M&C SAATCHI TALK

# THE ART OF CONVERSATION

Navigating, creating and leading conversations that deliver meaningful change

# CONTENTS

**WE BELIEVE THAT CONVERSATIONS HAVE THE POWER TO CHANGE THE WORLD**

# Foreword

We believe that conversations have the power to change the world. To create connections and build relationships. To shape and spread culture. And to earn attention and drive action.

But conversations are changing as the world around us changes. In a new era of fast-evolving digital communication and post-pandemic too, conversations are even more important than ever before, as we both seek to reconnect with the world and re-evaluate our priorities.

In order to build salience and cut through, brands need to understand the conversations that matter to their audiences, where these are being held, and how they can earn a place in those that matter most.

> **“Since Covid, more than half of consumers’ attitudes towards brands have changed.”**

To understand the true value of conversations and what they mean for brands, we commissioned a nationally representative consumer research survey for the UK market.

Polling 1,000 consumers, we asked the public about their attitudes towards brands and their place in conversations, as well as the characteristics of conversation that make a brand more shareable, memorable and trustworthy. To balance these findings, we also interviewed senior marketeers from across the brand landscape and audience thought leaders.

Since March 2020 as the pandemic took hold, more than half of all respondents say their attitudes towards brands have changed.[1] This shift in attitude is even greater among younger audiences.[2] Our survey showed clearly that Covid-19 has had a marked impact on consumer attitudes, behaviours, and beliefs.

Consumers can be swayed to engage with brands if they talk about subjects that are relevant to them.[3] And for many people, it's no longer about price or quality of product.[4]

By navigating what matters to customers and creating simple, shareable and memorable ideas that earn attention, brands can lead conversations that enhance profitability and open up new doors for customer acquisition.

# 1. Make your conversations matter

## Brands can no longer afford to sit idle on substantive issues.

Social issues ranging from climate change to racial injustice weigh heavy on the public consciousness.

Consumers are demonstrating – through their purchasing decisions – that brands that can communicate a higher purpose and deliver on meaningful issues will outperform the laggards.

Since March 2020, more than half of all respondents say their attitudes towards brands have changed. This feeling is even greater among younger audiences, as a resounding 82% of 16-24-year-olds report that their attitudes towards brands have changed. [5]

In our survey, all age demographics said that they would be more likely to purchase from a brand that starts or joins conversations about subjects that matter to them (see fig A).

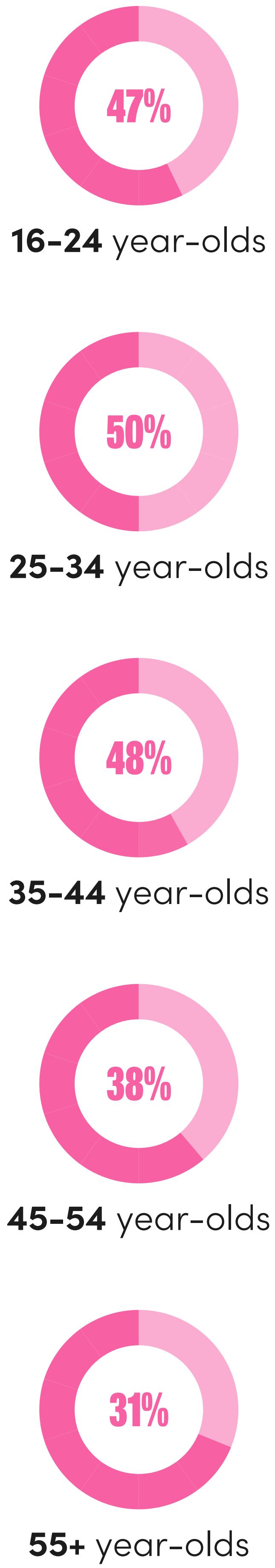
Our survey demonstrates consumer attitudes are changing. People actively want brands to speak on meaningful issues and are willing to share these conversations with family, friends and colleagues – if the message feels relevant and authentic. If it doesn't, in a time of cancel culture, brands risk customers going elsewhere.

Our research further reveals that when considering two products equal in price and quality, 40% of consumers would be more likely to purchase from the brand that speaks on issues that matter to them.[6]

Lawrence Christensen, Head of Marketing, Brands at Marks & Spencer, says, "If the conversation between a brand and a customer is authentic, and if that brand has something relevant and genuine to contribute, then I believe consumers are more likely to engage, purchase and to stay loyal."

Fig A

*All age demographics said that they would be more likely to purchase from a brand that starts or joins conversations about subjects that matter to them*




**82%** of 16-24-year-olds say their attitudes towards brands have changed.

**40%** of consumers are more likely to buy from brands that speak on issues that matter.

> "If the conversation between a brand and a customer is authentic, and if that brand has something relevant and genuine to contribute, then I believe consumers are more likely to purchase and to stay loyal."

Lawrence Christensen / Head of Marketing Brands / Marks & Spencer

# Make your conversations authentic

**Brands need to listen to what their audiences are saying first before wading in.**

Power has shifted from brand to consumer. People are holding brands accountable for their words and actions – particularly when the former doesn't align with the latter.

Of those that said their attitudes had changed, around 1 in 6 respondents said that they trust brands less than they did prior to the pandemic"[7], yet other surveys have suggested that trust is a key factor in their purchase decisions.[8]

> **"Trust is a key factor in consumers' purchase decisions."**

Even though consumers are seeking meaningful conversations, if a brand enters a conversation where it lacks credibility, those same individuals will be quick to call it out. While the cultural demand for conversations has grown, brands must navigate this carefully to ensure that the content of comms and messaging resonates authentically.

**1/6**

Around **1 in 6** respondents said that they trust brands less than they did prior to the pandemic.

Chloe Combi, Gen Z author and podcast expert says: "Brands think by recognising one group, they must sacrifice another. We've become so binary in our thinking that it has made brand inclusivity become more remote. In an attempt to be inclusive, loads of brands have become more myopic. Many industry insiders celebrated Nike's 'Nothing Beats a Londoner' ad, but a lot of young people disliked it and felt it was trying too hard."

Marks & Spencer's Christensen says: "Customers are deeply attuned to nonsense – just look at the global media reporting and citizens calling out 'greenwashing and sustainability'. Without authenticity, you're toast."

Greenwashing is not the only issue that brands have come under fire for, with many brands being accused of woke-washing for gesturing on broader cultural issues like race, social justice and inclusion.

Given the cultural landscape, many brands feel pressured to have societal license to weigh in on these issues but doing so can risk great damage. The key for brands is to avoid following the crowd and copycat tactics, and to spend the time ensuring they have genuine credentials and understanding before they act. Doing so will ensure that conversations are rooted in evidence and communicated with trust.

> **"Customers are deeply attuned to nonsense... without authenticity, you're toast."**

Lawrence Christensen / Head of Marketing Brands / Marks & Spencer

# Make your conversations relevant

**While brands have often got caught up in the desire to be seen at the forefront of pop culture, our evidence suggests that this is increasingly irrelevant.**

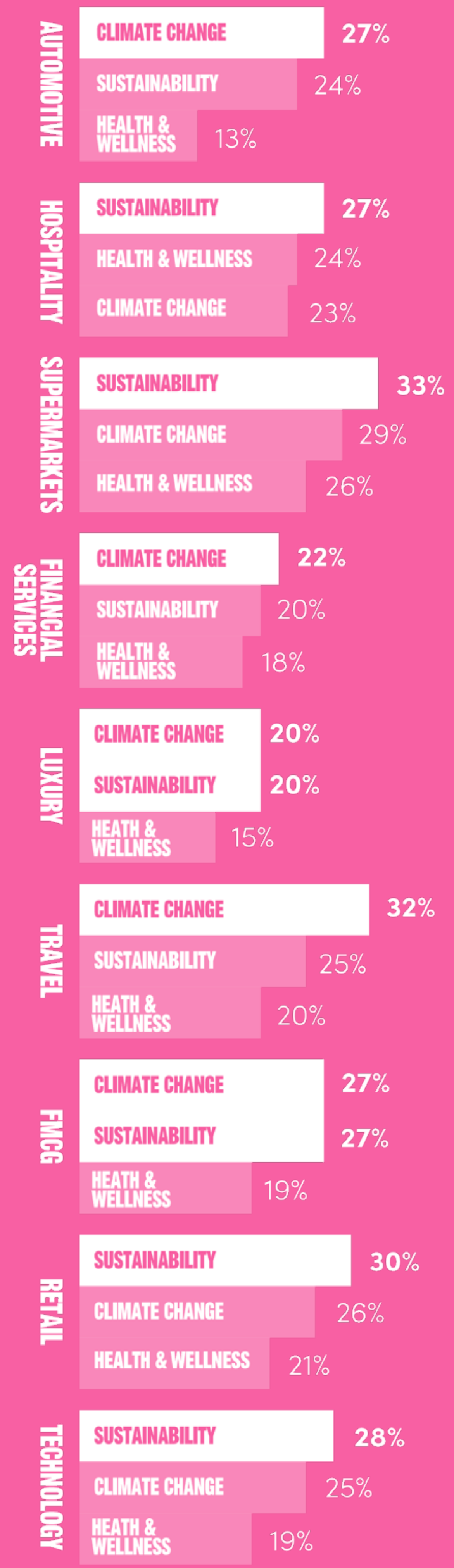
Climate change, sustainability and health and wellness ranked as the three most important topics of conversation across nine sectors. Popular culture, lifestyle aspirations and politics were ranked as least important by respondents – popular culture was the least relevant topic for consumers in all but the luxury sector.[9]

In an age of instant news, memes and popular culture, these findings reveal a genuine desire for conversations that address substantive issues. It's clear that the cultural psyche is shifting towards discussions that tackle meaningful topics. To drive authentic engagement and build trust, brands need to marry audience truths (what people think, feel and do) with brand truths (an ownable and distinctive advantage) and cultural catalysts (why it matters now and is relevant for media).


Maryline Goldman, Head of Global Communications at Hostelworld, says,

> **"We ask our customers what matters. For example, we often ask our community of young travelers what's important to them via social polls or surveys. We recently asked what social issues they care about most, and 64% of our Gen Z customers said climate change, which was closely followed by poverty and racism."**

**"Most consumers want brands to engage on climate change and sustainability."**



# 2. Make sure your conversations are heard

## In a new era of communication, conversations have never been more important.

It's how we exchange news, share ideas, build relationships and connect with the world around us.

As a digital culture, the size and scope of these conversations are staggering. In a single day, 720,000 hours of video content is uploaded to YouTube, more than 500 million tweets are shared and 200 million consumers will visit a brand's Instagram page.

The rate and speed at which new platforms grow and proliferate means brands must stay highly attuned to new preferences and behaviours. In October 2021, for example, TikTok surpassed 1 billion users, despite being relatively unknown to most UK and US users until early 2020.

This hyper connectivity of culture has blurred the lines between traditional channels and information flows. To meet audience expectations and connect with a new generation of consumers, brands need to engage with people on the platforms and channels where they spend their time, and in the right way.

Brands should avoid being blinkered – they must remain strategic with their channel approach. They need to be tactical and nimble as our research shows that people who engage with platforms have different preferences based on their demographic.

**"Despite many brands placing more emphasis on Instagram and TikTok to reach their audiences, a large proportion of consumers remain engaged with brands on Facebook."**

The research indicates that Facebook is the most frequently visited platform for every age demographic except for 16-24-year-olds; Gen Z turns to YouTube (38%) and Instagram (38%) more frequently than Facebook (34%) to engage with brands, and not surprisingly they are six times more likely to use Tik Tok than those aged 44+.[10]

As the survey shows, audiences are seeking different dimensions of conversation across various platforms. To achieve cut through, brands must identify the pockets of conversation that feel like a natural fit while simultaneously navigating those conversations on the platforms where their audiences live. But the overwhelming message is clear. Despite the urge from brands to adopt emerging channels such as TikTok, those more established, such as Facebook, continue to play an important role for certain audiences.

However, fundamentally, brands should carefully assess where their own audiences are roaming, and how they're engaging on these platforms as nuances can often be found.

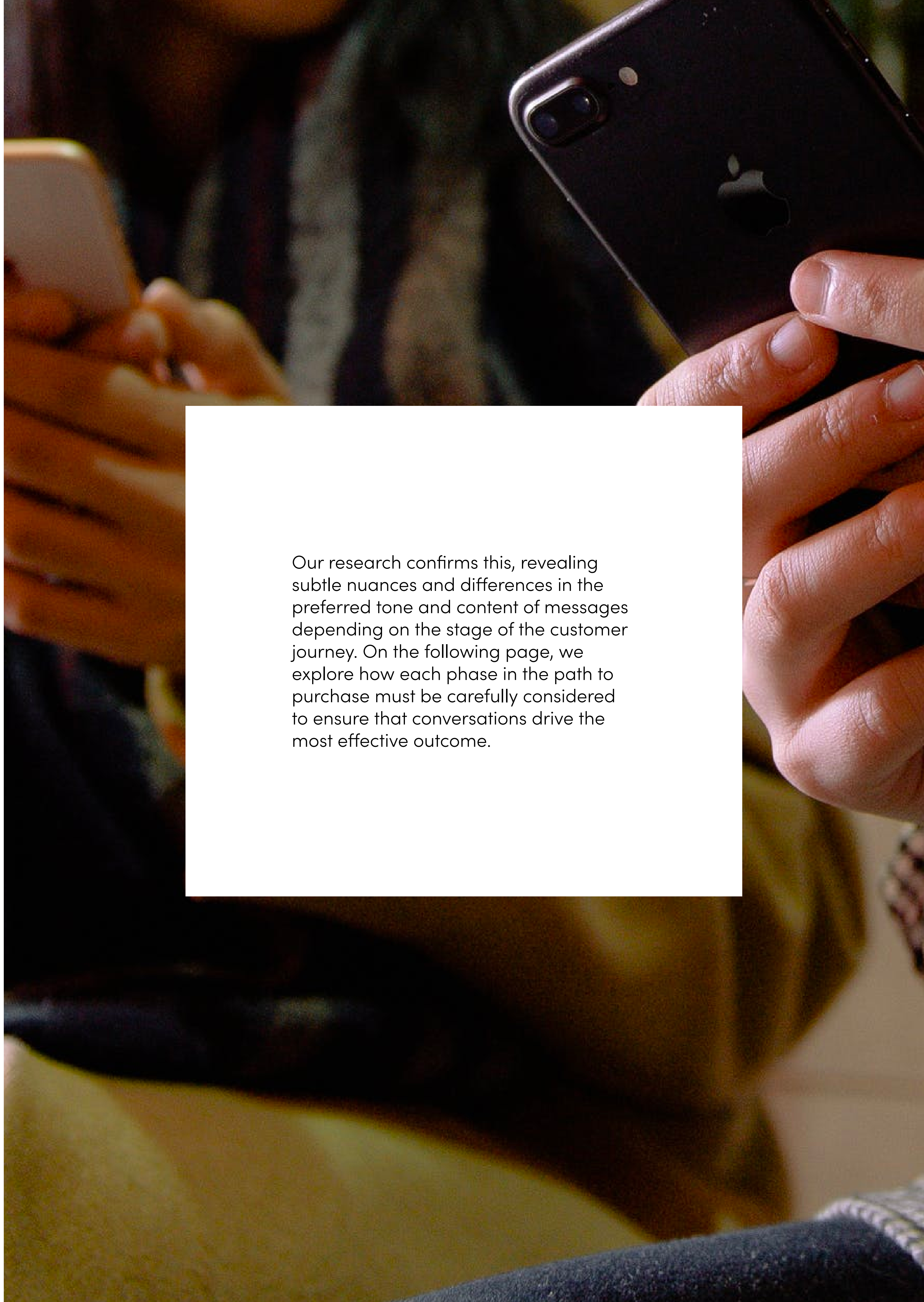
**Gen Z is six times more likely to engage on TikTok than those aged 44+[11]**

# Make sure your conversations are memorable

## Conversations need to deliver content that is shareable and memorable.

This will help drive greater brand awareness and recall when a customer later goes on to make a buying decision.

To move consumers down the funnel, however, it's clear that a slightly different approach is needed. This is where brands need to focus on building greater levels of trust. After all, a funny conversation might be effective when attempting to drive memorability, but these types of conversations do not necessarily translate into building trust.



Our research confirms this, revealing subtle nuances and differences in the preferred tone and content of messages depending on the stage of the customer journey. On the following page, we explore how each phase in the path to purchase must be carefully considered to ensure that conversations drive the most effective outcome.

# The Customer Journey

In a nuanced customer journey, it's important for brands to consider the various dimensions of conversation at play to more effectively tailor communications and deliver the right messaging, in the right tone at the right time.

## Brand Awareness

**Be shareable**

To make content more shareable, nearly two-thirds of consumers **(61%)** say conversations should be "supportive", "knowledgeable" and "inclusive".[12] Inclusion is of particular importance to Gen Z, with a quarter of these respondents saying "inclusion" would make a brand more shareable, the highest of any demographic.[13]

This reaffirms the significance of brand empathy for younger audiences, which is something brands will need to be mindful of as these individuals start exerting greater spending power in the marketplace.

**"It comes back to showing and not just telling. For instance, kids had never heard of Timpson (the key makers) as they didn't have much reason to, but the brand's work with ex-offenders and their genuine commitment to fair pay really struck a chord with this age group. It wasn't performative, it spoke to a generation keen to work for them and to learn about their ethics."**

Chloe Combi / Author / Journalist / Presenter

## Brand Consideration

**Be memorable**

Memorable conversations are often directly linked to humour, with **25%** of consumers citing "funny" as the top attribute that makes a conversation memorable.[14] Across all the dimensions of conversation surveyed, this was the only instance where "funny" appeared, which reinforces the connection between humour and memory.

**Be trustworthy**

When it comes to building trust, nearly two-thirds of consumers (63%) say conversations that are "supportive" and "knowledgeable" would make a brand more trustworthy.[15]

## Point of purchase

**Be buyable**

As with trustworthiness, more than half of all consumers say conversations that are "knowledgeable" or "supportive" would make a brand more buyable.[16]

Certain dimensions of conversation play specific roles at different stages of the consumer journey, and as a result should be tailored to suit what consumers are seeking at each stage. For instance, communicating efficacy at the evaluation and consideration phases may be more valuable than earlier on in the customer journey.

## Repeat loyalty

**Inspire loyalty**

To inspire repeat purchasing intent, our research suggests that support and empathy are key. "Supportive" conversations **(33%)** drive higher levels of loyalty towards a brand than conversations that are "appreciative" **(24%)**, "knowledgeable" **(24%)** or "inclusive" **(22%).** Post-purchase, consumers want to continue to feel supported by brands in their shared conversations.[17]

> “There’s a marked difference between organisations that desire inclusion purely for the short-term win (or the business case), and those who pursue it as a moral case. Brands who genuinely believe it’s the right thing to do, want to give a voice to different perspectives, and hold a deeper and more persistent idea of inclusion and diversity are those that see increased market share over time.”

Saif Islam / Chief Strategy Officer of Creed & Culture / and co-founder / Muslim Influencer Network (M.I.N)

# 3. Make your conversations drive profit

**We know consumers are actively seeking out brands that start conversations that matter to them. But what impact does this have on profitability and sales?**

When making a purchasing decision between two products of equal cost and quality, 40% of shoppers would be more likely to buy from the brand that speaks on issues that resonate with them.[18] This highlights a massive opportunity gap that’s potentially being underserved.

# Know who influences your conversations

**Conversations don’t happen in silos between a brand and a customer.**

People rely on an extended network of family, friends, media and influencers to assess which brands to buy. These conversations range from asking for reviews and recommendations to sharing products and asking for feedback. As a brand, it’s vital to know which audiences hold the most sway over an individual’s decisions.

# Who has the greatest influence on your purchase decisions?

## Our survey shows that "real influencers" are much closer to home.

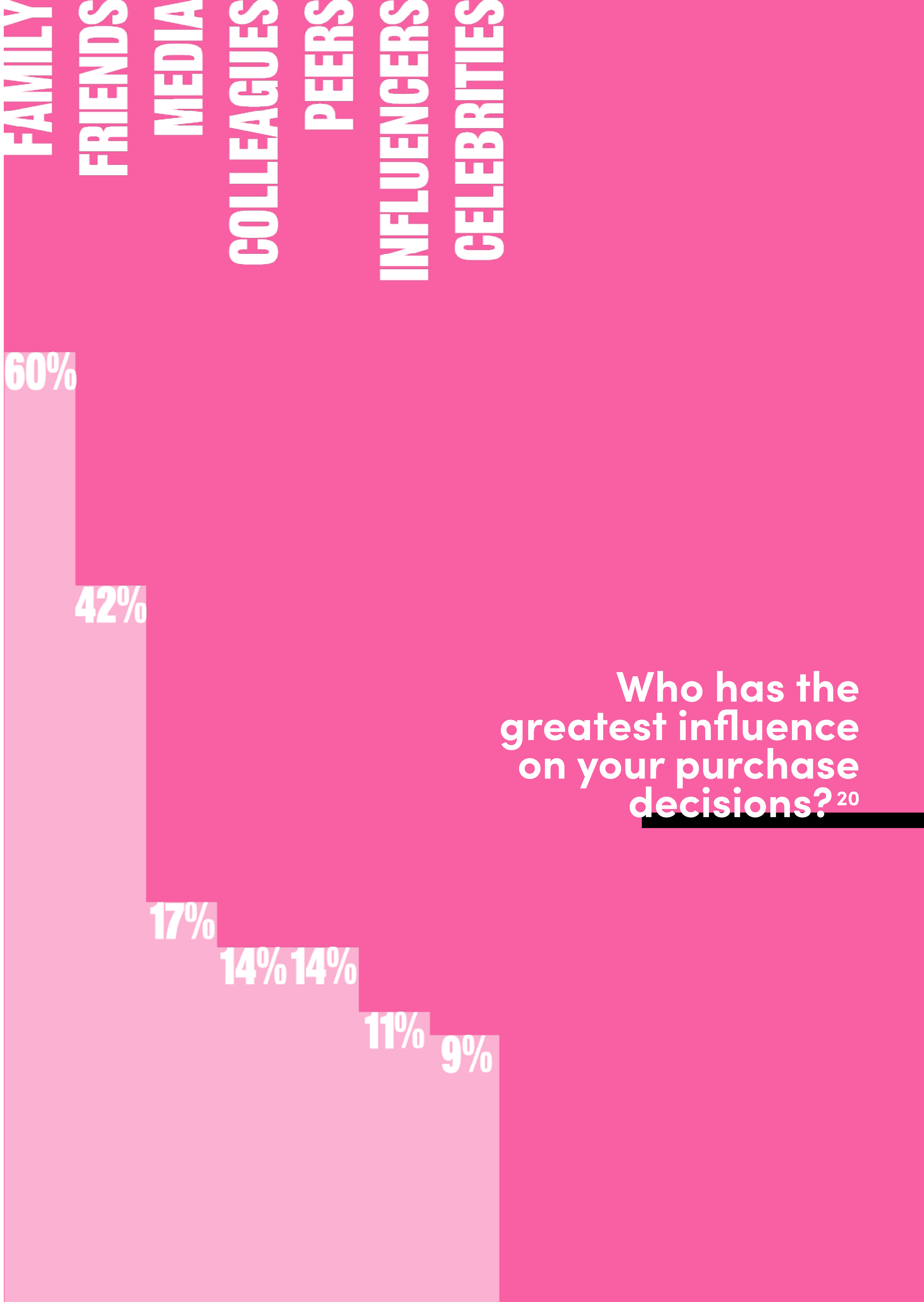
This doesn't mean that social content creators and celebrities don't have a role to play in driving meaningful conversations. But it suggests that brands should invest more time in identifying the right influencers for partnerships that are genuinely co-creative, credible and long-term.

These messages can gain additional credibility when framed within the right context, too. Given the desire for more diverse and inclusive conversations, brands should consider which content themes they can speak on to actively move discussions forward in a positive direction.

Since 60% of consumers say their family has the greatest influence on their purchasing decisions, brands must start by entering cultural conversations that matter to their audiences.[19] Finding ways to organically resonate with someone's wider network of family and friends will drive the strongest conversion when it comes to purchase.

> "Generation A and younger Gen Zs are openly mocking influencers they deem vacuous on TikTok. Brands must get very smart and thoughtful about the partnerships they seek or increasingly risk getting these very wrong!"

Chloe Combi / Author / Journalist / Presenter




# Track how your conversations drive sales

## Brands are competing on much more than product alone.

Consumers want a reason to believe in a brand, so building authority and trust through conversations can ensure that a brand drives equity and is remembered at the point of purchase.

This process starts by identifying influential voices within the business and dialing up those conversations internally. Brands need to have the right voices in the room in order to connect with the right audiences externally. Without a strong share of diverse representation, brands will struggle to create authentic connections at a more nuanced level with how audiences think and feel.

By identifying, measuring and optimising how and where creativity can deliver real value, brands will be able to harness the power of conversation to increase profitability and build brand equity long into the future.

**“This tracking and measuring will always require those who can effectively interpret meaning from it. Our experiences have demonstrated that to truly connect with communities, brands need to gather those that they’re trying to reach, listen to their feedback on campaign messaging, and recognise the differences required in approach.”**

Saif Islam / Chief Strategy Officer of Creed & Culture / and co-founder / Muslim Influencer Network (M.I.N)

# Embrace the art of conversation

As audiences become increasingly sceptical and scrutinising, brands will have to work even harder to deliver messages that build trust through relevance, authenticity and meaning.

As our data shows, more than 1 in 2 consumers have changed their attitudes towards brands since the outbreak of the Covid-19 pandemic.[21] This is an opportunity for brands willing to embrace conversations that matter because we know that a combined 1 in 3 consumers are now more likely to engage in direct conversations with brands and want brands to have a point-of-view on subjects that matter to them'. [22]

In a new era of socially conscious consumerism, it's equally important for brands to have clarity on their own values and mission. Consumer truths cannot be turned into cultural conversations without brand truths to back them up. If these brand truths aren't clear, then it makes it very difficult to have the right conversations that matter with diverse audiences and communities as a whole.

Brands need to seize the opportunity to identify brand truths, build meaningful values and deliver a mission that will resonate with society at large.

Conversations can serve as the conduit by which these values and truths are shared, connected and related – to consumers, to communities and to the world. Meaningful brand conversations are no longer just a 'nice to have'; they now have a direct impact on consumer purchasing decisions.

In an era of endless noise, where brands are battling on so much more than product alone, conversation has the power to cut through and drive preference over and above the competition. It can navigate culture, earn attention and lead dialogue that delivers real value.

# Sources


1 **Q1 Consumer Research Survey – 52% of consumers selected at least one option that said their attitudes towards brands had changed since March 2020.**

2 **Q1 Consumer Research Survey – 82% of consumers aged 16-24 said their attitudes towards brands had changed since March 2020.**

3 **Q1 Consumer Research Survey – 24% of consumers say they are now “more likely to purchase from a brand that speaks on issues that matter to me”**

4 **Q5 Consumer Research Survey – assuming two products have an equal price and quality, 40% of consumers would be “more likely to purchase from a brand that starts or joins conversations about subjects that matter to me”**

5 **Q1 Consumer Research Survey – 82% of consumers aged 16-24 said their attitudes towards brands had changed since March 2020.**

6 **Q5 Consumer Research Survey – 15% of consumers would be “much more likely” and 25% of consumers would be “somewhat more likely”**

7 **Q1 Consumer Research Survey – an analysis of respondents who said their attitudes towards brands had changed since March 2020 – “I now trust what brands say less than I did prior to the pandemic” (15%)**

8 **JCDecaux –** “The Moment for Trust”. March 2021.

9 **Q2 Consumer Research Survey – respondents were asked to rank the top 3 most important topics of conversation across nine sectors**

10 **Q4 Consumer Research Survey – this stat is an analysis of respondents who said they do engage with brands on social media channels and platforms (excludes 39% of respondents who do not engage with brands on social media)**

11 **Q4 Consumer Research Survey – these stats are an analysis of respondents who said they do engage with brands on social media channels and platforms (excludes 39% of respondents who do not engage with brands on social media)**

12 **Q3 Consumer Research Survey – analysis of respondents who said at least one of these characteristics of conversation would make a brand more shareable (excludes 28% respondents who answered “none of the above”)**

13 **Q3 Consumer Research Survey – analysis of 16-24-year-olds who said at least one of these characteristics of conversation would make a brand more shareable (excludes 28% of respondents who answered “none of the above”)**

14 **Q3 Consumer Research Survey – analysis of respondents who said at least one of these characteristics of conversation would make a brand more memorable (excludes 23% of respondents who answered “none of the above”)**

15 **Q3 Consumer Research Survey – an analysis of respondents who said at least one of these characteristics of conversation would make a brand more trustworthy (excludes 22% of respondents who answered “none of the above”)**

16 **Q3 Consumer Research Survey – analysis of respondents who said at least one of these characteristics of conversation would make a brand more buyable (excludes 25% of respondents who answered “none of the above”)**

17 **Q3 Consumer Research Survey – an analysis of respondents who said at least one of these characteristics of conversation would inspire loyalty towards a brand (excludes 22% of respondents who answered “none of the above”)**

18 **Q5 Consumer Research Survey – assuming two products have an equal price and quality, 40% of consumers would be “more likely to purchase from a brand that starts or joins conversations about subjects that matter to me”**

19 **Q6 Consumer Research Survey – analysis of respondents who said at least one of these groups does have an influence on their purchase decisions**

20 **Q6 Consumer Research Survey – analysis of respondents who said at least one of these groups does have an influence on their purchase decisions**

21 **Q1 Consumer Research Survey – 52% of consumers selected at least one option that said their attitudes towards brands had changed since March 2020.**

22 **Q1 Consumer Research Survey – analysis of respondents who said their attitudes towards brands had changed since March 2020 – “I am now more likely to engage in direct conversations with brands (18%) + “It’s now more important for brands to have a POV on subjects that matter to me (20%)**


## About the research:

This research was conducted by Censuswide, a global insight-driven research company based in London. The survey polled a nationally representative audience of 1,000 UK adults aged 16+. All respondents go through a sign-up screening and double opt-in validation process whereby the demographic data inputted into the survey needs to match what is stored for the data to be useable.