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"Essays on Brand Activism"

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AAR	average abnormal returns
AfD	Alternative für Deutschland
ANOVA	analysis of variance
AR	abnormal returns
BLM	Black Lives Matter
CAAR	cumulative average abnormal returns
CBBE	consumer-based brand equity
CBI	consumer-brand identification
CDA	crude dependence adjustment
CEO	chief executive officer
CM	cause-related marketing
CPA	corporate political advocacy
CRT	Corrado's rank test
CSA	corporate social advocacy
CSect	cross sectional
CSPA	corporate sociopolitical advocacy
CSR	corporate social responsibility
ER	expected return
FBBE	financial-based brand equity
IMI	improvised marketing intervention
LGBTQ	lesbian, gay, bisexual, transgender, queer
MANOVA	multivariate analysis of variance
NFL	National Football League
NRA	National Rifle Association
ORI	outcome-relevant involvement
TWINT	Twitter Intelligence Tool
U.K.	United Kingdom
U.S.	United States
VRI	value-relevant involvement
WOM	word-of-mouth

"Believe in something. Even if it means sacrificing everything." – Nike

Introduction: Brand Activism and its relevance

In 2018, this slogan went viral. Nike had launched an advertisement campaign, portraying Colin Kaepernick alongside this slogan (Burns, 2018). Colin Kaepernick is a former National Football League (NFL) player in the U.S. who decided to kneel during the U.S. national anthem in protest of racial injustice and police brutality in the country. Although Kaepernick stated that he is not "anti-American" but wanted to make the country better (Witz, 2016), he has never been under contract by any NFL team since (Streeter, 2020). That is, he sacrificed his own career by standing up for what he believed is just, being the underlying explanation of the slogan in Nike's advertising campaign. By partnering with Kaepernick, Nike clearly positioned itself on the topic of racial injustice and police brutality. Such brand behavior can be referred to as *brand activism* (Vredenburg et al., 2020). In line with the predominant understanding of brand activism in related literature, brand activism can be defined as companies' public efforts to influence urgent issues present in society that are usually unrelated to companies' core business activities. These efforts often include taking a stand on highly controversial sociopolitical issues such as racial justice, but they might also include supporting causes related to important but less controversial topics such as sustainability (e.g., Kotler & Sarkar, 2017; Vredenburg et al., 2020; Mukherjee & Althuizen, 2020; Bhagwat et al., 2020). Nike's advertising campaign with Colin Kaepernick nicely illustrates the core elements of brand activism: The brand took a public action, on a topic (racial justice/police brutality) which is a divisive issue in the U.S. but shows no relation to Nike's core business of producing sports apparel. Consumers' mixed reactions to Nike's campaign illustrate the controversy of the issue: On social media, many critics posted photos of burning Nike apparel and threatened to boycott the brand (Green, 2018). Others showed support for the brand, which reflected in an online sales increase of 31% in subsequent days after the campaign's launch (Sweeney, 2018).

Nike's partnership with Colin Kaepernick is not an isolated case of brands taking a stand on controversial sociopolitical issues but represents a growing phenomenon. Before the campaign with Colin Kaepernick, Nike had launched advertising campaigns such as the "Equality"- or "What will they say about us"-campaign. While the latter took a stand on the role of women in the Middle East, the "Equality"-campaign addressed equality for people of color. But Nike is by far not the only brand that engages in brand activism: In the U.S., as well as globally, more and more brands are taking stands on sociopolitical issues. Prominent examples of activist brands in the U.S. include Patagonia or Ben&Jerry's. Both brands are mostly known for their environmental and political (Patagonia; Sonsev, 2019) or social justice (Ben&Jerry's; Segal, 2024) activism. In Germany, for example, instances of brand activism become more common as well, addressing the same or similar topics: Brands are increasingly taking stands on sociopolitical issues such as immigration (e.g., *Wolt*; Saal, 2023), gender equality (e.g., *Lufthansa*; Unckrich, 2022) or right-wing extremism (e.g., *Nivea*; Bialek, 2024). All these examples highlight brand activism as a global phenomenon.

This increasing number of brands engaging in brand activism aligns with consumers' expectations towards brands taking stands on sociopolitical issues. According to studies on brand activism by award-winning consultancy firm Edelman (2017, 2018, 2022), the acceptance and demand for brand activism has increased after 2017 and has been stable ever since. From 2017 to 2018, there has been a 14% increase of believe-driven consumers who boycott, buy, switch, or avoid a brand because of its stand on sociopolitical issues (50% to 64%). Also, 30% of consumers report that they buy more belief-driven than 3 years prior. In 2022, 63% of consumers still consider themselves belief-driven buyers. Also, a majority of consumers – especially among younger generations – believe that brands can do more to solve sociopolitical issues than governments (Edelman, 2022). As belief-driven consumers expect brands to take stands on sociopolitical, they might also reward the brand for doing so. However,

brands' stands on divisive sociopolitical topics bear a high risk of alienating consumers with a divergent opinion on the issue (Hoffmann et al., 2020), potentially resulting in boycotting-, switching-, or avoiding-intentions for belief-driven consumers. That is, regarding stakeholder expectations, brand activism can be a double-edged sword. Further real-world examples of brand activism support this notion, showing positive outcomes for one brand, but negative ones for others. For example, Patagonia's famous "The President Stole Your Land" campaign (2017) seemingly was a success: Former U.S. president Donald Trump planned to reduce the size of two American national monuments. Being a strong opponent of this action, Patagonia sued the Trump administration for this plan. Consumer reactions to this activism were positive, resulting in a sales increase of 7% after the lawsuit (Wolf, 2017). In contrast, for Pepsi, its "Jump In"-campaign (2017) resulted in massive public backlash. Following the Black Lives Matter movement against police brutality in the U.S., the brand launched a video spot intending to convey a message of unity, peace and understanding. However, people of color massively criticized the brand for its lack of seriousness, downplaying the issue of police brutality and just using it to boost product sales (Victor, 2017). After launching the spot, Pepsi's consumer perception levels fell to its lowest point in 10 years and the brand had to revoke the spot (Marzilli, 2017). While these examples show that brand activism can lead to divergent consumer reactions for different brands, Starbucks provides an example for a single brand experiencing mixed reactions to different activist campaigns. Starbucks's anti-racism "Race Together" campaign – a reaction to various shootings of Black Americans by police officers – faced much criticism and ended after just a few days. The campaign encouraged Starbucks' baristas to start discussions about racism online and in-store, thereby exposing them to customer hostility (Logan, 2016). Less than two years later, Starbucks announced the hiring of 10,000 refugees as a direct response to President Donald Trump's immigration order banning travel from seven Muslim-majority countries. This activism campaign received both support

and criticism, but Starbucks did not revoke its decision (Taylor, 2017). The Starbucks example raises the question of what determines successful brand activism for single brands: Should brands only consider certain activist topics because others (e.g., police brutality) are too risky to take a stand on? Or does the success of brand activism come down to a brand's execution of taking a stand?

Anecdotal evidence suggests that this uncertainty surrounding the effects of brand activism – including the risk to alienate potential or existing customers – made brands abstain from taking stands on certain topics or at specific events: When the U.S. Supreme Court ruled against a constitutional right to abortion, most brands abstained from taking a stand on the issue, most likely fearing public backlash because of the topics' high controversy (Goldberg & Kelly, 2022). Also, the risk of losing customers presumably is the reason for brands' hesitation to run political advertisements during the NFL Super Bowl, providing one of the biggest stages to reach consumers worldwide (Jerde, 2020).

In sum, with consumers' demand for brand activism and the increasing number of brands taking stands, the issue certainly is a timely one. Therefore, it is not surprising that brand activism has received growing attention in academia as well. This growing interest is best highlighted by an overview of the number of publications on the topic in recent years. Figure 1 shows an increasing number of publications on brand activism since 2019.

Overall, evidence from practice as well as academia leaves no doubt that brand activism is a highly relevant topic. Yet, brands are unsure how to engage in brand activism without alienating parts of existing or potential customers, explaining reluctant brand activism in cases where consumers' attention is high (e.g., NFL Super Bowl) or with highly controversial topics (e.g., abortion). All these observations mark the starting point for the projects in this cumulative dissertation.
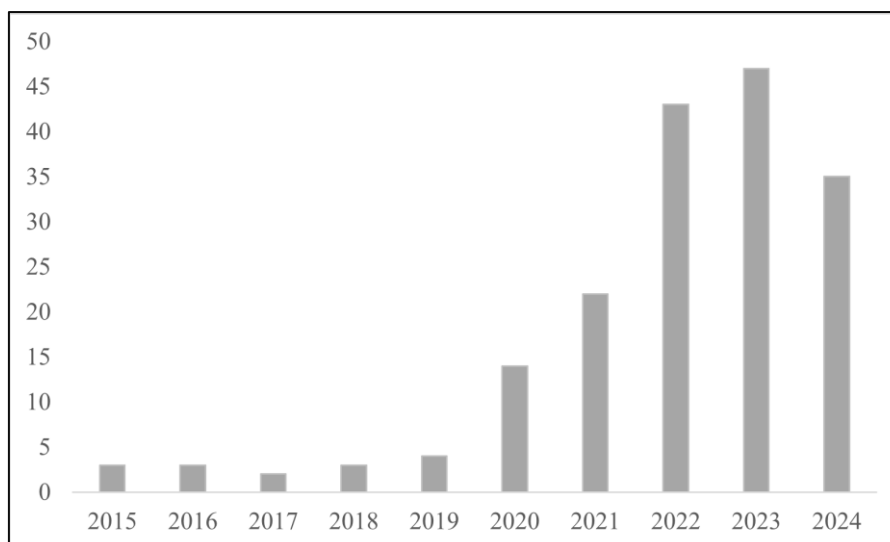
*Figure 1: Number of publications on brand activism per year since 2015
(via Web of Science; as of July 2024).*
*Notes: Web of Science was searched for brand activism or other terms referring to brand activism ("brand
activism" OR "corporate social advocacy" OR "corporate social activism" OR "corporate political advocacy"
OR "corporate political activism" OR "CEO activism").*

Research domain: Defining brand activism

Brands taking actions in favor of society is not an entirely new phenomenon. For example, corporate social responsibility (CSR) or cause-related marketing (CM) are concepts that have been around for decades, whereas the idea of brand purpose has only received growing attention more recently. The question is in what ways brand activism differs from these existing concepts: In short, brand activism can be seen as a "natural evolution" of CSR, driven by values with a "sense of justice and fairness for all" (Kotler & Sarkar, 2017). The authors argue that this aspect of being value-driven distinguishes brand activism, e.g., from corporate-driven CSR or marketing-driven CM. Other characteristics that distinguish brand activism relate to its controversy and linkage to core business operations: Brand activism includes brands' stands on controversial sociopolitical issues, whereas CSR, for instance, is usually non-controversial (Bhagwat et al., 2020). Also, brand activism addresses issues that are unrelated to brands' core business operations (e.g., racial justice), which is uncommon for other social actions such as CSR or CM (Dodd & Supa, 2014; Wettstein & Baur, 2016). The latter often aim to mitigate negative effects of companies' business operations on environment or society (CSR; Dodd &

Supa, 2014) or link product sales to donations to charitable causes (CM; Robinson et al., 2012). These key aspects of brand activism lead to the aforementioned definition of brand activism referring to companies' public efforts to influence urgent issues present in society that are usually unrelated to companies' core business activities. These efforts often include taking a stand on highly controversial sociopolitical issues such as racial justice, but they also might include supporting causes related to important but less controversial topics, such as sustainability (e.g., Kotler & Sarkar, 2017; Vredenburg et al., 2020; Mukherjee & Althuizen, 2020; Bhagwat et al., 2020).

The aspect of usually being unrelated to companies' core business operations leads to a wide variety of topics that can be addressed with brand activism. According to Kotler and Sarkar (2018), potential brand activism topics can be divided into six sub-categories: political (e.g., privatization, voting rights), economic (e.g., income inequality, tax policies), workplace (e.g., worker compensation, supply chain management), environmental (e.g., land use, pollution), legal (e.g., laws in different fields), and social activism (e.g., equality, social security, privacy).

Research outline – connecting the papers in this dissertation

All three papers deal with the topic of brand activism, albeit with different foci. The two empirical papers (Paper 2 and Paper 3) address research avenues that built and stem from the comprehensive research overview (Paper 1). Both papers deal with different steps in the brand value chain (i.e., customer mindset and shareholder value; Keller & Brexendorf, 2019), shedding light on how brand activism relates to key elements of brand equity. Brand equity refers to the additional value a product (or service) gains through branding (Veloutsou & Guzman, 2017) and can be divided into consumer-based brand equity or financial-based brand equity (Davcik et al., 2015). While consumer-based brand equity results from consumers' awareness, associations and attitudes towards a brand (Aaker, 1992; Keller & Brexendorf,

2019), financial-based brand equity represents the financial strength of a brand assessable through public financial data (e.g., stock price; Isberg & Pitta, 2013; Keller & Brexendorf, 2019). While Paper 2 (via brand reputation) and Paper 3 (e.g., via brand attitude) relate brand activism to measures of consumer-based brand equity, Paper 2 also includes measures of financial-based brand equity (stock price).

Paper 1 "Brand activism: Conceptualization, state of research and future outlook" builds the groundwork for the dissertation projects. It is threefold: First, the paper discusses brand activism and related constructs, providing a definition and delineation of brand activism from other constructs. Second, based on this definition, it summarizes existing empirical literature on brand activism. This overview then helps to identify important future research avenues for brand activism – arguably the most important contribution of Paper 1.

One of the identified avenues for future research is the longevity of brand activism's effects. Most research on brand activism deals with short-term and one time consumer reactions to brand activism, such as purchase intention or brand attitudes, neglecting long-term effects of brand activism (Mukherjee & Althuizen, 2020). Paper 2 "Brand activism and its relationship to brand reputation and financial performance" addresses this gap, using a methodology developed by Rust et al. (2021) to measure brand reputation on social media. For 20 cases of brand activism, brand reputation is analyzed for multiple weeks surrounding the launch of brands' activism. Thereby, it can be assessed if short-term effects of brand activism on brand reputation on social media remain over a longer period as well. Paper 2 also looks at the impact of brand activism on financial performance for those of the 20 cases of brand activism that are listed on the stock market (i.e., 12 brands). Using event study methodology, the relationship of brand activism and brands' stock prices is analyzed, which, to the best of the author's knowledge, only Bhagwat et al. (2020) and Pasirayi et al. (2023) have considered.

Another avenue for future research discussed in Paper 1 are the six sub-categories of brand activism identified by Kotler and Sarkar (2018). Literature so far mainly discusses brand activism from the social and political sub-category of brand activism, neglecting other sub-categories and, especially, a comparison between the different sub-categories. In a first experimental study, Paper 3 "The role of topic choice, authenticity, and skepticism in consumers' reactions towards brand activism" addresses this gap. The other two experimental studies in Paper 3 address another important gap in the literature identified in Paper 1 regarding the role of authenticity in the context of brand activism. Vredenburg et al. (2020) and Schmidt et al. (2021) identify authenticity as a key factor for the success of brand activism, both stressing the need for future on research on what constitutes brand activism's authenticity. Drawing on related literature and real-world examples of brand activism, the paper investigates two factors that determine brand activism's authenticity: the motivation behind the activism (intrinsic vs. extrinsic) and the impact of the activism to combat the social issue addressed (high vs. low).

In conclusion, all three papers deal with brand activism: While Paper 1 provides conceptual "groundwork" and identifies important future research avenues for brand activism, Paper 2 and 3 include empirical studies that address some of the research questions identified in Paper 1. Table 1 provides an overview of the dissertation papers.

Paper	Title	Publication status	Key objectives	Data	Method
I	"Brand activism: Conceptualization, state of research and future outlook" *Authors:* *Tjark Virkus* *Kristina Klein*	Submitted to the *European Journal of Marketing*	• Define and delineate brand activism from related constructs • Summarize existing empirical literature on brand activism • Provide important avenues for future research on brand activism	• Prior literature	• Literature review
II	"Brand activism and its relationship to brand reputation and financial performance" *Author:* *Tjark Virkus*	Working paper	• Investigate the effect of brand activism on brand reputation on social media • Determine the effect of brand activism on brand financial performance	• Social media comments (Twitter) • Stock price	• Brand reputation tracker (Rust et al., 2021) • Event study
III	"The role of topic choice, authenticity, and skepticism in consumers' reactions towards brand activism" *Authors:* *Tjark Virkus* *Kristina Klein*	Submitted to a *Special Issue* in the *Journal of Business Research*	• Investigate differences in effects of brand activism from different sub-categories • Determine the role of authenticity for consumers' reactions to brand activism	• Experimental data from surveys with German participants	• Experimental studies • ANOVA/MANOVA • Mediation analyses

Table 1: Overview of dissertation papers

Summaries of dissertation papers

The following section includes a comprehensive summary for each of the three dissertation papers. Each summary describes the respective paper's motivation, objectives, approach, key findings, and contribution.

Summary of Paper 1 "Brand activism: Conceptualization, state of research and future outlook"

Authors: Tjark Virkus and Kristina Klein

As shown in the relevancy section at the beginning of the synopsis, academic literature shows growing interest in brand activism. However, existing research inconsistently refers to multiple concepts and terminology in this context. For example, Chatterji and Toffel (2019) view Starbucks' "Race Together" campaign – a campaign aiming to address the issue of racism in the U.S. – as brand activism. In contrast, Abitbol et al. (2018) define the brand's campaign as CSR engagement. In general, research identifies multiple concepts that refer to brands' social or political actions: Brand activism, corporate social responsibility (CSR), brand purpose, corporate social advocacy (CSA), corporate political advocacy (CPA), or cause-related marketing (CM). However, existing literature lacks a clear delineation of brand activism from these concepts, providing an important research gap also identified by other authors (Verlegh, 2024). We base our delineation of brand activism on its drivers (value- vs. activity-driven), its linkage to business operations, its degree of controversy and its executors (CEO vs. brand). In short, brand activism is value-driven and unrelated to core business operations, aligning the concept with CSA, CPA, and brand purpose, but not always with CSR and CM (Kotler & Sarkar, 2017; Dodd & Supa, 2014; Wettstein & Baur, 2016; Hsu, 2017; Bronn & Vrioni, 2001; Robinson et al., 2012). Brand activism can be initiated by a company or its CEO (Chatterji & Toffel, 2019) and often relates to controversial issues (Bhagwat et al., 2020), whereas brand purpose, CSR, and CM are usually non-controversial company initiatives.

However, in regard to controversy, it is not always obvious if a topic is perceived as controversial (e.g., is climate change still controversial?), and the degree of controversy also might vary globally. For example, gun control is a pressing issue in the U.S. that divides society. In contrast, gun ownership has long been restricted in many European countries, which is also supported by most people in their societies (Fisher, 2022). In sum, brand activism differs from CSR, CM, and brand purpose, while CSA and CPA constitute forms of brand activism, which is in line with propositions by Pimentel et al. (2022) or Cammarota et al. (2023). Table 2 summarizes the delineation of brand activism from other concepts.

Using this definition of brand activism, which includes CSA and CPA as well as CEO activism as forms of brand activism, Paper 1 summarizes existing empirical literature on brand activism including these concepts. The content-driven summary reveals multiple relevant variables that have frequently been researched in the context of brand activism. Among those variables are consumers' or employees' (dis)agreement with a brand's stance on a sociopolitical issue and consumers' brand identification. In terms of consumers' (dis)agreement with a brand's activism, several authors show negative consumer or employee reactions in the case of disagreement, but positive reactions in the agreement condition (e.g., Dodd & Supa, 2014; Chatterji & Toffel, 2019; Rim et al., 2022; Ketron et al., 2022; Wowak et al., 2022; Appels, 2023). Other authors even show that consumers' or employees' disagreement leads to stronger negative consumer or investor reactions to brand activism, while agreement, if at all, only has a small positive effect (e.g., Mukherjee & Althuizen, 2020; Wannow et al., 2023; Jungblut & Johnen, 2022; Bhagwat et al., 2020), showcasing the importance of the concept of stakeholders' (dis)agreement in the context of brand activism. Consumer-brand-identification seems to be highly relevant as well, being addressed by multiple authors (e.g., Park & Jiang, 2020; Hydock et al., 2020; Rim et al., 2022). It might help to counteract the negative effects of consumers' disagreement with a brand's activism (Wannow et al., 2023).

Concept	Definition	Distinction characteristics							Supporting literature	Example
		Drivers		Link to business operations	Degree of controversy		Executors			
		Values	Activities		Controversial	Not controversial	Company	CEO		
Brand purpose	Larger than a corporate strategy, mission, or social responsibility; an underlying guideline that provides direction on how to act or not to act	Yes	No	Not imperative	No	Yes	Yes	No	Hsu (2017), Kramer (2017), Mirzaei (2021)	Airbnb: "Anybody can belong anywhere"
CSR[1]	Actions in favor of social issues that connect to the company's business operations	No	Yes	Yes	No	Yes	Yes	No	Dodd and Supa (2014), Homburg et al. (2013), Wettstein and Baur (2016)	Starbucks' engagement in forest conservation
CM[2]	Use of marketing communications to promote good deeds for society or that product purchases will do something good for society	No	Yes	Not imperative	No	Yes	Yes	No	Robinson et al. (2012), van den Brink et al. (2006)	Apple using 50% of product sales to provide medicine for AIDS patients in Africa
CSPA[3]	Taking a public value-driven stand on a controversial sociopolitical issue not linked to core business operations	Yes	No	No	Yes	No	Yes	Yes	Dodd and Supa (2014), Wettstein and Baur (2016)	Nike taking a stand on racial justice by partnering with Colin Kaepernick
Brand activism	Public value-driven efforts to influence the most urgent issues present in society	Yes	No	Not imperative	Yes	Yes	Yes	Yes	Chatterji and Toffel (2019), Kotler and Sarkar (2017), Vredenburg et al. (2020)	Nike taking a stand on racial justice by partnering with Colin Kaepernick (controversial); Patagonia's environmental activism (rather non-controversial)

[1]corporate social responsibility; [2]cause-related marketing; [3]corporate sociopolitical advocacy

Table 2: Comparison of brand activism with related concepts

Other research explains the effects of brand activism on different consumer or employee outcomes (e.g., consumers' purchase intention or attitude towards the brand and employees' advocative behavior) through, e.g., perceived hypocrisy (Korschun et al., 2019), perceived sincerity (Atanga et al., 2022), attitudinal loyalty and social media engagement (Park & Jiang, 2020), moral emotions (Wannow et al., 2023), or perceived morality (Lee & Tao, 2021). Previous literature on brand activism also considers several moderators, altering the effect of brand activism on, e.g., consumer or investor outcomes. These moderators include, e.g., brand familiarity (Mukherjee & Althuizen, 2020), consumers' involvement (Hong & Li, 2020; Parcha & Kingsley Westerman, 2020; Jungblut & Johnen, 2022), political ideology (Ketron et al., 2022), news credibility (Lee & Chung, 2022), or the deviation between brand stance and brand image (Bhagwat et al., 2020). Figure 2 summarizes the existing empirical literature on brand activism. The framework clusters the outcome variables into consumer, employee, investor, brand-related, and stance-related outcomes. Moderators and mediators relate to the brand, consumers or the activism itself. While some authors research a construct as a mediator, others study the same construct as a moderator (e.g., consumers' brand identification). As discussed above, consumers' (dis)agreement with a brand's activism and consumer-brand-identification seem to be the most important constructs to consider, whereas other variables and constructs have not received much attention (e.g., effort, (moral) emotions, or brand perception).

Building on the review of existing empirical literature on brand activism, the paper identifies six important research questions that represent promising avenues for future research in the realm of brand activism. The following research questions are discussed in detail in Paper 1:

- *RQ1: What are the success factors of brand activism? Do brands need to be proactive, or can they also be reactive, and should they involve customers?*
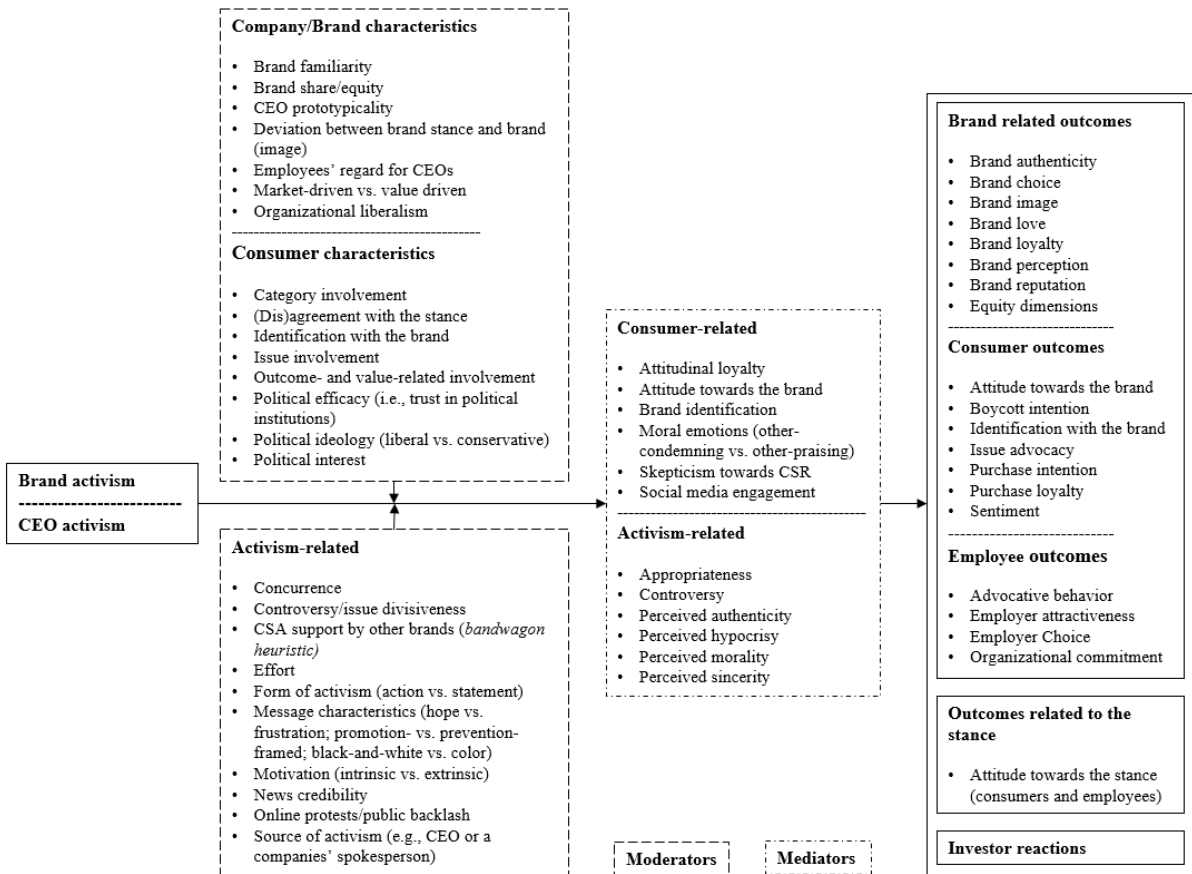
Figure 2: Framework of previous literature on brand activism

- *RQ2: How can brand activism be authentic? How do different brand characteristics influence brand activism and its authenticity? Which other mechanisms explain brand activism?*

- *RQ3: What is the right design for activism campaigns?*

- *RQ4: Does the addressed topic and its degree of controversy matter when engaging in brand activism?*

- *RQ5: How does brand activism resonate with other stakeholders, such as employees? Does it help retain current employees or attract potential employees?*

- *RQ6: Does brand activism work in the short-term, long-term, or both?*

Overall, Paper 1 contributes to brand activism literature in three ways: (1) It delineates brand activism from other related constructs and provides a clear definition of the construct.

(2) It summarizes existing empirical literature on brand activism, showcasing what constructs have been researched so far and, also, what constructs seem to be most important in the context (e.g., consumers' (dis)agreement with a brand's activism). (3) It provides six research questions that future research on brand activism should address.

Summary of Paper 2 "Brand activism and its relationship to brand reputation and financial performance"

Author: Tjark Virkus

Existing empirical literature on brand activism mainly investigates (self-reported) consumer-related outcomes, such as purchase intention (Dodd & Supa, 2014; Chatterji & Toffel, 2019; Korschun et al., 2019) or attitude towards the brand (Mukherjee & Althuizen, 2020; Atanga et al., 2022). In contrast, there is little to no research on non-survey-based outcomes, although brand activism is likely to trigger stock market reactions (Bhagwat et al., 2020) and to influence a brand's image or reputation (Mukherjee & Althuizen, 2020). Brand reputation (Aaker, 1992) and brand financial performance (Isberg & Pitta, 2013) are two essential components of (either consumer-based or financial-based; Davcik et al., 2015) brand equity which describes the additional value a brand provides to a product (Veloutsou & Guzman, 2017). Yet, to the best of the author's knowledge, research on brand reputation (Hong & Li, 2020; Lim & Young, 2021) and investor reactions (Bhagwat et al., 2020; Pasirayi et al., 2023) as a result of brand activism is limited. For measuring brand reputation, Hong & Li (2020) as well as Lim and Young (2021) use survey-based measures. Non-survey-based reputation has not received academics' attention in the context of brand activism. This paper addresses this gap by applying a methodology from Rust et al. (2021): The authors developed positive and negative dictionaries measuring brand reputation on social media. By applying these dictionaries to brands' social media comments surrounding brands' activism events, one can assess the relation of brand activism to brand reputation. Similar to Bhagwat et al. (2020) and Pasirayi et al. (2023), event study methodology is applied to assess brand activism's relation to stock price. This study differentiates from both studies mainly through more recent cases of brand activism, also discussing the respective brand activism cases and the effects found in detail.

In the first part of Paper 2, assessing the relation of brand activism to brand reputation, 20 cases of brand activism are identified. To apply the methodology from Rust et al. (2021), brand activism cases must have been published on social media (here: (former) Twitter). Assuring that a brand's activism received adequate attention on social media, it must have been retweeted at least 100 times. The 20 selected cases split into four cases of brand activism on the topics of immigration, racial justice, gender equality, gun control, and climate change. Twitter comments were scraped for nine weeks per brand, including four weeks before and after the activism, as well as one week starting with a brand's activism. During this timeframe, all Twitter comments that included a brand's official Twitter handle (e.g., @nike) were collected. Table 3 provides an overview of the sample.

Brand	Twitter handle	Date of activism	Topic addressed	Collected Tweets
Airbnb	@airbnb	06.02.2017	Immigration	65,371
Frontier Airlines	@flyfrontier	20.06.2018	Immigration	12,557
United Airlines	@united	20.06.2018	Immigration	83,371
84Lumber	@84lumbernews	06.02.2017	Immigration	18,845
Ben&Jerry's	@benandjerrys	19.06.2020	Racial justice	49,934
Disney	@disney	01.06.2020	Racial justice	66,084
Electronic Arts	@easports	06.06.2020	Racial justice	14,819
Nike	@nike	30.05.2020	Racial justice	93,411
Delta Airlines	@delta	24.02.2018	Gun control	217,675
Dicks Sporting Goods	@dicks	28.02.2018	Gun control	58,076
Toms	@toms	20.11.2018	Gun control	9,777
Walmart	@walmart	01.03.2018	Gun control	263,936
Mastercard	@mastercard	29.06.2019	Gender equality	7,552
OkCupid	@okcupid	03.05.2022	Gender equality	5,135
Oreo	@oreo	09.10.2020	Gender equality	329,045
Western Union	@westernunion	06.03.2017	Gender equality	2,709
BrewDog	@brewdog	22.08.2020	Carbon reduction	12,057
General Motors	@gm	28.01.2021	Carbon reduction	23,263
Microsoft	@microsoft	17.11.2020	Carbon reduction	375,569
Unilever	@unilever	02.09.2020	Carbon reduction	19,658

Table 3: Sample Overview. Note: Brands listed at the stock market during their brand activism are written in italics.

Then, the methodology of Rust et al. (2021) was applied to measure a brand's weekly reputation surrounding brand activism events. Table 3 shows the positive and negative dictionaries for brand reputation, split into 11 subdrivers of brand reputation identified by the authors.

Subdriver of brand reputation	Positive dictionary	Negative dictionary
Goods quality	Qualiti, durabl, function, excel, perfect, us, beauti, strong, valu, sturdi, luxuri, worth, long-last, best, satisfi, impress, uniqu, clean	Junk, bad, poor, wast, ugli, breakabl, worthless, flimsi, useless, disappoint, shoddi, mediocr, garbag, short-liv
Service Quality	Help, great, fast, knowledg, attent, understand, easi, polit, patient, respect, prompt, compet	Rude, frustrat, terribl, slow, careless, incompet, disrespect, aw, lazi, irrit, horribl, angri
Price	Cheap, afford, inexpens, deal, low, bargain, thrifti, reason, econom, frugal, joy, discount, pleas, sale	Expens, pricei, costli, overpr, unfair, rich, excess, extravag, high, exclus, outrag
Cool	Trendi, hip, awesom, cool, modern, stylish, current, sexi	Ordinari, lame, ancient, averag
Exciting	Fun, excit, inspir, happi, thrill, stimul, live, interest	Bore, dull, uninspir, tire, bland
Innovative	New, smart, invent, advanc, cut, futurist, intellig, progress, innov, technolog, creativ, novel, cutting-edg	Old, old-fashion, tradit, uninterest, outdat
Social responsibility	Benevol, give, benefici	Greedi, uncar, irrespons, evil, profit
Community	Famili, involv, commun, social, togeth, harmoni	Cold, sad, selfish
Friendly	Nice, friendli, pleasant, kind, warm, welcom, trustworthi, open, accommod	Mean, unpleas, unhelp, unfriendli, aloof, nasti, arrog
Personal Relationships	Connect, special, person, intim, close, profession, comfort	Cold, distant, imperson, disconnect
Trustworthy	Honest, reliable, good, depend, trust, transpar, safe, honesti, principl, honor	Dishonest, unreli, cheat, shadi, untrustworthi, deceit, decept, lie

Table 4: Positive and negative dictionary of brand reputation (per subdriver; own illustration based on Rust *et al., 2021)*

Brand reputation is then calculated as the standardized difference between positive and negative words found in one week. The results show that, for 18 out of the 20 brands, brand activism positively relates to brand reputation. That is, standardized weekly brand reputation scores increase compared to the previous week when brands engage in brand activism.

However, in regard to the longevity of effects, the positive relation of brand activism to brand reputation is only short-term. For most brands, reputation scores drop to similar levels from before the activism within one week. Figure 3 exemplifies this pattern for brands that engaged in gun control activism, including Delta Airlines, Toms, Walmart, and Dicks Sporting Goods.
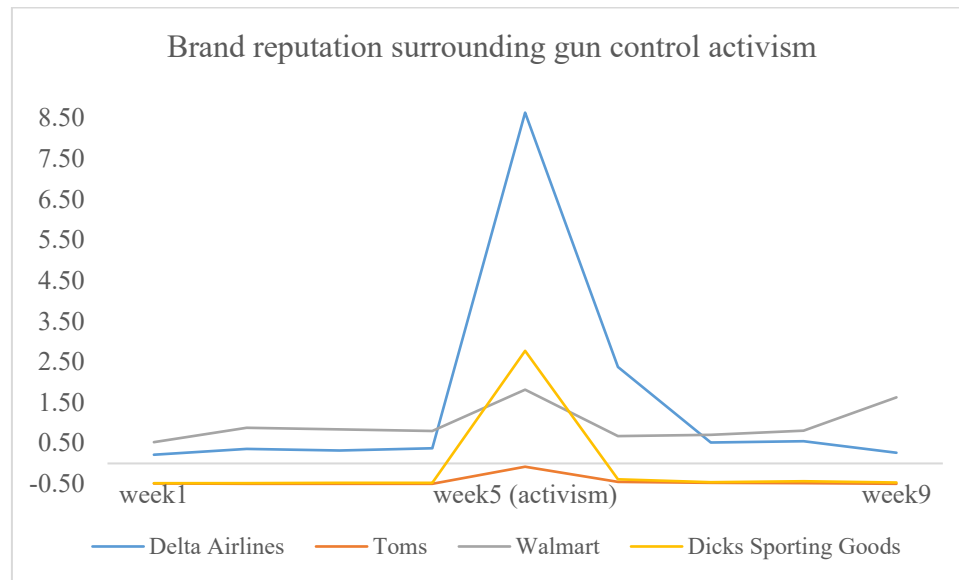
Figure 3: Brand reputation scores surrounding gun control activism

Notably, for two out of the 20 brands, brand activism relates to a slight decrease in brand reputation compared to the previous week. For Mastercard (gender equality activism) and Microsoft (environmental activism), a potential explanation for the decrease in brand reputation comes down to one specific detail: The brands' activism is a repetition of an initial brand activism. For example, Mastercard's initial brand activism happened in the four weeks prior to the selected activism, resulting in a positive change in brand reputation. Releasing a video that replicates the activist message communicated before, does not result in higher brand reputation scores again. In conclusion, brand activism seems to relate positively to brand reputation, albeit only short-term.

In the second part of Paper 2, analyzing brand activism's relation to brand financial performance, event study methodology is applied for those of the 20 brands listed on the stock market. These brands include, e.g., Delta Airlines, Nike, or Microsoft. Event study

methodology relates firm-specific events or announcements (e.g., brand activism) to firms' abnormal stock returns. Abnormal stock returns are the difference between a brand's actual stock return and the expected stock return without an unanticipated event (Sorescu et al., 2017). Overall results suggest a positive relation of brand activism to brand financial performance. That is, on the event day (i.e., brand activism release) brands' abnormal stock returns significantly increase by 1.09% (p < .05). This result contradicts findings from Bhagwat et al. (2020) and Pasirayi et al. (2023), both finding a negative relation of brand activism to brands' abnormal stock returns. A possible explanation boils down to the more recent timeframe of brand activism cases used in this paper: Whereas Bhagwat et al. (2020) observe brand activism cases from 2012 to 2016, this study includes cases from 2017 to 2021. Since 2017, the acceptance and demand for brand activism have increased (Edelman, 2017; Edelman, 2018; Edelman, 2022). Although Pasirayi et al. (2023), on average, also find an overall negative effect, their data shows an almost even split of brands with increasing or decreasing abnormal stock returns surrounding brands' activism. It is conceivable that the authors included older as well as more recent brand activism cases. However, the authors do not provide concrete details on their selected brand activism cases, raising the question if they would still find an overall negative effect when only looking at the more recent brand activism cases (as this paper does).

Overall, Paper 2 contributes to brand activism literature by assessing the impact of brand activism on brand equity components, showing a positive relation of brand activism to consumer-based brand equity through brand reputation and to financial-based brand equity through brands' abnormal stock returns.

Summary of Paper 3 "The role of topic choice, authenticity, and skepticism in consumers' reactions towards brand activism"

Authors: Tjark Virkus and Kristina Klein

According to Kotler and Sarkar (2018), six sub-categories of brand activism exist: social (e.g., gender equality), legal (e.g., tax laws), business (e.g., worker compensation), economic (e.g., redistribution of wealth), political (e.g., voting rights), and environmental (e.g., air and water pollution) activism. Yet, existing research mainly focuses social and political brand activism (e.g., Dodd & Supa, 2014; Hydock et al., 2020; Mukherjee & Althuizen, 2020). In a first experimental study, we address this gap by comparing the effects of brand activism from all six sub-categories on different consumer outcomes. Second, we base two more experimental studies on the observation that a majority of consumers demand brand activism, but, simultaneously, show skepticism towards it (Sprout Social, 2018). While more than two-thirds of respondents in this study by Sprout Social (n = 1,500) found it important that brands engage in activism, they also described their feeling towards brands activism as "skeptical" (second most response behind "neutral"). When brands engage in activism, consumers often suspect it being performative activism, presumably done to solely improve financial performance (Sprout Social, 2023). Clearly, consumers do not simply acknowledge whether a brand engages in activism, but also if it does so with the right intentions or, in other words, authentically. Several authors also ascribe an important role to authenticity in overcoming consumers' skepticism towards brand activism and, thereby, being key to successful brand activism (Vredenburg et al., 2020; Schmidt et al., 2021). Yet, existing research on authenticity, skepticism, and the linkage between the two constructs in the context of brand activism is scarce. The second experimental study looks at how the motivation behind a brand's activism (intrinsic vs. extrinsic) and the impact of a brand's activism on the sociopolitical issue addressed (high vs. low) – two factors brand activism examples in practice often vary in –

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affect the perceived authenticity of brand activism. Then, it is assessed whether perceived authenticity of brand activism relates to different consumer outcomes, assuming a mediating role of authenticity. The third experimental study replicates this setting but also includes consumers' skepticism towards brand activism as a secondary mediator. A serial mediation is tested, as such that higher authenticity perceptions reduce consumers' skepticism, which, in turn, relates positively to consumer outcomes. Figure 4 summarizes the conceptual models for the experiments. In all three experiments, consumers' (dis)agreement with the brand's activism is considered as an important contingency variable.
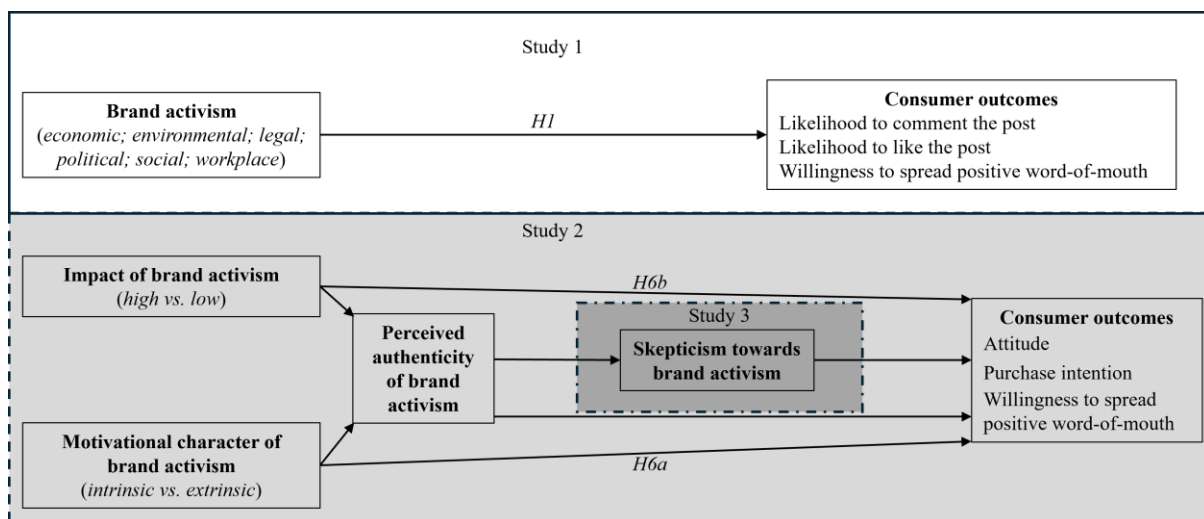
Figure 4: Conceptual models

In Study 1, the independent variable brand activism consisted of six factor levels representing the six sub-categories (i.e., political, environmental, economic, social, legal, and business) of brand activism plus a control group. A fictitious brand took a stand on sociopolitical issues (except for control group which included a non-controversial brand announcement) in an Instagram post, operationalizing the six sub-categories of brand activism through right-wing extremism (political), climate change (environmental), reintroduction of the wealth tax (economic), gender or racial equality (social), fixed-term employment contracts (legal), and level of executives' salary (workplace). ANOVA results for consumers' willingness to comment the post reveal no differences among any of the groups. That is, brand

activism of any kind does not result in higher or lower willingness to comment the Instagram post – compared to a non-activist control group and to all other sub-categories of brand activism. For consumers' willingness to like the post or to spread positive-word-of-mouth, MANOVA results suggest significant differences among the experimental groups: Follow-up analyses of variance reveal significant group differences for consumers' willingness to like the post, but not for consumers' willingness to spread positive word-of-mouth. That is, legal activism leads to significantly higher willingness to like the post compared to political and environmental activism. Notably, there are no significant differences between any of the brand activism sub-categories and the non-activist control group for both dependent variables. Potential explanations for the differences between legal and political as well as environmental activism boil down to a brand's *target audience* and *societal dynamics*. In the legal activism condition, the fictitious brand spoke out in favor of a removal of fixed-term employment contracts. In the sample, 60% of respondents were employees, most likely evaluating a stance in favor of employees positively. In contrast, speaking out on the need to stop climate change (environmental activism) and in opposition of a right-wing party considered as extremist (political activism), might lead to rather negative consumer reactions, as society in Germany becomes more and more *climate impotent* (Rieger, 2023) and supportive of right-wing parties (Fiedler, 2023). Including consumers' (dis)agreement with a brand's stance into the analyses as a moderator, reveals significant moderations of consumers' word-of-mouth intention for political, economic, and legal activism compared to social activism. In other words, consumers' (dis)agreement matters more for these three activism topics, as such that consumers' express higher (lower) word-of-mouth intention compared to the social activism when they agree (disagree) with the brand's activism. Potentially, these findings can be explained through consumers' personal topic relevance: When people encounter a mismatching political opinion (e.g., from a brand), high personal topic relevance is a determinant for individual's negative

responses (Lu, 2019). One could argue that the topics addressed with the political, economic, and legal activism show more personal relevance than the social activism.

The second and third experimental study employed a 2 (motivational character: intrinsic vs. extrinsic) × 2 (impact: high vs. low) plus control group[1] between-subjects design. The samples of German respondents were exposed to an Instagram post by a fictitious brand that took a stand on the issue of racism and tolerance. For the manipulation of the motivational character, participants were either told that the brand had previously engaged in brand activism and was the only brand to take a stand on the issue of racism (intrinsic motivation), or that the brand engaged in brand activism only after it had received external pressure and after competitors had taken a stand on the issue (extrinsic motivation). For the manipulation of the impact factor, respondents were either told that the brand had not taken any other action than the Instagram post (low impact), or that the brand supported the activism with donations to humanitarian organizations and by paying attention to diversity in its own human resource management. In Study 2, MANOVA results for the dependent variables brand attitude, purchase intention, and willingness to spread positive word-of-mouth reveal a significant effect of motivational character and impact of brand activism. Follow-up analyses of variance show that an intrinsic (vs. extrinsic) motivation and a high (vs. low) impact lead to significantly higher values for all three dependent variables (see Figure 5).

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[1] As we were only interested in the comparisons between the respective factor levels, we only focused on the four experimental conditions in our analyses.
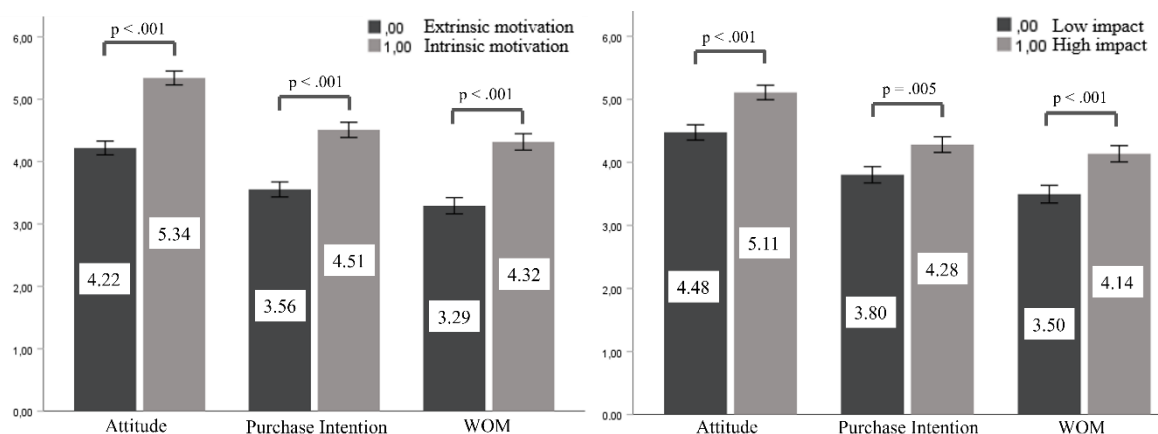
Figure 5: Effects of motivational character (on the left) and impact of brand activism (on the right) on consumer outcomes. Notes: Error bars = ± 1 standard error.

Using PROCESS (version 4.2, Hayes, 2017) in IBM SPSS 28 to run a mediation with authenticity as a mediator, reveals multiple findings: (1) An intrinsic (vs. extrinsic) motivation of brand activism leads to significantly higher authenticity perceptions. (2) A high (vs. low) impact of brand activism also leads to significantly higher authenticity perceptions. (3) Higher authenticity perceptions positively relate to all three dependent variables. (4) Mediation analyses reveal a significantly positive mediation through authenticity for all dependent variables.

Similar to Study 1, considering consumers' (dis)agreement with a brand's activism as a moderator, significant moderations for the effect of the motivational character of brand activism on all three dependent variables, but none for the impact of brand activism are found. The significant moderations suggest that, when brand activism is intrinsically (vs. extrinsically) motivated, consumers' (dis)agreement is more important. More precisely, when consumers disagree with brands' intrinsically motivated activism, consumers' negative reactions to brand activism are significantly more pronounced compared to when consumers disagree with brands' extrinsically motivated activism.

In Study 3, the manipulation of the impact of brand activism – which was successful in Study 2 – did not work. Therefore, only the motivational character of brand activism was included into the analyses. Using PROCESS (version 4.2, Hayes, 2017) in IBM SPSS 28 to

run a serial mediation with authenticity and skepticism as mediators, reveals several findings: (1) An intrinsic (vs. extrinsic) motivation of brand activism leads to consumers' higher authenticity perceptions and less skepticism towards brand activism. (2) Higher authenticity perceptions relate to a reduction of consumers' skepticism towards brand activism and to higher values for all three dependent variables. (3) An increase in consumers' skepticism towards brand activism negatively relates to consumers' brand attitude and word-of-mouth intention, but not to purchase intention. (4) As in Study 2, authenticity mediates the effect of motivational character on all three dependent variables. (5) We find evidence for a serial mediation via authenticity and skepticism for consumers' brand attitude and word-of-mouth intention. That is, an intrinsic (vs. extrinsic) motivation of brand activism increases authenticity perceptions of brand activism, which relates to a reduction of consumers' skepticism towards brand activism, then relating to more positive brand attitude and word-of-mouth intention.

In regard to consumers' (dis)agreement with a brand's activism, the findings from Study 2 do not replicate, no significant moderation for any of the dependent variables is found.

Overall, Paper 3 contributes to brand activism literature in multiple ways: Study 1 reveals that there can be differences in the effects of brand activism from different sub-categories (i.e., among political/environmental activism and legal activism). That is, academics and practitioners should be careful when treating brand activism as a whole because of varying societal dynamics or target audiences. Notably, no differences between any sort of brand activism and a non-activist control group are found. Potentially, this lack of brand activism's effect can be explained by the usage of a fictitious brand: Without any knowledge about previous brand behavior or past experiences with a brand, consumers might react rather neutrally to brand activism, as they are not able to really evaluate the authenticity of a brand's activism. Authenticity has been identified as a key determinant for the success or failure of brand activism. Study 2 and Study 3 address this possible explanation, investigating the role of

authenticity in consumers' perceptions of brand activism. Here, respondents received more information (motivation and impact of brand activism) about the fictitious brand. Results from both studies support the importance of authenticity: Authentic brand activism relates to a reduction of consumers' skepticism towards brand activism and to positive consumer reactions to brand activism. Overall, the paper provides valuable insights on topic choice, authenticity, and skepticism in the context of brand activism.

Conclusion, status of dissertation papers, and acknowledgements

"Brand activism is here to stay." – Daniel Korschun

In 2021, Daniel Korschun – an Associate Professor of Marketing and expert on the topic of brand activism – predicted that brand activism would be around for some time, and, at least until today, he was right (Korschun, 2021). Recent examples of brand activism can be found all over the globe, e.g., in the U.S. (Bersoff et al., 2024), Germany (Bialek, 2024), or Australia (Spry, 2023). However, many brands still fear and experience public backlash as a consequence of brand activism: When Budweiser partnered with transgender influencer Dylan Mulvaney in 2023, instant and massive backlash hit the brand (Bersoff et al., 2024). While Budweiser was aiming to improve a social issue (i.e., gender inequality), the brand was not able to do it without hurting itself. With a rather conservative image and customer base, activism on gender equality seemingly was not authentic and misaligned with customers' stance on the topic. This example highlights that brands still need guidance on how and when to engage in brand activism. Paper 3 of this dissertation sheds light on how to be authentic when taking a stand on sociopolitical issues. More research in this regard (e.g., in different countries than Germany and with additional antecedents of brand activism authenticity) and its application in practice is needed, so that (more) brands will still engage in (successful) brand activism in the future. Hereby, future research must address how brands can avoid negative effects of brand activism for consumers who disagree with a brand's activism. When literature can provide guidance in this regard, brand activism remains a promising strategy for brands as consumers want brands to be activists (Edelman, 2022). Providing guidance on how to engage in brand activism might not only benefit brands but society as well: Consumers show more trust in brands to impact societal issues than governments (Edelman, 2022). In times of countless sociopolitical issues (e.g., Russia-Ukraine war, Israel-Hamas war, right-wing extremism in Europe, gender inequality, climate change), brands acting on this consumer trust could be much needed to

improve the most urgent issues in society. If brands are not authentic, brand activism is often perceived as performative activism, solely to improve the (financial) bottom line (Sprout Social, 2023). As shown in the recent example of Budweiser, inauthentic activism usually results in public backlash, most likely not inducing brands to engage in activism again and also not improving the social issue (substantially). Overall, it will always remain unlikely to appeal to everyone by engaging in brand activism because of its controversial character. Yet, practical examples such as Patagonia, Ben & Jerry's, or Nike suggest that brands can be successful activists. In order to encourage and assist more brands in becoming successful activists, there is still plenty of research needed. This dissertation has made important steps in this direction.

The papers of this dissertation have been presented several times to receive feedback from the academic community. Two papers are also currently under review.

Paper 1 "Brand activism: Conceptualization, state of research and future outlook" and Paper 3 "The role of topic choice, authenticity, and skepticism in consumers' reactions towards brand activism" have been submitted to the *European Journal of Marketing* (Paper 1) and to a special issue on brands' activism in the *Journal of Business Research* (Paper 3). Isolated parts of Paper 2 "Brand activism and its relationship to brand reputation and financial performance" as well as Paper 3 received different awards: With a presentation including the first part of Paper 2 regarding the effects of brand activism on brand reputation and the second study of Paper 3 regarding the mediating role of authenticity, a first place at the "Marketing Impulse XXL" – an event in cooperation of the Northern members of the "Deutsche Marketing Verband" at which six young academics from different marketing chairs in Northern Germany present their research – was achieved. This 1st place was awarded with 1000€. Additionally, a working paper on the second study of Paper 3 regarding the mediating role of authenticity –

joint work with Sophie Gerdemann and Prof. Dr. Kristina Klein – received a *Best Paper Award* at the conference "DerMarkentag2021". Both awards are depicted in Figure 6.

Figure 6: Awards for different parts of the dissertation project

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Paper I "Brand activism: Conceptualization, state of research and future outlook"

Abstract

Purpose – The purpose of this article is to distinguish brand activism from related practices (e.g., corporate social responsibility (CSR)), thereby offering a well-founded definition of what brand activism is (not). Moreover, a content-driven summary of existing empirical literature on brand activism aims to identify important avenues for future research in the context of brand activism.

Design – This article uses prior literature to distinguish brand activism from related practices and to summarize existing empirical research on brand activism.

Findings – The delineation of brand activism reveals similarities and differences between brand activism and related constructs regarding its drivers (value- vs. activity-driven), its linkage to business operations, its degree of controversy and its executors (CEO vs. brand). The content-driven summary of existing empirical literature on brand activism reveals mixed findings and identifies six important avenues for future research in the context of brand activism.

Research limitations – The proposed definition of brand activism distinguishes it from CSR by being value-driven (vs. activity-driven). Some authors argue that CSR can also be value-driven, enabling possible scenarios where brand activism could also be termed CSR.

Practical implications – For brands, the discussion of empirical literature on brand activism highlights the importance of consumers' (dis)agreement with the brand's stance as well as authenticity and consumer-brand-identification to counteract negative effects for disagreeing consumers.

Originality – The delineation of brand activism from other concepts fills a gap identified by other researchers. The proposed research questions provide fruitful avenues for future research.

Keywords: brand activism; corporate social advocacy; corporate social responsibility; brand management

Introduction

"In a racist society, it is not enough to be non-racist, we must be anti-racist."

—Angela Davis, American political activist, academic, and author

In 2020, following a series of police shootings of citizens of color, the Black Lives Matter (BLM) movement dominated U.S. and world news. People demanded racial justice (Menon & Kiesler, 2020), not only addressing politics but also companies: According to Edelman (2020), 61% of the U.S. population want companies to actively engage in the BLM movement, and 54% of millennial and Generation Z adults report considering brands' reactions to the protests for racial justice when making their purchase or boycott decisions. Such stances on controversial topics have become more common in recent years, forming the core of what is called "brand activism" (Vredenburg et al., 2020). We define brand activism as companies' public value-driven efforts to influence urgent issues present in society. These efforts might include taking a stand on highly controversial sociopolitical issues, which usually are unrelated to core business activities, but they also might include supporting causes related to less controversial topics, such as sustainability.

A prominent example of brand activism was Nike's hiring of U.S. football player Colin Kaepernick as the face of its marketing campaigns (Hoffmann et al., 2020) after he was dropped by his team for kneeling during the national anthem in protest of racial injustice. This example nicely illustrates the core elements of the proposed definition. Nike took a public action, on a topic (racism) which is a pressing matter for the U.S., but which is unrelated to the company's core business. The action led to controversial reactions: On social media, many critics threatened to boycott Nike. Others supported the brand; online sales increased by 31% after the campaign's release (Sweeney, 2018). That is, generally, brands' stands on divisive sociopolitical topics bear a high risk of alienating consumers (Hoffmann et al., 2020).

Thus, it is not surprising that it is increasingly addressed by academic literature. However, discussions tend to feature multiple concepts and terminology, both new and old, marked by inconsistency. Whereas Chatterji and Toffel (2019) define Starbucks' "Race Together" campaign against racism as brand activism, Abitbol et al. (2018) view it as corporate social responsibility engagement. Although authors refer variously to brand activism, corporate social responsibility (CSR), brand purpose, corporate social advocacy (CSA), corporate political advocacy (CPA), or cause-related marketing (CM)—all terms that suggest brands are being socially or politically active—literature does not clearly differentiate these concepts and terms. We delineate brand activism from other concepts through its drivers (value- vs. activity-driven), its linkage to business operations, its degree of controversy and its executors (CEO vs. brand), filling a gap that has been identified by Verlegh (2024; area #4). While brand activism differs from the concepts of CSR, brand purpose and cause-related marketing—CSA and CPA constitute forms of brand activism (for details see Appendix). This assessment is in line with the two conceptual papers from Pimentel et al. (2022) and Cammarota et al. (2023). The authors also view brand activism as an "umbrella term" for activist actions (e.g., CSA), but do not offer a clear delineation from other constructs. While both papers also review the literature and briefly summarize key findings in conceptual frameworks, our paper (1) offers a more nuanced discussion of extant literature findings on brand activism. Our paper (2) also derives more specific avenues for further research instead of merely providing extensive lists of potential research directions. The research agenda is thus the main contribution of this paper. Some of our propositions partly overlap with some of Verlegh's (2024) impulses, but our proposed research questions base on the comprehensive literature review, and combine it with perspectives from related research areas, detailing the theoretical reasoning. This set-up differentiates us from all the existing conceptual works in this context. We structure the discussion of those research questions along our proposed definition which is rooted in the

delineation of brand activism from other concepts. In short, brand activism is driven by a company's values of caring for society and the environment and not linked to core (business) operations (Kotler & Sarkar, 2017), aligning the concept with CSA, CPA, and brand purpose, but not always with CSR and CM. The latter concepts are often closely linked to companies' core (business) actions (e.g., Robinson et al., 2012; Dodd & Supa, 2014), by assigning a percentage of product sales to a cause (CM) or mitigating the negative effects of companies' core (business) actions on the environment (CSR), for instance. Similar to CSA and CPA, but different to brand purpose, CSR, and CM, brand activism relates to controversial topics and can be initiated by a company or its CEO (Chatterji & Toffel, 2019), whereas all latter constructs are company initiatives.

Empirical literature on brand activism

Brand-related effects of activism. Hong and Li (2020) as well as Lim and Young (2021) provide studies surrounding companies' *reputation*. The latter show that perceived CSA authenticity and a fit between a company's identity and the activist stance positively relate to a brand's issue-specific reputation. Hong and Li (2020) find that consumer-cause fit, company-cause fit, and consumer-company congruence have a positive relation to corporate reputation. The authors find no significant interaction for consumers' issue involvement. However, the authors also research consumers' boycott and purchase intention as dependent variables, finding a positive relation for company-cause fit and consumer-company congruence. Consumers' issue involvement moderates the relation for the company-cause fit: For consumers with little involvement in the sociopolitical issue, a high fit between the company and the advocated cause is essential to evoke positive consumer reactions (i.e., stronger purchase intention and reduced boycott intention). Korschun et al. (2019) divide brand image into "market-driven" and "value-driven," showing not taking a stand negatively influences purchase intention when a company is perceived as value-driven and vice versa, due to

consumers' perceptions of such company behavior as hypocritical or, in other words, inauthentic. Schmidt et al. (2021) support these findings, particularly revealing that brand activism must be authentic, such that brands must align their activism with their previous behavior, as well as their strategies and values. Ahmad et al. (2022) and Nam et al. (2023) provide studies on brand activism and brand *authenticity*. Ahmad et al. (2022) research the influence of a brand's commitment (non-financial vs. financial vs. rhetorical) on brand authenticity and brand love, showcasing that non-financial commitment exhibits the most positive effect on brand authenticity and brand love. Brand authenticity also mediates the effect of activism on brand love. Moreover, a message focusing on hope (vs. frustration) results in more positive evaluations of brand authenticity and brand love for non-financial and financial commitment but has the reversed effect for rhetorical commitment. Also, a financial commitment exhibits the most positive effect on brand authenticity and brand love for high (vs. low) equity brands. For low equity brands, non-financial commitment exhibits the most positive effect on brand authenticity and brand love. Nam et al. (2023) research brand activism response time, finding that a fast (vs. slow) response time leads to more positive consumer sentiment and higher purchase intention. However, when a social issue is highly (vs. lowly) divisive, a fast (vs. slow) response time does not result in greater purchase intention. The effect for consumers' purchase intention is mediated by perceived authenticity of the activism, as such that a fast (vs. slow) response time leads to greater authenticity perceptions. Chu et al. (2023) research brand-related (e.g., brand-cause fit) as well as social media-related (e.g., social media trust) antecedents of brand activism's perceived authenticity, which then indirectly positively relates to *brand loyalty*, purchase intention, and brand image through consumers' word-of-mouth intention. Park and Jiang (2020) demonstrate how CSA generates brand loyalty on social media, finding an indirect relation of CSA to consumers' identification with brands, which in turn affects their purchase loyalty. Park (2022) also finds a positive relation of CSA

to brand loyalty through a reduction in consumers' skepticism toward companies' social actions. Next to this positive relationship to brand loyalty, Park (2022) finds the same positive relation to brand trust. Herzberg and Rudeloff (2022) study the effect of brand activism (compared to CSR and a control group) on several brand equity dimensions (e.g., brand trust), finding positive effects of brand activism and CSR on brand equity (compared to a control group). Notably, the authors find no significant differences between brand activism's and CSR's effects.

Consumer and employee-related effects of activism. Dodd and Supa (2014) study the effect of CSA on consumers' ***purchase intention*** without brand-related antecedents. The authors show that respondents who read a CSA issue–related statement expressed greater purchase intention than those who did not read it, and respondents whose opinions matched the brand's stance had significantly higher purchase intention than those whose opinions did not match. Rim et al. (2022) also study CSA but in relation to consumers' identification with and ***attitudes toward brands***; they suggest that brand activism can attract consumers, who might not previously have liked a brand as a result of social-issue congruency, but also can alienate consumers that previously liked the brand, resulting from social-issue incongruency. Ketron et al. (2022) find that the effects of brand activism on willingness to patronize and pay are stronger for liberal (vs. conservative) consumers in both agreement and disagreement conditions, with consumers' attitudes toward brands mediating these effects. Atanga et al. (2022) provide multiple findings regarding brand attitude: (1) When consumers disagree with a brand's activism, consumers' perceived novelty of the sociopolitical issue has a negative effect on brand attitude (vs. no effect in agreement condition). (2) A brand's stance on topics with a low (vs. high) perceived degree of controversy leads to more positive brand attitudes because of consumers' higher sincerity perceptions of the activism. Weber et al. (2023) come to similar results, comparing CPA with CSR. The authors find that CSR leads to more favorable brand

attitudes than CPA as CSR is perceived as more appropriate and less controversial (the two mediators in their study). The responses to CSR and CPA also vary because of consumers' (dis)matching political orientation; CPA evokes stronger positive (negative) brand attitudes compared to CSR when consumers' political orientation (mis)aligns with the brand's stance. Finally, the authors find that consumers' trust in political institutions (termed political efficacy) can counteract the negative effects of CPA. Regardless of alignment with the brand's stance, consumers with high political efficacy react positively to CPA.

Other studies focus on different consumer attitudes than those towards the brand. Lee and Chung (2022) suggest that CSA mainly attracts consumers who are undecided about a social issue. Nevertheless, there might also be a way to change consumers' disagreement with the CSA, especially if consumers regard a source of new CSA knowledge as credible. Parcha and Kingsley Westerman (2020) also study consumer attitudes in the context of CSA. In four circumstances, CSA can change attitudes toward social issues: (1) when consumers have high outcome-relevant involvement (ORI) and CSA has a low degree of fit with a brand, (2) when CSA is supported by a large number of other brands (high values for bandwagon heuristic), and when both (3) outcome- and (4) value-relevant involvement (VRI) is low and CSA is supported by only a few other brands (low values for bandwagon heuristic). Zhou et al. (2023) research color and message framing of CSA advertisements: An activist message framed to achieve positive outcomes (i.e., achieve benefits of gender equality) rather than reducing negative outcomes (i.e., prevent harm of gender inequality) leads to favorable attitudes towards the CSA advertisement when combined with black-and-white images.

CEO as source of the activism. Chatterji and Toffel (2019) show that CEOs' views on sociopolitical issues influence consumers' opinions on the issues, as well as their purchase intention toward the brands represented by the CEOs, though only if they have similar opinions on the issues. If discrepancies among opinions exist, CEO activism can backfire. Similarly,

Jungblut and Johnen (2022) show that CEO activism has a positive effect on brand image and purchase intention, albeit only when consumers approve the stance. The negative effect in the disagreement condition is significantly stronger than the positive effect in the agreement condition for both dependent variables. For purchase intention, the discrepancy between positive and negative effect (buycotting vs. boycotting) becomes insignificant for consumers with high political interest or low category involvement. Wowak et al. (2022) and Appels (2023) provide similar results for employees: Wowak et al. (2022) find that CEO liberal (vs. conservative) activism increases employees' organizational commitment as organizational liberalism increases but decreases it for the most conservative employee populations. High (vs. low.) CEO prototypicality (i.e., employees see the CEO as *one of them*) and less-regarded (vs. well-regarded) CEOs amplify the effect, resulting in an increase (decrease) of employees' organizational commitment in liberal (conservative) employee populations. Another study on CEO activism and employees stems from Lee and Tao (2021). Employees evaluate and talk about their CEO's activism more positively when they perceive the activism as moral. A CEO's transformational leadership (e.g., leaders sacrificing their own good for the good of the group) as well as employees' expectations of CEOs to act ethically responsible lead to higher perceived morality of CEO activism. Appels (2023) finds that CEO activism has a positive effect on employer attractiveness and employer choice, mediated by CEO's authentic leadership. However, the positive indirect effect is weakened when consumers disagree with the CEO's activism or perceive the CEO's activism as extrinsically motivated (vs. intrinsically motivated). Taken together, all these previous research findings seem to suggest that brand activism positively relates to consumer behavior when it matches consumers' opinions on issues (issue congruency) and aligns with companies' images, values, and/or previous behaviors (authenticity).

Negative effects of activism. In contrast, Mukherjee and Althuizen (2020) as well as Wannow et al. (2023) identify an asymmetrical effect of brand activism on consumer attitudes. Although they confirm that attitudes toward brands are significantly lower among consumers who disagree with a brand's stance, they find that attitudes of consumers who agree with the brand's stance do not actually change or change less compared to the disagreement condition. Wannow et al. (2023) provide further explanations for these findings through moral emotions (i.e., other-condemning and other-praising emotions). Other-condemning emotions result from someone else's violation of moral values, whereas other-praising emotions result if someone else's behavior aligns with one's own moral values. While other-praising emotions increase when consumers agree with a brand's stance, they decrease when consumers disagree with the brand. Other-condemning emotions only increase in the disagreement condition, but they do not decrease in the agreement condition. Other-condemning emotions have a negative effect on brand attitude, whereas other-praising emotions have a positive effect, explaining the stronger effect for the disagreement condition. The authors demonstrate that these moral emotions only occur for consumers with low or medium levels of consumer-brand identification (CBI). High CBI counteracts the occurrence of both moral emotions, making brand activism ineffective (regardless of positive or negative effects). The authors find similar effects for consumers' issue advocacy as a dependent variable (instead of brand attitude). Mukherjee and Althuizen (2020) come to similar results, finding that in the disagreement condition—but not the agreement condition—consumer attitude is significantly lower when a company spokesperson communicates the stance than when it comes from the company's CEO or an ambassador. Regarding public reactions to a brand's stance, consumers' attitudes increase only if they agree with it and if the brand faces public backlash; this positive effect reverses when the brand decides to take a step back and to apologize for its position. The negative effect in the disagreement condition remains, irrespective of public backlash or a subsequent apology

by the company. Hydock et al. (2020) also identify possible negative effects of brand activism. Their findings suggest that consumers' (mis)alignment with the brand's stand leads to a (decrease)increase in brand choice. They also find evidence that these effects are mediated by consumers' brand (dis)identification. The authors also consider brand size, showing that small-share brands are able to gain more (aligned) customers than losing (misaligned) ones, whereas it was the other way around for large-share brands. However, the positive effects of taking a stand for small share brands (not for large share brands) were mitigated when the brand's authenticity was perceived as low. Klostermann et al. (2022) find a general negative relation of CPA to brand perception that is greater for existing customers than for non-customers. This negative relation increases when brands put more effort (e.g., change in policy or donations to a cause) into their CPA but decreases in the presence of high corporate concurrence (i.e., multiple brands taking the same stand). Finally, Pasirayi et al. (2023) and Bhagwat et al. (2020) find that investors react negatively to brand activism. Bhagwat et al. (2020) specify that any deviation between an issue stance and customer or employee values, actions as forms of activism, or the CEO as source of activism increase investors' negative reactions. The deviation between issue stance and brand image does not have a significant relation to investors' reactions (somehow contradicting what Korschun et al. (2019) find for consumers), but activism can lead to positive investor reactions when the deviations are small.

In conclusion, the summary of extant literature on the effects of brand activism identifies several consistent findings: First, the effects of CSA, CPA, CEO activism, or brand activism do not seem to differ substantially, supporting our notion that they can all be considered brand activism. Second, consumers' or employees' (dis)agreement with a brand's activism seems to be the most important variable in determining positive or negative reactions to brand activism. Finally, brands can leverage the potential or reduce the risk of brand activism by being

authentic and by strengthening consumers' brand identification, showcasing a promising determinant of brand activism's success – even if consumers disagree with the brand.

In our conceptual framework, we provide a visual representation of the previously discussed findings on brand activism (Figure 1). It is different from the work by Pimentel et al. (2022) and Cammarota et al. (2023), as both studies rather pursue a wide approach of the topic, resulting in a framework that includes empirical as well as non-empirical findings. In Cammarota et al.'s (2023) study, it is unclear whether only empirical work is depicted. In contrast, our framework only includes empirical findings on brand activism. While Pimentel et al. (2022) also visualize moderating and mediating factors, their framework is less comprehensive than ours, likely resulting from the keyword search by Pimentel et al. (2022), where studies on CSA or CPA might have been missed. In sum, our conceptual framework provides a more nuanced visualization of extant empirical findings on brand activism (see Supplementary material for a synthesized version of all three frameworks).
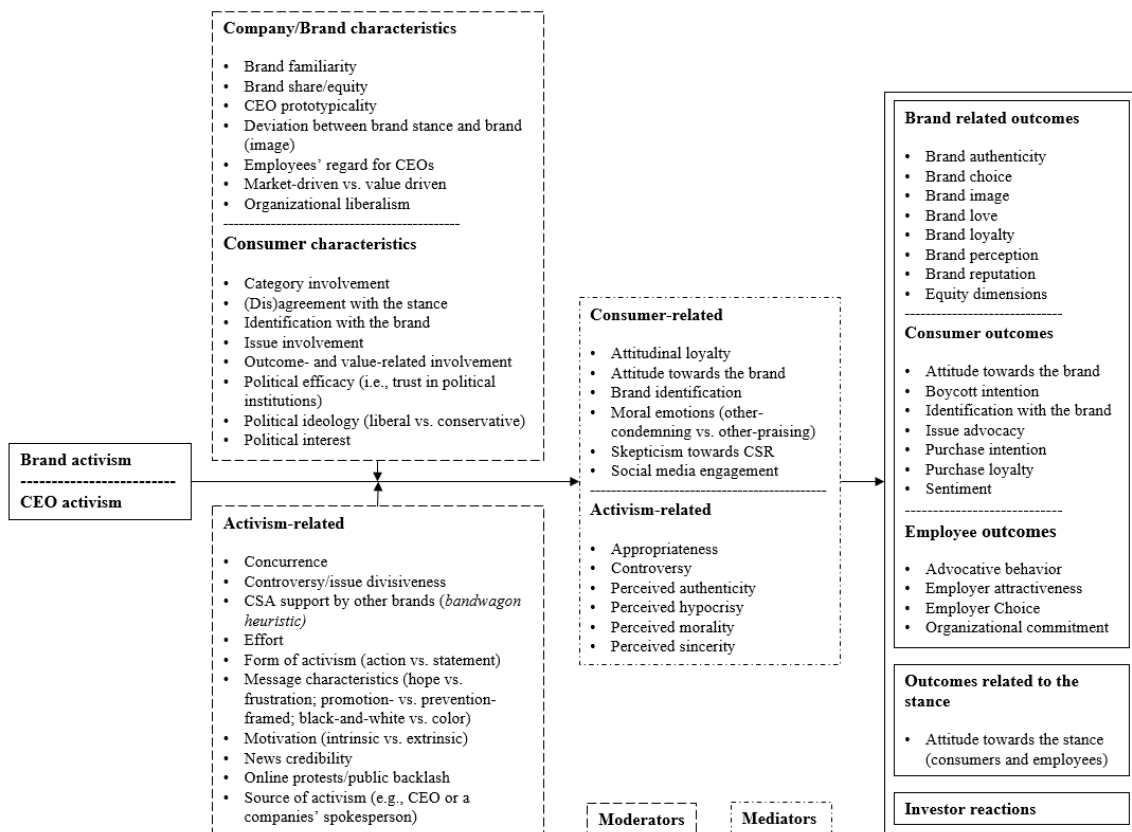
Figure 1: Framework of previous literature on brand activism

Research agenda

We identify six research questions and structure them according to the basic issues of our delineation and definition of brand activism.

RQ1: What are the success factors of brand activism? Do brands need to be proactive, or can they also be reactive, and should they involve customers?

Our first research question links to the characteristic of brand activism being value-driven rather than activity driven. In general, brand activism can either be proactive (i.e., intrinsically motivated/driven by values) or reactive (i.e., extrinsically motivated/reactive to crisis or external events; Disparte & Gentry, 2015). One could argue that, per our definition, brand activism can only be proactive as proactivity clearly aligns with value-driven motives of engaging in brand activism. However, brand activism as a reaction to external events can also be driven by values. For example, brands might want to react to the external event of the U.S. Supreme Court ruling in 2022 that there is no constitutional right to abortion because it (mis)aligns with its values. Guha and Korschun (2023) indeed show that brands engage in reactive activism. They find that brands monitor other brands' activist behavior. When other brands already took a stand on a sociopolitical issue, when consumers reacted positively to another brand's activism, or when consumers actively demand a specific brand to take a stand, the brand is more likely to engage in reactive activism. Surprisingly, we know of no academic studies of consumers' reactions to proactive versus reactive brand activism. Although Korschun et al. (2019) refer to various motivations to engage in brand activism and compare market-driven with value-driven brands, they do not investigate whether the activism is a reaction to a company's environment (e.g., general crisis, media pressure) or an outflow of the brand's values. Nam et al. (2023) find that, when brands engage in reactive activism, a fast (vs. slow) response time can lead to positive consumer reactions. Yet, they do not compare this

response time effect for brands that react to the external event based on an intrinsic (vs. extrinsic) motivation. In the context of CSR, Groza et al. (2011) find that proactive (vs. reactive) CSR has a significantly positive effect on consumers' attitudes toward the brand and purchase intention. At a more general level, Moulard et al. (2016) and Cinelli and LeBoeuf (2019) find that consumers evaluate companies as more authentic when companies are intrinsically (vs. extrinsically) motivated to produce their products; because they are perceived as more authentic, their intrinsic motivation allows them to be perceived as having higher product quality and more trustworthy brands.

Although these findings in other contexts suggest more positive effects for proactive activism than reactive activism, little empirical knowledge exists regarding how consumers perceive reactive activism and whether and how brands can implement this form successfully. Borah et al. (2020) provide some insights into how activism as a reaction to external events could be successful: They find a positive effect of improvised marketing interventions (IMIs, defined as social media actions executed as real-time reactions to external events) on the virality of messages and firm value. IMIs are especially successful for combinations of humor and timeliness (the quicker, the better) or humor and lack of anticipation (surprise IMIs as responses to external events). If the external events involve controversial sociopolitical issues and the IMIs include taking stands on the issues, it is possible that consumers see the IMIs as brand activism. It would be interesting to determine whether the same IMI effect occurs; if so, they would provide one way for brands to engage successfully in reactive brand activism.

When brand activism is proactive, it usually is a planned action or part of the overall strategy. It thus shows potential to actively involve customers in the process of brand activism, which Johnson et al. (2022) refer to as "constituency building," that is, involving customers in brands' political activities. For example, Uber asked its customers to contact the Mayor of New York City to help end the debate on capping Uber's growth at 1% per annum (Stempeck, 2015).

Such activism increases consumers' brand loyalty and strengthens the brand–consumer relationship. More research is needed to understand the effects or risks of constituency building associated with highly controversial sociopolitical topics, determining whether involving consumers in brand activism is a promising long-term strategy.

RQ2: How can brand activism be authentic? How do different brand characteristics influence brand activism and its authenticity? Which other mechanisms explain brand activism?

Our second research questions links to the characteristic of brand activism usually being unrelated to core business activities. When brands engage in activities that have nothing or little to do with their business, it is hard to be authentic, as these activities will not be perceived as being their "core competency," unless the company has a long history of speaking out on (controversial) issues. Thus, brand activism bears a high risk of being perceived as woke washing (Mirzaei et al., 2022). Schmidt et al. (2021) identify authenticity as a key mechanism for explaining the effects of brand activism in their focus group interviews in different countries. Hydock et al. (2020) investigate the moderating role of authenticity—for example, on the effect of consumers' (mis)alignment with brands' activism on brand choice—but do not investigate its possible mediating role. Vredenburg et al. (2020), who derive a typology for authentic brand activism, and Schmidt et al. (2021) also stress the need for empirical research on what constitutes perceived authenticity in the context of brand activism. Chu et al. (2023), Nam et al. (2023), and Ahmad et al. (2022) provide the only studies considering authenticity as a mediator. Generally, all studies identify a positive relation of authenticity to their outcome measures. The authors study brand commitment (financial vs. non-financial vs. rhetorical; Ahmad et al., 2022), response time (Nam et al., 2023), and brand-related (e.g., brand-cause fit)

as well as social media-related (e.g., social media trust; Chu et al., 2023) factors as antecedents of brand activism's perceived authenticity.

Regarding differing brand characteristics that might influence the authenticity, Schmidt et al. (2021) call for research into how, in comparison with brands that have a history of activism, brands that have not engaged in brand activism should approach their activism. The authors point out the need for considerations of (1) where brands operate geographically and respective cultural differences; (2) which industry brands belong to, and which products or services they provide; and (3) the differences between corporate brands and product brands. Furthermore, we note a lack of research on brand characteristics such as image, target groups, and brand size. Korschun et al. (2019) investigate brand activism in the context of market- versus value-driven images; continued research could examine various other brand image facets as antecedents of successful brand activism (e.g., innovative/modern vs. conservative; funny/loud vs. reserved/silent). Moreover, there seems to be a relationship between brands' target groups and brand size and effects of brand activism. Hydock et al. (2020) find that, compared with large-share brands, small-share brands—as long as they are authentic—can profit more from brand activism, because they can attract new customers rather than alienating a large pool of existing customers.

Studies of other underlying mechanisms of the effects of brand activism are limited, including perceived hypocrisy (Korschun et al., 2019), perceived sincerity (Atanga et al., 2022), perceived morality (Lee & Tao, 2021), moral emotions (Wannow et al., 2023), skepticism toward CSR (Park, 2022), attitude towards the brand (Ketron et al., 2022), attitudinal loyalty and social media engagement (Park & Jiang, 2020), and brand identification (Hydock et al., 2020; Mukherjee & Althuizen, 2020). CSR research, in contrast, identifies multiple other mechanisms explaining its relation to consumers' brand loyalty and employees' organizational commitment. These mechanisms include, among others, brand experience

(Khan & Fatma, 2019) and consumers' brand trust or employees' organizational trust (Farooq et al., 2014; Khan & Fatma, 2019). Further CSR research also identifies employees' well-being (Ahmed et al., 2020) or consumers' environmental concerns (Saif et al., 2024) as mediators that might also be relevant in a brand activism context. As brand activism addresses core values of its employees (or consumers), it might influence their well-being positively or negatively, most likely depending on their (dis)agreement with a brand's activism. As such, well-being might explain employees' or consumers' pro- or anti-brand behavior when brands uphold or violate these values. Environmental concerns could be replaced by societal concerns in the context of brand activism. Brand activism addresses the most relevant issues in society that need improvement. Such improvement often requires people's concern and, at best, urge to change the status quo. If brand activism can trigger consumers' societal concerns, it might explain consumers' pro-social or even pro-brand behavior. It would be interesting to determine whether these and other mechanisms also apply to brand activism and if they operate similarly.

RQ3: What is the right design for activism campaigns?

Our third research question builds on what has been touched upon in RQ2. Whereas consumers increasingly expect brands to engage in sociopolitical issues, many brands are reluctant as they fear public backlash (Goldberg & Kelly, 2022). To reduce this uncertainty, it is essential to provide brands with recommendations on how to design their activism campaigns best. What shapes the believability/authenticity of activism campaigns (see also RQ2)? Which details of their execution make them successful? How can brands reduce potential negative effects of brand activism on consumers who have incongruent opinions about the issues involved?

In the context of CSR, firms that operate in controversial industries (e.g., tobacco, alcohol, gambling) can enhance firm value by engaging in CSR activities (Cai et al., 2012). As Yoon et

al. (2006) show, even for firms with low credibility (i.e., a tobacco firm supporting the National Cancer Association), CSR activities seem sincere when consumers learn about the CSR through a neutral source and when the actual contribution of the CSR activity is greater than advertising spendings on the CSR activity. For brand activism, these findings suggest that brands should allocate more resources to sociopolitical issues than to advertising their involvement; after a company takes a public stand on an issue, its activism should "grow" on its own by letting people learn about the brand's position through a neutral source. Brand activism might work well in combination with CSR activities to reduce firm risk, and Vredenburg et al. (2020) suggest companies align their brand activism with CSR activities to appear authentic. However, to the best of our knowledge, no literature has empirically tested these assumptions.

The strategy of limiting advertising spending relates to the question of how best to execute brand activism campaigns. Literature has neglected to offer answers to brand activism execution questions, such as which channels brands should use to go public (e.g., social media, website, newspaper), how regularly brands should make activist statements on the same or different topics, and which audiences and tones to choose when going public (e.g., serious or humorous [see RQ1], addressing customers/consumers vs. addressing the topic).

With all these various possibilities for executing brand activism campaigns, the most interesting thing to look at are execution strategies that minimize potential negative effects. The most cited negative effects of brand activism occur when consumers disagree with brands' stances on sociopolitical issues (Bhagwat et al., 2020; Dodd & Supa, 2014; Hydock et al., 2020; Mukherjee & Althuizen, 2020; Jungblut & Johnen, 2022; Wannow et al., 2023). It is essential that brand activism execution strategies avoid alienating consumers who disagree with brands' stances or, if possible, sway consumers' opinions about the social issue (Chatterji & Toffel, 2019; Parcha & Kingsley Westerman, 2020). Particularly the latter might be a very interesting

research avenue, as it might also touch upon, which information and arguments need to be (not) given to the audience when engaging in brand activism.

RQ4: Does the addressed topic and its degree of controversy matter when engaging in brand activism?

Our fourth research question links to the characteristic of brand activism addressing controversial issues. However, it is important to note that varying degrees of controversy exist. Kotler and Sarkar (2018) distinguish six forms of brand activism: social (e.g., gender equality), legal (e.g., tax laws), business (e.g., worker compensation), economic (e.g., redistribution of wealth), political (e.g., voting rights), and environmental (e.g., air and water pollution). Empirical literature and its examples of brand activism investigated also vary in topics addressed by the activism. For example, Dodd and Supa (2014) develop their studies around the topics of gay marriage, health care reform, and emergency contraception, all of which imply the category of social activism. Hydock et al. (2020) execute multiple studies that include topics such as Brexit, immigration, and gun control, which fall into the political, social, and legal categories of brand activism. Surprisingly, we find no empirical studies of other categories (e.g., environmental) or comparisons of the effects of brand activism by category. For brands, it would be interesting to know which brand activism topics are most relevant for companies to address and what consequences arise if they address topics that fall into specific categories, which might imply differing levels of controversy. Verlegh (2024) and Schmidt et al. (2021) raise the question of whether brands should address topics that are more or less controversial. Although 73% of marketing leaders report they would change products or services to reduce negative effects on the environment, only 47% of leaders signal the same willingness for political issues; that is, environmental activism seems less controversial (Moorman, 2020). In contrast, the sociopolitical issue of abortion remains highly controversial:

Following the U.S. Supreme Court ruling that there is no constitutional right to abortion, most brands remained silent, evidently in fear of public backlash, with the recognition that the topic divides U.S. society (Goldberg & Kelly, 2022). However, it is also crucial to identify whether topics that are controversial in one country, might not be such a big issue in other parts of the world (e.g., gun legislation and abortion in the U.S. vs. several European countries). To the best of our knowledge, the only study with a clear focus on topics' degree of controversy comes from Atanga et al. (2022). The authors find that a brand's stance on topics with a low (vs. high) perceived degree of controversy leads to more positive brand attitudes because of consumers' higher sincerity perceptions of the activism. This finding aligns with Weber et al.'s (2023) observation that CSR leads to more favorable brand attitudes than CPA because it is less controversial. It also aligns with Nam et al.'s (2023) finding that a fast (vs. slow) response time of brand activism leads to more positive consumer reactions for a topic with low (vs. high) controversy. These findings provide a first indication of how and why the degree of controversy might matter. However, Atanga et al. (2022) only compare brand activism on gender equality (low degree of controversy) against activism on Black Lives Matter (high degree of controversy) in a U.S. based sample. Further research should add more levels of controversy, use different topics, or test the effect of controversy in different countries to support and extend these findings further.

Addressing different topics that vary in controversy also links to our previous research question related to how to design brand activism campaigns (RQ3). Do brands need different approaches or execution strategies according to the degree of controversy? Are there topics that—no matter the execution strategy—are simply too controversial for brands to address? Overall, researchers should investigate whether the topics addressed through brand activism matter and, if so, which topics work best in regard to its controversy.

RQ5: How does brand activism resonate with other stakeholders, such as employees? Does it help retain current employees or attract potential employees?

Our fifth research questions links to the characteristic of brand activism being executed by a brand and/or its CEO, particularly regarding its reception by an important stakeholder group, namely the employees of a company. The relationship between employees and CEOs is an important part of organizational culture, as a good relationship can, e.g., enhance employee retention or attract new employees through positive word-of-mouth from current employees (Barnes & Cheng, 2023). Existing literature on CEO activism suggests a positive relation to employees' organizational commitment and advocative behavior if employees share the political ideology (liberal vs. conservative) of the CEO activism (Wowak et al., 2022) or if they perceive the CEO activism as moral (Lee & Tao, 2021). However, the findings also demonstrate that CEO activism can backfire: Employees' organizational commitment decreases under misalignment of CEO and employees' political ideology, especially when employees see the CEO as *one of them* or thought poorly of the CEO beforehand (Wowak et al., 2022). These findings highlight two things: First, a need for future research on CEO activism and employees still exists. For example, there is no literature on the effects of CEO activism on employee motivation or satisfaction. Second, the employee-CEO relationship is special because it is more personal compared to the relationship of employees and the company brand(s). Thus, there might be differences in the effects of CEO activism and brand activism on employees. However, existing literature on brand activism mainly focuses on consumers' reactions. Dodd and Supa (2014) question how employees perceive brand activism, according to whether it fits with their personal opinion. However, we know of no research into employees' motivation, satisfaction, or loyalty resulting from brand activism—regardless of its fit with their opinion. This angle is of particular interest, as the employees of a company are those that can most easily evaluate whether a company acts true to its values or not, i.e., whether a brand's

activism is genuine or not. In the context of brand purpose, a well-thought-out and executed purpose has the potential to attract employees (Hsu, 2017) and improve employee motivation (Malnight et al., 2019). However, due to the controversial character of brand activism, it is unclear whether its effects on employees are fully positive. It also is conceivable that brand activism works better among younger generations (e.g., millennials), who, since 2015, have represented the majority of the workforce and who will make up 75% of the global workforce by 2025 (Beheshti, 2019). However, brand activism may risk alienating employees who do not align with the brand's particular stances. It is crucial for brands to understand how to attract potential (younger) employees by engaging in brand activism without alienating other (current) employees.

In a CSR context, Schons and Steinmeier (2016) study another potentially relevant aspect of brand activism and its relation to employees: the relation of symbolic versus substantive CSR to financial performance for high- versus low-proximity stakeholders. Employees are high-proximity stakeholders who have inside knowledge of brands and can evaluate brand behavior better than low-proximity stakeholders (e.g., customers). The authors find that substantive CSR (actions that involve high costs and influence brand productivity) directed at employees increases financial performance, whereas symbolic CSR (actions without high costs that appear to fulfill stakeholders' demands) shows no relation. These findings suggest brands should not try to mislead their employees, because employees are part of the brands and can judge the sincerity of their companies' CSR efforts. Moreover, Du et al. (2010) suggest brands can enhance their internal CSR communication to motivate employees to become advocates for their brands' CSR, as consumers often view employees as credible and widely connected to other stakeholders. If these findings also apply to brand activism, brands need to consider their employees when engaging in brand activism. Similar to what has been discussed in RQ1

surrounding "constituency building" (Johnson et al., 2022), brands could think about involving all or most of its employees into the process of engaging in brand activism.

RQ6: Does brand activism work in the short-term, long-term, or both?

Our final research question links to the general definition of brand activism. In line with previous literature, we defined brand activism as "companies […] efforts to influence urgent issues present in society". Influencing societal issues does not happen at once, it takes time. Brands that are aiming to influence societal issues most likely need patience to see long-term effects of their activism, if there are any at all. Brands might also need consistency in their activist actions to see a long-term effect of their activism (linking to the question of regularity proposed under RQ3). Yet, these questions remain assumptions, as practitioners and academics alike have little idea of how brand activism even affects the own brand long-term. So far, most research focuses on the short-term effects of brand activism on consumer outcome variables, such as purchase intention or brand attitudes; it neglects long-term assessments of these variables (Mukherjee & Althuizen, 2020). Initially, Nike faced public backlash for its ad campaign featuring social activist and NFL player Colin Kaepernick. However, in subsequent days, Nike's online sales grew by 31% (Sweeney, 2018), indicating both positive and negative short-term reactions by consumers. These mixed short-term reactions to brand activism suggest that real-time sentiment analyses of consumer reactions on social media could provide pertinent insights into whether negative reactions tend to be outweighing positive reactions, or vice versa. Such information, in combination with the long-term effects of brand activism, can help brands predict whether situations with short-term overall negative sentiments might be "normal," such that the positive effects of activism will arise over time, in the long term. For example, when Starbucks promised to hire 10,000 refugees in January 2017, its online sentiment immediately dropped to its lowest level since 2014, but by March 2017, it had

recovered (Taylor, 2017). In reviewing research into brand crises in the digital age, Hansen et al. (2018) find that social media "firestorms" reduce consumers' short-term brand perceptions for almost 60% of all brands. About one-quarter of those brands recover quickly, showing no long-term negative effects. Long-term brand perceptions decrease for only 40% of all brands after social media firestorms; after two years, only about 10% of people remember the correct reason for the firestorms. Both short- and long-term negative effects on brand perception are stronger when the firestorms involve large numbers of tweets, long duration, and broad media coverage. These insights help shed light on potential long-term effects of brand activism. For example, the long-term effects of Nike's association with Colin Kaepernick on its brand reputation and image remain unclear. However, brand activism that addresses the most urgent sociopolitical topics in society also addresses consumers' values, which often are deeply rooted, stable over time, and determinative of consumers' long-term brand loyalty (Nicita, 2022). In the context of CSR by service firms, Huang et al. (2017) find that CSR activities can provide a long-term competitive advantage by improving customer–company-identification— even more than service quality. Therefore, if brand activism prompts similar positive long-term effects, it might overcome short-term decreases in brand perceptions.

Conclusion

The U.S. Supreme Court ruling that there is no right to abortion, school shootings in Texas, heat waves and climate change around the world, the Russia–Ukraine or Israel-Hamas war, and the rise of right-wing extremism (e.g., in Germany) are just some of the urgent sociopolitical problems in recent years on which brands could take stands. However, as we noted in the case of the U.S. abortion ruling, brands remain tentative about taking positions on such divisive topics and are unsure how to do so (Goldberg & Kelly, 2022). Although multiple surveys indicate consumers' demand for brand activism, companies' uncertainty is understandable,

because there is lack of knowledge about how to engage in brand activism without alienating consumers who have differing stances on sociopolitical issues.

With this article, we provide an overview of the topic of brand activism. First, we establish a definition of brand activism and related concepts, detailing both similarities and differences among the concepts. As a growing number of consumers specifically asks for brands that take a stand on sociopolitical issues, and anecdotal evidence as well as existing empirical literature suggesting mixed reactions to brand activism, it is important for academics and practitioners to comprehensively understand brand activism and its effects among other (related) concepts. Second, using our definition of brand activism, we summarize prior empirical literature and derive a conceptual framework of the moderators, mediators, and dependent variables that research has identified to date. This overview of the findings of empirical literature enables further identification of important avenues for research and provides a guideline for academics to deliver important insights on what is necessary for brands to conduct successful forms of brand activism.

Our approach has two main limitations. First, our definition of CSR necessarily links CSR to brands' business operations and activities, as drivers of CSR. However, Chernev and Blair (2015) argue that this link is not mandatory, and multiple authors propose that CSR can be driven by values rather than business activities (Ellen et al., 2006; Groza et al. 2011). If this link is not necessary, and CSR is driven by values, comparing brand activism with CSR would reveal various scenarios in which brand activism is the same as CSR. For example, a company (not the CEO) that speaks out on an environmental issue (not very controversial, not necessarily linked to its business operations), driven by its own values, could be practicing CSR as well as brand activism.

Second, our differentiation of brand activism according to degree of controversy associated with a topic may be a limitation. Often, it is difficult to determine whether a topic is

controversial (e.g., is climate change still controversial?), and the degree of controversy also might vary globally. The topic of gun control is highly controversial in the U.S., whereas in several other countries, gun ownership has long been restricted, and a majority of voters in these countries support such restrictions (Fisher, 2022).

Our article offers clear insights on brand activism, by providing an overview of why it is relevant, how it differs from other related concepts, and where research into it should go. Practitioners and academics can use this article as a starting point for their efforts to assess and anticipate future directions of brand activism.

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Appendix

Brand activism and related concepts

Generally, authors loosely use terms such as brand purpose, corporate social responsibility, cause-related marketing, corporate social or political advocacy in relation to, or even synonymously to, brand activism. However, while all these concepts show similarities to brand activism, they differ from it in regard to its drivers, its linkage to business operations, its degree of controversy and its executors. Thus, the following section first defines the respective concepts with respect to these characteristics shortly. Finally, brand activism is defined and compared to all other constructs, allowing a delineation of brand activism. This delineation enables academics and practitioners to set brand activism apart from other similar actions.

A.1 Brand purpose

Essentially, brand purpose is the reason for a brand's existence, beyond its profit aim (Hsu, 2017; Kramer, 2017). Companies that address relevant "broader issues including social responsibility, sustainability and human-resource practices that go beyond profit maximization" (Swaminathan et al., 2020, p. 42) have brand purpose. That is, brand purpose goes beyond corporate strategy, mission, or social responsibility (Kramer, 2017; Hsu, 2017; Tata et al., 2013), because this underlying guideline provides companies with directions for how to act (Mirzaei et al., 2021; Kramer, 2017). For example, Walmart's purpose describes the aim to improve customers' lives through saving money (Williams et al., 2022). Thus, it is usually linked to a company's business operations (e.g., providing affordable products in the example of Walmart), but might involve non-business-related societal causes as well (e.g., Patagonia's purpose to "save our home planet"; Williams et al., 2022). Hsu (2017) adds that brand purpose is driven by values that connect brands to their consumers' values. As a firm-centered guideline, it should be executed by a brand as a whole; following its purpose, brands aim to serve society by addressing relevant, usually non-controversial, issues (Kramer, 2017).

For example, Proctor & Gamble embraces the purpose of empowering young women through its #LikeAGirl campaign for its Always brand, frequently citing this slogan to challenge gendered stereotypes (Hsu, 2017).

A.2 Corporate social responsibility (CSR)

Although there is no unanimous definition of CSR that specifies its boundaries relative to other concepts, most definitions are similar: voluntary company actions that do good for society (Homburg et al., 2013; Kang et al., 2016; Lichtenstein et al., 2004). If Starbucks donates money to a nonprofit organization that supports coffee growers in a developing country, it is giving back to society by supporting less favored groups of society, even though it is not legally required to do so. In contrast, ensuring that the company's growers do not employ children is legally required and does not constitute a CSR activity. Finally, in this scenario, as a producer of coffee products, Starbucks's CSR initiative is linked to its core business.

Linking voluntary actions to business operations is an important aspect of CSR definitions. Some authors argue that CSR initiatives stem from, and should aim to mitigate, the negative effects that companies' core (business) actions have on society and the environment. Consequently, they assume a link between CSR and existing business operations and define CSR as activity-driven rather than value-driven (Dodd & Supa, 2014; Wettstein & Baur, 2016). For example, Dodd and Supa (2014) classify Starbucks' engagement in forest conservation as a CSR initiative because of its relevance to the company's business operations, but they do not consider its principled stand on the topic of same-sex marriage as a version of CSR, because there is no obvious link to Starbucks's business operations.

This understanding of CSR also implies that the concept is executed by the company as a whole ("company actions") and is non-controversial ("good for society"). By doing good for society, CSR initiatives are visible actions taken to act on a brand purpose. For example, if Starbucks defines its brand purpose as "Making the world a greener place", support for forest

conservation—which provides a sort of compensation for its use of natural resources—would be a CSR initiative that acts on its brand purpose.

A.3 Cause-related marketing (CM)

The concept of CM relates closely to the concept of CSR, such that CM implies embedding CSR in a company's marketing efforts (Bronn & Vrioni, 2001) or connecting companies' sales (or a percentage thereof) to charitable or cause-related donations. For example, Apple assigned up to 50% of its profits from the Red line of products to provide medicine to AIDS patients in Africa (Robinson et al., 2012). Unlike CSR, the causes supported by CM do not necessarily need to link to core business activities. Although fit between supported causes and companies' core businesses helps, it is not necessary when companies conduct CM on a long-term basis (Robinson et al., 2012; van den Brink et al., 2006). This non-imperative linkage is then the only characteristic that distinguishes CM from CSR. If supported causes fit overall brand purposes, CM acts on those purposes. For example, if over several years, Starbucks donated a percentage of its sales to a nonprofit organization that cleans the oceans, the endeavor would not be linked to its core business operations but would fulfill the purpose described by the slogan "Making the world a greener place."

A.4 Corporate social advocacy (CSA) and corporate political advocacy (CPA)

According to Dodd and Supa (2014), the concept of CSA refers to companies' publishing of statements or taking public stands on sociopolitical issues such as same-sex marriage or gun legislation. The authors emphasize several important aspects of CSA: The sociopolitical issues addressed are not linked to company business operations and, therefore, CSA is not driven by activities but values; CSA stances could be part of planned communications or arise from more spontaneous statements, such as when a CEO gives an interview to a journalist; the addressed issues are controversial, such that taking public positions risks alienating stakeholders (but also

might attract activist groups or customers that share the same opinion); and financial consequences result from their stances.

Some authors (e.g., Wettstein & Baur, 2016; Weber et al., 2023) refer to corporate political advocacy (CPA) instead of CSA. Hoffmann et al. (2020) conclude that CSA and CPA are alternative terms that describe the same concept. We define taking a public value–driven stand on controversial sociopolitical issues that are not linked to the core business operations as corporate sociopolitical advocacy (CSPA). Certainly, CSPA can be seen as an action that fulfills the brand purpose. However, unlike brand purpose, CSPA is not an underlying guideline for a company's behavior. A key difference marking CSPA, relative to CSR, CM, and brand purpose, is that for CSPA, controversy must be associated with the supported causes. Finally, in contrast with CSR and CM, CSPA can be initiated by companies as a whole or by their CEOs.

A.5 Brand activism

When companies engage in CSPA, they are practicing activist behavior. Kotler and Sarkar (2018) define brand activism as companies' "efforts to promote, impede, or direct social, political, economic, and/or environmental reform or stasis with the desire to promote or impede improvements [regarding the most urgent issues] in society." These issues do not need to relate to core business operations. Also, brand activism does not result from companies' actions but rather from companies' values to care for society.

Vredenburg et al.'s (2020) understanding of brand activism largely corresponds to the definition of CSPA that we adopt, such that it is necessarily connected to controversial sociopolitical issues. However, not all authors regard controversy as an indispensable feature of brand activism; for example, Kotler and Sarkar (2017) cite Patagonia as an activist brand by referring to its "commitment to social and environmental justice," which is unlikely to alienate most customers or society.

In accordance with the preceding definitions, ***we propose that brand activism constitutes companies' public value-driven efforts to influence urgent issues present in society. These efforts might include taking a stand on highly controversial sociopolitical issues, but they also might include supporting causes related to equally important but less controversial topics, such as sustainability.***

Similar to CSPA and brand purpose, brand activism is driven by a company's values of caring for society and the environment (Kotler & Sarkar, 2017). The aspects of being value-driven and having no link to core business operations also clearly distinguishes brand activism from CSR and, regarding the former aspect, CM. Similar to CSPA and different to brand purpose, CSR and CM, brand activism can be initiated by a company or its CEO (Chatterji & Toffel, 2019). Brand activism differs in two other major ways from brand purpose. First, brand activism is not an underlying guideline but rather a clear effort to influence specific sociopolitical issues. Second, these issues might be controversial, resulting in the alienation of consumers or other parts of society.

A.6 Comparing brand activism with other concepts

All concepts previously presented aim to improve societal issues, such as climate change. Take the following example, focusing on the fact that the results of climate change partly result from emissions of cars. A car manufacturer, for instance, could (1) follow a brand purpose such as "We care for the future of upcoming generations," (2) improve its cars beyond the federally required level (CSR), (3) donate a certain amount of car sales to a forest conservation program (CM), or (4) publicly engage in the criticism of the coal industry and advocate renewable forms of energy (brand activism, and also CSPA if the coal industry discussion is controversial). Table A1 shows how the various constructs connect and differ, beyond their common aim of serving society.

Concept	Definition	Distinction characteristics							Supporting literature	Example
		Drivers		Link to business operations	Degree of controversy		Executors			
		Values	Activities		Controversial	Not controversial	Company	CEO		
Brand purpose	Larger than a corporate strategy, mission, or social responsibility; an underlying guideline that provides direction on how to act or not to act	Yes	No	Not imperative	No	Yes	Yes	No	Hsu (2017), Kramer (2017), Mirzaei (2021)	Airbnb: "Anybody can belong anywhere"
CSR[1]	Actions in favor of social issues that connect to the company's business operations	No	Yes	Yes	No	Yes	Yes	No	Dodd and Supa (2014), Homburg et al. (2013), Wettstein and Baur (2016)	Starbucks' engagement in forest conservation
CM[2]	Use of marketing communications to promote good deeds for society or that product purchases will do something good for society	No	Yes	Not imperative	No	Yes	Yes	No	Robinson et al. (2012), van den Brink et al. (2006)	Apple using 50% of product sales to provide medicine for AIDS patients in Africa
CSPA[3]	Taking a public value-driven stand on a controversial sociopolitical issue not linked to core business operations	Yes	No	No	Yes	No	Yes	Yes	Dodd and Supa (2014), Wettstein and Baur (2016)	Nike taking a stand on racial justice by partnering with Colin Kaepernick
Brand activism	Public value-driven efforts to influence the most urgent issues present in society	Yes	No	Not imperative	Yes	Yes	Yes	Yes	Chatterji and Toffel (2019), Kotler and Sarkar (2017), Vredenburg et al. (2020)	Nike taking a stand on racial justice by partnering with Colin Kaepernick (controversial); Patagonia's environmental activism (rather non-controversial)

[1]corporate social responsibility; [2]cause-related marketing; [3]corporate sociopolitical advocacy

Table A1: Comparison of brand activism and related constructs

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Supplementary material

Synthesized framework of conceptual papers on brand activism

Company/Brand characteristics
• Brand familiarity
• *Brand or CMO country of origin*
• Brand share/equity
• CEO prototypicality
• Deviation between brand stance and brand (image)/*brand-cause fit*
• Employees' regard for CEOs
• Market-driven vs. value driven
• Organizational liberalism

Consumer characteristics

- Category involvement
- (Dis)agreement with the stance
- Identification with the brand
- Issue involvement
- Outcome- and value-related involvement
- Political efficacy (i.e., trust in political institutions)
- Political ideology (liberal vs. conservative)
- Political interest

Brand activism

CEO activism

Activism-related

- Concurrence
- Controversy/issue divisiveness
- CSA support by other brands (bandwagon heuristic)
- Effort
- Form of activism (action vs. statement)
- Message characteristics (hope vs. frustration; promotion- vs. prevention-framed; black-and-white vs. color)
- Motivation (intrinsic vs. extrinsic)
- News credibility
- Online protests/public backlash
- Source of activism (e.g., CEO or a companies' spokesperson)
- *Stakeholders' pressure to adopt*

Intervening brand-related factors

- *Attachment*
- *Communities*
- *Credibility*
- *Legitimacy*
- *Reputation*

Intervening action-related factors

- *CEO power*
- *Coalitions*
- *Communication strategy*
- *Firestorm*
- *Media attention*
- *Word-of-mouth*

Consumer-related

- Attitudinal loyalty
- Attitude towards the brand
- Brand identification
- *CEO leadership attributions*
- Moral emotions (other-condemning vs. other-praising)
- *Psychological reactance*
- Skepticism towards CSR
- Social media engagement

Activism-related

- Appropriateness
- Controversy
- Perceived authenticity
- *Perceived aggressiveness*
- Perceived hypocrisy
- Perceived morality
- Perceived sincerity

Brand related outcomes

- Brand authenticity
- Brand choice
- *Brand hate*
- Brand image
- Brand love
- Brand loyalty
- Brand perception
- Brand reputation
- Equity dimensions/*brand equity*
- *Legitimacy*
- *Positioning*
- *Repositioning*
- *Visibility*

Consumer outcomes

- Attitude towards the brand
- Boycott intention
- Identification with the brand
- *Engagement*
- Issue advocacy
- Purchase intention
- Purchase loyalty
- Sentiment
- *Support*

Employee outcomes

- Advocative behavior/*employee activism*
- *Backlash*
- Employer attractiveness
- Employer Choice
- *Engagement*
- Organizational commitment
- *Retention*

Transformative outcomes

- *Changes in legislation, institutions or society*
- *Cultural or public opinion changes or scrutiny*
- *Industry changes*

Other stakeholders' outcomes

- *Managers loyalty*
- *Managers turnovers*
- *Political backlash*
- *Shareholders value*
- *Social activism boycott*

Investor reactions

Outcomes related to the stance

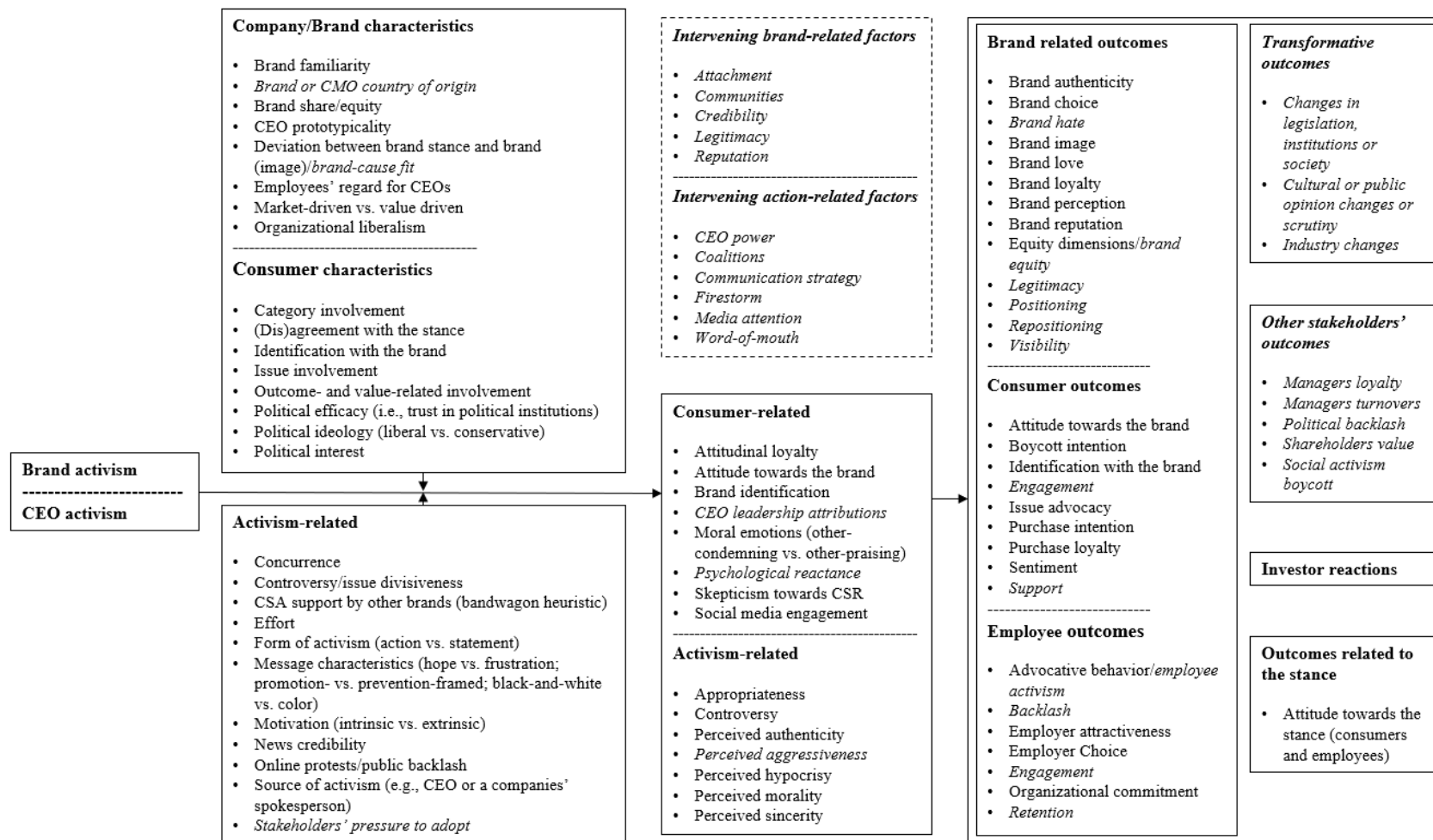- Attitude towards the stance (consumers and employees)

Figure A1: Synthesized framework of conceptual papers on brand activism

Figure A1 shows a synthesized version of our conceptual framework of empirical literature on brand activism as well as the frameworks by Pimentel et al. (2022) and Cammarota et al. (2023). The variables that Pimentel et al. (2022) and Cammarota et al. (2023) mention in their conceptual frameworks on brand activism are added in italics. The framework shows independent variables on the left, dependent variables on the right, two boxes of moderators, a box of mediators as well as a box of intervening factors. The box of intervening factors results from the framework by Cammarota et al. (2023) who "reported as [intervening] factors all elements that could influence the antecedents-consequences relationship, not differentiating between moderators and mediators, since to date, given the state of the art on brand activism this categorization would be unfeasible and not rigorous" (p. 1682). While we show that a differentiation between moderators and mediators arguably can be rigorous for the most constructs in our framework, we agree that it is not feasible for some of the variables mentioned by Cammarota et al. (2023). One of the main reasons is that Cammarota et al. (2023) include variables from non-empirical papers (e.g., Vredenburg et al., 2020; Hambrick & Wowak, 2021), in which there is room for interpretation on the (moderating/mediating) role of variables. Another reason lies in the simple fact that certain variables (e.g., consumers' identification with the brand) are indeed researched as moderators by some authors but as mediators by others. In contrast to Cammarota et al. (2023), the framework by Pimentel et al. (2022) does include a clear differentiation of moderators and mediators, allowing an easy comparison of our and their frameworks. While our framework includes more variables, the congruency between the frameworks is generally very high. Still, the work by Pimentel et al. (2022) includes some papers that do not deal with the effects of brand activism but rather, e.g., with controversial celebrities (Alharbi et al., 2022), with different brand reactions to negative consumer responses to brand activism (Batista et al., 2022), with solely Covid-19 related research (Shoenberger et al., 2021), with changes in brand's activist advertising over time (Campbell et al., 2021), or

simply with non-empirical papers (e.g., Livas, 2020; Spry et al., 2021). Therefore, these papers are not included in our review of empirical literature on brand activism. However, we depict variables from these papers in the synthesized framework because they come from brand activism related research. Taken together, the synthesized framework provides a very comprehensive overview on the existing brand activism literature.

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Paper II "Brand activism and its relationship to brand reputation and financial performance"

Abstract

Stakeholders' demand for brands taking a public stance in controversial sociopolitical issues (e.g., gender equality, immigration, gun control) and brands fulfilling this demand is termed brand activism; a phenomenon growing in importance. Controversy in stance though can either strengthen or harm stakeholder relationships, and consequently brand performance metrics. However, research on the effect of brand activism on brand reputation and brand financial performance is scarce. This paper studies 20 brand activism cases by analyzing comments on Twitter (now rebranded as "X"), relating them to brand reputation. For those brands listed on the stock market, using event study methodology, we study the effect of brand activism on financial performance. The results show that, for most brands in the respective samples, brand activism positively impacts brands' financial performance or brand reputation, at least in the short-term.

Keywords: brand activism; brand reputation; event study; financial performance; brand equity; brand management

Introduction

"Believe in something. Even if it means sacrificing everything." Nike used this phrase when the brand hired Colin Kaepernick as the face of their marketing campaign in 2018. Kaepernick is a former National Football League player, who protested against racial discrimination in the U.S. by not standing up for the national anthem before a football game. By partnering with Kaepernick, Nike positioned itself on the issue of racial injustice (Hoffmann et al, 2020). Nike is no exception in its behavior: A growing number of brands takes public stands on controversial social-political topics such as racial injustice, gender equality, immigration, or gun legislation – a phenomenon commonly referred to as *brand activism* (Vredenburg et al., 2020). Examples include Airbnb (on immigration), Procter & Gamble (on gender equality), or BrewDog (on carbon reduction; Gilliland, 2021). Numerous surveys from business practice show that while consumers increasingly demand such behavior from brands (Edelman, 2022), brands are still unsure about this practice. For example, Nike faced mixed reactions after releasing the campaign with Kaepernick: Offended consumers posted photographs of burning Nike shoes and announced to boycott the brand. Even former U. S. president Donald Trump publicly criticized the brand (Green, 2018). However, other consumers supported Nike for taking a stand on an important issue, and Nike's online sales spiked by 31% within two days of campaign release (Sweeney, 2018). To brands, it is unclear whether potential gains of brand activism, such as an increase in consumers' purchase intention (Dodd & Supa, 2014; Chatterji & Toffel, 2019), outweigh the risks of alienating other customers (Hoffmann et al., 2020), who do not align with the brand's stance.

There is an increasing amount of literature on the effects of brand activism on (self-reported) consumer-related outcomes, such as purchase intention (Dodd & Supa, 2014; Chatterji & Toffel, 2019), attitude towards the brand (Mukherjee & Althuizen, 2020), or purchase loyalty (Park & Jiang, 2020). In contrast, non-survey-based research on the effect of

brand activism on stakeholder-related outcomes is scarce. Yet, brand activism or the public knowledge about it likely triggers an immediate response from brands' stakeholders, as the Nike example clearly shows, evoking stock market reactions (Bhagwat et al., 2020) and, consequently, influencing a brand's image or reputation (Mukherjee & Althuizen, 2020). Along these lines, Vredenburg et al. (2020) stress the importance of future research on brand reputation in the context of brand activism. Brand reputation comprises stakeholders' assessments of a brand's past and current behavior (Gotsi & Wilson, 2001), including stakeholders' thoughts, feelings, and talks about a brand (Rust et al., 2021). For companies, brand reputation is an important intangible asset and a source of competitive advantage (Eberl & Schwaiger, 2005): A positive brand reputation retains customers (Preece et al., 1995), allows higher product prices (Shapiro, 1983), and increases overall profitability (Eberl & Schwaiger, 2005). However, there is little to no research as to whether a brand's stand on a controversial sociopolitical issue indeed leads to a positive reputation. Brand reputation might even suffer from a public backlash resulting from activist behavior (Mukherjee & Althuizen, 2020), highlighting the importance of research on the effects of brand activism on brand reputation. In terms of stock market reactions (financial performance), Bhagwat et al. (2020) and Pasirayi et al. (2023) provide the only studies on the effect of corporate sociopolitical activism (CSA), also referred to as brand activism, on brands' abnormal stock returns. The authors find an overall negative effect of brand activism on brand financial performance, showing that brand activism carries important information that change investors' evaluations of a brand. This paper differentiates in two major ways from the study by Bhagwat et al. (2020): Timeframe and media outlet of the selected activism cases. While Bhagwat et al. (2020) study cases of brand activism between 2012 and 2016, this study includes brand activism cases from 2017 to 2021. Yearly brand studies by Edelman (2017, 2018), a global award-winning consultancy firm, point out that the acceptance and demand for brand activism has changed significantly in recent years.

In 2018, 64% percent of consumers considered themselves as belief-driven buyers, who boycott, buy, switch, or avoid a brand because of its stand on sociopolitical issues. In 2017, only 50% of consumers indicated themselves as being belief-driven buyers. In addition, 30% of consumers purchase more belief-driven than 3 years ago, raising the question if the effects found by Bhagwat et al. (2020) still hold. As belief-driven buyers look more towards peers to find reliable information on brand behavior (Edelman, 2017), it is reasonable to assume that some sources carry more meaningful information for investors than others as to validate consumers' reactions to a brand's activism. This paper thus focuses on brand activism cases that were published on Twitter: Twitter, as one of the leading social media platforms, allows consumers to monitor their peers' behavior in response to a statement on a controversial sociopolitical issue (Guha and Korschun, 2023), potentially changing stakeholders' evaluations of brand activism. This medium might lead to a boost in awareness; in addition, information on the platform spread faster than in traditional media (Zhao et al., 2011), minimizing the risk of a (possibly varying) dissemination lag. Without a dissemination lag, ruling out possible confounding events that might influence consumers' or stock market reactions besides a brand's activism becomes easier as well. Bhagwat et al. (2020) use press releases and news articles to identify brand activism, media outlets that do not allow to immediately assess what consumers might think about the activism allowing to better assess potential consequences for a brand in terms of consumer reactions. The study from Pasirayi et al. (2023) is similar to this paper in many regards (i.e., activism cases from Twitter, inclusion of more recent activism cases), albeit not discussing the brand activism cases and the effect found in detail. Results from an event study of 260 incidents of CSA show that CSA efforts decrease firm value by an average of 0.22% on the day after the event, indicating that wading into social or political issues is a risky strategy. Notably, the authors provide no detailed information (e.g., timeframe) on their 260 CSA incidents. Considering the study by Bhagwat et al. (2020), this lack of

information raises multiple questions: (1) Do the CSA incidents from both studies overlap? (2) Do Pasirayi et al. (2023) find the negative effect also for more recent CSA incidents or mainly for an earlier timeframe similar to Bhagwat et al. (2020)? (3) What might be potential explanations that Pasirayi et al. (2023) find a negative effect on the day after the event, whereas Bhagwat et al. (2020) find a negative effect on the event day? Regardless of these uncertainties, these recent studies underline the relevance of the topic and allow to make interesting comparisons to better understand the effects brand activism might have.

In consequence, two major research questions result for this work: (1) How do stakeholders think, feel, and talk about brands that engage in brand activism (relationship of brand activism and brand reputation)? (2) How do investors evaluate examples of brand activism that are picked up by consumers on Twitter (financial performance)? According to Rust et al. (2021), stakeholders' thoughts, feelings, and talks about a brand amount to a brand's reputation. The authors provide a methodology and dataset tracking brand reputation via social media (e.g., Twitter). This dataset of brand reputation measures for 100 global brands is the base for the first study in this paper, providing a descriptive look at brand reputation and its (sub)drivers around cases of brand activism identified in the dataset. These descriptive analyses allow for a first glimpse into how the effect of brand activism on brand reputation might look like. This approach is then built upon in a second study, independent from the dataset provided by Rust et al. (2021) but using their methodology. Their brand reputation (and brand sentiment) tracking via users' Twitter comments is applied for 20 manually selected brand activism cases. From these 20 brand activism cases, 12 brands were listed at the stock market when they engaged in brand activism. For those 12 brands, event study methodology is applied to shed light on the second research question.

This paper contributes to existing literature in multiple ways: First, this paper demonstrates the applicability of the brand reputation tracker developed by Rust et al. (2021) in the context

of brand activism, which allows an immediate analysis of consumers' reactions to brand activism. The results show merely positive effects for the 20 brand activism cases studied. Second, the paper adds to the scarce stream of literature on non-survey-based dependent variables in the context of brand activism. To this date, no studies on the relationship of brand activism on brand reputation exist, with only two event studies considering financial metrics in the context of brand activism (Bhagwat et al., 2020; Pasirayi et al., 2023). This paper uses *real* (i.e., not experimental and not survey-based) data (actual Tweets and stock returns) to analyze the relationship of brand activism with brand reputation and financial performance. Measuring actual rather than self-reported behavior or reactions might be especially valuable in the context of brand activism: For decades, academics and practitioners discuss the attitude-behavior gap in regard to companies' social actions (e.g., corporate social responsibility; Boulstridge & Carrigan, 2000), questioning whether consumers and investors actually value company actions in favor of society or if, at all, they only claim to do so. Third, the event study shows that the effects of brand activism might be very volatile and influenced by overall societal changes. The results indicate an overall positive effect of brand activism on financial performance, contradicting the findings from Bhagwat et al. (2020) and Pasirayi et al. (2023). A potential explanation might be the increasing acceptance of brand activism in society since 2017. However, the small sample size of the event study as well as remaining ambiguity in its results calls for cautious interpretation. Overall, the results of this paper provide fertile ground for future research on brand activism.

This paper is structured as follows: A first section on brand management, brand activism and consumer outcomes highlights the importance of brand reputation and financial performance as a brand manager's task to leverage brand equity. The section also showcases why brand managers need to consider brand activism, but in a mindful way: Previous research on brand activism shows that effects of brand activism can go both ways, and that there is a

lack of research for the effects of brand activism on brand reputation and financial performance. Study 1 and 2 include descriptive analyses on the effects of brand activism on brand reputation. In Study 3, event study methodology is applied to assess the impact of brand activism on financial performance. A final section discusses the results, depicts limitations, and provides avenues for future research.

Brand management, brand activism and consumer outcomes

Consumer-based brand equity (CBBE) or financial-based brand equity (FBBE; Davcik et al., 2015) are measures of brand strength. In general, brand equity describes the additional value a product or service gains through branding (Veloutsou & Guzman, 2017). While consumer-based brand equity results from consumers' awareness, associations and perceptions of a brand (e.g., quality perceptions of a brand; Aaker, 1992), financial-based brand equity represents the financial strength of a brand assessable through public financial data (e.g., stock price; Isberg & Pitta, 2013). Leveraging brand equity is a key task for brand managers, but the way how to do it has changed over the last decades. Brands have become a product of co-creation of brand managers and various stakeholders, such as consumers or investors. Stakeholders' opinions, values and beliefs can change how a market perceives and evaluates a brand (Veloutsou & Guzman, 2017). Brand managers must consider this change: Consumers' demand for brand activism and their willingness to buy or boycott a brand based on brands' sociopolitical activity is increasing (Edelman, 2018), suggesting that brand managers should integrate activism into their branding. Yet, brand activism examples, such as Nike's partnership with Colin Kaepernick, reveal that taking a public stand in a controversial discussion can lead to both positive as well as negative stakeholder reactions. Thus, in these times of brand co-creation, balancing an increase in consumers' demand for brand activism and possible negative consumer reactions complicates a brand manager's job. Brand managers increasingly hand over control of the management of their brand's perception and image to its stakeholders,

asking for a "new leadership style that is more humble, open and participatory" (Iglesias et al., 2013, p. 671). This brand management approach involves communication and negotiations with stakeholders (Golant, 2012), yet still demanding brand managers to lead the way (Iglesias et al., 2013). For brand managers, leading the way also requires knowledge of when and how brand activism might stimulate positive consumer reactions.

Previous literature on brand activism

Multiple research findings suggest positive effects of brand activism depending on certain contingencies. For example, Dodd and Supa (2014) find that consumers' agreement with the brand's stance increases consumers' purchase intention. Korschun et al. (2019) find that brand activism increases purchase intention when the brand is perceived as being value-driven rather than market-driven. When a brand's CEO engages in activism rather than the brand itself, Chatterji and Toffel (2019) find that the advantages of the activism depend on the prevailing prominence and issue-involvement of the CEO. In contrast to these studies though, other research suggests that brand activism involves a high risk of alienating consumers (Hoffmann et al., 2020), especially when consumers disagree with the brand's stand (Hydock et al., 2020; Mukherjee & Althuizen, 2020). Even when consumers agree with the brand's stand, there is little to no positive effect on brand choice (Hydock et al., 2020) and brand attitude (Mukherjee & Althuizen, 2020) compared to a much bigger negative effect when consumers disagree with the brand's stand.

While research on consumer outcomes such as attitude towards the brand or purchase intention dominates existing brand activism literature, research on equity-composing variables, such as brand perceptions, reputation or financial performance (Chatzipanagiotou et al., 2016; Veloutsou & Guzman, 2017) is scarce. Klostermann et al. (2022) find an overall negative effect of corporate political advocacy (CPA), a form of brand activism, on consumers' brand perceptions, a component of consumer-based brand equity (Chatzipanagiotou et al., 2016). In

contrast, Schmidt et al. (2021) identify a positive effect of authentic CSA on brand perceptions. Reputation has only been researched in the context of brand activism by Hong & Li (2020) as well as Lim and Young (2021), with the authors using survey-based measures for reputation. Non-survey-based reputation has not received academics' attention in the context of brand activism. This observation is surprising as a brand's reputation is an important intangible asset, providing a source of competitive advantage (Eberl & Schwaiger, 2005). Gotsi and Wilson (2001) converge various streams of literature into defining brand reputation as stakeholders' assessments of a brand's past and current behavior. This assessment results from stakeholders' direct interactions with the brand, with any other communication that inhabits information about brand actions as well as with comparisons to competitors' actions. Rust et al. (2021) also characterize brand reputation as the aggregation of stakeholders' thoughts, feelings, and talks about the brand, varying as a consequence of actual brand events. Brand activism or corporate social responsibility (CSR) can be considered such brand events. CSR is related to brand activism, as it describes companies' voluntary actions aiming to improve issues of society (Homburg et al., 2013; Kang et al., 2016; Lichtenstein et al., 2004). Previous literature identifies positive effects of CSR on brand equity through positive reputation, highlighting the importance of brand reputation in building consumer-based brand equity (Hur et al., 2014).

Likewise, literature shows that CSR not only improves consumer-based brand equity, but brands' abnormal stock returns as well (Luo & Bhattacharya, 2006), a financial metric used to assess a brand's financial-based brand equity (Mizik, 2014). Abnormal or excess returns are the difference between firms' expected and actual returns, resulting from brand events that carry relevant information for investors (Brown & Warner, 1980; McWilliams & Siegel, 1997; Sorescu et al., 2017). However, Bhagwat et al. (2020) stress that the effects of brand activism likely vary from those of CSR because of brand activism's controversial character, providing one of only two studies (alongside Pasirayi et al., 2023) on the effects of brand activism on

brands' abnormal stock returns. The authors find a negative effect of brand activism on brands' abnormal stock returns on the event day. However, this effect turns positive when deviations between a brand's stance and values of its three key stakeholder groups of employees, customers, and government are low. Pasirayi et al. (2023) find a negative effect of brand activism on brands' abnormal stock returns on the day after the event.

While all of the above findings on brand activism emphasize that reactions to brand activism can go both ways, research on the relationship of brand activism with brand reputation and financial performance, although key components of brand equity, is scarce. Table 1 summarizes existing literature in regard to dependent variables researched in the context of brand activism, showcasing that the majority of literature studies attitudinal metrics, whereas few research looks at perceptual and financial brand metrics. This paper adds to the literature with two descriptive studies (Studies 1 and 2) focusing on brand reputation (perceptual brand equity), as well as an event study (Study 3) to determine the effects of brand activism on abnormal stock returns, i.e., financial performance.

Outcomes	Brand metrics of			Literature
	CBBE		FBBE	
	Attitudinal	Perceptual	Financial	
Attitude change	X			Parcha & Kingsley Westerman, 2020
Attitude toward the ad	X			Zhou et al., 2023
Attitudinal loyalty	X			Park & Jiang, 2020
Boycott intention	X			Hong & Li, 2020; Xu et al., 2022
Brand attitude	X			Mukherjee & Althuizen, 2020; Kim et al., 2020; Rim et al., 2022; Atanga et al., 2022; Xu et al., 2022; Wannow et al., 2023
Brand choice	X			Hydock et al., 2020; Mukherjee & Althuizen, 2020
Brand image		X		Jungblut & Johnen, 2022; Chu et al., 2023
Brand love		X		Ahmad et al., 2022
Brand loyalty	X			Rivaroli et al., 2022; Park, 2022; Nguyen et al., 2023; Chu et al., 2023
Brand perception		X		Shetty et al., 2019; Schmidt et al., 2021; Klostermann et al., 2022
Brand sympathy	X			Herzberg & Rudeloff, 2022
Brand trust	X			Herzberg & Rudeloff, 2022; Park, 2022
Buycott intention	X			Xu et al., 2022
Employee organizational commitment	X			Wowak et al., 2022
Employees' supportive behavior	X			Lee & Tao, 2021
Financial performance			X	Bhagwat et al., 2020; Pasirayi et al., 2023
Identification		X		Herzberg & Rudeloff, 2022; Rim et al., 2022
Patronage intention	X			Ketron et al., 2022
Positive/negative WOM intention	X			Mukherjee & Althuizen, 2020; Kim et al., 2020; Yim, 2021; Herzberg & Rudeloff, 2022
Premium Price Acceptance	X			Herzberg & Rudeloff, 2022
Purchase intention	X			Dodd & Supa, 2014; Dodd & Supa, 2015; Korschun et al., 2019; Chatterji & Toffel, 2019; Hong & Li, 2020; Yim, 2021; Herzberg & Rudeloff, 2022; Jungblut & Johnen, 2022; Zhou et al., 2023; Chu et al., 2023
Purchase loyalty	X			Park & Jiang, 2020
Reputation		X		Hong & Li, 2020; Lim & Young, 2021
Uniqueness		X		Herzberg & Rudeloff, 2022
Willingness to pay	X			Ketron et al., 2022

Table 1: Overview of literature on outcome variables researched in the context of brand activism (as of 2023)

Study 1

Data

Rust et al. (2021) presented a way to measure the effect of brand events on brand reputation in real-time. Hereby, real-time refers to the possibility of immediately measuring brand reputation at any time – e.g., before and after a brand event, without having to conduct a survey. The authors classify a brand event as either "controllable marketing actions" or "uncontrollable public events". Activist brand campaigns, such as Nike's "Dream Crazy"-campaign with Colin Kaepernick, can be classified as a "controllable marketing action" and, therefore, as a brand event. This classification of an activist behavior as a brand event allows the application of Rust et al.'s (2021) approach in the context of brand activism. Their measurement of brand reputation involves mining social media data (e.g., Twitter comments) to capture what stakeholders think and feel about a brand. Their framework identifies three drivers of brand reputation: *value*, *brand*, and *relationship*. The *value* driver reflects rational and objective characteristics, including price and quality, while the *brand* driver comprises stakeholders' subjective feelings about a brand. The *relationship* driver refers to links between stakeholder and brand, such as personal relationships and brand community building. These three brand reputation drivers break down into 11 subdrivers, measured on the basis of a negative and a positive dictionary. For example, the positive dictionary for the *cool* subdriver includes words such as *trendy*, *awesome* or *sexy*, whereas the negative dictionary includes *ordinary*, *lame*, *ancient* and *average*. The authors develop and validate the dictionaries for the subdrivers to appropriately capture social media language. Once a text (e.g., a Tweet) contains one or more words out of these dictionaries, it counts towards the respective subdriver and, ultimately, towards brand reputation. The difference of positive to negative words from the dictionaries across all Tweets makes up brand reputation, whereas the ratio of positive to negative words makes up brand sentiment. Table 2 depicts the framework as well as the dictionaries for the

subdrivers. The table shows all words in the dictionaries as their stemmed version to not only account for the exact word, but for related words as well (e.g., *sexy* and *sexiness* are both stemmed to *sexi*).

The authors measure brand reputation via Twitter data for 100 global brands from mid-2016 until the end of 2018 on a weekly, monthly, and quarterly basis. The resulting dataset is available for researchers and includes data of the drivers and subdrivers of brand reputation in the form of z-normalized scores.

First, the brand activism cases among those 100 brands included in the dataset were identified. The procedure included searching Twitter channels as well as publications on Google for all 100 brands from mid-2016 until the end of 2018. For searching brands' Twitter accounts, the timeframe was checked for all Tweets that had been retweeted at least 100 times, assuring that Tweets received a certain amount of attention. For searching on Google, the timeframe was selected, and brand names were searched in combination with words (e.g., *controversial*, *stance*, *activism*, *society*) and topics (e.g., *racism*, *gender equality*, *gun control*, *climate change*) related to brand activism. If brand activism cases could not be identified via extensive research within these channels, it is highly unlikely that these brand activism cases, if any, did receive enough attention to change a brand's reputation measured through consumers' comments on social media. In sum, 9 brand activism cases were identified. Brands that engaged in brand activism in the respective timeframe in the U.S. are American Airlines, Budweiser, FedEx, Microsoft, Nike, Pepsi, Starbucks, Target and Twitter. The focus on the U.S. is not surprising: First, the database is built on data from Twitter, a platform most commonly used in the U.S. (with 72 million users in 2017 compared to 238 million for the rest of the world; Iqbal, 2024). Second, the two-party political system in the U.S. increasingly leads to a division, eventually forcing people and businesses to take a side more often than in other political systems (Sharon, 2022). Brands from the sample took stands on the issues of racial

injustice, immigration, gun legislation, and gender equality. For example, FedEx publicly announced not to cut ties with the National Rifle Association (NRA) after a school shooting in Florida (FedEx, 2018), Starbucks announced to hire 10,000 refugees in direct response to Trumps' immigration order banning travel from seven Muslim-majority countries (Vaughan & Rushe, 2017), or Target released and promoted a line of gender-neutral clothes (Taylor, 2017). For these 9 brands, descriptive analyses on the weekly normalized scores of brand reputation are performed. The first analysis looks at the evolution of brand reputation scores over the entire timeframe of the dataset (from July 1, 2016, to December 31, 2018). The second analysis focuses on the brand reputation scores around the dates of brand activism, looking at two questions: (1) Are the brand reputation scores in the week of the activism higher (lower) compared to the overall average of brand reputation scores across the entire timeframe? (2) How do the brand reputation scores from the week before the activism change? Regarding the former, an increase (decrease) of brand reputation compared to the overall average would indicate a positive (negative) effect of brand activism on brand reputation. Concerning the latter, if, for example, brand reputation scores decrease compared to the week before the activism, this decrease suggests a negative effect of brand activism on brand reputation, even though the brand reputation score might still be above the overall average for the entire timeframe. Consequently, the two analyses help to refine the understanding of the specific effects of brand activism on brand reputation.

Positive Dictionary	Negative Dictionary	Subdriver	Driver	Brand reputation
Qualiti, durabl, function, excel, perfect, us, beauti, strong, valu, sturdi, luxuri, worth, long-last, best, satisfi, impress, uniqu, clean	Junk, bad, poor, wast, ugli, breakabl, worthless, flimsi, useless, disappoint, shoddi, mediocr, garbag, short-liv			
Help, great, fast, knowledg, attent, understand, easi, polit, patient, respect, prompt, compet	Rude, frustrat, terribl, slow, careless, incompet, disrespect, aw, lazi, irrit, horribl, angri			
Cheap, afford, inexpens, deal, low, bargain, thrifti, reason, econom, frugal, joy, discount, pleas, sale	Expens, pricei, costli, overpr, unfair, rich, excess, extravag, high, exclus, outrag			
Trendi, hip, awesom, cool, modern, stylish, current, sexi	Ordinari, lame, ancient, averag			
Fun, excit, inspir, happi, thrill, stimul, live, interest	Bore, dull, uninspir, tire, bland			
New, smart, invent, advanc, cut, futurist, intellig, progress, innov, technolog, creativ, novel, cutting-edg	Old, old-fashion, tradit, uninterest, outdat			
Benevol, give, benefici	Greedi, uncar, irrespons, evil, profit			
Famili, involv, commun, social, togeth, harmoni	Cold, sad, selfish			
Nice, friendli, pleasant, kind, warm, welcom, trustworthi, open, accommod	Mean, unpleas, unhelp, unfriendli, aloof, nasti, arrog			
Connect, special, person, intim, close, profession, comfort	Cold, distant, imperson, disconnect			
Honest, reliable, good, depend, trust, transpar, safe, honesti, principl, honor	Dishonest, unreli, cheat, shadi, untrustworthi, deceit, decept, lie			

Table 2: Drivers and subdrivers (including positive and negative dictionary) of brand reputation (own illustration based on Rust et al., 2021)

Results

In the following, results are discussed for four of the nine brands. For the other five brands, the evolution of the brand reputation scores around their brand activism follows similar patterns (see Appendix A and B for the brand reputation scores of those brands not depicted in the main part). Figure 1 depicts Starbucks' and Target's weekly brand reputation scores from mid-2016 until the end of 2018. The brand activism weeks (i.e., announcement of hiring of 10,000 refugees or releasing and promoting a line of gender-neutral clothes) are highlighted.
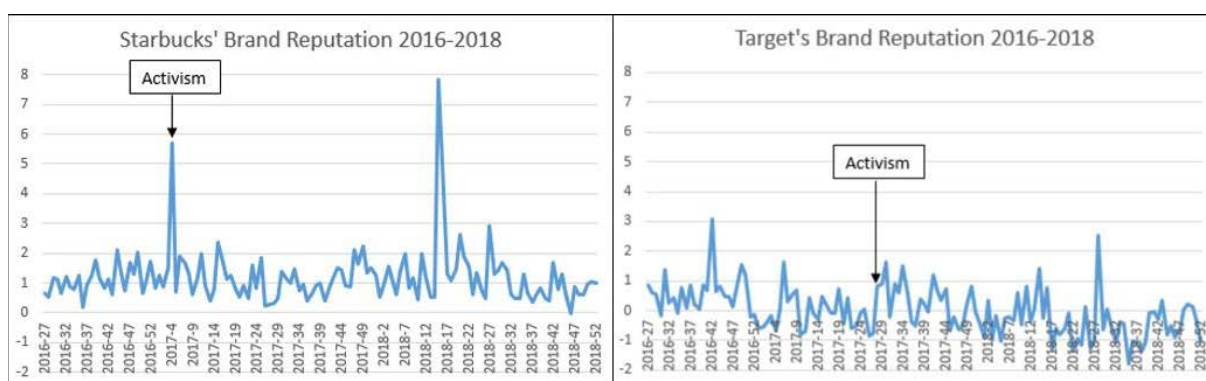

Figure 1: Brand reputation scores for Starbucks and Target (mid-2016 until end of 2018)

When looking at Figure 1, a first observation is the general volatility of weekly brand reputation. Brand reputation scores fluctuate, showing no clear consistency over a longer period of time. All 9 brands show this volatility, albeit with differences in the magnitude of the positive and negative spikes. One of the major findings, when looking at the brand reputation scores for all brands across the whole timeframe of the dataset, is that the effects of brand activism on brand reputation, if any, seem to be rather short-term - brand reputation "normalizes" (i.e., returns to its previous level) within a few weeks. For example, Figure 1 shows a big positive spike in Starbucks' reputation in the week of the activism, but reputation immediately declines to a "base level" in the next week. For Target, there is a positive spike in the week of the activism as well. Their reputation further increases for two weeks after the activism but drops again three weeks after. In the overall sample, there are also brands for which a positive spike in brand reputation drops in the week of the activism (see Figure 2).
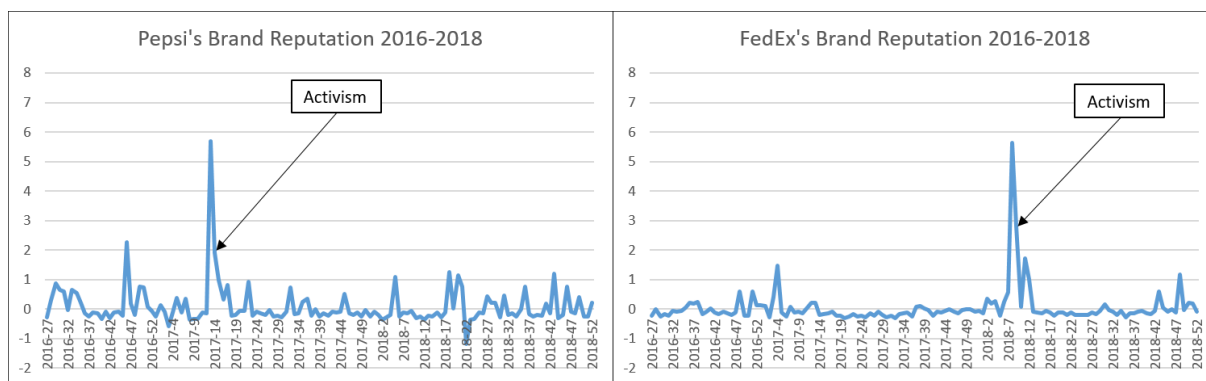
Figure 2: Brand reputation scores for Pepsi and FedEx (mid-2016 until end of 2018)

For Pepsi and FedEx, reputation scores declined after a pronounced positive spike before the activism. For Pepsi, the positive spike most likely resulted from several Tweets regarding collaborations with U.S. singer Tinashe and athlete Kyrie Irving. For FedEx, most likely a Tweet on "LoveYourPetDay" lead to positive reactions: This Tweet received around 2,500 replies, which was only topped by FedEx' brand activism Tweet in February 2018 (around 7,700 replies). In March 2018, there was not a single Tweet by FedEx generating more than 160 replies, highlighting the exceptional high magnitude of around 2,500 replies for the "LoveYourPetDay"-Tweet. The negative drop for both brands might stem from the brand activism campaigns themselves: Pepsi published an ad addressing racial justice/police brutality in the U.S. - the content of the ad was massively criticized for "downplaying" the problem (Victor, 2017). For FedEx, there was a lot of public pressure on the brand after a school shooting in the U.S., as they announced to not cut ties with the NRA. Once again though, the effects are short-lived, as brand reputation scores "normalize" again shortly after. The examples of Pepsi and FedEx also highlight why a comparison of the brand reputation scores in the week of the activism only against the overall average across the entire timeframe might be misleading: Their brand reputation scores in the week of the activism are above their overall averages (see Figure 2). Yet, the decrease in brand reputation compared to the previous week suggests a negative effect of brand activism on brand reputation.

Table 3 provides an overview on how many brands in the sample show an increase in their brand reputation in the week of the activism, either compared to a brand's overall average across the entire timeframe or compared to the previous week, not only on the general brand reputation level, but also on the drivers' and subdrivers' level. For example, 6 out 9 brands (67%) show a higher value of the *innovative* subdriver compared to their overall average for this subdriver across the entire timeframe of the dataset, suggesting that brand activism might be perceived as innovative. However, for only 3 out of the 9 brands (33%) this score is above the *innovative* subdriver score of the previous week. This analysis of a specific subdriver provides a general example for all subdrivers, highlighting the results' ambiguity: While brand activism relates to a higher innovative perception for some brands, it does not for others. In addition, while the subdriver score might be above its overall average for a brand, it might still be lower compared to the previous week. This ambiguity is present for all subdrivers, albeit stronger for some (e.g., *cool* and *community* subdriver) and less pronounced for others (e.g., *exciting* and *social responsibility* subdriver). This diverse pattern showcases the need for future research on characteristics of brand activism that determine how brand activism relates to brand perceptions (e.g., when does brand activism come across as *innovative,* as *cool*, or as *socially responsible?*). For example, Nike's cooperation with Colin Kaepernick came across as *socially responsible* and *exciting*, but as *unfriendly* as well (Appendix B includes an exemplary detailed analysis for Nike's brand reputation after partnering with Kaepernick, showcasing every subdrivers' evolution after the announcement). A possible explanation lies in Kaepernick's action, kneeling during the national anthem before a game: An action perceived by some as *arrogant* or *nasty*, words that are part of the negative dictionary of the *friendly* subdriver, spilling over to Nike's perception on this subdriver after announcing the campaign with Kaepernick. Yet, Nike's decision to partner up with Kaepernick *inspired* others and came across as caring for the *community*, reflected in the positive spikes for the *exciting* and

community subdrivers. The campaign was perceived as *innovative* as well, possibly resulting from the brand's communication of its activism. While some brands from the 9-brand sample publish their activism as simple statements, Nike's actual marketing campaign with the slogan "Believe in something. Even if it means sacrificing everything" was perceived as *creative*, *novel* and *innovative*.

	Above average score	Above previous week's score
Goods Quality	75%*	25%*
Service Quality	67%	56%
Price	67%	44%
Value Driver	67%	56%
Cool	78%	44%
Exciting	78%	56%
Innovative	67%	33%
Social Responsibility	67%	56%
Brand Driver	67%	33%
Community	78%	44%
Friendly	56%	56%
Personal Relationship	67%	56%
Trustworthy	56%	56%
Relationship Driver	78%	56%
Brand Reputation	78%	56%

*Note: Rust et al. (2021) do not collect goods quality data for service brands. Twitter is the only service brand in the 9-brand sample.

Table 3: Comparative analysis of brand reputation scores within the week of brand activism

The overall effect of brand activism on brand reputation seems to be slightly positive: 7 out of 9 (78%) brands show higher scores in the week of the activism compared to their average scores. Also, 56% (5 out of 9) increase their scores in the week of the activism compared to the previous week. Consequently, for 44% reputation decreases compared to the week before the activism, indicating a negative effect of brand activism for 4 out of 9 brands. A similar pattern exists for all drivers and subdrivers. The effects of brand activism seem to be slightly positive, but ambiguity remains regarding the comparison to scores from the previous week: No matter the subdriver, the driver, or even brand reputation as a whole, the number of brands that increased their reputation scores compared to the previous week never exceeds 56% (5 out of 9 brands). For some drivers and subdrivers (e.g., *community* subdriver or *brand* driver), only a minority of brands (max. 44%) improve their reputation scores compared to the previous week.

Similar to the exemplary analysis of the *innovative* subdriver, this aggregate analysis shows that, overall, brand activism seems to have a positive effect on brand reputation. Yet, this positive effect is partially diminished when comparing the scores to the previous week, showing that, if at all, only a small majority of brands indeed improves its subdriver, driver, and brand reputation scores in the week of the activism. This ambiguity, again, highlights the need for future research on characteristics of brand activism that determine this positivity or negativity of the effects on brand reputation. The topic addressed with the activism might provide an explanation: In the 9-brand sample, Target (releasing and promoting gender neutral clothes) and Twitter (empowering women after the #MeToo movement) took stands on gender equality. For both brands, brand reputation scores improved after the activism, indicating a positive effect of gender equality activism. In contrast, the effects of immigration activism within the sample go both ways. For Budweiser (commercial promoting immigration) and Starbucks (announcement to hire 10,000 refugees), immigration activism related to positive brand reputation scores. However, for American Airlines and Microsoft (both issued statements against the separation of immigrant children and parents at the U.S. border), brand reputation scores decreased after the activism. Another explanation for the different effects of immigration activism might be the form of the activism: Whereas Microsoft and American Airlines put out simple statements, Budweiser took a stand by developing a commercial and Starbucks included a clear commitment of hiring refugees into their activist statement. The positive effects for Budweiser and Starbucks show that the concrete design might be an important characteristic of brand activism worth of future research.

In sum, Study 1 reveals two major findings: First, while brand activism seems to have a positive effect on brand reputation overall, results differ for individual cases, both on reputation and subdriver levels. Brand reputation scores increase for 5 out 9 brands but decrease for 4 out of 9 brands compared to the week before the activism. No clear pattern also exists for particular

brand reputation changes, e.g., brand activism relating to an *exciting*, *friendly* or *innovative* reputation. This ambiguity asks for further research on when and how brand activism can increase overall reputation or even specific reputation (e.g., *innovative* or *friendly*). Second, the effects of brand activism seem to be short-term. Regardless of the direction of effects, brand reputation usually "normalizes" again within a week or two after the activism. This observation is not surprising for online brand reputation measures. Comments on social media happen in real-time and are dynamic (Rust et al., 2021), therefore rapidly changing a brand's reputation in case of an event. FedEx's brand reputation score development poses a prime example: The positive reputation scores resulting from the "LoveYourPetDay"-Tweet suffered immediately when the brand made their activist Tweet six days later. Study 2 investigates the potential ambiguous and short-term character of the relationship of brand activism with brand reputation, using a different sample.

Study 2

Study 2's sample is similar to the sample from Study 1: It includes mostly U.S.-based brands, a partially overlapping timeframe of brand activism cases, and the same topics addressed by the activism with additional environmental brand activism cases. Also, Rust et al.'s (2021) methodology of measuring brand reputation via Twitter comments is applied. Therefore, findings from Study 2 help to see whether comparable results to Study 1 occur, enhancing the understanding of brand activism's relation to brand reputation.

Methodology of case selection

For this study, 20 cases of brand activism (see Appendix C) between 2017 and 2021 were selected based on three criteria: (1) the topic addressed by the activism, (2) the medium where the activism was published (Twitter), and (3) a minimum number of 100 Retweets. Regarding the topic addressed, an equal split (four brands per topic) for the topics of immigration, racial

justice, gender equality, gun control, and climate change/carbon reduction was aimed for allowing to cluster brands according to their activist topic. Moreover, it would make tracing diverging effects based on the specific topics addressed possible, building on what was discovered in Study 1. In addition, the selection ensured that the activism was indeed published on Twitter, which ensured an adequate number of consumer responses on social media. To apply Rust et al.'s (2021) methodology of measuring weekly brand reputation and sentiment via social media, a high amount of social media conversation is necessary, as a low number of conversations bears the risk of conversations not including any words from the brand reputation dictionaries. If the number of conversations and, consequently, the amount of positive and negative words from the brand reputation dictionaries are low or equal zero, measuring brand sentiment as a ratio of negative to positive words produces less valid measures. Finally, the minimum number of retweets assures that the brand activism received a certain amount of attention from the public. Among the final selected cases, the number of retweets varied between 158 and over 100,000.

Dataset

Data collection covered a timeframe of nine weeks per brand, composed of four weeks of data before the activism, data for the week of the activism, and four weeks of data after the activism. As the previous findings indicated that the effects of brand activism on brand reputation seem to be rather short-term, this timeframe seemed to be sufficient to analyze the immediate relationship of brand activism on brand reputation and its subdrivers. Twitter comments were mined via the TWINT (Twitter Intelligence Tool) module (https://github.com/twintproject/twint). Those comments that included a mentioning of a brand's Twitter handle were scraped to capture all publicly available conversations from and about the brand (e.g., @brewdog or @nike). The amount of collected Tweets per brand ranged from ~ 2,700 to ~ 375,000 (see Appendix C for an overview of the 20 brands, Twitter handles

and amount of collected Tweets per brand). After data collection and preparation (e.g., removing unnecessary characters such as # or @ and stemming all words to match the brand reputation dictionaries), the positive as well as negative dictionaries measuring the subdrivers of brand reputation (see Table 2) were applied for each brand (see Appendix D for R-script). Thus, for every brand, a 9-week database with the number of Tweets including a positive or negative word from those dictionaries results. Table 4 shows an excerpt from the resulting database for United Airlines, including 3 weeks of data (week 4 to 6, week 5 being the week of the activism) on subdriver, driver, and brand reputation level. For example, in week 5, 417 (204) Tweets include a word from the positive (negative) dictionary measuring the *social responsibility* subdriver, leading to a socially responsible sentiment of 2.04. This positive ratio indicates a positive effect of United Airlines' activism on this sentiment, yet the positive ratio in this week (i.e., 2.04) is lower than in the week before (9.48) and after (7.22) the activism, rather suggesting a negative effect. For overall brand reputation, 10,539 (3,332) Tweets include any word from all positive (negative) subdriver dictionaries. United Airlines' brand sentiment is then calculated as the ratio of positive to negative Tweets, leading to a brand sentiment of 3.16 in the week of the activism. This score is lower than the week before (3.49) and the week after the activism (3.50), suggesting a negative effect of brand activism on brand sentiment for United Airlines. Rust et al. (2021) determine brand reputation as follows: The net score for every subdriver of brand reputation reflects the difference of positive to negative words from the respective dictionary in a week. These net subdriver scores are then z-normalized across all brands and weeks from the sample. The three drivers of brand reputation are then calculated as the average of its subdrivers. Finally, normalized brand reputation scores result from the average of these three drivers. The calculations for brand reputation and sentiment are done for all 20 selected brands for the nine weeks.

United Airlines	Week 4 Pos.	Week 4 Neg.	Week 4 Net	Week 5 Pos.	Week 5 Neg.	Week 5 Net	Week 6 Pos.	Week 6 Neg.	Week 6 Net
Price	1,069	99	10.80	1,680	222	7.57	1,171	118	9.92
ServiceQual	1,105	776	1.42	2,075	1,415	1.47	1,181	757	1.56
GoodsQual	319	379	0.84	634	661	0.96	322	404	0.80
Value	2,493	1,254	1.99	4,389	2,298	1.91	2,674	1,279	2.09
Cool	264	10	26.40	381	17	22.41	231	10	23.10
Exciting	428	33	12.97	743	52	14.29	455	58	7.84
Innovative	415	68	6.10	774	135	5.73	430	64	6.72
SocialResp	218	23	9.48	417	204	2.04	231	32	7.22
Brand	1,325	134	9.89	2,315	408	5.67	1,347	164	8.21
Community	258	45	5.73	1,359	113	12.03	479	57	8.40
Friendly	432	122	3.54	695	263	2.64	499	144	3.47
PersonalRel	535	15	35.67	746	18	41.44	529	18	29.39
Trustworthy	501	19	26.37	1,035	232	4.46	480	57	8.42
Relationship	1,726	201	8.59	3,835	626	6.13	1,987	276	7.20
Brand Reputation	5,544	1,589	3.49	10,539	3,332	3.16	6,008	1,719	3.50

Table 4: 3-week dataset for United Airlines including the amount of positive and negative Tweets as well as brand sentiment (ratio of positive to negative words)

Results

Brand activism creates awareness in terms of Tweet volume. Across all brands and weeks, the volume of Tweets in the week of the activism accounts for one-fourth of all Tweets. If Tweet volume would be equally distributed over the nine weeks, every week would account for 11% of Tweet volume, showcasing that, on average across all brands, brand activism significantly increases Tweet volume. In all other weeks, Tweet volume ranges from 8% to 11%. The increase in overall Tweet volume in the week of the activism goes along with an increase in positive and negative Tweets alike: Figure 3 shows the number of Tweets including positive and negative words from the brand reputation dictionaries for United Airlines across the nine weeks of data collection (see also Table 4). The amount of positive and negative words spikes in the week of the activism (week 5), whereas it remains on a constant level for weeks 1 to 4 and 6 to 9. There is a similar pattern around the week of the activism for many other brands.
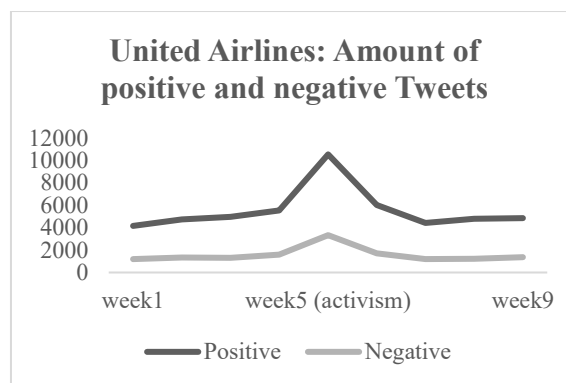
Figure 3: Amount of positive and negative Tweets counting towards United Airlines' brand reputation

To see whether the increasing awareness goes along with an increase in brand reputation, the normalized net reputation was calculated for all brands from the sample. In the following, results are discussed for different brands, clustered by the activist topic. Figure 4 shows nine weeks of normalized brand reputation scores for brands engaging in racial justice, gender equality, immigration, or environmental activism. The normalized brand reputation scores for brands engaging in gun control activism are depicted and discussed separately (see Figure 5).

For 14 out of the 15 brands depicted in Figure 4, brand reputation scores increase in the week of the activism compared to the previous week. However, this increase in brand reputation differs in magnitude: For example, for Okcupid and Western Union taking stands on gender equality activism, there is a minimal increase. Although slightly negative, the same applies for Mastercard's reputation score change related to gender equality activism. In contrast, gender equality activism for Oreo results in a positive spike of brand reputation. For Mastercard, the explanation for the very small increase might be the following. The brand's activism inlcuded a short video from the corner of Christopher & Gay Street in New York, where the brand put up street signs in support of the LGBTQ-community. The video is a re-release of a photo of these signs two weeks prior to the video, supported by the hashtag "Acceptance Matters". This initial brand activism is reflected in a positive spike of brand reputation in week 3 (see Figure 4, bottom left). Re-releasing brand activism does apparently not evoke the same reactions as the initial release.
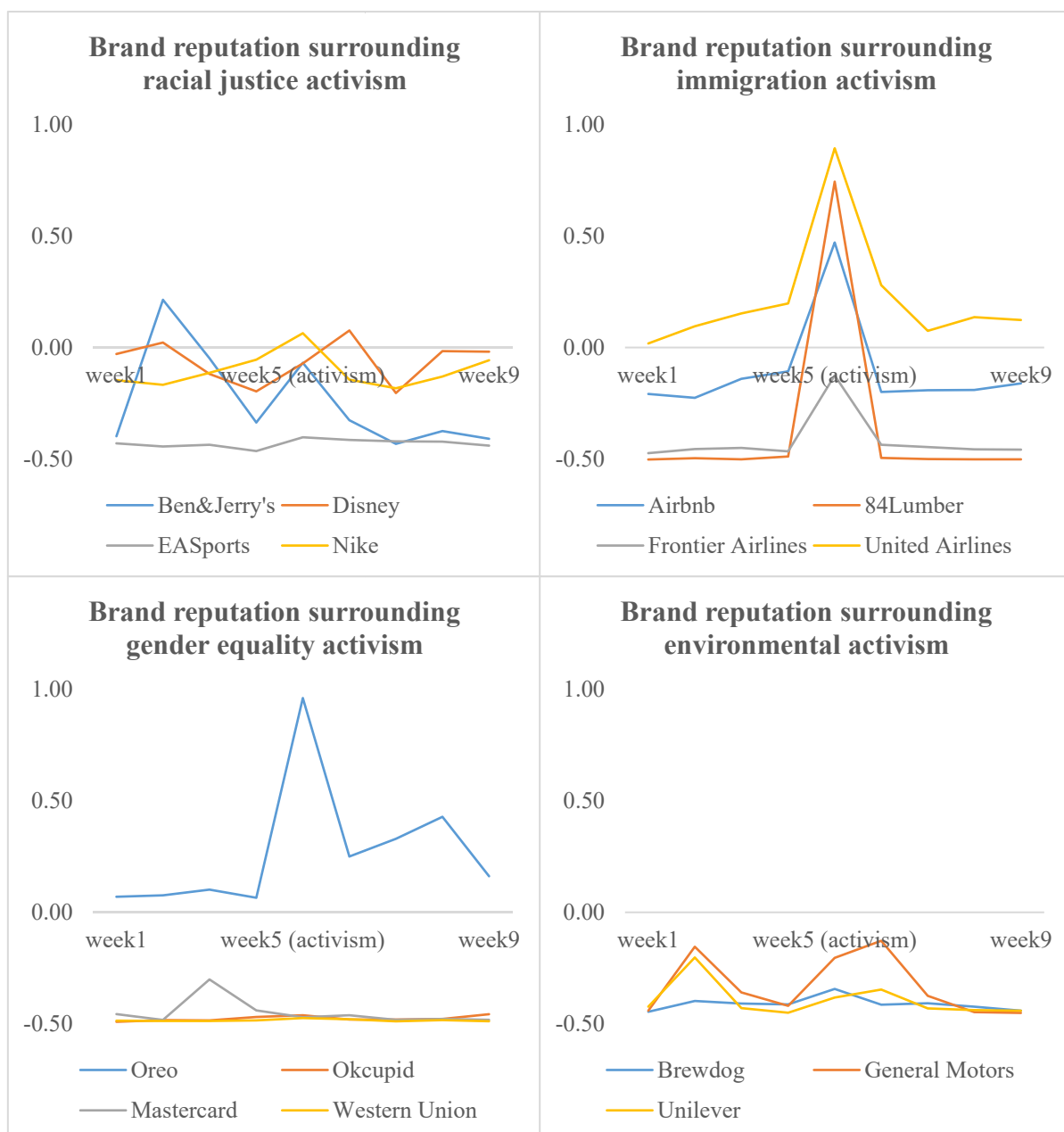
Figure 4: Brand reputation scores clustered according to activism topic. Note: Microsoft is not depicted at the bottom right because its brand reputation scores are not within the applied range of the Y-axis. Microsoft's brand reputation does not drop below 1.35 within the respective timeframe (discussed below).

Positive emotions might explain the magnitude of the positive spike for Oreo: The brand released an advertisement in support of gender equality charged with emotions (e.g., joy, surprise, acceptance, love). This emotion-ladeness is not part of the activistic advertisement from Western Union, empowering young women and supporting education, or in the simple statement by Okcupid, supporting reproductive rights. Positive emotions also provide a possible explanation for the increase in reputation scores for the brands with immigration

activism. United and Frontier Airlines took stands on not suppporting the separation of immigrant children and their parents at the U.S. border. Separating children from their parents is a topic charged with emotions, and not supporting such a separation might favor a positive reputation. Similar to Oreo in regard to gender equality, Airbnb and 84 Lumber took stands on immigration by releasing advertisements charged with emotions, also potentially explaining their increase in brand reputation. For racial justice activism, the timing of the activism might explain or, at least, enhance the higher reputation scores: All four brands took stands on racial justice within a month of the killing of George Floyd by a police officer, favoring a sentiment in society of supporting the black community. The varying magnitude of this increase across the four brands might be explainable again by the form and content of the activism. For example, EA Sports simply put out a statement, condemning racism and actively monitoring racist behavior in their online community. Compared to a short video by Nike with the caption "For Once Don't Do It", referring to not ignoring racism in the U.S., the statement by EA Sports had a rather professional than emotional character. Again, the more emotional character of the activism (Nike) might explain the larger change in brand reputation. For environmental activism, the increase in brand reputation for Brewdog, General Motors, and Unilever might be explained through the topic adressed by the activism. All brands engaged in brand activism by stating that they achieved to be carbon negative/neutral (Brewdog) or that they aim to do so in the future. While people generally might doubt that brands hold true to this promise, the aim to reduce a carbon footprint is less controversial than other topics, thus not provoking as many negative reactions. Interestingly though, environmental activism results in a decrease of brand reputation for Microsoft. Microsoft is not depicted in Figure 4, as their normalized brand reputation scores are generally on a higher level compared to all other brands. Microsoft's brand reputation scores do not drop below 1.35 within the 9 weeks surrounding the activism. The decrease in brand reputation (from 2.82 in week 4 to 2.08 in week 5) might be explained

through what has been discussed for Mastercard earlier: The statement on 17th of November 2020 to be carbon negative by 2030 equals a re-release of Microsoft's activism. The brand had communicated this goal earlier in 2020 for the first time, showcasing that a re-release does not evoke as strong changes in brand reputation.

Figure 5 shows the normalized 9-week brand reputation scores for Delta Airlines, Dicks Sporting Goods, Toms, and Walmart. All four brands took a stand on the topic of gun control. Gun control activism seems to lead to stronger changes in brand reputation compared to all other topics. For all brands, gun control activism results in a positive spike of brand reputation.
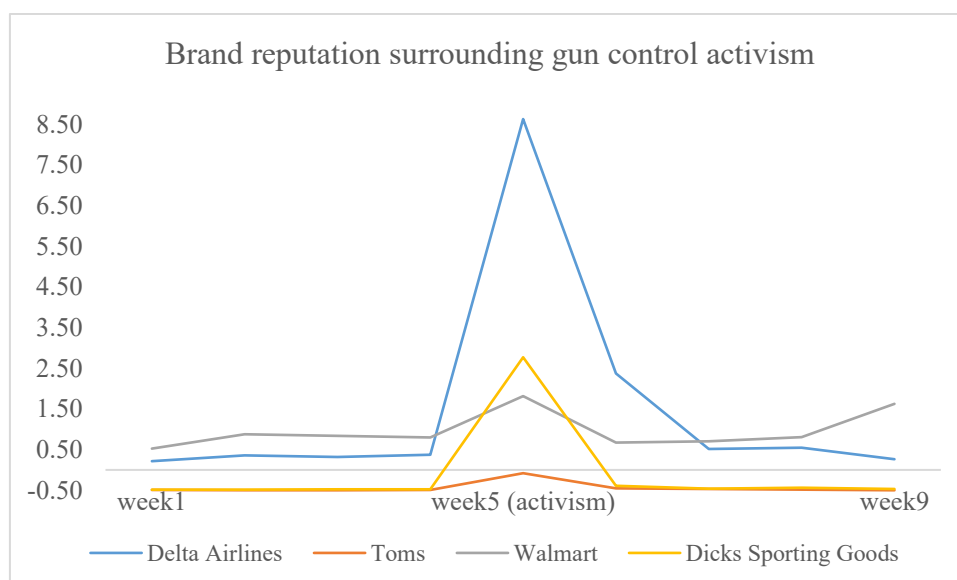
Figure 5: Brand reputation scores surrounding gun control activism

Possible explanations for this increase in brand reputation might be the sentiment in society at the point of the activism. In all cases, mass shootings took place in the U.S. shortly before the activism, either at a school or at a nightclub. After such mass shootings, the gun industry and legislation in the U.S. are usually questioned by a majority of people worldwide, many of them demanding a change in gun legislation (e.g., improved background checks). All four brands took stands in opposition of the gun lobby, thereby lining up with the overall sentiment in society at that point in time. For example, Delta Airlines' activism included a statement that members of the National Rifle Association (NRA) would not receive discounts anymore,

resulting in a big positive spike of brand reputation. The magnitude of the positive increase might, in part, be explained by the degree of controversy around the topic. Gun control is one the most controversial topics in the U.S., constantly causing major discussions among people. In times, where the sentiment in society swings in one direction (i.e., after a school shooting), a society-supporting stand on such a controversial topic might lead to major positive reactions for a brand. The same goes for immigration, a highly controversial topic both in the U.S. and worldwide. The positive spikes in brand reputation for immigration activism are not as strong compared to the topic of gun control, but still generally stronger compared to the other less controversial topics (e.g., environmental activism).

Overall, Study 2 suggests a positive relationship of brand activism with brand reputation. However, the changes in brand reputation are short-term, supporting the findings of Study 1. Only for Mastercard and Microsoft, brand activism leads to a decrease in brand reputation, which is explainable by the fact that their activism does repeat an initial brand activism. Releasing a statement (Microsoft) or a video (Mastercard) that replicates an activist message communicated before, does not result in higher brand reputation scores again. For all other brands, reputation increases in the week of the activism compared to its previous score, albeit varying in magnitude. Potential explanations are, e.g, the controversy of the topic adressed, highlighted by stronger reputation changes for more controversial topics (i.e., gun control and immigration). Another possible explanation might be the emotional character of the activism communication, potentially explaining differences in the magnitude within a topic. For example, gender equality activism results in a more positive spike for Oreo compared to all other cases of gender equality activism. Oreo released an advertisement charged with emotions, differentiating the activism from that of the other three brands. Another explanation for the generally positive brand reputation scores might be the timing of the activism, especially referring to the sentiment in society at the time of the activism. For the cases of racial justice

and gun control activism, the killing of George Floyd or mass shootings happenend before the activism, favoring a sentiment in society of supporting the black community or actions opposing the gun industry. This explanation is supported by the example of FedEx from Study 1: FedEx took a stand on gun control as well after a school shooting, yet standing with the gun lobby. The activism resulted in a decrease of brand reputation compared to its previous score, most likely explained through the position being in opposition of the prevalent sentiment in society at that time. While this argumentation is in line with the findings from Study 1 and Study 2, the overall positive relationship of brand activism with brand reputation contradicts the ambiguous findings of Study 1 to some degree. For example, a similar stand on condemning the separation of immigrant children and their parents at the U.S. border led to a decrease in brand reputation for American Airlines and Microsoft (Study 1), but to an increase in brand reputation for United and Frontier Airlines. All brands made similar statements around the same date. For Microsoft, the stand on separating immigrant children from their parents does not link to their business operations at all, potentially explaining the difference to the other three companies which are airlines also accused of being a part of this separation process by transporting the children away from their parents. The exception of American Airlines (negative brand reputation score) might be explained by the precise timing and apologetic wording of the activist statement (Mukherjee & Althuizen, 2020): The airline took a defensive stand on the topic, suggesting that they may have been a part of the separation process, albeit unknowingly and unapprovingly. United and Frontier Airlines released statements in which they announced that they were not aware of any immigrant children being transported on any of their flights. This small difference in the circumstances and statements might be the explanation for the divergent findings for these airlines' activism on brand reputation, showcasing the attention to detail necessary to evaluate the impact of brand activism on a brand's reputation.

While Study 2 suggests a mostly positive relationship of brand activism with brand reputation, the data allows to further dismantle this relationship with regard to brand sentiment (the ratio of positive to negative words from the brand reputation dictionaries found in one week). The difference between brand reputation and brand sentiment can be highlighted through the example of United Airlines. Brand sentiment spikes negatively for United Airlines in the week of the activism (3.16 compared to 3.49 before and 3.50 after the activism; see Table 4), whereas brand reputation shows a positive spike in the week of the activism (see Figure 4, top right). While brand sentiment is always positive in Rust et al.'s (2021) and this sample (the amount of positive words exceeds the amount of negative words found in every period for every brand), it is meaningful to compare whether a brand's sentiment improves or worsens in the week of the activism compared to other weeks surrounding the activism. This comparison indicates whether brand activism, proportionally, evokes more positive or negative reactions, at least short term. For 10 out 20 brands, the increase in brand reputation scores is matched with an increase in brand sentiment in the week of the activism. For Mastercard and Microsoft, the negative effect on brand reputation is reflected in a more negative sentiment as well. Additionally, Mastercard's increasing brand reputation after the initial activism in week 3 is matched by a better sentiment as well (see Figure 4 and Figure 6). However, for eight brands, there is an increase in brand reputation and a decreasing brand sentiment in the week of the activism. For example, Dicks Sporting Goods records a big positive spike in brand reputation after its gun control activism, yet brand sentiment decreases from 6.1 in week 4 to 4.8 in the week of the activism (see Figure 5 and Figure 6).
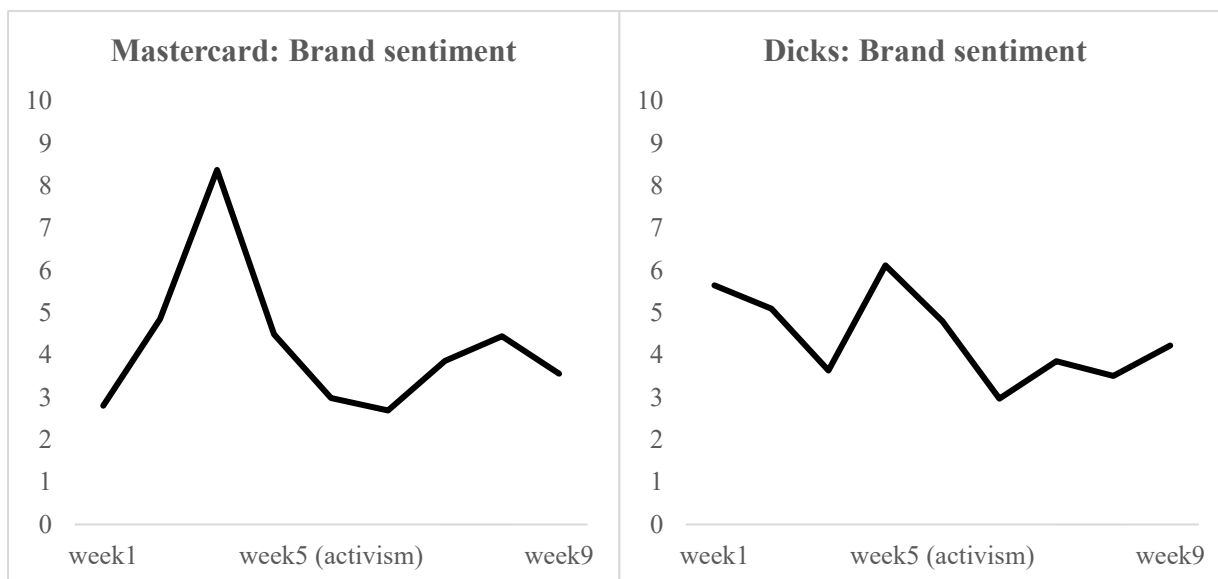
Figure 6: Brand sentiment for Mastercard and Dicks Sporting Goods surrounding brand activism

For all brands, this discrepancy of increasing reputation but decreasing sentiment is a result of a big increase in Tweet volume and, therefore, from the increase of positive and negative words found in those Tweets. For example, 202 (33) positive (negative) words from the brand reputation dictionaries are found in the week before the activism for Dicks Sporting Goods, resulting in a brand sentiment of 6.1. In the week of the activism, there are 27,837 (5,795) positive (negative) words for the brand, resulting in a brand sentiment of 4.8. While sentiment decreases, the net difference of positive to negative words increases massively in the week of the activism (from 169 in week 4 to 22,042), leading to an increase in normalized brand reputation. These findings showcase that brands are talked about much more when engaging in brand activism. While strengthening brand reputation through an increase in Tweet volume, brand activism still worsens sentiment for some brands. Therefore, brand managers have to be aware that, while positive comments will increase and still outweigh negative comments, the ladder might increase more as a response to brand activism.

Overall, the results suggest that brand activism is a suitable tool to raise awareness in terms of Tweet volume. At least on Twitter, a brand engaging in activism will become a topic of

conversation, albeit only short-term. For brand managers, one major question arises: Does the massive increase in Tweet volume per se, being positive and negative, bring value to a brand, even if the ratio of positive to negative Tweets decreases? It is not surprising that a stand on a controversial topic provokes an increase in overall reactions, involving the risk that the proportion of negative reactions exceeds the proportion of positive ones. Brand managers, therefore, have to assess whether this risk is worth it. For most brands in the sample, brand activism is related to an increase in brand reputation. That is, brand activism seems to be useful to leverage consumer-based brand equity. Yet, it seems that there might be contingencies to this assumption. For example, the topic addressed per se does not make a difference for the positive relationship of brand activism with brand reputation, but it makes a difference regarding its magnitude. A topic's high degree of controversy, alongside a match between the activism and the prevalent sentiment in society in regard to the topic, potentially explain the stronger effects, e.g., for gun control activism. Other factors might be the emotional character or the concrete wording of the activist statement. Activism charged with emotions seems to improve a brand's reputation score more than a less emotional activism. In line with Mukherjee & Althuizen's (2020) findings, an activist statement that is more defensive and apologetic (e.g., American Airlines) does not evoke positive reactions. Overall, the potential contingency factors discussed in explaining the results of Study 2 provide fertile ground for future research on brand activism.

Study 3

Study 2 has shown that brand activism provides a tool for brand managers to leverage consumer-based brand equity through brand reputation. Yet, consumer-based brand equity is not the only way of measuring brand equity. Brand managers should also consider the effect of brand activism on financial-based brand equity, as companies often are more interested in the tangible value created by a brand than in the intangible value (e.g., brand reputation) in

consumers' minds (Veloutsou & Guzman, 2017). A brand's tangible value can be assessed through publicly available (financial) data, e.g., its stock price (Isberg & Pitta, 2013). Study 3 uses event study methodology to assess the effect of brand activism on stock price changes building on the descriptive analyses of brand reputation in Studies 1 and 2.

Brand activism and financial performance

Several ways of measuring financial-based brand equity exist (e.g., Oliveira et al., 2023; Davcik et al., 2015), with abnormal (stock) returns being one of those measures (Mizik, 2014). Abnormal returns are the difference between firms' expected and actual returns, resulting from brand events that carry relevant information for investors (Brown & Warner, 1980; McWilliams & Siegel, 1997; Sorescu et al., 2017). Investors use these information to make their decisions on the stock market, instantly influencing stock prices. Abnormal returns can be calculated on a daily basis, providing an opportunity to reflect these immediate changes in stock prices (Brown & Warner, 1985). Therefore, abnormal returns allow the assessment of the value created by a brand event on the exact day of its announcement. This possibility to immediately assess the value of a brand event, before cash flows happen, differentiates abnormal returns from other financial metrics such as sales or return on investment, which are often only available on a quarterly or annual basis (Sorescu et al., 2017). As the effects of brand activism (on brand reputation) have shown to be short-term in Studies 1 and 2, a financial dependent variable with the ability to show short-term effects (i.e., abnormal returns) seems appropriate. Yet, this ability to reflect short-term effects simultaneously inhabits a disadvantage: Abnormal returns, albeit positive or negative, show a lack of persistence and ability to generate long-term competitive advantage, as they result from a single brand event with unanticipated information for investors (Jacobsen, 1988). Abnormal returns will not provide information on whether or not brand activism helps or hurts a brand regarding its brand image or its financial results in the long term.

If brand activism represents such an unanticipated event that changes brands' abnormal returns significantly, albeit positively or negatively, will be the question of this study. That brand activism relates to investor reactions is explainable with the following considerations: By its nature of addressing controversial sociopolitical issues, brand activism might align with or deviate from stakeholders' values, making brand activism announcements interesting but at the same time unpredictable for investors (Hoffmann et al., 2020). Investors, generally, demand brands to communicate their values (Haigh, 2003). Disclosing such information lowers information asymmetry, allowing investors to evaluate brands more accurately (Agapova & Volkov, 2019). However, Agapova and Volkov (2019) also find that there is a tradeoff between the benefits of reducing information asymmetry and the downside of investors' potential disagreement with a strategy. Therefore, when engaging in a strategy such as brand activism, brands also need to take investors' values (and their resulting reactions) into account.

In addition, from a consumers' point of view, brand activism can trigger advantageous or detrimental reactions alike, which might have consequences for the brand's performance and thus also for investor' earnings. Previous literature on brand activism illustrates this potential ambiguous effect. Multiple studies find a positive effect of brand activism on purchase intention of consumers, albeit under certain contingencies. While different authors find that a CSA statement (vs. no CSA statement) positively influences purchase intention or consumers' perception of a brand (Dodd & Supa, 2014; Schmidt et al., 2021), other studies suggest that this positive effect only occurs for customers with congruent values (e.g., Chatterji & Toffel, 2019; Dodd & Supa, 2014) or for brands that are perceived as value-driven rather than market-driven (Korschun et al., 2019). In terms of congruency, Lee and Chung (2023) add that brand activism also attracts consumers that are undecided about the social issue addressed. Schmidt et al. (2021) identify an increase in product use for activist brands. It is likely that investors

will positively value an increase in purchase intention and actual product use, and the potential to attract new customers as a consequence of brand activism.

Yet, there are also contradictory research findings. Mukherjee and Althuizen (2020) cannot find a positive effect of brand activism when brand stance and consumer values align but identify a significantly negative effect on consumers' attitudes towards the brand when brand stance and consumers' values do not align. Hydock et al. (2020) support these findings, only indicating positive effects of brand activism for small-share brands for which the risk of alienating a part of a rather small customer base is outweighed by the potential to attract new customers. Investors might fear that brand activism hinders the growth of brands as it impedes maintaining or growing a large and diverse customer base. Klostermann et al. (2022) find that brand activism endangers an existing customer base: The authors identify negative effects of brand activism on brand perceptions, which are stronger for existing customers than for non-customers. Therefore, the overall risk involved when engaging in brand activism could scare off investors (Bhagwat et al., 2020), leading to a negative effect of brand activism on financial metrics such as stock prices.

The only studies on the effects of brand activism on abnormal returns come from Bhagwat et al. (2020) and Pasirayi et al. (2023). The authors find a negative effect of corporate sociopolitical activism (CSA) on firms' abnormal returns, employing event study methodology. CSA involves a firm's "public support for or opposition to one side of a partisan sociopolitical issue" (p. 2) and is, therefore, considered as brand activism. This paper differentiates from the study by Bhagwat et al. (2020) mainly by the timeframe of the selected brand activism cases: While the authors look at brand activism cases from 2012 to 2016, this paper includes cases from 2017 to 2021. Since 2017, consumers' acceptance and demand for brand activism has increased (Edelman, 2017; Edelman, 2018), which raises the question whether investors still evaluate brand activism negatively. The study by Pasirayi et al. (2023)

does not provide clear answers to this question mainly for two reasons: First, the authors do not provide information on the timeframe of their CSA incidents. Second, the authors find a negative effect on the day after the event, but not on the event day. On the event day, the authors find a non-significant positive effect of CSA on brands' abnormal returns. If this positive effect would be significant for more recent CSA incidents, seems to be a question worth mentioning.

Regarding the effects to be expected, one could draw inferences from related literature: Investors' evaluation of brand actions' that involve doing good for society also include uncertainty. Lu et al. (2021), who summarize literature on the effect of corporate social responsibility on firm value, report that there is no "clear consensus" regarding its effect: On the one hand, doing good for society might have multiple positive consequences (e.g., creating competitive advantage or improving stakeholder satisfaction; Porter & Kramer, 2006; Clarkson, 1995). On the other hand, investors might evaluate doing good for society negatively as it requires resources, which, then, are not available anymore for core business and profit-maximizing actions (McWilliams & Siegel, 2001; Wang & Bansal, 2012). With social brand actions being highly relevant for investors, but without a clear picture on the direction of the effect these actions, a non-directional hypothesis for the effect of brand activism on firm value results: Brand activism has a significant (positive or negative) effect on firm value (measured by abnormal stock returns). This kind of non-directional hypothesis is common in event study methodology: The overall goal of event study methodology lies in the rejection of the null hypothesis, which states that the event has no effect on firm value (e.g., Brown and Warner, 1980).

Methodology – event study

Event study methodology relates firm-specific events to their effects on firms' abnormal returns. In order to determine abnormal returns, firms' expected returns are calculated via the Carhart-Fama-French model (Carhart, 1997; Fama & French, 1993) to control for four factors

(market risk, momentum, firm value, and size) and to showcase that brand activism events additionally explain abnormal returns. Literature shows that this market return model yields the same results as other market return models in the context of brand activism (Bhagwat et al., 2020). The Carhart-Fama-French model includes the risk-free market return rate ($R_{mt} - R_{rf,t}$), the return difference between small-firm and big-firm stocks (SMB_t), the return difference between high and low book-to-market stocks (HML_t), and the return difference between portfolios of past winners and losers (UMD_t; Fama & French, 1993; Carhart, 1997). Daily data for all factors can be accessed through Fama and French's digital library. The calculation of expected returns equals the approach by Rust et al. (2021) and is given by:

$$R_{it} - R_{rf,t} = a_i + \beta_i(R_{mt} - R_{rf,t}) + s_i SMB_t + h_i HML_t + u_i UMD_t + \varepsilon_{it}, \tag{1}$$

with R_{it} as firm i's actual stock return on day t. $R_{rf,t}$ is the risk-free rate of return on day t. Abnormal returns (AR) for firm i on day t are then calculated by subtracting the estimated expected return (ER) for firm i on day t from firm i's actual return on day t minus the risk-free rate of return on day t:

$$AR_{it} = (R_{it} - R_{rf,t}) - ER_{it}, \tag{2}$$

where the values for ER_{it} are estimated through equation (1). These abnormal returns then demonstrate the change in a brand's stock price resulting from a brand event.

Following the approach of Brown and Warner (1985), abnormal returns are calculated from 244 days before the event until 5 days after the event. This timeframe includes an estimation window from [t = -244,…,-6] and an event window from [t = -5,…,+5]. Therefore, the whole dataset includes 250 days of abnormal returns for every brand. Publication of the brand activism on Twitter was set as the event day (t = 0). When the publication on Twitter relates to a non-trading day, the next trading day after the brand activism was set as day zero (Sorescu et al., 2017). Based on this dataset, daily average abnormal returns (AAR_t) can be calculated as follows:

$$AAR_t = \frac{1}{N_t} \sum_{i=1}^{N_t} AR_{i,t} \, , \tag{3}$$

where N equals the number of brands in the sample (N=12).

Daily average abnormal returns are the basis for testing the effect of brand activism on firm value, using Corrado's rank test (CRT; Corrado, 1989), the crude dependence adjustment test (CDA test; Brown & Warner, 1985), and the cross-sectional test (CSect test; Brown & Warner, 1985; Boehmer et al., 1991; see Appendix E for a discussion on the test statistics).

Data

Only 12 firms of the 20 cases of brand activism identified in the previous study were listed at the stock market during their engagement in brand activism. These firms are Delta Airlines, Dicks Sporting Goods, Disney, Electronic Arts, General Motors, Mastercard, Microsoft, Nike, Unilever, United Airlines, Walmart, and Western Union. For these 12 brands, there are three "activism cases" of gun control, environmental, and racial justice activism respectively, as well as two cases of gender equality activism and one case of immigration activism. For these 12 firms, closing stock prices are retrieved from Yahoo Finance for all days of the estimation and event window surrounding a brand's activism event. These daily stock prices provide the basis for calculating daily stock returns. Daily abnormal returns were then calculated for the 12 firms following equation (1) and (2), resulting in a dataset of 250 days of abnormal returns for 12 brands, in which a brand's activism is set as day zero. Finally, daily average abnormal returns and cumulative average abnormal returns are calculated across all brands.

Results

Figure 7 depicts the average abnormal returns (AAR) and cumulative average abnormal returns (CAAR) for the event window from 5 days prior to 5 days after the brands' activism. For example, there are slightly positive average abnormal returns across all 12 brands for days

-5 and -4. For all 3 days before the activism event, average abnormal returns are substantially negative, explaining the negative spike until one day before the activism for cumulative average abnormal returns. When brands engage in brand activism (day 0), average abnormal returns show a large positive spike, indicating a positive effect of brand activism on average abnormal returns. Average abnormal returns also remain positive one day after the activism event.
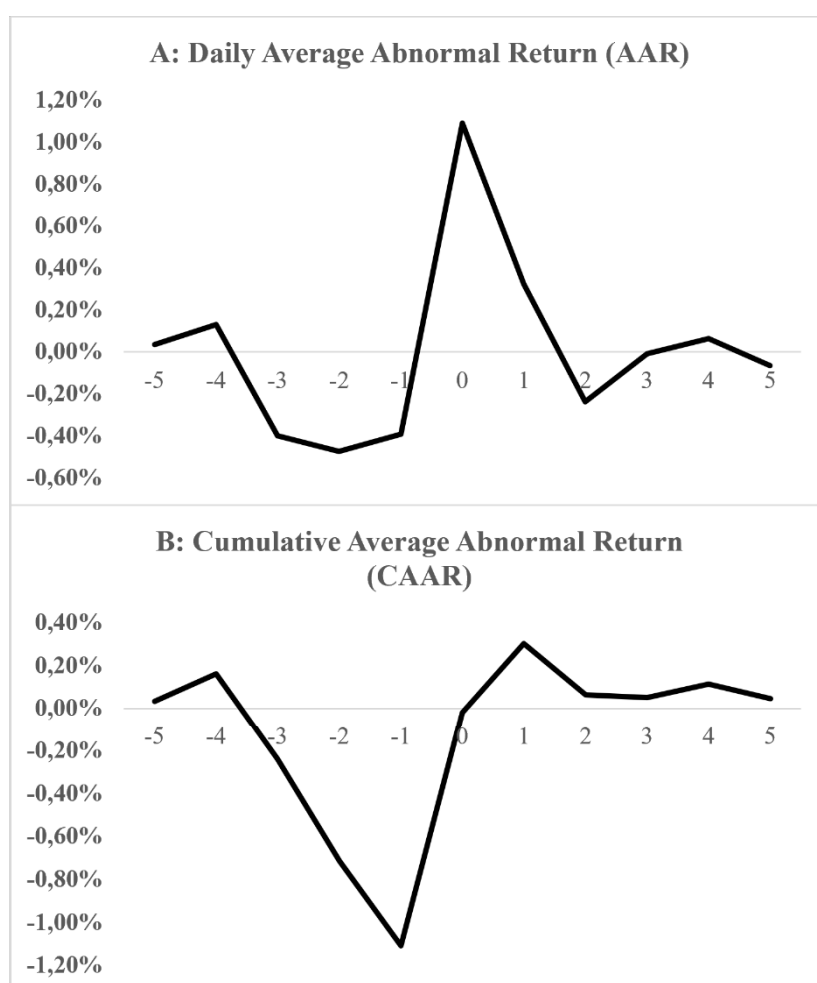
Figure 7: AAR and CAAR for 11 days surrounding brands' activism event (day 0)

Table 5 shows the results for the test statistics for the eleven days surrounding the brand activism event as well as for several event windows to determine the significance of this positive effect. On average, abnormal returns significantly increase 1.09% on the event day (p < .05), rejecting the null hypothesis that brand activism has no effect on abnormal returns (see Table 5 for AAR on day 0). The results show significance across all three test statistics. There

are no other days around the brand activism event that exhibit a statistically significant effect on abnormal returns. In terms of event windows, only a window from the day of the event to one day after the event is significant (M = 1.41%, p < .05; see Table 5 for CAAR for event window 0 to +1). These findings suggest no leakage of brand activism information before the publication as well as no dissemination lag. The lack of a dissemination lag aligns with the basic assumption of market efficiency, referring to stock prices as almost instantaneously reacting to new information (McWilliams & Siegel, 1997), such as to a brand activism campaign published on Twitter. The positive effect of brand activism suggests that brand managers could utilize brand activism as a tool to leverage financial-based brand equity. However, one needs to take the small sample size of 12 brands into account. Nevertheless, the positive effect contradicts the findings of Bhagwat et al. (2020) and Pasirayi et al. (2023), who find a negative effect of brand activism on abnormal returns. The timeframe of selected brand activism cases provides a possible explanation for this change of effects: Whereas Bhagwat et al. (2020) observe cases from 2012 to 2016, this study deals with brand activism from 2017 to 2021. Since 2017, the acceptance and demand for brand activism have increased (Edelman, 2017; Edelman, 2018). Pasirayi et al. (2023) do not provide concrete information on the timeframe of their brand activism cases. While the authors find an overall negative effect, their data suggests that there is an almost even split of increasing or decreasing abnormal returns surrounding an activist event across all brands. It would be very interesting how this split would look like when brand activism cases were clustered in regard to their time of publishing. Also, the authors find a significant negative effect on the day after the event, but not on the day of the event. This finding differs from the findings of Bhagwat et al. (2020) and of this study, where a significant negative (Bhagwat et al., 2020) and a significant positive (this study) effect is found on the event day, aligning more with the basic assumption of market efficiency (i.e.,

investors pick up on relevant information almost instantaneously, therefore changing abnormal

stock returns on the same day of the event).

A: AAR_t				
Event day	M	CDA test	CSect test	CRT
-5	.03%	.07	.16	.14
-4	.13%	.26	.43	.46
-3	-.40%	-.83	-.82	-.53
-2	-.47%	-.98	-1.30	-1.54
-1	-.39%	-.81	-.80	-.22
0	1.09%	2.24**	2.38**	2.06**
+1	0.32%	.67	1.34	1.21
+2	-.24%	-.49	-.50	-.31
+3	-.01%	-.02	-.02	-.65
+4	.06%	.13	.15	-.48
+5	-.07%	-.14	-.17	-.13

B: CAAR			
Event window	Days	M	CDA test
-5 to +5	11	.05%	.03
-4 to +4	9	.08%	.05
-3 to +3	7	-.11%	-.09
-2 to +2	5	.30%	.28
-1 to +1	3	1.02%	1.21
-1 to + 0	2	.69%	1.01
0 to +1	2	1.41%	2.06**
0 to 2	3	1.17%	1.40

**p < .05.

Table 5: Significance tests for AAR and CAAR surrounding brands' activism

This observation is especially interesting when looking at a specific example: A stance on

gun control by Delta Airlines reduces abnormal returns on the event day by .15% but improves

abnormal returns by .1% the day after the event, leading to divergent interpretations on the

effects of brand activism. Delta Airlines announced to cut ties with the NRA in the middle of

a Saturday, a non-trading day. It is highly unlikely that investors only pick up on this

information on the next Tuesday (day after the event, because the event date is set as the next

trading day after the announcement (Monday)). Again, a deeper look into the data from Pasirayi

et al. (2023) would be helpful to identify potential brand activism cases that drive investor reactions on the day after the event, also double-checking for potential confounding events and instances such as the example of Delta Airlines. Also, on the day of the event, the authors find 138 brands for which abnormal returns increase and only 122 brands for which they decrease. In line with the findings of this study, but not statistically significant, the authors find a positive effect on the event day.

The small sample size allows a deeper look into the effects of brand activism on abnormal returns: While the overall effect is positive and significant, abnormal returns decrease for one-third of the sample on the event day. On average, abnormal returns for these brands decrease by .45% on the event day. For two-thirds of the sample, brand activism increases event day average abnormal returns by 1.86%. Albeit a one-third two-third split, it is apparent that the average increase in abnormal returns is higher than the average decrease in abnormal returns. Several observations regarding individual brands might provide explanations for this observation: General Motors shows the biggest increase in abnormal returns on the day of their environmental activism with 4.2%, followed by Dicks Sporting Goods and its stance on gun legislation (3.5%). In contrast, the biggest decrease in abnormal returns results for Microsoft's environmental activism (.67%) and Mastercard's gender equality activism (.57%). This observation is not surprising, considering what has been discussed for these two brands in Study 2: For both brands, the activism in the sample does not reflect the initial activism but a re-release. By re-releasing the activism, the brand event does not incorporate unanticipated information for investors, thereby not changing investors' evaluations of the brand (in a positive manner). Two additional brand activism cases leading to slightly negative investor reactions exist: A stance on gun legislation leads to a decrease in abnormal returns for Walmart (.43%) and Delta Airlines (.15%). Surprisingly, these negative investor reactions oppose the major positive consumer reactions found in Study 2 for Walmart's and Delta Airlines' brand

reputation, as well as the positive investor reactions for Dicks Sporting Goods. All three brands took stands opposing the gun lobby, either cutting ties with the NRA (Delta Airlines) or changing its regulations of selling guns (Walmart and Dicks Sporting Goods). Investors' negative reactions to gun lobby opposing stances might be explained by investors' fear that brands lose the support of the gun lobby which involves a lot of money. Yet, the negative reactions are marginal compared to the positive reactions for Dicks Sporting Goods, which might be explained by the precise content of its activism: The brand made a very honest statement, even admitting that they sold a gun (which was not used in the shooting) to the Parkland shooter, perfectly in line with the law. Additionally, the brand argued that better regulations are necessary and must be put in place to protect "this country's most precious gift" – its children, thereby charging the activism with emotions that most people would agree on.

Overall, these results indicate two things: (1) The topic addressed with the activism is not decisive for investors' reactions. Gun control activism provokes both an increase and decrease in abnormal returns (for different companies though). It seems that the concrete implementation matters more in investors' evaluation of (gun control) activism. Effects are positive across all other topics, when a brand's activism is not a re-release. (2) Potential gains from brand activism are much higher than potential losses in abnormal returns, suggesting that brand activism, incorporates a relatively small risk when looking at investor reactions. Therefore, brand activism could provide a useful tool for brand managers to leverage brand equity through financial-based brand equity.

Discussion, limitations and further research

Brand reputation and abnormal returns are two ways to measure (consumer-based or financial-based) brand equity. For brand managers, leveraging brand equity is one of the most important tasks, as brand equity is the additional value a product or service gains through branding (Veloutsou & Guzman, 2017), a potential source of competitive advantage.

Consequently, it is important to better understand the effects of brand activism on brand equity-determining variables. Two ways to do so are presented in this work: A look at a brand's reputation (consumer-based brand equity) following an activist stand (study 1 and 2) and an analysis of brands' abnormal returns (financial-based brand equity) surrounding a brand activism event (event study).

Results for the respective descriptive analyses on brand reputation are mostly positive: Brand activism generally raises awareness in terms of Tweet volume, and reputation increases for a majority of brands, particularly when looking at Study 2. Here, only Mastercard and Microsoft, for which the brand activism is a re-release of a previous activism, are cases with a negative relationship of brand activism with brand reputation. In Study 1, results are generally mixed: For example, FedEx and Pepsi have been discussed as examples of decreasing brand reputation in the week of the activism. While brands' abnormal returns on the day of the activism also show these mixed effects in Study 3 (i.e., negative effects for one-third, positive effects for two-thirds of brands), an overall significant positive effect of brand activism on abnormal returns across all brands is observed.

In both studies, the addressed topic per se does not seem to be a decisive factor in explaining the effects of brand activism on brand reputation and abnormal returns. Yet, the small sample size limits the results: To apply the brand reputation measure by Rust et al. (2021), the activism had to be published on social media and had to have received a certain amount of attention (at least 100 Retweets). Finding topic-specific cases meeting these criteria and fitting the specified timeframe led to a reduction in sample size. For example, in regard to immigration activism, United Airlines is the only brand in the event study sample of Study 3. The positive effect on abnormal returns for United Airlines could simply be an exception, showcasing the need for a larger sample size.

Apart from the addressed topic, all studies did not include other characteristics of brand activism. Characteristics discussed in practice and literature that might influence the success of brand activism are, e.g., proactivity vs. reactivity of brand activism (Disparte & Gentry, 2015), history vs. no history of activist behavior (Schmidt et al., 2021), brand size (Hydock et al., 2020), or product type (hedonic vs. utilitarian; Bhagwat et al., 2020). Other characteristics identified in this paper as potential factors that explain the findings are, for example, the timing of the activism and the concrete design of the activism. The timing mostly refers to the prevalent sentiment in society regarding the topic addressed with the activism, potentially explaining different consumer reactions to the opposing stances on gun control by FedEx (pro NRA) and, e.g., Delta Airlines (against NRA). The concrete design of the activism refers to various things, such as the form of activism (e.g., statement vs. advertisement/video) or the emotions involved in the activism (professional/neutral vs. emotional). While these factors serve as potential explanations for the success or failure of brand activism, they are not studied in this work. This lack of contingency factors is one of the major limitations of this study. However, in regard to Study 3, the major goal of event study analysis is to test for significant changes in abnormal returns around a brand event. Generally, it does not involve the analysis of specific event characteristics or (psychological) mechanisms that might explain the effect.

For example, investors' reactions to brand activism might depend on its perceived authenticity. Authenticity poses a possible explaining mechanism for successful brand activism (e.g., Vredenburg et al., 2020; Schmidt et al., 2021). Vredenburg et al. (2020, p. 449) define brand activism as authentic when a brand acts on its prosocial purpose and aligns "high activist marketing messaging" with "high engagement in prosocial corporate practice." For example, Nike's racial justice activism and United Airlines' immigration activism and its positive evaluation by investors might boil down to perceived authenticity. Nike has taken a public stand on the issue of racism and police brutality multiple times before (Hoffmann et al., 2020),

whereas United Airlines has been a pioneer in publicly supporting gender diversity and inclusion since 1999 (PRNewswire, 2021). Both brands are aligning activist marketing messaging with prosocial corporate purpose, values and practice, therefore acting authentic (Vredenburg et al., 2020). However, Microsoft's and Mastercard's re-release of their activism provoked negative consumer and investor reactions, although it could be seen as a reaffirmation of aligning activist marketing messaging with prosocial corporate purpose, values and practice. This seemingly authentic behavior raises the question of what exactly constitutes authentic and successful brand activism.

The remaining uncertainty about important characteristics/success factors of brand activism asks for further research, not only in relation to brand reputation or firm value (i.e., abnormal returns) but also in relation to other stakeholder outcome variables (e.g., employer attractiveness, consumers' attitude towards a brand, or stakeholders' willingness to spread positive word-of-mouth). Further, it must be discussed if, what Rust et al. (2021) measure as brand reputation, should actually be termed reputation. Chun (2005, p. 96) summarizes literature on reputation and image, defining reputation as "something deeper", "built up over a period" and "grounded in experience". Reputation, usually, does not change quickly, whereas image rather relates to people's latest opinion of a company, changing more rapidly due to companies marketing efforts. Following this argumentation, the short-term effects found in this paper question whether the construct proposed by Rust et al. (2021) should actually be termed brand reputation. In addition, the positive changes in what has been termed brand reputation following a brand's activism should be tested for significance (see, e.g., Klostermann et al. (2022) as well as Hansen et al. (2018) for the respective event study regression approach). Then, a stronger case could be made to assess the effect of brand activism on brand reputation.

This study shows a significant positive effect of brand activism on abnormal returns, which has not been found in the literature so far. Brand activism is a potential tool for brand managers

to leverage brand equity through consumer-based and financial-based brand equity. However, brand managers should not engage in brand activism lightly, as consumers', but also investors' reactions can go both ways.

Overall, the discrepancy to other research findings provides fertile ground for future research. There is plenty to uncover in regard to influential factors (e.g., product type or consumption context; Bhagwat et al., 2020) or mechanisms (e.g., authenticity; Vredenburg et al., 2020; Schmidt et al., 2021) that can explain the effects of brand activism on different outcome variables.

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the Roles of Color and Message Framing in Advertising Effectiveness. *Journal of Advertising*, 1-17. https://doi.org/10.1080/00913367.2023.2217866.

Appendix

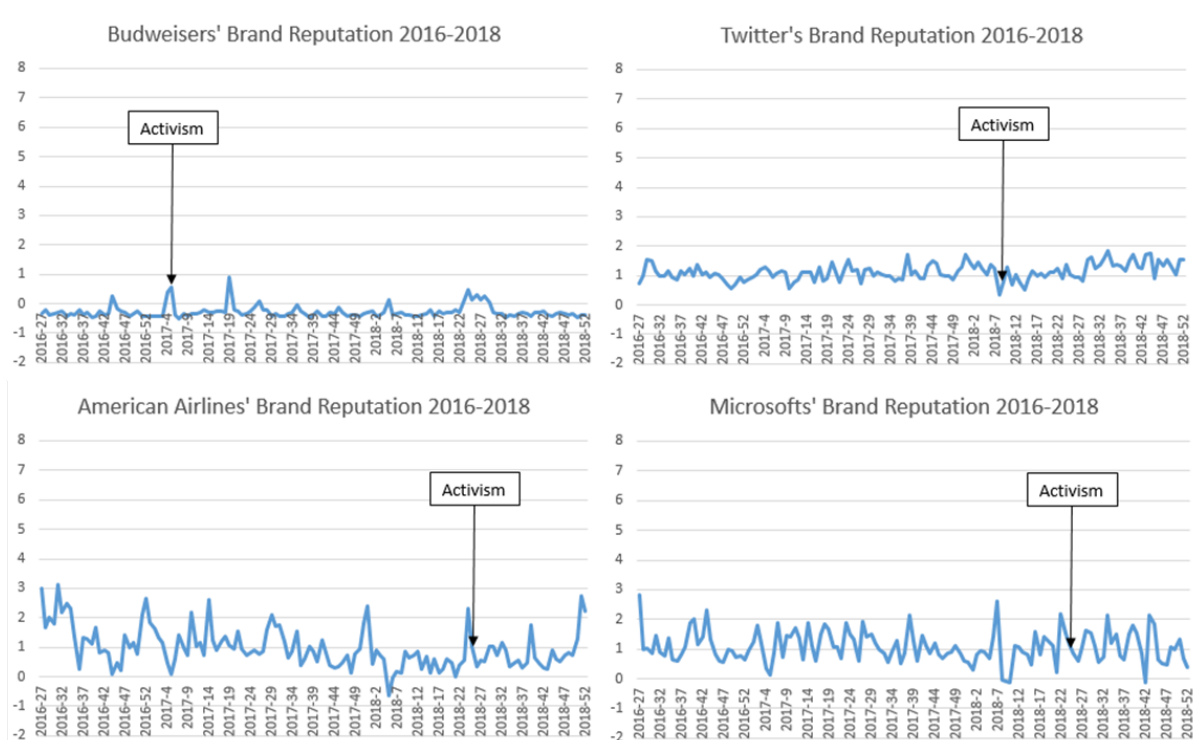## Appendix A – Weekly brand reputation for remaining brands

Figure A1: Weekly brand reputation for American Airlines, Budweiser, Microsoft and Twitter

Appendix B – Exemplary analysis of brand reputation and its (sub)drivers for Nike

One of the most prominent examples of brand activism is the example of Nike hiring former National Football League (NFL) player Colin Kaepernick as the face of their marketing campaign "Dream Crazy" as part of their 30th anniversary of the "Just Do It" slogan. Before the campaign, Colin Kaepernick was a well-known NFL player until he decided to kneel during the national anthem before a game in order to protest against racial injustice and police brutality in the United States. Kaepernick was dropped by his team, has never been under contract in the NFL since, and became a symbol for a social justice movement (Kelner, 2018). The brand Nike is recognized for standing up to what is important for their athletes and has engaged in brand activism before. For example, Nike positioned itself clearly on the topic of equality for people of color with its "Equality" campaign a year prior to the "Kaepernick case" (Draper et al., 2018). Figure A2 shows Nike's brand reputation from mid-2016 until the end of 2018 with both dates of Nike's brand activism being highlighted.
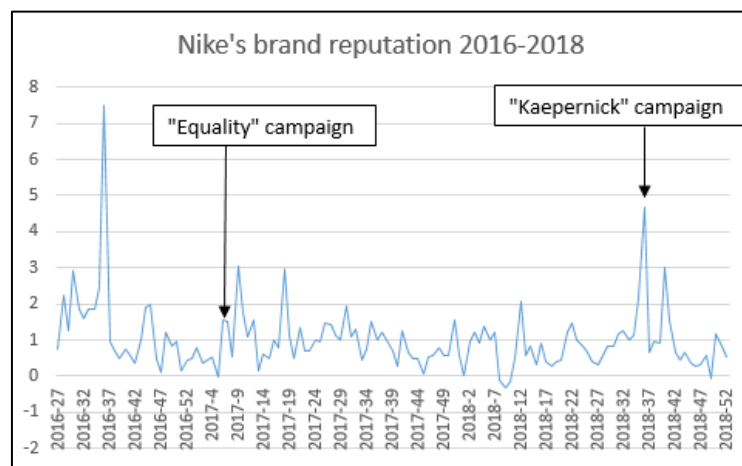
Figure A2: Nike's brand reputation

When Nike released its "Equality" campaign on Sunday, the 12th of February 2017, Nike's brand reputation increased from -.31 the week before to 1.57, reaching its highest value since early November 2016. The effect was quite stable for one week, with brand reputation slightly dropping to 1.49 in week 7 of 2017 before dropping to 0.53 in week 8 – a similar level to the weeks ahead of the "Equality" campaign.

When Nike launched its campaign with Colin Kaepernick on Monday, the 3rd of September 2018, its brand reputation spiked massively to 4.66, equaling Nike's second-highest reputation from mid-2016 to the end of 2018. However, a week later Nike's reputation already dropped to 0.66, falling even below Nike's levels of reputation in the weeks leading up to its activism. Thus, a first observation is that brand activism leads to a spike in brand reputation, albeit short-term.

A look at the drivers and subdrivers of brand reputation gives insights on what might have been reasons for the spike. Figure A3 and A4 show the *value driver* and its respective subdrivers around Nike's campaign with Colin Kaepernick.

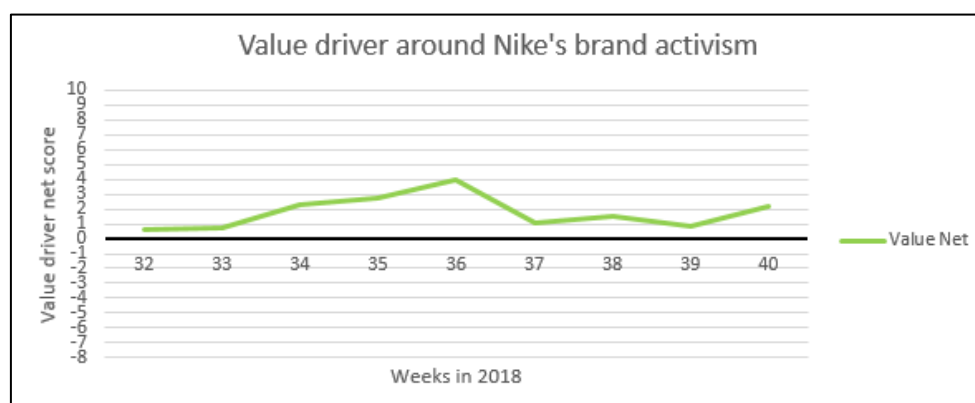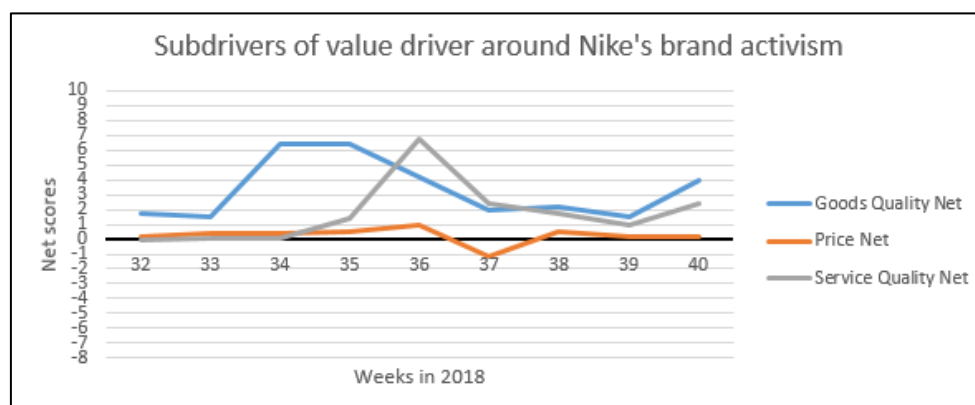*Figure A3: Value driver around Nike's brand activism*

Figure A4: Subdrivers of value driver around Nike's brand activism

Week 36 in 2018 reflects Nike's brand activism (Kaepernick) and records the highest score for the *value driver* in a timespan of four weeks prior and four weeks after the campaign launch. Taking a closer look at the subdrivers, this spike is mainly attributed to an increase in *service*

quality from 1.38 in week 35 to 6.72 in week 36. Additionally, in week 36, the *subdriver price* registers its highest value with 1.01 in the respective timeframe. The *goods quality* driver is actually higher before the activism and drops through week 36 until week 37 before stabilizing again. While only the *price and service quality driver* improve in the week of the activism, all subdrivers decrease immediately in the week after the activism.

Similar to the *value driver*, the *brand driver* of Nike's brand reputation also records its highest score in week 36 in a timespan of four weeks prior and four weeks after the brands' activism. Again, after the spike in week 36, Nike's *brand driver* immediately drops to its lowest values in week 37 (0.77) and 38 (0.64) in the 9-week timespan (see Figure A5). Regarding the subdrivers of the brand driver, there are multiple noticeable findings: First, all 4 subdrivers spike in week 36, with the *innovative and social responsibility subdriv*er reaching their highest value by far in the 9-week timespan. While the *innovative subdriver* is on the rise since week 33 and increases from 4.76 in week 35 to 8.7 in week 36, the *social responsibility subdriver* spikes to 6.79 in week 36 after being close to zero the previous two weeks. The *cool and the exciting subdrivers* spike as well from 1.15 (cool) and 0.99 (exciting) the previous week to 4.17 (cool) and 1.83 (exciting) in week 36. Again, the instant decrease of all subdrivers in the week after the activism is noticeable with the *cool, the exciting, and the innovative subdrive*rs dropping to values close to zero. The *social responsibility driver* is also dropping in the weeks after the activism, but the decrease is slower, with a still rather high value of 2.4 in week 37 (see Figure A6).

Figure A5: Brand driver around Nike's brand activism
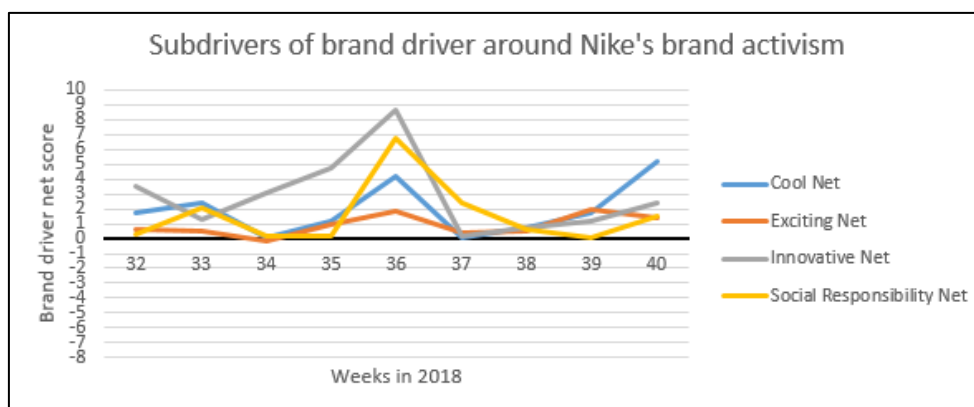
Figure A6: Subdrivers of brand driver around Nike's brand activism

The *relationship driver* of Nike's brand reputation shows a similar spike in week 36 to the value and the brand driver. However, for the *relationship driver*, it is not the only spike of this magnitude in the 9-week timespan but one of two spikes (4.64 in week 36 and 4.26 in week 40). Once again, in week 37 after the activism week, there is an immediate decrease of the *relationship driver* to a value close to zero (see Figure A7). Regarding the subdrivers of the *relationship driver, the friendly subdriver* shows remarkable differences to the other three subdrivers: While the *community* (8.56), the *personal relationship* (8.21), and the *trustworthy* (6.83) *subdriver* spike massively in week 36, the *friendly subdriver* decreases massively to a negative value of -5.05. This negative spike peaks in week 37 with -6.04, before bouncing back to a value close to zero in week 38 and increasing strongly from there in the two following weeks (5.38 in week 40). The other three subdrivers again decrease immediately in week 37 after the activism week, with the *personal relationship subdriver* dropping to a value close to

zero straightaway and then slowly but constantly increasing again until week 40. The *community and the trustworthy subdrivers* decrease slower, with values of 3.52 (community) and 2.91 (trustworthy) in week 37, reaching their lowest values after the activism in week 39 before increasing strongly again in week 40 (see Figure A8).
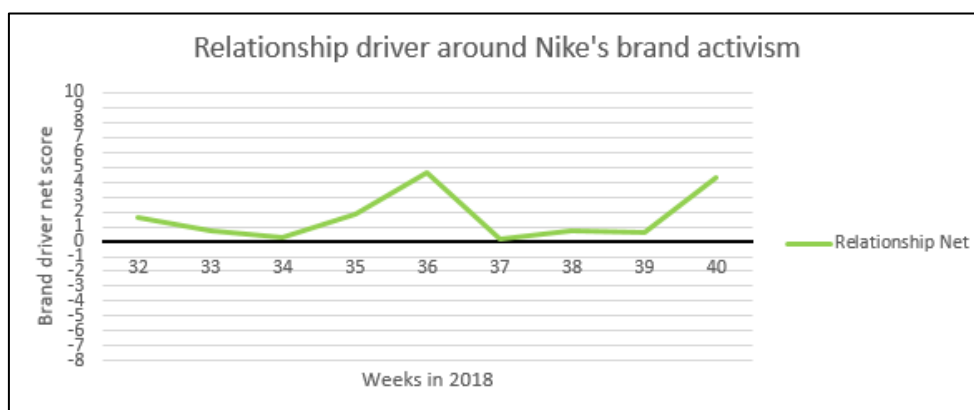
Figure A7: Relationship driver around Nike's brand activism
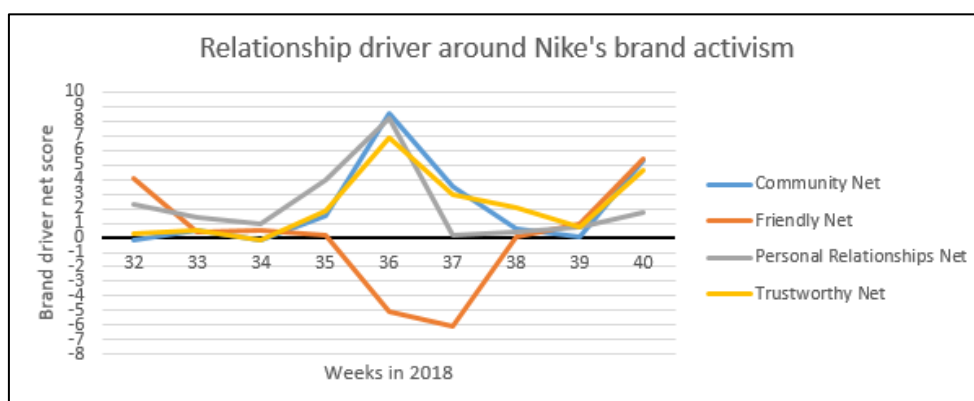
Figure A8: Subdrivers of relationship driver around Nike's brand activism

Overall, the spike in brand reputation does not come down to a spike of only one or two of its drivers. All three drivers spike positively within the week of the activism. Also, most of the eleven subdrivers increase as well within the week of the activism. Only the *friendly and goods quality subdriver* decrease in week 36. In terms of subdriver development within the week of the activism, no pattern, such that brand activism always provokes an unfriendly reputation or harms perceived goods quality, could be identified just looking at this one case. Therefore, finding explanations for why certain subdrivers spike positively or negatively for different brands provides grounds for future research.

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Appendix C – Sample overview

Brand	Twitter handle	Date of activism	Topic addressed	Collected Tweets
Airbnb	@airbnb	06.02.2017	Immigration	65,371
Frontier Airlines	@flyfrontier	20.06.2018	Immigration	12,557
United Airlines	@united	20.06.2018	Immigration	83,371
84Lumber	@84lumbernews	06.02.2017	Immigration	18,845
Ben&Jerry's	@benandjerrys	19.06.2020	Racial justice	49,934
Disney	@disney	01.06.2020	Racial justice	66,084
Electronic Arts	@easports	06.06.2020	Racial justice	14,819
Nike	@nike	30.05.2020	Racial justice	93,411
Delta Airlines	@delta	24.02.2018	Gun control	217,675
Dicks Sporting Goods	@dicks	28.02.2018	Gun control	58,076
Toms	@toms	20.11.2018	Gun control	9,777
Walmart	@walmart	01.03.2018	Gun control	263,936
Mastercard	@mastercard	29.06.2019	Gender equality	7,552
OkCupid	@okcupid	03.05.2022	Gender equality	5,135
Oreo	@oreo	09.10.2020	Gender equality	329,045
Western Union	@westernunion	06.03.2017	Gender equality	2,709
BrewDog	@brewdog	22.08.2020	Carbon reduction	12,057
General Motors	@gm	28.01.2021	Carbon reduction	23,263
Microsoft	@microsoft	17.11.2020	Carbon reduction	375,569
Unilever	@unilever	02.09.2020	Carbon reduction	19,658

Note: Brands listed at the stock market during their brand activism are in italics.

Table A1: Sample Overview

Appendix D – R-script (example of United Airlines)

R script for measuring brand reputation via Twitter comments

###install and load necessary packages

install.packages("tm")

install.packages("stringr")

install.packages("SnowballC")

install.packages("qpcR")

install.packages("dplyr")

install.packages("tidytext")

install.packages("quanteda")

install.packages("quanteda.textstats")

library("tm")

library("stringr")

library("SnowballC")

library("qpcR")

library("dplyr")

library("tidytext")

library("quanteda")

library("quanteda.textstats")

Import dataset brand "United Airlines"

define name including respective brand

load data

united <- United_activism_ready_for_R

data preparation and cleaning

united_clean <- united

transform to lower case

united_clean$Tweet <- tolower(united_clean$Tweet)

```
# remove <...>, @, # and URLs

united_clean$Tweet <- str_replace_all(united_clean$Tweet, "<[a-z,A-Z,_,>]*","")

united_clean$Tweet <- str_replace_all(united_clean$Tweet, "@[a-z,A-Z,_]*","")

united_clean$Tweet <- str_replace_all(united_clean$Tweet, "#[a-z,A-Z,_]*","")

united_clean$Tweet <- gsub("http.*", "", united_clean$Tweet)

united_clean$Tweet <- gsub("https.*", "", united_clean$Tweet)

# remove punctuation

united_clean$Tweet <- removePunctuation(united_clean$Tweet, preserve_intra_word_dashes = TRUE)

# remove numbers

united_clean$Tweet <- removeNumbers(united_clean$Tweet)

# remove "us" as useful is stemmed to "us" later

united_clean$Tweet <- removeWords(united_clean$Tweet, c("used", "us", "using", "uses", "use"))

# stem words

# create id + renaming

united_clean <- united_clean %>% mutate(id = row_number()) %>% rename(text = Tweet)

#tokeniz

united_tidy <- united_clean %>% unnest_tokens(word, text)

#stemming

united_tidy_stem <- united_tidy %>% mutate(stem = wordStem(word))

# reverse tokeniz

united_final_nontok <- united_tidy_stem %>% dplyr::group_by(id) %>% dplyr::summarise(text = stringr::str_c(stem, collapse = " ")) %>% ungroup()

# add date again

united_final <- merge(x = united_final_nontok, y = united_clean[ , c("id", "Date")], by = "id", all.x=TRUE)

#get a subset per week

united_week1 <- united_final[united_final$Date > "2018-05-22" & united_final$Date < "2018-05-30",]

united_week2 <- united_final[united_final$Date > "2018-05-29" & united_final$Date < "2018-06-06",]
```

```
united_week3 <- united_final[united_final$Date > "2018-06-05" & united_final$Date < "2018-06-13",]

united_week4 <- united_final[united_final$Date > "2018-06-12" & united_final$Date < "2018-06-20",]

united_week5 <- united_final[united_final$Date > "2018-06-19" & united_final$Date < "2018-06-27",]

united_week6 <- united_final[united_final$Date > "2018-06-26" & united_final$Date < "2018-07-04",]

united_week7 <- united_final[united_final$Date > "2018-07-03" & united_final$Date < "2018-07-11",]

united_week8 <- united_final[united_final$Date > "2018-07-10" & united_final$Date < "2018-07-18",]

united_week9 <- united_final[united_final$Date > "2018-07-17" & united_final$Date < "2018-07-25",]
```

define dictionaries of subdrivers of brand reputation

positive dictionary brand driver

```
posdict_brand <- dictionary(list(Cool = c('trendi*', 'hip*', 'awesom*', 'cool*', 'modern*', 'stylish*', 'current*', 'sexi*'), Exciting = c('fun*', 'excit*', 'inspir*', 'happi*', 'thrill*','stimul*', 'live*', 'interest*'), Innovative = c('new*', 'smart*', 'invent*', 'advanc*', 'cut*', 'futurist*', 'intellig*', 'progress*','innov*','technolog*', 'creativ*','novel*', 'cutting-edg*'), SocialResp = c('benevol*', 'give*', 'benefici*')))
```

#create corpus and matrix to count frequencies of subdriver

```
corp_week1 <- corpus(united_week1, text_field = 'text')

matrix_week1 <- dfm(corp_week1)
```

count frequencies of subdriver

```
posdict_brand_matrix_week1 <- dfm_lookup(matrix_week1, posdict_brand)

freq_posdict_brand_week1_united <- textstat_frequency(posdict_brand_matrix_week1)
```

positive dictionary value driver

```
posdict_value <- dictionary(list(Price = c('cheap*', 'afford*', 'inexpens*', 'deal*', 'low*', 'bargain*', 'thrifti*', 'reason*', 'econom*', 'frugal*', 'joy*', 'discount*', 'pleas*', 'sale*'), ServiceQual = c('help*', 'great*', 'fast*', 'knowledg*', 'attent*','understand*', 'easi*', 'polit*','patient*','respect*', 'prompt*', 'compet*'), GoodsQual = c('qualiti*', 'durabl*', 'function*', 'excel*', 'perfect*', 'us', 'beauti*', 'strong*','valu*','sturdi*', 'luxuri*','worth*', 'long-last*', 'best*', 'satisfi*', 'impress*', 'uniqu*', 'clean*')))
```

```
posdict_value_matrix_week1 <- dfm_lookup(matrix_week1, posdict_value)

freq_posdict_value_week1_united <- textstat_frequency(posdict_value_matrix_week1)
```

positive dictionary relationship driver

posdict_relation <- dictionary(list(Community = c('famili*', 'involv*', 'commun*', 'social*', 'togeth*', 'harmoni*'),

Friendly = c('nice*', 'friendli*', 'pleasant*', 'kind*', 'warm*','welcom*', 'trustworthi*', 'open*','accommod*'),

PersonRel = c('connect*', 'special*', 'person*', 'intim*', 'close*', 'profession*', 'comfort*'), Trustworthy = c('honest*', 'reliabl*', 'good*', 'depend*','trust*','transpar*', 'safe*','honesti*', 'principl*', 'honor*')))

posdict_relation_matrix_week1 <- dfm_lookup(matrix_week1, posdict_relation)

freq_posdict_relation_week1_united <- textstat_frequency(posdict_relation_matrix_week1)

negative dictionary brand driver

negdict_brand <- dictionary(list(Cool = c('ordinari*', 'lame*', 'ancient*', 'averag*'), Exciting = c('bore*', 'dull*', 'uninspir*', 'tire*', 'bland*'), Innovative = c('old*', 'old-fashion*', 'tradit*', 'uninterest*', 'outdat*'), SocialResp = c('greedi*', 'uncar*', 'irrespons*', 'evil*','profit*')))

negdict_brand_matrix_week1 <- dfm_lookup(matrix_week1, negdict_brand)

freq_negdict_brand_week1_united <- textstat_frequency(negdict_brand_matrix_week1)

negative dictionary value driver

negdict_value <- dictionary(list(Price = c('expens*', 'pricei*', 'costli*', 'overpr*', 'unfair*', 'rich*', 'excess*', 'extravag*', 'high*', 'exclus*', 'outrag*'), ServiceQual = c('rude*', 'frustrat*', 'terribl*', 'slow*', 'careless*', 'incompet*', 'disrespect*', 'aw*','lazi*', 'irrit*', 'horribl*', 'angri*'), GoodsQual = c('junk*', 'bad*', 'poor*', 'wast*','ugli*', 'breakabl*', 'worthless*', 'flimsi*', 'useless*', 'disappoint*', 'shoddi*', 'mediocr*', 'garbag*', 'short-liv*')))

negdict_value_matrix_week1 <- dfm_lookup(matrix_week1, negdict_value)

freq_negdict_value_week1_united <- textstat_frequency(negdict_value_matrix_week1)

negative dictionary relationship driver

negdict_relation <- dictionary(list(Community = c('cold*', 'sad*', 'selfish*'), Friendly = c('mean*', 'unpleas*', 'unhelp*', 'unfriendli*', 'aloof*', 'nasti*', 'arrog*'), PersonRel = c('cold*', 'distant*', 'imperson*', 'disconnect*'), Trustworthy = c('dishonest*', 'unreli*', 'cheat*', 'shadi*','untrustworthi*', 'deceit*', 'decept*', 'lie*')))

negdict_relation_matrix_week1 <- dfm_lookup(matrix_week1, negdict_relation)

freq_negdict_relation_week1_united <- textstat_frequency(negdict_relation_matrix_week1)

#get absolute numbers for subdrivers per dictionary per week

repeat process for weeks 2-9

```r
# create corpus and matrix for week 2

corp_week2 <- corpus(united_week2, text_field = 'text')

matrix_week2 <- dfm(corp_week2)

# get frequencies for every subdriver

posdict_brand_matrix_week2 <- dfm_lookup(matrix_week2, posdict_brand)

freq_posdict_brand_week2_united <- textstat_frequency(posdict_brand_matrix_week2)

posdict_value_matrix_week2 <- dfm_lookup(matrix_week2, posdict_value)

freq_posdict_value_week2_united <- textstat_frequency(posdict_value_matrix_week2)

posdict_relation_matrix_week2 <- dfm_lookup(matrix_week2, posdict_relation)

freq_posdict_relation_week2_united <- textstat_frequency(posdict_relation_matrix_week2)

negdict_brand_matrix_week2 <- dfm_lookup(matrix_week2, negdict_brand)

freq_negdict_brand_week2_united <- textstat_frequency(negdict_brand_matrix_week2)

negdict_value_matrix_week2 <- dfm_lookup(matrix_week2, negdict_value)

freq_negdict_value_week2_united <- textstat_frequency(negdict_value_matrix_week2)

negdict_relation_matrix_week2 <- dfm_lookup(matrix_week2, negdict_relation)

freq_negdict_relation_week2_united <- textstat_frequency(negdict_relation_matrix_week2)

# week 3

corp_week3 <- corpus(united_week3, text_field = 'text')

matrix_week3 <- dfm(corp_week3)

posdict_brand_matrix_week3 <- dfm_lookup(matrix_week3, posdict_brand)

freq_posdict_brand_week3_united <- textstat_frequency(posdict_brand_matrix_week3)

posdict_value_matrix_week3 <- dfm_lookup(matrix_week3, posdict_value)

freq_posdict_value_week3_united <- textstat_frequency(posdict_value_matrix_week3)

posdict_relation_matrix_week3 <- dfm_lookup(matrix_week3, posdict_relation)

freq_posdict_relation_week3_united <- textstat_frequency(posdict_relation_matrix_week3)

negdict_brand_matrix_week3 <- dfm_lookup(matrix_week3, negdict_brand)

freq_negdict_brand_week3_united <- textstat_frequency(negdict_brand_matrix_week3)
```

```
negdict_value_matrix_week3 <- dfm_lookup(matrix_week3, negdict_value)

freq_negdict_value_week3_united <- textstat_frequency(negdict_value_matrix_week3)

negdict_relation_matrix_week3 <- dfm_lookup(matrix_week3, negdict_relation)

freq_negdict_relation_week3_united <- textstat_frequency(negdict_relation_matrix_week3)

# week 4

corp_week4 <- corpus(united_week4, text_field = 'text')

matrix_week4 <- dfm(corp_week4)

posdict_brand_matrix_week4 <- dfm_lookup(matrix_week4, posdict_brand)

freq_posdict_brand_week4_united <- textstat_frequency(posdict_brand_matrix_week4)

posdict_value_matrix_week4 <- dfm_lookup(matrix_week4, posdict_value)

freq_posdict_value_week4_united <- textstat_frequency(posdict_value_matrix_week4)

posdict_relation_matrix_week4 <- dfm_lookup(matrix_week4, posdict_relation)

freq_posdict_relation_week4_united <- textstat_frequency(posdict_relation_matrix_week4)

negdict_brand_matrix_week4 <- dfm_lookup(matrix_week4, negdict_brand)

freq_negdict_brand_week4_united <- textstat_frequency(negdict_brand_matrix_week4)

negdict_value_matrix_week4 <- dfm_lookup(matrix_week4, negdict_value)

freq_negdict_value_week4_united <- textstat_frequency(negdict_value_matrix_week4)

negdict_relation_matrix_week4 <- dfm_lookup(matrix_week4, negdict_relation)

freq_negdict_relation_week4_united <- textstat_frequency(negdict_relation_matrix_week4)

# week 5

corp_week5 <- corpus(united_week5, text_field = 'text')

matrix_week5 <- dfm(corp_week5)

posdict_brand_matrix_week5 <- dfm_lookup(matrix_week5, posdict_brand)

freq_posdict_brand_week5_united <- textstat_frequency(posdict_brand_matrix_week5)

posdict_value_matrix_week5 <- dfm_lookup(matrix_week5, posdict_value)

freq_posdict_value_week5_united <- textstat_frequency(posdict_value_matrix_week5)

posdict_relation_matrix_week5 <- dfm_lookup(matrix_week5, posdict_relation)
```

```
freq_posdict_relation_week5_united <- textstat_frequency(posdict_relation_matrix_week5)

negdict_brand_matrix_week5 <- dfm_lookup(matrix_week5, negdict_brand)

freq_negdict_brand_week5_united <- textstat_frequency(negdict_brand_matrix_week5)

negdict_value_matrix_week5 <- dfm_lookup(matrix_week5, negdict_value)

freq_negdict_value_week5_united <- textstat_frequency(negdict_value_matrix_week5)

negdict_relation_matrix_week5 <- dfm_lookup(matrix_week5, negdict_relation)

freq_negdict_relation_week5_united <- textstat_frequency(negdict_relation_matrix_week5)

# week 6

corp_week6 <- corpus(united_week6, text_field = 'text')

matrix_week6 <- dfm(corp_week6)

posdict_brand_matrix_week6 <- dfm_lookup(matrix_week6, posdict_brand)

freq_posdict_brand_week6_united <- textstat_frequency(posdict_brand_matrix_week6)

posdict_value_matrix_week6 <- dfm_lookup(matrix_week6, posdict_value)

freq_posdict_value_week6_united <- textstat_frequency(posdict_value_matrix_week6)

posdict_relation_matrix_week6 <- dfm_lookup(matrix_week6, posdict_relation)

freq_posdict_relation_week6_united <- textstat_frequency(posdict_relation_matrix_week6)

negdict_brand_matrix_week6 <- dfm_lookup(matrix_week6, negdict_brand)

freq_negdict_brand_week6_united <- textstat_frequency(negdict_brand_matrix_week6)

negdict_value_matrix_week6 <- dfm_lookup(matrix_week6, negdict_value)

freq_negdict_value_week6_united <- textstat_frequency(negdict_value_matrix_week6)

negdict_relation_matrix_week6 <- dfm_lookup(matrix_week6, negdict_relation)

freq_negdict_relation_week6_united <- textstat_frequency(negdict_relation_matrix_week6)

# week 7

corp_week7 <- corpus(united_week7, text_field = 'text')

matrix_week7 <- dfm(corp_week7)

posdict_brand_matrix_week7 <- dfm_lookup(matrix_week7, posdict_brand)

freq_posdict_brand_week7_united <- textstat_frequency(posdict_brand_matrix_week7)
```

```
posdict_value_matrix_week7 <- dfm_lookup(matrix_week7, posdict_value)

freq_posdict_value_week7_united <- textstat_frequency(posdict_value_matrix_week7)

posdict_relation_matrix_week7 <- dfm_lookup(matrix_week7, posdict_relation)

freq_posdict_relation_week7_united <- textstat_frequency(posdict_relation_matrix_week7)

negdict_brand_matrix_week7 <- dfm_lookup(matrix_week7, negdict_brand)

freq_negdict_brand_week7_united <- textstat_frequency(negdict_brand_matrix_week7)

negdict_value_matrix_week7 <- dfm_lookup(matrix_week7, negdict_value)

freq_negdict_value_week7_united <- textstat_frequency(negdict_value_matrix_week7)

negdict_relation_matrix_week7 <- dfm_lookup(matrix_week7, negdict_relation)

freq_negdict_relation_week7_united <- textstat_frequency(negdict_relation_matrix_week7)

# week 8

corp_week8 <- corpus(united_week8, text_field = 'text')

matrix_week8 <- dfm(corp_week8)

posdict_brand_matrix_week8 <- dfm_lookup(matrix_week8, posdict_brand)

freq_posdict_brand_week8_united <- textstat_frequency(posdict_brand_matrix_week8)

posdict_value_matrix_week8 <- dfm_lookup(matrix_week8, posdict_value)

freq_posdict_value_week8_united <- textstat_frequency(posdict_value_matrix_week8)

posdict_relation_matrix_week8 <- dfm_lookup(matrix_week8, posdict_relation)

freq_posdict_relation_week8_united <- textstat_frequency(posdict_relation_matrix_week8)

negdict_brand_matrix_week8 <- dfm_lookup(matrix_week8, negdict_brand)

freq_negdict_brand_week8_united <- textstat_frequency(negdict_brand_matrix_week8)

negdict_value_matrix_week8 <- dfm_lookup(matrix_week8, negdict_value)

freq_negdict_value_week8_united <- textstat_frequency(negdict_value_matrix_week8)

negdict_relation_matrix_week8 <- dfm_lookup(matrix_week8, negdict_relation)

freq_negdict_relation_week8_united <- textstat_frequency(negdict_relation_matrix_week8)

# week 9

corp_week9 <- corpus(united_week9, text_field = 'text')
```

```
matrix_week9 <- dfm(corp_week9)

posdict_brand_matrix_week9 <- dfm_lookup(matrix_week9, posdict_brand)

freq_posdict_brand_week9_united <- textstat_frequency(posdict_brand_matrix_week9)

posdict_value_matrix_week9 <- dfm_lookup(matrix_week9, posdict_value)

freq_posdict_value_week9_united <- textstat_frequency(posdict_value_matrix_week9)

posdict_relation_matrix_week9 <- dfm_lookup(matrix_week9, posdict_relation)

freq_posdict_relation_week9_united <- textstat_frequency(posdict_relation_matrix_week9)

negdict_brand_matrix_week9 <- dfm_lookup(matrix_week9, negdict_brand)

freq_negdict_brand_week9_united <- textstat_frequency(negdict_brand_matrix_week9)

negdict_value_matrix_week9 <- dfm_lookup(matrix_week9, negdict_value)

freq_negdict_value_week9_united <- textstat_frequency(negdict_value_matrix_week9)

negdict_relation_matrix_week9 <- dfm_lookup(matrix_week9, negdict_relation)

freq_negdict_relation_week9_united <- textstat_frequency(negdict_relation_matrix_week9)
```

Appendix E – Test statistics

There are several different test statistics to test whether the average abnormal return on or around the day of the event is significantly different from zero, indicating that an event has a significant effect on abnormal returns. Test statistics include parametric and non-parametric tests with different strengths and weaknesses. For detailed discussion on the power of tests see, e.g., Brown and Warner (1985), Boehmer et al. (1991) and Cowan (1992). This work uses one non-parametric (CRT) and two parametric tests (CDA test, CSect test).

While the CDA test by Brown and Warner (1985) is commonly used in academic literature and accounts for cross-sectional dependence (e.g., Homburg et al., 2014; Faramarzi & Bhattacharya, 2021), the CSect test is well specified in case of event-induced variance (Boehmer et al., 1991). Non-parametric tests control for potential outliers effecting the result (McWilliams & Siegel, 1997). The CRT (Corrado, 1989) is well specified for very short event windows (e.g., of just one day; Cowan, 1992) and ranks firms' abnormal returns over the estimation and event window in an order from, e.g., 1 to 250 (abnormal returns AR_{it} are transformed into ranks K_{it}, where $250 \geq K_{it} \geq 1$). The test statistic for event day 0 is asymptotically distributed as unit normal and is given by:

$$\frac{1}{N}\sum_{i=1}^{N}(K_{i0} - 125{,}5)\Big/ \hat{S}(K) \, , \tag{4}$$

where 125,5 is the average rank constructed by 0.5 plus half the number of observed returns. The standard deviation is calculated across the 250 days and given by:

$$\hat{S}(K) = \sqrt{\frac{1}{250}\sum_{t=-244}^{+5}\left(\frac{1}{N}\sum_{i=1}^{N}(K_{it} - 125{,}5)\right)^{2}} \, . \tag{5}$$

For the CDA test, the test statistic for any day is given as the ratio of the average abnormal return (AAR_t) to its estimated standard deviation. The standard deviation of abnormal returns

is estimated from the estimation period of abnormal returns (Brown & Warner, 1985). The test statistic for event day 0 is assumed unit normal and given by:

$$AAR_0 / \hat{S}(AAR_0) \,, \tag{6}$$

where

$$\hat{S}(AAR_0) = \sqrt{\left(\sum_{t=-244}^{-6} (AAR_t - \overline{AAR})^2 \right) / 238} \,, \tag{7}$$

$$\overline{AAR} = \frac{1}{239} \sum_{t=-244}^{-6} AAR_t \,. \tag{8}$$

The CSect test does not involve estimates of variance from the estimation period. Instead, the standard deviation of AAR_0 is calculated as the cross-sectional standard deviation on the event day 0. The test statistic is assumed unit normal and given by:

$$AAR_0 / \sqrt{\frac{1}{N(N-1)} \sum_{i=1}^{N} (AR_{i0} - AAR_0)^2} \,. \tag{9}$$

All three of the above test statistics are specified for an event window of exactly one day (t = 0). For an event window of multiple days, only the CDA test statistic will be considered and is given by (Brown & Warner, 1985):

$$\sum_{t=-5}^{+5} AAR_t / \sqrt{\sum_{t=-5}^{+5} \left(\sum_{t=-244}^{-6} (AAR_t - \overline{AAR})^2 / 238 \right)} \,, \tag{10}$$

which is the ratio of the cumulative average abnormal return (CAAR) for an event window from 5 days prior to 5 days after the event to its estimated standard deviation from the estimation period. The standard deviation is calculated as the square root of the variance

cumulated over each day of the event window. By nature of the CDA approach, this variance

is the same for each day of the event window.

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Paper III "The role of topic choice, authenticity, and skepticism in consumers' reactions towards brand activism"

Abstract

Brand activism (i.e., brands taking a stand in controversial social-political discussions) has become more common in recent years, although consumers' reactions to it can be positive and negative, rendering the outcome for brands unpredictable. Literature mainly focuses on social and political brand activism, although scholars propose six sub-categories of brand activism. We address this gap by looking at all different sub-categories. In a first experimental study, we show that legal activism can result in more positive consumer reactions than political and environmental activism. Focusing on determinants of brand activism and its perceived authenticity, in Study 2, we find that an intrinsic motivation (vs. extrinsic) and a high (vs. low) impact of a brand's activism lead to significant increases in consumers' reactions, mediated by consumers' authenticity perceptions of brand activism. Study 3 shows a serial mediation via authenticity and consumers' skepticism towards brand activism for brand attitude and word-of-mouth intention.

Keywords: brand activism; authenticity; skepticism; brand management; motivation

Introduction

When the sports brand Nike chose former NFL quarterback Colin Kaepernick as the face of its 30th anniversary campaign in 2018, it was much more than a standard advertising campaign. With this move, Nike positioned itself on an issue that had nothing to do with its core business and publicly spoke out against any form of discrimination. Kaepernick had caused a public debate two years prior when he refused to stand up for the American anthem before a game, stating that he would not show pride for a country that still discriminated people of color. While supporters celebrated him as a hero, opponents criticized his lack of patriotism. The quarterback had to leave his football club and has not been under contract ever since. When Nike portrayed Kaepernick as a hero in the campaign – with the tagline "Believe in something. Even if it means sacrificing everything." – the brand made its own position on the issue very clear. As a result, Nike encountered mixed reactions by the public: Critics threatened to boycott the brand, shared pictures of burning Nike shoes on social media and even former U.S. President Trump bashed the brand in a tweet (Green, 2018). However, in sum, the positive reactions outweighed the negative ones. Supportive consumers praised the brand on social media for speaking out on an important issue and online sales increased by 31% after the campaign's release (Sweeney, 2018).

Nike is not the only brand that positioned itself on issues not inherently linked to its business activities. In recent years, more and more companies are taking a stand in controversial social-political discussions – a phenomenon termed *brand activism*. One prime example of brand activism is the outdoor clothing brand Patagonia. The firm, calling itself "The Activist Company", has been recognized for its commitment to environmental protection since the 1980s. This commitment includes products being manufactured sustainably, significant donations to environmental organizations, or public criticism of environmentally unfriendly political actions (Sonsev, 2019). During the Trump administration, the company repeatedly

criticized the former U.S. president's policies, particularly regarding their lack of climate action. During their famous "The President Stole Your Land" campaign (2017), the brand sued the Trump administration for its plan to drastically reduce the size of two American national monuments. Consumers presumably rewarded the brand for this activism – sales increased by 7% after the lawsuit (Wolf, 2017). However, other examples of brand activism exist that resulted in rather negative reactions by the public and caused massive backlash. Pepsi's "Jump In" campaign (2017) is such a case. Inspired by the protests of the Black Lives Matter movement against police violence in the U.S., Pepsi released a video spot. It intended to convey a message of unity, peace, and understanding. Yet, members of the African American community loudly criticized the brand for downplaying the seriousness of the topic in the video and just using it to sell their product (Victor, 2017). After the rollout, Pepsi hit its lowest consumer perception levels in almost 10 years (Marzilli, 2017). While these examples solely stem from the U.S., brand activism has become a global phenomenon. For example, in Germany, brands are increasingly taking stands on sociopolitical issues such as immigration (e.g., Wolt; Saal, 2023), gender equality (e.g., Lufthansa; Unckrich, 2022) or right-wing extremism (e.g., Nivea; Bialek, 2024). Previous research focuses mainly on brand activism in the U.S., which might explain extreme reactions to activist behavior of companies, as the two-party political system leads to a more strongly divided society (Sharon, 2022), compared to countries with a more diverse political spectrum, which is the case in our research context, Germany.

Kotler and Sarkar (2018) define six brand activism sub-categories. The examples of brand activism above include *environmental* and *political activism* (Patagonia, Nivea) as well as *social activism* (Pepsi, Lufthansa, Wolt). The other three categories are *economic* (e.g., income inequality, tax policies), *workplace* (e.g., worker compensation, supply chain management), and *legal activism* (e.g., laws in different fields). It is conceivable that consumer reactions

might vary depending on the sub-category of brand activism, because of, e.g., topics' divergent degree of controversy or linkage to companies' core business operations. For example, Patagonia's commitment to environmental protection might be less controversial and more closely linked to its business operations than its political activism including the "The President Stole Your Land" campaign. Current literature mainly focuses on the sub-categories of social or political brand activism, also termed corporate social advocacy (CSA; e.g., Dodd & Supa, 2014; Parcha & Kingsley Westerman, 2020), corporate political advocacy (CPA; e.g., Hydock et al., 2020; Klostermann et al., 2022) or corporate sociopolitical activism (Bhagwat et al., 2020). Previous literature also highlights the topic per se and its degree of controversy as areas for future research on brand activism (Schmidt et al., 2021).

In addition, the mixed nature of consumer reactions to brand activism observed so far coincides with consumers' opinions expressed in various surveys. In the Edelman Earned Brand Study 2018, more than 60% of the respondents (n = 8,000) identified themselves as "belief-driven buyers". Belief-driven buyers choose, switch, or boycott a brand based on its positioning on a social-political issue. A more recent survey by Edelman shows similar results: Still, on average, 63% of respondents identify themselves as "belief-driven buyers", with Generation Z (14- to 26-year-olds) making up the most "belief-driven buyers" (73%; Edelman, 2022). However, another survey by Sprout Social (2018) found evidence that despite a majority of consumers wanting brands to take a stand, many of them are skeptical towards it at the same time. About 70% (n = 1,500) found it important for brands to take a stand. Yet, almost 40% felt that brands are not credible when they do, skepticism being the second most response as a feeling towards brands speaking out (only behind "neutral"). Compared to 2017, the latter percentage had almost doubled. These numbers are indications of an increasing consumer skepticism towards brand activism, resulting from the rise of brands' performative activism, presumably to solely improve financial performance (Sprout Social, 2023). Clearly,

consumers not only evaluate whether a brand positions itself in a social-political context or not, but also if it does so authentically. Multiple authors identify authenticity as a critical factor of successful brand activism and as being essential in overcoming consumers' skepticism towards brand activism (Vredenburg et al., 2020; Schmidt et al., 2021). Yet, research on authenticity and skepticism towards brand activism is scarce. Hydock et al. (2020) as well as Ahmad et al. (2023) study authenticity as a moderator, finding improved consumer reactions under varying contingencies (e.g., for small-share brands or message abstractness) when brand activism's perceived authenticity is high. This paper assumes a mediating role of brand activism's perceived authenticity, as an increase in consumers' authenticity perceptions often leads to more favorable consumer reactions (e.g., Spiggle et al., 2012; Napoli et al., 2014; Morhart et al., 2015). We also look at antecedents to brand activism's perceived authenticity, as it is important for managers to understand what could be done to strengthen these authenticity perceptions. Regarding consumers' skepticism towards brand activism, to the best of our knowledge, Lee and Chung (2023) provide the only research in this context, studying skepticism towards CSA as a dependent variable. In sum, although existing research describes overcoming skepticism towards brand activism as critical for consumers' reactions to brand activism (Schmidt et al., 2021), no research investigates skepticism as an (additional) explanatory mechanism for consumers' reactions towards it.

All these observations mark the starting point of our research: In a first experiment, we study differences in consumers' reactions to brand activism looking at the activist topic/sub-category (seven experimental groups, one for each sub-category + a control group), considering consumers' (dis)agreement with a brand's activism as an important contingency variable. In a second experiment, we investigate the mediating role of authenticity perceptions in consumers' behavioral responses to brand activism. We examine two factors that might influence consumers' authenticity perceptions and, in turn, behavioral responses: The motivational

character behind the activist brand behavior (intrinsic vs. extrinsic) and its degree of impact on the social-political issue discussed (high vs. low). These factors are in line with academics' and practitioners' views of what constitutes authentic brand activism and distinguishes our work from the research by Chu et al. (2023). Vredenburg et al. (2020) define authentic brand activism as an alignment of activist marketing messages (brand activism) with a brand's purpose and values (intrinsic motivational character) as well as its prosocial practices (high impact). In practice, examples of brand activism also often differ with respect to these two criteria. Similarly, public responses to brand activism often refer to its motivational character or its impact. Thus, these factors seem to be important cues for consumers' reactions to brand activism, making them relevant for marketers and brands. In a third experiment, we aim to replicate the findings from the second experiment, additionally investigating whether authenticity perceptions of brand activism improve consumer reactions through a reduction of consumers' skepticism towards brand activism.

Our findings add to the existing literature on brand activism in multiple ways: (1) Academics and practitioners should be careful when treating brand activism as a whole. Consumer reactions might vary depending on the activist topic. (2) The importance of consumers' (dis)agreement with a brand's activism varies among activist topics as well. For some topics (i.e., political, economic, and legal activism), consumers' disagreement results in more pronounced negative consumer reactions than for others (i.e., social, environmental, and workplace activism). (3) The motivation and impact of brand activism determine its perceived authenticity. Authenticity is key to reduce consumers' skepticism towards brand activism, relating to positive consumer reactions to brand activism.

Theoretical background and development of a research model

Definition of brand activism

Drawing on various definitions of brand activism in previous research, we define the term as follows: Brand activism refers to brands publicly positioning themselves on controversial social-political issues unrelated to their core business, with the aim to bring about societal improvements. This positioning can be a statement and/or action made by either the brand as a whole or an individual (e.g., a CEO) representing it (Dodd and Supa, 2014; Kotler and Sarkar, 2018; Chatterji and Toffel, 2019; Mukherjee and Althuizen, 2020; Bhagwat et al., 2020). According to Kotler and Sarkar (2018), six sub-categories of brand activism exist that social-political issues usually fall into: political (e.g., privatization, voting rights), economic (e.g., income inequality, tax policies), workplace (e.g., worker compensation, supply chain management), environmental (e.g., land use, pollution), legal (e.g., laws in different fields), and social activism (e.g., equality, social security, privacy).

Previous research findings

Empirical research on brand activism to date often focuses on the question whether a brand's stand on social-political issues versus its absence impacts consumer behavior. Dodd and Supa (2014) as well as Chatterji and Toffel (2019) find evidence that an activist brand or CEO statement (versus none or a general statement) significantly positively influences consumers' purchase intention. In both studies, this effect only occurred when consumers' personal opinion on the issue (consumer-related factor) aligned with the brand's stand. Mukherjee and Althuizen (2020) come to slightly different results. They observe an asymmetric effect of opinion congruity on consumer responses to brand activism. While consumer agreement with the brand's stand showed no significant effect on attitude or purchase intention, consumer disagreement showed a significant negative effect on both variables. This negative

effect was partially mediated by a lack of consumer-brand identification. The authors additionally examine the influence of an environment-related factor: a public backlash after the brand's stand. Mukherjee and Althuizen's (2020) results show that for consumers in the disagreement condition information about a public backlash had no effect on consumers' attitude. In the agreement condition, however, this information exhibited a positive effect. The authors argue that this result was likely due to an in-group favoritism in response to an external threat. When consumers realized they agreed with the brand but faced public opposition, they rewarded the brand for stepping up. However, when being told that the company also publicly apologized, consumers' attitude significantly decreased again. Most likely, consumers then penalized the brand because they felt betrayed by a member of the in-group (the brand).

In addition to consumer- or environment-related factors, brand-related factors influencing responses to brand activism are of central interest to marketers, as it is the only dimension the brand itself can actively influence. Brand-related factors examined so far are, e.g., the source of the stand and the brand's image strategy. Regarding the source of the stand, Mukherjee and Althuizen (2020) find that, for consumers who agreed with the brand's opinion, it did not make a difference whether a brand's spokesperson, the CEO or a brand ambassador as a private citizen expressed the opinion – group differences for the attitude measures were insignificant. However, in the case of disagreement, attitude was significantly lower when the comment came from a brand's spokesperson rather than from the CEO or a brand ambassador as a private citizen. The authors argue that consumers associated a brand's spokesperson most strongly with the brand itself resulting in this strongest negative effect on attitude. Korschun et al. (2019) investigate whether the intended brand image (value-driven vs. market-driven) influenced how consumers reacted when a brand decided to take a stand or not. Results show that taking a stand positively influenced purchase intention in the value-driven condition but had a negative impact in the market-driven condition. Accordingly, abstaining from taking a stand negatively

influenced purchase intention in the value-driven condition, but exhibited a positive influence in the market-driven condition. Consumers' hypocrisy perceptions mediated the effects. Hypocrisy perceptions were high when the image strategy did not match the brand's activist behavior: Consumers found it hypocritical if a market-driven brand engaged in brand activism or when a value-driven brand chose to stay silent, as the brand was then trying to portray something that it was not. For the value-driven brand, hypocrisy perceptions were especially high when consumers additionally received information that the brand had little external restraints to take a stand but still had chosen to stay silent.

Research gap

Notably, existing literature mainly focuses on two sub-categories of brand activism: political and social activism with topics such as immigration, racism, LGBTQ rights, abortion, freedom of speech, health care, gun control, or Brexit (e.g., Dodd & Supa, 2014; Bhagwat et al., 2020; Hydock et al., 2020; Mukherjee & Althuizen, 2020; Klostermann et al., 2022; Ahmad et al., 2023). These topics depict some of the most controversial topics in the world (Bhagwat et al., 2020; Klostermann et al., 2022; Lee & Chung, 2023). Research on topics from other brand activism sub-categories is non-existent, although related literature on corporate social responsibility (CSR) suggests divergent consumer reactions to CSR initiatives from different CSR categories (e.g., Sen & Bhattacharya, 2001). For example, Sen & Bhattacharya (2001) find that consumers evaluate a company more positively when it engages in CSR initiatives that belong to more product-relevant CSR categories (e.g., overseas labor practices) compared to product-irrelevant CSR categories (e.g., diversity-related CSR). While useful in the context of CSR, a differentiation between categories on the basis of product-relevancy is not applicable for brand activism. As per definition, brand activism is unrelated to core business activities and therefore product-irrelevant. Yet, brand activism's sub-categories and its topics vary in other characteristics, e.g., the topics' degree of perceived controversy. For example, environmental

activism (e.g., to counteract climate change) might be less controversial than social or political activism (e.g., support of the LGBTQ community or right-wing extremism). These observations bring about one major question: Does the sub-category and (the related) controversy of brand activism matter in regard to consumers' responses to brand activism? This angle provides insights on whether companies should address or rather avoid certain activist topics.

In addition, the research by Korschun et al. (2019) provides first evidence that consumers' evaluation of brand activism substantially depends on whether consumers perceive the brand's behavior as authentic or not. Vredenburg et al. (2020) develop a typology of brand activism emphasizing the importance of authentic brand activism. Their typology defines "authentic brand activism" as the match of a brand's purpose and values with activist marketing messaging as well as prosocial corporate practice. If one of these four factors does not align with the other three, authenticity perceptions of brand activism decrease. For example, when a brand combines high activist marketing messaging with low prosocial corporate practice, consumers perceive the brand's activism as "inauthentic brand activism". These insights from Korschun et al. (2019) and Vredenburg et al. (2020) are in line with survey results showing consumers' skepticism towards activist brand behavior, eventually assuming that this behavior is rather "woke washing" (Vredenburg et al., 2020) and inauthentic.

On a general level, extensive academic research identifies brand authenticity as a major determinant for consumer behavior. Studies reveal that high brand authenticity positively influences consumers' purchase intention (Napoli et al., 2014), brand attachment, willingness to spread positive word-of-mouth (Morhart et al., 2015; Joo et al., 2019), brand trust (Moulard et al., 2016) or brand loyalty (Alhouti et al., 2016). Except for the study by Korschun et al. (2019), research so far lacks an investigation of drivers of *perceived brand activism authenticity*. Given the complexity of the authenticity construct, more factors than just the brand's image

strategy will likely influence authenticity perceptions. Building on observations from marketing practice and the factors identified by Vredenburg et al. (2020), we investigate two factors that might influence consumers' authenticity perceptions of brand activism. First, examples of brand activism often seem to differ in terms of their *motivational character*. Activist brand behavior can be intrinsically or extrinsically motivated which also links to the typology of brand activism by Vredenburg et al. (2020). The typology assumes that brand activism is either driven by prosocial purpose and values (intrinsically motivated) or not (extrinsically motivated). Extrinsically motivated brand activism is usually a reaction to external pressure from the brand's stakeholders. The brand only decides to position itself in a public debate after stakeholders (e.g., consumers, employees) have remarked on or called for it. For example, in the course of the "Black Lives Matter" movement against racism in 2020, Adidas employees criticized the sports brand's behavior: The brand advertises with African American athletes, but members of this ethnic group are hardly represented in the company's management positions. It was only after this criticism that Adidas spoke out in favor of the anti-racism movement and announced that they would increase the number of African American employees in the future (Hegmann, 2020). Intrinsically motivated activism, on the other hand, is proactive. The brand decides to position itself out of its own conviction. With regard to the typology of brand activism by Vredenburg et al. (2020), intrinsically motivated activism compares best to what the authors call "silent brand activism". Here, brands pursue prosocial corporate practices following clear prosocial purpose and values with less focus on activist marketing messaging. For example, Patagonia has a history of proactively positioning itself in social-political debates, and even made it the brand's mission to be "in business to save our home planet" (Patagonia, 2021). Second, brand activism measures may differ in terms of their *impact on the issue addressed*. While low impact activism does not really take tangible action to address the problem, measurable influential actions characterize high impact activism.

Considering the typology of brand activism by Vredenburg et al. (2020), this factor links to the drivers of high vs. low engagement in prosocial corporate practice. For example, people criticized Starbucks' "Race Together" campaign (2015) for having too little impact and a lack of action. To set a sign against racially motivated violence, employees would write #racetogether on customers' coffee cups to spark conversations about it. Consumers questioned how meaningful conversations about such a complex and sensitive topic could be in a busy Starbucks store and criticized the campaign for its lack of impact. In contrast to that, another activist move from Starbucks in 2017 received more positive reactions. After former U.S. president Trump's immigration order had banned travel from several Muslim countries to the U.S., Starbucks' CEO announced that the company would hire 10,000 refugees globally. On social media, a vast majority of consumers expressed their support (Hodge, 2020). Here, tangible action with the potential to effectively fight a social ill accompanied the company's social-political positioning.

Researching factors that constitute authenticity is especially important as more than 50% of consumers assume monetary reasons behind the involvement in societal issues (Edelman, 2019). This consumer skepticism is also common for companies' CSR initiatives (Mohr et al., 1998; Du et al., 2010; Skarmeas & Leonidou, 2013). Previous research often assigns a mediating role to consumer skepticism towards CSR, finding negative effects of skepticism on consumer responses, such as word-of-mouth, loyalty, or trust (Romani et al., 2016; Skarmeas & Leonidou, 2013; Park, 2022). In regard to antecedents of skepticism towards CSR, Skarmeas and Leonidou (2013) find that brands' egoistic- and stakeholder-driven motives favor consumer skepticism, whereas value-driven motives reduce consumer skepticism. This observation aligns with what constitutes authentic brand activism according to Vredenburg et al. (2020), raising the question whether a reduction in consumer skepticism might result from authentic brand behavior. Schmidt et al. (2021) support this assumption, stating the importance

of authenticity in overcoming consumer skepticism towards brand activism. Yet, no research empirically looks at the linkage between authenticity and consumer skepticism in the context of brand activism.

To sum up, our research includes three studies: First, we examine consumer responses regarding the different sub-categories of brand activism. Second, we investigate the motivational character of brand activism and the general impact of the activism on a social-political issue as determinants of perceived authenticity. Third, we expect that consumers' authenticity and skepticism perceptions relate to behavioral intentions towards the brand.

Hypotheses and conceptual models for Studies 1-3

Study 1. Brand activism can be significantly positively and negatively related to consumer responses (Dodd & Supa, 2014; Chatterji & Toffel, 2019; Rim et al., 2022; Hydock et al., 2020; Mukherjee & Althuizen, 2020). Existing research mostly focuses on social and political brand activism, neglecting other sub-categories of brand activism. Yet, related research on CSR shows that the category of CSR alters consumer reactions due to its product-relevancy (Sen & Bhattacharya, 2001). In a brand activism context, a topic's degree of controversy might be determining for varying consumer reactions, drawing on Noelle-Neumann's (1974) *Spiral of Silence Theory*. The *Spiral of Silence Theory* refers to individuals continuously searching for evidence that people in their environment share their opinion on a topic. Once individuals conclude that their opinion is shared by a majority of the environment, they are more likely to share this opinion publicly. If individuals come to an opposing conclusion, they are more likely to stay silent. With an increasing degree of controversy, topics become more and more divisive, increasing individuals' insecurity whether their opinion is shared by a majority of their environment. As a result, individuals will be more likely to hesitate to share their opinion on highly controversial topics compared to less controversial topics. That is, we expect a less positive effect of a highly controversial brand activism (vs. a less controversial non-activist

statement) on consumers' willingness to spread positive word-of-mouth and to like or to comment the post, i.e., consumers' reactions that are also publicly identifiable by others. We also expect the same effect for brand activism topics that are more controversial compared to less controversial topics.

H1: Brand activism has a significant effect on publicly identifiable consumer reactions (i.e., willingness to spread positive word-of-mouth, likelihood to comment or like an activist post). Highly controversial brand activism will lead to lower publicly identifiable consumer reactions compared to a less controversial non-activist brand statement or less controversial brand activism.

However, there might be differences in consumers' reactions due to consumers (dis)agreement with a brand's stand on the issue, especially for consumers' willingness to spread positive word-of-mouth or likelihood to like a post. Multiple authors find a positive effect of brand activism on consumer responses when consumers align with a brand's activism (Dodd & Supa, 2014; Chatterji & Toffel, 2019; Rim et al., 2022). Similarly, brand activism exhibits a negative effect when consumers disagree with a brand's activism (Dodd & Supa, 2014; Chatterji & Toffel, 2019; Hydock et al., 2020; Mukherjee & Althuizen, 2020). We thus consider consumers' (dis)agreement with a brand's stand as an important contingency variable, accounting for consumers' opinion in the analyses.

Study 2. Generally, two different market orientation approaches for companies exist: Proactive and reactive approaches (e.g., Jaworski & Kohli, 1993). Reactive behavior is extrinsically motivated, i.e., the result of external pressure, e.g., by competitors' or consumers' actions. Proactive behavior is intrinsically motivated behavior, stemming from a company's

values and purpose. *Self-Determination Theory* claims that two different types of motivation drive human behavior – intrinsic or extrinsic (Ryan & Deci, 2000). Intrinsically motivated behavior stems from a human's core self and values. It is self-determined and therefore, innately enjoyable. Extrinsically motivated behavior, on the other hand, is the result of external pressure, i.e., the potential external consequence of being rewarded or punished (Ryan & Deci, 2000; Moulard et al., 2016). The authors further state that intrinsically motivated behavior is "unalienated and authentic" (Ryan & Deci, 2000), whereas extrinsically motivated behavior is associated with being inauthentic (Moulard et al., 2016). These aspects can be transferred to the character of proactive versus reactive brand activism: While proactive activism is intrinsically motivated by a brand's core values and beliefs, reactive activism is the result of external pressure, e.g., a fear of being punished by consumers. Intrinsically motivated activist brand behavior naturally aligns with a company's core mission and strategic focus (Vredenburg et al., 2020), thus, we expect consumers to perceive it as more authentic than extrinsically motivated activist behavior.

H2: Intrinsically motivated (vs. extrinsically motivated) brand activism positively influences consumers' perception of brand activism authenticity.

Friestad and Wright's (1994) *Persuasion Knowledge Model* explains how consumers evaluate and react to messages they receive from a brand or salesperson. The consumer (target) receives a message (persuasion attempt) from the brand (agent) – in our case, the activist brand statement and/or action. Consumers use information from different sources (knowledge about the topic of the message; topic knowledge), about the sender of the message (agent knowledge), or the fact that he or she is being influenced (persuasion knowledge) to form an attitude towards the message (Friestad & Wright, 1994). We assume that consumers primarily judge whether the

brand is doing enough within the scope of its possibilities (agent knowledge) to combat the problem addressed (topic knowledge). When they perceive the brand's activist actions as meaningful and impactful relative to company size and topic, consumers may assess that the brand genuinely aims to improve the issue. Consequently, consumers may attribute high authenticity to the brand's behavior. In turn, consumers may perceive brand activism as inauthentic if they feel that the brand is making comparatively little effort, within its means, to truly help the social ill (Alhouti et al., 2016).

H3: High (vs. low) impact of brand activism positively influences consumers' perception of brand activism authenticity.

Ajzen's (1991) *Theory of Planned Behavior* helps to explain the positive relationship of authenticity to consumers' attitude and behavioral intentions. The theory claims that people's behavior, e.g., towards a brand, is predictable when people's attitude towards the brand is known. When people perceive brand actions as authentic, they form positive attitudes towards the brand and, thus, show positive behavior towards the brand. In line with this assumption, literature consistently reports a positive relationship between consumers' brand authenticity perceptions and consumers' attitudes and behavioral intentions. Authors agree that consumers seek authenticity in their relationship with brands and are likely to respond positively to brands they perceive as authentic. These positive responses involve private attitudes towards the brand (Spiggle et al., 2012; Kim & Lee, 2020), as well as public commitment to the brand, e.g., purchase intention (Napoli et al., 2014; Alhouti et al., 2016), or willingness to spread positive word-of-mouth (Morhart et al., 2015; Fritz et al., 2017; Joo et al., 2019). In line with these findings, we expect that a higher perception of brand activism authenticity will positively relate to consumer reactions.

H4: Higher perceptions of brand activism authenticity positively relate to consumers' attitude towards the brand, their purchase intention, and willingness to spread positive word-of-mouth (WOM).

Based on our assumptions in H2, H3, and H4, we consequently hypothesize a mediation effect through consumers' authenticity perceptions. That is, we expect that the motivational character and impact of brand activism will indirectly influence consumers' attitude and behavioral intentions towards the activist brand.

H5a: An intrinsically motivated (vs. extrinsically motivated) character of brand activism will positively relate to consumer outcome variables, mediated by consumers' authenticity perceptions.

H5b: A high (vs. low) impact of brand activism positively relates to consumer outcome variables, mediated by consumers' authenticity perceptions.

Study 3. Forehand and Grier (2003) differentiate consumer skepticism into (*pre)dispositional* and *situational* skepticism. The former is often considered a personality trait and as such not controllable by brand managers. The latter, however, can evolve towards a specific brand or its marketing messages, e.g., a brand activism campaign, and as such be influenced by marketing (Kim & Lee, 2009). For example, consumers view marketing messages more skeptical when message claims are hard to verify, differ among advertisements, or misalign with brands' actions (Folkes, 1988; Ford et al., 1990; MacKenzie & Lutz, 1989; Sparkman & Locander, 1980; Yoon et al., 2006), or, in other words, when marketing messages

are "inauthentic". Therefore, we argue that consumers' increasing authenticity perceptions of brand activism will reduce consumers' skepticism towards brand activism. Also, previous research shows a mediating role of consumer skepticism in the context of CSR, demonstrating that a reduction of consumers' skepticism towards CSR leads to positive consumer responses (Romani et al., 2016; Skarmeas & Leonidou, 2013; Park, 2022).

H6a: An intrinsically motivated (vs. extrinsically motivated) character of brand activism will positively relate to consumer outcome variables, serially mediated by consumers' authenticity and skepticism perceptions.

H6b: A high (vs. low) impact of brand activism will positively relate to consumer outcome variables, serially mediated by consumers' authenticity and skepticism perceptions.

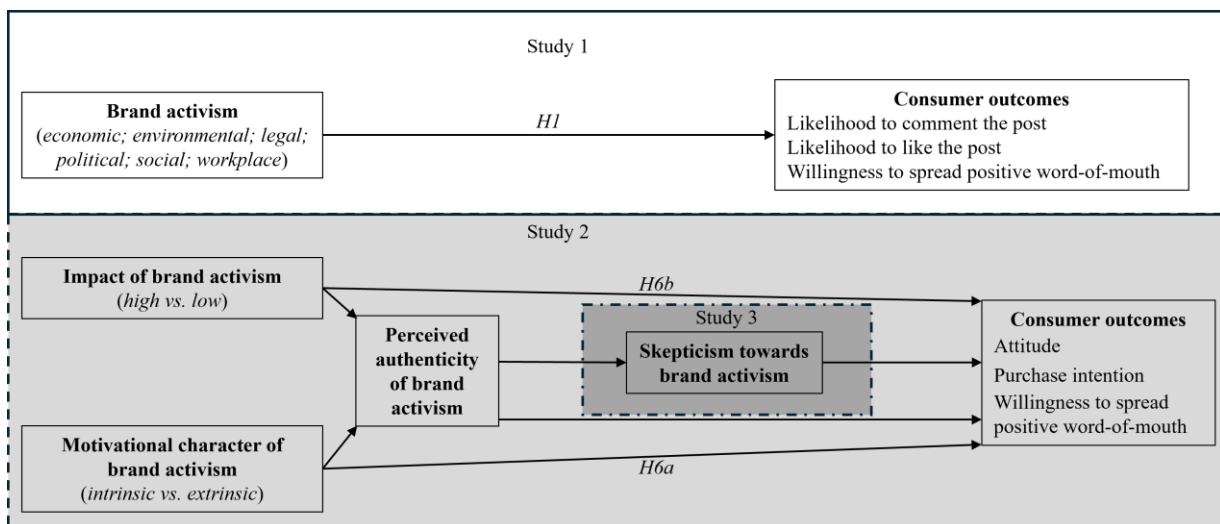We base our research on the following conceptual models (Figure 1):

Figure 1: Conceptual models

Study 1

Method

Study 1 employed a one-way between-subjects experimental design. The independent variable brand activism consisted of six factor levels representing the six sub-categories (i.e., political, environmental, economic, social, legal, and business) of brand activism plus a control group. We operationalized the six sub-categories of brand activism through relevant and controversially discussed topics in Germany. These topics included right-wing extremism (political), climate change (environmental), reintroduction of the wealth tax (economic), gender or racial equality (social), fixed-term employment contracts (legal), and level of executives' salary (workplace). We recruited a representative sample for the German population of 309 participants via the panelist Bilendi GmbH and eliminated respondents who did not pass attention checks (see Appendix B for measures of all constructs across our three studies including attention checks) or completed the survey in an abnormally short survey time of less than 150 seconds, indicating they put little effort in answering the questionnaire (Meade & Craig, 2012; Oppenheimer et al., 2009).

The participants (final sample, 272 persons (female: 51.8%; age: 16% 18-28, 20% 29-38, 16% 39-48, 24% 49-58, 24% 59-69; region: 41% rural area, 59% urban area) were randomly assigned to the experimental conditions, before being exposed to an Instagram post by a fictitious supermarket brand called Foodie (see Appendix A for all stimuli; minimum exposure time for stimulus was 15 seconds). Participants then proceeded with the questionnaire, receiving questions of multiple dependent and contingency variables, manipulation and realism check, and the perceived controversy of the respective topic in the experimental condition.

Pretest

A pretest with 226 German participants showed that our manipulation of brand activism worked. On 7-point Likert scales, respondents assessed to which degree the topic addressed by Foodie represents a relevant societal topic and could divide people's opinion, both indicating key characteristics of brand activism. As intended, an ANOVA including post-hoc tests revealed that all sub-categories of brand activism significantly differed from the control group, but not from each other ($M_{pol} = 5.74$, $SD_{pol} = 1.15$; $M_{env} = 5.42$, $SD_{env} = 1.12$; $M_{eco} = 5.02$, $SD_{eco} = 1.33$; $M_{soc} = 5.37$, $SD_{soc} = 1.27$; $M_{leg} = 5.18$, $SD_{leg} = 1.15$; $M_{wor} = 5.14$, $SD_{wor} = .97$; $M_{control} = 3.17$, $SD_{control} = 1.37$; $F(6,219) = 17.83$, $p < .001$). Also, respondents viewed all Instagram posts as sufficiently realistic, without any significant group differences ($M_{pol} = 4.97$, $SD_{pol} = 1.56$; $M_{env} = 4.84$, $SD_{env} = 1.65$; $M_{eco} = 5.04$, $SD_{eco} = 1.60$; $M_{soc} = 5.11$, $SD_{soc} = 1.67$; $M_{leg} = 4.92$, $SD_{leg} = 1.73$; $M_{wor} = 3.97$, $SD_{wor} = 1.96$; $M_{control} = 4.69$, $SD_{control} = 1.82$; $F(6,219) = 1.68$, $p = .126$).

Results

Manipulation and realism checks. Results for the manipulation check are similar to the pretest. As intended, an ANOVA including post-hoc tests revealed that all sub-categories of brand activism significantly differed from the control group, but not from each other ($M_{pol} = 5.47$, $SD_{pol} = 1.34$; $M_{env} = 5.47$, $SD_{env} = 1.38$; $M_{eco} = 5.07$, $SD_{eco} = 1.39$; $M_{soc} = 5.44$, $SD_{soc} = 1.28$; $M_{leg} = 5.09$, $SD_{leg} = 1.09$; $M_{wor} = 5.18$, $SD_{wor} = 1.21$; $M_{control} = 2.20$, $SD_{control} = 1.44$; $F(6,265) = 30.42$, $p < .001$). Notably though, respondents in the main sample viewed Foodie's Instagram post on the reintroduction of the wealth tax as significantly less realistic than Foodie's Instagram post on equality. While respondents generally assessed all stimuli as sufficiently realistic, there were no other group differences ($M_{pol} = 4.59$, $SD_{pol} = 1.57$; $M_{env} = 3.97$, $SD_{env} = 1.91$; $M_{eco} = 3.74$, $SD_{eco} = 2.00$; $M_{soc} = 5.12$, $SD_{soc} = 1.40$; $M_{leg} = 4.43$, $SD_{leg} = 1.69$; $M_{wor} = 4.43$, $SD_{wor} = 1.70$; $M_{control} = 4.81$, $SD_{control} = 1.70$; $F(6,265) = 2.94$, $p = .009$).

Model estimation. MANOVA and ANOVA. We conduct a MANOVA for two of our three dependent variables that depict very similar consumer reactions (consumers' willingness to like the post and to spread positive word-of-mouth), namely primarily positive reactions compared to consumers' willingness to comment. Consumers might also be willing to comment the post to display their dislike of the post. Therefore, we look at consumers' willingness to comment the post in a separate ANOVA. The MANOVA reveals a significant effect of brand activism and its sub-categories on the combination of the dependent variables (Wilks' $\Lambda = .92$, $F_{(6,265)} = 1.92$, $p = .030$, $\eta^2_{partial} = .042$). In follow-up analyses of variance, legal activism leads to significantly higher values for the dependent variable willingness to like the post ($M_{like\_leg} = 4.50$, $SD_{like\_legal} = 1.90$, $F_{(6,265)} = 3.04$, $p = .007$) than political and environmental activism ($M_{like\_pol} = 2.92$, $SD_{like\_pol} = 2.29$; $M_{like\_env} = 2.97$, $SD_{like\_env} = 2.08$). We find no significant differences among groups for the dependent variable willingness to spread positive word-of-mouth ($F_{(6,265)} = 1.76$, $p = .107$). Notably, we find no significant differences between any of the brand activism sub-categories and the non-activist control group for both dependent variables. Similarly, the ANOVA for the dependent variable willingness to comment the post reveals no significant difference among any of the groups ($M_{comment\_pol} = 2.14$, $SD_{comment\_pol} = 1.53$; $M_{comment\_env} = 2.38$, $SD_{comment\_env} = 1.85$; $M_{comment\_eco} = 2.24$, $SD_{comment\_eco} = 1.65$; $M_{comment\_soc} = 2.54$, $SD_{comment\_soc} = 1.52$; $M_{comment\_leg} = 2.70$, $SD_{comment\_leg} = 1.87$; $M_{comment\_wor} = 2.19$, $SD_{comment\_wor} = 1.89$; $M_{comment\_control} = 2.49$, $SD_{comment\_control} = 1.87$; $F_{(6,265)} = .55$, $p = .771$). Therefore, we have to reject H1 for all three dependent variables.

Further analyses. First, we test if our MANOVA results are robust when we include multiple covariates into our model. These covariates are consumers' familiarity with social media, consumers' general opinion that brands should take stands on sociopolitical issues, consumers' willingness to try new supermarkets, age, and gender. The results of the

MANCOVA for the dependent variables willingness to like the post and to spread positive word-of-mouth remain significant (Wilks' $\Lambda = .91$, $F(6,265) = 1.98$, $p = .024$, $\eta^2_{partial} = .044$).

Second, we also aimed to assess whether a varying degree of controversy of brand activism topics relates to differences in consumer outcomes. Therefore, we measured consumers' perceived controversy of the brand activism topic via three items adapted from Lee et al. (2018). Surprisingly, results showed that all brand activism topics were perceived as equally controversial, only differing significantly from the control group ($M_{controversy\_pol} = 4.82$, $SD_{controversy\_pol} = 1.38$; $M_{controversy\_env} = 4.91$, $SD_{controversy\_env} = 1.04$; $M_{controversy\_eco} = 4.65$, $SD_{controversy\_eco} = 1.12$; $M_{controversy\_soc} = 4.42$, $SD_{controversy\_soc} = 1.15$; $M_{controversy\_leg} = 4.45$, $SD_{controversy\_leg} = 1.22$; $M_{controversy\_wor} = 5.06$, $SD_{controversy\_wor} = 1.18$; $M_{controversy\_control} = 2.33$, $SD_{controversy\_control} = 1.35$; $F(6,265) = 22.22$, $p < .001$). Thus, we cannot trace back any differences in consumer outcomes among the different sub-categories of brand activism to a topics' perceived degree of controversy.

Third, we consider consumers' (dis)agreement with a brand's activism, as previous research identifies it as one of the most important variables in the context of brand activism (Dodd & Supa, 2014; Chatterji & Toffel, 2019; Hydock et al., 2020; Mukherjee & Althuizen, 2020). Consumers' agreement with a brand's activism is expected to increase consumers' willingness to like the post and to spread positive word-of-mouth, whereas consumers' disagreement with a brand's activism could lead to opposite results. Therefore, we assume a moderating role of consumers' (dis)agreement for the effect on these two dependent variables. For the sake of completeness, we also run a moderation with consumers' willingness to comment the post. However, we do not expect to find a moderation since both disagreeing and agreeing with the brand might lead to an increased willingness to comment the post. We focus on the experimental groups only. We used PROCESS (version 4.2, Hayes, 2017) in IBM SPSS 28 to run the moderation. Table 1 shows the results.

Regression statistics	DV: Like the post (R² = .409)		DV: WOM (R² = .482)		DV: Comment the post (R² = .090)	
	Coefficient	SE	Coefficient	SE	Coefficient	SE
Constant	.553	.934	**2.898***	**.632**	**1.941***	**.921**
Political activism	-.816	1.135	**-1.998**	**.769**	-.563	1.120
Environmental activism	.510	1.110	-1.429	.751	-.642	1.095
Economic activism	-1.160	1.210	**-2.276**	**.819**	-.968	1.194
Legal activism	.205	1.237	-1.648	.837	-1.130	1.220
Workplace activism	-.003	1.248	-.444	.845	-1.005	1.231
Consumers' agreement	**.653***	**.164**	**.299**	**.111**	.109	.162
Pol*Moderator	.052	.208	**.353***	**.141**	.059	.206
Env*Moderator	-.182	.210	.264	.142	.157	.207
Eco*Moderator	.231	.228	**.394***	**.154**	.170	.225
Leg*Moderator	.099	.225	**.336***	**.152**	.271	.222
Wor*Moderator	-.077	.228	.006	.154	.144	.225

Notes: $N = 235$. The table depicts unstandardized coefficients; significant coefficients at $p < .05$ in bold; *$p <$ .05, **$p < .01$, ***$p < .001$; SE = standard error. The reference group is the sub-category of *social* brand activism.

Table 1: Detailed results of moderation analyses

As expected, the results show that consumers' willingness to comment the activist post does not relate to consumers' (dis)agreement with the brand (i.e., no direct effect of consumers' (dis)agreement). Also, consumers' (dis)agreement neither strengthens nor weakens the effect on consumers' willingness to comment the post for any brand activism sub-category (no significant interaction) compared to social activism. The latter applies for consumers' willingness to like the post as well. However, consumers' (dis)agreement with the brand's activism directly relates to consumers' willingness to like the post and to spread positive word-of-mouth. In line with our theoretical account (spiral of silence), consumers are more willing to like the post or say something positive of the brand the more they agree with the brand's activism. For consumers' willingness to spread positive word-of-mouth, the findings vary among brand activism topics: Compared to social activism, consumers' (dis)agreement significantly moderates word-of-mouth intention for political, economic, and legal activism. Figure 2 visualizes the moderating effect of consumers' (dis)agreement with the brand's activism (only depicted for the significant sub-categories), showcasing steeper slopes for political, economic, and legal activism compared to social activism. That is, consumers in these three sub-categories of brand activism show lower willingness to spread positive word-of-mouth compared to consumers in the social activism sub-category when they tend to disagree

with the brand's activism. Simultaneously though, these consumers show higher willingness to spread positive word-of-mouth when they strongly agree with the topic. In other words, for the topics addressed within the political, economic, and legal activism sub-categories, it seems very important that consumers agree with the brands' activism if a brand wants consumers to speak positively about the brand's activism. For social, environmental, and workplace activism (the latter two are not depicted in Figure 2), consumers' (dis)agreement seems to be a comparably less critical factor.
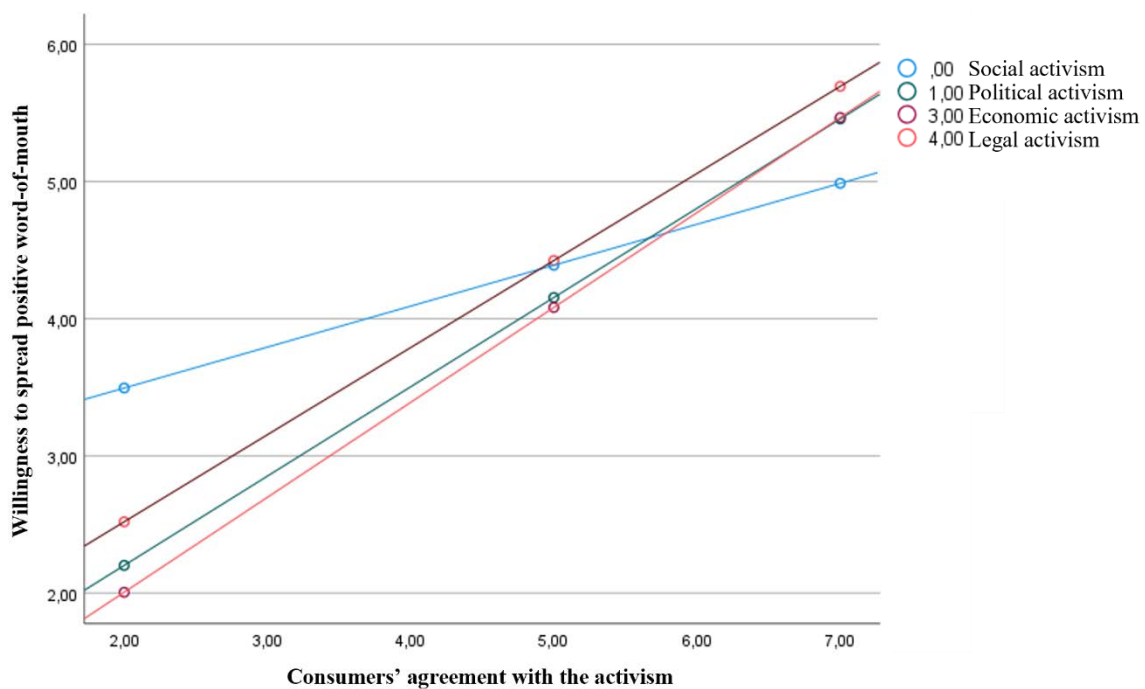
Figure 2: Moderation effect of consumers' (dis)agreement among different brand activism topics

Discussion

While, Kotler & Sarkar (2018) have conceptualized different brand activism sub-categories early on, most academics tend to treat the concept as a whole. The results of our first study suggest that there can be differences depending on the activism topic.

We provide three major insights: First, we do not find an overall main effect of brand activism for consumers' willingness to like the activist post, to comment the activist post, or to spread positive word-of-mouth compared to a non-activist brand post. Potential explanations

for the lack of a brand activism effect might be the German sample or the usage of the fictitious brand Foodie. There is little knowledge if German consumers demand or favor brand activism. In contrast to the U.S., Germany does not have a two-party political system, which, in the U.S., increasingly leads to a division in society, eventually forcing people to take a side more often than in other political systems (Sharon, 2022). There might be more of a *middle ground* in Germany with less pronounced consumer reactions. Regarding a fictitious brand, respondents do not have, e.g., any prior experiences with the brand, knowledge about the brand's identity or other prosocial practices, and, thus, expectations on how the brand should act regarding sociopolitical issues. Therefore, consumers' reaction might be rather neutral, due to a lack of information.

Second, and more interestingly, we find a significant difference in consumers' willingness to like the activist post among different activist topics. That is, consumers' willingness to like the post was significantly higher when the brand spoke out in favor of a removal of fixed-term employment contracts (legal activism) compared to when the brand spoke out against the rise of right-wing extremism (political activism), or climate change, demanding that every person must play a part in protecting the future of our planet (environmental activism). This finding suggests that the activist topic matters when brands want consumers to like their actions. Two potential explanations highlight the importance for brands to know their target audience as well as *societal dynamics* in countries they are being an activist in. Regarding a brand's target audience, speaking out in favor of a removal of fixed-term employment contracts might be beneficial when a majority of its current or potential customers are employees. In our representative sample of the German population, 60% of respondents were employees who most likely had to deal with fixed-term employment contracts at some point in their life. Unsurprisingly, Foodie's legal activism resulted in more positive consumer reactions (i.e., consumers' willingness to like the post). In regard to what we term *societal dynamics,* brands

need to be aware of certain moods in society when it comes to specific topics. For example, right-wing extremism and climate change are *hot* topics in Germany momentarily (Ehni, 2024; Fiedler, 2023a). The "Alternative für Deutschland (AfD)", a right-wing party that can be considered extremist, is gaining increasing support in recent years (Fiedler, 2023b). Knowing that a growing part of society supports such a party, taking a stand in opposition of right-wing extremism might be *too hot (or tricky)* for brands, risking alienating many current or potential customers. Speaking out on climate change by demanding that every person must play a part in protecting the future of our planet might also be risky. Experts more and more observe a *climate impotence* in society, referring to people being tired of having to oblige to governmental regulations on being sustainable, without seeing a clear improvement (Rieger, 2023). Also, many people are annoyed by climate activists who impede the daily life of others by, e.g., blocking roads, associating the topic of climate change with negative emotions (Fiedler, 2023a). Overall, this finding suggests that brands should not engage lightly in brand activism but be aware of its target audience and the respective societal mood in its target countries. While brand activism will always be controversial, some topics might "work better" with different people and in different countries. Essentially, it might also play a part whether people know about, e.g., a brand's values, prosocial practices, and history of speaking out (see Study 2).

Thirdly, we find that consumers' (dis)agreement moderates consumers' word-of-mouth intention for Foodie's stance against right-wing extremism (political activism), for the reintroduction of the wealth-tax (economic activism), and for a removal of fixed-term employment contracts (legal activism). For these three topics, consumers' (dis)agreement matters more, as such that consumers' express higher (lower) word-of-mouth intention compared to the social activism when they agree (disagree) with the brand's activism, with the significant interaction being driven by the people who disagree (bigger gap between the lines

when consumers disagree compared to when they agree (Figure 2). There are no statistical significance transition points via Johnson-Neyman method for pairwise comparisons to social activism for high values within the observed range of the moderator (7-point Likert scale)). The potential explanation boils down to consumers' personal topic relevance, which is a determinant for individual's responses, especially negative ones, when people encounter a mismatching opinion and show high topic relevance (Lu, 2019). In contrast, people might perceive other topics such as equality or climate change as less personally relevant. For example, Foodie's stance for racial and gender equality might not affect people's daily lives. The same applies for climate change: It is very unlikely that there will be governmental regulations that alter people's daily lives drastically to protect the future of planet earth (i.e., consumers will still be allowed to drive their car to work, to use airplanes to travel, or to eat non-sustainable food). As such, people might be less inclined to make their opinion known. Overall, this finding gives way for future research on when and why consumers' (dis)agreement with a brand's activism matters more for some topics than for others, depending on other variables, such as personal relevancy, for instance.

In Study 1, we looked at multiple sub-categories of brand activism (i.e., economic, social, and workplace activism) that neither differed from another brand activism sub-category nor from a non-activist brand statement in terms of consumer reactions. Building on this finding, we use one of these sub-categories (i.e., social activism) in Study 2 to determine whether such activism can change consumer reactions once consumers receive additional information about the brand. With these information, consumers are supposed to be able to evaluate the authenticity of the brand's activism, a key construct in the context of brand activism focused in Study 2.

Study 2

Method

The study employed a 2 (motivational character: intrinsic vs. extrinsic) × 2 (impact: high vs. low) plus control group[2] between-subjects design. We recruited participants via the crowdworking platform Clickworker, which is similar to Amazon's MTurk (Clickworker, 2021), via SurveyCircle (SurveyCircle, 2021), and via further convenience sampling. Of the 364 respondents who completed the questionnaire, we excluded those with an abnormally short survey completion time of less than 180 seconds, indicating they put little effort in answering the questionnaire, and those that did not pass the attention checks (Meade & Craig, 2012; Oppenheimer et al., 2009).

The 318 German participants of the final sample included 45,3% women and 40% 25-34-year-olds. Other age categories that each represented 10 to 20% of the sample were the 19-24, 35-44, 45-54, 55-64-year-olds. 60% of the sample had a university degree, 32.1% were current university students. 44% of the sample were employees and around 15% self-employed. Participants were assigned randomly to the experimental conditions by the online survey tool. Participants viewed an Instagram post of our fictitious supermarket brand "Foodie" (minimum exposure time of 20 seconds) in which the supermarket spoke out against racism and in favor of tolerance and diversity in society (see Appendix A). Following the approach of Mukherjee and Althuizen (2020) in their fourth study, participants in the control group then directly proceeded to the study questions. The experimental groups received additional information: Participants in the intrinsically motivated condition were told that the brand had a history of speaking out on social-political issues and, unlike competitors in the industry, was the only

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[2] As we are only interested in the comparisons between the respective factor levels, we will only focus on the four experimental conditions in our analyses.

brand to position itself on the issue of racism. Participants in the extrinsically motivated condition were informed that the Instagram post was published only after the brand had been criticized for not positioning itself sufficiently and after other brands in the industry had taken a stand in this regard. For the impact variable, participants in the low impact condition were told that the brand had not taken any other action than commenting on the issue of discrimination on Instagram. In the high impact condition, participants were told that the brand had also donated to humanitarian organizations and was paying attention to diversity in its own human resource management. Providing such information for a fictitious brand is crucial when respondents are supposed to evaluate the authenticity of the brand's actions. Authenticity comprises the four dimensions *continuity, credibility, integrity, and symbolism* which are almost non-assessable without any prior knowledge about a brand (Morhart et al., 2015). The information we provided for our fictitious brand allowed for an evaluation of the *credibility* and *integrity* dimensions, including items such as "…a brand with moral principles" or "…a brand that accomplishes its value promise". The questionnaire ended with a short debriefing, explaining that the post had been modified for research purposes.

Results

Manipulation checks. To test the manipulation of the independent variable "motivational character of brand activism", participants assessed whether the brand's behavior was rather motivated from within or motivated by external pressure on a 1 to 7-point semantic differential. As intended, participants perceived the extrinsically motivated condition (M = 5.79, SD = 1.16) as being rather motivated from external pressure than the intrinsically motivated condition (M = 3.53, SD = 1.63; t[261] = 12.93, p < .001). To test the manipulation of the independent variable "impact of brand activism", respondents assessed how impactful the brand's behavior was to combat racism and xenophobia in society on a 1 to 7-point semantic differential as well. The results showed that the manipulation was successful; participants indicated a higher

impact in the respective conditions (M = 4.20, SD = 1.60) compared to the low impact conditions (M = 3.80, SD = 1.64; t[261] = -1.98, p = .049). Additionally, a full-factorial ANOVA shows that our manipulations only had an impact on the respective intended independent variable: The manipulation of the motivational character did not influence the manipulation check for the impact character (p = .286), and vice versa (p = .752). Also, there was no significant interaction effect for both manipulation checks (MC$_{motivation}$: p = .259; MC$_{impact}$: p = .240).

Model estimation: MANOVA. A two-way MANOVA with brand attitude, purchase intention, and willingness to spread WOM as dependent variables reveals a significant effect of motivational character of brand activism (Wilks' Λ = .82, F(3,256) = 18.52, $p < .001$, $\eta^2_{partial}$ = .18) and of impact of brand activism (Wilks' Λ = .93, F(3,256) = 6.87, $p < .001$, $\eta^2_{partial}$ = .07). In follow-up analyses of variance, the intrinsically motivated character of brand activism leads to significantly higher values for all dependent variables, as predicted in H4a. Accordingly, the high impact of brand activism leads to significantly higher values for all dependent variables, as predicted in H4b. Figure 3 depicts the results.

We do not find any significant interaction effects for the motivation and impact factor (Wilks' Λ = 1.00, F(3,256) =.44, $p = .728$, $\eta^2_{partial}$ = .01).

Further analyses. Similar to Study 1, we test if our MANOVA results are robust when we include multiple covariates into our model. These covariates are consumers' familiarity with social media, consumers' general opinion that brands should take stands on sociopolitical issues, consumers' willingness to try new supermarkets, age, and gender. The results of the two-way MANCOVA for the dependent variables brand attitude, purchase intention, and positive word-of-mouth remain significant for the motivational character (Wilks' Λ = .83, F(3,251) = 17.68, $p < .001$, $\eta^2_{partial}$ = .17) and impact of brand activism (Wilks' Λ = .92, F(3,251) = 7.68, $p < .001$, $\eta^2_{partial}$ = .08).
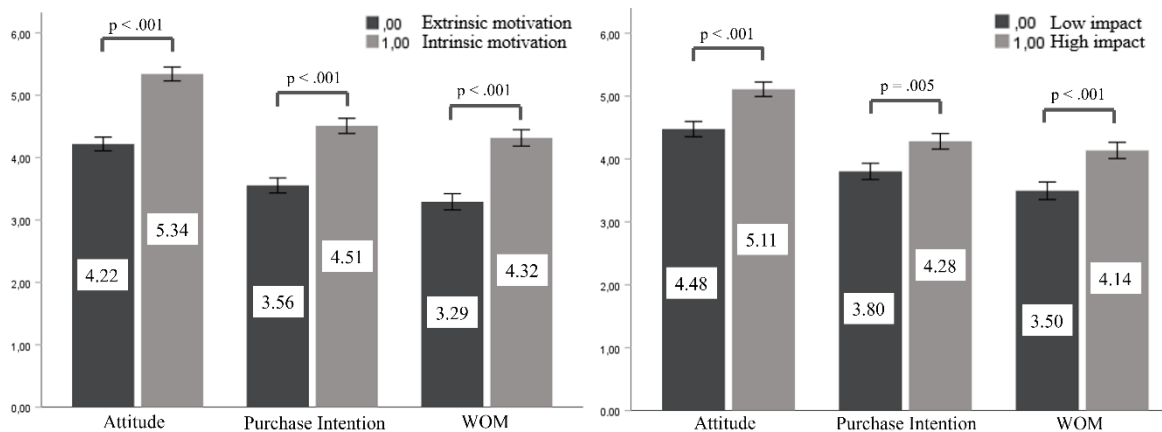
Figure 3: Effects of motivational character (on the left) and impact of brand activism (on the right) on consumer outcomes.
Notes: Error bars = ± 1 standard error.

Model estimation: Mediation. We used PROCESS (version 4.2, Hayes, 2017) in IBM SPSS 28 to run a mediation with perceived authenticity as mediator and motivational character and impact of brand activism as independent variables. Table 2 shows the results.

Regarding the *direct effects*, consistently, both motivational character and impact of brand activism positively increase perceived authenticity, in line with H2 and H3. In turn, brand authenticity positively relates to all three outcome measures, as predicted by H4.

To estimate the *indirect effects* in H5a and H5b, we use 10,000 bootstrap samples, set the seed to 100, and derive percentile bootstrap confidence intervals with a 95% confidence level (BootCI95%). In support of H4a and H4b, both motivational character and impact of brand activism exhibit a significantly positive indirect effect on all three dependent variables. These results provide evidence for a mediation (except for attitude, also non-significant direct effects).

We also find a significant negative effect of age on brand attitude and purchase intention, suggesting a reduction of consumers' brand attitude and purchase intention with increasing age.

Regression statistics	Authenticity		DV: Brand Attitude (R² = .590)		DV: Purchase Intention (R² = .490)		DV: WOM (R² = .516)	
	Coefficient	SE	Coefficient	SE	Coefficient	SE	Coefficient	SE
Constant	3.568***	.128	1.521***	.415	1.344***	.489	.271	.511
Motivation (extrinsic vs. intrinsic)	1.094***	.147	.324**	.124	.119	.146	.116	.152
Impact (low vs. high)	.681***	.147	.154	.117	-.027	.138	.087	.144
Authenticity	----	----	.688**	.048	.699***	.056	.807***	.059
Age	----	----	-.130**	.045	-.165**	.053	-.049	.056
Gender (1 = female; 2 = male)	----	----	.037	.114	-.132	.134	.003	.140
Familiarity with social media	----	----	.061	.043	.055	.051	.001	.054
Additional covariates (robustness checks)								
Attitude towards brands taking a stand	.170***	.033	.227***	.038	.200***	.041		
Willingness to try new supermarkets	-.021	.049	.114*	.055	.002	.060		

Indirect Effects				
		Brand Attitude		
	Effect	BootSE	BootCI₉₅%	
			LL	UL
Via authenticity				
Motivation	.752	.117	.535	.994
Impact	.468	.108	.259	.687
		Purchase Intention		
	Effect	BootSE	BootCI₉₅%	
			LL	UL
Via authenticity				
Motivation	.765	.116	.550	1.005
Impact	.476	.109	.265	.698
		WOM		
	Effect	BootSE	BootCI₉₅%	
			LL	UL
Via authenticity				
Motivation	.882	.129	.640	1.146
Impact	.549	.123	.308	.797

Notes: $N = 259$. The table depicts unstandardized coefficients; significant coefficients at $p < .05$ in bold; *$p < .05$, **$p < .01$, ***$p < .001$; SE = standard error; (Boot)SE = (bootstrapped) standard error; BootCI = 95% percentile confidence intervals.

Table 2: Detailed results of mediation analyses

Further analyses. First, including the covariate consumers' general opinion that brands should take stands on sociopolitical issues reveals a significant positive relationship on all three dependent variables. The covariate consumers' willingness to try new only relates significantly to purchase intention for consumers' willingness to try new supermarkets. The mediation via authenticity remains significant for both motivational character and impact of brand activism for all three dependent variables.

Second and similar to Study 1, we consider consumers' (dis)agreement with the brand's activism as a moderator. Again, we expect more positive consumer outcomes with increasing

agreement. Consumers' (dis)agreement moderates the direct effect of our independent variables on consumer outcomes. Results show significant interactions for the effect of motivational character of brand activism on all three dependent variables, but none for the impact of brand activism (see Table 3).

Regression statistics	DV: Brand Attitude		DV: Purchase Intention		DV: WOM	
	Coefficient	SE	Coefficient	SE	Coefficient	SE
Constant	1.355**	.446	1.205*	.532	.325	.562
Motivation (extrinsic vs. intrinsic)	-1.202*	.521	-1.391*	.622	-1.204	1.120
Consumers' (agreement)	.063	.047	.056	.056	.003	.059
Motivation*Moderator	.244**	.086	.242*	.103	.217*	.109
Constant	1.176*	.473	1.045	.561	-.006	.592
Impact (low vs. high)	-.149	.429	-.368	.510	.205	.537
Consumers' dis(agreement)	.105*	.051	.095	.061	.069	.064
Impact*Moderator	.057	.073	.063	.086	-.019	.091

Notes: $N = 259$. The table depicts unstandardized coefficients; significant coefficients at $p < .05$ in bold; *$p < .05$, **$p < .01$, ***$p < .001$; SE = standard error. As in the previous analyses, consumers' familiarity with social media, age, gender, and the respective other factor (motivation or impact of brand activism) were included as covariates, authenticity as a mediator.

Table 3: Detailed results of moderation analyses (Study 2)

For the motivational character of brand activism, the significant positive interactions suggest that an increase in consumers' agreement with the brand's activism leads to more positive consumer reactions when the activism is intrinsically motivated compared to extrinsically motivated. In other words, consumers' (dis)agreement is a more crucial factor for intrinsically (vs. extrinsically) motivated brand activism. That is, e.g., for brand attitude, intrinsically motivated brand activism results in significantly lower attitudes when consumers strongly disagree (statistical significance transition point via Johnson-Neyman method = 2.155 on a 7-point Likert scale), but significantly higher attitudes when they strongly agree (Johnson-Neyman point = 5.928). For purchase intention, intrinsically motivated brand activism only leads to significantly lower purchase intention when consumers disagree (Johnson-Neyman point = 3.225), whereas agreement does not lead to significantly higher purchase intention. For word-of-mouth, the moderation is significant but there is no statistical significance transition point within the observed range of the moderator (1 to 7).

Discussion

Our study investigates the extent to which consumers form authenticity perceptions and how these relate to behavioral intentions towards brand activism based on two factors: motivational character and impact of brand activism. Our results show that both an intrinsic motivation (vs. extrinsic) and a high impact (vs. low) on the discussed issue significantly positively influence consumers' attitude towards the brand, their purchase intention, and their willingness to spread positive word-of-mouth. In almost all cases, consumers' authenticity perceptions mediate these effects. Only the variable "motivational character" also exhibits a direct effect on brand attitude. Here, authenticity perceptions only partially mediate the total effect. Thus, in addition to the perceived authenticity of brand activism, other explanatory factors appear to positively influence consumer attitude in this context. For example, consumers' approval of the overall brand behavior could lead to a stronger brand liking, which in turn has a positive effect on attitude. We also find a significant age effect, suggesting lower brand attitude and purchase intention with increasing age. This effect aligns with the observation that brand activism is often more appealing for younger consumers (e.g., millennials; Shetty et al., 2019).

The results support our assumption that consumers evaluate whether a brand stands up for something out of inner conviction or merely does so to remain competitive or to give in to public demands for a statement. Likewise, they also evaluate whether a brand truly takes tangible measures to combat a social ill or merely verbally positions itself. Thereby, the perceived motivation seems to be the more important predictor of consumer reactions. For all three dependent variables, the "motivational character" variable exhibits a stronger indirect effect than the "impact" variable (see Table 2, indirect effects). We support this descriptive finding statistically by using 10,000 bootstrap samples to show that the *raw difference* between the indirect effects is also statistically significant (Coutts & Hayes, 2023). For all three

dependent variables, the 95% confidence interval for the difference between the effects does not include zero, showcasing that the effects are not equal (LLCI$_{Attitude}$ = .0147, ULCI$_{Attitude}$ = .5603; LLCI$_{PurchaseIntention}$ = .0153, ULCI$_{PurchaseIntention}$ = .5683; LLCI$_{WOM}$ = .0177, ULCI$_{WOM}$ = .6538).

When brands consider taking a public stand in social-political debates, they should be aware that brand activism is not a communication tool to be used lightly, merely to keep up with the trend of the times or to quickly generate consumer approval. Consumers' authenticity perception of such behavior is a key determinant of their reactions towards it. This observation is in line with the views expressed in the consumer surveys presented at the beginning of this paper. Consumers increasingly want brands to position themselves clearly on social issues outside their core business. However, they will only reward a brand's commitment if they perceive it to be authentic.

Our analyses on consumers' (dis)agreement with the brand's activism also indicate interesting insights: While consumers' (dis)agreement does not play a crucial role for high (vs. low) impact brand activism, it significantly alters consumer reactions to intrinsically (vs. extrinsically) motivated brand activism. That is, when brand activism is intrinsically motivated, consumers react more positively (negatively) when they agree (disagree) with the brand's activism. Considering our previous MANOVA results that intrinsically (vs. extrinsically) motivated brand activism leads to more positive consumer reactions, this finding is highly valuable for brands: In other words, when brands engage in brand activism because of their inner conviction and values, they still need to make sure that a majority of their target audience shares their opinion on the sociopolitical issue. Otherwise, even intrinsically motivated brand activism can backfire.

Finally, we want to point out limitations of our study as well as implications for future research. First, the external validity of our experiment is limited. Although participants

received more information about the fictitious brand Foodie compared to Study 1, we cannot say with certainty whether results would also occur under real-life conditions. When consumers are confronted with a real example of brand activism, other factors than the motivation or impact behind the activism enter the evaluation: for example, existing attitudes towards the brand or prior knowledge about it. Future research could test real-life examples and brands. Another aspect that limits the transferability of the results to practice is the lack of demographic representativeness of the sample. Demographics show that the percentage of 25–34-year-olds (40%), university graduates (58%) or actively studying (32%) is rather high in comparison to other groups in the sample. We address this limitation with our third study.

In Study 2, we found evidence for the critical role of authenticity when brands want to engage in "successful" brand activism. In Study 3, with a representative sample of the German population, we aim to support this finding. Additionally, we investigate whether authentic brand activism can reduce consumers' skepticism towards brand activism. As such, we aim to get a better understanding of the process that explains consumers' reactions to brand activism.

Study 3

Method

The study employed the same 2 (motivational character: intrinsic vs. extrinsic) × 2 (impact: high vs. low) plus control group[3] between-subjects design as in Study 2. We recruited a representative sample of the German population via the panelist Bilendi GmbH. Of the 222 respondents who completed the questionnaire, we, analogously to the previous studies, excluded those with an abnormally short survey completion time of less than 180 seconds, indicating they put little effort in answering the questionnaire. We also excluded those that did

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[3] As we are only interested in the comparisons between the respective factor levels, we will only focus on the four experimental conditions in our analyses.

not pass the attention checks (Meade & Craig, 2012; Oppenheimer et al., 2009), resulting in 196 participants (female: 51.8%; age: 15% 18-28, 18% 29-38, 19% 39-48, 22% 49-58, 25% 59-69; region: 42% rural area, 58% urban area) in the final sample.

The participants were randomly assigned to the experimental conditions by the online survey tool. Stimuli and questionnaire were the same as in Study 2, except for additional items regarding respondents' skepticism towards brand activism.

Results

Manipulation checks. As in Study 2, participants perceived the extrinsically motivated conditions (M = 4.65, SD = 1.56) as being rather motivated from external pressure than the intrinsically motivated conditions (M = 3.42, SD = 1.59; t[156] = 4.89, p < .001). However, the manipulation of the impact condition was not successful. Participants did not indicate a higher impact in the respective conditions (M = 3.72, SD = 1.70) compared to the low impact conditions (M = 3.97, SD = 1.56; t[156] = .99, p = .323). Therefore, we excluded this factor from further analyses. Additionally, a full-factorial ANOVA shows that our manipulations did not impact the unintended independent variable: The manipulation of the motivational character did not influence the manipulation check for the impact character (p = .650), and vice versa (p = .211). Also, there was no significant interaction effect for both manipulation checks (MC$_{motivation}$: p = .601; MC$_{impact}$: p = .082).

Model estimation: Serial mediation. We used PROCESS (version 4.2, Hayes, 2017) in IBM SPSS 28 to run a serial mediation with perceived authenticity and skepticism towards brand activism as mediators and motivational character as the independent variable. Table 4 shows the results.

Regression statistics	Authenticity		Skepticism		DV: Brand Attitude (R^2 = .582)		DV: Purchase Intention (R^2 = .468)		DV: WOM (R^2 = .513)	
	Coefficient	SE	Coefficient	SE	Coefficient	SE	Coefficient	SE	Coefficient	SE
Constant	4.184***	.147	6.289***	.369	2.699***	.625	.626	.720	1.506*	.729
Motivation (extrinsic vs. intrinsic)	.535**	.205	-.434*	.211	.189	.152	.028	.175	-.118	.178
Authenticity	----	----	-.528***	.081	.642***	.065	.698***	.075	.720***	.076
Skepticism	----	----	----	----	-.148*	.059	-.034	.067	-.151*	.068
Age	----	----	----	----	-.155**	.058	-.081	.067	-.078	.067
Gender (1 = female; 2 = male)	----	----	----	----	.022	.149	.217	.171	.171	.174
Familiarity with social media	----	----	----	----	.015	.050	.041	.058	-.062	.059
Additional covariates (robustness checks)										
Attitude towards brands taking a stand					.042	.046	.130*	.050	.127*	.052
Willingness to try new supermarkets					.094	.061	.211**	.067	.153*	.070

Indirect Effects

	Brand Attitude			
	Effect	BootSE	BootCI$_{95\%}$	
			LL	UL
Via authenticity				
Motivation	**.343**	**.136**	**.086**	**.617**
Via skepticism				
Motivation	.064	.045	-.006	.167
Via authenticity via skepticism				
Motivation	**.042**	**.034**	**.000**	**.129**
	Purchase Intention			
	Effect	BootSE	BootCI$_{95\%}$	
			LL	UL
Via authenticity				
Motivation	**.374**	**.142**	**.098**	**.650**
Via skepticism				
Motivation	.015	.036	-.057	.090
Via authenticity via skepticism				
Motivation	.010	.025	-.028	.073
	WOM			
	Effect	BootSE	BootCI$_{95\%}$	
			LL	UL
Via authenticity				
Motivation	**.386**	**.151**	**.098**	**.686**
Via skepticism				
Motivation	.066	.046	-.005	.170
Via authenticity via skepticism				
Motivation	**.043**	**.035**	**.001**	**.133**

Notes: N = 158. The table depicts unstandardized coefficients; significant coefficients at $p < .05$ in bold; *p < .05, **p < .01, ***p < .001; SE = standard error; (Boot)SE = (bootstrapped) standard error; BootCI = 95% percentile confidence intervals.

Table 4: Detailed results of serial mediation analyses

Regarding the *direct effects*, consistently, motivational character of brand activism positively increases perceived authenticity, in line with H2. In turn, brand authenticity

negatively relates to consumers' skepticism towards brand activism and positively relates to all three outcome measures, as predicted by H4.

To estimate the *indirect effects* in H5a and H6a, we use 10,000 bootstrap samples, set the seed to 100, and derive percentile bootstrap confidence intervals with a 95% confidence level (BootCI95%). In support of H5a, motivational character of brand activism exhibits a significantly positive indirect effect via authenticity on all three dependent variables. These results provide evidence for a full mediation (non-significant direct effects in regression analysis). In support of H6a, motivational character of brand activism also exhibits a significantly positive indirect effect via authenticity and via skepticism on brand attitude and word-of-mouth, but not for purchase intention.

Further analyses. First, we include the covariates consumers' general opinion that brands should take stands on sociopolitical issues and consumers' willingness to try new supermarkets into the model. Both covariates significantly relate to the dependent variables purchase intention and word-of-mouth but not to attitude. All (serial) mediation results remain the same.

Second, we again investigate if consumers' (dis)agreement moderates the effect of the motivational character of brand activism on all three dependent variables. Surprisingly, we find no significant interaction effect of consumers' (dis)agreement for any of the three dependent variables. Consumers' (dis)agreement also does not relate directly to any of the dependent variables.

Discussion

Our study investigates the extent to which consumers form authenticity perceptions and behavioral intentions towards brand activism based on two factors: motivational character and impact of brand activism, replicating Study 2 but for a representative sample of the German population. Also, we aim to deep dive further into the process of consumer reactions to brand activism by including consumers' skepticism towards brand activism as a secondary mediator

to authenticity. While our manipulation of the impact of brand activism did not work in Study 3, our results replicate Study 2's results by showing that an intrinsic motivation (vs. extrinsic) of brand activism significantly positively influences consumers' attitude towards the brand, their purchase intention, and their willingness to spread positive word-of-mouth through consumers' authenticity perceptions. For consumers' purchase intention, only authenticity perceptions mediate the effect: A reduction in consumers' skepticism toward brand activism seemingly is not *enough* to trigger consumers' willingness to buy the brand, especially considering that Foodie is a fictitious brand. For brand attitude and word-of-mouth intention, an intrinsic motivation leads to increased authenticity perceptions which relate to a reduction in consumers' skepticism, then relating to more favorable consumer reactions. We also find the same significant age effect from Study 2 (albeit only for brand attitude), suggesting lower brand attitude with increasing age.

The results, again, support the theoretical account that consumers evaluate whether a brand stands up for something out of inner conviction or merely does so to remain competitive or to give in to public demands for a statement. This intrinsic motivation of brand activism increases consumers' perceived authenticity of brand activism. Consumers' increased authenticity perceptions then relate to a reduction in consumers' skepticism towards brand activism and more favorable consumer reactions. Reducing consumers' skepticism towards brand activism can be crucial for brands: A recent survey across the U.K. and U.S. reveals that more and more consumers suspect brands' activism to be *performative* activism, a brand's strategy to boost financial performance (Sprout Social, 2023). To counter this skepticism and to engage in successful brand activism, authenticity seems to be key.

Conclusion

We conduct three studies to shed more light on specific aspects around the topic of brand activism. Our first study assesses whether differences in consumer outcomes among different

brand activism sub-categories and compared to a non-activist brand statement exist. We only find differences in consumer outcomes between certain sub-categories of brand activism (i.e., among political/environmental activism and legal activism). We can only speculate about the reasons, an explanation most likely being the sample's characteristics (i.e., majority of employees) and *societal dynamics*. For brands, these findings provide valuable insights in that brand activism should not be treated as a whole: Different activist topics might be *tricky* to address in some societies in that they differ in personal relevance for a specific target group more than others. As such, it might not only be consumers' (dis)agreement with the brand's activism that needs to be taken into account, but also (dis)agreement with a brand's activism depends on this relevancy. Lastly, our results from Study 1 suggest that brand activism of no sort changes our selected consumer outcomes compared to a non-activist brand statement. A potential explanation is our usage of a fictitious brand, leaving respondents with no information on any previous or other behavior by the brand. Without any further information about the brand, respondents cannot assess the authenticity of a brand's activism, a key construct identified in the literature for the success or failure of brand activism. Thereby, rather neutral consumer reactions to a brand's activism, as observed in our study, might be explainable. We address this possible explanation in Study 2 and Study 3, investigating the role of authenticity in consumers' perceptions of brand activism, where respondents receive more information about the respective brand. Our results support the importance of a brand activism's perceived authenticity: An intrinsic motivation (vs. extrinsic) and a high (vs. low) impact on the social issue addressed lead to consumers' higher authenticity perceptions. Hereby, intrinsic motivation is the more important factor in increasing authenticity perceptions. Consumers' authenticity perceptions then relate to a reduction of consumers' skepticism towards brand activism and to more positive behavioral intentions. In Study 2, we also identify an interesting effect of consumers' (dis)agreement with the brand's activism: When brands engage in

intrinsically (vs. extrinsically) motivated activism, consumers' (dis)agreement plays a crucial role. That is, consumers tend to react positively to intrinsic brand activism when they agree but, simultaneously, negatively when they disagree. For brands, this finding implies that, although intrinsic (vs. extrinsic) brand activism generally leads to more positive consumer reactions, they still need to be aware of negative consumer reactions in case of disagreement. However, we were not able to replicate this finding in Study 3. Here, consumers' (dis)agreement does not moderate the effect for any of the dependent variables. As Study 2 and 3 mainly vary in terms of respondent's demographics, a possible explanation boils down to consumers' age: Younger consumers show more demand and interest for brand activism, rewarding brands when they agree with the brand, but punishing them when the activism does not align with their values (Curry, 2020).

Our results are mainly limited by the fictionality of the situation. When consumers' have previous experiences with and knowledge of a real brand, more factors other than the motivation or impact of a brand's activism will constitute its authenticity. Therefore, we stress including real brands for future research on brand activism's authenticity. Also, our studies are solely conducted with German participants. While there are multiple surveys or studies on the demand for and reactions to brand activism in the U.S., there is still little knowledge about German consumers' demand or favor for brand activism. Without a polarizing two-party system and society, there is more of a *middle ground* on controversial issues and people do not necessarily strongly agree or disagree with a brand's activism, leading to less pronounced consumer reactions. While our results should be somewhat applicable to other European countries similar to Germany, it would be interesting whether they would be similar in countries such as, e.g., the U.S. Hereby, it would also be of interest whether authenticity would take on such a crucial role as found in Studies 2 and 3. Moreover, these results might be different for other forms of activism as seen in Study 1. The statement against racism used in

the experiments of Study 2 and 3 is an example of social brand activism and interpretation is thus limited to this context. If authenticity plays such an important role for other sub-categories of brand activism (i.e., political, economic, workplace, environmental, and legal brand activism) could be subject to future research on brand activism and consumer behavior. Finally, another limitation might be consumers' perceived controversy of brand activism. Empirical findings from Chen and Berger (2013) show that a topic's degree of controversy influences the volume of comments for this topic in the form of an inverted-U shape. Topics with a low and high degree of controversy trigger less comments than a moderately controversial topic. The authors explain this effect through two psychological processes: interest and discomfort. Topics become more interesting with an increasing degree of controversy. When the degree of controversy increases too much though, discomfort to talk about these topics reduces the positive effect induced through interest. We assume that this effect will occur for consumers' reactions to a brand's stand on such a topic as well. However, initial evidence from our Study 1 indicates that all six brand activism topics were perceived as equally controversial in our sample, not providing any "hard" evidence for diverging effects to a brand activism's perceived controversy. Potentially, in less-divided countries (as Germany), it is difficult to find brand activism topics that vary significantly in terms of (non-)controversy. Thus, need for future research regarding brand activism' degree of controversy remains.

Overall, our findings provide valuable insights on brand activism. Brands should be aware of *societal dynamics* and their target audience, when determining which social issues they want to address. Also, they need to be authentic to successfully engage in brand activism. Otherwise, especially when consumers disagree with a brand's activism, brand activism might backfire.

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Appendix

Appendix A. Stimuli for all studies (including translations)
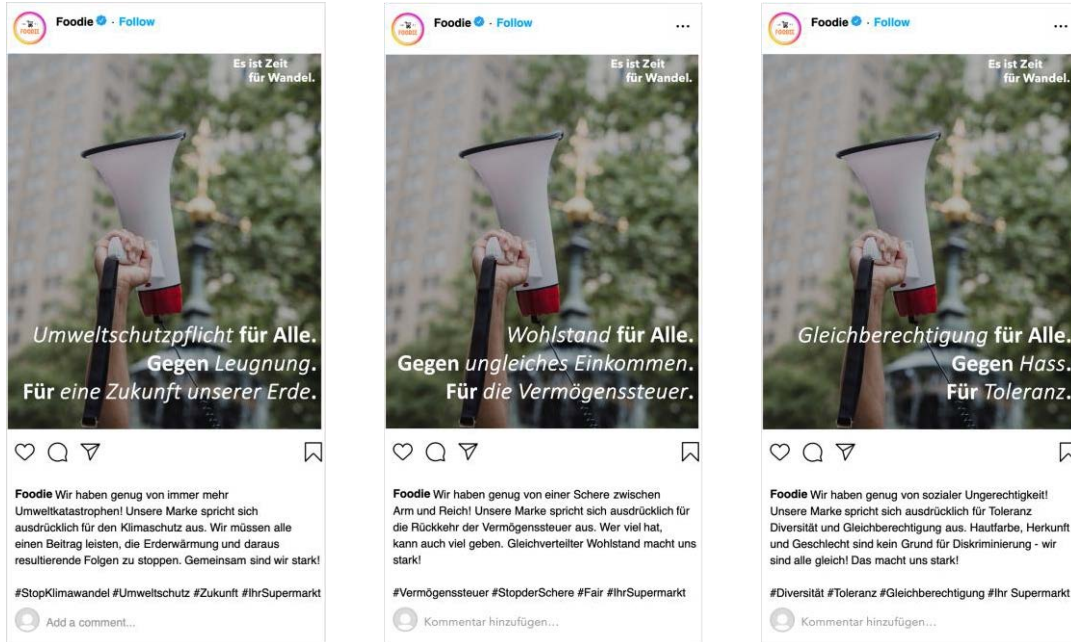
Stimuli for Study 1

Figure A1: Instagram posts for environmental (left), economic (center), and social brand activism (right)
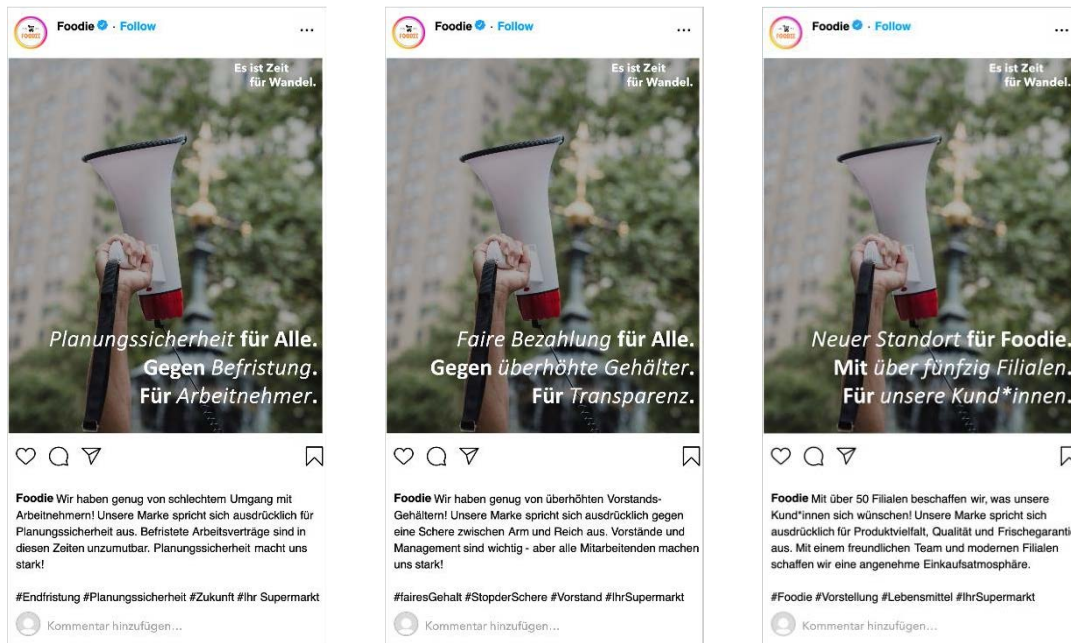

Figure A2: Instagram posts for legal (left) and workplace (center) brand activism and control group (right)

Figure A3: Instagram post for political brand activism

Figure A3 shows the Instagram post for the experimental condition of political brand activism in which Foodie took a stand on the recent rise of right-wing extremism in Europe and, especially, Germany. All other stimuli visually looked very similar but varied in regard to its textual content because of the different topics addressed. In the control group, Foodie's Instagram post included a non-activist statement, announcing the opening of a new store. We provide translations for all stimuli below. All stimuli included the statement "It is time for change" in the top right corner.

Political brand activism (Figure A3): Open arms for everyone. Against right-wing extremism. For human dignity. We are tired of the rise of right-wing extremism in Germany and Europe! Our brand strongly militates against xenophobia. We need to avoid repeating German history. Diversity makes us strong! #StopRight #NoToAfD #Diversity #YourSupermarket.

Environmental brand activism (Figure A1, left): Obligation to protect the environment for everyone. Against denial. For a future of our earth. We are tired of constantly increasing

environmental disasters! Our brand strongly advocates for climate protection. We all need to play a part in stopping global warming and its consequences. Together, we are strong! #StopClimateChange #EnvironmentalProtection #Future #YourSupermarket.

Economic brand activism (Figure A1, center): Wealth for everyone. Against income inequality. For the wealth tax. We are tired of the gap among the poor and the rich! Our brand strongly advocates for the reintroduction of the wealth tax. Those who have a lot, can give a lot as well. Equally distributed wealth makes us strong. #WealthTax #StopTheGap #Fair #YourSupermarket.

Social brand activism (Figure A1, right): Equality for everyone. Against hate. For tolerance. We are tired of social injustice. Our brand stands for tolerance, diversity, and equality. Skin color, origin, and gender are no reason for discrimination – we are all equal! That's what makes us strong. #Diversity #Tolerance #Equalty #YourSupermarket.

Legal brand activism (Figure A2, left): Planning security for everyone. Against fixed-term contracts. For employees. We are tired of the bad handling of employees! Our brand stands for planning security. Fixed-term employment contracts are unreasonable in today's times. Planning security makes us strong! #PermanentContracts #PlanningSecurity #Future #YourSupermarket.

Workplace brand activism (Figure A2, center): Fair payment for everyone. Against excessive salaries. For transparency. We are tired of executives' excessive salaries! Our brand strongly militates against the gap among the poor and the rich. Executives and management are important – but all employees make us strong! #FairSalary #StopTheGap #Executives #YourSupermarket

Control group (Figure A2, right): New store for Foodie. With over 50 locations. For our customers. In 50 locations, we provide what our customers hope for. Our brand stands for

product diversity, quality, and a guarantee of freshness. A friendly team and modern stores

provide a pleasant shopping experience. #Foodie #Introduction #Groceries #YourSupermarket.

Stimulus for Study 2 and 3

Figure A4: Instagram post on racism and tolerance used in Study 2 and 3

The Instagram post says: Against racism! For tolerance! There is no room for racism and

xenophobia in our society. Our brand stands for tolerance and diversity – that's what makes us

strong! #Diversity #Tolerance #AgainstRacism #YourSupermarket.

Appendix B. Measures (original and translation)

Manipulation check (Study 1)

[1 = I completely disagree; 7 = I completely agree].

- Wenn Sie sich an den Social Media Beitrag erinnern, den Sie zu Beginn der Studie gelesen haben, was würden Sie sagen: / If you remember the social media post from the beginning of the survey, what would you say:

  - In dem gezeigten Beitrag äußert sich die Marke „Foodie" zu einem Thema, über das sich viele wegen einer unterschiedlichen Meinung streiten. / In the social media post, "Foodie" addresses a topic that divides people's opinions.

  - In dem gezeigten Beitrag äußert sich die Marke „Foodie" zu einem gesellschaftspolitisch wichtigen Thema. / In the social media post, "Foodie" addresses a relevant societal topic.

Manipulation check (Study 2 and 3, Motivation and Impact)

[1 = Completely motivated from within; 7 = Completely motivated by external pressure].

[1 = Not at all impactful; 7 = Very impactful].

- Wenn Sie sich an die Informationen erinnern, die Sie zu Beginn der Studie gelesen haben, was würden Sie sagen: / If you remember the information from the beginning of the survey, what would you say:

  - Ist das Handeln der Marke „Foodie" von innen heraus motiviert oder durch externen Druck motiviert? / Is "Foodie's" action motivated from within or by external pressure?

  - Wie wirkungsvoll ist der Beitrag, den die Marke „Foodie" im Rahmen ihrer Möglichkeiten zur Bekämpfung von Rassismus und Fremdenfeinlichkeit in der Gesellschaft leistet? / How impactful are "Foodie's" actions within the scope of their possibilities in fighting racism and xenophobia in society?

Social media engagement actions (Study 1) (adapted from Swani & Labrecque, 2020).

[1 = Very unlikely; 7 = Very likely].

- Like: Wie wahrscheinlich ist es, dass Sie den Beitrag liken würden? / How likely would you be to like the post?

- Comment: Wie wahrscheinlich ist es, dass Sie den Beitrag kommentieren würden? / How likely would you be to comment the post?

Positive word-of-mouth (Study 1, 2, and 3) (adapted from Price & Arnould, 1999).

[1 = I completely disagree; 7 = I completely agree].

- Ich würde anderen Personen positive Dinge über die Marke „Foodie" erzählen. / I would say positive things about "Foodie" to other people.

- Ich würde die Marke „Foodie" anderen Personen empfehlen. / I would recommend "Foodie" to others.

- Ich würde die Marke „Foodie" einer Person empfehlen, die mich um Rat fragt. / I would recommend "Foodie" to someone who seeks my advice.

Attitude toward the brand (Study 2 and 3) (adapted from Nan & Heo, 2007).

- Schlecht [1] – Gut [7] / Bad [1] – Good [7].

- Negativ [1] – Positiv [7] / Negative [1] – Positive [7].

- Ich mag diese Marke nicht. [1] – Ich mag diese Marke. [7] / I dislike the brand. [1] – I like the brand. [7].

Purchase intention (Study 2 and 3) (adapted from Bruner, 2009).

[1 = I completely disagree; 7 = I completely agree].

- Ich würde die Marke „Foodie" gerne ausprobieren. / I would like to try "Foodie".

- Ich würde bei der Marke „Foodie" kaufen, wenn ich zufällig einen ihrer Läden entdecke. / I would buy at "Foodie" if I happen to see one of their stores.

- Ich würde aktiv nach Läden der Marke „Foodie" suchen, um dort einzukaufen. / I would actively seek out "Foodie" in order to purchase their products.

Perceived authenticity (Study 2 and 3) (adapted from Morhart et al., 2015).

[1 = I completely disagree; 7 = I completely agree].

- „Foodie" ist eine Marke, die ihr Werteversprechen einlöst. / The brand "Foodie" is a brand that accomplishes its value promise.

- „Foodie" ist eine Marke, die ehrlich ist. / The brand "Foodie" is a honest brand.

- „Foodie" ist eine Marke, die moralische Grundsätze hat. / The brand "Foodie" is a brand with moral principles.

- „Foodie" ist eine Marke, die ihren moralischen Werten true ist. / The brand "Foodie" is a brand true to its moral values.

Skepticism toward brand activism (Study 3) (adapted from Romani et al., 2016).

[1 = I completely disagree; 7 = I completely agree].

- Die Haltung (Social Media Beitrag) der Marke „Foodie" sehe ich skeptisch. / Taking into consideration "Foodie's" stance (social media post), I feel skeptical.

- Die Haltung (Social Media Beitrag) der Marke „Foodie" finde ich verdächtig. / Taking into consideration "Foodie's" stance (social media post), I feel suspicious.

- Die Haltung (Social Media Beitrag) der Marke „Foodie" sehe ich misstrauisch. / Taking into consideration "Foodie's" stance (social media post), I feel distrustful.

Perceived topic controversy (Study 1) (adapted from Lee et al., 2018).

[1 = Not at all; 7 = Very strongly].

- Inwieweit ist das Thema […] aus Ihrer Sicht kontrovers? / In your opinion, to what degree is the topic […] controversial?.

- Inwieweit erzeugt das Thema […] aus Ihrer Sicht Widerstand? / In your opinion, to what degree does the topic […] evoke opposition?

- Inwieweit spaltet das Thema […] aus Ihrer Sicht die Gesellschaft? / In your opinion, to what degree does the topic […] divide society?

Consumers' (dis)agreement (Study 1, 2, and 3).

[1 = I completely disagree; 7 = I completely agree].

- Meine persönliche Meinung zum Thema […] stimmt mit der Marke „Foodie" überein. / My personal opinion on the topic […] aligns with "Foodie's" opinion.

Consumers' familiarity with social media (Study 1, 2, and 3).

[1 = I completely disagree; 7 = I completely agree].

- Ich bin mit sozialen Medien (z. B. Instagram) und deren Nutzung vertraut. / I am familiar with social media (e.g., Instagram) and its usage.

Attention checks (Study 1, 2, and 3) (Meade & Craig, 2012; Oppenheimer et al., 2009).

[1 = I completely disagree; 7 = I completely agree].

- Bitte kreuzen Sie hier "Stimme überhaupt nicht zu (1)" an. / Please select "I totally disagree (1)". (If respondents did not pass the attention check, they were eliminated;)

- Ich habe die Umfrage gewissenhaft beantwortet. / I answered the survey conscientiously. (If respondents indicated that they completely disagreed with the statement (answered 1), they were eliminated; item asked at the end of Study 2 and 3).

- Würden Sie sagen, dass sich die Marke „Foodie" zu einem bestimmten sozialpolitischen Thema geäußert hat? Wenn ja, um welches Thema ging es aus Ihrer Sicht? / Would you

say that "Foodie" took a stand on a specific sociopolitical issue? If so, which topic was addressed? (If respondents did not indicate the correct topic they saw during the questionnaire, they were eliminated; item asked at the end of Study 1).

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Official declarations

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