



Understanding Social Impact from three perspectives

- // **Business**
- // **Employees**
- // **Consumer**

Foreword

This report aims to give input on Social Impact from three perspectives:
business, employees and consumers.

The purpose of this report is to shed some light on how the three different perspectives perceive and value to be active and engaged within Social issues with the aim to improve the social community. We wanted to learn and explore what is impacting businesses to increase their level of engagement and what drivers that are pushing them.

Our report is based on studies conducted by PwC, Boston Consulting Group, Deloitte and our own surveys, Ipsos Global Trends 2017 and Employees survey 2018.

Business section – a qualitative multisource analysis is performed based on both external and internal sources.

Employees section – a quantitative analysis is performed based on a survey conducted in April 2018 with 750 Swedish employees.

Consumers section – a qualitative and quantitative analysis is performed based on both external and internal sources.

The report has been prepared by Ipsos on behalf of Reach for Change.

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How are businesses approaching Social Impact, what is driving them and what is impacting them?

12 EMPLOYEES

How does Swedish employees perceive employers being socially engaged and what areas are the most interesting?

18 CONSUMER

Do Swedish consumers trust companies to act responsible and being engaged in social issues? And how are the brands perceived that are engaged?

Key learnings

- Businesses are **starting to realise the potential and value** of working more **strategically** with Social Impact.
- Increased engagement with Social Impact can provide value such as **differentiated products and services, reaching new markets and segments, attract tomorrows talent, build trust among consumers** and overall growth.
- Those businesses that have established a **deeper partnership with NGOs** have experienced a better understanding, **profitable growth** and increased internal pride and external trust.
- To **attract future employees** in Sweden, especially women, a high **engagement with Social issues** is seen as very positive.
- To **build trust and loyalty** among consumers in Sweden, businesses would **gain on implementing Social Impact** into the core strategy.



Social Impact // Business

Photo by Josh Calabrese on Unsplash

Companies today are pressured to play a more active role in addressing social issues

Trust in businesses is at an all-time low globally, (Sweden have a higher level of trust in businesses but lower trust for business leaders, compared to global figures) and the rise of value-driven activism from stakeholders, employees, and consumers, demanding complete transparency about social, political, and environmental behaviors, puts them evermore under the microscope.

34%
Russia

53%
Sweden

31%
UK

"I have a high level of trust in business in general"

27%
France

42%
agree globally

"I trust business leaders to tell the truth" **35%**
Sweden

Source: Meghann Jones, Senior Vice President, Ipsos Public Affairs

UN's Social Development Goals (SDG) are driving businesses towards a long term approach to contribute to a more sustainable development

There lays an opportunity within the fact that awareness of the SDG's are high among the business community.

But, even though many agree with the SDG's they still need practical guidance on implementation. They also need to understand the power of the private sector in order to increase the level of commitment.

49%

of the business participants surveyed believe government has the prime responsibility.

Source: PwC Make it your business

71%

of businesses say they are already planning how they will engage with the SDG's

92%

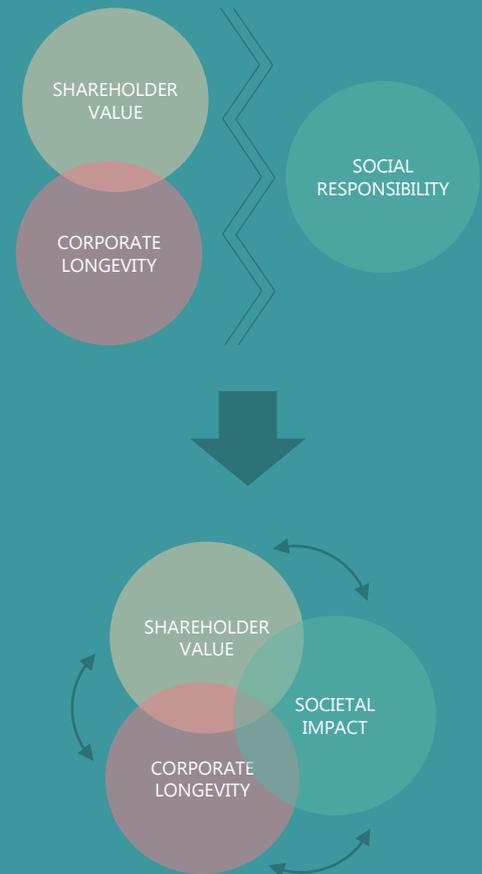
of businesses are aware of the SDG's compared to the general population (33% citizens aware of SDG)

The value of Social Impact generates a shift from communication strategy to core strategy

A global study by Deloitte showed that only one third of Fortune 500 global public companies currently see social impact as core to their strategy, although they believe this is quickly shifting.

Businesses are beginning to understand the importance of finding the right approach appropriate for their business. **Businesses must make a genuine attempt to create positive social value, and perhaps even to make social purpose central to the business operations.**

Source: Embracing Social Purpose, Ipsos & Deloitte Driving corporate growth through social impact



The experienced benefits of implementing Social Impact into your core strategy

“Research shows a positive relationship between financial performance and the environmental, social and governance issues.”

To develop & build differentiated products

To identify & explore new markets, locations, segments

To secure a sustainable supply chain

To attract and retain future talent

To build loyalty & trust for your customers

To strengthen relationships with governments

To function as a catalyst for innovation

*Source: Deloitte Driving corporate growth through social impact, BCG Total Societal Impact
* Forbes - Total Societal Impact Is the Key To Improving Total Shareholder Return*

The power of money and expertise is making partnerships between businesses and NGOs more popular

Two heads are better than one.

Partnerships are moving beyond the traditional corporate-charity model.

Partnerships are key for businesses to get the knowledge and expertise to ensure a more sustainable growth.

Strategic partnerships between businesses and NGOs are increasing, we see more deeply engaging partnerships designed to address core mission led issues to create value for society.

63%

of corporate respondents suggest their NGO partnerships have helped change their business practices for the better.

80%

of respondents of both sides cite the need to use each others assets as the most important reason for partnering.

Source: The guardian - Corporations and NGOs working in partnership to create social change, Corporate-NGO partnerships become more strategic as purpose moves up the agenda - Marketingweek

The business perspective on Social Impact – in short

- Businesses are starting to realise the value of being more socially engaged, to build growth and increase profit.
- The lack in trust of companies on a global level are increasing, which makes it even more relevant for companies to engage more in social issues.
- UN's Sustainable Development Goals provides a framework for businesses on how to work and how to engage more in social issues.
- A study made by Deloitte shows that one third of Fortune Global Public Businesses currently see Social Impact as core to their strategy, but this is shifting and increasing
- The experienced and showcased values of implementing Social Impact into the core strategy is a major driver for this shift
- Partnerships between businesses and NGOs are increasing and it is moving to become more deeply rooted and strategic from the traditional charity-business model

Social Impact // Employees



Photo by Brooke Cagle on Unsplash

Swedish employees value socially engaged employers

Employers should be socially engaged in order to attract, build and retain tomorrow's talents. In particular, young employees expect their employer to be committed to creating a positive societal impact. Younger (16- 34 y.o.) and older (45-65 y.o.) employees value socially engaged employers to a higher extent than middle-aged (35-44 y.o.) employees.

64% of Swedes with a university degree think it is rather important or very important compared to **42%** of those with elementary education.

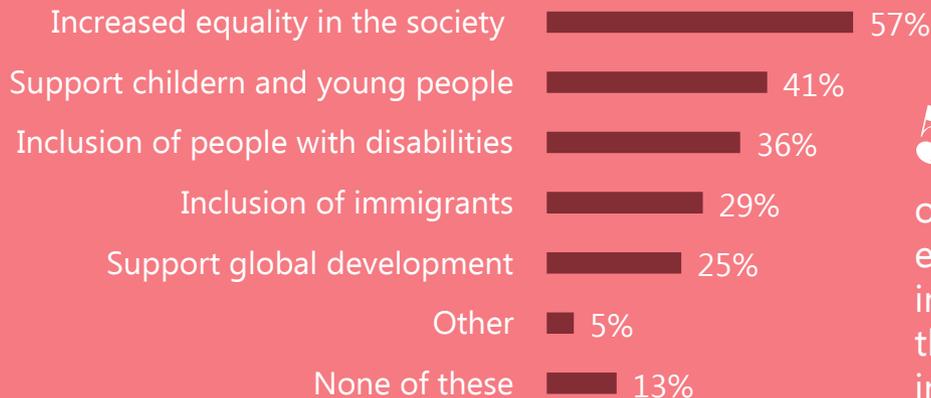
70% of Swedish women think it is rather important or very important compared to **50%** of men.

61% of Swedes states it is rather important or very important that their employer is socially engaged.

Q1: How important or unimportant is it for you that your employer is socially engaged? Ipsos survey 2018

Among social issues, equality is the most important for employers to be involved in

If employers want to strengthen their organization and attract and retain top talents, to be involved in societal questions is key. Millennials expect their employer to go beyond the traditional role of the company in the society and make an impact. Equality and global development is the most important questions for millennials whereas middle-aged employees (45-54 y.o.) care more about inclusion of people with disabilities.



57%

of Swedes think that equality is the most important issue for their employer to be involved in.

*Q2: Which social questions do you think are the most important for your employer to be involved in?
Ipsos survey 2018*

The majority would like to be involved in social issues at work

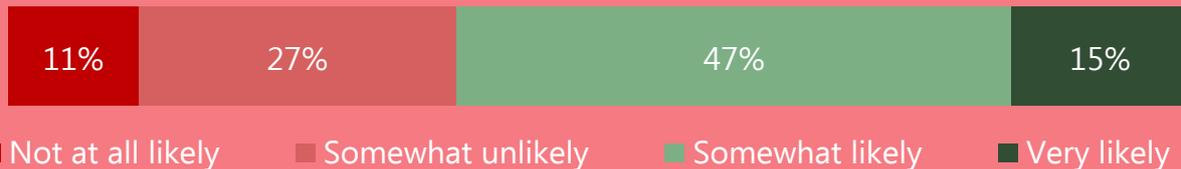
It is becoming more and more important for employees to link personal values to career and business objective. One way to this is to offer employees the possibility to engage in social issues at work. Millennials show the strongest interest to engage in social issues at work.

66%

of women say that it is likely that they would engage in social issues through their employer compared to 58% of men.

70%

of employees with university degree would like to be involved whereas 57% of employees with high school degree.



Q3: If you had the opportunity to be involved in social questions through your employer, how likely is it that you would do that? Ipsos survey 2018

Employees express a sense of pride if their company is socially engaged

The majority agree that employers that are involved in the development of the society are more likely to be considered as an attractive employer, especially among those with university degree. Millennials believe to a higher extent that social engagement is more than a social challenge – it is rather a business opportunity.



68%

of women consider being proud of their workplace to be the main added value compared to 58% of men.

Q4: Which (if any) added values are there for companies by being involved in the development of the society? Ipsos survey 2018

The employees perspective on Social Impact – in short

- Employees in Sweden are most willing to be more engaged in social issues through their work.
- Employees in Sweden feel a sense of pride if their employer is socially responsible, and it is an attractive quality for future employers, especially women.
- Equality is the most important area for companies to be active within to attract tomorrow's talent.
- Young people see clearly that being socially responsible can be profitable for companies, and that it could minimize risks.

Social Impact // Consumers

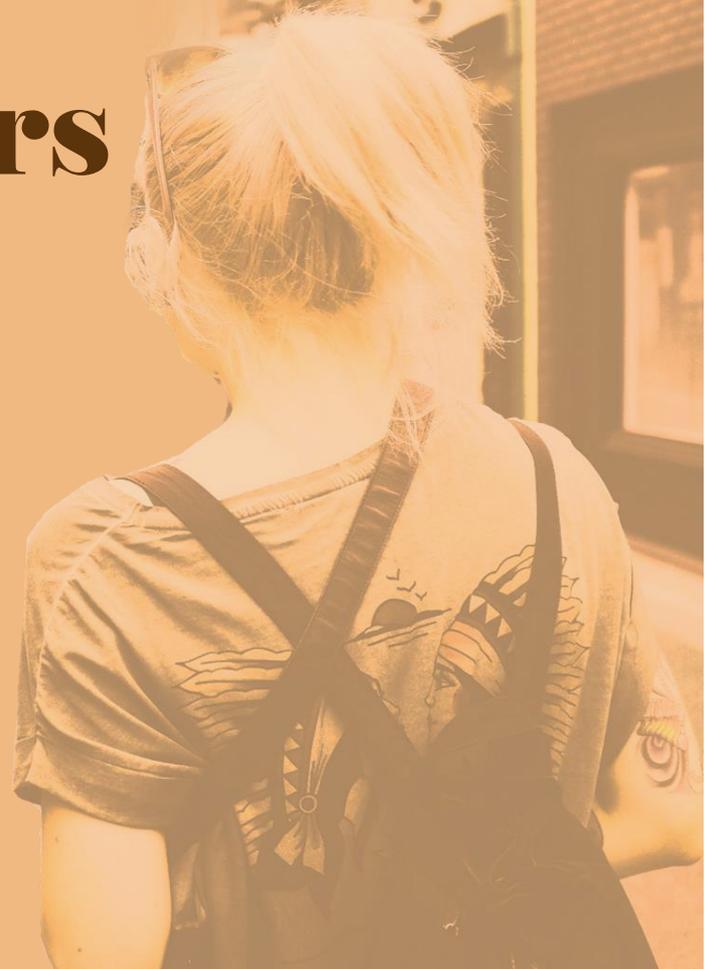


Photo by Oskar Krawczyk on Unsplash

Consumer puts a pressure on companies to act responsible.

“A lot of people are not looking for products or services, but they are looking to make an investment, to buy into a particular brand that supports their lifestyle and aspirations.”

Source: Ipsos Public Affairs

From the consumer perspective companies should act responsible by being thoughtful, helping to create a better world, and be caring without compromising on the quality of the product.

Moreover, young consumers are also more willing to pay for a product from a company that actively works for reducing its environmental impact, contributes to the local community, works actively for gender equality, and donates a portion of their profits to their employees.

51%

of swedes are generally willing to spend extra for a brand with an image that appeals to them

81%

of 15-29 year old in Sweden totally or partly agree that the companies should take more responsibility for the consequences from their business.

Source: Passionerade varumärken - Ungdomsbarometern & Jung relations & Ipsos Global trends 2017

Among consumers there is higher confidence in companies to take care of their employees than the environment and community

58%	I trust businesses to treat their employees well (total 43%)
46%	I trust businesses to communicate frequently and honestly on the state of their company (total 39%)
44%	I trust businesses to improve the economic and social conditions of my community (total 50%)
41%	I trust businesses to care for the environment (total 39%)

Source: Ipsos Global Trends

Socially active brands are the future winners among consumers

62%

of Swedes believes that in the future, the most successful brands will be those that make the most positive contribution to society

Swedes tend to value brands that put a big effort in being socially active.

69%

of Swedes are more likely to recommend a brand that supports a good cause than one that doesn't

81%

of Swedes states it is possible for a brand to support a good cause and make money at the same time

Source: Ipsos Global trends 2017

Companies should be transparent about their actions and ambitions

Young Swedish consumers tend to prefer if the companies show on the package, the homepage/app, on the product that they care about the society and environment.

Notable is that young women set higher demands that brands take a stand than young men.

60%

of swedes want brands that makes it easier for them to make a difference in the world

54%

of Swedes tend to buy brands that reflect their personal values.

Source: Ipsos Global trends

60%

of Swedes try to buy products from brands that act responsibly, even it means spending more.

Source: Ipsos Global trends

Source: Passionerade varumärken - Ungdomsbarometern & Jung relations & Ipsos Global Trends 2017

The consumer perspective on Social Impact – in short

- In Sweden, consumers want to see brands taking a more active role in contributing to a better society
- Below half of consumers trust brands to act honest and responsible – but they trust them to take care of their employees
- The brands that do engage more in society is being perceived as more successful by consumers and they are more likely to recommend them to peers
- Eight out of ten in Sweden believes brands are able to be socially engaged and make a profit at the same time – and they want them to show clearly what they do to improve within social issues

Appendix

Method

Contextual/multisource analysis

We conducted a contextual and multisource analysis by gathering secondary data from external and primary from internal sources.

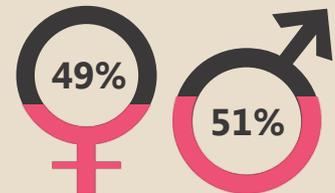
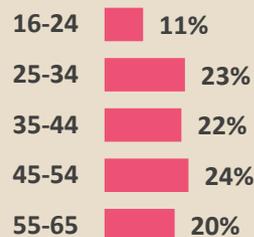
The external data comes from various reports and articles whereas we used Ipsos Global Trends and whitepapers as our internal source.

After the data collection phase, we conducted a pattern analysis and synthesized the research findings into insights.

Employee survey

742 online interviews between the period of 13-16 April 2018.

Target group criteria:
Men and women 16-65 y.o.
Full-time, part-time employee or/and entrepreneur



Sources

IPSOS survey	<i>Ipsos Global trends</i>	2017
IPSOS whitepaper	<i>Embracing Social Purpose in an Authentic, Credible and Effective way.</i>	2018
IPSOS survey	<i>Understanding Social Impact from the employees perspective</i>	2018
Ungdomsbarometern & Jung Relations survey	<i>Passionerade varumärken</i>	2017
PWC report	<i>Make it your business. Engaging with the Sustainable Development Goals</i>	2015
Deloitte report	<i>Driving corporate growth through social impact. Four corporate archetypes to maximize your social impact</i>	2015
BCG report	<i>Total societal impact. A new lens for strategy</i>	2017
Forbes article	<i>Total Societal Impact Is the Key To Improving Total Shareholder Return</i>	2017
The guardian article	<i>Corporations and NGOs working in partnership to create social change</i>	2014
Marketingweek	<i>Corporate-NGO partnerships become more strategic as purpose moves up the agenda</i>	2018
TED TALK business	<i>The business benefits of doing good / Wendy Woods</i>	2018