

A woman's face is shown in profile, looking upwards and to the right. Her hand is resting on her forehead. Overlaid on the image are several semi-transparent, geometric shapes containing different scenes: a forest at sunset, a woman in a green dress, a protest with signs like 'STOP ASIAN HATE' and 'STRIKE FOR \$15', and the US Capitol building.

CULTURAL RELEVANCE DRIVERS

Understanding the Building Blocks of Brand Relevance

We know cultural relevance matters

The Impact Of Culture

In 2019, we uncovered that brands benefit from being culturally relevant

Culturally relevant brands are preferred over others; they feel more authentic, and people are more likely to personally identify with them



Today, brand involvement is even more important

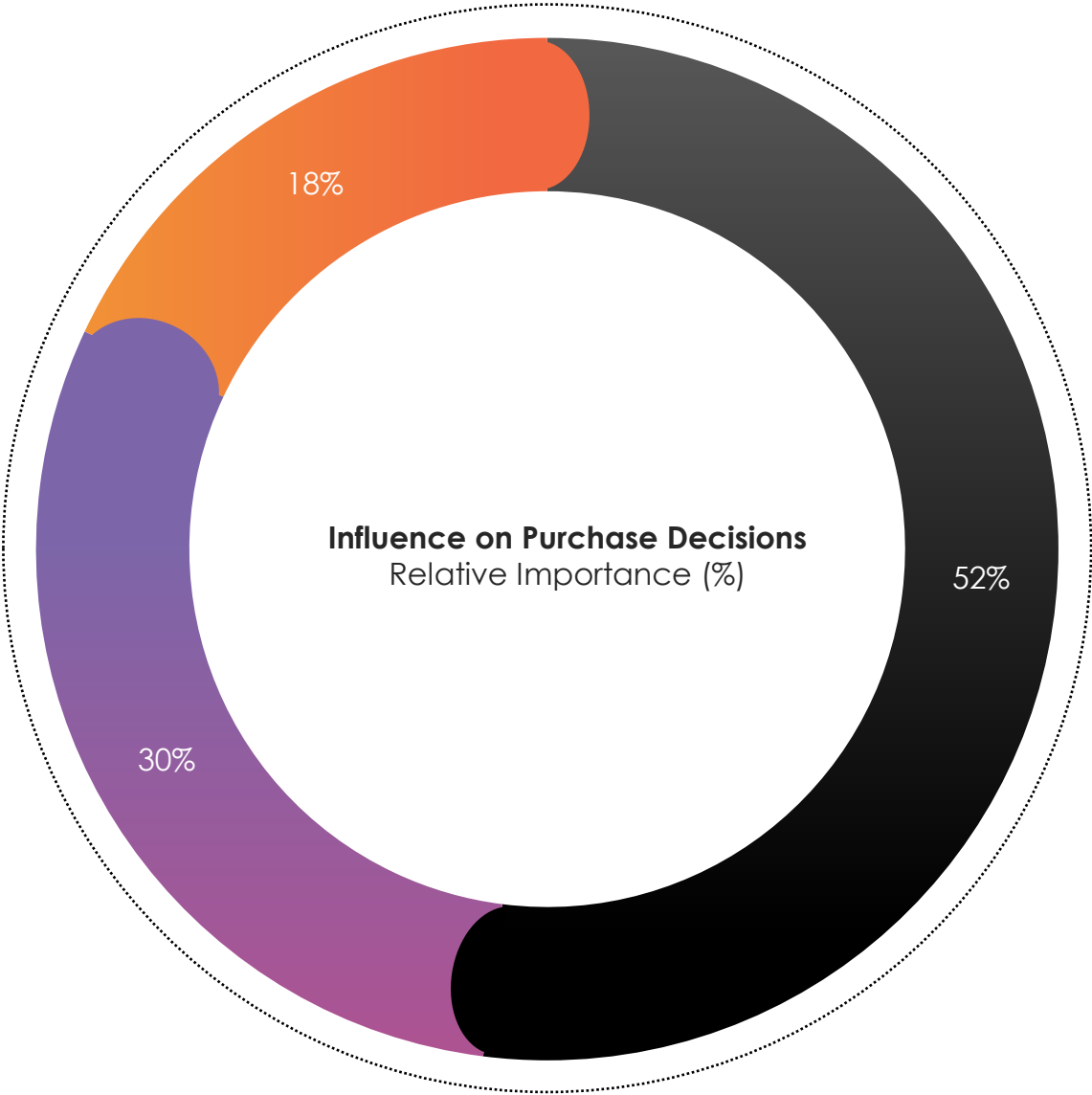
Importance of Brand Involvement in
Social Issues & Movements
- % Very/Somewhat Important

47%
2019

50%[▲]
TODAY

Beyond feeling important to consumers, cultural involvement plays a critical role in purchase decisions today

- Price and Quality
- Brand Perceptions*
- Brand Cultural Involvement



Revisiting cultural relevance

01

What is brand cultural relevance today?

Given the speed of culture, we went back to basics to reassess what cultural relevance really means

What are the drivers of brand cultural relevance?

We quantified the strength of drivers to provide guidance on how to become more culturally relevant

02

The approach



WHAT

Focus groups

WHO

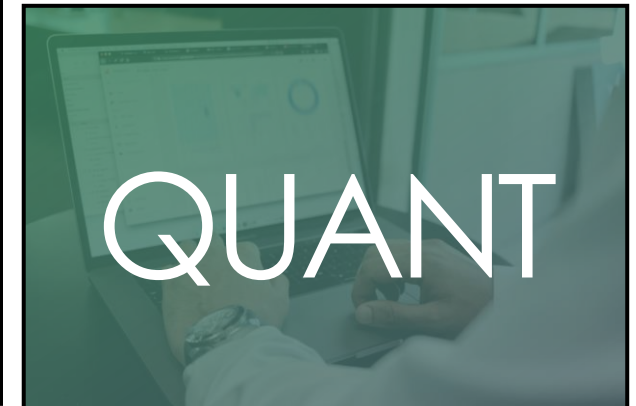
- ❑ 5 Focus Groups (Total n=25)
- ❑ Representative across age & gender
- ❑ Include mix of ethnicity/race, sexual orientation, and people with disabilities

WHAT

Driver analysis

WHO

- ❑ Online interviews (n=4,917)
- ❑ Nationally representative panel



What is brand cultural relevance?

From the focus groups...



What is brand cultural relevance?

From the focus groups...

“ A BRAND THAT IS AUTHENTICALLY
CONNECTED TO AND RESPONSIVE TO
WHAT'S HAPPENING IN THE WORLD
TODAY. ”

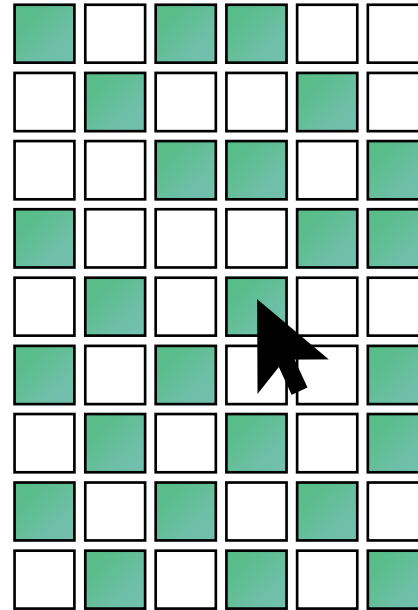
Drivers identified & tested

Insights gleaned from focus group discussions informed our next steps

7 Categories Of Brand Action

- ↓ Staying Current
- 💬 Communicating With Culture
- + Driving Positive Change
- ✓ Accountability
- ★ Authenticity
- 👤 People Centric
- 🗣️ Being Part Of Conversations In Real-time

25 Specific Brand Actions



14,709 Scenarios Tested

5 industry verticals



Brand Ratings:

- ✓ Cultural Relevance
- ✓ Brand Favorability
- ✓ Purchase Intent
- ✓ Likelihood to Recommend
- ✓ Amount Willing to Pay

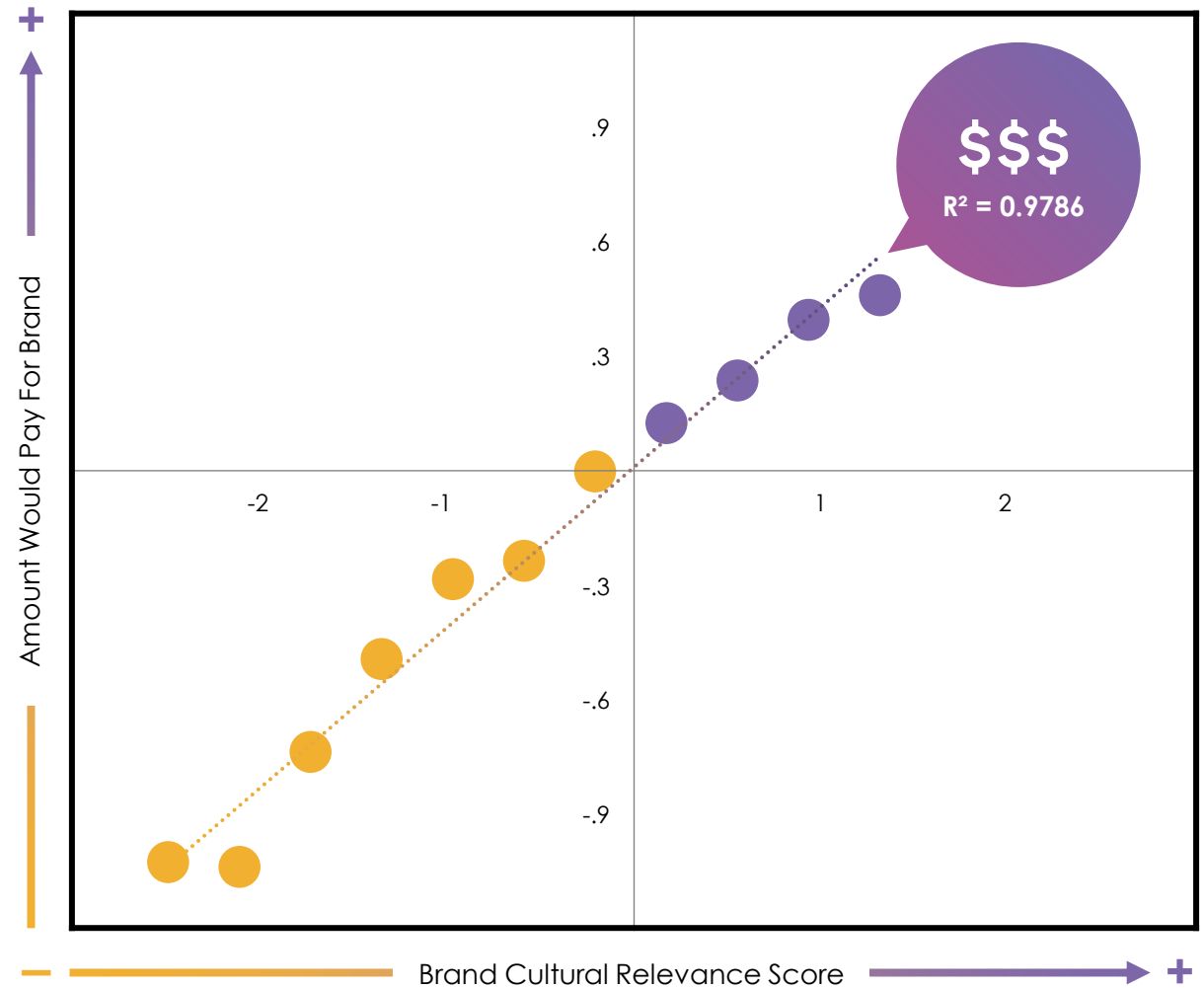


THE FOUNDATION

'Must Knows' For Building
Culturally Relevant Brands

It pays to
be culturally
relevant

Correlation Between Brand Cultural Relevance & Amount Would Pay



Quantitative Total n=4,917



The impact of cultural relevance is full funnel

Cultural relevance is highly correlated with brand metrics throughout the branding funnel

Correlation Between Brand Cultural Relevance & Respective Brand Attributes

R² Values

0.977

BRAND MEETS EXPECTATIONS

0.996

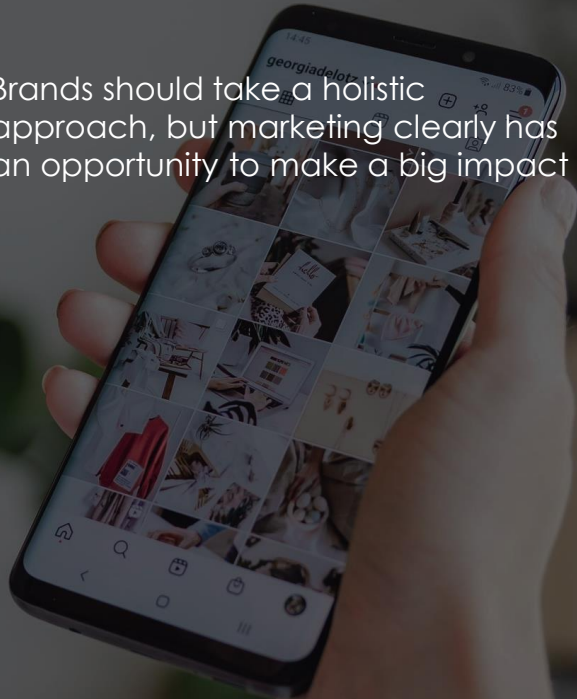
RECOMMEND BRAND TO OTHERS

0.994

CHOOSE BRAND OVER OTHERS

Media accounts for 67% of what drives brand cultural relevance

Brands should take a holistic approach, but marketing clearly has an opportunity to make a big impact



67%

**Media
Related Actions**
(e.g. presence on
social media,
inclusive ads)

**% CONTRIBUTION
TO BRAND CULTURAL
RELEVANCE**

33%

**Non-Media
Related Actions**
(e.g. innovative
products)

Each type of brand action plays a role in building brand cultural relevance

Categories of Brand Action
Contribution To Brand Cultural Relevance



Accountability, driving positive change, and being people-centric are the strongest drivers

Importance of accountability shows
that brands need to tell a narrative
about cultural involvement over time

Top 3 Categories of Brand Action Indexed Impact on Brand Cultural Relevance

#1

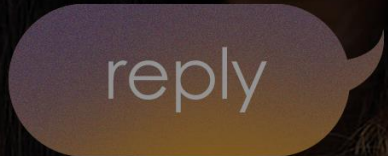
ACCOUNTABILITY

#2

DRIVING POSITIVE CHANGE

#3

PEOPLE-CENTRIC



Quick Tips for Brands

Liked by alexis and others

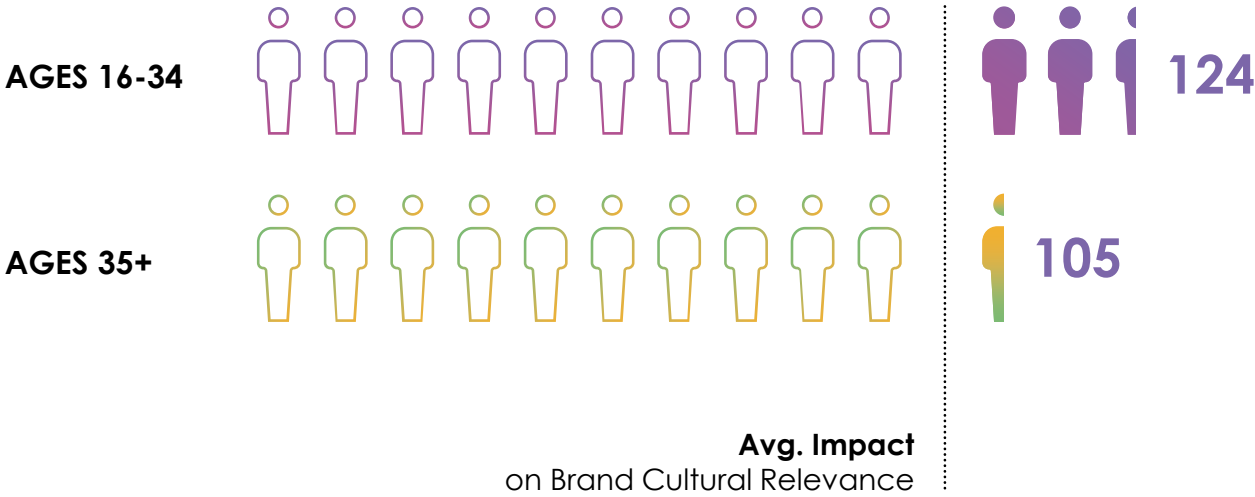
All inclusive shades, united we stand...#weareone ...more

View all comments

Be consistent

Younger people are especially likely to see brands as culturally relevant when they show a consistent commitment to a cause

Impact of “Having A History Of Commitment To The Same Causes & Messages”



“...consistency would be a way to be authentic. When brands start adopting the latest cultural trends...for instance, Black Lives Matter...And saying, ‘We support this. We support that.’ Then, it starts to feel inauthentic.”

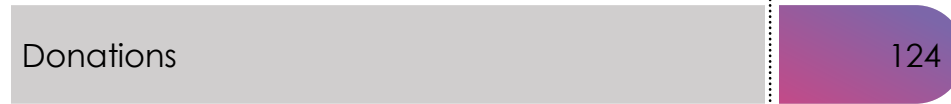
Donations are a tangible way to show accountability

While people want brands to put their money where their mouth is, people are willing to do the same



Impact of 'Making Donations to Charities & Organizations'

Brand Cultural Relevance



Amount Would Pay

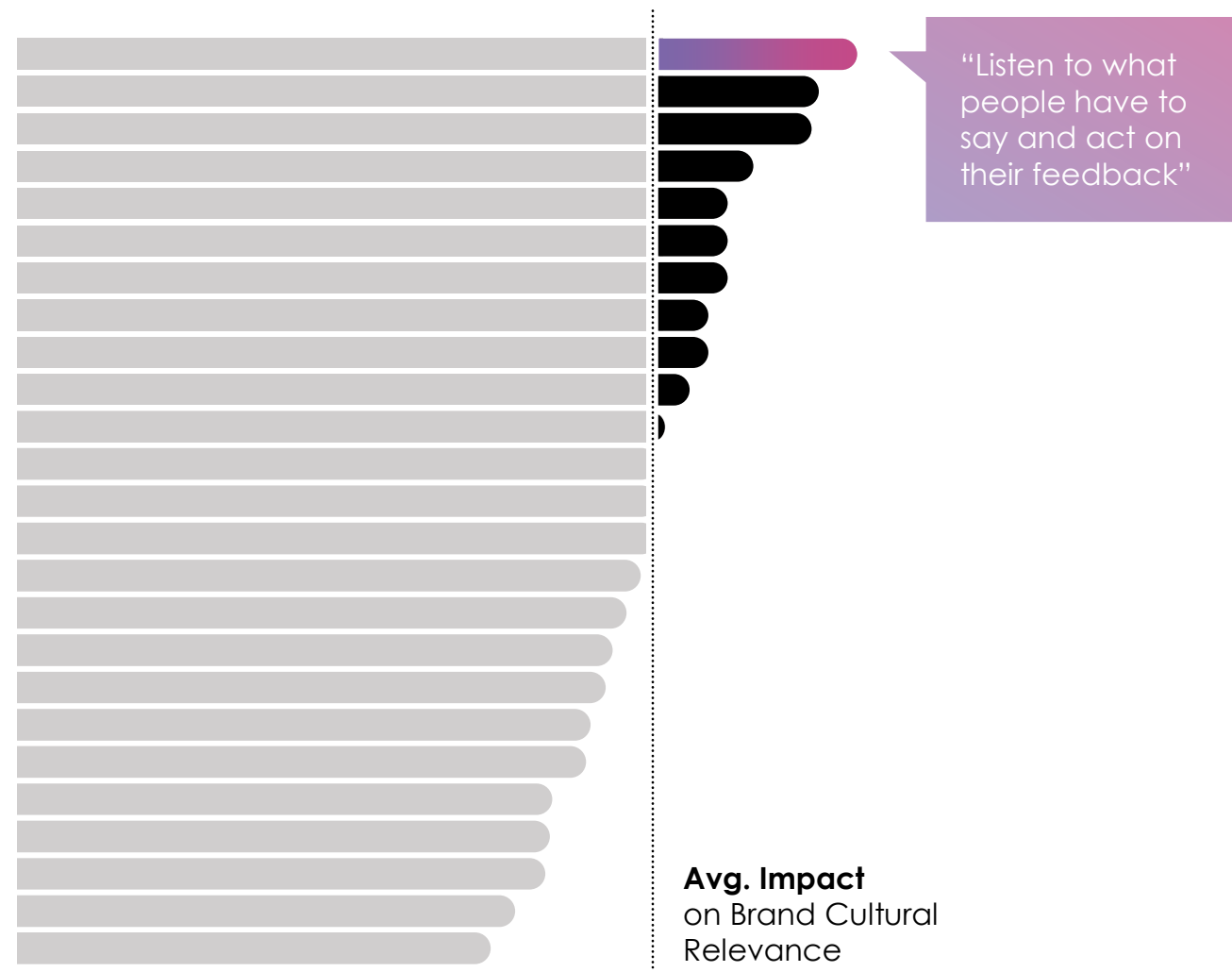


Avg.
Impact

Develop a 2-way relationship with people

Brands should go beyond using media to simply put out a series of messages and get involved in the earned ecosystem, where brands can converse and collect feedback

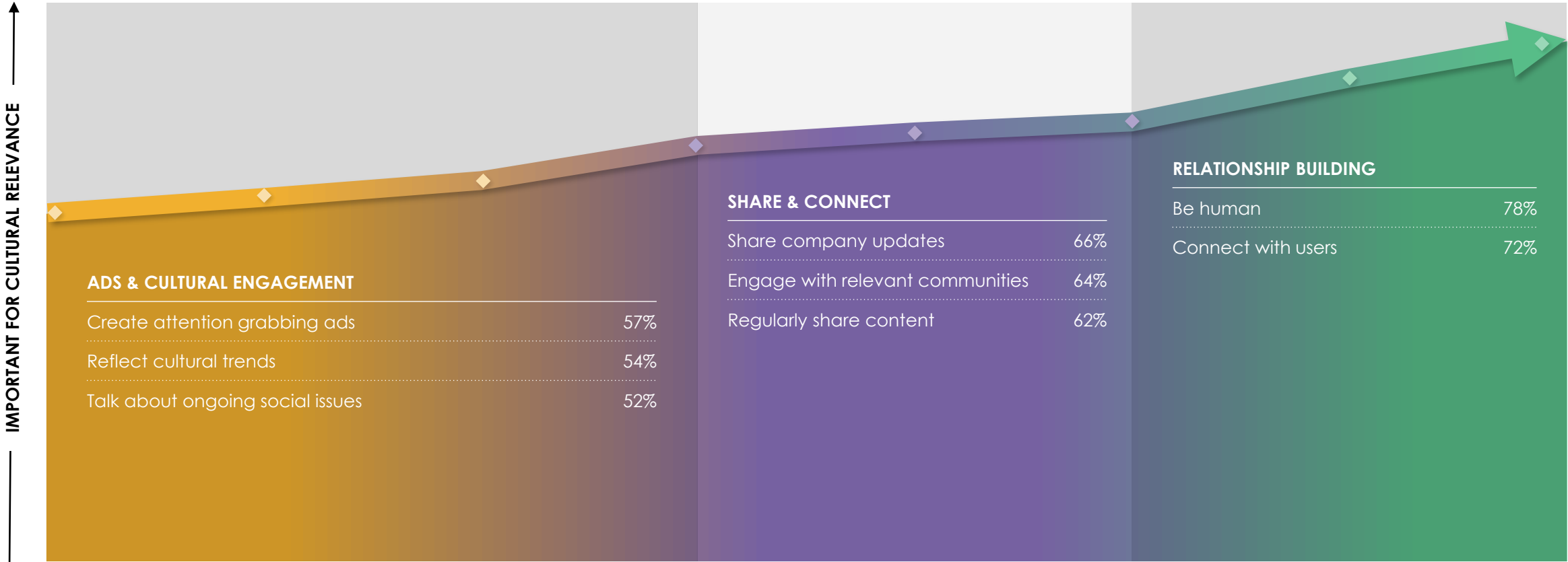
#1 Most Impactful Specific Brand Action



Avg. Impact
on Brand Cultural
Relevance

Social media offers the ideal platform for building that “listen/react” relationship

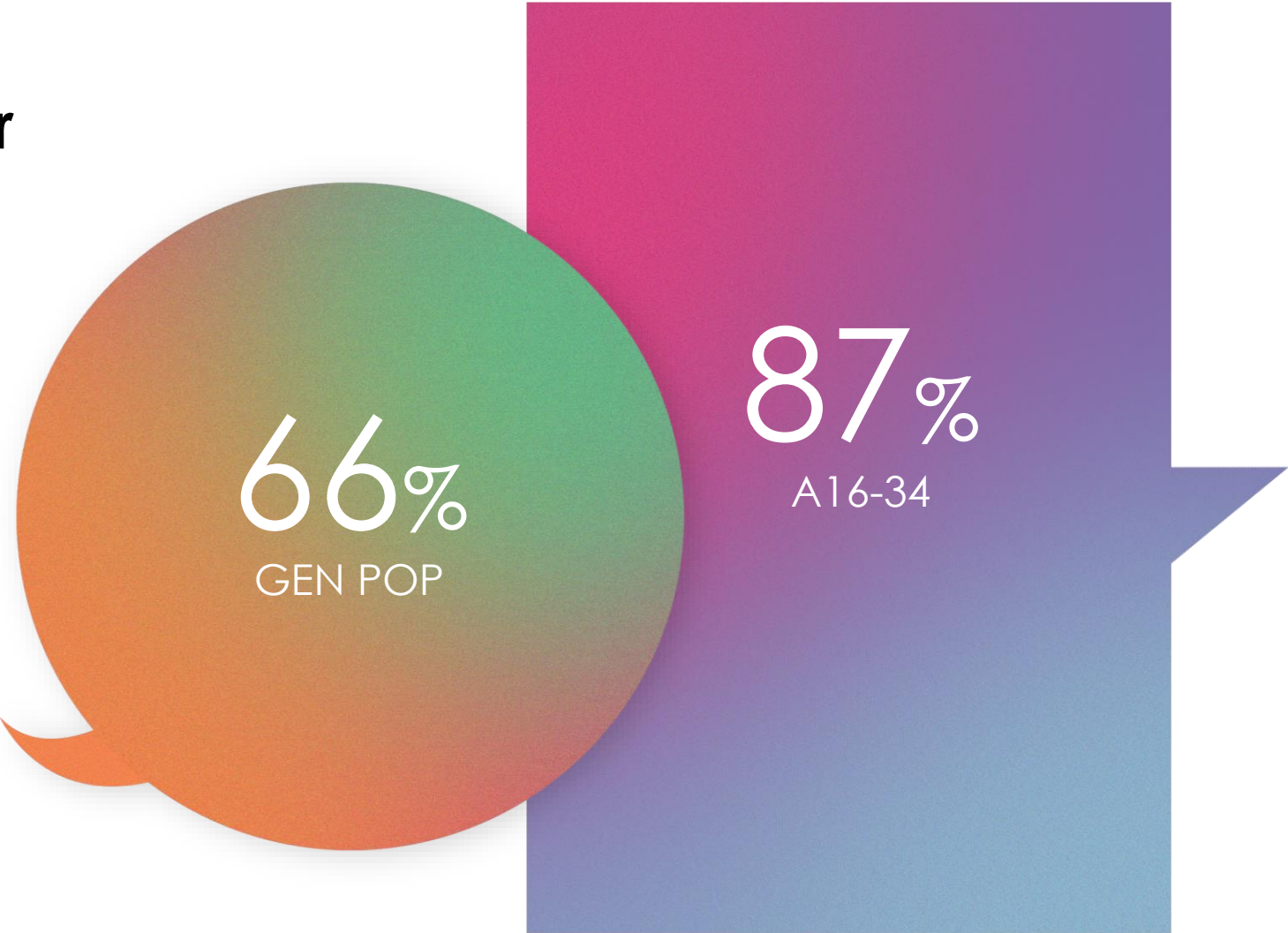
Importance of Actions on Social Media for Building Cultural Relevance
- % Very / Somewhat Important



In addition, social media is deemed a critical ingredient for becoming culturally relevant

Similar to younger audiences, the vast majority of Twitter users feel social media is important for brand cultural relevance

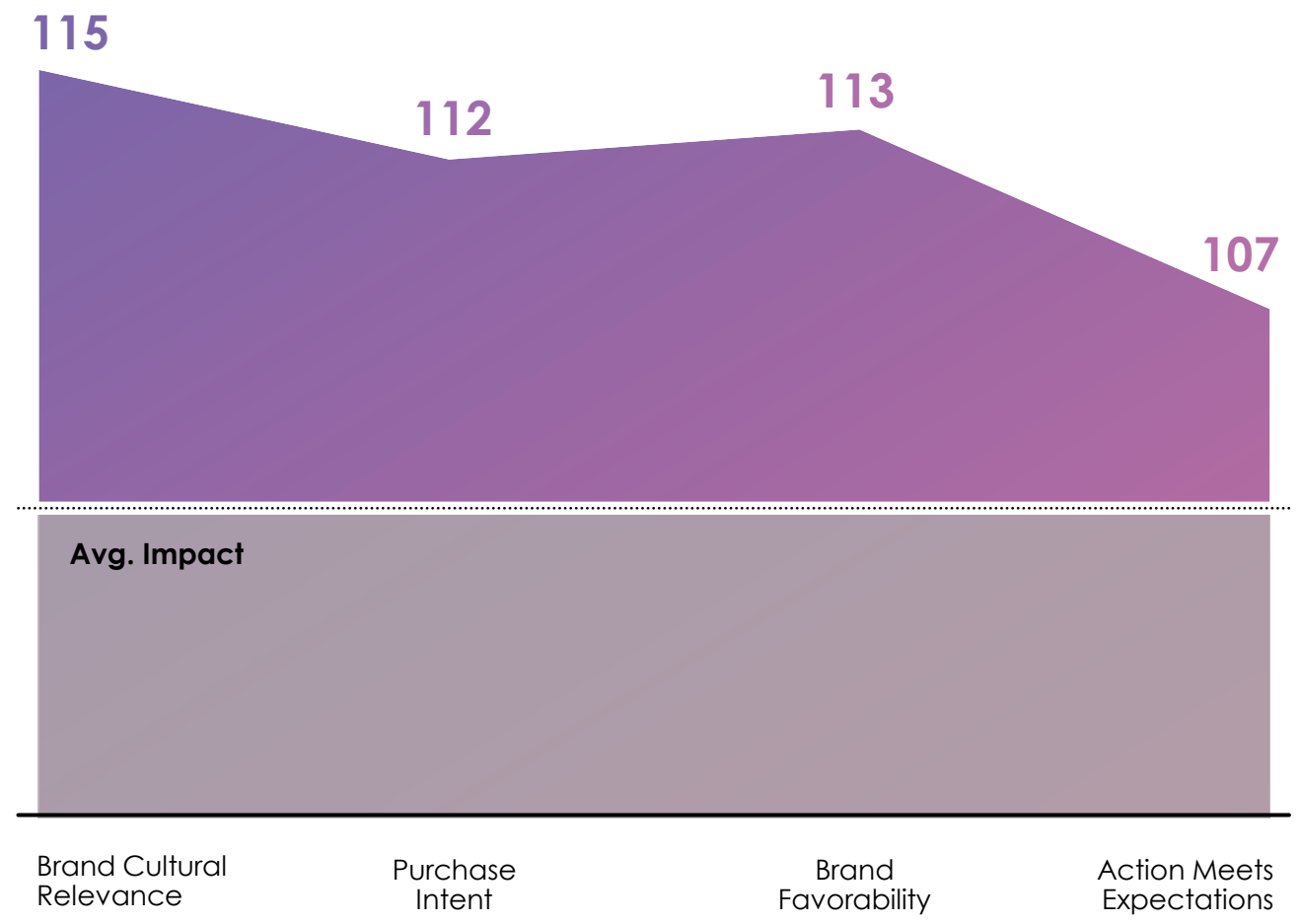
Importance of Social Media Presence for Brand Cultural Relevance
 - % Very/Somewhat Important



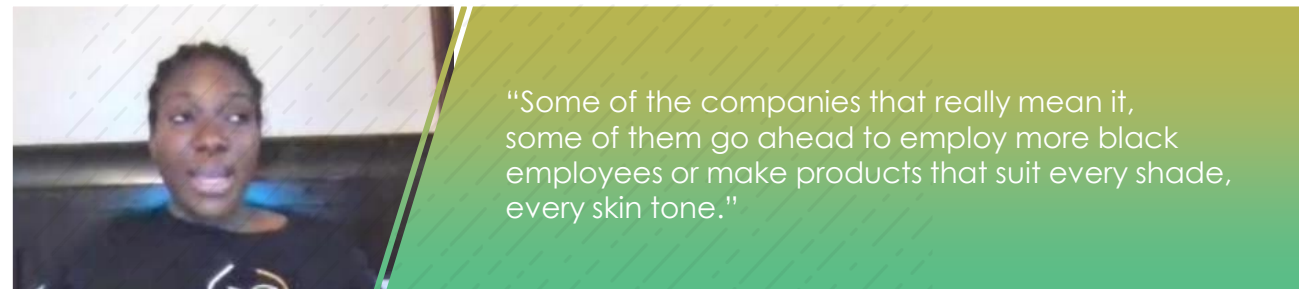
Embrace inclusivity

Creative inclusion goes beyond positioning brands as culturally relevant – it meets expectations & impacts traditional KPIs

Impact of Having 'Ads That Are Inclusive of All People'



Inclusion should go beyond ads alone and be foundational to the product, when applicable (e.g. CPG)





CURRENT

ACCOUNTABILITY

DRIVE CHANGE

CURRENT

ACCOUNTABILITY

DRIVE CHANGE

CULTURE DRIVERS

By Vertical



CURRENT

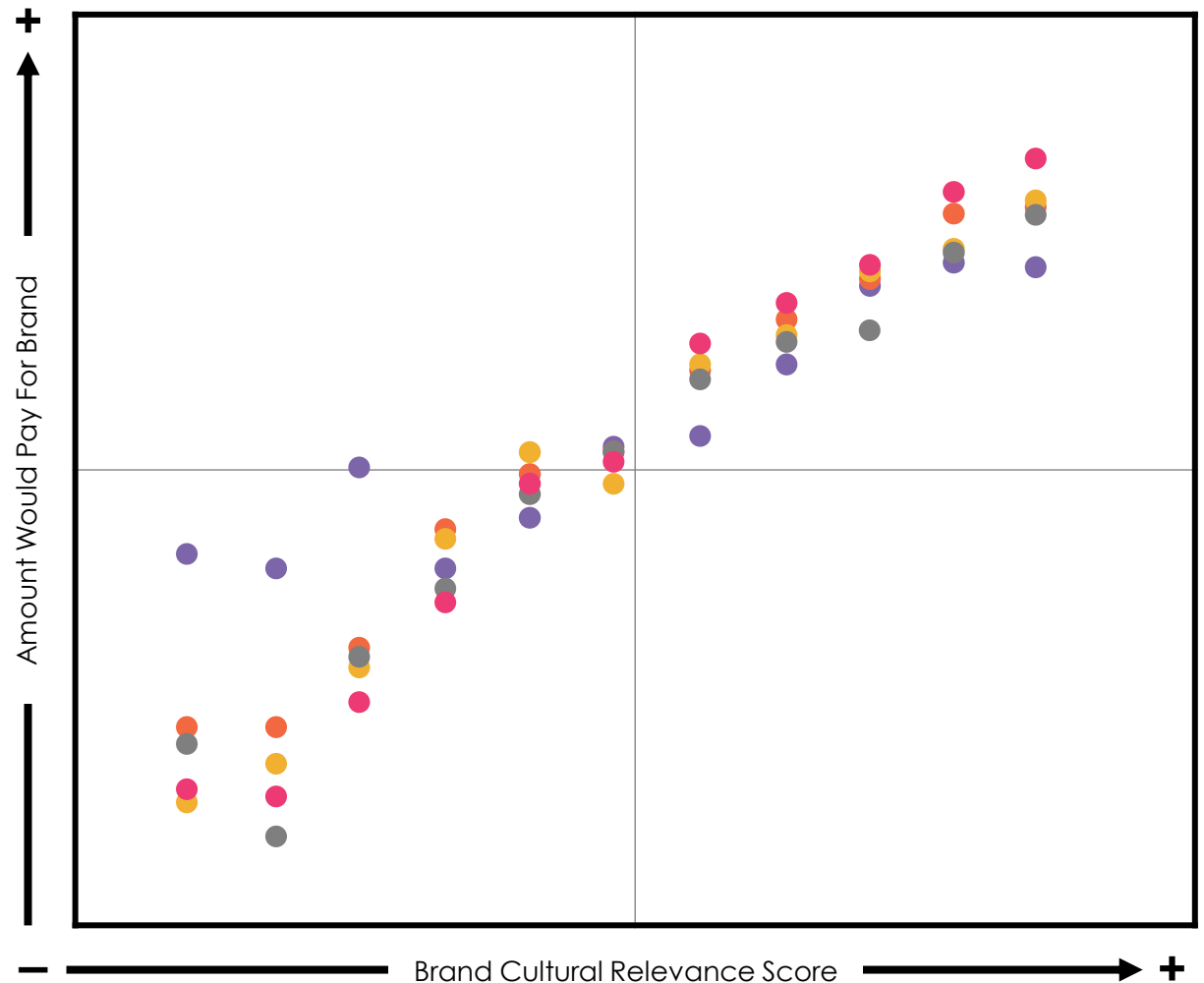
ACCOUNTABILITY

DRIVE CHANGE

Cultural relevance
even pays for
categories with
high barrier for
entry, like auto

Correlation Between Brand Cultural Relevance & Amount Would Pay

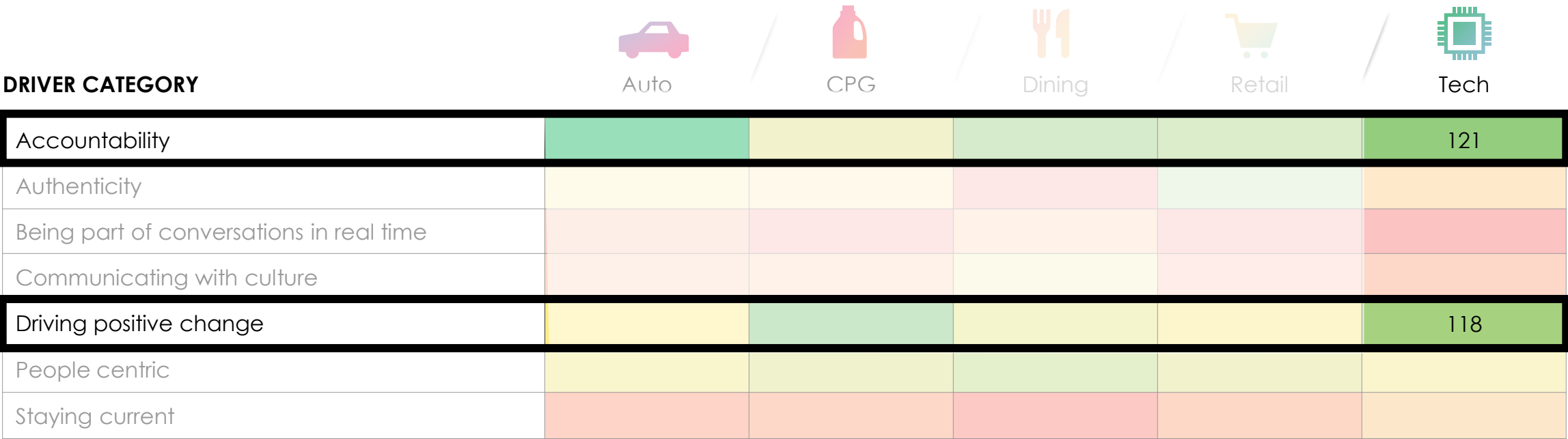
Auto CPG Dining Retail Tech



Quantitative Total n=4,917

Tech companies would benefit by increased ‘accountability’ & ‘driving positive change’






Impact of Brand Action Categories on Cultural Relevance by Vertical



For auto, ‘accountability’ is crucial

Owning up to mistakes without covering up is particularly imperative for auto brands

Impact of Brand Action Categories
on Cultural Relevance by Vertical

DRIVER CATEGORY	<div><div>Auto</div><div>CPG</div><div>Dining</div><div>Retail</div><div>Tech</div></div>				
	Auto	CPG	Dining	Retail	Tech
Accountability	130				
Authenticity					
Being part of conversations in real time					
Communicating with culture					
Driving positive change					
People centric					
Staying current					

For CPG, ‘driving positive change’ is key

Openly prioritizing sustainability is important for CPG given its potential to harm the environment

Impact of Brand Action Categories
on Cultural Relevance by Vertical

DRIVER CATEGORY	<div>Auto</div> <div>CPG</div> <div>Dining</div> <div>Retail</div> <div>Tech</div>				
Accountability					
Authenticity					
Being part of conversations in real time					
Communicating with culture					
Driving positive change		125			
People centric					
Staying current					

Sustainability impacts the bottom line for CPG brands

Both donations and sustainability can build culturally relevant brands, but sustainability plays a bigger role in the amount people are willing to pay for a brand

Impact of Driving Positive Change, CPG

Brand Cultural Relevance



Amount Would Pay

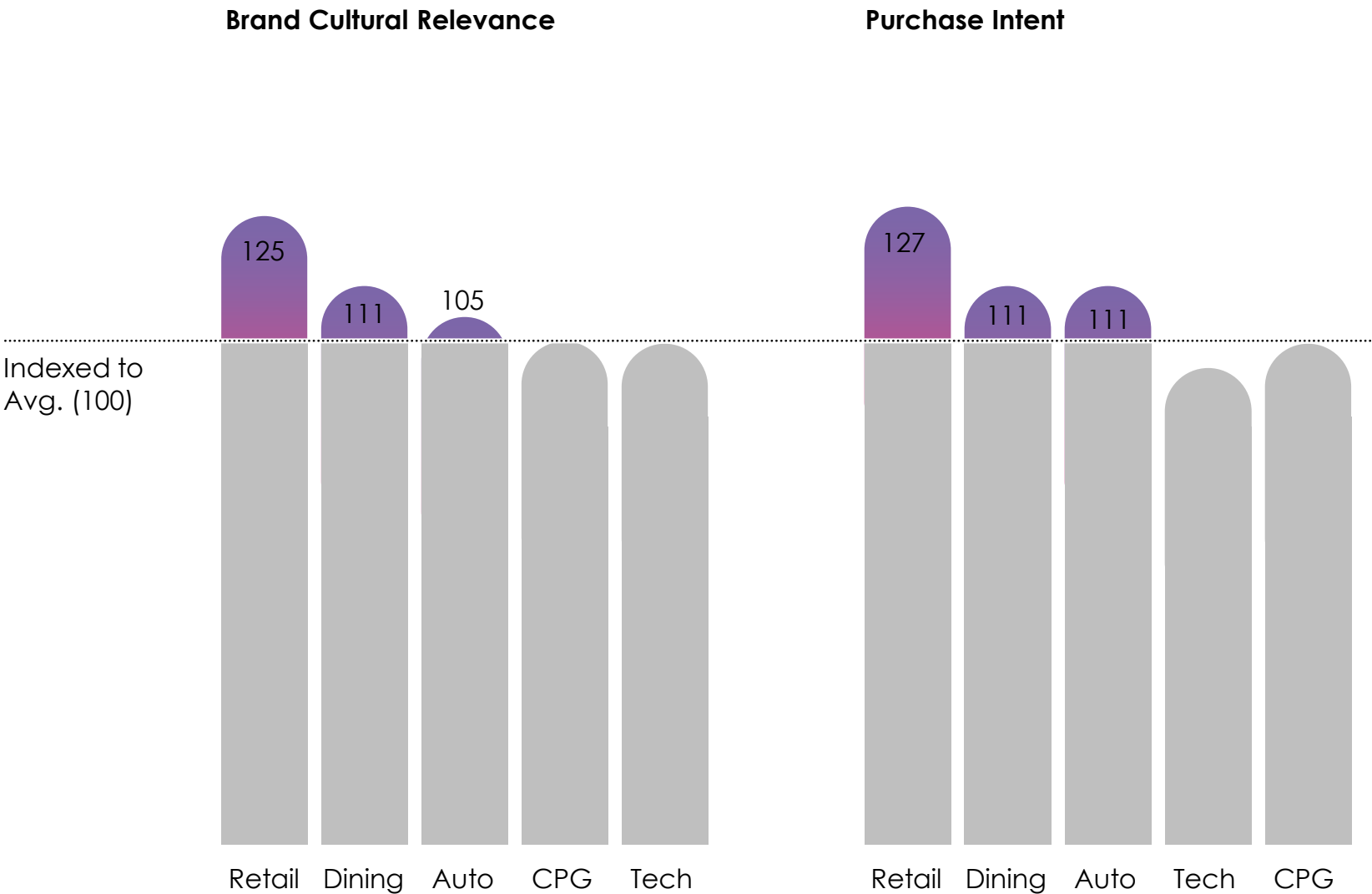


Avg.
Impact

Consistency is most critical for Retail and can drive purchase intent

Ethical consumerism is gaining popularity, so consistent commitment to causes such as reducing waste and ethical manufacturing can help retail brands stand out

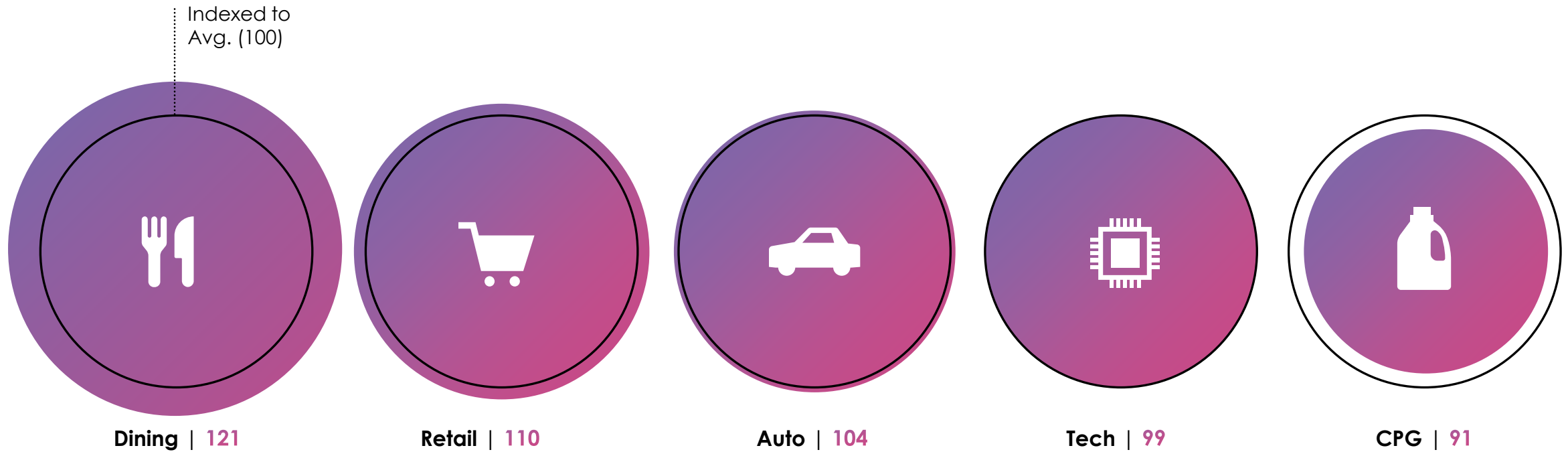
Impact of Having a “History of Commitment To The Same Causes And Messages” By Vertical

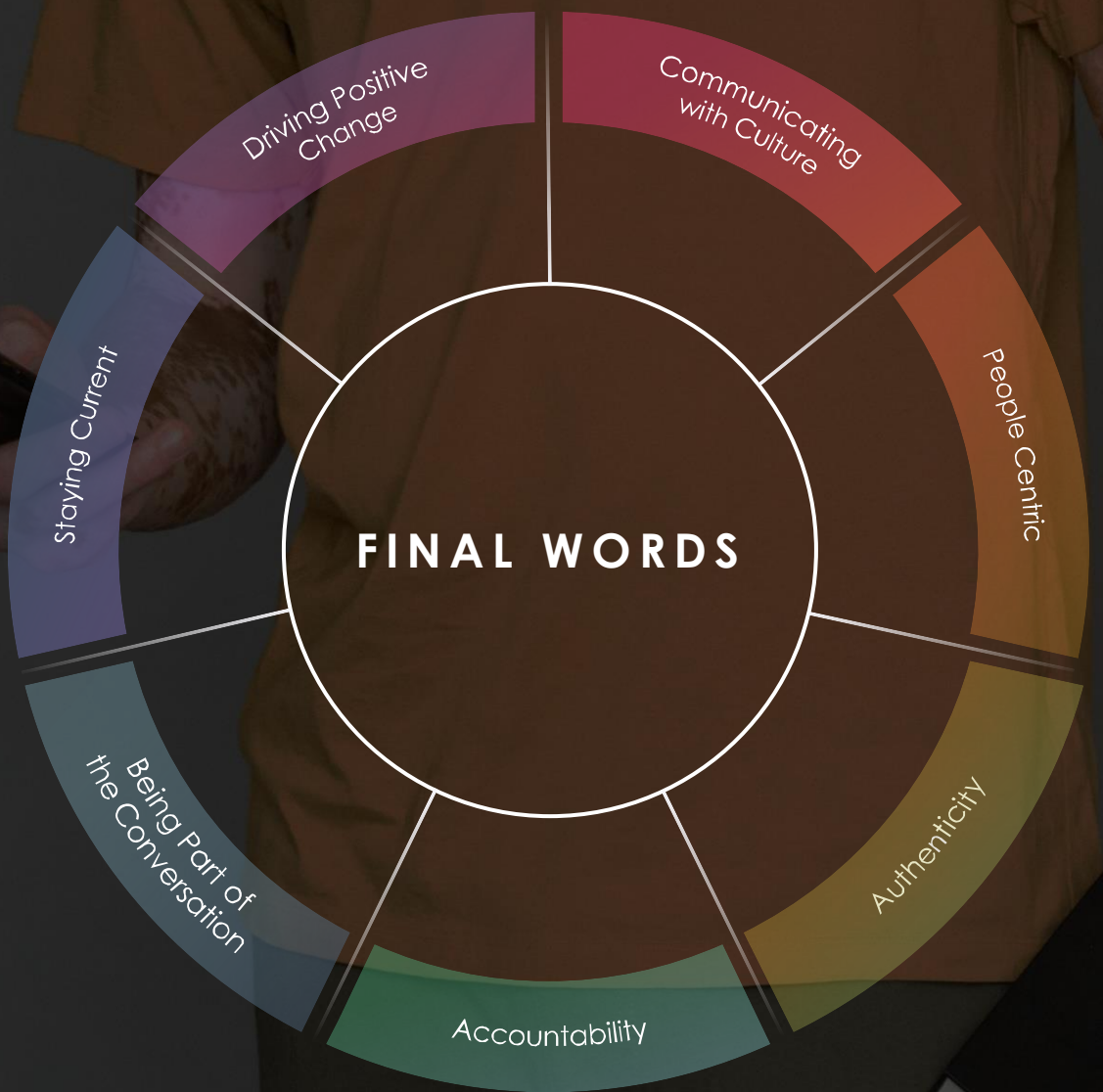


For Dining brands, celebrating everyday moments is uniquely important

Supporting everyday moments that feel relevant, such as Taco Tuesday, can be highly effective for restaurant brands

Impact of “Supporting and Celebrating Everyday Moments” by Vertical





It's Worth The Effort

Brands clearly benefit from cultural relevance even to the extent where people are willing to pay more

Accountability + Measurement

More than ever, people expect brands to 'walk the walk' and not just 'talk the talk'. When mistakes are made, owning up to them goes a long way. Brands should be owning their actions and telling measurable stories over time

Social Media As A Tool

Social media offers a clear path for brands to execute on the strongest driver of brand cultural relevance – listening & reacting

BRITNEY

THANK YOU

MAGNA MEDIA TRIALS



No more
guns

OVER WORKED
UNDER VALUED
EXPLOITED

We Don't accept
MILITARY COUP



MAKING
A BETTER
WORLD



Research design

1. Brand Scenarios

Users randomized to read 3 branded scenarios.
Each scenario describes:

- ☐ 1 hypothetical brand
- ☐ General description of the brand, including 3 specific brand actions

2. Brand Ratings

Users rate each brand on:

- ☐ Cultural Relevance
- ☐ Brand Favorability
- ☐ Purchase Intent
- ☐ Likelihood to Recommend
- ☐ Amount Willing to Pay