MEANINGFUL BRANDS 2019
Populism & Political crises are on the rise

- Brexit
- AfD enters parliament
- Rodrigo Duterte's controversies
- Women's march
- Day without immigrants
- Yellow Jackets
- Riots in Nicaragua
- Shift to political right in Latin America
- Instability in Middle East
- Protests raise of pension age
- Chinese Army veterans protest against mistreatment
- Italy's political upheaval
- Invasion Day
- Day without immigrants

Sources: MSCI
Buying has become a political act

55% of consumers believe companies have a more important role than governments today in creating a better future.

77% prefer to buy from companies that share their values.

Sources: Prosumer report – The Meaningful Shift 2018, Havas Group
2018: when purpose went mainstream

Everywhere consumers expect brands to be actively involved in solving social & environmental problems
Still, there is little value for people in the current value exchange with brands. People would not care if 77% of brands disappeared.
Purpose should be more than a token gesture

84% think companies and brands should communicate honestly about their commitments and promises.

38% think companies and brands indeed communicate honestly about their commitments and promises.
BRANDS HAVE TO BE MEANINGFUL TO SURVIVE

From Brand PURPOSE to Brand ACTIVISM
What we do with « Meaningful Brands »

Go beyond the product, exploring how brands tangibly improve peoples’ lives and the role they play in society.

Inspire Meaningful Connections Between People & Brands Which Generate Business Results
Our unique Brand Framework

- 350,000 citizens
- 31 markets
- 22 industries
- 1,800 brands
- Ongoing +10 years

2019 Study

1. Proprietary metric of brand strength
2. First global framework to connect brands with human well-being
3. Measures the quality of benefits brands bring to people’s lives and the returns in business terms

Meaningful Brands
Why does Meaningfulness matter?
SOMETHING MORE THAN A PRODUCT!
People expect more from brands

- **BOOMERS**: 63%
- **GEN X**: 76%
- **GEN Y**: 84%
- **GEN Z**: 87%

“More”: Interesting, Useful or Meaningful content / services apart from their usual offer
Return on meaning
Earning Meaningful Returns

MEANINGFUL VALUE FOR PEOPLE

= BUSINESS RETURNS
+ Share of Wallet
+ KPIs
+ Financial Value
The more meaningful
the greater share of wallet

Share of Wallet

SoW

x 9

MB Index

The greater share of wallet

MEANINGFUL BRANDS
### Meaningful brands generate significantly higher KPIs

<table>
<thead>
<tr>
<th>KPIs</th>
<th>High M Performance</th>
<th>Low M Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Impression</td>
<td>80%</td>
<td>42%</td>
</tr>
<tr>
<td>Purchase Intent (non clients)</td>
<td>38%</td>
<td>14%</td>
</tr>
<tr>
<td>Repurchase Intent (clients)</td>
<td>70%</td>
<td>29%</td>
</tr>
<tr>
<td>Advocacy</td>
<td>76%</td>
<td>37%</td>
</tr>
<tr>
<td>Premium Price</td>
<td>40%</td>
<td>18%</td>
</tr>
</tbody>
</table>
Improving Meaningful Performance boosts KPIs

Return on Meaning Boost by KPI
Improving Performance by only 10%, KPIs Grow by…

- Familiarity: +3%
- Overall Impression: +7%
- Purchase: +11%
- Repurchase: +5%
- Advocacy: +7%
- Premium Price: +13%

Boosts KPIs
Meaningful Brands

outperform the stock market by 134%

Stock-market cumulated values between 2008 and 2018
Source: Yahoo Finance / STOXX 1800

TOP MB performers

Overall Stock Market
Defining meaningful
Understanding what matters

Does the product or service deliver?

Personal benefits
How brands improve peoples’ lives?

Collective benefits
What’s their role in society?

MB INDEX = Brand Performance + KPIs
What makes brands meaningful?
What Makes Brands Meaningful?

**FUNCTIONAL BENEFITS**
- Good Quality Prods (107)
- Delivers (104)
- Useful Prods (103)
- Safe & Responsible Prods (103)
- Fair prices (100)

**PERSONAL BENEFITS**
- Life Easier (116)
- Peace of Mind (114)
- Me Happier (114)
- Life Satisfaction (110)
- New Ideas (110)

**COLLECTIVE BENEFITS**
- Transparent (112)
- Ethical (110)
- Diversity (107)
- Good Workplace (105)
- Benefits Local Economy (104)

Importance weights indexed per pillar.
What brings meaning differs by country.
Meaningfulness varies by industry
Most Meaningful Industries
Top 3 per region

NORTH AMERICA
- CONSUMER GOODS
- FOOD
- ENTERTAINMENT

LATAM
- TRAVEL TOURISM
- ENTERTAINMENT
- FOOD

WEST. EUROPE
- RETAIL
- ELECTRONICS
- FOOD

EAST. EUROPE
- FOOD
- AUTOMOTIVE
- TRANSPORT

E.A.SIA
- CONSUMER GOODS
- FINANCIAL
- ELECTRONICS

TRANSPORT
- ELECTRONICS
- INTERNET & MEDIA
- TRAVEL TOURISM
TOP 30 Meaningful Global Brands - 2019

1. Google - 74.6
2. PayPal - 73.0
3. Mercedes-Benz - 71.9
4. WhatsApp - 71.7
5. YouTube - 71.2
6. Johnson & Johnson - 71.1
7. Gillette - 71.0
8. BMW - 70.9
9. Microsoft - 70.8
10. Danone - 70.5
11. Audi - 70.4
12. Nivea - 70.2
13. Nestlé - 70.1
14. Colgate - 69.7
15. Disney - 69.7
16. Samsung - 69.6
17. Heinz - 69.6
18. VISA - 69.5
19. Nike - 69.5
20. Vanish - 69.5
21. Crest - 69.5
22. Skip - 69.5
23. IKEA - 69.3
24. adidas - 69.2
25. Booking.com - 69.1
26. Sheraton - 69.0
27. Natura - 68.9
28. Michelin - 68.8
29. Toyota - 68.7
30. LEGO - 68.6

A Global Brand is a brand assessed in at least 3 markets and 2 regions in MB19, and available worldwide.
Nike: a leader in brand activism overnight

Colin Kaepernick refused to rise for the national anthem, in opposition to police violence in the US

2 years later, the former NFL player appears in the '30 years' ad of Nike

Nike's online sales jumped 31% in the 4-day period
Danone: “One planet. One health”

Danone 2030 Goals embed the business, brand and trust models of the company to drive long-term sustainable value creation.

“At Danone, we believe that each time we eat and drink, we can vote for the world we want.”

Emmanuel Faber (CEO)

+5% FUNCTIONAL BENEFITS

+3% PERSONAL BENEFITS

+6% COLLECTIVE BENEFITS
Johnson & Johnson: amongst the best “Green” brands worldwide

J&J sustainability plan, called “Health for Humanity 2020 Goals”
focuses on making both individual consumers and their homes healthier

Since 2014, J&J has been repeatedly recognized for their sustainability efforts

+5% FUNCTIONAL BENEFITS
+6% PERSONAL BENEFITS
+6% COLLECTIVE BENEFITS
But not all brands perform on personal benefits...

<table>
<thead>
<tr>
<th>Drivers' Importance</th>
<th>Brands' Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>41% Functional benefits</td>
<td>4.8</td>
</tr>
<tr>
<td>30% Personal benefits</td>
<td>3.9</td>
</tr>
<tr>
<td>29% Collective benefits</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Weak | Med | Good
Brand Activism wins over Brand Neutrality by triggering better personal benefits

The Brand ability to inspire consumers to Make the world a better place...

...shows a 84% correlation

... with the Emotional benefits provided by the Brand to consumers
Brand Activism can take many forms

- Sustainability
  - Buy A Lady A Drink
- Immigration
  - American Airlines Doesn’t Want to Fly Migrant Children Separated From Their Families
- Gender Equality
  - P&G
    - A world free from gender bias is a better world for all. #WeSeeEqual
- Health
  - CVS
    - CVSquitsforgood
- LGTB Rights
  - Ben & Jerry’s
    - Proud Supporter of Vermont Pride!
How to inspire more meaningful connections?
Great Content drives Personal benefits

72% Correlation between performance on Personal Benefits and Content Effectiveness*

*CONTENT EFFECTIVENESS is defined by crossing the strength of association of a brand to content types and the performance of the content performed by the brand
90% Of Consumers Expect Brands to provide Content

Experiences | Solutions | Entertainment | Stories | Events

MEANINGFUL BRANDS
BUT we live in a world of content overload

+470,000 Tweets sent
+4 M Videos watched
+49,000 Photos posted

... every minute of the day!

Source: DOMO 2018
More than half of content fails to deliver

58% of the content provided by brands is not meaningful to consumers
With different levels of content effectiveness per industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Content Effectiveness Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>1</td>
</tr>
<tr>
<td>Electronics</td>
<td>2</td>
</tr>
<tr>
<td>Travel &amp; Tourism</td>
<td>3</td>
</tr>
<tr>
<td>Consumer goods</td>
<td>4</td>
</tr>
<tr>
<td>Food</td>
<td>5</td>
</tr>
<tr>
<td>Transport</td>
<td>6</td>
</tr>
<tr>
<td>Internet &amp; Media</td>
<td>7</td>
</tr>
<tr>
<td>Beverage</td>
<td>8</td>
</tr>
<tr>
<td>Retail</td>
<td>9</td>
</tr>
<tr>
<td>Telco</td>
<td>10</td>
</tr>
<tr>
<td>Healthcare</td>
<td>11</td>
</tr>
<tr>
<td>Financial</td>
<td>12</td>
</tr>
<tr>
<td>Insurance</td>
<td>13</td>
</tr>
<tr>
<td>Restaurants</td>
<td>14</td>
</tr>
<tr>
<td>Energy &amp; Utilities</td>
<td>15</td>
</tr>
</tbody>
</table>

**CONTENT EFFECTIVENESS INDEX**: Indicator reflecting the strength of content association and performance for each brand.
A detailed Content framework

**Association**
Is this content associated with my brand?

**Performance**
How is my brand executing this content?

**Expectation**
Would people like my brand to offer...?
New formats of content...for a strong business impact

<table>
<thead>
<tr>
<th>FAMILIARITY</th>
<th>PURCHASE</th>
<th>REPURCHASE</th>
<th>ADVOCACY</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONG MOVIE</td>
<td>0.28</td>
<td>AR EXPERIENCE</td>
<td>0.33</td>
</tr>
<tr>
<td>Web series</td>
<td>0.28</td>
<td>WEB SERIES</td>
<td>0.31</td>
</tr>
<tr>
<td>AR EXPERIENCE</td>
<td>0.27</td>
<td>LONG MOVIE</td>
<td>0.31</td>
</tr>
<tr>
<td>DOCUMENTARY</td>
<td>0.27</td>
<td>VIDEO GAME</td>
<td>0.30</td>
</tr>
<tr>
<td>VR EXPERIENCE</td>
<td>0.27</td>
<td>STORY FROM ARTISTS</td>
<td>0.30</td>
</tr>
<tr>
<td>MUSIC VIDEO</td>
<td>0.27</td>
<td>TV SHOW / PROGRAM</td>
<td>0.30</td>
</tr>
<tr>
<td>TV SHOW / PROGRAM</td>
<td>0.27</td>
<td>RED CARPET &amp; PREMIERE</td>
<td>0.30</td>
</tr>
<tr>
<td>ORGANIZATION TOOL</td>
<td>0.26</td>
<td>VR EXPERIENCE</td>
<td>0.30</td>
</tr>
<tr>
<td>SHORT MOVIE</td>
<td>0.26</td>
<td>SHORT MOVIE</td>
<td>0.29</td>
</tr>
<tr>
<td>TUTORIAL OR E-LEARNING</td>
<td>0.26</td>
<td>PERSONALIZED MESSAGE</td>
<td>0.29</td>
</tr>
</tbody>
</table>

Correlations between content performance and each step of the consumer journey.
Understanding the Roles of Content

- Inspire
- Entertain
- Educate
- Inform
- Help
- Reward
Expected content roles vary by Industry

Entertainment is key for media & beverage brands

- **Automotive**: #1 INSPIRE, #2 HELP, #3 INFORM
- **Electronics**: #1 HELP, #2 INSPIRE, #3 INFORM
- **Travel & Tourism**: #1 REWARD, #2 HELP, #3 INSPIRE
- **Food**: #1 INSPIRE, #2 HELP, #3 REWARD
- **Personal Care**: #1 HELP, #2 INSPIRE, #3 REWARD
- **Internet & Media**: #1 ENTERTAIN, #2 INSPIRE, #3 HELP
- **Beverage**: #1 ENTERTAIN, #2 INSPIRE, #3 REWARD
Inspiration & Reward
most expected content from Apparel brands
INSPIRATION
by Adidas x Parley For The Oceans

Adidas donated $1 for every km logged through its Runtastic app, to spread awareness about the ocean conservation.

Adidas also sold over 1 million pairs of “Parley for the Oceans” sneakers made from marine plastic.
Help & Information
most expected content from Healthcare brands
HELP
by Otrivin, decongesting the city

Otrivin (nasal spray) provided 6,000 marathon runners with cleaner air in New Delhi, with cannons that are able to get dust, pollen & pollution out of the sky, used before & during the races.
Meaningful Brands
In a few words...
Customers expect brands to take a stand on causes.

Brands that fail to do so will be forgotten.

**Meaningful Brands adopt a genuine brand activism strategy to survive!**
Personal & Collective benefits, increasingly important

...driving noticeable rises in meaningfulness

But brands are not delivering yet – especially on personal benefits

Great content drives personal benefits!
People are asking for content

Content can drive business results

But most of the content provided by brands fail to deliver...

To be meaningful, content has to be tailored to the industry
THANK YOU

Think before you print!
We can provide you with a printable copy if needed