

**WHY WE
WROTE
GOOD
IS THE
NEW COOL**

It's a Saturday afternoon in Soho, New York. The streets are packed with shoppers and tourists, all busy exploring the luxury designer stores that are clustered in the area: Paul Smith, Prada, Balenciaga. Yet outside one store is a scene that looks more like a nightclub than a retail outlet, with a velvet rope and security guards. People are lined up outside, patiently waiting their turn, until the crush inside the store reduces enough to let them in. This isn't some high-end luxury boutique; this is a store that sells \$95 eyeglasses and for every pair bought, distributes a pair to someone in need. This is Warby Parker.

Inside the store, the lucky ones who have gotten in are eagerly trying on pairs of retro-themed eyewear with names drawn from literature (Beckett, Huxley, Chandler) and Americana (Roosevelt, Marshall, Langston). The look of the store is inspired by the New York Public Library—all rolling ladders and floor-to-ceiling shelves with beautifully presented merchandise and vintage books, all of which helps to convey the inclusive yet aspirational allure of the brand.

Supercool design has been a huge factor in the success of the brand. After all, people want to look good first; regardless of any social good intent, the products themselves have to be appealing. The frames themselves instantly give wearers the kind of bookish, hipster image one sees in the pages of *GQ* and *Vogue* (both of which have covered the brand with the kind of breathless fandom that used to be reserved for Gucci and Tom Ford).

But an equally crucial part of what drives the success of Warby Parker is that for every pair of eyeglasses bought, the equivalent cost is donated to VisionSpring, a nonprofit whose goal is to provide eye care to those in need, both by training people in developing countries to give basic eye exams and by selling affordable glasses.

Instead of a straight donation model, this creates a more sustainable approach, helping build the long-term infrastructure for eye care. To date, more than 2 million pairs of glasses have been distributed across the world. This aspect of Warby Parker is a large part of why wearing the glasses makes devotees of the brand feel so good, and it makes them want to tell others to purchase the brand. In doing so, Warby Parker has managed to create the Holy Grail for brands: a word-of-mouth magnet. A full 50 percent of customers coming to the website do so on the recommendation of a friend.

Warby Parker has managed to come up with something remarkable: a brand that disrupts the status quo economically (selling designer frames for \$95), logistically (selling them online), stylistically (taking retro cool to the world), and socially (their impact in the developing world). In doing so, they have also created a business that is now valued at more than \$1 billion after just *six years*. How did they do that?

Warby Parker is the perfect example of a brand that has figured out the model for success we unveil in this book: how to “Make Money and Do Good by Harnessing the Power of Cool.” They understand that today’s customers want it all, and they have created a purpose-driven business all of us can learn from.

But they are far from alone in today’s world. Brands like TOMS, Tesla, Etsy, Kickstarter, Patagonia, Ben & Jerry’s, and many others are also figuring out how to use this combination of “Commerce, Culture, and Conscience” (as we call it) to create brands with passionately loyal followings. Not to mention the thousands of B Corps (or benefit corporations) out there that have embarked on a mission to upgrade business to go beyond the tired, short-term thinking of only driving shareholder value to the much more profound approach of also driving societal value.

We believe we are witnessing a seismic shift in popular culture—one where doing “Good” has become its own form of “Cool,” creating

a unique opportunity for brands, nonprofits, and artists to learn from each other and work together. We believe this is being driven by three key factors: the new expectations of millennials and Generation Z, the crisis of meaningfulness in marketing and advertising, and the disruptive opportunities afforded by technology. In the upcoming chapters, we're going to dive deeper into all of these factors and unearth what they mean for us.

Our mission in this book is to track this profound change in the zeitgeist, and also to show you how marketing has a crucial role to play in this brave new world. Marketing is consistently ranked as one of the least valuable professions in society, but we believe this new approach could both elevate it and show how marketing can help save the world. We propose something radical: replacing the broken twentieth century approach to marketing that is fixated on advertising with an altogether new one, where “Great Marketing Optimizes Life.”

Seeing this shift in business and culture, we were inspired to learn more about the pioneers that are leading this new movement, and we're going to share our journey with you. We will travel from the boardrooms of Silicon Valley to the mosh pits of alternative music festivals in Brooklyn, from the Cannes Lions advertising festival in France to the streets of Rajasthan, India. We're going to meet men and women from all backgrounds, at all stages of their careers—from the managers of some of the biggest music superstars in the world to the inspiring marketers running brands like Citibank, Zappos and the Honest Company, and some of the hardworking young hustlers and entrepreneurs who are just starting to make a dent in the worlds of business and nonprofits.

We're going to share what we've learned from their journeys in seven principles that can be used by anyone in any organization anywhere. There are lessons on how to “Find Your Purpose” and “Find Your Allies”; how to incorporate principles like “Treat People

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as Citizens Not Consumers” and “Don’t Advertise, Solve Problems” as you design and plan; and how to execute ideas of impact by using insights such as “Lead with the Cool,” “People Are the New Media,” and “Back Up the Promise with the Proof.” All which add up to our central idea: “Great Marketing Optimizes Life.”

And then, finally, we’re going to give you a checklist of how you can take these things you will have learned and apply them to your day-to-day work in a way that will help you personally find more meaning in what you do, and help your organization future-proof itself for the next one hundred years.

While writing this book we had an epiphany: we realized that as marketers, we no longer have to choose between quitting our day job to join a nonprofit (more “meaningful” but perhaps where we would have to start from the beginning again) or staying where we are, doing the same work (respected, well-paid but unfulfilled).

We hope this book shows you that there is a third option: we can do an amazing amount of good from right where we are today, in ways that grow our brands and our businesses, while also contributing to society—a much bigger win-win-win for all.

Because this book is all about people and their purposes, it may help you to know a little bit about us, the authors, and our own purposes. We couldn’t have come from two more different backgrounds, but there was something we had in common that drew us to this bigger idea.

MILLENNIALS AND GEN Z HAVE NEW EXPECTATIONS OF BRANDS

Looking at the news headlines today, it would be easy to fall into a state of deep despair. Stories of extreme climate change, preventable diseases, economic inequality, social injustice, and the failure of our key institutions—government, banks, and corporations—dominate the news cycles and social media feeds.

Yet from traveling around the world and talking with young people, it is clear the millennial (those born between the early eighties and the mid nineties) and Generation Z (born in the mid nineties) generations have a real sense of optimism about the future of this planet. How can that be?

For many in the media and marketing worlds, millennials have been viewed as the “me” generation. However, for a generation that has proven to be connected and compassionate to the experiences of others around the world, a more appropriate title may be the “we” generation.

Growing up in a time when everything including traditional values, politics, and economics are collapsing and being redefined around them, millennials are experiencing a unique confluence of empathy and empowerment. Connected via myriad social media platforms and mobile devices, this generation has been able to see and share experiences of troubles and unrest in real time, creating a “glocal” sense of shared struggle with their peers around the world.

There is also a collective feeling by young people that these adverse conditions were created by a previous generation of adults who screwed it up for everyone. However, these young people are not playing the role of the victim; rather, they are seizing the opportunity to do something about it—to help make things better, while along the way redefining societal norms and disrupting business as usual.

Younger generations want experiences over products, sharing versus sole ownership, and entrepreneurship versus employment. And

these shifts in values are for good reason: these younger generations have seen their parents' generation work themselves to the bone to—quoting finance expert Dave Ramsey—“Buy things they don't need, with money they didn't have to impress people they didn't like,” only to see them lose it all to financial crises and downsizing.¹

Consider these statistics: Millennials in the United States number 80 million and have a combined annual spending power of \$200 billion (and a staggering \$2.45 trillion globally). And according to the 2015 Cone Communications Millennial CSR Study 91 percent would switch brands to one associated with a cause (versus the US average of 85 percent). In addition, the report states this group is also more likely to purchase a product with a social or environmental benefit, and volunteer for a cause supported by a company they trust.²

The situation is no different when we look at the generation hot on the heels of millennials: Generation Z. Numbering 80 million, Generation Z has a direct spend of \$44 billion, which rises to \$200 billion when you consider the indirect influence they have over their parents' spend. And according to the Fuse Gen Z Report on Social Activism and Cause Marketing after learning a brand supports a social cause, 85 percent are likely to purchase from that brand over another brand that does not support a cause (vs. 70 percent of millennials who do so).³

Both of these generations have realized, to quote the writer Anna Lappé, “Every time you spend money, you're casting a vote for the type of world [you] want to live in.”

1 Dave Ramsey, *The Total Money Makeover: A Proven Plan for Financial Fitness*. (Nashville: Thomas Nelson Pub., 2009).

2 Cone Communications. “Millennial CSR Study.” September 23, 2015. <http://www.conecomm.com/2015-cone-communications-millennial-csr-study-pdf>.

3 “Future Consumer's Views Social Activism & Cause Marketing.” Fuse Marketing. 2015. <http://www.fusemarketing.com/future-consumers-views-social-activism-cause-marketing-differs-millennials-think>.

But these trends don't just affect purchase decisions; for CEOs and business leaders, they have a profound impact around hiring and retaining the right talent. And according to the PWC "Millennials at Work: Reshaping the Workforce" report, by the year 2025, millennials will fuel approximately 75 percent of the US workforce and 50 percent of the worldwide workforce.⁴

Increasingly, millennials want to work for companies that have a higher purpose than just making profit—the kind of ethical, stakeholder-driven companies that think about people and the planet, not just profit. According to Deloitte's 2015 Millennial Survey, a staggering 84 percent of millennials say making a positive difference in the world is more important than professional recognition. And six out of ten millennials said a sense of purpose (more than just making a profit) is part of the reason they chose to work for their current employer.⁵

In other words, the social currency of creating things that make a positive impact in the world has replaced the cachet of owning things that don't. These younger generations have taken to heart the words of P. Diddy, who, in the movie *Notorious*, says to Biggie, "Don't chase the paper, chase the dream."

This belief is now being echoed by such visionary CEOs as Unilever's Paul Polman, who sees the need for purpose as a crucial part of dealing with the existential crisis facing many companies. Polman told the *Washington Post* in 2015, "You see how many companies are searching for purpose, and how many have a short existence. The average length of a U.S. company is now 18 years. The average length

4 "Millennials at Work: Reshaping the Workforce." PriceWaterhouseCooper. <https://www.pwc.com/m1/en/services/consulting/documents/millennials-at-work.pdf>.

5 "Mind the Gaps: The 2015 Deloitte Millennial Survey." DTTL, 2015. <http://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-wef-2015-millennial-survey-executivesummary.pdf>.

of a CEO is less than four years. It's not just about making money, especially for the millennial generation. They want to make a difference in life, so they look for companies that have a strong purpose.”⁶

And the situation is the same when looking at Gen Z as employees and entrepreneurs: According to a 2014 Intern Sushi/CAA survey, 60 percent want to have an impact on the world with their jobs, compared to 39 percent of millennials.⁷

Thus it is clear that building purpose-driven companies and brands that practice purpose-driven marketing is not only crucial for survival today but for ensuring you “future-proof” yourself for the next two generations of customers and talent.

6 Cunningham, Lillian. “The Tao of Paul Polman.” *WashingtonPost*, May 21, 2015. <https://www.washingtonpost.com/news/on-leadership/wp/2015/05/21/the-tao-of-paul-polman/>.

7 Wartzman, Rick. “Coming Soon to Your Office: Gen Z.” *Time*, February 12, 2014. <http://time.com/6693/coming-soon-to-your-office-gen-z/>.

Don't chase
THE PAPER
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—from the movie *Notorious*