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A Study of Online Brand Activism and its Impact on Consumer Brand Relationship

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ABSTRACT: Brand activism is becoming a natural evolution beyond the values-driven Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) programs that are, frankly, too slow. Brand Activism is also a step towards the purpose of why the business exists. Most of the brands no longer have a choice. If the gap between a business and its values and its customers or society and his other stakeholders is too large, business will inevitably suffer. Hence, this study intends to find the perceptions of consumers towards brand activism, so that the findings from the study can help the brand custodian and marketing professionals to steer their brands into the vulnerable scenario of brand activism around the world. Brand activism now a days contributes to the design and implementation of new communication management strategies in society at large. Therefore, it was important to find out the correlation between online and offline brand activism and understand the psychology of the mind of the consumer.

KEYWORDS: Brand activism, Business environment, Identity-based consumption, Environment, Consumer-citizen.

I. INTRODUCTION

Brands today operate in a dynamic business environment, which often requires them to take courageous actions, from taking a stand on controversial issues to responding to changing market needs. From FMCG and retail to travel and luxury, brands across every sector of the consumer landscape are communicating their social purpose in a bid to connect with customers. However, no research has been done to understand marketers' motivations to engage with this new approach, chiefly the strategic decision-making process behind brand activism. It is not very clear if regularly engaging with controversial issues in an ideologically consistent way may strengthen the distinctiveness and coherence of a brand's identity, which can enhance consumer-brand identification. Also, research on brand activism has not been done extensively where brand-consumer relationship is often complex in nature and various factors influences the same. Also, the research study can be more specific with an approach towards demographic and psychographic aspect of the consumer.

From FMCG and retail to travel and luxury, brands across every sector of the consumer landscape are communicating their social purpose in a bid to connect with customers. The above instances, however, shows that many brands eventually faced a backlash for being unacceptable to some. Brands like HUL's Glow and Lovely (formerly Fair and Lovely) cream and Emami's 'Fair and Handsome' face wash have also enjoyed their share of negative limelight (McEvoy, 2020).

In early 2017, the US travel ban controversy as well as the suspension of America's refugee program, that Starbucks announced its intention to hire 10,000 refugees worldwide by 2022. Following this announcement, YouGov's BrandIndex showed a two-thirds decrease in Starbucks' Buzz score (Marzilli, 2017), which tracks positive versus negative word-of-mouth, and Credit Suisse bank warned investors about a negative impact on short-term sales (Moreano, 2017). However, Starbucks claimed that its stand on the issue did not have any substantial impact on the brand (Kell, 2017). In mid 2020, Tanishq, a jewellery firm and subsidiary of Tata-controlled Titan Company, released the advertisement as a part of its "Ektavam", or oneness campaign, were caught in the middle of a controversy due to an advertisement released by them showing a Hindu bride and her Muslim in-laws observing a baby shower in the Hindu tradition as social media rage mounted, Tanishq apologized and withdrew the ad, citing concern for the safety of its employees and store staff. But #BoycottTanishq trended on social media — and Titan shares dropped 2.6 per cent on the Bombay Stock Exchange (Anon, 2021).

Another example of the e-commerce giant, Amazon, found itself in the midst of a huge crisis for allegedly selling slippers, doormats, and toilet seat covers with the pictures of Hindu gods and goddesses including Shiva, Vishnu,



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Krishna, and Ganesha. An Indian Twitter user shared the images on Twitter, which claimed to hurt the sentiments of a lot of people across the sub-continent. People expressed their displeasure at it and urged the online retailer to remove these products from its catalogue with angry consumers calling to #BoycottAmazon (BrandEquity, 2019).

However, when brands become activists in the sociopolitical sphere, their underpinning motives are increasingly scrutinized (Holt 2002), and negative attributions can impede business returns and brand equity (Du, Bhattacharya, and Sen 2010). In short, consumers may not believe brands when they engage in activism (Alhouti, Johnson, and Holloway 2016; Du, Bhattacharya, and Sen 2010; Vredenburg et al. 2018).

The present research examines brand activism as an emergent marketing strategy. Despite organizations increased sociopolitical involvement, research examining brand activism - including how, why, and when this strategy is effective - is sparse. Thus, this research makes four main contributions. First, we define and delineate the concept of authentic brand activism. Second, understanding the impact of consumers relation with a brand in context to the kind of socio-political activism it does around the world. Third, to understand whether negative effect of brand activism hurt consumer brand relation in the long run.

II. CONCEPTUAL FRAMEWORK

The literature identifies several defining elements of brand activism (Sarkar and Kotler 2018) and brand political activism (Moorman 2020) that set them apart from other, marketing related activities. There are instances like Nike lent its support to Colin Kaepernick, a player in the National Football League (NFL), owing to his ties with the Black Lives Matter (BLM) movement. The campaign, entitled "Believe in something. Even if it means sacrificing everything," yielded partisan results: the Trumpists employed the hashtag #BurnYourNikes to share videos of themselves burning or throwing away their trainers. This transformation in advertising activity shows that there is currently a powerful relationship between consumer brands and the political sphere. This aspires to identify the relationship between political affairs and brand behaviour. Brand activism has extended beyond achieving societal impact to engaging with controversial, contested, and polarizing socio-political issues. Contested or controversial issues have competing values and interests, engender disagreements about assertions or actions, are politically sensitive, and arouse strong emotions. Brand activism involves both intangible (messaging) and tangible (practice) commitments to a socio-political cause. Therefore, brand activism goes beyond mere advocacy/messaging (i.e., Dodd and Supa 2014; Nalick et al. 2016; Wettstein and Baur 2016) and involves alignment with corporate practices that uphold brand purpose and values. Messages are backed up by tangible changes within the organization to support employees, customers, and

stakeholders through, for example, modifications to corporate practice and organizational policies (Kapitan, Kennedy, and Berth 2019), monetary donations (Crimmins and Horn 1996), and partnerships (Duane and Domegan 2019) aimed at facilitating social change. In today's dynamic and competitive marketplace, consumers want brands to take a stand on socio-political issues. Brands try hard to create a special place in consumers mind by standing firm with any relevant cause related to potential socio-political changes. Brand activism is an emerging marketing tactic for many brands now, seeking to stand out in a fragmented marketplace by taking public stances on social and political issues. From threatening the employees of Tanishq for showcasing an inter-religion marriage in one of their advertisements to Unilever Dove's latest ad talks about India's flawed matchmaking process and the impact it has on women's self-esteem and body confidence, consumers are responding vocally to brands, taking a stand.

Elsewhere in the world, more and more brands are moving from being bystanders to activists, by launching powerful campaigns, braving the ire of groups of customers. They are bold in taking a leap away from the relatively cosy zone of brand purpose and are not afraid to discuss issues that are controversial and likely to create strong reactions. The controversial comment by the Cross-Fit CEO on Floyd's death resulted in many gyms quitting the affiliation and that cost him his job. Nike was one of the first to support #BlackLivesMatter protests. For a change, competitor Adidas retweeted Nike message. McDonalds' support led to a criticism that they didn't give adequate protection to black employees during the pandemic. Compare all that with the total silence in India during the anti-CAA protests and killings.

Brand activism thus provides consumers with an opportunity to assess the level of self-brand similarity in the context of moral judgments. That is, it allows consumers to determine whether a brand's moral foundations are aligned with their own. Consumer brand identification theory (see, for example, Bhattacharya & Sen, 2003; Stokburger-Sauer et al.,



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2012) posits that higher self-brand similarity should result in stronger self-brand identification and, thus, in more favorable attitudes towards the brand, increased purchase intentions, and higher levels of brand advocacy.

III. REVIEW OF LITERATURE

Past research studies on identity-based consumption and negativity bias suggests that the net effect will be negative even if consumers overall are evenly divided in their support/ opposition (Hydock et al., 2020). When brands match activist messaging, purpose, and values with prosocial corporate practice, they engage in authentic brand activism, but when they practice inauthentic brand activism through the practice of "woke washing," potentially misleading consumers with their claims, damaging both their brand equity and potential for social change (Vredenburg et al., 2020). Attitudes towards the brand decreased substantially among consumers who disagreed with a brand's stand and a brand faced public backlash because of its moral stand. However, when the brand subsequently withdrew its stand and apologized, the brand attitude decreased among both the proponents and opponents of the stand (Mukherjee & Althuizen, 2020). It was also seen that Very interestingly, It was also found that millennials prefer to buy a brand if it supports a cause or purpose and they stop buying if brand behaves unethically (Shivakanth Shetty et al., 2019).

The focus of brand activism is to provide an insight on how online activism and its relations with offline collective action. In some contexts, online and offline action could be unrelated because people act differently online versus offline, or because people restrict their actions to one domain.

Juan Luis Manfredi-Sánchez (2019) analysed 45 campaigns to determine the characteristics of brand activism in this new socio-political context. Identify the relationship between political affairs and brand behaviour. "The methodological triangulation of qualitative and quantitative techniques (Gaitán & Piñuel, 1998) was employed. A descriptive and analytical method was employed to examine the campaigns with a political slant in a broad sense of the word. As the monitoring of advertising activity can be a gargantuan task, a systematic review of all the advertising campaigns or inserts was avoided, focusing instead on those that had a greater impact on either the bottom lines of the companies involved or on the public sphere."

Chris Hydock, Neeru Paharia, and Sean Blair (2020), explained in their research "Should a Brand Pick a Side? How Market Share Determines the Impact of Corporate Political Advocacy". "Having few customers to lose and many to gain can offset the risk of the negativity bias in consumers' identity- driven responses to corporate political advocacy (CPA), potentially leading to a net influx of customers for small-share brands."

IV. RESEARCH OBJECTIVES

In light of the above, the current study aims to serve the following research objective:

- 1. To understand not only consumers' expectations of brand activism but also marketers' motivations to engage with this new approach, chiefly the strategic decision-making process behind brand activism.
- 2. To conclude if regularly engaging with controversial issues in an ideologically consistent way may strengthen the distinctiveness and coherence of a brand's identity, which can enhance consumer-brand identification.
- 3. To understand the impact of consumers relation with a brand in context to the kind of socio-political activism it does in India.
- 4. To understand if the negative effect of brand activism hurt the brand in the long run.
- 5. To understand the relation between online activism and its relations with offline collective action.

V. METHODOLOGY

The Study

The study has been conducted by sequential mixed methods using qualitative first and then the quantitative research methods. The different constructs of brand activism and consumer relationship was studied in the context of brand



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identity enhancement. The preliminary review of literature has been carried to identifying research objectives and identify various variables to be included as independent and dependent factors in the model.

The Design

Exploratory research design using qualitative and quantitative methods has been applied to establish causal links between independent and dependent variables as well as to explore the effect of moderating variables on the dependent factor. Scales pre-tested for validity and reliability were used to measure the constructs (like brand love and brand hate for brand activism stand) included in the study.

The design was however subjected to changes and modification based on the variables identified as the research progresses.

The Tools

For Data Collection

Data will be collected using qualitative and quantitative techniques, like self-administered survey questionnaire, interviews and scenario interpretation, close ended questionnaire, and experiments. The final tools to be used for data collection will depend on the variables included in the research model.

For Data Analysis

The research model will be tested using survey methods, to analyse the relationship between measured variables and latent constructs. Netnography as a tool will be used for understanding customers implications for research and practice.

VI. FINDING AND ANALYSIS

Relations between online and offline behaviour - The online and offline are very closely integrated always. Often online activism gives boost to the offline activity through various ways such as advertising, media and so on. Social media plays a vital role in terms of taking up these brand activisms in various ways and allows the consumers to react to it instantly which gives a certain kind of validation amongst them about the brand. This has a long-lasting effect for any brand to leverage into their benefits. Somehow this gives a positive relationship between online and offline activism.

It was found that millennials prefer to purchase a brand if it supports a cause or purpose, and they continue to buy a brand if it benefits a cause or people in need. At the same time, they stop buying or endorsing the brand if it behaves unethically. There is no gender difference amongst the millennials in their perceptions towards brand activism. Millennials across different income categories have similar perceptions towards brand activism. The emotional tie of the millennials with the activist brands is pretty much price inelastic. It was found that brands taking a political stance, selective of issues and being disruptive prompts and create profound backlash.

Other sources indicate that in some contexts, online and offline protests are neither negatively nor positively related. To explain this, one needs to understand that firstly, people engaging in online action may differ from those acting offline. The online study suggests that younger people engage more online and older men engage more offline. Secondly, people restrict and prevent themselves in commenting online as they doubt if the stand would backfire to their profile. This phenomenon is seen in offline as well for the same reason. Thirdly, people personify themselves differently on offline and online platforms and hence at time they may engage with brand activism online but not offline.

On the other side, enough evidence supports positive relations between online and offline activism. Social media also encourages transition from online to offline activism.

Most research on relationships between online and offline activism shows that there is a situational matter which decides it. At times, even offline activism can also trigger online activism and reciprocate with the stand a brand is taking.



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VII. OUTCOMES AND MANAGERIAL IMPLICATIONS

The timely identification and measurement of brand activism with consumer relationships and the factors that intervene with that relationship is important for formulating strong branding strategies.

This study would help understand the phenomena such as restricted communication and repression. It could also focus on relations between technology and psychological outcomes, by exploring differences between online platforms (Facebook, Twitter), different online behaviours (commenting, sharing, liking), or new technologies (e.g., live streaming, asynchronous video-sharing.

This study has tried and analysed citizen-consumers who demand from brands a sort of participation and shared responsibility in political and social issues and that corporate social responsibility should be redirected towards a comprehensive strategy of reputation and trust. Hence more research can be done on the effect of reputation and trust on brands due to activism.

Research on this topic is further needed to understand not only consumers expectations of brand activism but also marketers' motivations to engage with this new approach, chiefly the strategic decision- making process behind brand activism.

The study investigated the short-term effects of a single act of brand activism on consumer attitudes, intentions, and behaviour and found little evidence of positive effects. However, regularly engaging with controversial issues in an ideologically consistent way may strengthen the distinctiveness and coherence of a brand's identity, which can enhance consumer-brand identification.

This research has looked at how publics' opinions are swayed by boycotting messages around social media. Future study needs to tap into potential links between the boycotting movement and its reputational threats or business outcomes coming from different types of individual brokers. In this study, it was found that regularly engaging with controversial issues in a consistent way may strengthen the distinctiveness and coherence of a brand's identity, which can enhance consumer-brand identification.

Therefore, it becomes imperative for the brand custodians and marketing professionals to start thinking strategically towards brand activism and explore their brands carefully in the vulnerable scenario of activism, demonstrating brand's core values, trust and sincerity towards the cause they champion.

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