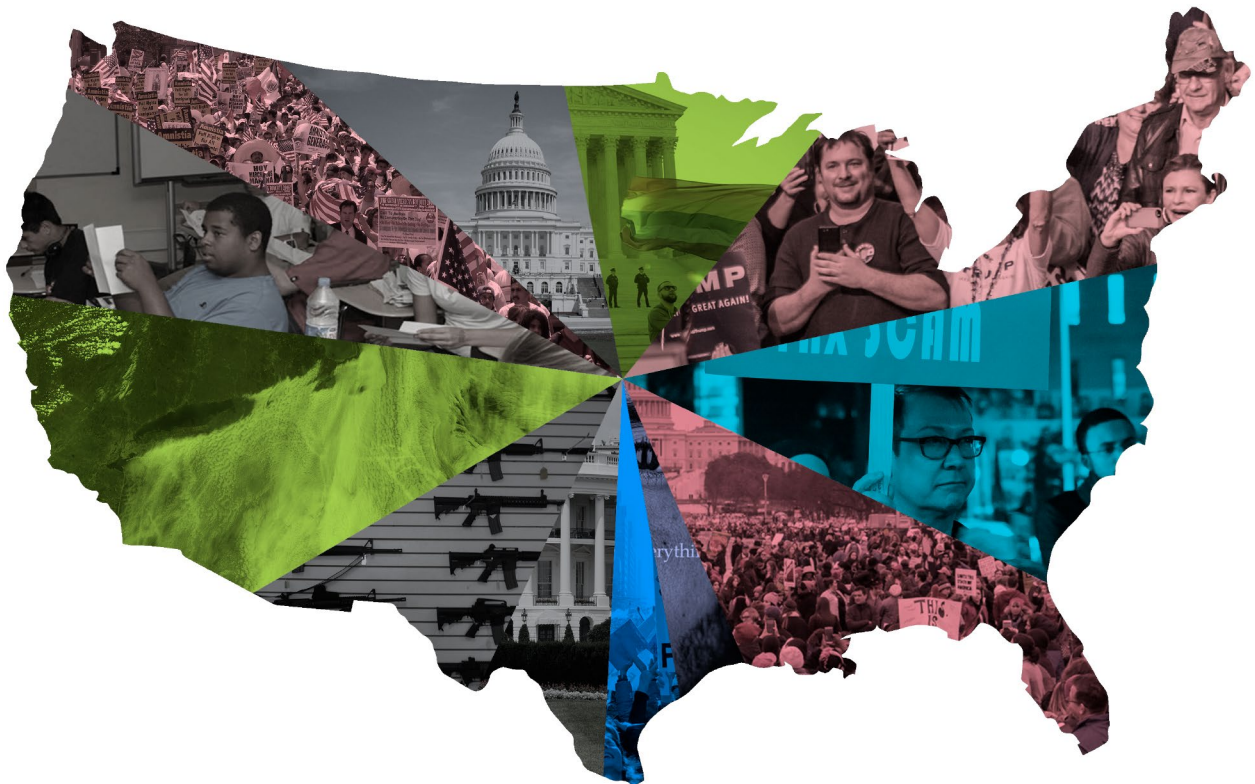


The Business of Political Engagement

A two-part survey on corporate America getting political



Executive Summary

Americans Want Brands to Get Political but Disagree on Where to Draw the Line Between Business and Politics

What's at stake?

Mixing business and politics can bring extreme risks and new opportunities for businesses—as can staying silent on the issues of the day. While some companies jump into these turbulent political waters with both feet, others attempt to find an ever-shrinking middle ground or get forcibly swept up in the current. What's clear is that corporate America must approach the new communications challenges of this climate with eyes wide open.

Navigating this uncharted territory

We surveyed two audiences:

- 1) The American public
- 2) Business decision-makers (BDM), marketing, communications, and branding executives in the corporate world

The survey explores these audiences' views on corporate activism. What's clear is that businesses are getting increasingly political: most Americans (69%) and business decision-makers (56%) agree that businesses have gotten more politically engaged since the 2016 elections. While more than two-thirds of Americans (67%) find it acceptable for corporate America to weigh in on political or social issues, views on brand activism vary greatly by party affiliation, age, and gender.

In the current political climate, it is almost impossible for companies to appeal to every audience on any social or political issue. The findings in this report can help businesses make smart, strategic decisions about when, how, and why to engage politically.

Methodology Notes

The Group Gordon Survey was conducted by Wakefield Research (www.wakefieldresearch.com) among 1,000 nationally representative U.S. adults, ages 18+, and 300 US business decision-makers in marketing, PR, and communications, with a minimum title requirement of Director, excluding BDMs from agencies/firms, between September 28th and October 9th, 2018, using an email invitation and an online survey. Quotas have been set to ensure reliable and accurate representation of the U.S. adult population 18 and older.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 3.1 percentage points for the nationally representative sample and 5.7 percentage points for the BDM sample from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.



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The Consequences of Speaking Out

Americans will **take action** when they **disagree** with companies' **political stances**.

44%

would **stop doing business** with a company that takes a political position that they **do not agree with**.



The Corporate Perspective

Business decision-makers (BDM) underestimate the actions consumers will take

34% of BDM believe consumers would stop doing business with them.

73%

would **take some action** against the company. (Halt business with it, contact directly, speak out on social media, or tell friends and family to boycott)



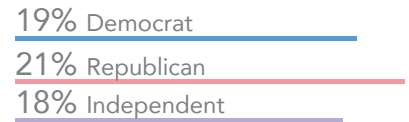
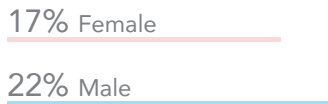
BDM overestimate online backlash

38% of BDM believe consumers would speak out publicly.

22% of consumers report taking that action.

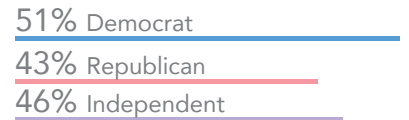
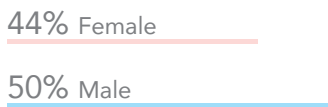
20%

of employees would **leave** if the company took a political stance they **disagreed** with.



47%

would **stay** but **voice concerns**.



The Corporate Perspective

BDM also report a shifting corporate culture

85%

report internal changes to company policies in the last two years in response to current political and social climate.

Top 3 Changes

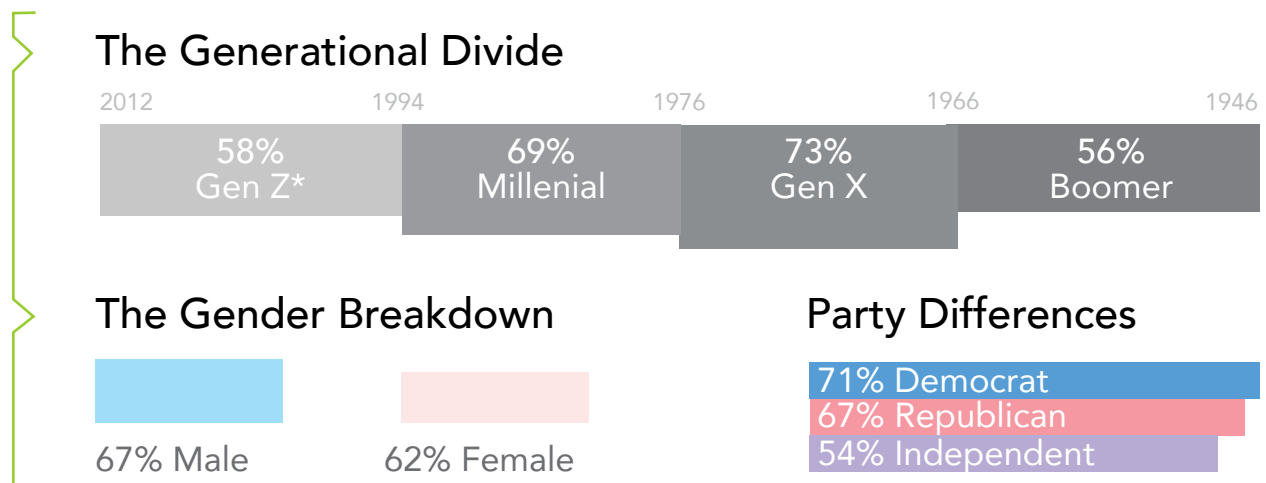
1. Creating volunteer Programs
2. Instituting new employee policies for communications and social media
3. Framing brand strategy in the context of political and social climate

Should Corporate America Get Political?

Americans across political affiliation, age, and gender want to have **political views in common** with the **brands they support**.

64%

believe it is **important** that their favorite companies and brands have **political stances** that **align with their own**.



The Corporate Perspective

Businesses overestimate the importance consumers place on corporate values aligning with their own.

80%

of BDM believe it is important to consumers that their favorite companies and brands share their political views.

Most Americans **see a place for businesses to weigh in** on political and social issues.

67%

believe it is **acceptable** for companies to **speak out** on political issues.



69%

believe companies have been **more vocal** about their political stances **since the 2016 election**.

The Corporate Perspective

70% of BDM believe it is **acceptable** for companies to **speak out** on political issues.

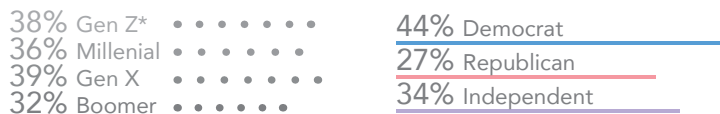
72% of BDM believe their company will **receive a positive reaction** from customers if it speaks out on political issues.



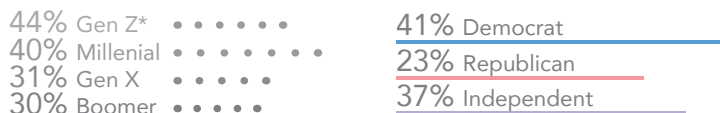
The Issues that Matter Most to Americans

The public puts these **5 issues** at the top of the list for brands to address, but **differences remain across generations and political affiliations.**

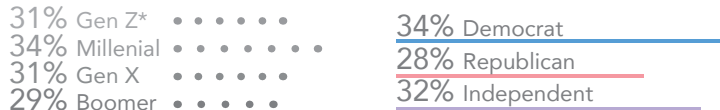
1) **35%** Environment / Climate Change



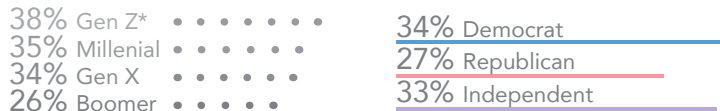
2) **33%** Gender Equality



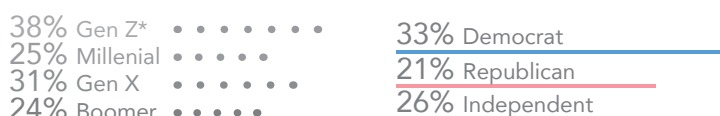
3) **31%** Tax Policy



4) **31%** Education Policy



5) **27%** Gun Control



While **immigration reform** is one of the **top trending news topics** on both sides of the aisle, the public **ranked the issue at #8**, whereas corporate America **ranked it #4**.

The Corporate Perspective

3 of the top 5 issues for BDM align with those of the public

1) **42%**
Gender Equality

2) **37%**
LGBTQ Equality

3) **35%**
Tax Policy

4) **32%**
Immigration Reform

5) **32%**
Education Policy

Corporate America beware: **Don't overstep** when getting political. The overwhelming majority of Americans agree that companies should **stick to issues related to their business**.

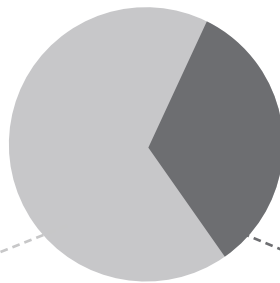
77%

of Americans believe companies should **only speak out** on political or social issues that **directly relate** to their **services or products**.

Companies should be careful not to **flood the airwaves** with commentary on every issue. Americans prefer a **trickle rather than a torrent** of political communication from businesses.

65%

believe companies should **only speak out** about issues when it is **relevant** or **affects business**.



35%

believe companies should **consistently** and **regularly** share their stances.

Whose Business Is Politics?

Americans and BDM **don't see eye-to-eye on whose responsibility** it is to speak out.

Americans think **businesses** should speak out.



The Corporate Perspective

BDM think it is mostly incumbent upon nonprofits to speak out about politics.



Most Americans see the **views from the top** as a reflection of the **company's stance**.

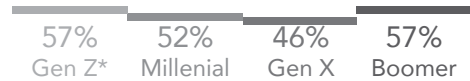
76%

of Americans believe that the CEO and executives' **political stances** reflect the company's **opinions and values**.

Where does the public want to see businesses speak out?

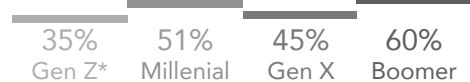
52%

During interviews or public appearances



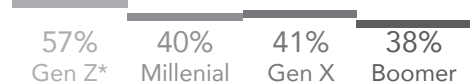
51%

On companies' websites



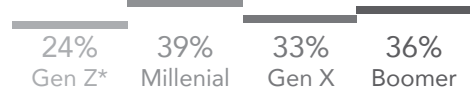
41%

On companies' social media



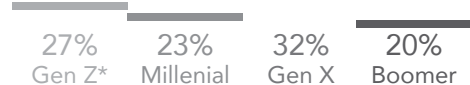
35%

In companies' advertising campaigns



25%

On company executives' social media accounts



The Corporate Perspective

96%

of BDM at newer companies (≤20 years) think the CEO's stance reflects the company's values.

78%

of BDM at older companies (> 20 years) think the CEO's stance reflects the company's views.

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