Ideology, social activism and consumer response:

Literature review and future research

Romana Pezić, MA, lecturer, PhD student
(Faculty of Economics and Business / University of Zagreb, Croatia)

ABSTRACT: *Consumers increasingly expect companies to take a stand on relevant social issues, often based on ideology. While this stresses companies' social responsibility, it also poses a risk of losing a segment of consumers who do not share the values being advocated. Potential consequences are twofold - companies can lose disappointed customers, and even push them towards anti-brand movement, but they can also gain new ones, who support the values being promoted.*

KEYWORDS– *activism, consumer behavior, corporate advocacy, ideology*

I.   INTRODUCTION

The role of ideology and company activism has been attracting attention, especially in the context of consumer behavior. The attitude companies take on social issues can significantly influence consumer perspective and behaviors. This paper explores how corporate activism shapes consumer attitude towards brands, and addresses the risks businesses face when engaging in divisive societal issues. These include public backlash following ideologically-based activities and the risk of losing customers, with anti-brand movement as a possible consequence.

The effect of political identity and ideology, often the basis for company activism, on consumer attitude toward brands is analyzed in the context of the rising importance of ESG goals and the increased proclivity of businesses to take stance on important social issues, which frequently includes taking an ideologic stance as well, amplified and facilitated by the use of social media.

This paper is organized as follows: after Introduction in Part I, Part II provides literature review which outlines the key journals used to identify relevant papers on the topic, followed by a discussion and future research; Part III provides s conclusion.

II.   LITERATURE REVIEW

II.1. Sources

To identify articles reflecting the discussion on the topics of ideology, brand activism and consumer behavior, tables of contents of the 2022 and 2023 issues of scientific journals in the field of marketing were reviewed, as follows: Journal of Marketing (Volume 86, Issues 1-6, 2022; Volume 87, Issues 1-4, 2023), Journal of Marketing Research (Volume 59, Issues 1-6, 2022; Volume 60, Issues 1- 4, 2023), International Journal of Research in Marketing (Volume 39, Issues 1-4, 2022; Volume 40, Issues 1-2, 2023), Journal of Consumer Psychology (Volume 32, Issues 1-4, 2022; Volume 33, Issues 1-3, 2023), Journal of Business Research (Volumes 154-167, 2023) and European Journal of Marketing (Volume 56, Issues 1-13, 2022; Volume 57, Issues 1-8, 13, 2023). This overview led to identifying several articles (Fernandes et al., 2022[1]; Kermani et al.,

2023 [2]; Pöyry E., & Laaksonen, 2022 [3]) on the role of political identity and ideology and related company activism on consumer attitude toward brands, in the context of the rising importance of ESG goals and the increased proclivity of businesses to take stance on important social issues, which frequently includes taking an ideologic stance as well, all amplified and facilitated by the use of social media.

Additionally, Marketing Science Institute (MSI, 2022[4]) Research Priorities 2022-2024 have provided a framework for this discussion. In the document, as a way of introduction, four macro trends are listed and briefly explained, with trend listed under number four having a clear connection with the topic discussed, as it emphasizes the tendency of businesses to expand the value they create for shareholders to a broader concept of stakeholders. Secondly, in the list of priorities, priority 5 (Corporate mission shifts from shareholder value to stakeholder value) on delivering value for broader society, and specifically priorities 5.5. (Brand purpose, political ideology and consumption behavior) and 5.7. (Diversity and inclusion) stand out as very much connected to the topic of ideology and brand activism.

Thirdly, Web of Science was searched in order to expand the initial list of three articles reviewed for the purpose of this discussion. As no single search provided satisfactory results, multiple searches were performed with different combinations of key words (consumer behavior, brand activism, ideology, political ideology, anti-brand), additionally filtered by period (2022, 2023) and source (top journals in the field of marketing).

II.2. Discussion

The topic of this paper has been inspired by a public backlash against a well-known FMCG brand, after its promotional activity sparked a fierce negative reaction among a segment of its (conservative) consumers. That is, on 1 April 2023, a transgender influencer with 1.8 million followers posted a video on Instagram of herself drinking a Bud Light beer, and showing a customized can with her face on it, a gift from the company to celebrate her one year of being a woman. In the post she promotes the company while self-mockingly displaying ignorance about the sports event which had been the reason Bud Light sent her beer in the first place (Instagram, 2023[5]). Conservative customers, some of them public figures, loyal to the brand up until then, expressed anger and called for a boycott.

Both the company's decision to engage this particular influencer and the reaction from a segment of its customers raises a number of questions. Why do businesses decide to take a stance on divisive social issues in the first place? What if the values they promote align with one segment of their consumers, but misalign with another? As a result of such antagonism, can a loyal customer turn into an anti-brand advocate?

In trying to meet the needs of a diverse group of stakeholders, businesses can face obstacles, which can transform into risks. That is, one stakeholder group, for instance customers, can in itself be so heterogenous, that their values fall on entirely opposite sides. In this case, when taking a stance on a divisive social issue, there is obviously a risk of offending a segment of consumes who do not support the value being promoted. Considering the consequences for the brand, research has shown that on the individual level a brand is more likely to lose a alienated customer due to its political advocacy, than it is to gain new ones. On the market level, however, there is a difference between large-share and small-share brands - the former will lose more customers than gain new ones after engaging in political issues, while the later will have an opposite, net-positive result (Hydock et al., 2020 [6]).

There are a number of examples of political, social and ideological engagement in which a corporation addresses divisive social issues, referred to as "corporate political advocacy" (Hydock et al., 2019 [7]). The examples include Nike's "For Once, Don't Do It" campaign against systemic racism in the US (Hoffman et al., 2020 [8]) and Gillette's "The Best Men Can Be", addressing the issue of "toxic masculinity". Companies'

engagement with sociopolitical issues, and the concurrent shift from shareholders to stakeholders, can be connected to the 1980s and the development of the concept of social corporate responsibility, which was about shifting the focus to companies' impact on society and the environment (Bailey & Philips, 2020[9]). Additionally, in taking a stand, ideology plays and important role considering the polarization, political and otherwise, that has become evident in the past decade, amplified by political decisions, as well as by the attitude towards personal and the freedom of choice that the unprecedented pandemic brought to light.

Today, businesses are expected to take a stand. Research has shown that around 60% of consumers want companies to take a position on social issues important to them (the percentage is even higher for generations Y and Z) (Accenture, 2019[10]). The question arises what level of engagement is acceptable from the company's perspective when it comes to controversial issues involving ideological positions, as there is a risk of antagonizing those consumers who do not share the promoted values. That is, the same report indicates that 40-50% of consumers (differences between age groups) are willing to stop buying from the company if they are disappointed with the brand's actions on a social issue (Accenture, 2019[10]).

Social issues usually are divisive, as there are always groups who want a change and those who opposite it, which may lead to alienating a segment of consumers and creating a negative consumer-brand relationship. Such ideological differences are in fact one of the antecedents of negative consumer-brand relationships, along with negative past experience and socially irresponsible behavior (Brandão&Popoli, 2022[11]).

So, what happens if the selected path towards greater inclusion and diversity means departing from the values or the ideology dominant in a segment of loyal customers? How can companies fulfil the criteria of social responsibility by promoting inclusion and diversity, without antagonizing those customers who not only fail to see the connection between the brand and the promotion, but believe there is an absolute mismatch between brand personality and the celebrity engaged to promote it, as was the case with Bud Light? To put a number to the problem - what if the perceived socially responsible promotion leads to a drop in sales (Stewart, 2023[12])?

Taking the hypothetical scenario a step further, a question is posed of a risk of a backlash turning into hate and pushing angered or disappointed consumers toward getting engaged in anti-brand activities (Brandão&Popoli, 2022). Given the widespread, daily use of the social media, it is much easier to share opinions and information online; in that context, social media have become platforms where discussing consumer experiences with brands has become a daily topic. They have also become home to anti-brand communities, where users engage to express their negative opinion of brands (Brandão&Popoli, 2022[11]). After being disappointed with a brand, can a loyal customer turn into an anti-brand advocate?

On the other hand, some high-profile examples have shown that ideology-based campaigns need not necessarily be damaging for the brand. In 2018, for its promotional campaign, Nike engaged Colin Kaepernick, an athlete who had expressed his criticism of racism in the US by kneeling during national anthems, which was both praised and heavily criticized by a part of the public. And yet, the value of Nike stock significantly increased (Abad-Santos, 2018[13]). There are two possible explanations for this. Those customers who identify with the brand and are not angered by its choice of a celebrity will show even stronger support in such PR crises. Secondly, it has been shown that loyal customers do not defend the brand for brand sake, but rather defend the values they stand for and which they share with the campaign (Kermani et al., 2023[2]). Therefore, a social media backlash can benefit brands by mobilizing consumers who share those values to provide an even stronger support for the brand.

It is not unusual to see a strong political and ideological link between consumers and brands. Some companies even go a step further and engage customers for their political activities, by creating a public

discussion and in that way put pressure on legislators or regulators to influence a public policy advocated by the company (Johnson et al., 2021[14]). This can be beneficial in the long run as well, as the study has shown that it strengthens brand loyalty. When differentiating between political options, it has been shown that in line with conservative consumers' general preferences for tradition, avoidance of uncertainty and skepticism about new experiences, conservative customers prefer established national brands, compared to newly launched products (Khan et al., 2013[15]). They have also been shown to complain about products or services less than liberals, likely because they have a stronger belief in free will and therefore trust their own decisions (Fernandes et al., 2022[1]).

Finally, there is a question of the authenticity of a brand's social engagement. Does the public find its advocacy credible? That is, in an attempt to address socially relevant issues, frequently referred to as woke, there is a risk of being accused of woke washing, which describes brands whose activism does not match their purpose, values and practice, and are perceived as engaging in inauthentic brand activism (Vredenburg, 2020[16]). An example is a Pepsi campaign starring Kendall Jenner shown as supporting the Black Lives Matter movement. The commercial was heavily criticized by the general public for a lack of authenticity, with the argument that the company had not previously engaged in any activism for any social causes whatsoever (Vredenburg, 2020), and this attempt was perceived as insincere. Hydock et al. (2020[6]) have shown that authenticity is a necessary precondition for the positive effect of political advocacy for small-share brands.

II.3. Future research

The analysis of the reviewed articles opens possible research directions that could be further explored to contribute to this discussion.Brands increasingly engage in ideological activism and address social issues deemed important by different stakeholders. Future research should address the implications of these actions on companies' financial performance and consumer base. It can explore the effects of ideology-based brand activism on brands' performance, by analyzing changes in financial indicators, the risk of financial losses due to consumer backlash, the impact on the number of consumers, and the potential for attracting new customers.

Specifically, the question of the effects of ideology-based brand activism on brands' performance could be explored further. Can taking a stand on ideological issues lead to financial losses due to consumer backlash? What is the impact on the number of consumers? Have disappointed customers been lost for good? Also, has social engagement attracted new customers? This research question would cover the areas of CRS, activism and consumer behavior.

III.   CONCLUSION

To conclude, brand activism in socially relevant issues, which can often be ideological and divisive, poses risks of alienating stakeholders who do not share the same values, and whose reaction can range from boycott to anti-brand advocacy. On the other hand, it also provides an opportunity for the brand to showcase its social responsibility, promote relevant social issues such as inclusion and diversity and, conveniently, gain new consumers in the process.

The findings of this literature overview and of the future research indicate the consequences of aligned/misaligned corporate social responsibility efforts with brand identity and consumer values. Brand activism can potentially attract new customers and improve a brand's image, but it also carries the risk of consumer backlash and financial repercussions. Therefore, brands need to engage in activism efforts having considered their alignment with core values and customer base, as well as the potential advantages and drawbacks.

REFERENCES

[1]   Fernandes D., Ordabayeva N., Han K., Jung J., & Mittal V. How Political Identity Shapes Customer Satisfaction. *Journal of Marketing,Volume 86, Issue 6*, November 2022, 116-134.

[2]   Kermani, M.S., Noseworthy, T.J., & Darke, P.R. Getting political: The value-protective effects of expressed outgroup outrage on self-brand connection. *Journal of Consumer Psychology*, Early Access May 2023, https://doi.org/10.1002/jcpy.1364

[3]   Pöyry E., & Laaksonen, S. (2022). Opposing brand activism: triggers and strategies of consumers' antibrand actions. *European Journal of Marketing Vol. 56 No. 13*, 2022 pp. 261-284. DOI 10.1108/EJM-12-2020-0901

[4]   Marketing Science Institute (MSI)(2022), Research Priorities 2022-2024, ttps://www.msi.org

[5]   Instagram https://instagram.com/dylanmulvaney?igshid=MzRlODBiNWFlZA==

[6]   Hydock, C., Paharia, N., & Blair, S. (2020). Should Your Brand Pick a Side? How Market Share Determines the Impact of Corporate Political Advocacy. *Journal of Marketing Research 1-17*, American Marketing Association 2020, doi:10.1177/0022243720947682.

[7]   Hydock, C., Paharia, N., & Weber. T.J. (2019). The Consumer Response to Corporate Political Advocacy: A Review and Future Directions. Available at SSRN: https://ssrn.com/abstract=3651265 orhttp://dx.doi.org/10.2139/ssrn.3651265

[8]   Hoffmann, J., Nyborg, K., Averhoff, C. & Olesen, S. (2020). The contingency of corporate political advocacy: Nike's 'dream crazy' campaign with Colin Kaepernick. *Public Relations Inquiry, Vol. 9, No. 2*, pp. 155-175.

[9]   Bailey, J., & Philips, H. (2020). How do consumers feel when companies get political? *Harvard Business Review.*https://hbr.org/2020/02/how-do-consumers-feel-when-companies-get-political

[10]   Accenture (2019). RESEARCH REPORT: Generation P(urpose): From fidelity to future value Generation P(urpose): From Fidelity To Future Value | Accenture

[11]   Brandão, A., &Popoli, P. (2022). "I'm hatin' it"! Negative consumer–brand relationships in online anti-brand communities. *European Journal of Marketing Vol. 56 No. 2*, 2022 pp. 622-650. DOI: 10.1108/EJM-03-2020-0214

[12]   Stewart, E. (2023). The Bud Light boycott, explained as much as is possible. Vox. https://www.vox.com/money/2023/4/12/23680135/bud-light-boycott-dylan-mulvaney-travis-tritt-trans

[13]   Abad-Santos, A. (2018). Nike's Colin Kapernick ad sparked a boycott-and earned $6 billion for Nike. VOX. https://www.vox.com/2018/9/24/17895704/nike-colin-kaepernick-boycott-6-billion

[14]   Johnson, C. D., Bauer, B. C., & Carlson, B. D. (2021). Constituency building: Determining consumers' willingness to participate in corporate political activities. *International Journal of Research in Marketing*. https://doi.org/10.1016/j.ijresmar.2021.06.004

[15]   Khan, R., Misra K., & Singh V. (2013). Ideology and Brand Consumption, *Psychological Science* 2013 24: 326. DOI 10.1177/0956797612457379

[16]   Vredenburg, J., Kapitan, S., Spry, A., & Kemper, J. A. (2020). Brands Taking a Stand: Authentic Brand Activism or Woke Washing? *Journal of Public Policy & Marketing, 39(4)*, 444–460. https://doi.org/10.1177/0743915620947359