

# Corporate Advocacy

## In Five Acts

When corporate brands are called to take a stand,  
*how do you inspire loyalty and ensure success?*

presented by

**APCO**  
worldwide®

# Can we talk?

APCO spent 6 months asking the most informed, judgmental (and influential) U.S. consumers how important corporate advocacy is to them.

## What we heard?

Online survey of n=1,000 hyper-aware and influential U.S. consumers fielded from October 17 – October 30, 2017

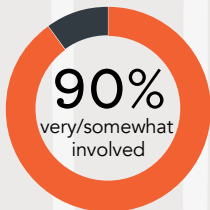
# Don't just sit there. Stand up for something.

90% of those interviewed expect brands to be involved in taking on society's most pressing concerns. Your most valuable consumers are increasingly asking brands to join the conversation on the most talked about issues that matter most to them. Brands that actively participate are seen as current, brave and relevant.

Brands that remain silent run the risk of being seen as out-of-touch and irrelevant.

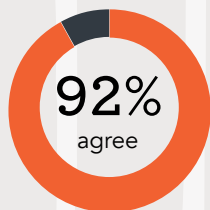
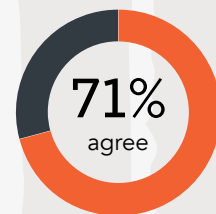
The message is clear. Take a stand on social issues

# because it's the right thing to do.



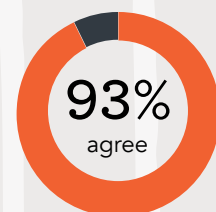
How involved, if at all, should companies be in addressing social issues (such as homelessness or food insecurity)?

It is acceptable for a company to take a stand on a political or social issue, even if it's controversial.



The best companies serve society as a whole, not just their customers.

The best companies do good for their shareholders while also doing good for society.



So you need to participate.

And you want to participate.

The big question is...

# HOW?

We recommend these

# Five Acts of Corporate Advocacy

Like most things that matter, getting corporate advocacy wrong can undermine the best of intentions.

Here are five actions to keep in mind to inspire loyalty and ensure success:

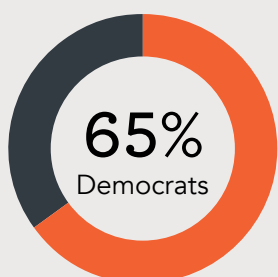
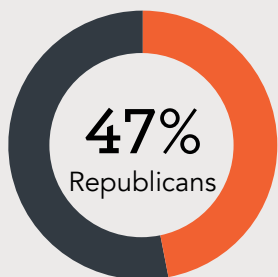
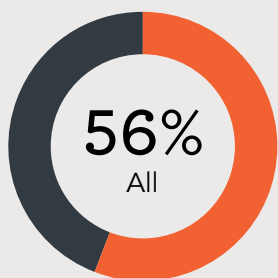


## Know your audience.

Want your stakeholders to know you're on their side? First, know which side they're on.

Republicans and Democrats have different ideas of what are acceptable issues to tackle... and exactly how to tackle them

**% agree that in this day and age, it is important for CEOs to voice strong political opinions:**



### Companies Making Headlines

Hannity fans destroy Keurig Coffee makers after company pulls advertising

Liberals are rallying around Little Caesar's amid Papa John's boycott threats because of a little-known fact about its founder

L.L. Bean faces backlash for Trump tweet following campaign support

New Gander Mountain owner facing backlash over anti-Trump comment

Camping World CEO faces backlash over anti-president comment

Women boycott Nordstrom after retailer's decision to drop Ivanka Trump's line

The NFL's big miscalculation: Liberals love the flag too

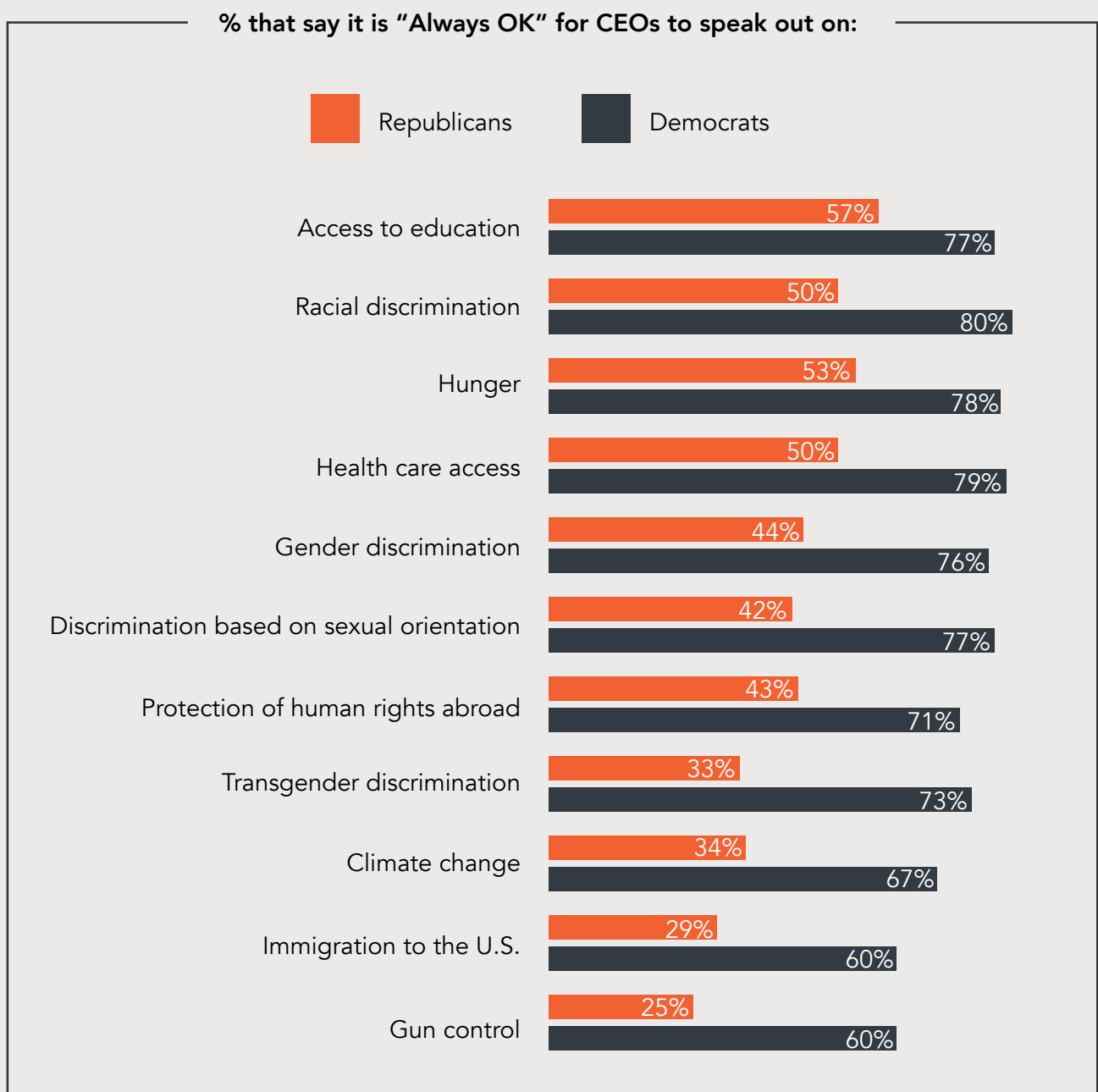


# You're advocating for... what?!

In our survey, we asked respondents to tell us if it was OK or not OK for CEOs to speak out on a variety of issues.

Among this hyper-aware and influential segment of the general public, Republicans and Democrats differ widely on what's an acceptable issue for CEOs to take on.

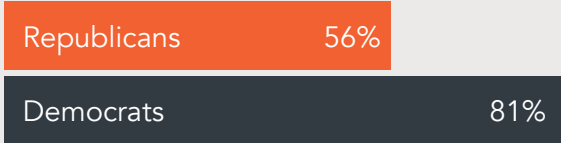
Before taking on an issue, companies need to understand how their stakeholders will react.



# Don't tell me how to think...

## Republicans are more adverse to controversy...

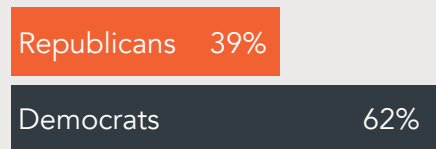
"It is acceptable for companies to take a stand on a political or social issue, even if it is controversial"



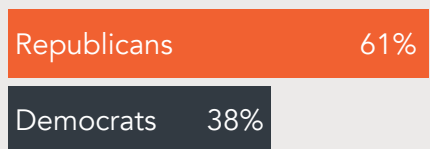
## And also more domestically focused...

Do you prefer for a company to take on social issues impacting people...

...globally



...in the U.S.



# An acceptable issue? That depends.

We tested four real world examples of advocacy by global companies. Republicans were less swayed by corporate advocacy across a range of issues; and the more controversial the issue, the less likely it appealed to them.

	Improves my opinion of company		Has no Impact on my opinion		Diminishes my opinion	
	Republican	Democrat	Republican	Democrat	Republican	Democrat
Major pharmacy stopped selling tobacco	75%	85%	21%	11%	4%	4%
Global consumer goods company provided "living wage" to employees	72%	93%	23%	5%	5%	2%
International technology company lobbied against "bathroom bill"	37%	83%	29%	12%	35%	5%
Global coffee company promised to hire 5,000 refugees	45%	83%	23%	14%	33%	3%



## Recognize and embrace your strengths.

Start with what you're good at and known for. Ask how your business can uniquely address this problem? You'll build advocacy, credibility, and also reinforce your brand identity in the public mind.

## Companies Making Headlines

Office sharing giant  
WeWork plans to hire  
1,500 refugees over the  
next five years

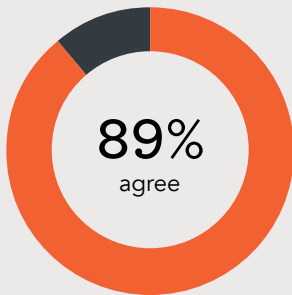
Airbnb unveils  
platform for  
housing refugees

IBM wants lawmakers  
to protect dreamers  
by the end of the year  
and is going all out to  
persuade them

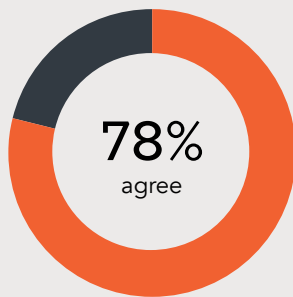
Apple plans to spend  
\$1 billion to support  
advanced manufacturing  
jobs in the U.S.

Google helps Boston  
nonprofit expand  
Internet training for  
low-income residents

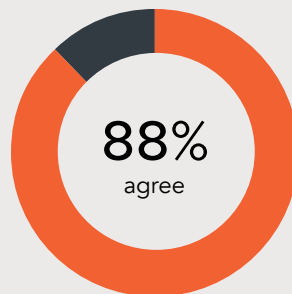
## Best to stay in your lane.



Companies should support social issues that are consistent with their business focus and expertise.



Companies should tackle the social issues that may impact me personally or my community.



Companies should sacrifice short-term financial gains if they are incompatible with the company's values.



## Don't say it, do it.







Talk is fleeting but doing signifies commitment. A personal tweet, post, or press release isn't enough. In 15 seconds, your heartfelt post is buried in someone's newsfeed. Today, the cornerstone of advocacy is action.

## Companies Making Headlines

Airbnb offers free housing to people barred from flights to the U.S.

Dropbox CEO: Trump's executive order is 'un-American'

**With Advocacy, actions really do speak louder than words.**

Of the following, which do you like the most/least	Most liked	Least liked
 Airbnb co-founder and CEO, Brian Chesky, offered free housing to people affected by the travel ban	30%	6%
 Instacart CEO Apoorva Mehta donated \$100,000 to the ACLU	14%	11%
 LinkedIn CEO Jeff Weiner used Trump's ban...to boost and expand the company's Welcome Talent program for refugees in the U.S.	13%	6%
 Etsy CEO Chad Dickerson spoke out against the order and urged others to contact legislators and support organizations like the ACLU	12%	7%
 Dropbox founder and CEO, Drew Houston, called Trump's order "un-American."	8%	30%
 Nike's president and CEO took a stand against the ban in an email to employees	7%	23%

Our survey sought reactions to how CEOs responded to the executive order banning travel for visitors and immigrants from Muslim-majority countries to the U.S.

Respondents reacted most positively to Airbnb CEO's very tangible response to the Muslim travel ban... while they felt most negatively about Dropbox CEO's Twitter attack.

### Here's what respondents told us:

"[I liked it because] the company took an actual, active approach to do something positive rather than throw words or cash at the issue."

"[I did not like it because] these are words, not actions. It is really a name-calling gesture designed to provoke a reaction and not to illuminate a way to resolve or revoke."

# And while it's true money talks, it doesn't always speak loud enough.

Which of these companies would you admire more?



A company that uses its business interests and expertise to address a social issue

A company that donates money to worthy charity

## On issues that matter to you, it's better to do something than do nothing.

Our survey tested six issues a company could conceivably take on. For each issue, we asked respondents to select the most appealing and the least appealing action the company could take.

By a wide margin, doing nothing is the least appealing thing a company could do.

	Racial Discrimination	Climate change/Paris agreement	Ban of immigrants/visitors from Muslim-majority countries	Transgender discrimination	Infrastructure investment	Workforce skills gap
Least Appealing Option	Do nothing 59%	Do nothing 52%	Do nothing 54%	Do nothing 51%	Do nothing 57%	Do nothing 64%





## Bring your whole team onboard.

In our survey, 94% of respondents say that a company that goes above and beyond in how it treats its employees probably goes above and beyond in other aspects of its business.

Start there, by aligning your business values with those of your employees.

# Good Corporate Advocacy starts at home.

What is the most important thing a company can do when it comes to being “good to society?”



## Companies Making Headlines

IKEA to raise workers' pay to a 'living wage'

Microsoft vows to protect its Dreamers in court

Wells Fargo to raise minimum wage to \$15 in 2018

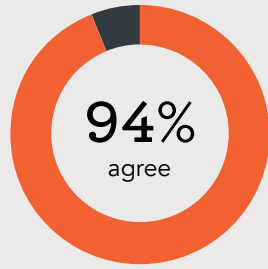
Chobani workers get ownership stake that could make them millionaires

Netflix encourages employees to interview at other companies—here's why

Walmart boosts minimum wage again, hands out \$1,000 bonuses

Why Salesforce's new equality chief is thinking beyond diversity

Starbucks is giving employees free legal advice on immigration



# How you treat your employees is viewed as a reflection of how you run your company.

A company that goes above and beyond in how it treats its employees probably goes above and beyond in other aspects of its business.

## Across the board, internal action has the greatest appeal.

In our testing of six issues a company could conceivably take on, we asked respondents to select the most appealing and least appealing actions a company could take on. These are the actions they felt most positively about:

	Racial Discrimination	Climate change/ Paris agreement	Ban of immigrants/ visitors from Muslim-majority countries	Transgender discrimination	Infrastructure investment	Workforce skills gap
Most appealing actions	Partner with an anti-discrimination organization to improve internal policies 27%	Focus on reducing the company's environmental impact in its own operations 29%	Provide legal assistance to employees impacted by the ban 17%	Implement or update internal policies to be inclusive for transgender staff 26%	Develop products/ solutions that help cities meet infrastructure challenges 39%	Partner with schools/ universities to develop programs to teach needed workforce skills 30%
	Take efforts to increase the number of employees from underrepresented groups 21%	Join a coalition of cities, states and corps pledging commitment to climate agreement 27%	Publicly talk about how the ban potentially impacts its own business operations 16%	Cancel events of expansion plans in cities or states with transgender discrimination laws 18%	Join a public-private partnership to fund and execute an infrastructure project 20%	Provide education and learning opportunities for current employees to acquire new skills 24%
			Make a pledge to hire immigrants and/ or refugees from countries impacted 15%			Provide apprenticeships or internships to future employees 24%

## Gang up on a problem.

88% of respondents said that solutions to society's greatest problems will rely on the resources and innovations of businesses. But no corporation can do it alone.

Bring others with you, it's time to  
work together...

## Companies Making Headlines

Apparel companies unite to measure and improve sustainability

'Climate change is real': companies challenge Trump's reversal of policy

Polaris works with ECPAT-USA and Marriott International on human trafficking training initiative

More than 100 tech firms join legal fight against Trump's travel ban

Internet business ask U.S. to keep net neutrality rules

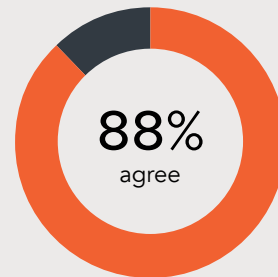
Lobbying group for Google, Amazon and 40 other tech companies will intervene in net neutrality lawsuit

CEOs from more than 400 leading U.S. companies urge Trump to keep DACA

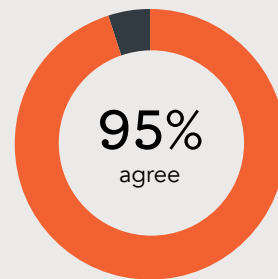
CVS and Aetna merger will improve your healthcare. Can they deliver?

# Be the change: Today's companies are seen as powerful change agents.

Solutions to today's greatest problems facing society will rely on the resources and innovation of businesses



Companies have the ability to shape a better society



# And yes, teamwork makes the dream work.

In our testing of six hypothetical issues a company could take on where we asked respondents to select the most and least appealing action a company could take, we learned that actions focused on partnerships consistently rose to the top of the list of most appealing actions.

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# So, the people have spoken.

## The Five Acts of Corporate Advocacy.

1. Know your audience.
2. Recognize and embrace your strengths.
3. Don't say it, do it.
4. Bring your whole team onboard.
5. Gang up on a problem.

Take your cue:

# Fulfill your role as a Societal Shareholder

Our research shows that expectations are high for companies to address some of the most salient social, environmental and political issues of our time. Smart companies are filling in the vacancies left by a government stalled by political division. These corporations are taking the lead on issues such as parental leave, fair wages and environmental standards. Now is the time to consider what your company's role in society should be.

Much has been written about the purpose-driven company – driven to do good for employees or customers – but our research indicates that the best companies will take the role of “societal shareholders.” Societal shareholders are companies that factor society into their everyday business decisions: driving a positive impact on society will become core to what they do.

You know the why; now you know the how.

Is your company prepared to step up?  
Can you really afford not to?



Built upon APCO's more than a decade of experience looking at what drives corporate brands and their reputation, APCO started this research effort by conducting focus groups on corporate advocacy among hyper-aware and influential consumers in St Louis and Denver in the summer of 2017. APCO followed-up this qualitative wave of research with an online survey among these hyper-aware and influential consumers in late October 2017.

## For more information contact:

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