

Impact Brand Study

2020

Brand
Trust

BRAND STRATEGY
CONSULTANTS

Sustainability from a new perspective

In times of overabundance, people expect brands to do more than just satisfy their material needs. Awareness of shortcomings around the world is increasing, and with it the expectations of social and ecological responsibility. And therein lies a great opportunity for brands. They have the potential to become the new source of trust in our times. People believe that **brands generally have the competence and possibilities to develop solutions to global challenges and to correct some of the world's shortcomings (72 % of survey respondents).**

Hence, they expect brands to use their influence (87 %), though not necessarily for free. **Doing good and making a profit don't rule each other out**, respondents feel. Instead, they are even willing to pay an average of 13.5 % more if they know that the brand is working to correct some deficiency. **This is particularly true of the millennials and GenZ generations:** They would even pay 16.8 % more.

In this environment, a **new species of brand** is emerging that exemplifies responsibility and sustainable activities like no other: **Impact Brands.** As they see it, this active commitment to positive change in society in no way contradicts economic success.

What are impact brands?

Impact brands are brands that have a profitable business model aimed at righting a wrong in the world. To that effect, they provide peak performances through their business activities that are designed to actively and lastingly change stakeholder behavior.

In the new BrandTrust Impact Brands Study 2020, Klaus-Dieter Koch and Sarah Böhmer introduce the new, highly relevant species of **Impact Brands.** At the same time, they support responsible decision makers and business leaders with **preparing their brand management for future requirements to secure and build their brand's success.**

The hopes that people place in brands creates a new framework for action. It offers brands a chance to increase their significance and set themselves apart from the usual sustainability measures. People are aware of their individual influence and want to put it to use. **Brands that credibly support them in their effort are regarded as highly attractive.**

Five success factors of impact brands that can strengthen established brands as well

1. Clear focus and sharpening rather than a colorful spray of sustainability measures

Impact Brands use their individual impact mission to make people comprehend their standpoint. Established brands should ask themselves how they can create clear focus with their sustainability efforts that will distinguish them within the competitive environment.

2. Consistent attitude beyond the product

Impact brands align everything they do with their impact mission. To do that, they take measures that go beyond their range of products and services to build credibility and trust.

3. Solutions rather than appeals

Impact brands do not delegate the responsibility for social and ecological issues to the marketing or PR department. They concentrate on finding solutions for the world's problems rather than issuing well-intentioned appeals to their stakeholders.

4. Community as a success factor

Impact brands tap into the individuals' sense of responsibility. They allow their customers to become part of the solution rather than the problem. They make them feel they are achieving something great. They establish a common goal to create a strong sense of belonging, an intense emotional connection.

5. Information rather than advertising

Impact brands are very good at clearly expressing their impact mission, their background and their actual impact. They do not exaggerate with creative ad messages, but focus on information.

A brand is an expressed will!

And will is exactly what is needed first before a brand can use the attractiveness driver "sustainability" as a positioning space. Only when there is a will to put this focus center stage (and not see it as just an additional task), develop it credibly to form the core of the brand and elevate it to the first level of perception, only then can brand attractiveness and differentiation increase.

Read our study to find out:

- the secret to the success of this brand species
- what the mentioned developments mean for established brands
- whether and how your brand can become an impact brand



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**SARAH
BÖHMER**

Brand Consultant
BrandTrust



**KLAUS-DIETER
KOCH**

Managing Partner
BrandTrust