We First

How Consumers and Brands Can Partner to Build a Better World

Simon Mainwaring
Three years ago, I read the speech that Bill Gates gave to the World Economic Forum in Davos in January 2008. At the time, Gates was both the world’s richest man and its greatest philanthropist, an irony that intrigued me in light of his message. He exhorted that governments and philanthropies could no longer meet the needs of the world’s problems. He called for companies to accept a new logic for why they should accept greater responsibility to develop solutions to the massive problems that endlessly plague our planet, especially in the Third World where poverty often precludes sufficient profit to merit corporate attention. He stressed that current government and philanthropic efforts fall far short of what is needed to transform the lives of millions of less fortunate people around the world. He laid down a challenge to the delegates, business leaders, and heads of state at the conference:

I’d like to ask everyone here—whether you’re in business, government or the non-profit world—to take on a project of creative capitalism in the coming year. It doesn’t have to be a new project; you could take an existing project, and see where you might stretch the reach of market forces to help push things forward. When you award foreign aid, when you make charitable gifts, when you try to change the world—can you also find ways to put the power of market forces behind the effort to help the poor?

His words “creative capitalism” to “change the world” lodged in my mind. How could capitalism creatively put market forces to work for a better world? Would it be possible to inspire corporate leaders to re-imagine their role in a way that balanced their necessary self-interest to earn profit for their shareholders with the need to massively increase the resources they dedicate to global social transformation? Could the corporate world develop a vision of a different type of capitalism that would not only undo the damage done in the past, but also to transform the business world into a sustainable engine of progress?
The Social Media Answer

As a branding and advertising professional, I spent my life working on creative ideas for the marketing campaigns of major brands including Nike, Toyota, and Motorola. When I read the Gates speech, social media was already impacting the communication and relationship between brands and consumers. There was a mass migration of eyeballs away from traditional media that brands used to talk to consumers and sell their products—e.g., network television, magazines and newspapers—as consumers moved their attention to the digital world of the Internet, social media networks like Facebook and Twitter, and smart phones. I wondered if these shifts in corporate and consumer engagement could unlock a solution for social transformation that was never possible before.

Slowly, new ideas emerged. We are witnessing an entirely new dynamic emerging between consumers and brands. Consumers all around the world are connecting as never before, gaining access to communication tools that allow them to talk amongst themselves, share and publish their ideas and opinions, and organize social activism in ways more powerful than any other time in history.

Through social media, consumers now have the ability to talk back to corporations and expose bad behaviors. They can increasingly act on their desire to see corporations take on greater social responsibility in the world—using their voices and wallets to reward conscionable and well-intentioned brands through their referrals, reviews, recommendations, and purchases. They can also use their power to spread the word about not only those companies that produced bad products, but also those with inauthentic messaging, false promises, and unsustainable and irresponsible social behaviors.
But at the same time, social media also offers brands new opportunities as well. Through social networks, they can reach out and engage their audiences in deeper, more meaningful ways. They can find out what makes their customers tick, and use social media to build stronger relationships and earn greater loyalty from them.

I now saw social media as introducing this new dynamic that could become the driving force for change—a win-win-win for consumers, brands, and the world. Consumers could leverage their purchasing power to reward companies that participated in building a better world, while coordinating their social media influence to punish companies that failed to accept a larger social responsibility. Corporations could become more responsive to what their consumers wanted, and in so doing build enormous global followings for their products in what I called “brand nations.” And the world would benefit because, together, consumers and brands could begin to form a partnership that would turn the entire private sector into a third pillar of change, supporting governments and philanthropies. This new dynamic could prove to be precisely the solution to the problem of enjoining companies to rethink profits, just as Bill Gates was seeking.

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The Basis for a New Vision of Capitalism

I decided to respond to Gates’ challenge and set about creating a new paradigm for capitalism that would be responsive to the changing balance of power between corporations and consumers. I was not an economist, but rather I believed that my view of the marketplace afforded me some valuable insights. And research quickly showed that I was not the only person in this territory, as in the past half decade alone, many noted thought leaders have been asserting that capitalism has lost its way and needs serious reengineering. These critics are not radicals or revolutionaries, but leading economists and social visionaries.

There was British economist Noreena Hertz who proposed co-op capitalism; Whole Food’s CEO John Mackey who created conscious capitalism, thought leader Umair Haque who invented constructive capitalism, and Economist Magazine bureau chief Matthew Bishop and his colleague Michael Green who wrote about philanthrocapitalism. Some of their proposals had taken hold among some corporations, having a small impact in business schools and on some boards but had not yet achieved the popular impact required to motivate the scale of social change that was needed.

My proposal for a new type of capitalism was based on three real, measurable factors that impact the marketplace between consumers and brands, as follows:

We are witnessing an entirely new dynamic emerging between consumers and brands.
1. **Consumers want a better world, not just better widgets.** The environmental movement marked the beginning of an awareness among consumers that the business world cannot turn a blind eye to the planet—and that they had the power to push back on companies. From environmentalism, however, we are now seeing consumer awareness of the social responsibility of businesses expanding into many new areas: sustainability, ethical conduct, fair trade, employee treatment, cradle-to-grave thinking, and triple bottom line. Consumers are increasingly supporting companies that pursue greater social responsibility through their operating procedures as well as through their charitable contributions and cause marketing campaigns.

2. **The future of profit is purpose.** Market research studies such as the Cone Cause Evolution Study and the Edelman Goodpurpose Survey demonstrate that consumers believe companies must put equal weight on society’s interests as they do on their own business results. The studies show that consumers prefer to do business with companies that support causes, and they would even switch brands to one that supported a cause if the pricing were similar.

3. **Consumers and corporations need to become partners in building a better world to form a third pillar of social change to support governments and philanthropies.**

The world is at an impasse. Governments are increasingly in debt and no longer have the resources to take care of their domestic problems, much less assist with the crises of the developing world. Philanthropies are losing much of their funding due to the financial recession that has reduced donations by billions of dollars since 2008. And donor fatigue is a persistent problem. It is time for the private sector to become a third pillar of change, utilizing its vast resources, expertise, management, and distribution networks to assist in tackling the world’s most serious humanitarian crises: poverty, malnutrition, infant mortality, ignorance and illiteracy, and joblessness.
From Me First to We First

These foundational principles inspired me to propose what I call “We First capitalism”—an opposing paradigm of commerce to the Me First capitalism that has dominated our thinking and behavior until now. We First capitalism posits that we can no longer accept the myopic, short-term, profit-for-profit’s sake practice of capitalism we invite corporations and consumers to engage in today. Allowing every individual, every investor, every corporation, and every nation to think solely about its own self-interests and its own profits is not the solution to creating a more peaceful, prosperous, and equitable world.

The transformation from Me First to We First is no longer an option, because we now live in an interconnected, complex, globalized world of 7 billion people, all of whom need a portion of the resources and the prosperity that the Earth provides. Capitalism can no longer be an elite economic system whose results fund a limited group of people, leaving billions of others living without opportunity or hope. Our connections to each other are growing ever tighter, such that the actions of a single individual, bank, corporation, or nation can have an immediate and deleterious impact on millions of other people.

In the We First paradigm, we need to recognize that prosperity is the well-being of many, not the wealth of a privileged few. The We First mindset helps us cut through the quagmires of so many philosophic debates and economic analyses so that we can focus on pragmatic, realistic and actionable solutions driven by meaningful goals to collaboratively advance our world.
Four Mind Shifts

Under We First capitalism, brands and consumers recognize their need to work together as partners to turn the entire private sector into a third pillar of change, assisting governments and philanthropies. The transition involves altering both mindsets and behaviors; it requires eliminating our selfish ways of acting and replacing them with socially responsible ones in alignment with the global dynamics of the 21st century.

In terms of corporations, We First requires four major changes in how they think:

1. **Redefine Self-interest.** Me First capitalism is prone to allowing selfishness and excess to replace any reasonable meaning of self-interest. Corporations and investors often perceive their self-interest only in terms of maximizing profits, regardless of any negative consequences they impart on the environment or on society. This is a myopic view of self-interest in that we can no longer define in such narrow-minded, and often personally selfish ways. We need CEOs, boards, investors, and corporate stakeholders to begin thinking longer term and to recognize that our mutual self-interests often provide greater benefits than the immediate rewards of our perceived individual self-interest.

2. **Integrate Purpose into Profit.** The second mindshift we need to make concerns profit versus purpose. In free market capitalism, profit for profit’s sake has become the sole objective, mission, and goal of any enterprise, to the detriment of the world. Pushed by investors, corporations seldom pay attention about the purposes they could integrate into their activities, as many economists constantly argue that companies have no responsibility to society, only to their shareholders. This is the Me First attitude that we can no longer accept as operative in today’s world of massive economic, political, and social problems. Consumers are increasingly demanding that companies pay equal attention to social purposes as to profits.
3. **Expand the Notion of Sustainability.** We usually think of sustainability as applying only to the environment. But the We First approach suggests that we must extend the idea of sustainability far beyond this. We First capitalism must be sustainable economically, morally, socially, ethically and environmentally. As an economic system, capitalism must create in each of these domains the conditions for long-term success, not just short-term rewards.

4. **Re-instill Values into Business Practices.** The fourth mindshift involves recognizing that our philosophy of capitalism has lost its human values. Too many companies manipulate, defraud, and create the conditions for a race to the bottom among competitors. In a We First approach, we must re-instill values into how corporations and people practice business. All companies need to embed these values deep into their core, values like accountability, fairness of rewards, responsibility, global citizenship, and sustainability.

These four shifts are the core of We First. They are the basis for how we, as a society, can transition ourselves out of the practices and customs we have allowed to compromise free market capitalism.

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Contributory Consumption

We First also proposes another step to transform capitalism into an engine of perpetual prosperity. This is an idea I call “contributory consumption,” in which every single consumer transaction for products and services includes a percentage to be used as a contribution to building a better world. Contributory consumption goes beyond the four shifts in how corporations practice capitalism, ending the false separation between living and giving. As brands and consumers interact in the commerce of our ordinary daily lives, we use every single purchase to generate a donation to a cause.

Contributory consumption is an efficient way to tap into the resources, reach, and self-perpetuating dynamics of consumerism within the private sector. Many corporations already have “cause-related marketing” (CRM) programs in which they donate to a cause for each purchase of their product, but these campaigns are ad hoc, time limited, and ineffective in generating the resources to meet the demands of the crises impacting the world. We need larger, more comprehensive programs such as what contributory consumption could do, if we truly want to create the solutions to repair the world in our lifetimes. Contributory consumption has the potential to transform every mall, store, and warehouse from a monument of consumer self-interest into a motor of social change for the benefit of all.

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1. The most impactful way consumers can assert their power is to become mindful shoppers, giving their dollars only to socially responsible companies. Dozens of Internet sites, like brandkarma.com, are available for consumers to research the most responsible companies to buy from. Smart phone apps like the GoodGuide provide a guide right in the shopping aisle.

2. Channel your business dealings to certified B Corporations, companies that have passed a rigorous assessment and process to ensure their commitment to socially responsible business practices. There are currently 415 B Corps involved in 54 industries across the U.S.

3. Move your personal investments and retirement funds to socially responsible investment (SRI) funds that support only those corporations that uphold higher standards of behavior.

4. Support social entrepreneurs who start businesses with the mission to provide goods and services for a purpose. (Or become a social entrepreneur yourself.)

5. Emphasize purchases that support causes. Buy products affiliated with a cause-marketing campaign.

6. Get involved in social activism online and offline. Use social media to connect with other consumers participating in a movement for change. Help disseminate news about good and bad corporate practices. Organize real life boycotts or buycotts.

7. Lobby with other consumers for your favorite companies and brands to create a social contract with consumers pledging their commitment to corporate social responsibility.

8. Use technology to contribute to social change as often as you can. Text donations to charities using your smartphone, or register your credit cards with new social entrepreneuring sites like SwipeGood or SocialVest.

9. Engage in positive dialogue with brands to show them the benefits they can gain if they partner with consumers on behalf of social change initiatives.

10. Celebrate and reward brands that endeavor to pursue socially responsible leadership.
The We First Manifesto

The goal of We First is thus to alter the practice of free market capitalism by utilizing the new dynamics between brands and consumers to create a partnership for social change. We First is based on the belief that selfish Me First thinking hurts our businesses and the lives of millions of people around the world—and we cannot allow this type of capitalism to continue. It asserts that a brighter future depends on an integration of profit and purpose within the private sector.

We First thus proposes the following set of 10 principles to guide corporate business practices:

1. We believe companies have a right to innovation, entrepreneurship and profit making while consumers have a right to a healthy society and planet to live on.

2. We recognize an interdependent, global community requires an expanded definition of self-interest that acknowledges the needs of all inhabitants of the planet.

3. We define success through prosperity that means the well being of many, not the wealth of a few.

4. We believe that future of profit is purpose.

5. We believe that the interests of companies and consumers are best served through a sustainable practice of capitalism — economically, morally, ethically, environmentally, and socially.

6. We believe that corporations and consumers owe each other an equal duty of transparency, authenticity, and accountability.

7. We believe that social technology, business, and shopping have the potential to change our world through new modes of engagement, collaboration, and contribution.
8. We believe the values that inform our daily practice of capitalism include: sustainability, fairness of rewards, fiscal responsibility, accountability, purposefulness, engagement, and global citizenship.

9. We believe that corporations and consumers are duty-bound to serve as custodians of global well being for this and future generations.

10. We believe that the private sector must cooperate, collaborate and coordinate with governments and NGOs to create a unified force for social good.

Call to Action

Changing how we approach capitalism is no longer an abstract, philosophical or idealistic question. We no longer have time to hesitate. If we allow capitalism to continue on the path it is on — the path that led us to the financial meltdown of 2008— we will find ourselves living in an irrevocably damaged world that is increasingly endangered by huge disparities of wealth, political chaos, and social dysfunction. We First proposes real, practical and actionable steps that consumers and corporations can collaboratively take to begin creating substantive social transformation.

Whether you are a CEO or executive in a corporation, a small business owner, a consumer, or a concerned citizen, it would seem only logical that you too recognize the need to repair this flawed practice of capitalism that we have allowed to evolve. Capitalism is not immutable. We can moderate its excesses, regulate its potential for abuse, and temper its rough edges to transform it into a more powerful engine of prosperity for the benefit of all humankind.
ABOUT THE AUTHOR
Simon Mainwaring is the founder of We First, a social branding consultancy that helps companies, non-profits and consumer groups build a better world through changes to the practice of capitalism, branding, and consumerism using social technology. More information about We First capitalism and contributory consumption is available in his book, *We First: How Brands and Consumers Use Social Media to Build a Better World* (Palgrave/Macmillan, June 2011). Or visit wefirstbook.com

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