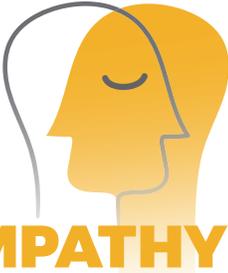


ROE



RETURN ON EMPATHY™

EMPATHY FROM BRANDS IS MORE IMPORTANT THAN EVER AND HERE'S WHY YOU SHOULD CARE

IT'S HARD TO BELIEVE THAT IT'S BEEN ALMOST THREE YEARS. In 2020, the world's history took a dramatic turn as the pandemic changed the way we lived our lives. It changed how people wanted to interact with businesses and in turn, pushed businesses to change the way they serve customers. That also means that it's been nearly three years since we began discussing Return on Empathy™. ROE, as we call it, states that brands that infuse empathy into their marketing efforts can realize both tangible and intangible benefits. It's been shown that empathetic brands experience increased brand loyalty for their efforts.

When we first introduced the concept of ROE, we predicted that demand for more empathy in marketing and communications was here to stay and that brands had to get on board if they wished to remain relevant in their markets. That has proven to be true. The pandemic seemed to precipitate consumers' desire for brands to truly care about them and relate to their needs, challenges and dreams. A 2020 IPSOS study conducted on behalf of PEPSICO reported the following:



OF AMERICANS SURVEYED AGREE
**EMPATHY IS IMPORTANT TO
MAKING SOCIETY WORK**



OF ADULTS ARE MORE LIKELY TO PURCHASE
AS A RESULT OF AN AD DEMONSTRATING
HOW A COMPANY'S PRODUCTS OR SERVICES
**CAN HELP IMPROVE COMFORT, HAPPINESS
AND WELL-BEING**



MARKETERS ARE PAYING ATTENTION TO CONSUMERS' DESIRE FOR BRANDS TO DEMONSTRATE REAL EMPATHY, and it's proven to be a challenge to demonstrate real empathy in actions, not words. They are hearing from customers that empathetic brands can positively impact purchase behavior. A 2020 Morning Consult Study reported that:



OF RESPONDENTS BELIEVE THAT **BRANDS DEMONSTRATING REAL EMPATHY IS CRITICAL TO CREATING CUSTOMER LOYALTY**

But what we've observed is that marketers are finding it a challenge to demonstrate empathy that customers can believe in and relate to. This is validated by a recent Vericast Survey of 316 U.S. marketing decision-makers, which found that:



OF RESPONDENTS FIND IT **CHALLENGING TO EXPRESS EMPATHY IN ADS**



ARE STRUGGLING TO STRIKE THE **RIGHT EMOTIONAL TONE GIVEN WHAT IS HAPPENING IN THE WORLD**

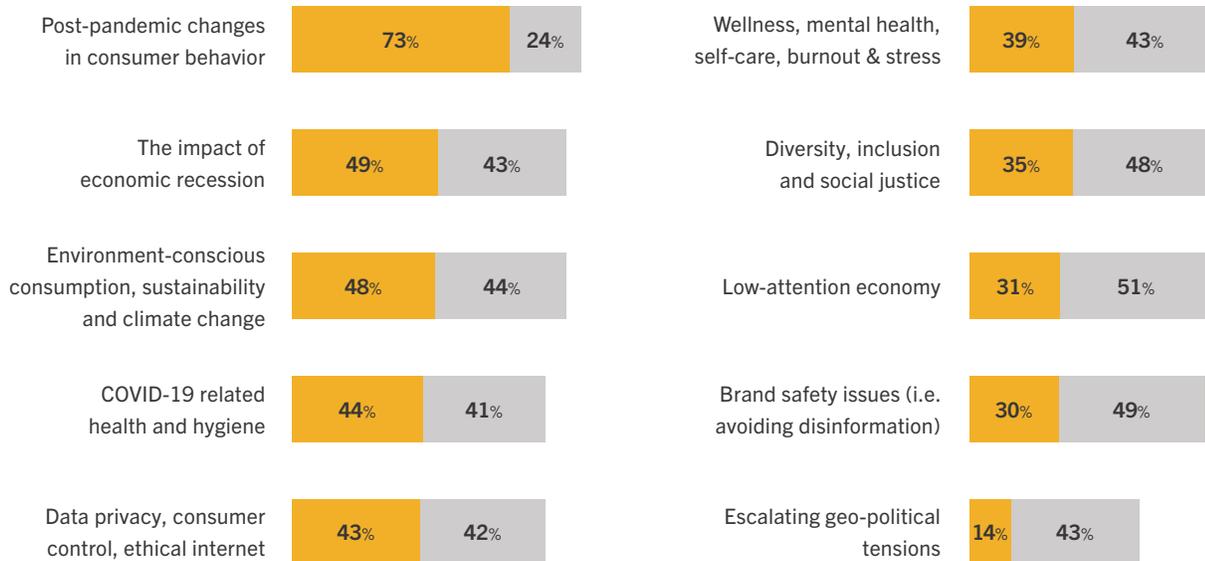
EMPATHY IN MARKETING IS HERE TO STAY

Over the last few years, consumers have faced challenges and upheavals in their lives. These societal and economic issues are on the radar screens of marketers as they look for ways to infuse true empathy into their marketing and branding efforts. This data from the WARC Marketers Toolkit reports on the topics and concerns marketers are focused on as they formulate marketing strategy.

IMPACT OF SOCIETAL TOPICS AND CONSUMER CONCERNS ON 2022 MARKETING STRATEGIES

“How important are each of the following societal topics and consumer concerns to the development of your 2022 marketing strategy?”

■ Significant impact ■ Some impact



Published on MarketingCharts.com in January 2022
Data Source: WARC



As we look at these issues, it's clear to us that our industry will be dealing with many of these concerns for years to come. We're seeing a common theme in what CMO's and marketers identify as their top priorities today. At the top of that list is trying to understand the shifts in consumer behavior and how to align their brands with this changing consumer sentiment. Expectations are definitely higher than ever for how brands relate to their customers on a human level, so **it's time to act**.

Clients have asked if this is a B2C marketing issue only or whether B2B companies are infusing empathy into their marketing. We can unequivocally say that it's all of the above. B2B customers are demanding a "human touch" from the brands they support.

The company Slack, a collaboration tool that many of us use, has done a fabulous job over the last few years in helping businesses and their employees deal with remote work environments. Providing businesses comfort and assuring them that this product can keep remote employees connected and business running smoothly, **no matter what**. They hit on the issues that employees care about most.

Check out this article, "A Slack Guide to Taking Time Off" (<https://slack.com/blog/productivity/a-slack-guide-to-going-out-of-office>), a guide to taking time off and going offline, while preparing your team for a worry-free experience. This is a very important topic, as employees are feeling stressed and need a break to recharge and avoid burning out. Slack truly understands the employee of today and what they care about, worry about and dream about.



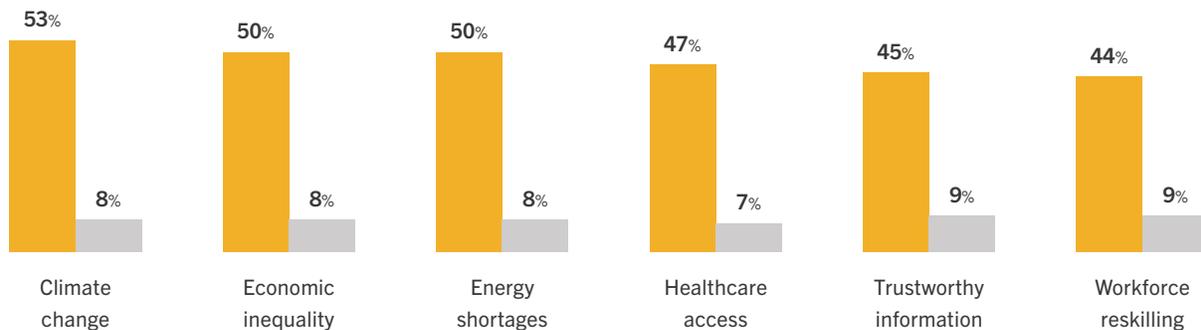
SHOULD BRANDS TAKE A STAND?

Within the conversation around brands demonstrating empathy, we have to address the wisdom of brands taking a stand on societal issues. Socially responsible brands are successful when the empathy being demonstrated aligns with their corporate values and brand reputation. But we’ve all seen the backlash that can occur when brands take a side on issues where it’s perceived they are just capitalizing on a situation for economic gain. According to the latest Trust Barometer research from Edelman (which surveyed more than 32,000 respondents over 28 countries), **a majority of consumers want businesses to do more to address a wide range of societal issues.**

IMPACT OF SOCIETAL TOPICS AND CONSUMER CONCERNS ON 2022 MARKETING STRATEGIES

“On addressing each societal issue, business is”

■ Not doing enough ■ Overstepping



Published on MarketingCharts.com in January 2023

Data Source: Edelman



In this same survey, respondents admitted that brands taking a stand is fraught with the risk of politicizing the issue. But—for brands that can successfully support one of these issues in a believable and authentic manner, they are viewed as the most trusted brands in their category. The report goes on to state that for brands to be successful in taking a stand, they have to be or use a trustworthy information source and base their actions on science.

We would add that successful socially responsible brands find causes to support that align with the brand's values, corporate culture and the mission/vision of the company. Brands can exhibit authentic social responsibility by ensuring employees have a safe work environment, supporting charitable giving to programs that give back to the community, advocating for diversity and inclusion, or embracing sustainable business practices. There are many ways to exhibit genuine empathy by supporting or advocating for social causes—just **make sure it aligns with what your brand stands for.**

One example of a company whose advocacy of social causes aligns with their core values is global pharmaceutical giant Pfizer. The organization has long advocated for better access to healthcare especially in underserved areas or countries that have experienced major disasters. Pfizer's donations and grants have benefited countries impacted by hurricanes and earthquakes as well as the global refugee crisis. On their website, Pfizer talks about the Competitive Grants program, designed to support the global healthcare community's independent initiatives in areas that include research, quality improvement and education. They offer grants centered around improving patient outcomes in areas of unmet medical needs.

"An Accord to a Healthier World" is Pfizer's effort to provide a portfolio of patented and off-patent medicines/vaccines for which the company holds global rights on a non-profit basis to 1.2 billion people living in 45 low income countries around the world. <https://www.youtube.com/watch?v=W49ko6bkFQA> All of these efforts support one of Pfizer's core brand values, which is equity—**helping all people access high quality, safe and effective healthcare solutions.** So their efforts are being recognized as authentic to their brand and in alignment with what the brand stands for.





HOW YOU CAN INFUSE EMPATHY INTO YOUR MARKETING & BRANDING

Empathy-infused marketing isn't just about changing your marketing. It can influence product development, customer service delivery and the brand experience. We have provided you with five ways to infuse empathy into your marketing and branding efforts. What goes without saying is that whatever you do has to be in alignment with the values of your organization and in alignment with what the brand stands for. **The empathy has to be real and truly connect with what your customer cares about.**

#1 FIND YOUR WHY

Consumers today want to support brands with a deeper purpose. So spend a half-day with your marketing and executive team to discover your organization's "why." For inspiration and how to go about finding your "why," pick up Simon Sinek's book *Start With Why*. His premise is simple: "people don't buy what you do; they buy why you do it." **Being a purpose-driven brand and communicating that message effectively makes your brand more human and more approachable.** Once you have that "why" statement, you can begin to incorporate it into your sales, HR, marketing, philanthropic efforts and corporate communications.



#2 COMMUNICATE THE HUMAN SIDE OF YOUR BUSINESS

Remember that customers want to do business with people, not brands. Put a face on your brand by showcasing employees in your advertising and social media efforts. One phenomenon that multiple marketing articles discuss is that **customers are loyal to brands who treat their employees well**. So showcasing employees (hopefully happy ones) in your marketing is important. That goes for customers as well! The use of customer testimonials in advertising and social media brings a sense of authenticity and believability to brands. Customers want to hear about the brand experience straight from the source—other customers! Another channel you can use is influencer marketing. Identify thought leaders in your category and encourage them to provide content around their experience with your brand.

#3 CREATE A COMMUNITY AROUND THE BRAND

There have always been communities of raving fans springing up around brands, whether it's the frequent flyer clubs of an airline or, more specifically, the HOGs (Harley Owners Group). These are customers whose loyalty is at a whole other level—customers who want to know more, do more and share more with other fellow customers. It's clear that people today are desperate to find community. Enter community-based marketing! Check out this article from *Social Media Examiner* for more information:
<https://www.socialmediaexaminer.com/community-based-marketing-the-future-of-business/>

Evaluate whether you have a group of customers that a community marketing strategy could be built around. This is the best way to create a forum for impactful, user-based content to be shared! There is no better word-of-mouth advertising than user-based content. **This is a long-term proposition**. To be successful with community-based marketing, you have to make people feel welcome when they join and you have to continue to nurture the group to make them feel seen, heard and appreciated.

#4 FOCUS ON THE ENTIRE CUSTOMER EXPERIENCE

According to the March/April EcoConsultancy Future of Marketing Report, “improving the customer experience and customer journey management is a top-three focus for marketing leaders over the next two years. In that survey, 60% of respondents to the survey agreed that the ability to navigate changing consumer behaviors and CX expectations will be very significant to success.

Conduct a comprehensive assessment of your target customer’s interactions with the brand and perceptions of the brand experience. Consider all key touchpoints from the top of the purchase funnel to the bottom—from awareness, to consideration, to purchase to loyal customer. Ask yourself, **“How can I make the purchase experience easier, more convenient and better overall for prospects and customers who interact with my brand?”**

The first step is to create a customer journey map that outlines your customers’ interactions from first contact through final sale. Each point at which your customer interacts with the brand is a touchpoint. Identifying these touchpoints helps you understand customer behavior and where there might be challenges, bottlenecks or potential pain points to address. Then it’s up to you and your team to fix the issues and make the brand experience amazing. There are a number of software platforms that can help with the customer journey mapping, as well as consulting firms who can bring a third-party perspective to the process.

#5 PERSONALIZE YOUR MARKETING AND THINK “PERSON, NOT PEOPLE”

CRM systems are commonly used within organizations to support sales and marketing efforts. They allow for organizations to address customers more personally and to target their specific needs. Communications within these CRM platforms can include personalized emails, personalized URLs, direct mail, personalized video content and more.

Sometimes the best place to implement this strategy is to start with “high-value” customer segments that might benefit from a less generalized approach. Examples could be focusing on customers from a specific industry or a particular size of company. Another possibility could be a specific product line that requires a more personalized sales approach.

Sometimes “voice of the customer” research can provide valuable insights as to how to communicate in a way that demonstrates a deeper understanding of customer needs and expectations.



The demand for empathy from brands is nothing new. In the mid-2010s, neuroscientist Antonio Damasio used data from around 20 years of research to determine that emotion is critical to the decision-making process. Throughout history, consumers have shown how deeply they value empathy, so **Return on Empathy™ continues to become increasingly important to a brand's success.**

Now is the time to ask yourself if your brand has remained empathetic during these seismic shifts in the marketplace. We would love to discuss how we can infuse some empathy into your marketing and communications to ensure that your brand stays relevant. Get in touch with Tim Leon (tim@geileon.com) and set up a time to talk!

Geile/Leon Marketing Communications' purpose is to help clients keep their brands relevant and solve their biggest brand challenges. We believe that every brand must evolve to adapt to changes in the market, whether they be societal, market-driven or economic in nature. We embrace the concept of Dynamic Branding and have developed time-tested processes to help brands undergoing change remain relevant with their customers.

