# THE EFFECTS OF CORPORATE SOCIO-POLITICAL ADVOCACY ON CONSUMER CAUSE-RELATED ENGAGEMENT

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## ABSTRACT

While consumers of different classes, ages, and political ideologies may act differently concerning companies that advocate for a polarized sociopolitical cause (i.e., Corporate Social Advocacy - CSA), little is known about whether this corporate positioning influences consumers' thoughts and behaviors towards a social cause. This research aims to understand consumers' cause-related engagement through moral authority perceptions after a CSA. In this paper we explored two antecedents of moral authority: authenticity and power to influence others. Study 1 indicates that company's authenticity in a CSA communication leads consumers to engage with the cause through moral authority, thereby prompting consumers to engage in the LGBTQIA+ cause on emotional, cognitive, and behavioral levels. Additionally, findings from Study 2 provide evidence of mediating effects between authenticity and influence on consumer cause-related engagement, shedding light on the crucial role played by both authenticity and companies' influence in exerting moral authority and providing clearer guidance to consumers regarding social issues.



**Keywords**: corporate social advocacy, engagement, social issue

**Track**: Consumer Behaviour

## 1. Introduction

Over time the marketing discipline has evolved to include among its concerns the understanding of its role in serving society (Elliot et al., 2016; Garg and Saluja, 2022). Through the shift from building an institution that generates profit and great products to understanding that businesses have a role beyond making money, "traditional businesses stepped into the social good space by creatively using their products to support and advocate for social issues" (Feldmann, 2016, p. 81).

Such efforts are known as Corporate Social Advocacy (i.e., controversial support or opposition to policies, political perspectives or issues outside companies' core businesses) and are voluntary activities where the intended outcome is to effect changes in society (Hoppner and Vadakkepatt 2019; Dodd and Supa, 2014). Contrasting with the fact that CSA is grounded on the idea that companies have a responsibility to society at large (Korschun et al., 2020) by influencing public opinion (Chatterji and Toffel, 2016) and positively or negatively changing attitudes and behaviors of their stakeholders (Eilert and Cherup, 2020; Kang and Kirmani 2023), the marketing literature has largely neglected the effects of CSA on aspects not related to the company such as image, sales increase, consumers attitude towards the company. Then, a relevant question remains unanswered: How corporate socio-political advocacy impacts consumers' thoughts, feelings and behaviors toward a controversial social cause? Thus, this paper aims to understand how companies can lead individuals to reflect and act on certain social issues.

Because individuals often have more positive reactions to companies that are seen as moral on the subject that they are advocating for, we suggest that it is through companies' moral authority that individuals will engage with the cause. Moral authority refers to an entity's potential to influence others' morality (Hoppner and Vadakkepatt, 2019). Because companies' moral authority can only be exercised if it's perceived as moral, authentic (or believable), and with power to influence others, we argue that perceptions of authenticity and influence will act as antecedents of moral authority which leads to an effect toward consumers' engagement with the advocated cause.

Based on the engagement literature, it is proposed that engagement with a social cause (called hereafter "cause-related engagement") as a dependent variable is a multidimensional concept that encompasses affective (i.e., empathy and elevation), cognitive (i.e., attention and accommodation) and behavioral (i.e., endorsing and online engagement) dimensions (Brodie et

al., 2011). However, because consumers usually evaluate the risks and costs before engaging with an entity (Van Doorn et al., 2010), we propose in this study that consumers will engage with a social cause when the entity (i.e., a company) is perceived as a moral authority. Findings from two experimental studies indicate that CSA impacts the levels of affective, cognitive, or behavioral cause-related engagement through moral authority perceptions.

Therefore, this paper significantly contributes to the theoretical landscape by expanding the understanding of CSA effects. Delving into how companies' positioning on controversial causes influences individuals' reflections and behavioral intentions toward the cause, this research contributes to a multidimensional understanding of CSA's impact, encompassing affective, cognitive, and behavioral dimensions. Additionally, we extend the literature about moral authority within the business domain. While prior conceptual work introduced the term (Hoppner and Vadakepatt 2019), our empirical study advances this theory by identifying different predictors of moral authority and highlighting moral authority as an antecedent of consumers' engagement with social issues.

## 2. Consumer Responses to Corporate Socio-Political Advocacy (CSA)

Corporate Socio-Political Advocacy has been discussed in academic literature as a subset of CSR (Austin et al., 2019; Dodd and Supa, 2014). However, while CSR initiatives may be more beneficial once the interests are clearly generalizable, CSA initiatives usually involve polarizing issues and may face backlash (Rim et al., 2020).

Although some consumers are likely to react negatively toward business stances on political issues, prior research also suggests that consumers respect and patronize companies that take stances on issues that align with their stated corporate values (e.g., Dodd and Supa, 2014; Gaither, Austin, and Collins, 2018; Korschun et al., 2016). Moreover, consumers' reactions to a stance are more positive when CSA and customer political ideology are congruent (Bhagawat et al., 2020; Chatterji and Toffel 2019; Dodd and Suppa 2014; Leak et al. 2015) or have at least a low deviation (Bhagawat et al., 2020). Prior work also acknowledges that consumer reactions to CSA depend on companies' intended image and motives for engaging in CSA. Hence, when a company describes itself or is perceived as market-driven, strategic-driven, or ego-driven, consumers react negatively (e.g., less favorable to CSA, less favorable attitudes toward the company, and stronger negative word-of-mouth).

Recent studies also have shown that consumers take a calculated approach when deciding whether or not to engage in political activities on social media (You and Hon, 2022).

Furthermore, engagement with a cause online, such as an anti-bullying campaign, can persist beyond the brand's campaign as consumers continue to show cause-related activity after the campaign ceases (Holiday et al., 2020). Thus, as more recent studies indicate (e.g., You and Hond, 2022), including engagement as a construct for understanding *social change through CSA* is relevant because engaged customers are often responsible for monitoring firm performance and disseminating information to multiple stakeholders which may change and improve the legal and regulatory environment within which industries operate (van Doorn et al., 2010).

Therefore, this paper introduces the concept of "cause-related engagement" to refer to consumer engagement towards a socio-political cause. Based on engagement literature, we propose that cause-related engagement is a multidimensional concept that encompasses affective (the realm of emotions), cognitive (the realm of thought), and behavioral (the realm of action) dimensions (Brodie et al., 2011; Heath, 2007). Then, we expect consumers to engage with a cause through emotional, cognitive, and behavioral responses.

## 3. The Role of Moral Authority

Formally defined by Hoppner and Vadakkepatt (2019, p. 2), moral authority "refers to the potential to influence the morality of others through the use of power and platform granted to an entity based on the perception of its stakeholders that the entity is moral". Thus, moral authority exists to provide clarity and guidance to others about what is right in terms of values and actions, not using its power to coerce or force individuals to follow its example, but rather influencing them through their character, wisdom, and example for society (Hoppner and Vadakkepatt, 2019).

While traditional sources of moral authority (e.g., religious leaders, educators) still play a key role in the moral influence of individuals, nowadays there may be a change in who individuals look for moral references, betting on companies to discuss relevant issues for social development (Hoppner and Vadakkepatt, 2019). However, to be perceived as a moral authority, companies need (a) to have a moral identity, that is, to reflect its values through its internalization (how its morality becomes central to an entity's identity) and symbolization (use of means to expose its morality, such as interviews, advertising campaigns, etc.), (b) to have the potential to influence through power and a platform to communicate with stakeholders; and (c) to be perceived as moral (Hoppner and Vadakkepatt, 2019).

Because organizations referred to as moral are those who "walk the talk and live up to their claims" (Skilton and Purdy, 2017, p. 104), we understand authenticity to be, not just an element of moral authority but an antecedent for the company to be perceived as possessing moral authority. For instance, this lack of authenticity, which leads to lower perceptions of moral authority, will interfere on consumers' cause-related engagement. Thus, we argue that low-authentic companies will not be able to exert moral authority and, consequently, will not engage consumers with the cause.

**H1**: After a CSA communication, companies perceived as more authentic (vs. less authentic) will lead to greater positive effects on (a) affective, (b) cognitive, and (c) behavioral cause-related engagement, through the increase of perceptions of company's moral authority.

Also, for companies to be perceived as a moral authority, they must also be seen as having power and a platform to communicate their position and engage their stakeholders with the message (Hoppner and Vadakkepatt, 2019). We expect that, in a social media context, the company's number of followers is a cue to indicate how much social influence the entity has (Charry, 2020). Indeed, scholars previously used the number of followers on social media to predict brand awareness, positive word of mouth, and even the spreading of healthier eating habits (Kim, 2020; Charry, 2020). Thus, when individuals perceive that a large number of other users are influenced by a particular media content, they subsequently modify their attitudes and behaviors as a reaction to that perception (Gunther and Storey, 2003).

**H2**: After a CSA communication, companies perceived as more influential (vs. less influential) will lead to greater positive effects on (a) affective, (b) cognitive, and (c) behavioral cause-related engagement, through the increase of perceptions of company's moral authority.

## 4. Empirical Studies

### 4.1 Study 1

Study 1 was a single factor experiment to investigate the moral authority mediation of perceived authenticity on consumers' affective (i.e., empathy), cognitive (accommodation), and behavioral (online engagement) engagement toward the cause. The CSA communication was an Instagram's post pro-LGBTQIA+ rights. Companies with high authenticity were those that demonstrated genuine support for the LGBTQIA+ cause, with actual values and support to the cause (donations) while low authenticity companies exposed their values in a more neutral and generic way. Results confirm the manipulation's success.

One hundred and ninety-four undergraduate students with mean age of 25 years old (SD = 6.57), heterosexuals (69.1%), and liberal-oriented participants (74.2%) indicated a significant difference between the conditions of low (M = 4.08, SD = 1.65) and high authenticity (M = 4.58, SD = 1.58, F(1(192) = 4.58, $p < 0.05$) on moral authority.

The results confirm the manipulation's success, as the effects were statistically significant and distinct in the perceptions of authenticity for those allocated in the high (M = 5.44) and low authenticity (M = 4.49) condition; (F(1,192) = 21.31, $p < .01$). Next, we used the SPSS macro-PROCESS model 4 (Hayes, 2013) to test our first hypothesis. For affective engagement (i.e., empathy), the results indicate that the impact of the authenticity condition was significant on moral authority ($p < .05$). As expected, the mediation effect of moral authority was significant, b = 0.13 (95% CI = 0.02, 0.25). The effects were similar for cognitive engagement (i.e., accommodation). The effect of moral authority was statistically significant on cognitive engagement, b = .51, 95% CI [0.37, 0.64], $p < .01$ and the mediation effect was also significant, b = 0.29 (95% CI = 0.04, 0.56). Finally, the impact of authenticity through moral authority on levels of online engagement (that is, behavioral engagement) occurred in the same way as in the previous cases. Moral authority had a statistically significant effect on behavioral engagement (b = .66, 95% CI [0.52, 0.79], $p < .001$) and the mediation effect was also significant (b = 0.36, 95% CI = 0.07, 0.66).

### 4.2 Study 2

Study 2 was a 2 (authenticity: low vs. high) x 2 (influence: low vs. high) design. A total sample size of 339 American respondents from Prolific were exposed to the same authenticity manipulation as the first study. For the influence condition, we manipulated the number of followers, where highly influential companies had 1.4 million followers and low influential companies had 267 followers. We also added dependent variables in this study: attention for cognitive engagement, elevation for affective engagement, and endorsing for behavioral engagement.

Most participants were liberal-oriented (61.06%) females (50.7%), heterosexuals (77.3%), with mean age of 40 years old (SD = 14.20) and bachelor's degree (39.2%). Because political orientation demonstrated a significant effect on all dependent variables, we held this variable as a covariate in our model. Sexual orientation was also held as a covariate given the significant effect on most of the dependent variables (except for attention and online

engagement, p = .26 and p = .45, respectively). All measures were assessed in the same way as in Study 2.

Regarding the manipulation check, participants noticed a significant difference between the low authenticity (M = 3.11) and high authenticity (M = 5.15, p < .001) conditions, as well as between the low (M = 1.59) and high influence (M = 5.69, p < .001) conditions.

An ANOVA indicate a statistically significant relationship both for influence (F(1,338) = 21,83; p < .001; $M_{low\_inf}$ = 2,95; $M_{high\_inf}$ = 3,78) and authenticity (F(1,338) = 11,34; p < .001; $M_{low\_auth}$ = 3,07; $M_{high\_auth}$ = 3,67) on moral authority, and no interaction effect of authenticity and influence on moral authority (F(1,338) = 0.89; p = .35). For authenticity, the mediation of moral authority was statistically significant for all dimensions of consumer cause-related engagement. That is, for accommodation (b = .16, SE = .05, 95% confidence interval [CI] = [.07, .26]), attention (b = .17, SE = .05, 95% confidence interval [CI] = [.08, .28]), elevation (b = .19, SE = .05, 95% confidence interval [CI] = [.08, .30]), empathy (b = .14, SE = .04, 95% confidence interval [CI] = [.06, .23]), online engagement (b = .20, SE = .05, 95% confidence interval [CI] = [.09, .32]), and endorsing (b = .13, SE = .04, 95% confidence interval [CI] = [.05, .22]).

For influence, the mediation of moral authority was also statistically significant for all dimensions of engagement with the LGBTQIA+ cause. That is, for accommodation (b = .21, SE = .04, 95% confidence interval [CI] = [.12, .31]), attention (b = .22, SE = .04, 95% confidence interval [CI] = [.13, .32]), elevation (b = .25, SE = .05, 95% confidence interval [CI] = [.14, .36]), empathy (b = .19, SE = .04, 95% confidence interval [CI] = [.11, .29]), online engagement (b = .28, SE = .06, 95% confidence interval [CI] = [.17, .41]), and endorsing (b = .18, SE = .04, 95% confidence interval [CI] = [.10, .27]).

## 5. Final Considerations

Despite the increase in society's expectations for companies to take a stance on significant societal matters (Bhagwat et al., 2020), companies may be associated to "woke washing" strategy (Mirzaei et al., 2022) (i.e., when the company communicates ethical values to improve the reputation without demonstrating a real commitment to the values that it conveys). This paper highlights the importance of companies' authenticity and influence in the marketplace when exerting their moral authority while doing CSA communications. The results indicate that CSA stimulates individuals to engage with the LGBTQIA+ cause through

perceptions of company's moral authority. For instance, in order for a company to be recognized as a moral authority and elicit consumer engagement with a social cause, it must be perceived as genuine in its alignment with a purpose (i.e., authentic) and possess the ability to effect social change (i.e., influential).

The theoretical contributions of this work are given by the expansion of theory in CSA and especially in moral authority. To date, very few studies have linked CSA to the cause (not the company) as an object of study. This work aims to address, in the first place, whether the company's positioning in controversial causes actually influences reflection and action on the cause. So far, no study has yet sought to understand how CSA impacts the engagement of individuals in a multidimensional way (i.e., affective, cognitive, and behavioral).

Also, this study proposes to expand the theory of moral authority in the field of business, more specifically in marketing arena. As far as we know, only Hoppner and Vadakepatt's (2019) conceptual work introduced the term in marketing literature. Thus, the present study also contributes to this theory in an empirical way, addressing different predictors of moral authority in the CSA context.

This paper also highlights managerial contributions. Companies aiming to incorporate controversial causes into their communication strategies must proactively assess their level of perceived power and authenticity on social networks. Specifically, the extent to which consumers perceive a company as influential and authentic significantly influences consumers' likelihood to engage with both the cause and the company itself (through online engagement). Thus, beyond signaling influence through number of followers, it is crucial for companies to authentically position themselves in relation to controversial causes, demonstrating wisdom and consistency with their internal values.

Future studies should use field studies with real companies and real behaviors to deepen the results discussed. As an alternative dependent variable, it would be interesting to consider the actual behavior of signing a petition or other contributions to the cause. Also, future research can consider different manipulations of influence. Researchers can explore different bases of power (legitimate, expert power, and/or the referent) (Gaski and Nevin, 1985) as ways to manipulate influence and its impact on moral authority and consumer engagement, attitudes, trust, satisfaction, or commitment. Also, replicating the results for other causes can reinforce the findings of this study in a way that contributes to the CSA literature and the mechanisms behind this phenomenon. By doing so, we can better understand corporate social advocacy's potential benefits and drawbacks and its broader implications for social change.

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