

# PURPOSE PREMIUM

## PURPOSE AND THE PANDEMIC

More than three months into COVID, we asked **1,535** Australians about their expectations of Australian business. They told us:

- Concern about the economy is up, and climate is down - way down
- Look after employees first - not shareholders
- Behave with positive purpose and we'll buy you
- If you don't have positive purpose, we'll remember that
- A looming dilemma for business as community and shareholders expectations clash

And if you thought Australia was similar to our close cousins the UK or the US... think again.

### Key findings

**In mid-2020, purpose in Australia is getting even more pragmatic.**

**Australians want clear purpose - not "purpose" - from businesses.**

We're in a pandemic. We want business to take direct action, to do what they're supposed to do. Australians have doubled-down on our 2019 Purpose Premium findings.

**Beyond basic success, reputation is built on:**

#### Reliability

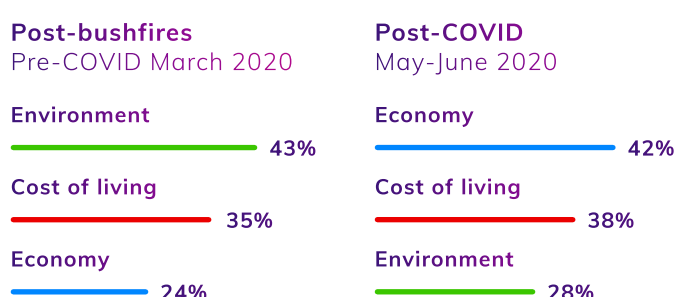
Environmental, philanthropic, "purpose-driven".  
*Is their business helping?*

#### Responsibility

Purpose and the Pandemic: Rapid Change.  
*Is your business helping?*

**This means jobs up, climate down**  
way down  
way down  
way down  
way down  
**way down**

Reliability was reinforced by Australia's summer bushfire emergency, and then hammered down by COVID-19. We asked Australians what five things they expect our governments to act on.



In just eight weeks, economy and environment switched positions, echoing the 2008-9 Global Financial Crisis.

**We want "practical purpose" from business. What does that mean?**

Australians told us that practical purpose is helping people first - not shareholders.

#### Hardship support for customers

**60%**

Want businesses to temporarily eliminate fees or barriers to services

#### Employee wellbeing

**60%**

Prioritise employee health

**58%**

Prioritise economic wellbeing

**68%**

Prioritise employees' interests ahead of other concerns

#### Real purpose

Products or services to help relief efforts - not marketing slogans or what we call performative donations.

**31%** of us agree that using marketing to communicate about the pandemic is a good use of resources (including donations to relief efforts).

**And... we're watching. A reputation pand-ilemma is just ahead.**

As we emerge from panic mode and approach a grinding recession, decisions business leaders make now will have long-term impacts on reputation. Many businesses will face what is effectively a "Sophie's Choice".

**63% agree**

Companies' actions now will impact our **perceptions** of them into the future

**62% agree**

Businesses that support **front-line workers** will be similarly rewarded

**2/3**

Are more likely to **trust** (64%), **remain loyal** (64%) and **purchase from** (62%) companies doing the right thing, right now

**64% of Australians**

Say they would **stop buying** products or services if they learned of irresponsible or deceptive business practices during the pandemic

**At the same time, a big cohort of investors and wealthy retirees believe government has over-reached, and we need to "re-open".**

	Own investment properties	Have stock market investments	None of these
<b>Agree:</b> Shut down should be relaxed	<b>52%</b>	<b>48%</b>	<b>35%</b>
<b>Agree:</b> Government measures are too strict	<b>36%</b>	<b>33%</b>	<b>23%</b>

As JobKeeper and mortgage payment deferral deadlines loom large and COVID-related measures are subject to review (and full-year results reporting season begins) how will businesses look after employees, customers or shareholders? For many, it will be a binary choice. The pressure will be on, and Australians will be watching. Business leaders must choose - and manage the reputational consequences. **Watch this space.**

### Other findings

**We want companies to behave well... but not necessarily if we're working for them**

We will purchase from companies taking the right action, but we're less interested in:

**54%**

Working for them

**41%**

Or investing in them

When it comes to our own hip pockets, we want employers and investments to be profitable, stable and **Reliable**.

**Australians have hammered home the point that this is not the UK, and this is not the US.**

**We're nothing like our two close cousins. Australians expect business to help, and we've placed our trust in government. In other places, it's very different.**

**28%** of Australians have more faith in business to bring solutions to the pandemic than government.

**40%** of Americans feel the same way (from a high of 50% earlier this year, according to our US Purpose Premium research).

**39%** of Brits believe private companies are doing better than government (46% among those 25-34), which really says more about the state of governance in the UK than the performance of private industry.