

GLASS BOX BRANDS

In an age of radical transparency, your internal culture is your brand. Time to take action!

The founder of Uber resigns after a culture of sexism and bullying is exposed. The CEO of HSBC in Taiwan walks a gay employee down the aisle after her father refuses to attend her wedding. A smartphone video of United Airlines staff forcibly dragging a passenger off a plane goes viral.

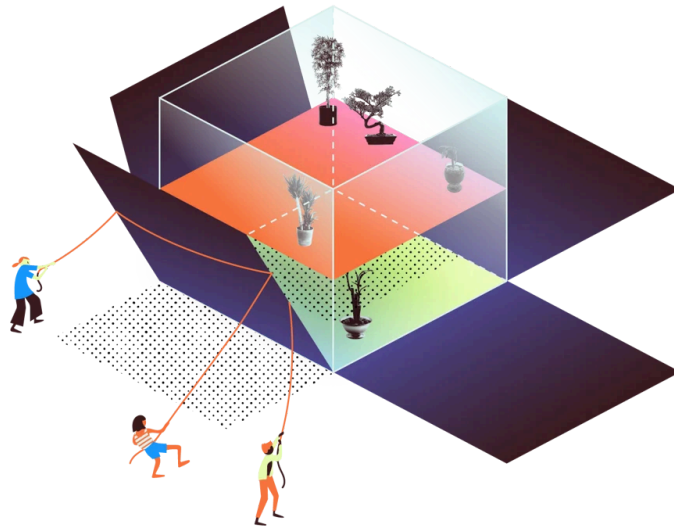
Just a handful of unrelated business stories? In fact, these three apparently unconnected stories are all examples of a single, massive shift in business and consumerism. One that's gathering speed by the day.

It's shift in the very nature of what it means to be a brand. It presents a deep challenge, but also a massive opportunity. And one that no marketer, strategist, founder or CEO can afford to ignore.

The most effective way to think about? Let's talk about glass boxes.

Glass Box/Black Box

A business used to be a black box. Now it's a glass box.



Back in the day a business was a black box. For outsiders, it was pretty hard to see what was going on inside. The brand that was visible to the outside world was whatever you painted on the outside of the box. People came and looked at it. They either liked it or they didn't.

In 2017, a business is a glass box. Outsiders can easily see inside. They can see the people and the processes. They can see the values. They can even see what the people inside the box feel about what they're doing.

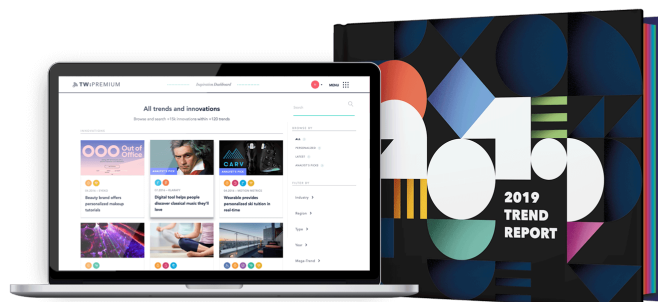
You already intuitively know the reason for that profound change. It's thanks to the radical transparency made possible by a connected world.

But why is that such a powerful shift in what it means to be a *brand*?

Take a moment to think about what a brand is. It's the emotional and associational touchpoints that consumers have with your business. It's what they see of you, and what that makes them feel about you.

Back when a business was a black box, the brand was limited to what was painted on the outside. The leaders of the business had a high degree of control over that. **But now that a business is a glass box, the brand is everything that's visible. Every person. Every process. Every value. Everything that happens, ever.**

Pretty scary, right? So buckle up, grab your CMO and your Head of HR, and keep reading...



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Culture Club

In 2017 your corporate culture is becoming your brand

You can sum up in a single word what people see when they look deep inside your organization. They see your culture.

Once, your internal corporate culture was just that: internal. But now that a business is a glass box, there's no such thing as an 'internal' culture.

Whatever happens inside your business, the world can see that. Okay, not with perfect 20/20 vision. Plenty of mundane stuff happens every day that no one gets to know about. But if it's of any interest to anyone outside the box - from the your Christmas Party to the eco- footprint of your largest factory - it will be seen. Maybe not right away, but eventually. And once people see it, they will feel something about it.



All of this is leading up to an unavoidable conclusion: because your internal culture is now customer- facing, it's an important part of your brand.

The opportunity here? In 2017, your internal culture could become the most powerful brand and marketing asset you have.

Think about the power of stories such as those told by Starbucks: how they have a program to [help staff in London raise a deposit on a home](#), or how

they opened a [store in Kuala Lumpur dedicated to hiring deaf people](#). Or that told by US-based yoghurt brand Chobani, which instituted [paid parental leave for all staff](#) after the birth of CEO Hamdi Ulukaya's first child.

The danger? Internal culture could also become your most powerful brand liability.

But what should you DO about all this? To answer that question, it pays to take a fast deep-dive into transparency and other underlying forces that are making this change more urgent than ever.

What's Driving This?

Connectivity, job automation and the intensifying search for a more meaningful consumerism are all pushing the emergence of glass box brands.

CONNECTIVITY

The overarching driver here? It's connectivity that has fueled the radical transparency that's given rise to glass box brands.

We don't need to spend long on a transformative force that you already know plenty about. But when it comes to the impact of connectivity on the emergence of glass box brands, three implications can be broken out.

Employees now expect to document and share their lives online. That includes their working lives! The culture of sexism at Uber was split open when an [employee blog post went viral](#).

Ever-more of day-to-day life is being captured in real-time video or livestreamed. Increasingly, consumers don't just expect to know what's happening, they expect to see it! One glimpse? This smartphone video from July of [unsupervised luggage crashing off a United Airlines conveyor belt](#) ;)

Consumers now expect as standard to know - or be able to find out - pretty much everything about the brands they engage with. In a survey of over 10,000 consumers from around the world, 78% of consumers said it is 'somewhat or very important for a company to be transparent.' And 70% said that 'these days I make it a point to know more about the companies I buy from' (Havas, February 2016).

A MORE MEANINGFUL CONSUMERISM

It wouldn't matter that consumers can look right inside your business if they didn't care about what they saw. But in rising numbers, and with rising intensity, they do.

Millions around the world are searching for a more ethical, sustainable, meaningful consumerism. That's a sweeping mega-trend that we've all been tracking for decades. So where is that mega-trend at now?

A connected world means it's ever-harder to ignore the negative impacts that our consumption has on the planet, society and our own health. And now, expectations for a cleaner, healthier, just better consumerism are being heightened by a new wave of more ethical, sustainable startups. Think buy one give one shoe brand TOMS. Or even electric car makers Tesla.

Meanwhile, consumption choices are ever-more about creating a story of personal identity: I'm smart! I'm connected! I'm ethical! That means

consumer need the brands they engage with to tell a positive, Instagram-ready story about their values. Want to glimpse this shift towards consumption as a story of personal identity? Just search #cleaneating on Instagram and spend some time with the **33 million posts (and rising!) that come back.**

Put all that together and you get rising demand that when consumers look inside the glass box that is your brand, they like what they see. The processes you use, the people who use them, and the ethics and values that they reflect.

One snapshot of that? A full 70% of millennials are willing to spend more with brands that support causes they care about (Cone Communications, 2017).

GLOBALIZATION, INEQUALITY, AUTOMATION

In 2017 concerns over the values and ethics inside brands are acquiring a new dimension, and a new urgency.

Why? First, here's global consulting firm McKinsey with a thunderbolt:

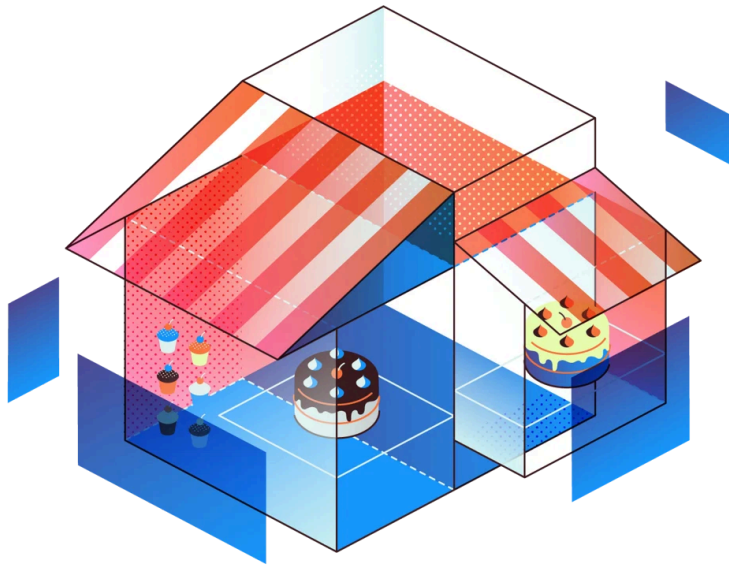
On a global scale, we calculate that the adaptation of currently demonstrated automation technologies could affect 50 percent of the world economy, or 1.2 billion employees and USD 14.6 trillion in wages. – McKinsey, May 2017

We're used to the idea that consumers care about how brands treat vulnerable workers in emerging economies (think fair trade coffee). **But recent headwinds – insecurity over a coming wave of job automation, rising inequality in many countries, and ruptures in the social fabric caused by globalization – are giving millions around the world new reasons to be concerned for the broader social good.**

Those consumers are looking to brands to play their part when it comes to minimizing negative impacts and building a better future. And they know that starts with an internal culture that prizes ethics and sustainability.

A Working Model

Thinking about the emergence of brands as glass boxes should spur powerful change.



The black box/glass box model of brands is just that – a model. A new way of thinking about what brands are and about how consumers relate to them.

Like any model, glass box brands is not perfect. No brand is absolutely transparent. And of course the complex bunch of associations, feelings and expectations that make up a brand involves much more than only internal culture.

What does this mean in practice? If your service is the cheapest, fastest, most convenient, rarest, most fun or most effective in some other domain, then for now many consumers will continue to engage with you whatever your internal culture looks like.

But the forces driving the emergence of glass box brands are powerful, and they're not going away. Once you accept that your internal culture is now public facing, then the question becomes simple. **Are you SO good that when consumers see damaging or unpleasant aspects of your internal culture, they'll stick with you?**

Don't want to take that risk? Then it's time to respond. We've got you covered...

What to Do?

Take meaningful steps to improve your internal culture. And then tell the world compelling stories about that journey!

So radical transparency is turning your brand from a black box to a glass box. What should you do about it?

Let's get two truths straight. First, your culture isn't perfect; no culture is. Second, an organization's culture is never static; it's a changing and evolving thing.

Once you've absorbed those two truths, the only way to respond to the emergence of glass box brands should be clear. Make positive changes to your internal culture, and tell the world the story of that journey.

Why is that a powerful – and the only meaningful – move? Because

consumers don't expect you to be perfect: they understand no perfect culture exists. But they do expect to see you moving in the right direction.

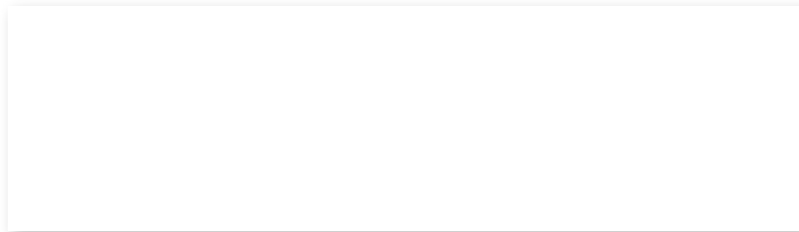
That is an empowering truth for any business leader. Because wherever your internal culture is now, you can start taking steps to make it better, and start telling people about that.

That's why in 2017 your internal culture – or more specifically the story of how you are evolving your internal culture – can be your most powerful external marketing asset. **If you make positive cultural changes, and communicate that effectively, that story can become a massively powerful part of your brand.** One that drives millions of consumers to feel great about your business and actively want to engage with you.

Of course, organizational change is hard. And telling compelling stories is hard, too. That's why we've featured some must-see examples of brands and business already doing this.

Read on and get fired up!

WANT MORE?



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Take action to make life better for your people!

Your internal culture is made real – and lived every day – by your people. No surprise, then, that when it comes to making a positive change to that internal culture, your people are a great place to start.

There's an almost infinite number of ways you can bring positive change here. The message you'll deliver internally will be loud and clear. But in a world of glass box brands, that positive message will spread to your customers, too. And change the way they feel about you.

Ready to get started? Take inspiration from these examples...

Examples



Ikea - Furniture retailer doubles statutory parental leave

Yahoo - Company draws on strengths of neurodiverse employees

First Bank despite ec

Next

The key here? See this process through the eyes of the employees you are trying to serve, and protect the mission to genuinely make life better for those people.

Yes, that might mean fighting off colleagues who see this as a chance to make internal changes that are focused only on getting employees to be more efficient or productive ;)

And remember: think broadly about your people and how you can serve them. Initiatives for professional development can be extremely powerful. But so too can programs that help your people develop in dimensions that have no direct link to their work.

And once you've made the change? Encourage your people to tell you – and the world – how they feel about it.

Make positive changes to the way you work!

Your people are the living embodiment of your internal culture. But they're far from its only incarnation. Another lens to look through when it comes to making positive change? The unique set of processes, systems, traditions and plain old habits that help make your internal culture what it is.

Changing those processes to make them more sustainable, more ethical, safer, healthier or just easier and less stressful isn't only the right thing to do. In a world of glass box brands, it can send a powerful message to consumers about who you are.

Check out how these brands are already getting to work!

Examples



Next

The changes you make to your internal processes might not look anything like the changes you've seen here.

But these examples should prompt you to ask: how can we make a meaningful and positive change to the way we work, the systems we use, the policies our people follow? And how can we tell a compelling story about that change - for our own people, and for those outside our four walls?

If Uber can fire Travis, you can make something happen! Joking, joking ;)

Put your core beliefs into action!

The central idea driving glass box brands is simple: when consumers see your internal culture (and in 2017, they will see it), it changes their view of you as a brand.

Yes consumers will care about how you treat your people. Yes they'll care about your processes. But that's because they'll be using that information to try to discern something even more fundamental: your values. What you believe in. What you stand for.

Want to make an ultra-powerful statement via a change to your internal culture? Take action that makes a loud, resounding statement about who you are and the values you hold.

First, take look at how these brands did just that.

Examples



IBM - Initiative pays IBM staff to donate time to key health challenges
HSBC Taiwan - CEO walks gay employee down the aisle

Facebook
Silicon Vall

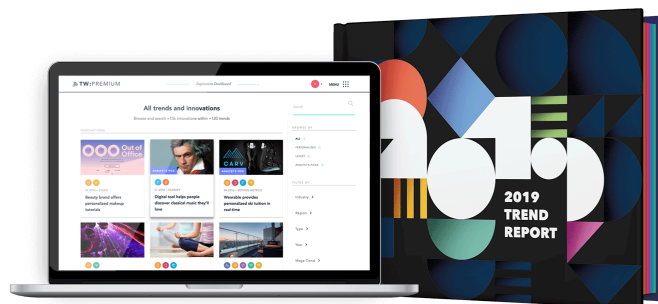
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Ready to make an internal change that speaks volumes about your values?

It could be a fundamental, organization-wide shift, such as IBM's decision to let employees donate time to global causes. Or it could be a single, simple gesture, such as the HSBC CEO walking a gay employee down the aisle.

It could target a local issue, such as Lush and their move to protect workers after Brexit. Or it could be about a fundamental principle of dignity and fairness, such as the Kochi Metro Rail and their decision to employee transgender people.

In all cases, remember that the VALUES your move communicates need to be authentic and sincere, or there will be blowback!



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Get to Work

Time to apply this trend inside your organization!

TIME TO START A MOVEMENT.

So you're convinced we live in a world of GLASS BOX BRANDS. You're inspired by the examples. You're ready to apply this trend inside your organization!

We know what you're thinking ;) What if you're not in a place inside your organization where you can drive a meaningful change to the internal culture?

You can still take action on this trend. By starting a movement inside your brand! The aim here is to get buy-in from colleagues that will lead to action.

Start talking to those around you about the arrival of the glass box. Start a Slack channel. Share this Briefing. Make a tiny change in the way you work and share that story!

The dream scenario: bring your HR and marketing people together to analyze, debate and strategize over the idea that internal culture is becoming a key part of brand.

EVERY DEPARTMENT IS THE MARKETING DEPARTMENT.

Ready to get to start?

Note that there are two tasks here. First, make a meaningful and positive change to your internal culture – or identity one that you're already making. Second, tell a compelling story about that change.

We all know that organizational change is hard. Don't forget that telling compelling stories is hard, too. It will be brands that can push out stories of cultural change that people actively want to consume that will win.

Traditionally, that kind of public-facing communication would be . seen as the job of marketing. It's time to forget that thinking. **In a world of glass box brands, every team needs to be empowered to effectively tell the world their stories of positive change.**

That means your marketing function needs to be diffused all the way through your organization. Every department is the marketing department.

INSIDE IS OUTSIDE.

At heart, this trend is about the dissolution of the barriers that traditionally separated the inside of your organization from the outside.

This radically transparent world can seem a scary one. But it's also one full of opportunity.

Transparency is an amplifier. Not just of your mistakes or weaknesses. But of your epic wins, strengths and virtues, too.









Be catalyzed by the knowledge that the changes you make inside your organization can now impact on the wider world in all kinds of new ways.

Embrace this opportunity. Run with it. Have fun with it!

And remember: the world is watching ;)

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