

HawkPartners

2021 Brand Authenticity Index™

# WHY BRANDS NEED TO GET REAL FOR A POST-PANDEMIC WORLD



# BRANDS HAVE AN OPPORTUNITY TO CREATE **AUTHENTIC CONNECTIONS** WITH CONSUMERS TO THRIVE IN A POST-PANDEMIC WORLD

## **Our systems are in a state of shock.**

Over just the past decade, we've gone through unmatched economic, political, and social turmoil that's resulted in a seismic shift to our priorities, including how we live, work, and play. This turmoil culminated in a (hopefully) once-in-a-century pandemic that gave consumers the space to evaluate which brands they support.

And consumers are speaking with their dollars, social media posts, loyalty, and online and in-person connections. As we start to come out on the other side, one thing is clear:

**Brand authenticity is no longer a choice.  
It's mission critical.**



# WHY BRAND AUTHENTICITY



## Greater Access

Tech advancement and  
rise of portable tech



## Heightened Expectations

Great Recession  
diminishes trust  
between corporate  
America and people



## Greater Opportunity

Hyper-polarization  
heightens consumer  
attention to what  
brands are doing



## The “Next” Normal

At the intersection of  
multiple crises, brands  
become seen as part of  
the solution, re-imagining  
the connection possible;  
**Authenticity is key in  
this "next normal"**

Early 2000's

Late 2000's

2010

2020

HawkPartners



# THIS IS OUR ROADMAP TO AUTHENTICITY

This report is our roadmap to getting real. To seizing the opportunity to create genuine, authentic connections with your customers—and to building the type of trust and loyalty that many brands only dream of.

## **Authenticity is your north star.**

In putting together this report, we connected with nearly 10,000 customers on why brand authenticity is important, what they look for in a brand, and what they're willing to do for a brand they believe in.

We then extracted insights from these findings on what matters most in developing and maintaining an authentic brand, using real-world examples from brands that thrived during the pandemic.



# 2021 BRAND AUTHENTICITY INDEX™



We spoke with  
**10,000**  
Consumers...



& evaluated  
**175**  
brands



across  
**14**  
industries



uncovering  
**6**  
pillars to create  
authentic  
connections

# THE JOURNEY TO BRAND AUTHENTICITY

Over the past several decades, we've seen trends in the way brands present themselves to consumers. Economic prosperity for some in the 90's led to a focus on product quality and customer service that spurred a buying boom. The advancement of the Internet and increased awareness leading into Y2K lit a fire of innovation through the early 00's. The Great Recession in the late 00's and early 2010's caused a new mistrust of brands, forcing them to look inward and highlight their value (while being in survival mode). Coming out of the recession, brands, powered by technology, could be with the consumer at all times. We saw consumers invite brands into their pocket, their ears, their conversations, in a way they had never done before.

This created an opportunity for brands to engage in an ongoing dialogue with consumers, showing them where they stood on a range of issues. Suddenly, sneaker companies were talking about using recycled materials to make their shoes. Automotive companies were writing love letters to cities that had been left behind. Telecom companies advertising not with their plans to combat poor coverage, but rather their plans to combat climate change and systemic inequality.

So, we started to wonder why. What was the motivation, the incentive, the rationale? And why did it seem to work so well? We found out the key is **brand authenticity**, a mutual agreement between brand and consumer to form a connective bond and serve a higher purpose in each other's lives.



**"Consumers are letting brands into new and exciting aspects of their lives, and with that opportunity comes great expectation. We believe authenticity is the key to unlocking the connection between brand and consumer."**

**Jesse Epstein**  
HawkPartners

# WHAT IS AN AUTHENTIC BRAND?

*An authentic brand...*

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Clearly  
communicates  
who it is and what  
it stands for

---

Tells you  
what it  
believes

---

Lives up to  
those values



# PILLARS OF AUTHENTIC BRANDS



**EXPLICITLY  
MORAL**

---



**BRUTALLY  
HONEST**

---



**UNAPOLOGETICALLY  
TRANSPARENT**

---



**CONSTANTLY  
CONSISTENT**

---



**ROOTED IN  
THEIR VALUES**

---



**AN EXPRESSION OF  
WHO I AM**

---



**"Through authenticity, brands will be able to achieve an ongoing sense of loyalty. To get there, brands must evolve alongside their customers, all while staying true to their brand values."**

**Tony Gallo**  
HawkPartners

# TOP BRANDS



# THE MOST AUTHENTIC BRANDS

- |    |   |    |   |    |   |    |   |    |   |
|----|---|----|---|----|---|----|---|----|---|
| 1  | TRADER JOE'S  | 2  |  | 3  | Vanguard  | 4  |                  | 5  |  |
| 6  |  | 7  | PayPal  | 8  |                     | 9  |                  | 10 |  |
| 11 |  | 12 |  | 13 |                     | 14 |                  | 15 | MIRROR  |
| 16 |  | 17 | patagonia   | 18 | <br>THE RITZ-CARLTON | 19 | <br>FOUR SEASONS | 20 |  |
| 21 | HEINZ   | 22 | Southwest   | 23 | VISA  | 24 |                  | 25 |  |

# INDUSTRY WINNERS

Apparel:

**patagonia**

Health  
Tech:



Sports:



CPG:

*Kiehl's*  
SINCE 1851

Insurance:



Tech:



Financial  
Services:

**Vanguard**

OTC  
Medicine:



Telecom:

**T-Mobile**

Fitness:



Retail:

**TRADER JOE'S**

Travel:



Health  
Insurance:



Spirits:





1  PELOTON

2   
THE RITZ-CARLTON

3 *charles*  
SCHWAB

4   
FOUR SEASONS

5 CANADA GOOSE

6  **Fidelity**  
INVESTMENTS

7 

8 **patagonia**

9 DISCOVER

10 

# BIGGEST RISERS

[year-over-year]

# AUTHENTICITY PILLARS



# EXPLICITLY MORAL

Brands that consumers can count on to do the right thing.

*Brands that have a defined moral compass that guides every action they take and defines who they are*

*"More than ever, we need brands that are doing the right thing, but it has to be believable and make sense. Like, with Ben & Jerry's, you want to love their ice cream because you love what they stand for." - Consumer*



# ROOTED IN ITS VALUES

Brands that live their values.

*Brands that tell us exactly what they believe in and stand for. Consumers respect that. Even when we don't share the same beliefs, we give credit to brands who stay true to who they are*

*"With social media access being what it is today, it's easy for brands to make statements. It's a whole other thing to put their money where their mouth is and align actions with words. Nike's done that." - Consumer*





# BRUTALLY HONEST

Brands that tell the truth.

*Brands that we can rely on to always be honest, even if the news is bad*

*"There's a respect you have for the consumer when you tell them the truth, no matter the reality. If I feel like you respect me enough to be honest with me, now we can see where the relationship goes." - Consumer*





# CONSTANTLY CONSISTENT

Brands that consistently deliver what they promise.

*With some brands, you know what you're going to get, and in today's environment, brands are credited for delivering on their promises appropriately*

*"Consistency is a through-line from the quality of products to messaging, and making sure it all aligns. I have to feel like I know you, and that what you say you value is backed up in how you operate" - Consumer*

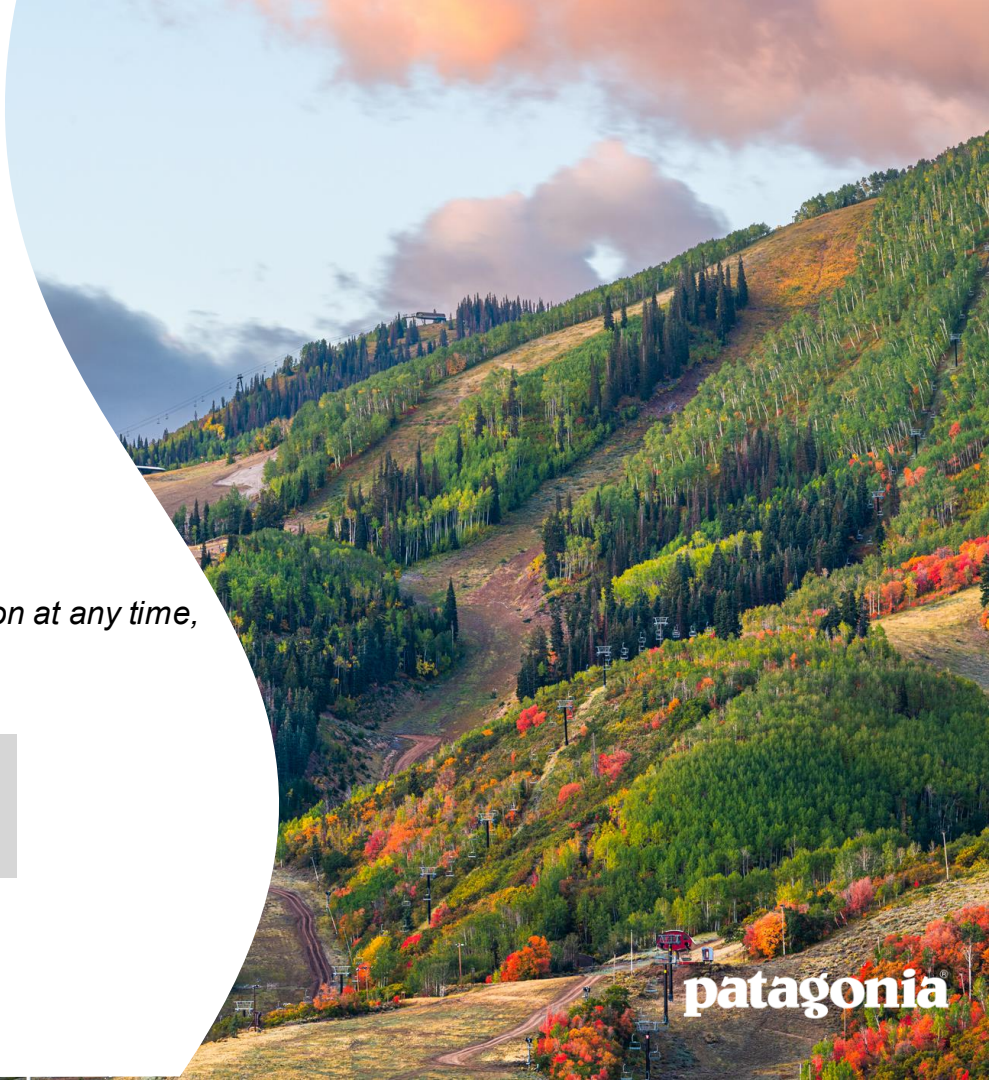


# UNAPOLOGETICALLY TRANSPARENT

Brands that are open and transparent.

*With consumers' ability to access just about any information at any time, brands build credibility by being outward and forthcoming*

*"There's a difference between putting a statement on your website and living that statement. Patagonia tells me what they stand for and every action they take proves that." - Consumer*



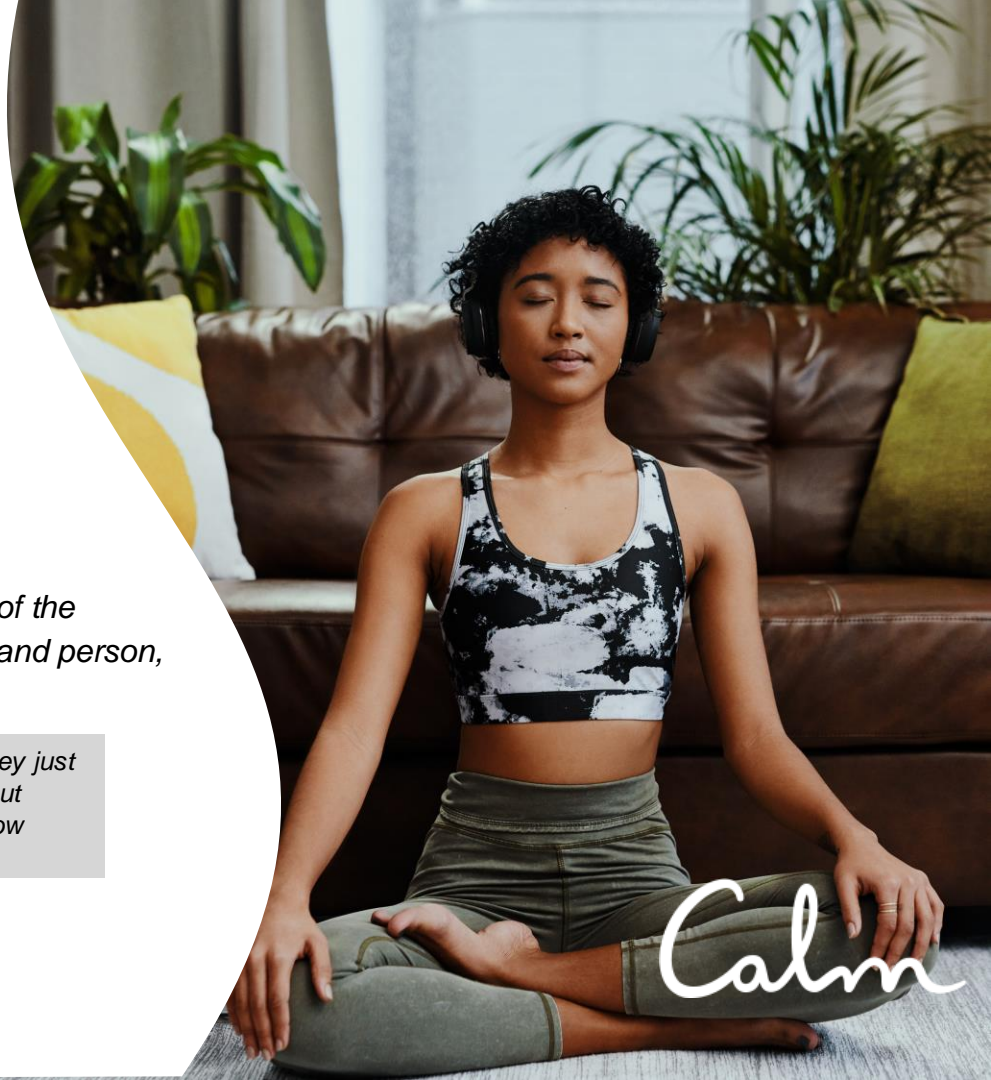


# AN EXPRESSION OF WHO I AM

A brand that is for someone like me.

*Brands that ascend to badge brand status become a part of the consumer, creating a connection that goes beyond brand and person, imprinting themselves on each other*

*"It's almost irrational how I feel about certain brands. They just connect with me in a way that makes me feel better about myself when I'm using their products. It's inexplicable how they've done it." - Consumer*



Calm

# INSIGHTS



# THE PATH TO LOYALTY IS PAVED WITH AUTHENTICITY

Consumers are keenly aware of what their loyalty means—and they're willing to give it if they believe in a brand.

**Trader Joe's**, who retained the top spot again this year, won the hearts of consumers with its quirky items, customer-friendly business model and one-of-a-kind shopping experience. By adding above-and-beyond safety measures to the mix, Trader Joe's maintained this connection throughout the pandemic, even with the emergence of tech-driven competitors.

Absence made the heart grow even fonder for **The Ritz-Carlton**, one of this year's biggest movers, who now sits at #18. Their message of hope early in the pandemic, "We Will Travel Again" resonated with guests who, having paused their travel experiences amidst the pandemic, longed for exploration and human connections. The result? Guests are now coming back to their favorite resorts, feeling understood by the brand more than ever before, and excited to co-create post-pandemic memories.





## WHY IT MATTERS

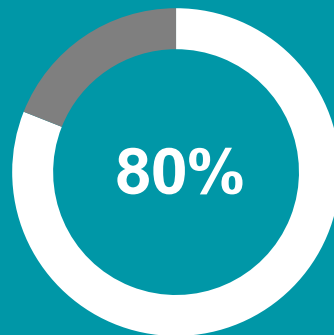
# CONSUMERS ARE WILLING TO SPEND TO SUPPORT AUTHENTIC BRANDS

# 77%

of respondents

say they're more likely to spend money on a brand they perceive as authentic over one they don't

*"When I know I need something, I'll go back to a brand that I'm loyal to and that comes from a relationship built over years, and for me, when that loyalty happens, I care less about how much something costs. I've made the mental decision that this brand is **worth it**"*



of millennials are willing to spend more on authentic brand compared to a non-authentic brand

# THE BRANDS THAT GOT US THROUGH THE PANDEMIC WILL BE WITH US LONG AFTER

People changed how they live. Almost everyone felt a new sense of vulnerability. And many had the time and space to think about which brands matter to them. The brands that rose to the occasion seem likely to secure a place in consumers' post-pandemic hearts.

When escape mattered, **Peloton** delivered. By offering free trials of its app, new equipment and publicly stating its position as an anti-racist organization, Peloton gave people a viable gym alternative and created a sense of community for families stuck at home.

Not only did health apps like **TelaDoc** keep us safe, secure, and up to date during the pandemic with reliable, fast interactions, they also proved that telehealth can perform when needed most. Many health care systems may look to increase its use once the pandemic calms.



## WHY IT MATTERS

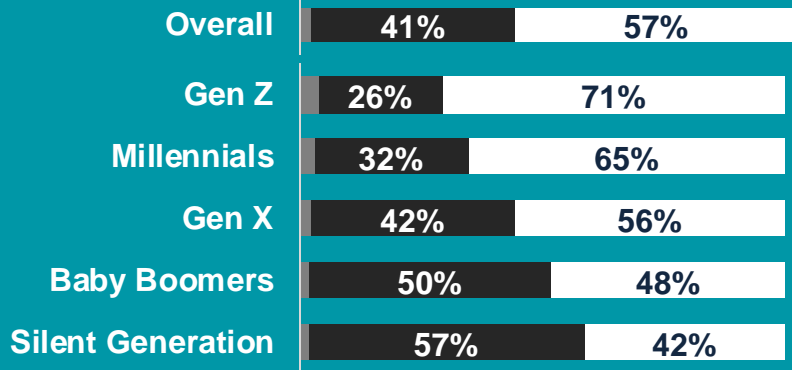
# SINCE BEFORE COVID-19, AUTHENTICITY IS MORE IMPORTANT TO CONSUMERS

# 57%

of respondents

say it's more important that a brand is authentic after the pandemic

*"I think more about where I spend my money now as we're hopefully coming out of the pandemic. I'm more intentional about spending and I want to support the brands that got me through the past year and really showed me where they stood. I'm focused on more experiential brands, more local brands, brands that get me."*



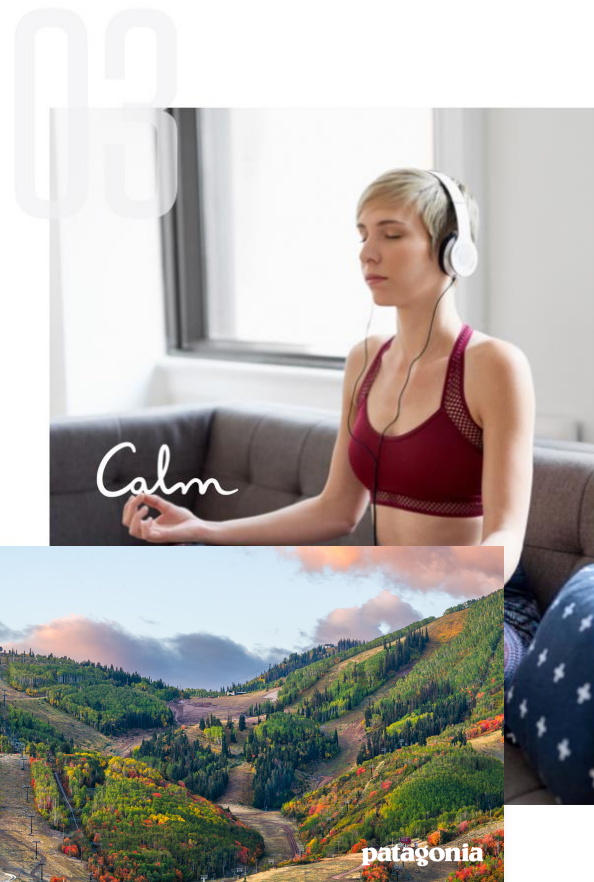
■ Less important ■ No impact ■ More important

# THE PANDEMIC, PLATFORMS AND POLARIZATION OFFER OPPORTUNITY

In an era of political polarization, consumers expect brands to let us in and show us who they really are. This creates both opportunity and expectation for how and where brands communicate their authenticity. The bar is higher for brands today. A quality product, convenience and a good price is no longer enough.

**Patagonia** has always nodded to the outdoors, aligning the causes it supports with its products. This past year, though, it went a step further, highlighting the role that politics plays in preserving the outdoors and calling on its customers to pressure elected officials. This deepened the connection it has with customers and earned respect for taking a stand in an area many brands wouldn't touch, including literally sewing its values into its clothes.

In the summer of 2020, the nation was reeling from COVID-19, West Coast wildfires, and social unrest. Sensing a need to help people look inward, **Calm** signed deals with health care providers to make its app available for free, capitalizing on our collective need to lower the temperature.



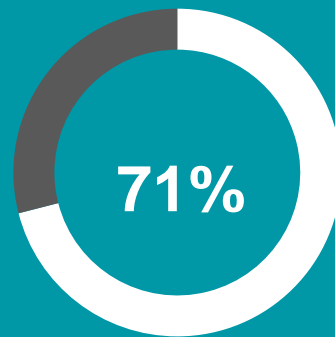
## WHY IT MATTERS

# ACCESS TO BRANDS IS PENETRATING INTO SPACES WHERE CONNECTION IS CREATED

# 75%

of consumers interact with  
brands on social media, up  
from 63% in 2019

*"I feel like I have more access to brands now. They serve me with an ad on social media so I follow them, and if I'm bringing you into that part of my life which I used to reserve for my family and friends, I expect the same thing from you that I expect of my family. So that access into my life also gives you a responsibility to show me you get me."*



of respondents say that it  
is important for brands to  
take a position on racial  
justice



04



# AUTHENTICITY IS IMPORTANT TODAY; IT'S IMPERATIVE TOMORROW

Brands could get away with ignoring authenticity in previous generations. But for millennials and younger consumers—the people who will determine brand success for the next generation—authenticity is non-negotiable. Brands must respond by developing strategies to reveal their authentic selves.

As millennials and Gen Z enter their prime saving years, **Vanguard** has increasingly highlighted how its unique business model is different from other investment firms. This transparency is meeting younger investors where they are mentally and emotionally.

While some big tech companies struggle, **Apple** has connected with consumers in a unique way. In powering the digital revolution with devices that convey efficiency, sleekness and modernity, Apple is the tech brand consumers most want to be associated with. Lauded for privacy moves, the youngest generation believes Apple has its back and is a worthy steward of their time, the most valuable commodity to tomorrow's consumers.

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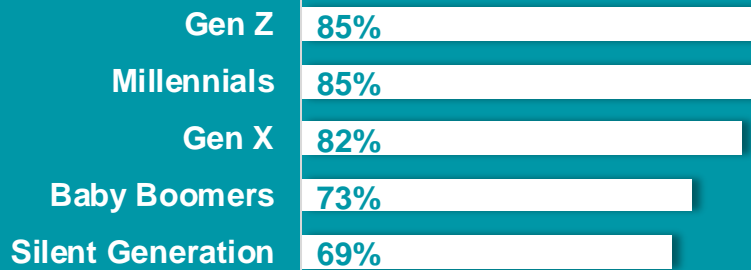
## WHY IT MATTERS

# BRAND AUTHENTICITY IS INCREASINGLY IMPORTANT TO YOUNGER CONSUMERS

# 80%

**of all respondents** and 85% of millennials and Gen Z say authenticity is important or very important for brands, suggesting this trend is likely to re-shape the brand-consumer relationship for generations

*"With everyone going on today, there's opportunity for brands to connect with me in a number of ways. They can stand for the things I stand for, they can deliver an amazing product or service that makes my life easier, but it has to feel real, has to be sincere...it has to be authentic, and we can all tell if it's not" - Millennial Consumer*



# AN AUTHENTIC OPPORTUNITY





# CONSUMERS ARE PAYING ATTENTION TO BRANDS IN DIFFERENT INDUSTRIES, CREATING NEW OPPORTUNITIES FOR **CONNECTION**

With pharma being so visibly key to ending the global COVID pandemic, there has been a recent and substantial shift in the perceptions of pharma brands. This unparalleled level of public receptivity is an opportunity for the industry. The public now wants to understand pharma companies' values and the principles for which they stand, and brands should be prepared to take advantage of this opportunity.

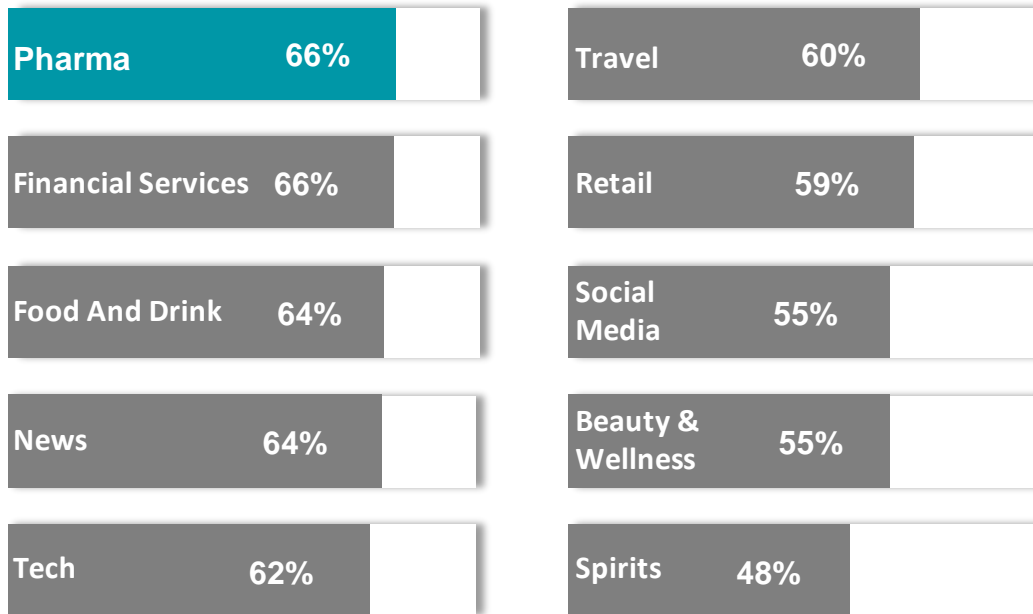
## Why it matters

**66%** of respondents say the industry where it is **most important** for companies to be **authentic** is **pharmaceuticals**

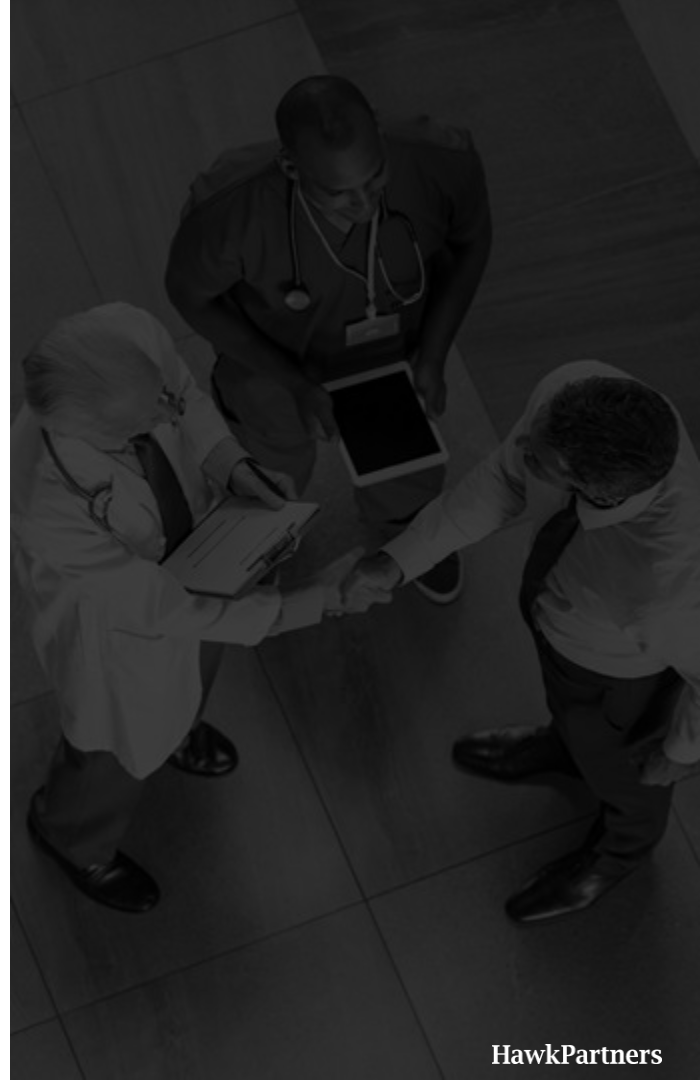
**Pfizer** was the first pharma company to release a COVID vaccine and has established a newfound trusting relationship with consumers. Those that receive the Pfizer vaccine tout it as a badge of honor, posting to social media and sharing with friends. These perceptions around the COVID vaccine are now inextricably linked to the broader Pfizer master brand, providing new opportunities for other therapeutic areas.



# IMPORTANCE OF AUTHENTICITY BY INDUSTRY



% top-3-box; 10 pt. scale, 1= not at all important, 10= extremely important





**"The consumer conversation surrounding the pharma industry has refocused on the positive impact that innovation, science, and new products can make on their daily lives."**

**Lori Holmes**  
HawkPartners

# HOW AUTHENTIC IS YOUR BRAND?

HawkPartners is a marketing strategy and research firm that blends insightful customer research with distinctive marketing strategies for global leaders.

Connect with us for an in-depth look at how your brand stacks up—and how we can collaborate on actionable plans to increase your authenticity.

**LET'S UNLOCK YOUR POWER.**



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