



BRANDS IN THE BUNKER

HOW CORPORATE COMMUNICATIONS
CAN GET YOU ON THE FRONT FOOT





WE'RE IN A STATE OF PERMANENT CRISIS.

Volatile and chaotic environmental, socioeconomic, cultural and political landscapes are intensifying.

Social media activism, global politics shifting towards populism, 'culture wars' (rapid changes in the realms of identity, morals and values) have upended everything.

Trust in traditional institutions has declined, putting pressure on businesses to step up – from consumers, customers, employees, investors, governments, media and other stakeholders.

Throw cancel culture into the mix (still very much not cancelled), and it's no surprise C-suite and corporate comms teams might feel the need to retreat to a metaphorical bunker and take a breath.

In reality, there is nowhere to hide. The requirement for an explicit business conscience requires corporate comms considerations to be central to business decision-making. Because silence is a statement in and of itself.

Here we examine some of the biggest challenges facing businesses right now, and how corporate communications teams can take control with a flexible and future proof approach.

91% of businesses believe pressure to engage in social issues has increased in the past three years, a considerable jump since 2016 when 60% felt increased pressure. (Public Affairs Council, 2021)

82% of business leaders have been influenced to take a public position on a social issue by their employees. This is much higher than customers (47%) and shareholders (42%). (Financial Times, 2021)

MACRO CHALLENGES

GEOPOLITICAL

When global political headwinds and events start to take over the attentions of both the boardroom and the dinner table, businesses are challenged. As well as the obvious immediate impact on the bottom line – loss of access to markets, divesting or writing off investments, rising costs and supply chain issues – brands also have to factor in the reputational damage of a lack of transparency in communicating their decisions (or not at all).

The joint power of the consumer and media can be a devastating force for brands, as pointedly illustrated in the initial ‘naming and shaming’ of businesses still operating in Russia following the invasion of Ukraine. Geopolitical issues cause hugely complex business decisions, which can’t be dictated by public opinion. But as always, honesty and transparency about the decision-making process will buy time and reputational credit.



SOCIAL CONSCIENCE

The relationship between brands and consumers has shifted from functional to emotional, with demands placed on companies to take a clear stand on "culture war" issues. Broad and incredibly varied, they cover subjects including workplace diversity, forced and child labour, supply chains that respect the environment and human rights, worker rights and benefits, free speech and more.

Increasingly however, companies are facing scrutiny from within. Employee activism, where brands’ outward messages don’t align with culture internally, coupled with major talent shortages are presenting challenges for comms professionals. We're seeing an emergence of employees changing companies from the inside (Amazon Labour Union, Disney and 'Don't say gay' bill, Meta and the rights of its content moderators), meaning it is vital any external comms are given a reality check against internal policies.



MACRO CHALLENGES

CLIMATE

It is unlikely that any corporation in 2022 will not have already put a lot of thought into sustainability practices and their carbon footprint, but the goalposts continue to shift. Commitments to being carbon neutral by 2050 seemed positive and even quite radical a few years ago but are now often interpreted by consumers and stakeholders as simply kicking the can down the road.

Similarly, presenting a product or service as 'carbon neutral' or 'carbon offset' was previously nothing but a huge positive, but now, if all a company is doing is buying carbon credits, rather than looking at their systems, supply chains and practices, expect to be called out on it.

Across the world, governments are rushing to put in place more standardised ESG reporting models, and organisations that scrutinise 'green' claims are popping up everywhere. Not being transparent with green credentials, or exaggerating environmental initiatives as part of a PR execution is just no longer acceptable to either consumers or regulators.



ECONOMIC

The cost-of-living crisis is already proving to be more than just a moment but is establishing itself as a 'new normal'. Many people are facing incredibly stark challenges to their own finances, which corporations must be sensitive to with any external consumer campaigns. They must be seen to be understanding and helpful, and if prices are rising or other measures to cut costs are being implemented, it must be communicated honestly and transparently.

But other huge (and still interconnected) economic issues also remain very much in play, including corporate tax avoidance, intergenerational fairness, the gender pay gap, corporate commitments to diversity and inclusion and more.

With so many economic issues looming large, earnings reports and major business decisions are likely to be real moments of reputational danger for the foreseeable future.



GETTING **OUT** OF THE BUNKER

With reputation and the impact to bottom lines at stake, many corporate boardrooms today are on the defensive.

The bunker is now made of holding statements, crisis Q&As and a strong desire to stay away from controversy wherever possible. The problem with this is that it doesn't matter what business, branding or leadership book or podcast you are a fan of; they'll all tell you that entrenched defensive thinking and decision-making does not lead to long-term success.

Corporations must get on the front foot and proactively position themselves to have the best chance of navigating the inevitable challenges, issues and crises that the changing world around them will serve up.

But how?

At Red Consultancy, we are helping brands regain composure and control through sensible reputational planning. We call this four-step plan **The 'SANE' Approach**, because we believe that with these pillars in place communications can become clear-headed and coherent in the current landscape.

The SANE Approach:

STRATEGIC ALIGNMENT

AUDIENCE UNDERSTANDING

NARRATIVE DEVELOPMENT

EVIDENCE & EXPERTISE



STRATEGIC ALIGNMENT

Strategic alignment is a must; no business can be all things to all people. By being selective about the issues and causes that are true to your business roots and strategic goals you can come across honestly and authentically.

Trying to force a stance on everything, especially when it goes against your business values or mission, risks accusations of bandwagonism. Look at where you are weakest and be prepared to honestly admit to shortcomings and outline steps to improve, should it come to public attention.

Ensuring everyone across the business is aligned on the issues and causes that support your strategic business goals, and those that don't, helps to avoid easy criticism and ensures consistency across all communications.

Key alignment questions:

How does this issue or cause impact our strategic goal?

Using a traffic light system to categorise the issues you may face and the impact they would have on the business if they were to happen.

Similarly audit the issues and causes you currently support to make sure they align to your strategic goals.

Can we authentically stand by or talk about this issue?

Is this issue one we have the 'right' to speak authentically on, does it meet our core business values.

Is the C-suite onboard?

Consensus at the senior level is key here, and will help the business to be more proactive if and when issues arise.

77% of execs say that their companies don't focus on aligning employees' goals with corporate purposes. (Deloitte, Human Capital Trends)

39% of surveyed employees believe that people in their organization don't collaborate enough. (Queens University, Communicating the Modern Workplace)



AUDIENCE UNDERSTANDING

Human beings are complex. Target audiences consisting of thousands or even millions of human beings are also complex. And it's not just external audiences, it could be argued that internal audiences hold the same, if not even more, power in the current business environment.

Both internal and external audiences want brands to take public stands on social and political issues. We know that business generally holds a high level of trust amongst consumers and part of that trust is based around its ability to influence change on a bigger scale.

Understanding your real audiences and what they care about allows you to be brave and not spooked by a noisy, but perhaps inconsequential, minority on social media. In such a polarised environment you will always upset someone, it's about making sure you're not upsetting your most important audiences.

Key alignment questions:

Who are our most important audiences, if we were to alienate them, what damage would it do to our business?

These are not simply marketing pen portraits, but an in-depth view on who buys your products and services and who you want to buy your products.

What does this audience care about, what will they want to hear about?

It's critical to go beyond just audience demographics and media or product consumption data and unearth behavioural data and attitudinal insights that reduce the size of the 'assumption' gap when it comes to making decisions.

Who do we most get criticised by?

A full landscape audit, covering media, social listening and key opinion formers and influencers, can help truly reveal the lie of the land. This can transform decisions like 'is it worth engaging?' from a reactive leap of faith, into a confident and data-informed proactive choice.

65% of millennials say they have boycotted a brand because they disagreed with their action (or lack of) on a social issue they care about. (Sprout Social, 2020)



NARRATIVE DEVELOPMENT

A great corporate narrative brings everything together to inspire internal and external audiences. Your narrative should be focused around how your business is helping to make lives and communities better. Why should people buy your product or solution above others, do you reflect their values, what are you giving back? It should be aligned to corporate vision, mission and values. But never indulging in meaningless frills or fluff; authenticity is key.

A narrative gives you effective and distinctive messaging based on thematic pillars, clearly defined boundaries, tone of voice, crisis preparedness and more. It aligns internal audiences around a singular intention.

It must be powerful, effective and familiar; meaning it should be frequently reviewed and updated as the business, and the world, evolves over time.

Key alignment questions:

Information:

Information gathering on external and internal audiences – how they perceive you, what they want from you, plus competitive and business landscape analysis will all help to generate invaluable insights about your brand, the opportunities and the risks.

Workshop it:

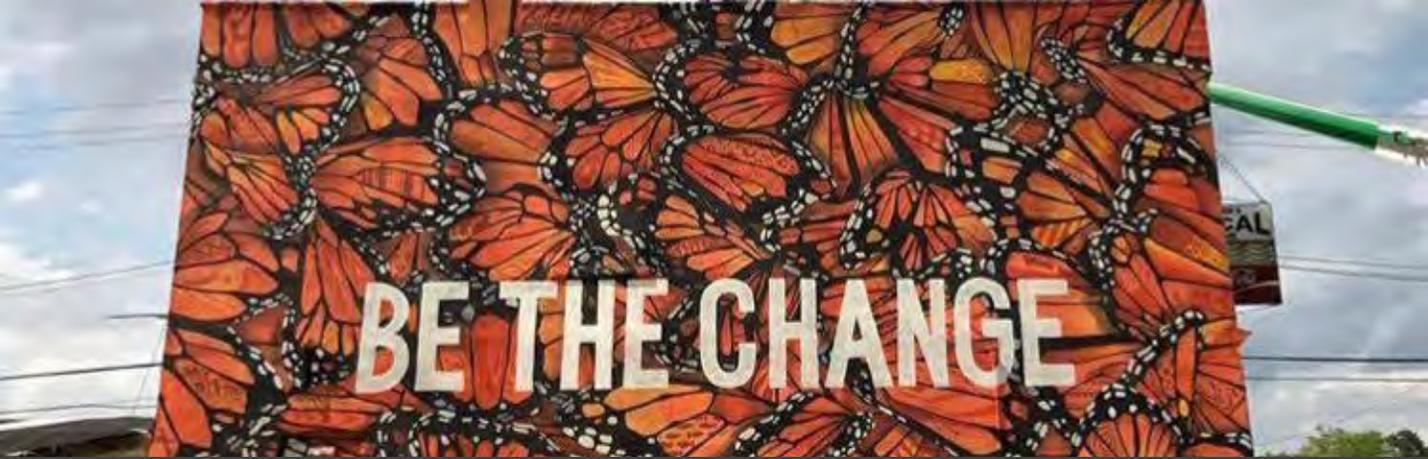
Key stakeholders from relevant parts of the business should be involved in the initial narrative workshop to ensure diverse viewpoints and potential blind spots.

Development and approval:

External facilitators are essential for an outside-in view and always keep the reviewers and approvers to a small group.

83%

of millennials want brands to align with them on their values. (5WPR, 2020)



EVIDENCE & EXPERTISE

Words without any actions can only ever have a limited impact. Increasingly, businesses are getting used to the importance of 'putting money where your mouth is', but active involvement and a long-term commitment to a project, partnership or initiative will always beat simply getting the chequebook out. Evidencing your commitment to a certain cause or issue is essential, if you don't have it, proceed with caution!

Alongside evidence, also consider a spokesperson bench of experts that can speak authoritatively and authentically about an issue or a cause. What expertise do they have, are they themselves passionate about it, or experienced in some way? Wheeling out a millionaire CEO to talk about everyday cost of living challenges, for example, will never be a good look (unless they have solutions).

How to mine the gold:

Stop doubting:

It is often surprising when we speak with clients who feel they don't have the authority to speak on an issue to then find plenty of evidence from around the business to disprove that – wood for the trees and all that.

Ask for help:

It can be helpful to enlist an external partner with an objective viewpoint to do this evidence uncovering mission across the business. Nothing is then discounted and it can be seen as a whole rather than disparate workstreams.

Diversity:

During this phase, expertise can also be uncovered which could help to extend and diversify your external speaker bench. Of course, media training is essential as is narrative and messaging training.

The **most common** strategy employed by corporations to support a cause in 2021 is joining a coalition. The second most common strategy is issuing a public statement, followed by lobbying through a trade association, or signing a petition. (Public Affairs Council, 2021)

Over 70% of customers developed a better opinion about the company when they heard a company take action or speak out on a social issue. 3 out of 4 times, stakeholders respond to a company taking a stance in a positive manner. (Gartner, 2019)

CONTACT US

With sound strategic alignment, audience understanding, an effective and considered corporate narrative and access to expertise, the outside world with all its pitfalls and overwhelming challenges will start to feel like it truly can be navigated, with your BEST foot forward.

If you would like to discuss how we could help to keep you SANE, please get in contact.



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