Shared Beliefs Spur Buying Behavior

Article

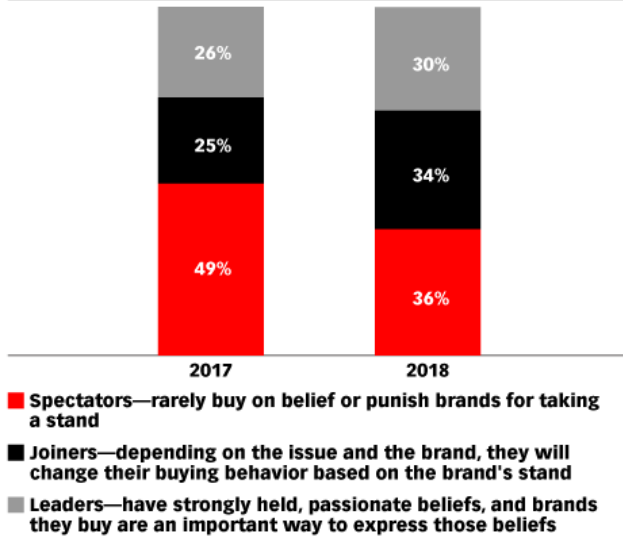If you think consumers want brands to be neutral on social issues, you would be wrong.

According to an October 2018 YouGov study, 58% of US internet users think it's important for brands to have a point of view on societal issues. When broken down by industry, 82% of respondents held this belief for retailers.

Edelman has identified consumers who choose, switch or boycott brands based on where they stand on issues as "belief-driven buyers." And they make up the majority in 2018.

Worldwide, this group is composed of two subsegments: leaders (30%) with strongly held beliefs and joiners (34%) whose buying behavior depends on the issue and the brand.

How Do Internet Users Worldwide React to a Brand Based on Its Stand on Societal Issues?
% of respondents, 2017 & 2018

	2017	2018
Leaders	26%	30%
Joiners	25%	34%
Spectators	49%	36%

■ Spectators—rarely buy on belief or punish brands for taking a stand

■ Joiners—depending on the issue and the brand, they will change their buying behavior based on the brand's stand

■ Leaders—have strongly held, passionate beliefs, and brands they buy are an important way to express those beliefs

Note: ages 18+
Source: Edelman, "2018 Edelman Earned Brand," Oct 2, 2018

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The number of belief-driven buyers in the US is on the lower end (59%) of the eight markets studied—78% fit this mold in China—but increased 12 percentage points over 2017.

It's not surprising that this trend is on the rise in the US. The heated political climate has resulted in a surfeit of brands—Papa John's, Nordstrom, Under Armor, Uber, Starbucks, Netflix and Chick-fil-A to name a few—courting controversy in varying degrees. The biggest recent example, Nike using Colin Kaepernick as the face of its new "Just Do It" ad campaign, spurred social media outrage, with many taking video and photos of themselves destroying sneakers and cutting logos off of socks.

Yet Yahoo Finance recently reported that Foursquare data showed a 16.9% spike in foot traffic to Nike stores the week after the Colin Kaepernick ad debuted.

Many have said shoppers care more about the products than the issues, but is that really true?

According to Edelman, an ad showing product features vs. an ad portraying a brand's stance on an issue resulted in nearly equal purchase intent: 44% vs. 43%. The brand ad, however,

motivated more consumers to talk about it with family or friends or post on social media than the ad showing product features (32% vs. 26%). Additionally, 55% of US internet users agreed that brands should make it easier to see what their values and positions on important issues are at the point of purchase.

When consumers agree with a brand's stance on a social issue, it results in more actions like increased loyalty and purchases than when consumers disagree with a brand. This was also one of the findings in the YouGov study. A majority (63%) of respondents would be likely to buy from a brand that expressed a view they agreed with, compared with 50% who said they would boycott a brand they disagreed with.

How can retail marketers reach this growing segment of shoppers?

Consumers perceive that their actions have an effect, and brands can tap into this. In the US, 57% agreed that it's easier to get brands to address social problems than it is to get the government to take action, per Edelman, reflecting a cynical view that's not wholly inaccurate. A groundswell of opinion on social media often gets attention, and results, quickly.

Interestingly, the Edelman study found that brand advocacy isn't driven by celebrities and influencers. Regular people, experts and employees all overindexed as catalysts for consumers to talk positively about a brand.

As if on cue, Papa John's not only removed images of John Schnatter, the ousted founder, from logos and pizza boxes this summer, the chain also recently launched an ad campaign using employees as the "voices of Papa John's."