Building Enterprise Value through Sustainable Brands

A Manifesto for Business Leaders





The world is changing faster than ever, with social and economic dislocation all around us alongside the ever present need to tackle the issues of climate change and environmental degradation. As a result, business

leaders now have a unique opportunity to renew the bonds between consumers and brands in a way that addresses these issues, transforms business models and creates value sustainably.

The growing disillusion with Corporate Social Responsibility (CSR) programmes has been accelerated by the pandemic. Business leaders increasingly recognise the need for their companies and brands to stand for causes beyond just making money, be transparent in their actions and prove that they are having a positive impact on society and the environment. And it's not just about doing good, it's about the creation of inherently sustainable and resilient models of shared value and brand capital creation that will endure because they make sense on every dimension: social contribution; environmental impact; employee engagement; consumer choice; and financial results.

More and more leaders are already embracing the new mood and shifting the focus of their businesses from near-term shareholder returns to long-term purpose, relevance and enterprise value. BXG's manifesto that follows cites inspirational leaders from businesses such as Berkshire Hathaway, Centrica, Generation Investment Management, Mondelēz International, Pernod Ricard, Procter & Gamble, Nestlé and Unilever. These leaders, and more and more besides them, are inspiring society to engage with and consume more authentic and sustainable brands, providing the products the next generation will appreciate and enjoy.

It makes good, straightforward business sense. The 5-year performance of the Dow Jones Sustainability

Group Index, for example, outperformed the Dow Jones Global Index by 36% over the same period. However, building long-term, sustainable enterprise value through brands that are relevant to consumers, support their values and play an important role in their daily lives requires embedding and measuring, the right behaviours throughout an organisation and its broader brand ecosystem of suppliers, partners and advisors. This manifesto introduces a common, unifying Brand Experience measurement currency that makes this possible by providing the essential line-of-sight needed from consumer engagement with authentic brand narratives to social, environmental and financial outcomes. This is ground-breaking.

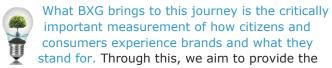
The manifesto also champions a change in the role of marketing leadership as a key enabler.

Marketing is the voice of brands as the ambassadors of sustainable business. Building brand capital and sustainable enterprise value therefore requires Marketing leadership to be at the heart of the resource allocation decisions that determine where the finite resources of the business will be allocated. The common, unifying Brand

Experience currency is the key enabler of this.

Becoming a truly sustainable enterprise represents, for most, a major transformation so there is no one roadmap or linear path to realising the ambition. There are, however, some guiding principles we have set out in this manifesto: inspirational leadership; clarity of vision; sustainable business practices; engagement of a broad coalition of internal and external stakeholders through an authentic narrative; establishing management information systems better aligned to long-term value creation; innovating locally and leveraging globally; staying the course in spite of variability of near-term financial results; and building virtuous circles of sustainable business models, purposeful brand narratives and consumer engagement that are ultimately good for consumers,

good for society, good for business and good for the planet.



transparency of consumer engagement and value creation potential needed to channel the resources of the global economy into enduring, sustainable business models and ventures.

What is BXG - The Brand Experience Group?

- BXG brings a unique consumer Brand Experience tracking methodology, analytics platform and measurement currency that provides quantitative category, market and brand-specific insights to inform resource allocation and execution decisions. The common, unifying measurement currency is a strong predictor of brand health and market share growth.
- Our vision is to have the common Brand Experience currency be adopted globally across markets and product categories as the single, standard metric that is used to measure the effectiveness of marketing and, as such, to understand the real impact of authentic brand narratives on business outcomes.
- Through this we will unify brand owners, marketeers, advisors, partners and consumers behind a common social and environmental purpose.

