

PARADIGM'S HINTS & TIPS

#WOKEWASHING

In recent years, it's become increasingly important to customers that the businesses they interact with share the same values to make a positive change – these can be social, political, economic or environmental changes – which is a phenomenon known as brand activism. When brand activism is genuine, your business values and actions align with your messaging. For example, you want to be eco-friendly, so you take action to make your business eco-friendly and advertise this. However, what happens if you advertise you are eco-friendly without actually making any changes to become more eco-friendly? This is a phenomenon known as “woke washing”

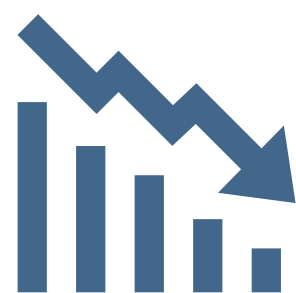
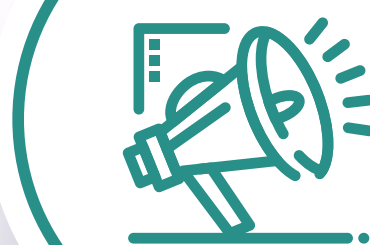
WHAT IS IT?

Woke washing is the complete opposite to brand activism and can simply be defined as pretending to care about a social issue in the belief that it will increase your profit. We know that the vast majority of firms would never do this, but even being perceived as participating in something like this can cause significant reputational damage. This is why we recommend you tread carefully when it comes to adopting or being involved in trends, and take it slow.

WHAT ARE THE BENEFITS?

Some examples of activities that, if genuine, can cause positive social change but may be seen as woke washing if your company does not live by the values including: Diversity & inclusion, gender equality, ESG, LGBTQIA+ community and so much more...

To provide some clarity, we can use national days as an example, which can be a great way to gain some visibility on social media and advertise your company's work ethic or working environment (you could have some fun with these). Some national days are really light-hearted, e.g. national pancake day. There are, however, some national days with deeper meanings that are quite significant to certain people. This is where it's really important to stop and think if it's something you should get involved in. For example, “National Workaholics Day” might not be a good one to celebrate if you have actively promoted your business as having a really healthy work-life balance the week before, or even promoting “National Disability Day” when you have nothing in place to support people with disabilities or impairments. Do you see where we're going with this?



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#WOKEWASHING CONTINUED...

IF IT'S RISKY, WHY SHOULD I BOTHER?

Well, let's go back to using eco-friendly as our example. As we mentioned in our #Trending Hints & Tips from last week, this is a macro trend which has shifted behaviour to become the "norm". So much so that [a report from Mambu](#) stated that 72% of surveyed customers in the UK said they are more likely to go to a green financial services company compared to traditional banking services.

Globally, 60% said they would like every financial service they use to be sustainable. Clearly it really is something to consider for your business, and also when creating your marketing strategies. This will be particularly relevant if you're trying to reach new customers or target new groups.

ALWAYS BE AUTHENTIC!

As marketing has become more digitised in recent years, it's only natural that everything becomes more accessible. It's important not to feel like you're falling behind or not doing enough compared to your competitors, because they have implemented something different in their marketing activity or are supporting a new cause/initiative. This is where it's really important to stay true to your values in all of your marketing activities. Start small, and remember that whilst some customers might look out for these initiatives, you'll lose more customers by being inauthentic and could cause reputational damage if you get caught out.

COMPLIANT, COMPLIANT, COMPLIANT!

We know we've said it before (many times!), but as firms are regulated by the FCA, it is absolutely crucial that all of your communication with customers and financial promotions including marketing activities are clear, fair and not misleading. At Paradigm, we understand how important it is to showcase your business to both your client bank and the general public, highlighting all of the services and support that you can offer in a compliant manner.

