



Trust and Integrity in Innovation

The next frontier for companies that are serious about the way their customers engage with their brands.



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Trust & Integrity in Innovation



Global context around Integrity & Trust



Global context around Integrity & Trust



Why Trust and Integrity in Innovation?

There is big shift going on in the world right now. This shift is based on the relationship we have as individuals with recognised institutions, organisations, companies, brands and the way we interact with each other.

We have developed a hypothesis that this shift has been caused by three major societal factors:

1. The recession and the significant global economic downturn which has caused hardship, unemployment and, more significantly, a cause for introspection and reflection around purchasing behaviour and consumption which transcends generations.
2. Linked to the economic downturn there is a context of stories and scandals from institutions previously regarded as pillars of society such as banks, politics, retailing and sport.
3. The online power of Google, Face Book and Twitter has given everyone the ability to converse, share and react globally to stories and ideas, with complete strangers and with a simple click.



Why is it Important?

As one Senior Marketing Manager client quoted, “we need to discover the 'Obama effect' for brands, that is what is going to help us to bring purchasing patterns and consumer perceptions to a more profitable and stable pattern which will be a sustainable in the coming years.”

Consumers have never been more aware of their options and with that comes power and control. We are seeing a change in attitude and behaviour.

The consumers not the brands are leading the way.

“ Whenever people are well informed they can be trusted with their own judgement. ”

Thomas Jefferson 1801



What are the Potential Implications?

- Brands will need to be clear about what they stand for.
- Innovation claims will be checked and ratified by communities.
- Benefits will be evaluated and compared in an instant with the competition.
- Reasons to believe will bare extra scrutiny.
- Trust will be earned and no longer assumed.

In the End...

For any brand it is about how to understand the new playing field and how to outsmart the competition as we come out of the recession.

A few Soundbite Clues



The logo for Froogle, a Google shopping service, featuring the word "Froogle" in its characteristic multi-colored font.

“ I rely on the internet a lot for researching stuff through ‘Froogle’ for shopping
Mum from online forum ”

The Oxfam logo, consisting of a white circular icon with a stylized figure inside, set against a green background, with the word "Oxfam" in white text below it.

“ Oxfam is too big and corporate. It’s not local enough...and as for Cancer Research, what have they actually achieved?
Class A, UK Mum ”



“ Anna Wintour represents everything that is wrong with consumerism
Y Gen from US ”



“ A savvy shopper is someone who knows the price of things ”
UK Mum from interview



“ I’ve cut back on dry cleaning. I will do it myself instead of getting it pressed ”
Y Gen from UK



“ I’m thinking – do I want to do this job anymore? I just feel like throwing caution to the wind ”
Y Gen from UK



“ Now it’s more about who you spend your time with rather than where you spend your money ”
Y Gen from UK

A Quantitative Response



Trust Survey

Online interviews conducted September 2009 in USA and UK.
500 respondents interviewed in each market (i.e. 1000 total interviews).



Key Findings 1

Which companies are most trusted (spontaneously)?

UNITED KINGDOM

- Retailers top the list, e.g. M&S, Tesco, Asda, Sainsburys, Boots, Co-op, John Lewis
- The next tier of most trusted companies contains Virgin, Sony and the BBC

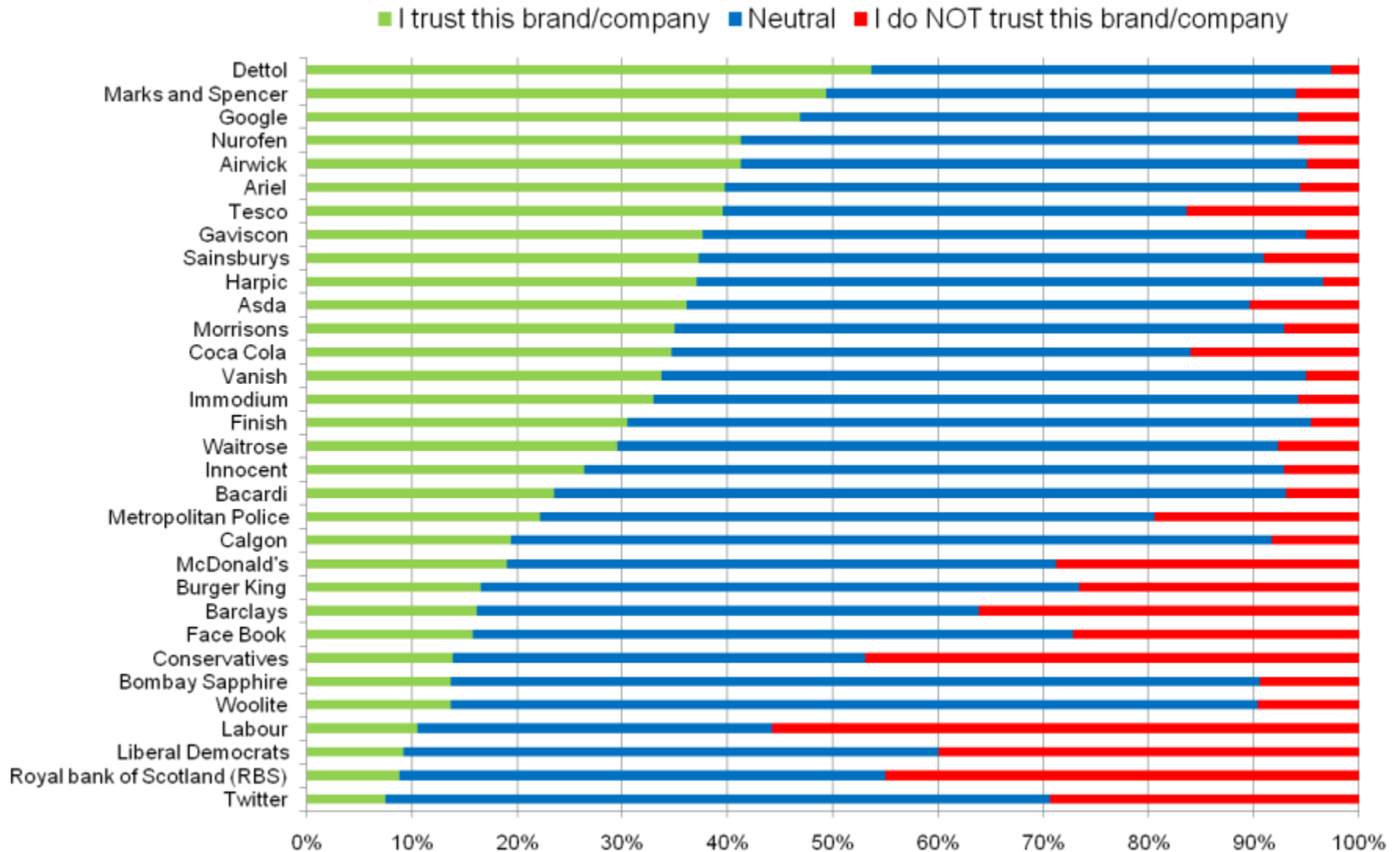
UNITED STATES

- Johnson & Johnson in 1st
- Next highest: P&G, Kraft, Walmart, Microsoft

Which companies / brands / organisations are least trusted (prompted list of 25-30 companies / brands etc)?

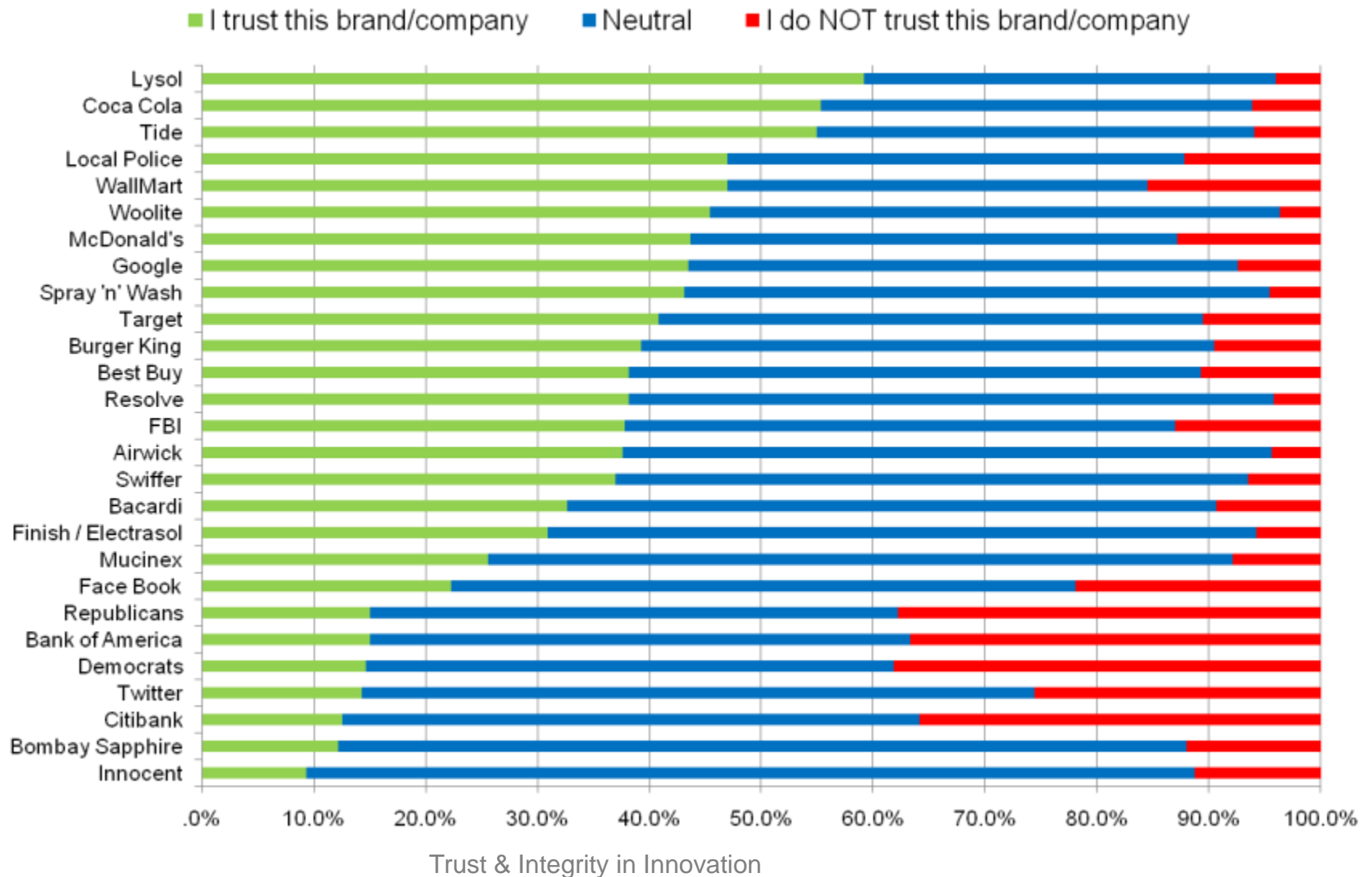
Again, it is the political parties and financial institutions that head up the 'least trusted' list in both markets.

UK: Dettol, M&S and Google are top-3 most trusted brands/companies (from prompted list of 32)



USA: Lysol, Coca Cola and Tide are top-3 most trusted brands /companies (from prompted list of 27)

17



Key Findings 2

Willingness to switch to private label: 2008 vs. 2009

During the recession we asked consumers about their willingness to switch to private label for different categories. In the context of the recession we can compare between 2008 and 2009.

The big picture for 2008 versus 2009 is that for the most part, the results are quite similar:

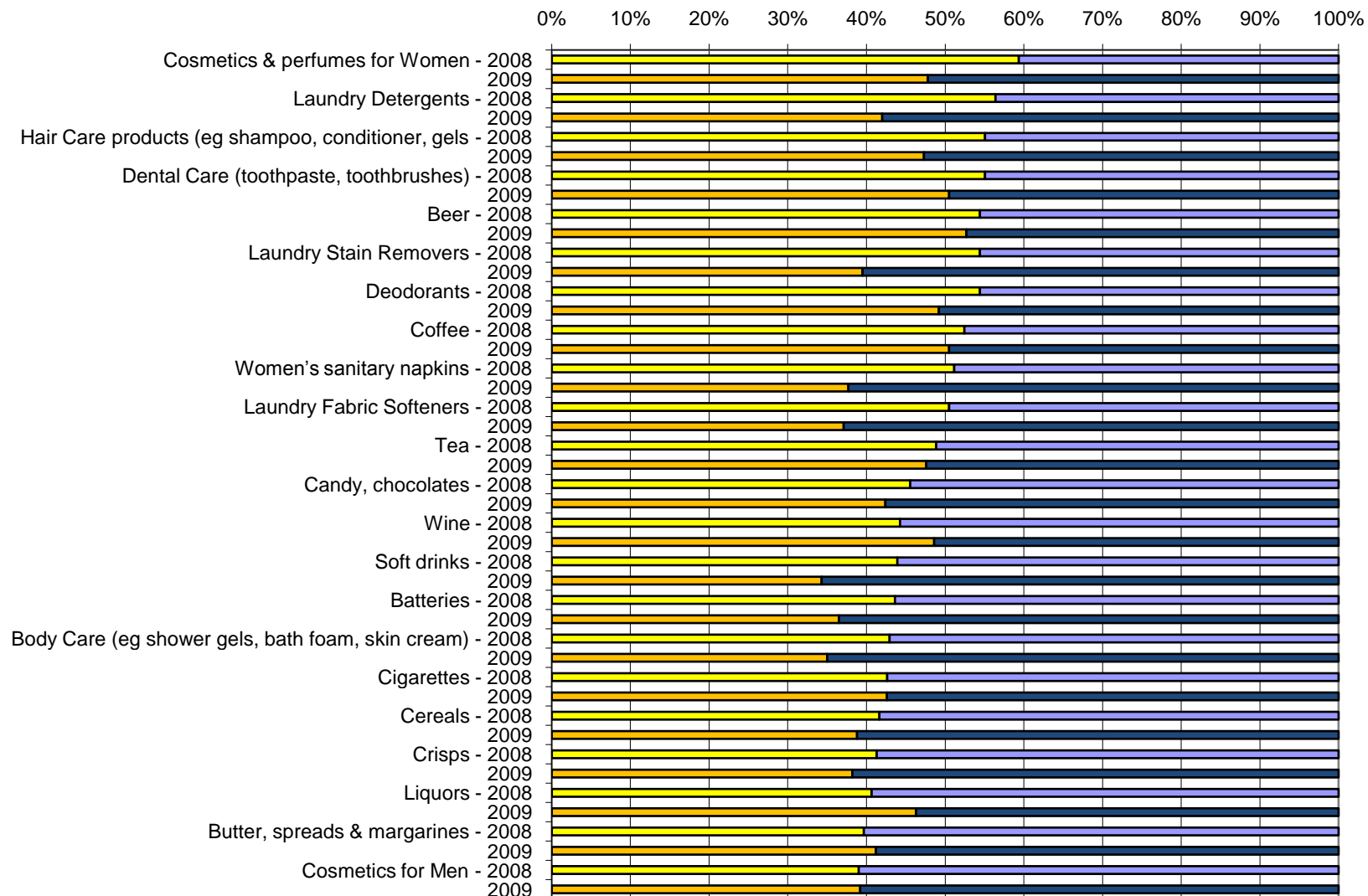
- The categories/product types where consumers are least likely to switch to private label are still: beer, deodorants, women's cosmetics/perfumes, hair care, coffee, dental care
- The categories/product types where consumers are most likely to consider switching to PL are still: biscuits, home bake products, readymade meals, juices, aspirins/paracetamol, mineral water.

It seems that for those categories where people were more likely to stick with premium brands (i.e. in table one), there has been a slight increase in willingness to switch to private label in 2009.

However, in table two, we see that for those brands where in 2008 they were the most willing to switch to PL, there is a slight improvement generally – i.e. with slightly less willingness to switch to PL now in 2009.

UK: Compared to 2008 there is a further increase in willingness to switch to PL (2008 vs. 2009 - part 1)

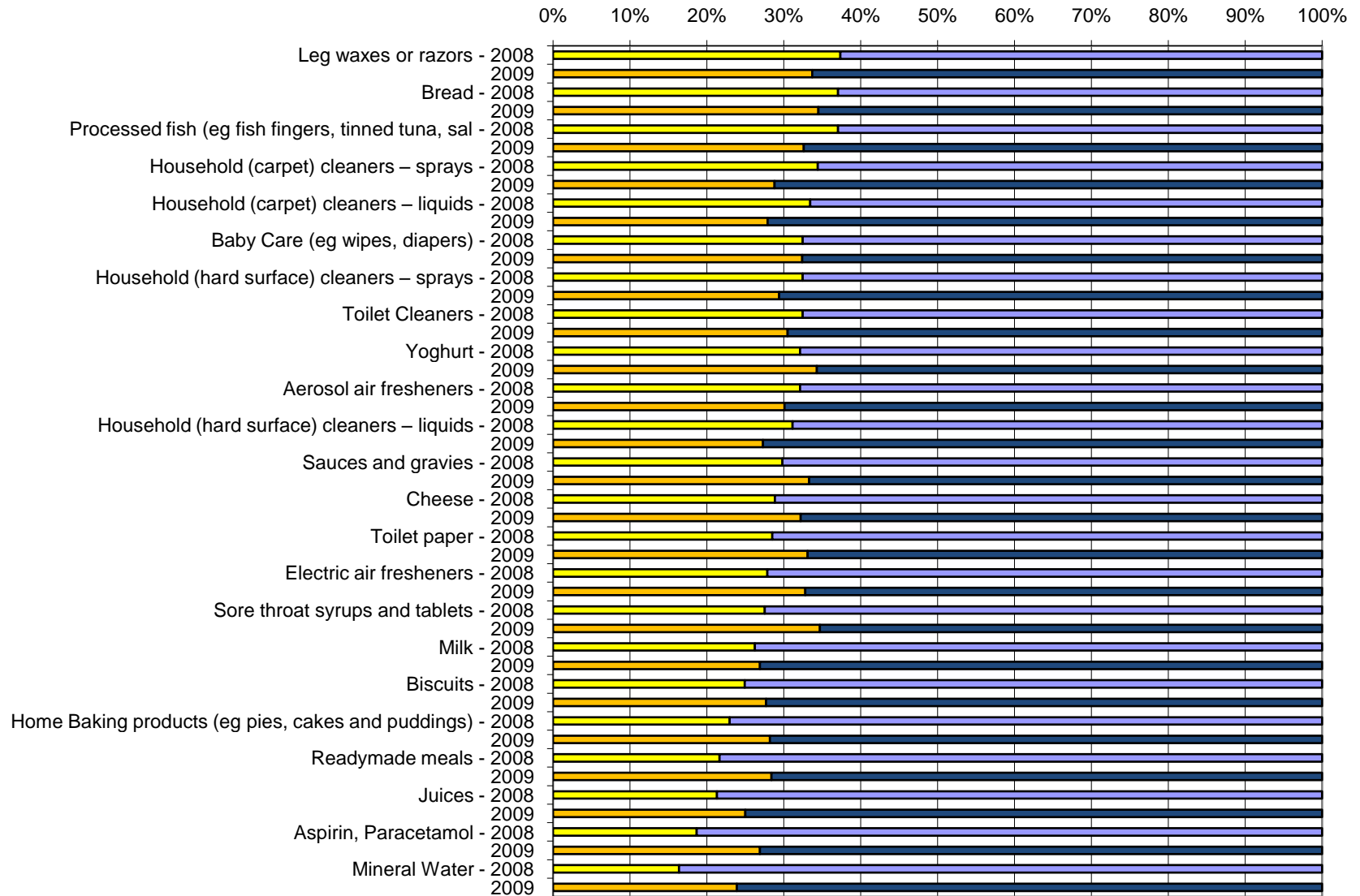
Stay with premium (08)
Stay with premium (09)
Switch to PL (08)
Switch to PL (09)



Q: "Given the current economic downturn, for which of the following products would you consider switching from a premium brand to a home label or supermarket product?"

UK: Although those categories most at risk of switching to PL in 2008 have seen some recovery (2008 vs. 2009 - part 2)

Stay with premium (08)
Stay with premium (09)
Switch to PL (08)
Switch to PL (09)



Q: "Given the current economic downturn, for which of the following products would you consider switching from a premium brand to a home label or supermarket product?"

What Needs aren't Being Met?

What are the powerful insights that are driving consumer behaviour?



Trust and Integrity the Relevant Insight themes

1. Proactive Response to recession
2. Trust as part of the value equation
3. Transparency and trust is the new playing field
4. Being savvy and in control
5. Heritage plays a role
6. Revenge – the downward spiral
7. Integrity is the new equity
8. Need for stronger role models

1. Proactive Response to Recession





Consumers believe that by seeking out savings and discounts they can be seen to be actively doing their bit to combat these uncertain times.

“ Can I give you a tip? ”

Saving money is
a bragging point





In a world where the social currency is in being a savvy shopper, consumers want ways to show others that they have discovered where the bargains are to be had.

“

I am proud of the savings I make, I pass the money onto my kids

”

Being savvy is about knowing prices and giving things a go



Consumers believe that if there is a bargain to be had through buying a discounted brand then the credit goes to the retailer not the brand

“ I wonder if consumers need for trust is outstripping supply at a rate that brands can supply ”

Instances of everyone referring to retailers being the hero – Sainsbury's is like a safe haven

Waitrose have done some great things with their new essentials range


You know where you are with Tesco and Sainsbury

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2. Trust as Part of the Value Equation



A photograph of a rusted, rectangular metal box lying on a sandy beach. The box is open, revealing a dark, hollow interior. The sand is light-colored with some dark, possibly seaweed or debris, scattered around. The background shows the ocean and a cloudy sky.

In an age of waste and disposability,
consumers want the products they buy to
be of sufficient quality to last long term.


“

Own Label vs. brand tomatoes
it depends if I know the quality
of the both products

”

Everyone feels guilt about
waste and throw awayism

Value for money means
that it lasts longer



People think more about the money they spend these days and need the reasons for expenditure to be more memorable and fulfilling.

“

My nights out have got
to cut it

”

After a long period of stability,
suddenly nobody knows
where they are anymore

Waste not, want not

I want my money to go
further and be memorable

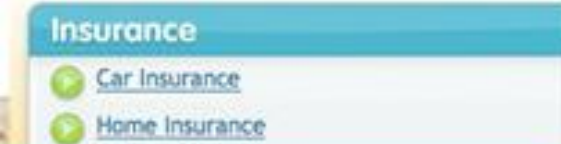
I know what the
value to me is



Save time and money by
Proud to be an independent company prov



Winsurance



Consumer's trust in brands and products has been so compromised that they want ways to evaluate comparative value, it's the one lever that is transparent.

“

Money supermarket to supermarket comparison to trip advisor, I use them all!

Sainsbury's own brand cola is just as good served with whiskey

Comparison is critical, I compare everything before making a decision

I look at what Burger King is doing now in competition with McDonalds

Its like comparing All Saints vs. Top Shop, you can see the quality is the same its just the price now

”

3. Transparency and Trust is the New Playing Field





Consumers believe that to build trust, brands need to be honest, transparent and humble in the exchanges they have with their customers

“

Virgin Cola was never going to happen

Oxfam too big and corporate = mistrust

I don't trust brands and ads that have tactics

Sales are now so transparent

”

Consumers are much more savvy nowadays and want brands to communicate with them in a transparent way that is honest for both parties.

“

Honesty, humility and
dialogue are key for brands
to show their integrity

”

It's a bit rough,
but authentic

I hate those 70% off sales
they are so transparently a rip
off

Trust Is
The New ROI

GAP

In a world of scandals, recession and broken promises, consumers want to trust companies and brands who are committed to *doing* and not just *saying*

“

Look at what Gap and Thomas Cook are doing – they are promising action

”

I've grown tired of the new and improved world

We've grown up in a world of broken promises...claims not supported by actions

In a world where everyone has an opinion, consumers believe authentic advice can only come from hands on experience or heritage.

“

Dramatic rise in the use of Facebook and Twitter to rate events

Don't trust health visitors – they haven't been mothers themselves

125 years of Marks and Spencer, 100 years of Selfridges and 40 years of Primark all celebrating within 250 yards of each other!

Trip advisor holidays

”



Varied experience, not a traditional career path, is the new currency for Y Gens who believe there are other ways to live your life beyond traditional stable employment which they no longer trust.

“ No source of income can be relied upon – I might be fucked off at any minute ”

Y Gens using recession as excuse/opportunity to follow their dreams/change course

I work at TGI Fridays for the hard cash and in pr as a job, I feel safer that way



Consumers want brands to be more ‘human’, because they want to feel they can establish stronger relationships with them over a longer period of time and feel more secure/confident when using them.

“

It’s a big company – how much can you trust it?

Amazon reviews,
Tripadvisor.com = trusted reviews only if people have experienced it

Trust comes with authority – a level of security


People like brands and people who have a history – struggles

I trust people who have hands on experience

Can I give you a tip?

Truth/honesty = integrity

”



Consumers are questioning their need for brands and services. It seems that when a product is used as an ingredient in a mix or as part of an end product, the brand is more open to scrutiny and consumers want genuine reasons for use.

“

Why would you not use own label tinned tomatoes? I mean it all tastes the same

”

Own label biscuits... it's the fact that the biscuit is the treat, not the brand

For parties we've noticed people just going for the own label mixers

4. Being Savvy and in Control





Coming out of the recession, there is still a level of uncertainty which means that consumers need to feel like they are doing things to safeguard themselves.

“

Maybe it affects me in ways I'm unaware of

Now it's more about who you spend your time with rather than where you spend your money

All the participants had started to now check their bank statements

I never used to look for cheap deals

Go out less now because it hurts more the next day

”

The Y Generation is gung ho about these changing times and wants to show how they are creatively coping because it adds to their social currency and status.

“

I'm sure things will
be good in the end

Y Gens really open-minded and
happy to try new things

Being savvy is about
giving things a go

”

Money saving is way to
show their creativity



People want to feel a sense of control where they can, i.e. over the small things in their lives like the weekly budget, because it gives them added confidence to deal with the uncertainty of something bigger happening.

“

The credit crunch inspires my children to realise they will have to get a job

Facebook helps you discover new things and events

”

When I save money, I feel like an undercover ninja chav

It's all about getting more creative with your money

5. Heritage Plays a Role





Coming out of a period of crisis, people want to connect to the more traditional values of the past because it gives them a sense of renewed security.

“

It feels really old fashioned
- traditional values are
reemerging

Value = the time it lasts

It feels like being
a student again

Recession = leveling
(socially / community)

Clubbing together to
make it special

”

Dodge cars are for safety
and are built to last

The recession is a great
relief, as we no longer
need to be flashy



Consumers are reacting to recent times and want to escape excessive consumerism and materialism by paring back their expenses to essential needs.

“

I feel ashamed about some of the things I used to buy

”

New hotel: rough chic,
nuclear bunkers

I like the move towards
simplicity it feels good to not
have to keep up with everyone

Waitrose essentials has got me
into going to Waitrose to shop

6. Revenge - the Downward Spiral



Consumers feel that trust is earned unconsciously and lost consciously and will make an active demonstration to seek revenge when this happens.

“

High school sweethearts
divorce ugly

”

Static and Dynamic brands


Instances of people making
active decisions to switch from
Brand to own label

I've been ripped off by
them for too long

Incidences of Facebook forums
and campaigns, Twitter rants

Trust & Integrity in Innovation



A close-up photograph of a person's hands, wearing a silver bracelet, examining a red garment with white floral patterns. The background shows other clothing items hanging on racks in a store.

Many consumers aren't comfortable with what happened during the recession and want ways to blame others to remove their own responsibilities for the excessive consumerism which preceded the recession.

“

Product and brand brokers

”

Extra charges = betrayal



For brands that haven't delivered on quality or their promises, consumers want to find alternative ways to get the same benefits elsewhere for less as a form of revenge.

“

Still eating out at good restaurants, but cheaper

I don't think I'm the kind of person to get ripped off


Big brands are not okay for Y Gens

Saving money is a bragging point – savvy shopping

Revenge cycle – this is my way of getting my own back

Happy to drink value cola

”




There is a definite feeling of once bitten twice shy, as consumers want strategies to protect themselves from falling into previous traps or being led down the garden path again.

“

There are so many brands
that have just lost my respect

”

Angry at extra charges
after holiday



There's something of a revenge cycle going on out there, people need to vent their anger with the fact they trusted brands for so long. Becoming aware is a way of regaining their own control to help prevent against being hoodwinked again.

“

Instance of tracking specific prices of Finish over 9 months

Feels like we need a truth and reconciliation commission for brands!

Everyone now looks for ways to get one over on the brands


I now make my drinks at home using own brand stuff, it's just as good

I know it all comes from the same factory

”

7. Integrity is the New Equity





Buying products or services that have integrity is the new social currency and consumers want to make their purchasing decisions based on this benefit

“ Innocent just talk down to you...there are so many brands like that now ”

With Direct Line you feel like you can have an honest conversation with them

I mean, what have xxxx charity ever done?

I've always supported this charity because they have always delivered




Consumers want meaningful dialogue with brands and each other because it enables them to establish trust and believe in the buying decisions they make.

“Distrust of police, “They have a bad attitude”

Acknowledgement of listening in society

I know that MPs are just as bad as the banks, in fact, they're all as bad as each other



Consumers want brands to help them feel secure in their decisions in understated ways. It is not about shouting how good they are.

“

I mean, look at what Gap are doing, I really respect that


”

No source of income can be relied upon – I might be fucked off at any minute

It's the opposite of what politicians do

8. Need for Stronger Role Models





It seems like people need new, stronger male role models as a substitute for Dad's role now they have grown up

“

Government taken over the role of Men/dad

Primark is putting up their prices but accept they have to make money too

How can you expect me to respect the role of the police in this

David Beckham seen by housewives as someone to trust

Number of CEOs tweeting, 340 and increasing

The rise of Obama, the all trust worthy figure head

”

Some brands that have already taken steps

Coca-Cola



Waitrose

ASDA



HSBC



THE Carphone Warehouse

Kellogg's

jetBlue
AIRWAYS

Our Approach



This Report

Will give you a snap shot of some of the powerful unmet needs that are currently driving consumers' behaviour in the UK and the US today.

It is written to give a sense of perspective and insight into what is going on.

Treat each insight as an opportunity to leverage new ideas for your brand. When you read it ask, "What does this mean for us, our brand, products and consumers?"

Trust and integrity – it's not about what you *can* do, it's about what you *should* do.



FIRE! our insight framework that feeds this thinking

1 Focus

Is about defining “the crime scene”. Identify gaps in knowledge and initial clues, defining what’s important in the context of integrity and the recession.

2 Immerse

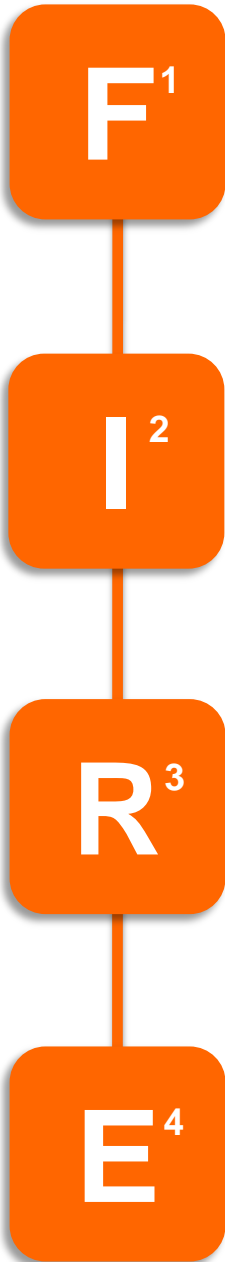
Is about getting a fresh look. Gathering “clues” from all sources of data, as well as immersion in the consumers’ world from multiple perspectives.

3 Reveal

Is about using creativity to break apart pre-conceptions about how consumers operate and revealing “hunches” and “insights” about hidden needs, wants and desires.

4 Exploit!

Is about using the insights to create new and fresh business opportunities.



Immerse to uncover the unmet needs

Over a period of 8 weeks, we fully immersed ourselves in the worlds of UK and US consumers focusing in particular on Mums and families and young Y generation consumers between the ages of 20 and 27.

Our immersion activities included:

- Pizza evening Vox pop sessions with Y gen New Yorkers and Londoners
- Accompanied supermarket shopping trips with Mums
- Interviews with psychologists, a Samaritan and media experts on trust
- Coffee Morning groups with Mums in London, Leeds, Kent and New York
- Door stepped audience guests on the US Today Show ran a trust survey with 1000 respondents in the US and the UK
- Created two pop up online communities for Mums and Ygens which shared and commented on client related topics over a period of 6 weeks

IT'S WHAT'S INSIDE
THAT COUNTS



MONEY BACK QUALITY
GUARANTEE.

TRUTH:

WE KNOW THAT WE'VE PUT TOO
MUCH SUGAR IN OUR COCA COLA,
THAT'S WHY WE'VE TAKEN IT OUT,
& NOT REPLACED IT WITH NASTY
ASPARTAME SWEETENER EITHER.

NEW COCA COLA.
BETTER TASTING: BETTER FOR YOU.



LOVE US
X

Where we have focused



We have recruited Mums and Y Genners from the US and the UK who all share a similar desire to connect and purchase differently as we exit the recession. Over 6 weeks, they have played an active role in commenting and sharing online in two specially created pop up communities:

Mums Coffee mornings and Vox Pop Groups

In depth focus and diary work with both audiences to create a richer understanding of the context of what is going on and the relationship they have with brands.

To find out how to connect this to your brand...

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