

From Pledges to Progress: The Pressure is On

James Wright, CEO, Red Havas

2020 was the year of the Capital P: pandemic, polarized politics and protests. It was also a seminal moment for businesses to reflect on who they are and where they are going – to really understand their moral compass and get serious about their corporate purpose. Over the last 18 months, we have seen purpose pressure tested by stakeholders and society like never before – it has led to it being redefined, refocused and realigned.

Earlier this year, Red Havas released a white paper called ***From Pledges to Progress*** that we have recently refreshed to keep current. In it, we look at how expectations from stakeholders – both internal and external – have changed forever and how simply making pledges to be better no longer cuts it with consumers and employees. You need to demonstrate clear, measurable progress, or risk facing the consequences.



The topic was highlighted by our ***Havas Meaningful Brands Study***, which has been tracking brands for 12 years and surveys close to 400,000 people around the world each year. This year's study saw a marked shift in how consumers view the role of businesses in the world. It showed that we increasingly want, prefer and expect purpose-driven brands, and the vast majority think brands must act now for the good of society and the planet. Many have entered their own age of action, choosing to buy from businesses with a reputation for purpose as well as profit. More than half will go even further, saying they are willing to pay more for a brand that takes a stand.

And the same stands for employees; beyond influencing how people shop, purpose has also begun to have bearing on where they work. An increasing number will primarily choose to work at a company because of its purpose. They want to work for brands that help make the world, their community and their industry a better place. In the last 18 months, the expectations of employees have forever shifted. Employee activism has gone mainstream in nearly every industry, flipping the traditional pyramid of authority.

Businesses are recognizing these shifts and in turn have developed a greater sense of social conscience. During the pandemic, they have stepped up in unprecedented ways, becoming more trusted than they have been for decades – occasionally even more trusted than government and media – by taking open, purposeful and measurable action on things that matter to their stakeholders.

They took a leading role early on in delivering consistent messaging about the pandemic when there was much confusion and disinformation being put out there. Some even discontinued regular brand and product content on their social and owned channels, pivoting into safety, mental health, wellness and

social justice.

As our white paper explores, the purpose landscape has changed indelibly over the past year. In particular, there has been a shift in the substance, style and tonality of brand communications, both internally and externally, to better connect with consumers and employees alike. These focus on three key themes: employee well-being; diversity, equity and inclusion; and climate action.

Companies must now reprioritize what truly matters at work: well-being before everything else. This requires them to destigmatize employees' mental health challenges. They must also double down on diversity, equity and inclusion, because they are expected to take action on societal issues, giving power to their employees, establishing the workplace as a safe space for people to champion DE&I in their teams and social circles, and ensuring consistency between their company's words and actions. And, answering the call to mitigate climate change and ramp up sustainability efforts will be essential both to profitability, and employee and customer retention.

One of the positives to have come from the year of the Capital P is this focus on purpose. For many consumers and employees, the past year clarified what truly matters (people, purpose, action) and what doesn't (best intentions). With stakeholders wanting to see pledges on everything from climate change to diversity and inclusion produce demonstrable results, the past 18 months pushed businesses to find a social conscience. The world over, many had to rethink their lanes, boxes and metrics, in order to focus on more meaningful aspects like environmental risk, reputation risk, social impact or climate justice.

People don't want to hear about pledges anymore – they want to see clear, measurable progress. This is the time for brands and corporations to not just take a step, but a giant leap in their purpose. If they do, then they will be poised to succeed

post-pandemic.



About the Author: One of the most recognized agency heads in the world, James is global chairman of the Havas PR Global Collective agencies and global CEO of Red Havas, a global micro-network of Merged Media agencies. Before moving to the U.S., James was formerly group CEO of the Havas-owned Red Agency Australia and responsible for Havas-owned PR agencies across the Asia-Pacific region between 2011-2018. He advised brands including AWS, Capgemini, Coca-Cola, Heineken, Mondelēz, Novartis, Toyota, Yahoo7 and the Australian government. He also served as chief commercial officer for Havas Group Australia/New Zealand, working across advertising, PR and media.

Under his leadership, the Red Agency transformed into a regional powerhouse of creativity and one of the most awarded agencies in the Asia-Pacific region, winning multiple Agency of the Year titles. In 2017, PR Asia named James Agency Head of the Year at its annual awards show, and PR Awards Asia named him Asia-Pacific PR Agency Head of the Year. That year, he was also the Australian PR juror for the Cannes Lions Festival, the second time he has performed the role, having previously done it in 2013. In 2008, at the age of just 28, he won the coveted PRCA's Consultant of the Year (U.K.) and the same year was named International CSR Leader by PR News USA at its All Stars Awards. In 2016, he was inducted as a Fellow of the Public Relations Institute of Australia, one of the youngest ever admitted.

James joined the Havas Group in 2011 from the U.K. Previously, he was managing director at international agency Grayling, where he led international accounts including BT, HSBC, Sony,

Jaguar and Land Rover.