

What should be considered when companies weigh in on controversial social issues? Takeaways from companies' reactions to Roe v. Wade reversal

Introduction

Corporate social advocacy has generated more attention in recent years as consumers look to companies to take a stand on often controversial socio-political issues that matter to them. Although social issues have brought a lot of attention and discussion over the past few years (Institute for Public Relations, 2021), given the complex nature of controversial socio-political issues, it is hard for companies to make the decision regarding if, when, and how to speak up.

Since the draft of the U.S. Supreme Court opinion on Roe v. Wade leaked in May 2022, some organizations have been proactively publishing statements and policies about employee healthcare benefits. When overturning the decision was officially confirmed on June 24, 2022, it raised a series of ongoing protests supporting women's abortion rights and counter-protests against abortion rights. The furious discussion has put every company that does business in the U.S. in a tricky situation: how to strategically respond to this issue without offending their stakeholders who may hold either side's viewpoint. In order to provide a contextual analysis of corporate social advocacy and the public's reactions on social media, this study used the overruling of Roe v. Wade's abortion protection as the context. It investigated how companies have responded to this socio-political issue since the leak and the decision was made, and reviewed discussions about it on Twitter. By analyzing the case of companies' and the public's reactions to the Roe v. Wade reversal, this report aims to provide practical

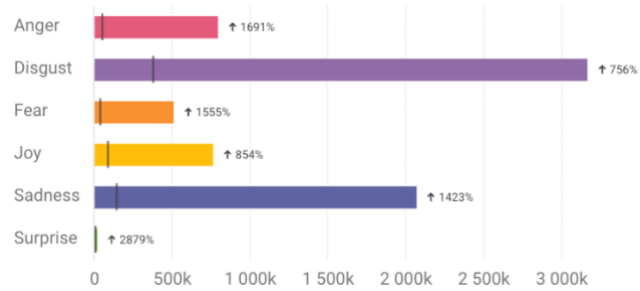
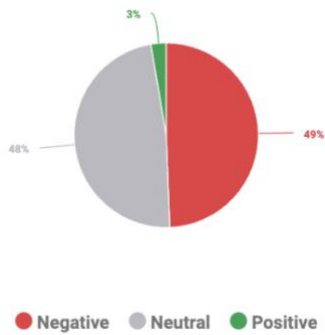
takeaways regarding what should be considered when companies deal with the complex nature of weighing in on controversial socio-political issues.

Method

With the support of Cision's Insights team and Brandwatch software, this study first collected mentions related to the overturning of Roe v. Wade on Twitter within the date range from April 28 to July 8 with 25% sampling; only content written in English was collected. The query used in Brandwatch to collect tweets included multiple keywords (e.g., Roe v. Wade, abortion, overturn, rights, and healthcare) to ensure the collected data were inclusive enough to cover all related topics in the context of Roe v. Wade.

Findings and Discussion

There was a total of 12.88 million mentions collected by Brandwatch. The volume of discussion increased tremendously compared to the previous two months (February 28 – April 28) which had about one million mentions. Out of the huge number of mentions, 49% of them were identified as negative sentiment, 48% of them were neutral sentiment, and 3% of them were positive sentiment. Also, "disgust" and "sadness" were two types of emotions with the most mentions. It needs to be noted that the sentiment and emotions breakdown is based on auto-scoring provided by Brandwatch instead of human coding.



With such a heated and divided debate on women’s reproductive rights, how did companies respond to this issue on Twitter? Did they release a public statement? To narrow down the target companies, this study first looked at the Top 10 World’s Most Admired Companies ranked by Fortune in 2022: Apple, Amazon, Microsoft, Pfizer, Walt Disney, Berkshire Hathaway, Alphabet, Starbucks, Netflix, and JPMorgan Chase (Fortune, 2022). Surprisingly, excluding three companies that either don’t have an official Twitter account (i.e., Berkshire Hathaway and Alphabet) or don’t have any tweets on their account (i.e., Apple), the remaining seven companies that have an official and active Twitter account didn’t post anything related to this issue. However, according to two reports published by The New York Times and Ragan, eight out of the Top 10 Most Admired Companies had a media release or an employee memo that offered employee healthcare benefits, such as covering reproductive-related travel expenses (Goldberg, 2022; Joffe, 2022). In other words, although these companies published policies internally to provide employee benefits on reproductive rights, none of them publicized their policies externally.

How did the public respond to these most admired companies when they took action to support employees but stayed silent on Twitter? Generally speaking, public discussion about these companies in the context of the Roe v. Wade reversal still tends

to be negative on Twitter, but the sentiment around each company varies. Mentions related to Microsoft and Netflix have a lower percentage of negative sentiment, while Pfizer and JPMorgan Chase have a higher percentage of negative sentiment. The negative mentions can be categorized into several reasons: 1) condemning companies donating money to anti-abortion political groups, which is inconsistent with company's commitment to provide employees with reproductive related healthcare; 2) disliking companies providing healthcare benefits for employees who seek an abortion and questioning companies that don't have a genuine motive to do so; 3) boycotting the companies by not purchasing their products or services. Although companies didn't publish public statements on Twitter about their decisions to provide employee reproductive-related benefits in response to the Roe v. Wade reversal, they weren't spared public discussion on social media. About 0.5% of the overall Roe v. Wade conversation (i.e., 63 thousand tweets) mentioned one of these companies.

Then, the next question emerges: was there a company that spoke out publicly on Twitter, and how did Twitter users respond to it? After a near-exhaustive review, there were only a handful of companies that issued a public statement on Twitter. Twilio, a tech company that provides programmable communication tools, tweeted on June 24 in response to the SCOTUS ruling. In the tweet, they made the statement that "a person's right to make decisions about their own productive health is fundamental" followed by the pledge to "cover the financial costs for employees who need to travel for critical reproductive care as a result of this ruling" as well as to "make a \$100,000 donation to the Center for Reproductive Rights." Similarly, Lime, a bike and scooter rental company, tweeted about their medical plans that cover abortion. They made a

clear stance by stating, “Abortion is health care, and health care is a fundamental human right”.

Another example is DICK’S Sporting Goods. They tweeted a message from their CEOs, Edward Stack and Lauren Hobart, which says, “If the state you live in restricts access to abortion, DICK’S Sporting Goods will provide up to \$4,000 in travel expense reimbursement.” However, DICK’S didn’t make a clear stance on this controversial issue, but acknowledged viewpoints from both sides by stating, “There are teammates and athletes who will not agree with this decision... we are making this decision so our teammates can access the same health care options, regardless of where they live, and choose what is best for them.” There were some companies that didn’t directly respond to this issue but had their CEO speak up and take a stance. For example, the CEOs of Yelp, HP, and Box tweeted and expressed their disappointment in the reversal decision and their commitment to supporting their employees’ reproductive rights. The public’s response to these tweets were very divided. But there was a consistent trend showing that consumers underline their positive or negative attitudes by either supporting or boycotting a company’s products or services.

This study assessed public sentiment toward these companies (i.e., DICK’S, Yelp, HP, Box, Lime, and Twilio) that released a public statement on Twitter and found that about 39% of the mentions showed negative sentiment. This is lower than the 49% negative sentiment the public expressed toward those top companies that remained silent on Twitter. It is interesting to find that DICK’S received the lowest percentage of negative sentiment (1%) out of the six companies discussed above. A possible reason is that DICK’S is the only company that acknowledged viewpoints from both sides when

they released their public statement, instead of simply taking a stance or expressing disappointment on the reversal decision. Overall, the public tend to show less negative sentiment toward companies that issued a public statement compared to their attitude toward the top companies that didn't speak up.

Takeaways

More and more, controversial social issues are on the table that companies, as socially responsible citizens in the society, cannot avoid. Many industry reports and academic research studies have shown that the public and their employees expect companies to take a stance on social-political issues. However, each company is different with its own purpose, and each social issue is unique and needs to be considered differently. Although it's impossible to develop a rule-of-thumb guideline that can be applied to all companies in any context, there are takeaways that companies could consider in their decision-making process regarding if they should speak out on a social issue and how to communicate the initiatives in a more strategic manner.

- Evaluate if speaking out on an issue aligns with corporate purpose. Corporate purpose is the overarching guideline that directs every business strategy. It's unrealistic for companies to speak up on every social issue. This is when corporate purpose should come in handy to direct a company's social advocacy decision. It is also a case-by-case approach that requires companies to evaluate the specific issue and assess its alignment with corporate purpose before taking, or not taking, a stance on it. It is important to consider if the social issue reflects the interests of your stakeholders, and to what extent the issue is related to your product or service. If the issue aligns with your core purpose, it makes more sense to weigh in.

- Talk the talk and walk the walk. Simply making a statement is not enough for a company to be perceived as authentic. Stakeholders nowadays expect companies to take real action. If taking a stance aligns well with the corporate purpose and character, the next criterion is to evaluate if the company has enough resources to take appropriate actions and to make social impacts.
- Survey stakeholders' sentiments and reactions to the issue before determining a response plan. Social listening plays a critical role in helping companies assess the sentiment of their stakeholders, including employees, consumers, and the public. By listening to, understanding, and recognizing stakeholders' viewpoints, key concerns, and reactions, companies can create their response strategies to better acknowledge, respond to, and address the public's concerns. Although it is impossible to make everyone happy when dealing with controversial social issues, listening to and assessing stakeholders' sentiments is significant for companies to make decisions on whether or not to speak up on the issue and how to strategically communicate their stand with the public.
- Be consistent and authentic across all business decisions. Every message a company publishes and every action it makes are interrelated and influence the overall brand reputation. People have memory. Inconsistent behaviors across different social issues may cause people to criticize the company's genuineness and cause more backlash from consumers than staying silent. Being authentic and consistent in every business decision can reduce unnecessary misunderstandings, confusion, and suspicions from consumers and employees.

- Strategically communicate with your stakeholders. Each social issue is unique and needs to be evaluated differently. It's easier for companies to speak out on issues like the Russia-Ukraine war because being anti-war is a universal value, and it's less likely to get backlash from the public. But some issues are more controversial and divisive, like Roe v. Wade, and taking a stance on these issues may alienate a large group of your stakeholders. Although there is still an ongoing discussion regarding whether or not companies should weigh in on socio-political issues, multiple reports and studies have shown positive outcomes for companies that speak out on social issues. In this case, strategic communication plays a vital role in maximizing the benefits when weighing in on controversial social issues. For example, when dealing with the divisive Roe v. Wade issue, instead of simply taking a definitive stance, companies can acknowledge the complexity of the issue and the viewpoints from both sides. When the world is filled with increasing conflicts, disagreements, and controversies, companies should apply strategic communication to facilitate harmony, instead of further dividing the community.

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