall)	39%
"Taking care of the environment and fighting climate change"	57%*
"Promoting diversity and inclusion"	57%
"Giving back to the community"	54%

Source: GfK's Purpose Impact Monitor

* To be read: 57% of respondents could not name any brands that they thought were taking care of the environment and fighting climate change

Table 1 -- Purpose Impact Monitor

 Table 3. Spontaneous mentions of brands supporting specific causes

 Brands cited most often, by issue

Environment	Diversity	Community
Amazon (174*)	Amazon (298)	Amazon (193)
Tesla (137)	Walmart (180)	Walmart (181)
Walmart (70)	Target (84)	Target (73)
Apple (60)	Google (72)	Apple (40)

Table 3 -- Purpose Impact Monitor

The new study also shows that:

• Americans who make over \$125,000 a year are much more likely to remember at least one brand supporting a cause, compared to those earning \$30,000 to \$60,000 (See Table 2.)

• Among political parties, Democrats are most likely to remember at least one purposeful brand, while those from "Other" political parties are least likely. Republicans and Independents land in the middle zone.

Among those who could name at least one brand that is giving back, the overwhelming majority of mentions went to two retail giants – Amazon and Walmart. (See Table 3.) Tesla was the only other brand able to break the 100-mentions threshold in a category.

When GfK prompted respondents with the names of 16 major brands in five major categories – from cleaning to retail to auto – asking how well they are doing when it comes to making a difference for key issues and causes, the scores were also striking. Once again, Walmart – and fellow retailer Target – scored the highest recognition. (Amazon was not one of the prompted brands.)

Meanwhile, brands deeply identified with purpose, like Seventh Generation and Ben & Jerry's, landed in the middle of the pack – not the strongest performers. Roughly half to two-thirds of Americans who are aware of a given brand's initiatives said those efforts made them feel better about the brand, with very little variation. Once again, "purpose-first" brands like Seventh Generation or Ben & Jerry's did not get "extra points" for their efforts.

The results resonate with findings of the first Purpose Impact Monitor study, which focused on 20 cause-focused ads from major brands. GfK found that brand purpose ads generally underperform mainstream ads when it comes to grabbing and holding viewers' attention. While three-quarters of generic ads were able to capture attention, the proportion dropped to two-thirds for purpose ads.

"The truth today is that purpose-driven efforts and campaigns have become commonplace – even mundane," said Eric Villain, Client Solutions Director for Marketing Effectiveness at GfK. "If a brand were to completely shun causes, that would likely be noticed; but supporting them is not a differentiator anymore. This means marketers and brands need to work harder – in keeping with their brand essence and the category – to really make an impression with their purpose efforts."

"This should be a warning sign for any brand looking for a quick win in the purpose space," said Thomas Kolster, Founder & CEO of Goodvertising Agency. "If you want to do well, it's about investing for the longterm, building legacy, and applying innovation and creativity to stand out"

A total of 2024 interviews conducted among a US online population from October 25th to November 3rd, 2022.

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