

Good and profitable

The everything-at-all-cost economy is stepping down. The good-business economy is taking its place, linking economy, ecology, ethics and personal integrity in profitable ways



BY ACHIM FEIGE*

The financial and economic crisis seems to be behind us and it looks as if everything continues as it was. But looks can be deceiving. The fact is that we are in the middle of a value shift. The everything-at-all-cost economy is stepping down and the good-business economy is taking place.

The force behind this change is called Millennials, the global generation of those born after 1980, which will come to power over the next ten years. These people have a different world view than their predecessors. They are not nationalistic and their thinking is hardly hierarchical, but they are mentally globalised through the

internet and social media. They are changing the way the economy works and how brands work. They are self-confident, will not be patronised or manipulated, and see right through advertising. Using platforms like the iPhone, they want to take part, co-creatively and collaboratively, in the development of brands, products and society. They want to represent themselves, their motto being "We are what we do."

But they no longer do this at any cost. On one side, their "borderless" way of thinking gives them a high level of social and economical consciousness; on the other side, the sheer multitude of possi-

< People want authenticity, depth, substance and social ecological responsibility >

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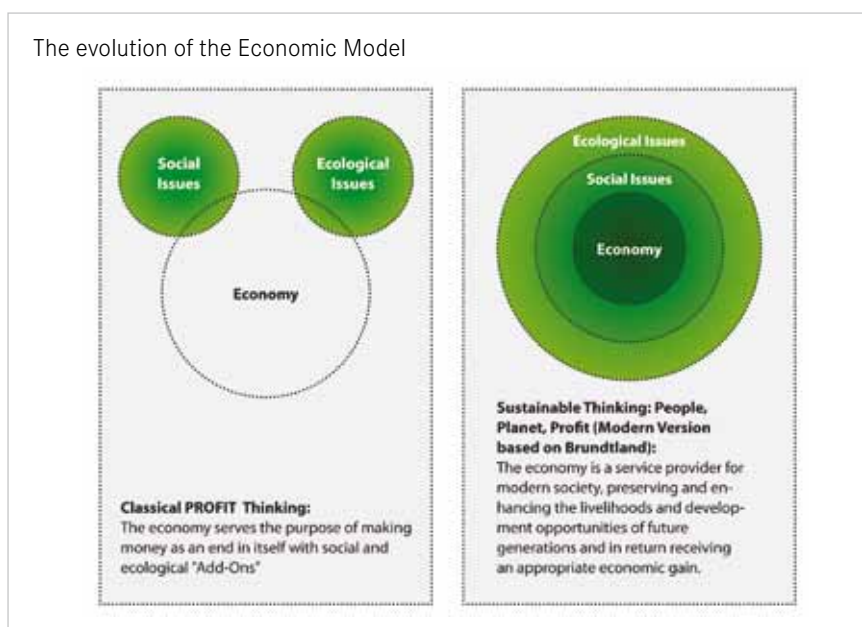
bilities awakens a desire for authenticity. They look for this authenticity in themselves and in others. Brands must have an authentic core, act as platforms for self-design and offer their customers new ways of connecting. Another group striving for authenticity and balance are the LOHAS (Lifestyle of Health and Sustainability). These people prefer brands with highly substantive performance and clear values that will support them in their self-development and art of refinement. They still want to drive fast, not in a Porsche but in battery-powered Tesla for EUR 100.000.

These are the engines behind a new integrated capitalism that demand more than just profit. Global networking and growing transparency result in a global interior world. This means that there is no longer an "out there", but every action comes back to us in the form of climate change, environmental disaster or financial crisis. The concept of sustainability is being integrated into the economy through globalisation. In addition, social and ecological challenges like poverty, climate change, migration, health, and access to education and economic opportunities are opening up a huge potential for innovation and differentiation for good companies and brands. Sustainability is not a fad born of crisis or something for the well-to-do, but a breeding ground for tomorrow's innovative entrepreneurship.

Any brand that wants to prosper in the future will have to prepare for this new scenario, because the marketing era of advertising and illusion is coming to an end. People want authenticity, depth, substance and social ecological responsibility. And they are willing to pay for it.

The new thinking: people, planet, profit

The value shift described above is re-integrating our economy into society and allowing it to re-invent itself. Rather than thinking of profit and money-making as an end in itself and CSR (Corporate Social Responsibility) as a kind of social and economical redemption of indulgences, a future-oriented, integrated concept of sustainability is developing, and it is making triple benefit possible. Business leaders of the avant-garde recognise that



it pays to be good, that they can increase their economic gains in the long term by solving societal problems and preserving the livelihood of future generations. This gives them not simply one kind of profit, but the triple benefit in the sense of people, planet and profit. This guiding principle of good capitalism results in the integration of social and ecological consequences into economic action or even sees these consequences as the company mission. This presents enormous potential for innovative brand concepts. Social and ecological aspects become the deciding factors for purchasing decisions and therefore turn into value drivers.

What does this new thinking of triple benefit and value shift mean for brands?

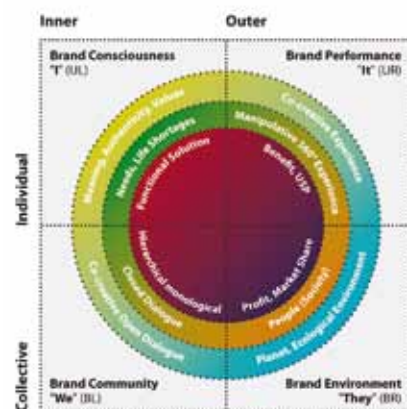
The end of the era of illusion marketing and advertising is near. Only brands with real value will survive. What would an integrated thought and action framework look like? We need to leave our one-sided business management and marketing thought framework behind and be inspired by Plato, Aristotle, Karl Popper and Ken Wilber. They are the masters of holistic theory. If we apply Ken Wilber's integral thought concept to companies and brands, we see that every brand can be easily represented in four quadrants (see next page 56, The Good-business matrix). The I-per-

spective of the company (first quadrant) or Brand consciousness consists of the vision, the mission as defined by the company purpose statement, its value set and its idea of benefit. This inner view must be reflected more and more in the outward brand performance, products, services, and the activities at brand contact points in increasingly open and individualised customer experiences, if it is to be perceived as authentic and fulfilling the promise. This is how attractiveness and desirability are created.

In integrated companies, the mission and values should be reflected in the company culture and in the rituals of the brand community. Authentic brands leave the hierarchical control of information behind them and develop an open dialogue ("open branding"), co-creative improvement and innovation processes. The exterior frame of reference of a brand or a company develops in stages – depending on the level of consciousness of its management – away from egotistical striving for market share and profit, toward local social responsibility, e.g. for communities or countries, all the way to global responsibility with all its consequences and contributions for future generations.

This mental model allows us to determine, using specific questions and a concise format, whether a company or a brand is integrated; meaning whether it really is at the same level of development in all four perspectives, inside as well as

The Good-Business matrix
The four perspectives of a universal holistic view



Source: Achim Feige according to Ken Wilber

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outside, collectively as well as individually. The four quadrants also tell us whether the company or brand is acting in a coherent manner and whether it is consciously designed and managed. The model seeks out differences and imbalances and helps to formulate measures for developing a well functioning, efficient, effective and credible brand: a brand that is lived from the inside and perceived as authentic from the outside. We differentiate among three levels that build on one another: traditional (innermost circle), conventional (second circle), and good brand level (outer circle), which is just now coming into existence.

What makes a good brand?

Good brands always have a purpose beyond making money in their brand consciousness (upper left in the Good-business matrix) and offer a clear value system for identification. The purpose may be socially motivated, “for a better world” as with Wholefoods, or it may serve human development, as with the Canadian sportswear brand Lululemon Athletica “for a healthier and happier living”. In their brand performance (upper right) they do not manipulate or try to fool their customers, but sidle up to their customers via individualised surfaces, like the iPhone, at all contact points and make brand performances and values tangible to the individual, online as well as offline. The brand community is no longer a ma-

nipulation system of the old marketing school, but rather an open brand community, where customers act as passive brand ambassadors through their buying decisions and active brand ambassadors by recommending the brand. On platforms like “Dell-Ideastorm” they make suggestions for improvement, or they design entire new products on open innovation platforms. The perception of the brand environment is not just egotistically aimed at market share and profit, but global, social, and ecological consequences of actions are integrated into economic strategy and marketing appearance as differentiators, and are backed by performance and key figures.

A company which is able to integrate these four perspectives is certainly an attractive and unique, good brand, and will probably generate economic, social and ecological profit. Or even more than that... It pays to be good. +

**Achim Feige, born in 1968, Brand Futurist and Top Management Consultant at Brand Trust, has been supporting international business and brand leaders for over ten years. In his new book Good Business 2010 Murmann Verlag, Hamburg, Achim Feige describes how the economic crisis and value shift are changing our economy into a “good business economy”. The English version of the book will be launched in 2011.*

PHOTO: NEWS SERVICE

DE-STRESS YOURSELF

Manage your stress more effectively by creating your own personal stress management program – we offer you some techniques and a list of experts in Switzerland

BY LILLE SPRINGALL*

Less budget, less time, multiple job assignments, more pressure to accomplish better results, poor team communication... In Switzerland 41% of all employees feel psychologically overwhelmed at work. This is the result of a survey developed by the State Secretariat for Economic Affairs (Seco). Does this sound familiar? Do you ever feel extremely stressed out? If yes, you have probably asked yourself how you could deal with stress more effectively.

In order to understand how stress management techniques work, it is necessary first of all to understand what stress is. At the beginning of the 21st Century, Walter Cannon set the stage for the modern understanding of stress by coining the term “flight-or-fight” to describe the “stress response”: a series of physiological changes which our bodies experience when we perceive threats or danger. Researchers in the 1970’s, such as Hans Hugo Bruno

Selye, for instance, were then able to map out these biochemical and physiological changes in far greater detail, and our modern-day understanding of stress is still based on these findings. According to this research, the experience we call stress is based on the “switching on” of the stress response.

The stress response

Psychologist Martha Davis together with the two co-authors of the book, *The Relaxation & Stress Reduction Workbook*, describe that, anytime we perceive a threat or danger, the cerebral cortex (the thinking part of the brain) sends a signal to the hypothalamus (located in the middle of the brain, and thought of as the main switch for the stress response). The hypothalamus in turn stimulates the sympathetic nervous system which leads to a series of changes in the body. There is an in-

crease in heart rate, breathing rate, muscle tension, metabolism and blood pressure. There is a drop in the temperature of the extremities as blood is diverted to the larger muscles that help us to fight or to flee. The diaphragm and anus lock. The pupils dilate and vision becomes more acute.

By making us more focused, alert and better prepared to “fight” or to “flee”, the stress response enables us to deal with a wide variety of potentially dangerous or threatening conditions far more effectively than during our normal, baseline physiological state. However, when the stress response is switched on for long periods of time this has a highly detrimental effect on our health. Why?

During periods of constant, unrelenting stress, when this response is active for long periods of time, our bodies also release a series of bio-chemicals called corticoids (e.g. adrenaline, norepineph-