

The new seriousness

External influences such as climate change or digitisation influence consumer behavior. Melanie Sommer, Managing Director of RSG Marketing Research, explains how people deal with sensory overload and what this means for companies.

No one will doubt that we are living in a time of upheaval. Climate change requires a significant rethinking of our consumer behavior, the advancing digitisation is not only changing the world of work, but also determines our purchasing behavior. The importance of social media, especially for the younger generation, has fundamentally changed information behavior and makes this target group almost unreachable for classic communication channels. This has certainly led to a loss of orientation security. We no longer know exactly what will happen next.

Psychologically, this leads to a conflict between our two levels of consciousness, our emotionally controlled SELF and our rational I. Our I absorbs new information about changing the world every day, without being able to derive answers for one's own behavior. Due to the resulting disorientation, our SELF develops feelings of fear. It feels threatened in its well-being.

If such conflicts occur, our consciousness develops solution strategies that are intended to soothe our fear. We can already observe these solution strategies in a variety of forms:

Protest/Aggression:

We resist any change. The protests in France are a good example of this. Or we believe that only protest can bring about change. The demonstrations of the farmers in Berlin show this very clearly. Greta Thunberg is probably also typical of this. She accuses, but without forcing real solutions.

Retreat:

We withdraw into our closer environment of family and close friends. We try to regain security through precaution and thrift. Surveys of Generation Z show exactly this development.

Displacement:

We simply negate the problems and believe that it will not be so bad or that all problems have been technically solvable so far. Donald Trump but also others can be named as prototypical representatives for this.

Delegation:

We do not see ourselves as having a duty. "What can the individual change?". This is what the state and the large commercial enterprises have to take care of.

But even the best solution strategy of our consciousness does not let us breathe a sigh of relief. In our subconscious, the conflict continues to smoulder and erupt again. A fundamental solution is needed, as will be explained later.

The reaction of companies

Companies usually react to such an "anxiety economy" with restraint and appeasement and try to maintain a beautiful world. For example, Volkswagen switched on a TV spot "Let there be light" in the USA:

At first you only see a dark screen. Then a Volkswagen employee enters a company building, the lights remain largely off. One hears excerpts from news broadcasts in which the software manipulations of diesel vehicles of the Group are reported. Finally, a lonely designer begins at night at his drawing table with first designs for a new car. After that, robots take over the work, a large car battery is lifted. At the end of the TV commercial, the ID-Buzz electric bus announced by VW turns on its headlights and rolls out of the darkness in the best sense of the word.



Figure 1: Commercial Volkswagen ID (Source: <https://www.volkswagen.de/>)

It may seem psychologically clever to symbolize the diesel scandal as a change from darkness to light, but darkness comes over you more fatefully than you cause it yourself. So Volkswagen does not face the accusations, but you can see how a single employee leads Volkswagen into the future. The global corporation

suddenly becomes a small engineering office. Here, too, a “we as a company stand by it and will change it” falls by the wayside.

Bayer also believes the problem of glyphosate through an advertising campaign with the headline: We listened. And understood. to solve. Similar to Volkswagen, Bayer only talks about its efforts to make everything better in the future. Whether one can really conclude from this that Bayer "understood" is doubtful.



Figure 2: Bayer AG - We listened. And understood. (Source: <https://www.bayer.de>)

These are just two examples and many more could be listed, all of which show that many companies have not understood the signs of the times. Narcissism and egocentricity will no longer lead to success.

Purpose-driven strategies

We can try, as already described, to escape the conflict triggered by the change of the world. But we can also face the psychological conflict and redefine our position in society. This means that we become clear to ourselves about what task we want to take on in our society or, in other words, what meaning we want to give to our lives. Viktor Frankl, the psychoanalyst who has placed the question of meaning at the forefront of his work, says:

Ultimately, people are concerned with finding meaning, i.e. participating in the world through devotion to values.

This idea has now also arrived in the economy, which is beginning to realize that it cannot go on like this and that the purpose of a company is not only to generate profits. Charles-Edoard Bouée, CEO of Roland Berger puts it this way:

It is human nature to seek meaning in his life. The following applies to the economy: companies that look for meaning in their actions create greater value and survive longer.

And even Larry Fink CEO of Blackrock, who certainly doesn't question profit maximization, says:

It is not enough for a company to be financially successful. It has to contribute something to this society.

More and more fund companies are wondering whether they should still invest money in companies without a clear contribution to society, not only for ethical reasons, but also because they do not believe in the long-term success of these companies.

The new trend is: Purpose-driven corporate management.

It is no longer just a matter of generating profits, but every company that wants to be successful in the future must make it clear what contribution it makes to the development of society and the well-being of people. The overarching corporate goal is thus the purpose of the company for society. Marketing is given the task of communicating this corporate goal and thereby increasing the attractiveness of the company and its products. This means translating the purpose of the company into concrete actions and also doing something good. The time of gimmicks is over.

Aligning your company to a purpose means in detail:

- What impact does our economy have on society and the environment?
- What contribution do our solutions make to a future worth living?
- How do we create a home port for our employees?
- How do we create a place of longing for our customers?

In their search for meaning, the younger generation in particular shows an increasing affinity for companies and products that have committed themselves to an attractive and relevant purpose and live it. Many start-ups founded by young people have defined a purpose for themselves. Examples of this are recup – a reusable system for coffee-to-go that allows coffee enjoyment without a guilty conscience, fritz-kola – a kola that is better than anything the big effervescent companies offer, myChoco – really good chocolate, which also helps children in developing countries.

The idea of the purpose is in principle very old and is still implemented today by the cooperatives, for example the Volks- and Raiffeisenbanken, which have made a value orientation the basis of their actions. The campaign makes it clear that the Raiffeisen and Volksbanken see themselves as partners to help people achieve their goals. This is in clear contrast to the pursuit of profit of some major banks, no matter how great the risk to our society is.



Figure 3: Raiffeisen-Volksbank eG Private customers - This is how we advise. (Source: <https://www.rvb-donauwoerth.de>)

A second good example is Werner&Mertz, which has been marketing environmentally friendly household cleaners with the Frosch brand for a long time and repeatedly offers innovations such as plastic bottles made of recycled plastic. With its Frosch initiative, Werner&Mertz goes beyond the marketing of ecologically sensible products and is generally committed to ecological behaviour.



Figure 4: Frog Initiative: Together for the circular economy. (Source: <https://initiative-frosch.de/>)

Purpose applies not only in the field of ecology and sustainability, but also describes an attitude within our society. Nike describes its purpose as follows:

"Our purpose is to unite the world through sport to create a healthy planet, active communities and an equal playing field for all."

That these are not just empty words becomes clear in Nike's campaign for Colin Kaepernick. This campaign has hurt Nike in the short term but has benefited it in the long term.



Figure 5: Nike campaign with Colin Kaepernick. (Source: <https://www.nike.com/>)

But also concepts that are very strongly oriented towards social commitment commit themselves to a purpose. share is a very specific offer in this context. With the purchase of each product you help a person in need. It is essential that the products are about the same price as comparable products. Share products are currently offered by REWE and dm and thus also reinforce the image of a responsible retailer.



Figure 6: share - Sharing for a better world. (Source: <https://www.share.eu>)

But many smaller companies have also defined their purpose for themselves and live it. The Sterntaler company is a good example of this. Its products are not aligned according to the wishes of parents, but to the needs of children.



Figure 7: Sterntaler - Our philosophy. (Source: <https://www.sterntaler.com/>)

All these examples show that something is changing at the moment. Purpose is becoming an effective strategy for more and more companies.

Result

Companies and their marketing must respond to a changing world with new strategies. The younger generation in particular demands more than beautiful images and marketing gimmicks. It will only trust companies and brands that are aware of their role in our society and act in the sense and for our society, i.e. are driven by purpose. This means living and also acting sincerely in this way.

About the author: As a psychologist, it is important to Melanie Sommer to uncover the psychological and often unconscious mechanisms of consumer behavior and to translate them into actionable recommendations for her customers.

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