Corporate Sociopolitical Activism (CSA): Consumer Response to Contribution Type

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Ways through which hospitality companies have demonstrated their support for sociopolitical issues:

- McDonalds contributed $1 million dollars in support of Black Lives Matter.
- Marriott donated $100,000 to help LGBTQ+ immigrants escape sexual persecution.

Corporate sociopolitical activism (CSA) refers to the public demonstration of a company's stance on controversial issues (eg., reproductive rights, LGBTQ+ rights, gun control) that are social and political in nature (Wettstein & Baur, 2016).

Benefits of CSA

Strengthened stakeholder relationships, increased customer loyalty and increased revenue
Corporate sociopolitical activism

Negative impact of CSA
   CSA can backfire and lead to boycotts, reduced revenue and loss of customers.

Between monetary and in-kind contributions, which one is the best when contributing to controversial issues?
Research design

• 2 scenarios about monetary and in-kind contributions to controversial issues

• In total 232 participants were recruited online; participants were randomly assigned to either the scenario about monetary or in-kind contribution.
Findings and Implications

• In-kind compared to monetary contributions were perceived as having a higher impact.

• Companies that contribute in-kind were perceived as more sincere.

• In-kind donations were led to more favorable consumer response.

Implications

• Companies should contribute in-kind when possible.

• Companies can complement their monetary donations with in-kind contributions in order to elicit favorable consumer response.

• Companies should also ensure that they are sincere in their support of controversial issues.
COMMENTS OR SUGGESTIONS?

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Thank you