



RESOURCE

THE POWER OF PURPOSE

Are you growing your business on purpose?

That was the focus of this year's Design Leadership Workshop, held in June at California's Ojai Valley Inn. There, DLN members and partners learned about how a purpose-driven business builds engagement with clients and colleagues alike. Leading the workshop was customer experience expert Jon Picoult, founder of Watermark Consulting and author of *From Impressed to Obsessed: 12 Principles for Turning Customers and Employees into Lifelong Fans*. Below, Picoult highlights a few of the key points he covered at the workshop.



*By Jon Picoult
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A PURPOSE PRIMER

It's human nature to want to be part of something bigger than ourselves. That's why customers and employees tend to feel a stronger affinity toward organizations with a compelling brand purpose—a reason for being that goes beyond merely making money. (Though, as it turns out, purpose-driven companies financially outperform their peers, according to numerous studies on the subject.)

Purpose is the why behind what you do. It speaks to the difference you seek to make in the world or in the marketplace.

Sometimes, a company's purpose is tied to a philanthropic cause or a societal need. For example, Patagonia describes its purpose as this: "We're in business to save our home planet." It's a lofty goal grounded in environmental advocacy.

But an effective and compelling brand purpose doesn't necessarily have to be linked to ESG (Environmental/Social/Governance) considerations. Purpose can also be about business processes and outcomes, such as when John Legere took the reins as CEO of T-Mobile (from 2012 to 2020) and transformed the wireless carrier from an industry also-ran into a formidable competitor.

Legere defined T-Mobile's purpose as "Freeing Americans from the greedy, absurd practices of the old wireless companies." While not ESG-grounded, that purpose still proved quite engaging and inspiring. It helped T-Mobile to reimagine its industry's customer experience, and enabled it to single-handedly drag much larger competitors into a new operating model that was largely designed by Legere and his team.



PINPOINTING YOUR PURPOSE

Your brand purpose is essentially your firm's reason for being.

But how do you go about defining what that should be? Here are some suggestions for guiding that thought process:

CONSIDER YOUR HERITAGE

The founders of some of the most successful purpose-driven companies discovered their calling by reflecting on formative experiences that shaped their personal or professional identity.

Sergey Brin, cofounder of Google, spent his early childhood in the U.S.S.R. where he saw firsthand how a totalitarian state's control of information adversely impacted everyday people's lives. Google's stated purpose—"To organize the world's information and make it universally accessible and useful"—grew out of Brin's experience. He sought to create a company that enriched people's lives by fostering unfettered access to information and knowledge.

CONSIDER YOUR PASSION

Yvon Chouinard, the founder of Patagonia, was a lifelong lover of the outdoors—from rock climbing to surfing to fly-fishing. His personal passion centered around nature and protecting those spaces that he held so dear.

He infused his business with that passion, defining what is arguably one of the loftiest purpose statements out there, committing to nothing less than saving an entire planet. But Patagonia has truly brought that purpose to life through a range of business approaches, from donating 1 percent of gross sales to environmental causes (\$140 million to date) to encouraging customers to repair their gear (rather than replacing it) so as to combat the environmental impact of overconsumption.

CONSIDER WHAT ANGERS YOU ABOUT YOUR INDUSTRY

Sometimes, the seeds of a purpose-driven business are sown through personal frustration and annoyance. That was the path John Legere took when he defined T-Mobile's purpose upon becoming CEO. He believed that the dominant wireless carriers' business practices were nothing short of predatory—from contracts that restricted consumers' freedom of choice to overage charges that punished people for exceeding data limits.

Legere's "Un-carrier" strategy changed all that. He sought to create a wireless carrier that actually advocated for the consumer, and that mission clearly resonated with his target market, fueling growth that far outpaced T-Mobile's competitors.

CONSIDER WHAT MARKET OR SOCIETAL NEED YOU SEEK TO ADDRESS

When Arkadi Kuhlmann launched a new online bank, ING Direct, in the U.S. back in 2000, he was on a mission to remedy what he saw as an existential threat to American society—an historically low (and declining) personal savings rate. As Kuhlmann put it, "Credit cards had become the opium of consumerism."

Enter ING Direct and its business purpose: "To inspire Americans to become a nation of savers." Through a variety of techniques (e.g., no minimum deposits to open accounts, a high-yield interest rate enabled by a digital, branch-free operating model) Kuhlmann catapulted ING Direct to the forefront of its industry, turning it into America's largest savings bank in less than a decade.

GROWING ON PURPOSE

What these business leaders and the firms they shaped have in common is an enduring commitment to a focused and meaningful sense of purpose. They stand up to stand out, advocating for a cause that they (and those they serve) are passionate about, helping to create a brand experience to which people gravitate.

The key takeaway is simply this: Don't just be in business, be on a crusade. Create a higher purpose for your firm that's engaging to both your team and your clients. Because great, successful businesses don't grow by accident. They grow on purpose—and yours can too. *ACDCN*

Jon Picoult is founder of Watermark Consulting, a customer experience advisory firm that helps companies impress customers and inspire employees, creating raving fans that drive business growth. The author of From Impressed to Obsessed: 12 Principles for Turning Customers and Employees into Lifelong Fans, Picoult is a widely respected public speaker as well as a trusted advisor to some of the world's foremost brands. Learn more at jonpicoult.com.