

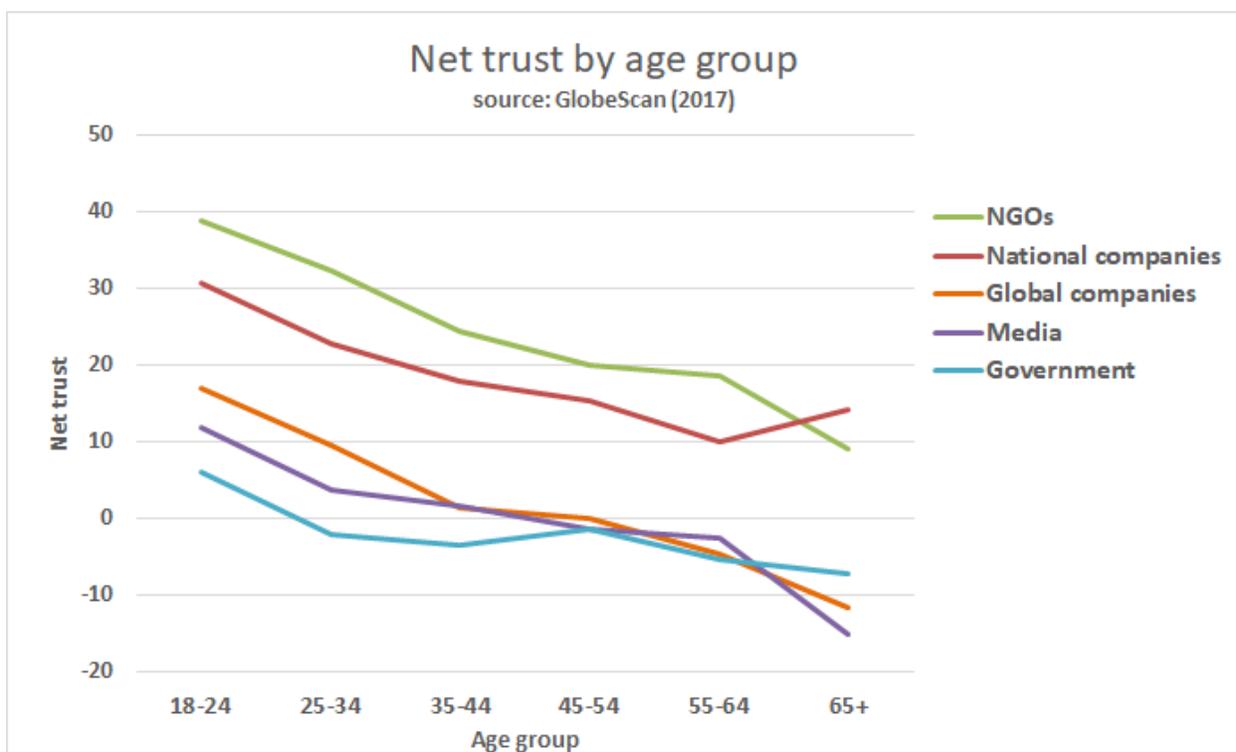
Why global brands should tap NGOs to win the loyalty of consumers

Ingrid Solberg, SIGWATCH – February 2018

Campaigning groups could be key to winning the loyalty of consumers, and especially Millennials (those aged 18-24).

This is because NGOs are more trusted than business, government, or the media to operate in the best interests of society, and 18-24 year olds, out of all age groups, trust NGOs the most.

This chart, supplied by our partner, the insights and strategy consultancy GlobeScan, shows that NGOs enjoy a ‘net trust’ of nearly 40% amongst Millennials when polled in 2017.¹ This means, 40% more Millennials trust NGOs than do not trust them. By comparison, only 18% more Millennials trust global businesses more than they do not trust them. Their trust of the media and government is even lower.



¹ GlobeScan asked 11,000 people across 21 countries in 2017, “How much you trust each of the following institutions to operate in the best interest of our society?”. Net trust equals the percentage that either trust the institution a lot, or trust it somewhat, minus the percentage that don’t trust the institution a lot, or somewhat.

NGOs are not only highly trusted by Millennials. Although trust in all institutions declines significantly with age, all age groups except the over-65s trust NGOs far more than global companies. The elderly trust national companies slightly more than NGOs, and governments more than global companies (but both are trusted more than the media).

This tells us that NGOs could be crucial to companies seeking to win the loyalty of the next generation of consumers, especially global businesses which appear to be struggling to communicate trustworthiness.

Young people's high trust in NGOs as an important and effective force for good points up the value of corporate engagement with NGOs and the issues they bring to the table. We know from their expert and extensive use of social media that NGOs are investing heavily to engage with younger consumers, and this new data indicates that they are being rewarded by a strong alignment of consumers' views with the NGOs'. Campaigners are thus shaping the young's future beliefs and values.

Companies who want to appeal to their next customer demographic need to harness the essential optimism of the younger generation, by recognizing and aligning with the ideas they believe in. NGOs are the bridge to engaging with this demographic, particularly on social and environmental issues. To make this work, companies need to understand what creates NGO endorsement of corporate actions, what drives their sentiments, and how to effectively endorse and engage with NGOs' concerns.

By being visible and consistent in their efforts to partner and co-operate with NGOs and NGO priorities, business will be able to demonstrate authentic values and attract Millennials consumers, and their parents too.

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