

**THE
CORPORATE
SOCIAL
MIND**

ANNUAL REVIEW | DECEMBER 2021
CONSUMER EXPECTATIONS OF COMPANIES TO ADDRESS SOCIAL ISSUES

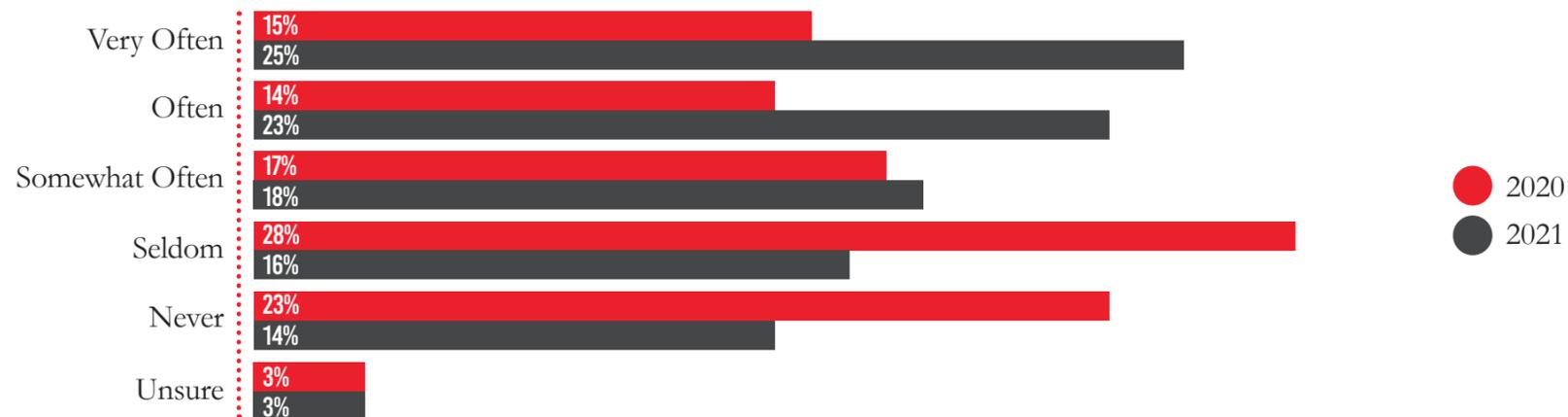
INTRODUCTION

Two months after the UN Climate Change Conference (COP26), researchers for this study uncovered a startling detail: The American public's approval of companies working with political leaders to change environment/climate change policies has dropped 14% from last year, down to less than a quarter of adults today.

Why the change? The COVID-19 pandemic accelerated the public's view that companies have a role in protecting the world and its citizens. Now that we are past the time when we expected COVID to be over and 2020's protests related to ending racial discrimination have declined, people are having to find ways to get back to daily living -- and address all the old and new concerns that come with it.

Concurrently, however, Americans report spending more time learning about social issues and what companies are doing in relation to them. Many are also taking time to educate themselves more deeply about the social issues they are interested in.

HOW OFTEN DO YOU VISIT A COMPANY'S WEBSITE OR USE AN ONLINE SEARCH ENGINE TO LEARN ABOUT A COMPANY'S SUPPORT OF A SOCIAL ISSUE?



Since we began studying how Americans view a company's role in social issues, we have discovered that when the world is in crisis or a social issue moment, public expectations of companies increases and intensifies. When the crisis or moment dissipates or becomes normalized, so too do those expectations.

We reported as such in 2020: In June, less than a month after protests of George Floyd's murder began sweeping the nation, a third of respondents had acted in support of racial equity because a company asked them to; another third had taken a COVID-related action for the same reason. By year-end 2021, when discussions about racial equity and COVID have become part of daily life, each of those figures dropped to 11%.

This study reflects a more subdued attitude toward corporate social issue engagement and a wider distribution of actions taken by consumers in response to corporate influence. However, it does not suggest companies should back off their social issue efforts. Rather, it reflects the normalization of those issues in the public's daily lives and the spread of their expectations across more issues in the absence of a crisis.

PURPOSE

This study is an annual review of the public's expectations of business as social moments and movements occur and mature. The ongoing examination arose from the book [The Corporate Social Mind: How Companies Lead Social Change From the Inside Out](#) by Derrick Feldmann and Michael Alberg-Seberich, which defines the social mindset needed by today's companies in the face of these expectations – and how to weave this mindset throughout the company.

METHODOLOGY

A quantitative approach was taken with an online survey fielded November 27-29, 2021, to collect data about attitudes and activities in the United States related to corporate involvement in social issues. The survey had 1,000 respondents from a nationally representative sample (Census projected), producing a 95% confidence interval with a +/- 3% margin of error. Note that categories may not total 100% due to non-answers, multiple-choice questions and rounding.

DEFINITIONS

Social Mindset: A perspective that approaches decisions and actions with their impact on society in mind (e.g., police reform, hunger, discrimination, immigration).

Corporate Social Mind: Companies must develop eight traits to have a corporate social mindset: 1) Decide with society in mind, 2) live the company's values, 3) use resources for society's benefit, 4) listen before acting, 5) have a social voice, 6) lead social collectives, 7) measure social impact and 8) innovate for social good. (Source: [The Corporate Social Mind: How Companies Lead Social Change From the Inside Out](#))

RESEARCH TEAM

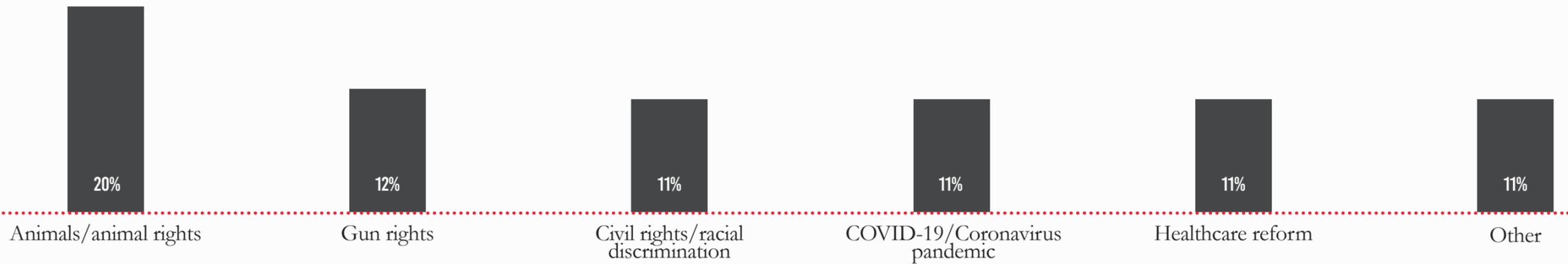
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PUBLIC ACTIONS FROM CORPORATE INFLUENCE

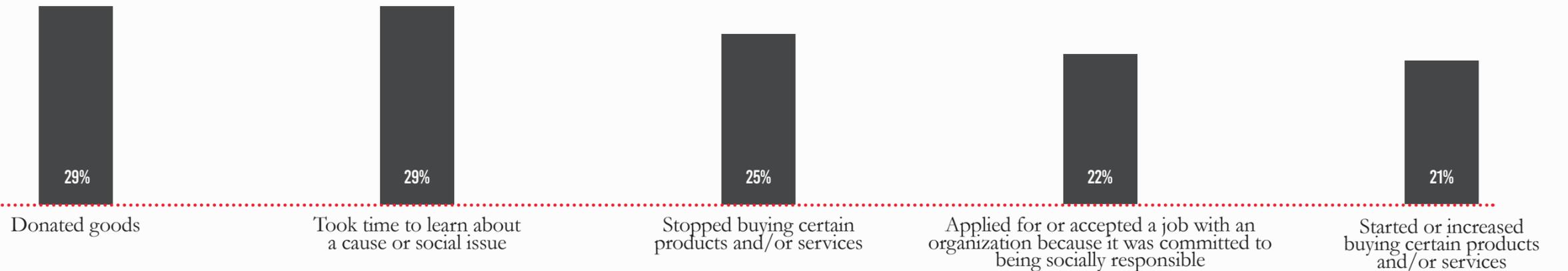
Businesses generally influenced consumers to support a broader range of social issues in 2021 with a wider range of actions. While last year actions were concentrated around the issues of COVID-19 and civil rights/ racial discrimination (one-third of respondents for each), this year's actions reflected a significant drop for those two social issues, replaced with a wider and more even distribution of social issues garnering action.

TOP 5 SOCIAL ISSUES ADULTS ACTED TO SUPPORT BECAUSE A COMPANY ASKED THEM TO:



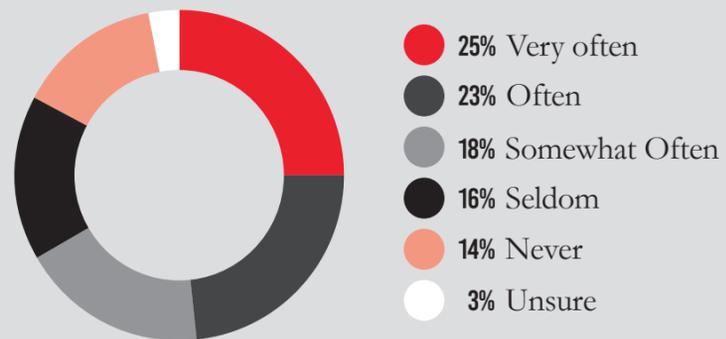
Where last year more respondents gave online and posted on social media as a result of corporate nudges and influence, the top actions American adults took in 2021 because of corporate requests were, in equal measure, donating physical goods and taking time to learn about an issue. Close on the heels of those actions was their intentional decrease in the way they purchased products and services.

TOP 5 ACTIONS ADULTS TOOK IN THE LAST MONTH BECAUSE A COMPANY ASKED THEM TO:



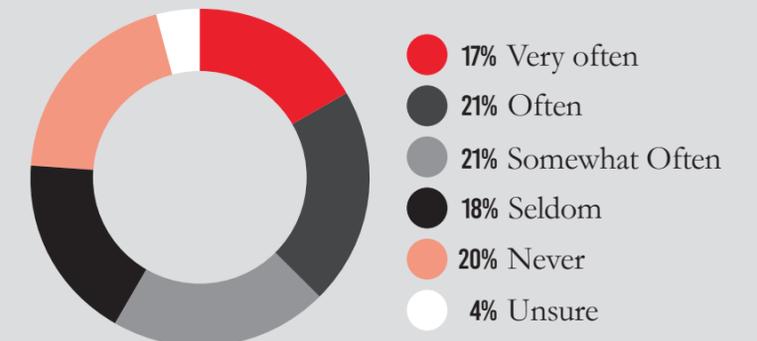
HOW OFTEN DO YOU VISIT A WEBSITE/SEARCH ENGINE TO LEARN ABOUT A COMPANY'S SUPPORT OF A SOCIAL ISSUE?

A much greater percentage of 2021 respondents (66%) visited corporate websites or used a search engine to learn how a company has addressed social issues very often, often or somewhat often than in 2020. Last year, less than half (46%) said the same.



HOW OFTEN DO YOU VISIT A WEBSITE/SEARCH ENGINE TO LEARN ABOUT A COMPANY'S SUPPORT OF RACIAL EQUITY/SOCIAL JUSTICE/ANTI-DISCRIMINATION?

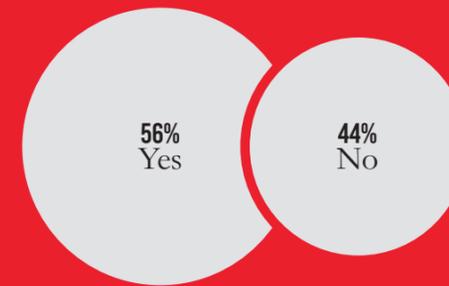
The issue of racial equity, social justice and/or anti-discrimination as the driver of these website visits saw a similar jump. Last year, a quarter to a third of adults visited a company's website to learn its stance on this issue; in 2021, more than half did so for the same purpose.



CORPORATE ACTIONS ON SOCIAL ISSUES

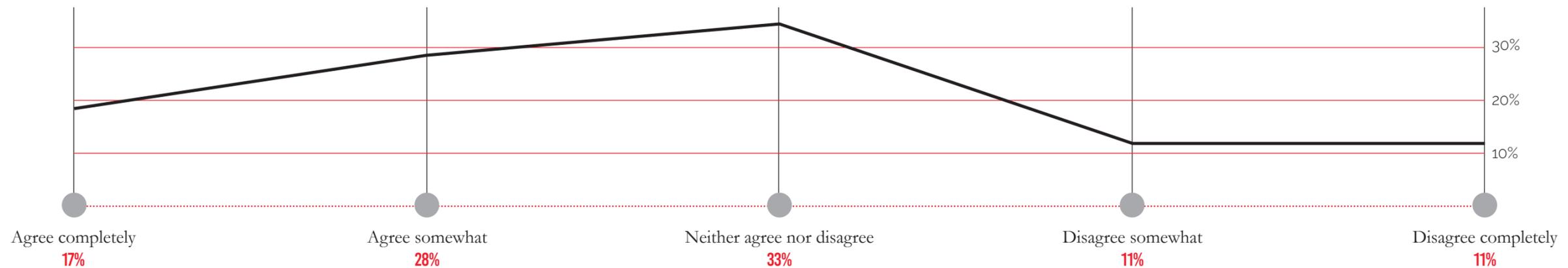
In addition to influencing Americans to act, respondents generally think companies themselves should get involved in social issues.

DO YOU THINK A COMPANY SHOULD GET INVOLVED IN SOCIAL ISSUES?



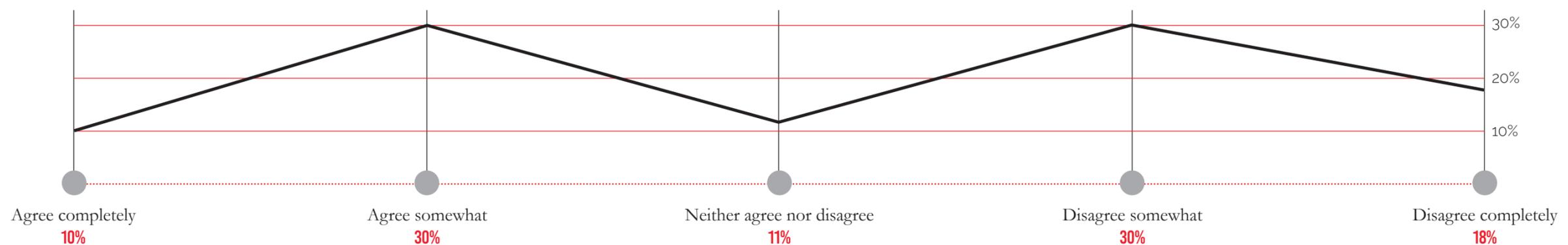
However, when asked specifically about the places where they shop, slightly less than half said those companies should get involved in social issues; just under a quarter said those businesses probably or definitely should not.

AGREE OR DISAGREE: COMPANIES FROM WHICH I BUY PRODUCTS/GOODS/SERVICES SHOULD GET INVOLVED IN SOCIAL ISSUES.



Respondents were more evenly split about whether these same companies **should take a public stance** on social issues; 48% agreed, 40% did not.

AGREE OR DISAGREE: COMPANIES I PURCHASE FROM SHOULD TAKE A PUBLIC STAND ON SOCIAL ISSUES.

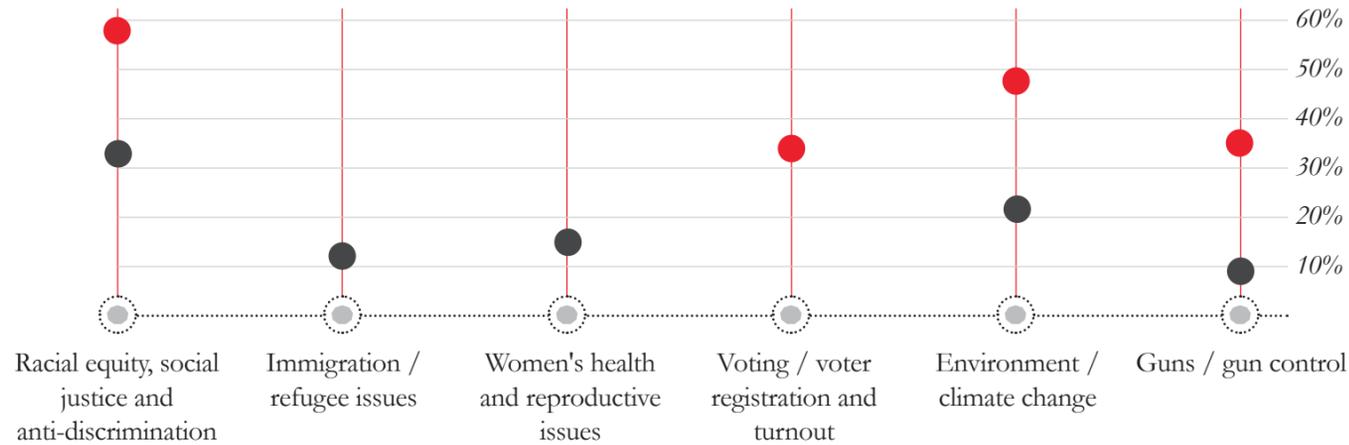


Respondents were asked whether businesses they patronize should take specific actions to show their support for certain social issues (see next page) that create the most social and political discourse. In their responses, two causes dominated the expectations for action: (1) racial equity, social justice/anti-discrimination and (2) environment/climate change. However, support for a company promoting a social issue through advertising, events or public programs declined substantially from last year: 13% for racial equity, social justice/anti-discrimination and 16% for climate change, along with an 18% drop (from over a quarter of respondents to just 10%) for promoting guns/gun control.

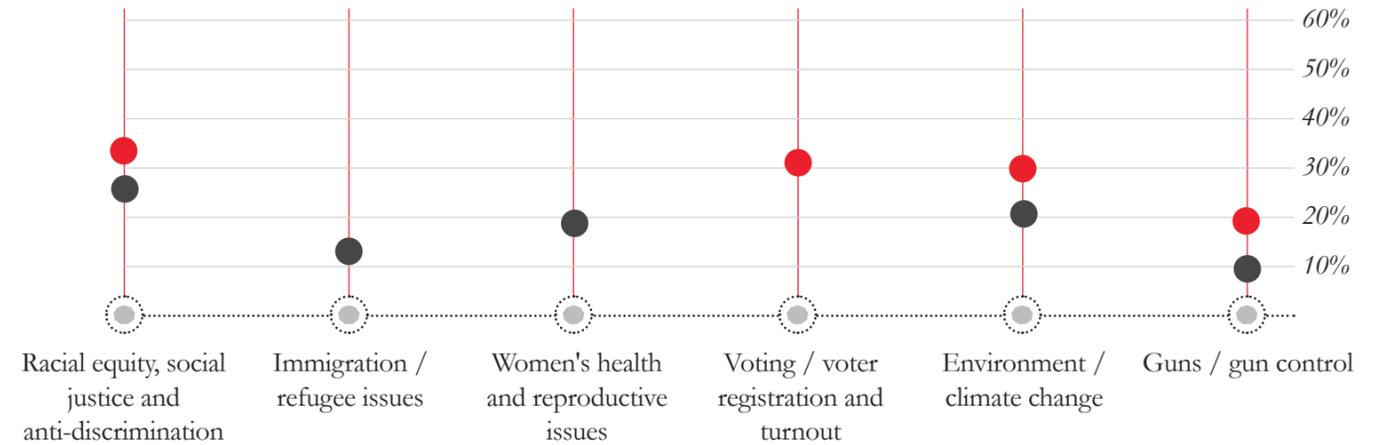
WHEN A COMPANY CREATES A NEW PRODUCT, GOOD OR SERVICE DO YOU EXPECT THAT COMPANY TO PERFORM THE FOLLOWING?

● 2020 ● 2021

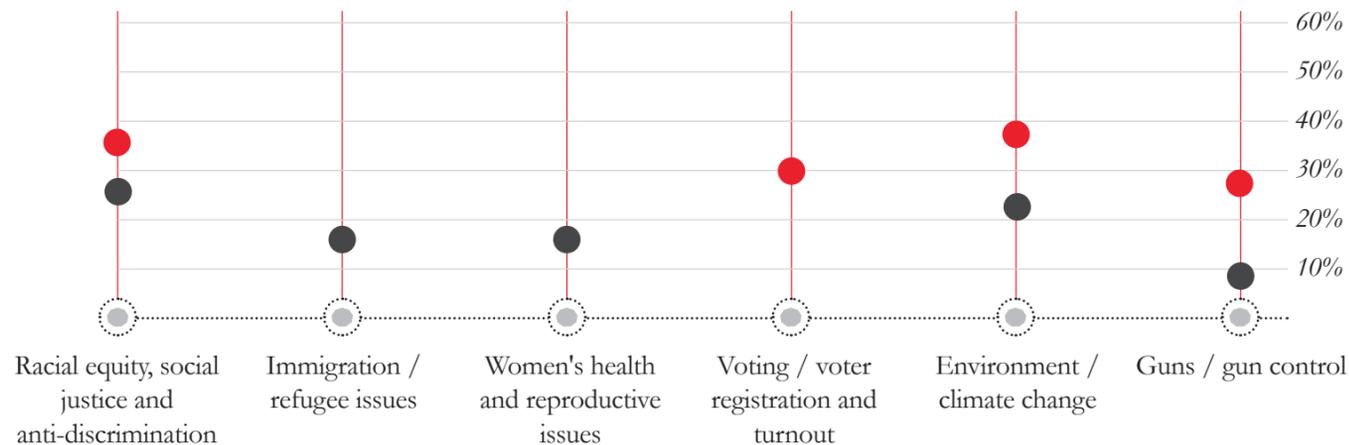
SHARE A POSITION OR OPINION ABOUT THE ISSUE



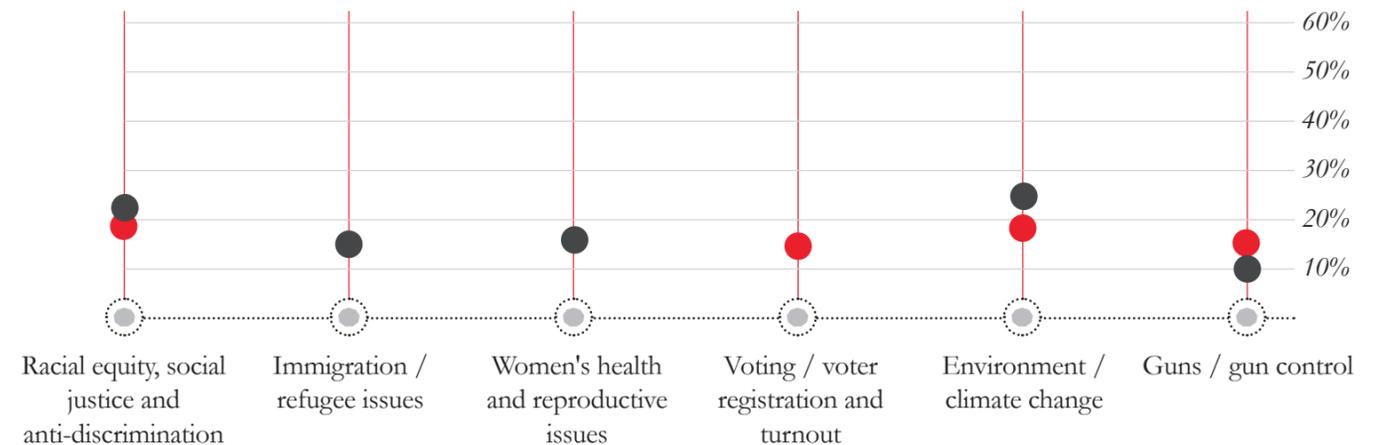
INVOLVE EMPLOYEES IN SUPPORTING THE ISSUE



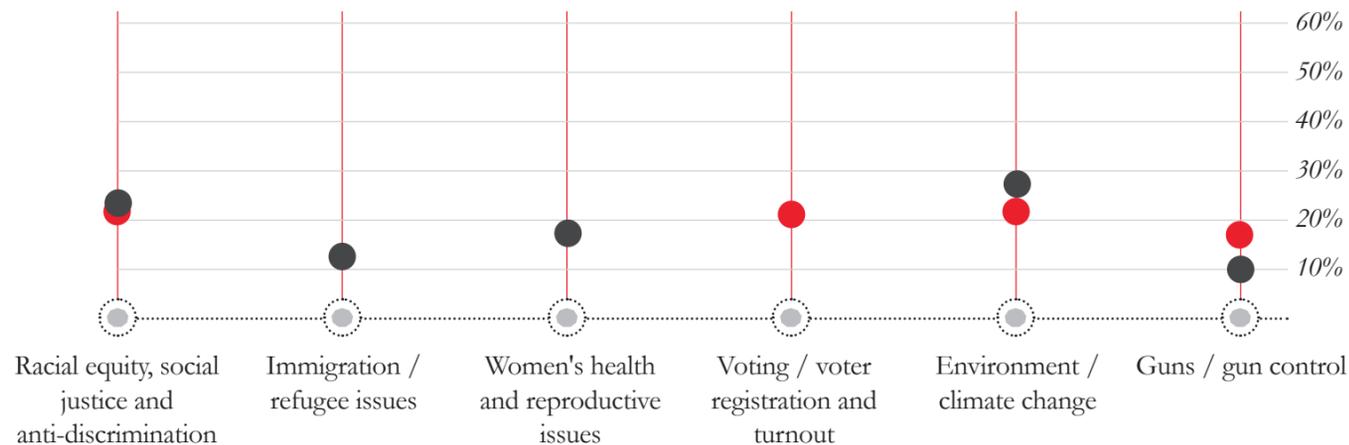
WORK WITH POLITICAL LEADERS TO CHANGE POLICY ON THE ISSUE



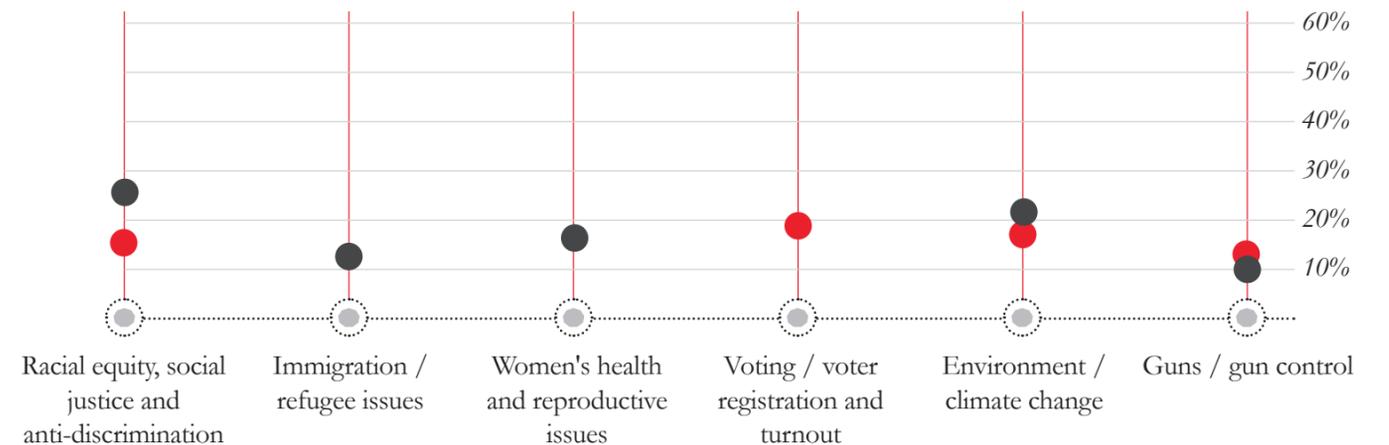
ASK CONSUMERS TO FINANCIALLY SUPPORT THE ISSUE



ASK YOU TO VOLUNTEER TIME TO SUPPORT THE ISSUE



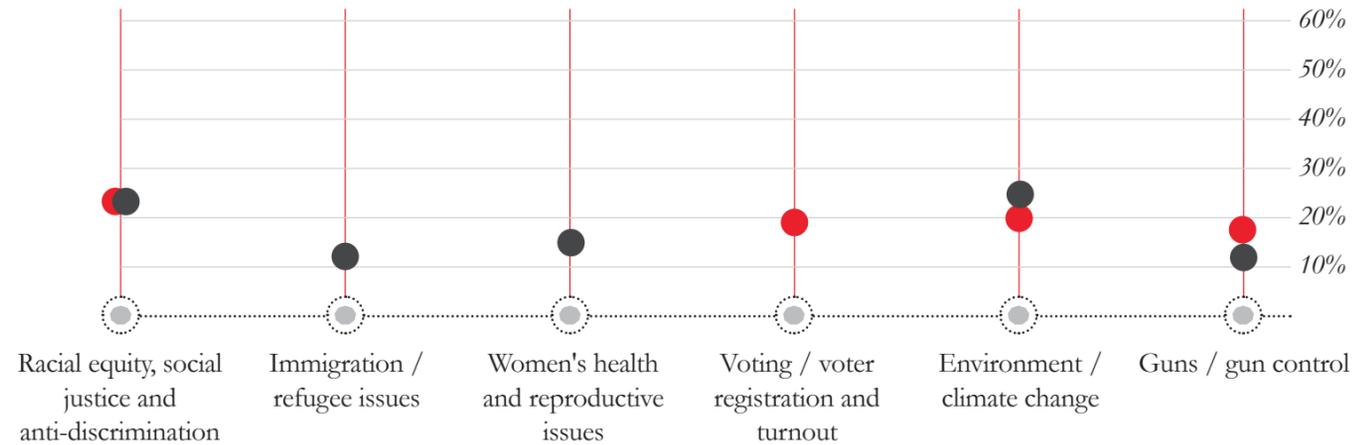
ASK YOU TO PARTICIPATE IN A MARCH, RALLY OR PROTEST FOR THE



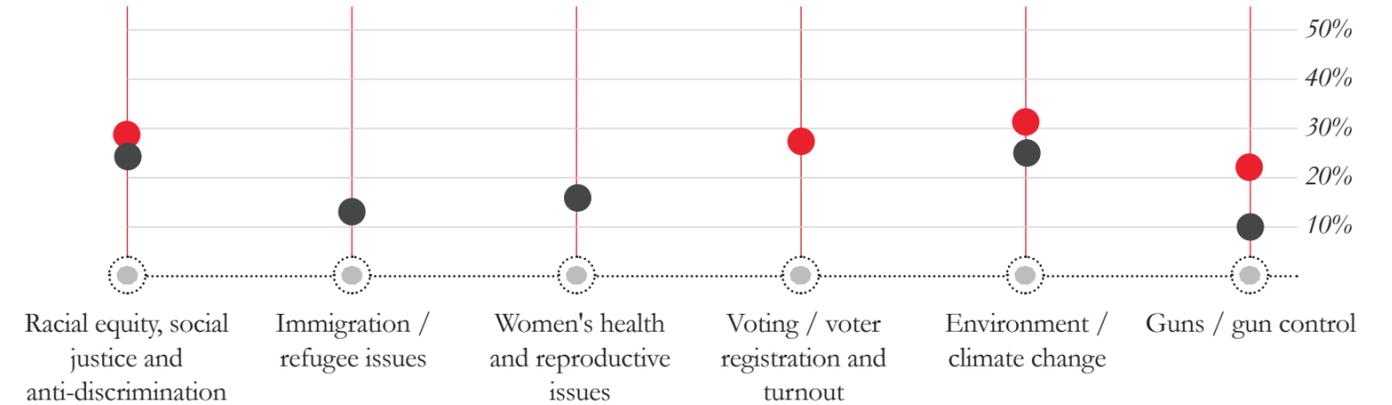
WHEN A COMPANY CREATES A NEW PRODUCT, GOOD OR SERVICE DO YOU EXPECT THAT COMPANY TO PERFORM THE FOLLOWING? (CONT'D)

● 2020 ● 2021

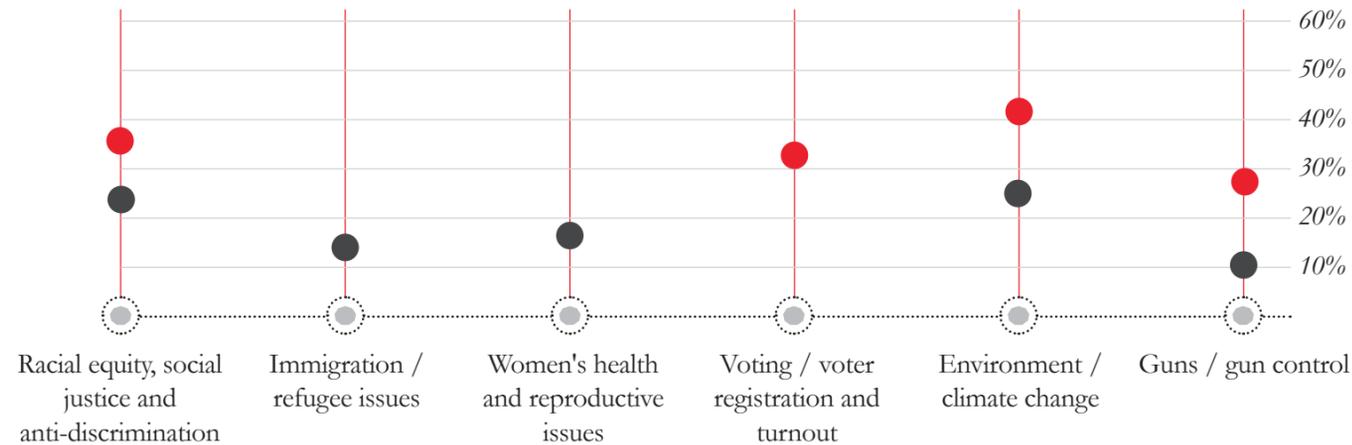
ASK YOU TO SIGN A PETITION ABOUT THE ISSUE



DISPLAY MATERIALS, SIGNS OR OTHER EDUCATIONAL CONTENT ON THE ISSUE IN STORES OR PLACES WHERE YOU PURCHASE THEIR PRODUCTS, GOODS AND SERVICES

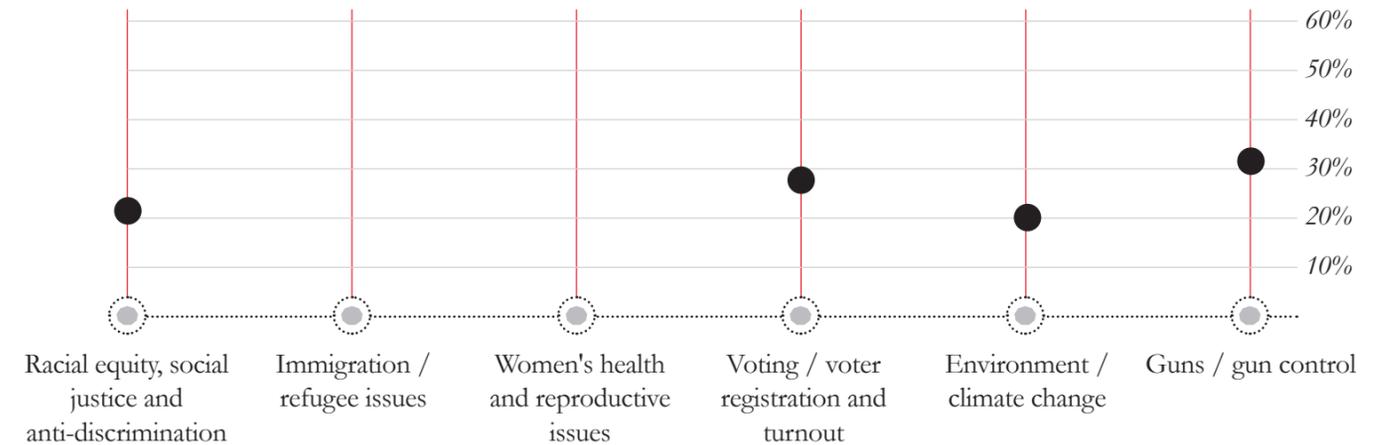


PROMOTE THE ISSUE THROUGH ADVERTISEMENTS, EVENTS OR PUBLIC PROGRAMS



I DO NOT THINK A COMPANY SHOULD PUBLICLY VOICE AN OPINION OR TAKE ACTION FOR THE ISSUE

**Responses were not divided annually for this question*



This survey was fielded less than two months after the United Nations Climate Change Conference (COP26), an event covered heavily by media worldwide.¹ Thus, it's worth noting that approval of companies working with political leaders to change policies on the environment/climate change dropped from 37% last year to 23% in 2021.

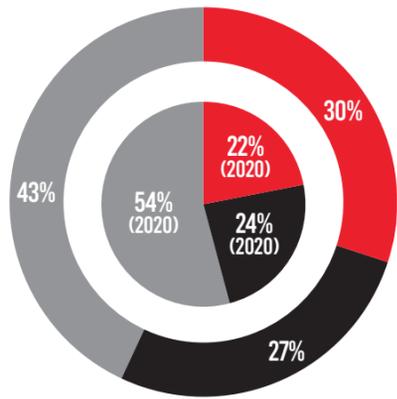
On the whole, American adults have moved toward expecting companies to meet directly with people potentially affected by a new product, good or service they create. This increase from 2020 mirrors this year's decrease in the percentage of Americans who say they "don't expect anything as a customer."

1. <https://theconversation.com/why-climate-change-must-stay-on-the-news-agenda-beyond-global-summits-171845>

INTENT VS. ACTION

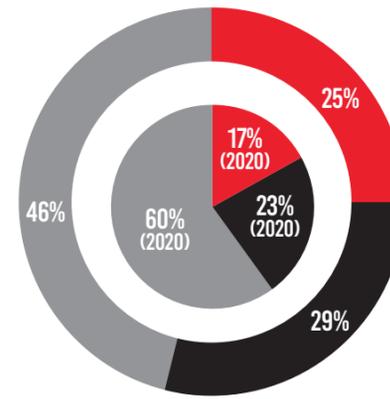
American adults appear to be more willing this year to spend a little more on purchases when companies provide social-issue-related information.

YOU WANT TO PURCHASE A SOFT DRINK. AT THE STORE, YOU FIND THREE DIFFERENT BRANDS OF YOUR FAVORITE SOFT DRINK. WHICH ONE DO YOU CHOOSE?



- Soft Drink Brand 1: Price \$3**
Label provides % employees from diverse populations, % women in management, NGOs/nonprofits the company supports.
- Soft Drink Brand 2: Price \$2.50**
Label provides NGOs/nonprofits the company supports.
- Soft Drink Brand 3: Price \$2.25**
Label provides nothing but nutritional information.

YOU WANT TO PURCHASE A NEW SWEATER. AT THE STORE, YOU FIND THREE BRANDS OF THE SAME SWEATER YOU WANT TO BUY. WHICH DO YOU CHOOSE?

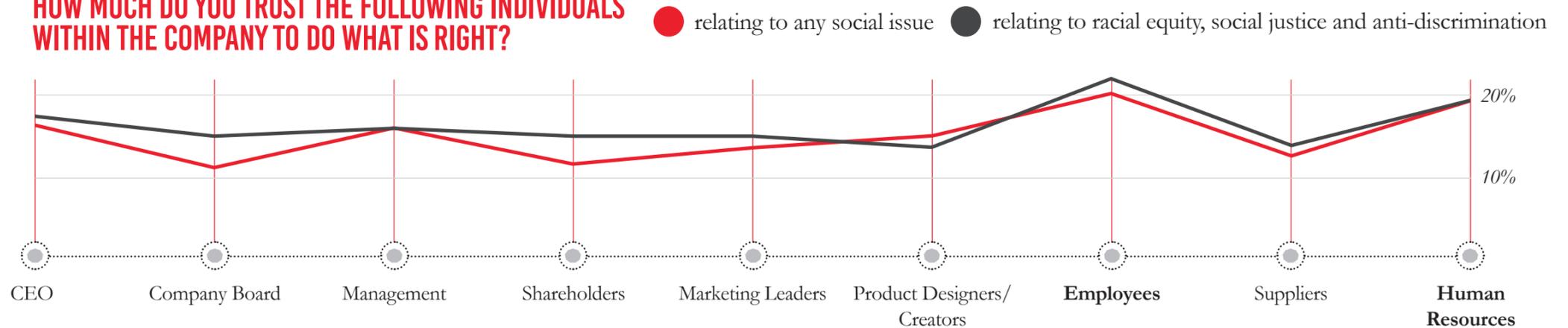


- Sweater Brand 1: Price \$50**
Label provides % employees from diverse populations, % women in management, NGOs/nonprofits the company supports.
- Sweater Brand 2: Price \$42.50**
Label provides NGOs/nonprofits the company supports.
- Sweater Brand 3: Price \$35**
Label provides nothing but price and care for the garment.

TRUST IN ADDRESSING SOCIAL ISSUES

As in 2020, Americans still trust a company's employees and human resources department more than its leaders when it comes to social issues in general and racial equity, social justice and anti-discrimination in particular. The figures (right) represent respondents who said they trust these individuals "a lot."

HOW MUCH DO YOU TRUST THE FOLLOWING INDIVIDUALS WITHIN THE COMPANY TO DO WHAT IS RIGHT?



CONCLUSION

This research reveals that as the pandemic is becoming part of daily existence, the public's thoughts about if and how companies should be involved in such social issues are changing, too. The crises that thrust certain issues into our priorities last year are being replaced by the issues that affect us and those we love every day.

The big caveat is that although the public's expectations for how companies should address social issues are shifting their focus, Americans still do expect companies to be involved. Moreover, when the next crisis hits, the seemingly waning voices of today will quickly swell again demanding to know what companies are doing to help.

That's why companies must not regress to their pre-pandemic levels of social issue involvement. Now is the time to hone in on the causes and issues that make the most strategic sense for a company to support, make it the focus of a long-term strategy that carries on regardless of the public's expectations, and ensure such support permeates the business -- creating a truly sustainable social mindset.