CIVIC LEADERSHIP OF BRANDS

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As the role of brands within society is shifting, this paper examined the social and economic implications of civic leadership by brands. Civic leadership is defined as cross sectoral action, which is not mainly aimed at profit and detached from authority. A theoretical framework to divide the communication of civic leadership into different segments was established and put into practical context through case studies.

The main finding was, that civic leadership actions and their perception are greatly dependent on sociocultural context. Factors influencing the perception identified in this paper are the prior attitude towards the brand, the authenticity of the civic leadership action, a coherent message creation and a connection of the cause to the brand. Furthermore, a distinction of three different types of civic leadership, depending on the nature of the action was developed. As well as internal and external drivers behind the action identified. Therefore this paper serves to define the concept of civic leadership of brands and their effects the brand’s position within society.

“TELLING THE WORLD WHAT YOU THINK IS NOT OK. IT’S OFTEN THE BEST WAY OF DEFINING WHO AND WHAT YOU ARE.”
Betmead
Michael Friedman’s well-known answer in considering the social responsibility of a business was that “a corporation’s responsibility is to make as much money for the stockholders as possible. In [a free economy] there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game.” (Friedman, 2002; p.133). This rationale situates businesses in a rather safe realm of economics, leaving societal problems to the government, religious communities and NGOs. In contrast, recent years show not only an increase in customers rallying for civic leadership of brands, but also an increased amount of brands stepping in where governments fail. The French l’institut CSA recently published a study showing that 60% of French people think that companies today have a more important role than governments in creating a better future (Nebia, 2018). Likewise, some journalists argue that brands’ civic and political engagement is part of a trend to use morality as a marketing technique (Erskine, 2018). Nevertheless, the people of France and trend forecasting agencies such as The Future Laboratory and LSN Global envision a new place for brands within society (Szymanska, 2018).

For instance, Douglas Holt proclaims the time of “Iconic Brands,” which achieve exceptional identity value by approaching the problems and dreams of society (Holt, 2014). For Holt, brands competing on a cultural level are becoming historical actors within society and “just like a successful political leader or social activist, iconic brands compel audiences to enter their worldview” (Holt, 2014; p 65). In addition, Porter and Kramer analysed the ultimate codependence of business and society, coming to the conclusion that businesses should strive for “creating economic value by creating societal value” (Porter and Kramer, 2007; p) They advertise making social impact part of the business strategy, and brands seems to follow to their call.

While SpaceX is set to accomplish the space venture, ultimately enabling the colonization of Mars, Patagonia is suing president Trump. Other examples range from Smirnoff promoting the inclusivity of the LGBT community, to Porn Hub funding breast cancer research, to Whirlpool minimizing drop-out rates of high school students. The role of brands within society is shifting as they set out to make the human race multiplanetary, sue the government based on their values and fight social problems.

Brands are no longer competing only in an economic market space but also for societal and cultural relevance. To gain a deeper understanding of how brands accumulate societal and cultural relevance, the field of civic leadership of brands has to be defined. Furthermore, implications that actions of civic leadership could have on a brand image are investigated to gain a holistic view on civic leadership of brands and the possible effects of the actions on the relationship between the brand and society.
**RESEARCH QUESTIONS**

What are the social and economic implications of civic leadership?

- How is civic leadership defined?
- What are the drivers of civic leadership for brands?
- What are different types of civic leadership?
- How is civic leadership of brands within contemporary society perceived?

**METHODOLOGY**

The purpose of this paper is to study how brands act as civic leaders and what implications this has on a brand’s relationship to society. In order to research this phenomenon the paper will focus on qualitative research methods.

A literature review is conducted to connect the research to relevant theoretical frameworks and place the thesis into the context of other sociological research. First, a definition of civic leadership in the context of brands is explored. On this basis, theoretical frameworks are developed to guide the research on the basis of case studies. Explanatory case studies will allow a comparison of the extent to which different brands engage in civic leadership, offering deeper insights into the classifications of civic leadership within brands. For the case studies, different brands and their civic engagement were examined and analysed, using observations, interviews, documents and reports. Through online research this study explores how civic leadership by brands is perceived by consumers and provides deeper insights into its influence on the brand image. The goal of the netnographic research is to identify how civic leadership by brands is perceived.

As online media offers raw and timely data generated by consumers, this research method provides unique customer insights. As relevant online communities, this thesis focuses on social media platforms, which have a wide scope and a possibility for direct reactions, such as Twitter, Facebook and Instagram. Twitter and Facebook in particular are platforms that include a diverse range of people who can comment on specific topics; therefore they are used to sample a heterogeneous group. Specific posts connected to the civic engagement of brands and the comments to these posts are analysed, as well as posts which are uploaded responding to the actions of civic leadership.

Rounding the research off, interviews with people from the industry were conducted, and panel discussions were attended; the resulting insights regarding the state of the industry in relationship to civic leadership helped to bring this dissertation closer to a practical context, making it relevant not only to academics, but also to industry professionals. This is specifically reflected in the discussion and managerial implications sections of the thesis.
THEORY
Although Couto (2010, p. 45) concluded in his research on civic leadership, that “due to the recent nature, wide scope, and various forms that civil society takes, there is no universal model for civic leadership.” This section will aim at defining civic leadership as it can be seen in the context of brands acting as civic leaders. A common definition offered by the Oxford dictionary is, “Civic leadership challenges the conceptual boundaries that we set for politics and leadership. It extends politics beyond the realm of government and leadership beyond positional authority” (Rhodes and Hart, 2014). Similarly, the Encyclopedia Britannica defines civic leadership as actions that can be “a broad set of practices and attitudes of involvement in social and political life that converge to increase the health of a democratic society” (Encyclopedia Britannica, 2018). In order to explore the phenomenon of civic leadership by brands, it is therefore important to dissect the different components: the connection between civil society, politics and economics, as well as the concept of leadership separated from authority. In the forthcoming section, the different elements of civic leadership are examined to allow for a comprehensive understanding of the concept of civic leadership by brands. Furthermore, a model to split the the brand consumer communication into different components is suggested, as it will offer a framework according to which the perception and authenticity of the civic engagement can be analysed.

PRIVATE SECTOR
In a broad definition the private sector is a term to describe economic actions undertaken by private owners (OECD, 2007). Whereas some scholars suggest an approach that includes all organisations that are not under governmental control (Galea and McKee, 2014), this thesis limits the definition to for-profit companies, as NGOs are seen as part of the third sector. The brands dissected in the case studies are mainly operating in the private sector.

THIRD SECTOR
Civil society is a term that is widely used in multiple different context, leading to an “omnibus” meaning, complicating a clear definition of the concept. Viterna et al suggest three distinct meanings for the term “a normative meaning (civil society as civilized), a functional meaning (civil society as democratizing), and a structural meaning (civil society as a third sector)” (Viterna, Clough and Clarke, 2015). In the normative meaning, civil society refers to a set of positive values, which are connected to the common good, such as solidarity, freedom and equality. The functional meaning of civil society refers to democracy protecting and nurturing functions of civil society, which can be seen in the limitation of power of the state and exposure of government corruption (Diamond, 2004). Lastly in the structural meaning, civil society is equivalent to the third sector, the place in which organized action to change the status takes place. This thesis will focus on civil society in the structural approach, referring to the third sector, as the third sector mostly is the place in which civic leadership takes place.

The third sector is a space that is independent from both market and political forces. (Figure 1). Whereas the premises that the third sector is not the government nor the market is generally agreed upon, the closer definition of the third sector faces a lot of controversy. Often revolving around the question: “how is it possible to explain the very existence and the role of non-profit organizations...?” (Defourny, 2013). Scholars mostly agree, that in this sector organized groups work to improve the life of society at a large. The closer characterization of these groups however is part of the controversy, some define the organizations based on tax reduction, due to their non-profit status (Defourny, 2013), whereas others see the underlying values of comradeship and democratic leadership as the main characteristic (Evers and Laville, 2015). In any case local differentiations have to be made considering the connection between the state and the third sector, which varies depending national context (Lyons, 2005).

Whereas the ideological connotation of the phrase, which evokes ideas such as freedom, self-determination, solidarity etc., leads different groups to claim the word to be their trademark (Salamon and Sokolowski, 2016), scholars mostly consent that the structural term, can’t be seen as a trademark for an ideological motivated group, but rather as a theoretical framework for a societal phenomenon. Similarly most definitions include individual people as well as institutions as actors in the third sector (Salamon and Sokolowski, 2016). Furthermore the lack of a static definition implies that the third sector is a dynamic space, overlapping with both the private and public sector and including multiple different actors. In a more goal-oriented definition offered by Couto, the third sector is defined “as the space within which people attempt to redress conditions, such as human needs and rights or environmental degradation, ignored or exacerbated by the ordinary practice of politics and economics” (Couto, 2014; p.350). In order to define brands acting as civic leaders, the definition offered by Couto will be sufficient, as it implies the need for action aimed at improving the status quo as entrance point to the third sector.
**PUBLIC SECTOR**

Another sector overlapping with the private sector is the public sector, as shown in Figure 1. The government is known to set market regulations. However, recent actions from brands show that they are increasingly involved in relevant political topics (Erskine, 2018). The demand from customers for brands to react to social and political issues urges marketers “to reframe the conversation about what it means to be relevant in the age of activism,” according to Andrew Varavella, Sprout Social’s Vice President of Strategy (Adams, 2018). In particular, the controversial regulations of the Trump administration have been a trigger for many brands to take a political position. Whereas Patagonia sued the President over the Bears Ears National Monument, Microsoft as well as multiple other tech giants joined the lawsuit against the new DACA (Deferred Action for Childhood Arrivals) regulations (Cbc.ca, 2018). Naming the issue his top priority, even before tax reformations, and releasing a statement that concluded that, if Dreamers working at Microsoft were to be reached by the government “it’s going to have to go through us to get that person” Brad Smith, president of Microsoft (Hern, 2018), led the company to openly opposing the government - a move that according to multiple ad agencies is the best option to positively influence customer relationships and become part of culture (Kemp, 2016).

**DRIVERS**

Civic leadership is different from political leadership, as it is a non-constituted leadership (Tucker, 1995). A non-constituted leadership mainly arises when the constituted leadership is unable to bring required change to society or solve some of the pressing societal issues. This is the foundation of most NGOs but also becomes the basis for the civic engagement of brands. Another driver for brands to become politically engaged is that the constituted leadership, in the opinion of the brand, is acting against the interest of the public. This can lead to counter-actions in which the brand functions as opposition to the government, aiming to restrict the power of the government over the civil sector. Additionally, a recent study by Sprout Social found that 66% of consumers think it is important for brands to take a stance on big political and societal issues (Adams, 2018). The findings of the survey indicated that while there is risk in engaging in societal and political issues, consumers, millennials in particular, expect brands to voice their opinions, and therefore staying silent may disappoint some consumers. In some cases, favorable reactions of consumers to civic leadership of brands also indicates that civic leadership actions can be beneficial for the brand image. In these cases civic leadership and the capitalist agenda of a brand are not necessarily diametrical opponents, but as Porter and Kramer (2007) propose, interrelated factors influencing the overall performance of a brand.

**CROSS SECTORAL**

Looking into the historical development of civic leadership gives further indications as to how civic leadership started as a cross sectoral discipline. Most scholars refer to town fathers as the first civic leaders. As Easterling and Millesen (2012, p. 20) remark, most early towns were built according to the ideals of the local businessmen. The town fathers were the heads of the local industries, who next to fostering personal wealth also took over important societal roles and civic responsibilities (Easterling and Millesen, 2012). Over the course of time, civic leadership developed as an isolated discipline, with ties mainly to the third sector. However, the overlap in which the different sectors blur is the realm in which civic leadership and political engagement by brands takes place. The overlap between the market sector and third sector, and also between the market sector and government sector, are the areas in which brands can act as civic leaders. As Couto (2010) noted in his observations, civic leadership moves between sectors. Cross sectoral actions are considered to have an agency component which empowers a collective of people to act and influence their own history. According to Leondar-Wright and Gamson (Goethals and Bradburn, 2016; p.26), agency “refers to the belief that it is possible to change conditions or policies through collective action,” which can be triggered by civic leaders. Therefore, having a close bond to society becomes crucial, a premise in which civic leaders are superior compared to leaders in government or business (Couto, 2010). For brands to be perceived as civic leaders, it is important that they rely on a follower base which is closely linked to the brand and doesn’t see it as an actor that is removed from their reality but rather an integral part of their world.

Some scholars, like John W. Gardner, an American philosopher, recognize that only multi-sectoral leadership, which is distinctly different from traditional leadership, can lead to real progress on society’s complicated problems (Chrislip and O’Malley, 2013). Meanwhile, others are still holding on to the idea of born leaders, who due to their DNA are more qualified to lead than others. Similarly, a critical number of people still believe that leaders must from a specific field, that for example politicians or religious leaders can be civic leaders, whereas business people can’t act with the intention to improve life within society (Chrislip and O’Malley, 2013). The main rationale behind this reasoning is that people and institutions can’t pursue economic and social interests at the same time. However, most actions of civic leadership are taking place in a cross sectoral environment, as explored above. Furthermore, according to Gardner, society has to overcome the "war of parts against the whole" (Gardner, 1993) in order to maximise its ability to function. Hence, it is time to consider how leaders from different sectors can play a role in shaping our society.
Leadership as defined by Niccolo Machiavelli, “He who wishes to be obeyed must know how to command” (Machiavelli and Thomson, 2007, p. 351), is a position that relies on authority over other people, who can be commanded. Similarly, Max Weber sees the basis of leadership in authority (Herrschaft). He distinguishes charismatic authority, traditional authority and rational legal authority, which in his view are three different means towards leadership (Houghton, 2010). Whereas both the Machiavellian and Weber definitions of leadership have been highly influential in the field of leadership, Heifetz sees the connection between leadership and authority as the main misinterpretation in the scholarly discourse of leadership (Rhodes and Hart, 2014). According to Heifetz, “There is an important distinction between leadership and authority. Leadership frequently means mobilizing and engaging people over whom one has no authority whatsoever in order to mobilize collective effort to tackle a collective challenge” (Heifetz, 2011). Positioning themselves close to Heifetz, Chrislip and O’Malley argue that leadership is an action that everybody can exercise, as long as it is separated from authority (Chrislip and O’Malley, 2013).

Because most brands have no legal, traditional or charismatic authority over society at large, they could not function as leaders if considered under the definitions offered by Machiavelli and Weber. If leadership is seen as activity, it becomes self-evident how brands can become civic leader by their actions. Therefore, understanding leadership as an activity or process rather than a position connected to authority is fundamental in grasping how brands are functioning as civic leaders.

There are multiple risks connected to the perception of civic leadership, which will be explored in the case studies. The risk of acting as civic leader is inherently in the nature of civic leadership, whose purpose is changing society as it is to society as it should be. As Saul Alinsky puts it, “Change means movement. Movement means friction” (Alinsky, 2010, p.21). Friction will cause opposition, which will target the insinuator of change, as history implies (Jesus, Malcolm X, Martin Luther King Jr., etc.). Therefore, if a brand wants to cause serious social change, it has to consider the risks that it will be facing by choosing this path. Of course the amount of friction and therefore the risk depends on how radically the change is in comparison to the current status quo. Next to the inherent risk of civic leadership are multiple other risks concerning the resonance of civic leadership actions by brands; these will be further explored via the case studies.

Conclusion

In conclusion, it can be said that civic leadership of brands is a cross sectoral action detached from authority. This means that even if a brand acts as civic leader, it might only apply to a specific case and not the entire brand at all times. An important nominator for these actions is that “activities are not primarily carried out to achieve a financial return on capital investment” (Defourny, 2013, p.405) but to serve the public. Porter and Kraemer stated, “No business can solve all of society’s problems or bear the cost of doing so. Instead, each company must select issues that intersect with its particular business” (Porter and Kramer, 2007). Therefore, every societal issue may qualify as a focus point of a brand acting as civic leader.
PERCEPTION OF CIVIC LEADERSHIP

For civic leadership of brands, not only the actual change brought to society but also how actions are viewed by society are important factors in determining the influence of civic leadership on a brand image.

Adapting the basic model of communication to display four main components in the communication of civic leadership, the "Communication of Civic Leadership" (CCL) model in Figure outlines factors influencing the perception of civic leadership. The four main components are: The sender (the brand), the message (the campaign), the noise (the context) and the receiver (the customers) (MoQuail, 2012). Each of these factors influences how civic leadership of a brand is perceived. From the brand's perspective, an authentic message foundation plays a key role. In contrast, cognitive processing is an important indicator on the receptive part. Further components are the message and the noise, which may interrupt the message. Even though this model is a simplification of a very complex communication process, analyzing the above noted components will allow for a better understanding of the main factors affecting the perception of civic leadership and thus its abilities in relation to the brand image.

Figure 2
COMMUNICATION OF CIVIC LEADERSHIP (CCL) MODEL

MESSAGE

The message can have various forms, as civic engagement can be communicated via different media channels and methods. Even though some people such as Patagonia founder Yvon Chouinard believe that advertising becomes irrelevant if the brand identity is strong enough (Chouinard, 2016), most companies use advertising agencies to portray their values to the public. Creatives in agencies tailor online and offline campaigns to best meet the wishes of the client and reach the target audience. However, Holt argues that outsourcing this step of building a brand image poses a threat, as it leaves the brand without cultural knowledge (Holt, 2014: p. 209 -211). It is therefore critical for a brand to have brand managers who are knowledgeable about the socio-cultural context of the brand and to identify messages that will speak to the target audience.

NOISE + CONTEXT

Noise is influencing the transaction of the message to the receiver, sometimes even interrupting it. In the relationship to brand communication, noise can be defined as an external source of noise (e.g., distraction while receiving the message), a semantic source of noise (inappropriate language for the target audience) or cultural noise (which places the message in an unintended context).

CONGRUITY THEORY (RECEIVER)

The congruity theory is a consistency theory, which was developed to further examine the cognition of a person in relationship to attitude change. As people tend to minimize divergence in favour of consistency (Islam, Rahman and Hollebeek, 2018), important underlying notions of the concept are that human judgement gravitates to maximal simplicity (Osgood and Tannenbaum, 1955) and that imbalance is an irritating state (Zajonc, 1960). In practical context, this means that people would rather consider something as entirely good (i.e., an angel) or entirely bad (i.e., the devil). Hence, the evaluation of new messages is often judged in a manner to increase consistency with prior experiences (Osgood and Tannenbaum, 1955). Applied to the civic leadership of brands, this indicates that if the brand image is in line with the civic engagement of a brand, the action will emphasis coherency and be received as confirmatory by society. If however a brand image is in contrast to the brand's civic actions, it will lead to an inconsistency with people's framework of the brand and thus a painful imbalance. According to the congruity theory, a change of attitude to increase coherence occurs in such a situation (Zajonc, 1960).

In the following case studies, the different factors influencing the communication of civic leadership actions are analysed. The outlined model is used to structure the findings in a coherent manner. However, in some cases the focus of the model will shift; in the Porn Hub case a focus will be on the congruity theory, whereas for Pepsi the message creation and authenticity question are in focus.

AUTHENTICITY (SENDER)

Authenticity generally refers to realness of an object or person (Dictionary, 2018); therefore brand authenticity refers “to the degree to which the brand is perceived to be original” (Wymer and Akbar, 2017). Accordingly, an opinion voiced by a brand has to be seen as real and authentic, not copied from mainstream media or a competitor. The concept of authenticity in application to civil or political engagement thus follows a simple logic. If the engagement derives from a brand’s core values and hence is true to the brand, it is considered to be authentic (Schultz, 2018). If a brand, however, is engaging in political or civil cases which are removed from the brand’s values and which the brand has no relationship to, the engagement could possibly be seen as fake. According to Holt, “When a brand chases after a populist world that is incongruous relative to its cultural and political authority, the brand comes off as an opportunistic cultural parasite” (Holt, 2014: p.198). The case study of Pepsi will give further insights into the challenge of authentic commitment.
In the following paragraph, case studies illustrating the civil and political engagement by brands and the reactions of society will be examined. The main goal is to show a diverse range of engagement and reactions, which will help deepen understanding of the phenomenon of civic leadership. Furthermore, positive as well as negative effects of the communication of civic engagement on the brand image are examined.

SMIRNOFF
Smirnoff, the vodka brand, centers its civic engagement around the case of inclusivity. According to its core values, the brand is made for everyone, and to reinforce this standpoint the brand’s campaigns often champion an embracing mentality. For instance, its “We are open” series features stories about a deaf dance teacher and an albino rapper from middle Africa. Partnering with the LGBT foundation, Smirnoff’s latest addition showcases famous members of the LGBT community as they live their lives and closes with the claim “Labels are for bottles not people” (We are Open - Smirnoff, 2018). Accompanying the campaign, the brand initiated a training program together with the LGBT Foundation to raise awareness for LGBT-related problems that can occur in nightlife. An expansion is planned for the “Village Angels,” an NGO offering support to people from the community and an online platform providing an overview of basic LGBT-related knowledge (Lgbt.foundation, 2018).

While advocating for a more inclusive world is a set stance on Smirnoff’s agenda, their January 2017 campaign included the slogan „Made in America, but we’d be happy to talk about our Russian ties under oath.” (Chavez, 2018) This marked the brand’s entry into a political discussion in which it ridiculed President Donald Trump. Whereas other brands faced a backlash for similar campaigns, this one was received very positively, with over 80% positive feedback; according to Diageo’s own research (Schultz, 2018) the campaign was a success. The learning Smirnoff executive Mark Sandys concluded from this is, „That’s way more positive than the response that we get for some of our LGBT work, I think that says two things: Firstly how important it is to be doing LGBT work, and second that the threat level of the risk that we are taking on the America-Russia campaign is actually an acceptable risk to take” (Schultz, 2018).

MAKER’S MARK
Another alcohol brand which received a more controversial reaction to its liberal stance is Maker’s Mark, a Bourbon brand based in Kentucky. Taking the internet by surprise with a #lovewins post that depicted a bourbon bottle in LGBT colors, reactions were plenty. The Twitter post gained 485 likes and 329 retweets (Twitter, 2018). The same post via Facebook even scored 32,151 likes, 4,637 shares and 2,035 comments (Facebook, 2018). In comparison, an average Maker’s Mark Facebook post in the same year had 3,692 likes and 276 shares (Figure 3, Appendix 1). The post’s overperformance in terms of engagement was an 870% increase of likes and 1,681% increase of shares. The average increase of 1275.5% of engagement can be seen as an indication that actions of civic leadership by brands lead to higher engagement rates by consumers.

Negative comments via Twitter were mostly in origin and text similar to this example: “@MakersMark and sales will be lost” by Difster (Twitter, 2018) an account with tweets which evolve around supporting the Second Amendment and expressing disapproval of homosexual people and abortion.

Via Facebook, C.S. commented, “Well, Maker’s Mark. I officially resign as one of your ambassadors. You just lost a loyal customer of 30 years.” The comment gained 468 likes and 215 answers (Facebook, 2018). Answers read, “Don’t worry, I’ll buy double the makers mark, they won’t miss you” (Facebook, 2018), and “Don’t let the door hit you on the way out” (Facebook, 2018). The dynamics of the comments below showed that for every denunciation of the brand for the expression of liberal values, supporters were happy to jump in defending the values, and by this also the brand. The broad majority of answers suggested to C.S., to rethink his values or offer goodbye wishes, indicate that Maker’s Mark could afford to lose C.S. as a customer. The discussion was very one-sided - of the 468 people liking the comment, only four supported C.S., whereas the others condemned his opinion. Interestingly, C.S.’s timeline cover on Facebook two years after the comment depicts a Maker’s Mark bottle, a sign that the company probably didn’t lose him as a customer after all. Even though Maker’s Mark presumably didn’t lose C.S. as a customer, the research indicates that the company lost a specific group
of customers due to its association with LGBT-related values, but in exchange it gained a new customer group.

In both cases, the focus of the brand is on positioning itself close to civic values, which are reached primarily through communication of these values and partly supported by civic engagement. This illustrates how a brand can utilize positioning itself to relevant political and societal topics to add value and connect it to the (dominant) culture, becoming, as Douglas Holt would call it, an iconic brand (Holt, 2014). In a keynote session at the Cannes Lion Festival of Creativity, Sly Sailer (CMO of Diageo) outlined how their brands work with purpose-driven concepts and emphasised that purpose-driven marketing still has to reach its full potential and with it, civic engagement of brands (Whiteside, 2018). However, the risk associated with civic leadership actions by brands is to appeal to customers who do not have the same civic values. If for instance a customer base identifies itself with conservative values and the brand openly supports liberal values, it can lead to the alienation of a customer group and result in a loss of sales.

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<th>FIGURE 3 ENGAGEMENT</th>
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<td><strong>SHARES</strong></td>
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<td>Engagement of #lovewins (Blue) compared to the average other posts of Maker’s Mark in 2015 (red).</td>
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WHEREAS for some brands it is relatively easy to be publicly accepted as civic leaders, other brands have to put more effort into building agency as civil and political acteurs. As stated by the congruity theory in the CCL model (p.18), messages of brands are evaluated to confirm rather than contradict a prior attitude toward the brand. For brands from industries with a bad reputation (for example, the sex industry, arms manufacturers, etc.) this results in more difficulties concerning the perception of their civic engagement. Pornhub, for example, opened a new umbrella organization, named Pornhub Cares in 2012 aimed at bringing positive change to society (Vice, 2018).

Pornhub's efforts concerning breast cancer can be seen as a good example for the brand's struggle concerning its civic engagement. Starting with the “Boob Bus,” Pornhub traveled around the United States to increase awareness of breast cancer, offering free breast examinations and educating women about self-examination methods (Vice, 2018). Further pursuing the fight against breast cancer, the brand launched a “Safe the Boobs!” campaign to raise donations for a breast cancer charity. However, the donor organisation targeted by Pornhub distanced itself from the adult video company, refusing to take any donations from the brand (Altman, 2018). This and similar problems Pornhub Cares faces show the difficulties of an “unorthodox” brand being accepted for its civic engagement.

Undeterred by the backlash that commonly follows its charitable moves, Pornhub went on fighting for civil causes, giving away annual scholarships, as well as working together with Peta (Pornhub.com, 2018) and plowing streets in Boston (Buell, 2018). Pornhub is making its social engagement hard to deny. "The social problems we tackle will be decided based on whether we feel we can positively contribute to issues which have an underlying relation to Pornhub as a company,” said Pornhub Vice President Corey Price. “And whether or not our inclusion in that conversation makes sense on a genuine level. We are still finalizing upcoming initiatives but we are focused on the educational, environmental and medical research spaces” (Battista-Frazee, 2018). As Pornhub’s civic engagement is ongoing, the brand utilizes the engagement to impact the brand image. On the basis of its legacy and connection to brand values, it can be argued that Pornhub is making progress considering the authenticity of its engagement. According to the congruity theory, this leads to tension. If an unorthodox business gains agency in bringing positive change to society, this might trigger a change of attitude towards the business. This change of attitude progresses slowly. It is simpler to denounce the actions of a business and remain consistent with one’s prior attitudes toward a business rather than reconsider one’s attitude (CCL model). A good example is offered by these two articles: The first, “Did Pornhub Actually Plow Snow in Boston?” by Spencer Bull (2018), questions the authenticity of Pornhub’s engagement, thereby making it easy to denounce its actions as a marketing campaign and value it coherently with the framework established for the brand. In contrast, the second, “Charities Hush Hush about Porn Industry Donations” by Louis Altman (2018), questions why there is a taboo about civic engagement of the porn industry and in doing so lays the foundation for an attitude change toward porn brands that are civically engaged.

This case implies that the perception of civic engagement by the brand is not only related to the communication and activities of the brand, but also the standing of the brand within society. As Pornhub Cares matures and starts to be recognized as a serious attempt of a brand to help society, an argument can be made for an accumulation of authenticity to act as civic leader as well as an attitude change toward the brand, according to the congruity theory.
PEPSI - POTENTIAL PITFALLS

The Pepsi campaign “Live for Now Moments Anthem” depicts Kendall Jenner joining protesters marching through the streets and later resolving a tense situation between the lines of protesters and the police by giving Pepsi to a police officer (Pepsi, 2017).

In the case of Pepsi it is valuable to apply the CCL model with a focus on the message creation and authenticity factors influencing the perception of civic leadership actions. The social media backlash was prompted by negative comments and centered around the perception that the campaign suggested that protests were trivial. The impression that the protest was depicted as trivial and carnival-like most likely goes back to one or a mixture of the following: the overall unclear goal of the protest depicted, which seems to be for peace and love (0:10; 0:18; 0:32); the moment the protest turns into a street dance performance and live music concert (1:13-1:23); the perfectly arranged ice bucket of various Pepsi drinks at the front of the march (1:49); the police who seem to be loosely watching the protest without any riot uniforms (2:00); or the closing scene in which Kendall approaches an officer with a Pepsi, which he accepts and drinks, leading the crowd to start cheering (2:02-2:20).

Further aspects included the ad’s overall heavy colour coordination to include Pepsi’s blue, red and white, (0:40-0:45, 0:17, 0:52-058) as well as seemingly unconnected scenes of creative work (0:00-0:08, 0:18-0:20). As stated in the CCL model, a key aspect of the message creation is careful consideration of the socio-cultural context, which could have helped to partly anticipate the backlash caused by the campaign. Whereas a common census of the backlash hinted at the trivialization of the Black Lives Matter movement, the last scene especially caused reactions all over the internet. Famously, Bernice King, daughter of Martin Luther King Jr., answered with an image of her father being arrested with the heading, “If only Daddy would have known about the power of #Pepsi.” (Twitter, 2018). This as well as other reactions illustrate that the campaign was perceived as a mockery of social movements rather than an authentic involvement of a brand in the third sector. Further putting pressure on Pepsi, several big magazines and Stephen Colbert on his late night show ridiculed the company for the ad. Summarizing the ad and the reactions, Wired commented, “Pepsi’s Kendall Jenner’s Ad was so awful it did the impossible: It united the internet” (Watercutter, 2018).

The campaign message of unity as experienced through Pepsi and the storyline is removed from the reality of society and therefore seems to portray a utopian worldview, and can be seen as one cause of the backlash. Furthermore, Pepsi’s approach of aligning itself with civic values via a communication-centered campaign that evolved around a generic cause such as peace and love had no actions or brand history to underline the message. Because the brand has no history that illustrates its actual involvement with a cause voiced through protests and does not specify what exactly Pepsi is fighting for, the message remains generic and somewhat irrelevant. Therefore Pepsi’s campaign lacks authenticity as defined in the CCL model, according to which the distance of the cause from a brand’s core values and the close relation of the message to mainstream media increases the likelihood of the engagement to be seen as fake.

Link to the Campaign: https://www.youtube.com/watch?v=dA5Yq1DLsMQ
The failure of the campaign, which was taken offline after not even 24 hours (Adams, 2018) offers valuable lessons on common pitfalls of civic engagement and illustrates the risks involved in taking a social stance. The brand’s apology for the campaign read, “Pepsi was trying to project a global message of unity, peace and understanding. Clearly we missed the mark, and we apologize. We did not intend to make light of any serious issue. We are removing the content and halting any further rollout. We also apologize for putting Kendall Jenner in this position.” (Pepsi.com, 2018). Meant as damage control, the statement barely decreased the effects of the campaign on the brand image, with the brand hitting the lowest levels of consumer perception in 10 years according to you.gov (Marzilli, 2018).

Inasmuch as the extent to which companies should communicate their civic involvement and the means of communication have to be further investigated, this campaign illustrates how communication without actions to ground it didn’t yield success for Pepsi. Furthermore, the campaign indicates that whereas a generic cause might not alienate customers, as it won’t go against their values, it may not be specific enough to gain new ones, as it won’t be a strong identification point. If friction accompanies change (Alinsky, 2010), an argument could be made that a value association that causes no friction might not be able to advance the brand image.

@pepsi, I’m assuming you’ll be using the money you make to support @ACLU, @PPact, #CampaignZero + other social change.

That's all I got.

@BamicaKing

If only Daddy would have known about the power of #Pepsi.

We did this in Baltimore. Nothing changed @pepsi

Wo Kendall, im gonna need you to come through with a pepsi, these cops are wildin*
Patagonia - Civic Leadership at the Core of the Company

Yvon Chouinard, the founder of Patagonia, is still uncomfortable admitting that he has been a businessman for the last 50 years. Even though his company has been redefining how businesses look and what they do and how they do it - he likes to call himself an activist rather than a businessman. To him, “Activists have an infectious passion about the issues they support... These are the people on the front lines, trying either to make the government obey its own laws or to recognize the need for a new law” (Chouinard, 2016). As much as he defines himself as an activist rather than a businessman, his company is distinctly cross sectoral and has a B-Corp (Benefit Corporation) certification (Carus, 2018).

Patagonia stands up for what it calls environmental taxes, giving either 1% of its revenue or 10% of its profit (whichever is bigger) to environmental organizations (Patagonia, 2018). Furthermore, its incubator practices help environmental entrepreneurs start their businesses, offering them support in financial, logistic and marketing areas (Joh, 2015).

Staying true to its brand philosophy, Patagonia’s reaction toward president Donald Trump’s plans of shrinking Bears Ears National Monument by 85%, as shown in Figure 4, was to sue him (News.nationalgeographic.com, 2018). On December 4, 2017, Trump signed an executive order to shrink the Bear Ear National Monument and the Grand Staircase Escalante by around 2 million acres, accounting for the largest reduction of publicly protected land in the history of the United States (Turkelwitz, 2018). As a monument, it is protected from mining and drilling development, but livestock grazing leases are allowed (Turkelwitz, 2018). While the Trump administration is known to ease regulations on drilling, opening oil and gas mining opportunities in protected lands and rolling back zones for protected species (News.nationalgeographic.com, 2018), the announcement to shrink two of Utah’s national monuments was met with great controversy.

Rose Marcario, the current CEO of Patagonia, holder of the Champion of Change Award (awarded by Obama in 2015), has a history of showing that she is willing to use her company to protest against government decisions that are not compatible with Patagonia’s core values. So it didn’t come as a surprise when Patagonia led the outdoor industry into legal battle for the monument, joining the Navajo Nation and other tribes.

“The president stole your land,” (Hauser, 2018) Patagonia proclaimed through pop-up messages on its website and social media channels. As objectives for the company to join the lawsuit, Marcario states four main underlying reasons: “To enforce the law. To carry out our purpose as a benefit corporation. To stand with our grassroots partners. To defend our business” (Time, 2018).

In reaction to Patagonia suing the president, Republican government officials, such as Ryan Zinke, the main advisor for the reduction of the monuments, fired back at Patagonia. He sent messages with the subject “Patagonia: Don’t buy it” (Bhattarai and Bhattarai, 2018) via social media channels, government mailing lists and the official National Resources channel. Furthermore, he took to Twitter, retweeting the statement on the official Natural Resources account: “Patagonia is lying to you! A corporate giant hijacking our public lands debate to sell more products to wealthy elitist urban dwellers from New York to San Francisco” (Twitter, 2018), and answering interviews with comments such as, „You mean Patagonia made in China? This is an example of a special interest“ (The Hill, 2018).

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These reactions prompted Walter Schaub (former director of the Office of Government Ethics)
to comment on Twitter, “The federal govt officially and publicly calling a company a liar for political reasons is a bizarre and dangerous departure from civic norms,” (Twitter, 2018) condemning Zinke’s actions. Similar to Schaub, the comments under the Natural Resources post attacking Patagonia were mainly attacking government officials or defending Patagonia. Comments read “I trust Patagonia more than I trust Zinke or Trump. Sad but true. Aren’t you a public employee? Might take your tweet down before you’re personally ID’d & complaints are filed. I bet Patagonia’s lawyers are bigger than yours. (Patagonia’s certainly smarter.)” (Twitter, 2018). While the post via Patagonia’s own channel found a more controversial discussion below it, a majority of the comments still supported the brand’s actions.

When Macario was asked, “For a brand of Patagonia’s relatively modest size, isn’t it daunting to face off with the federal government?” (Fastcompany, 2018), she answered, “I find it funny coming from a guy like Zinke, who said he was going to be like Teddy Roosevelt, and then he just took away [more than a] million acres of public land. In terms of where our products are being made, we’re 100% transparent about that. You can go to our site and trace everything, which is more than you can say about what’s happening with the federal government. I don’t think we can trust that they’re going to do anything that is in the interest of the American public landholder and not the oil and gas industry.” (Fastcompany, 2018)

Reason for the broad public support of Patagonia’s actions and Macario’s confidence can be seen in its established role as a political brand, which is known to support environmental causes. The brand therefore had the necessary history to voice its opinion on such a topic. Whereas most civic leadership of brands are seen as time-bound and represented by very specific actions, there are some exemptions to this rule. As the Patagonia case illustrates, some brands are inherently focused on civic leadership, which also reflects their relationship to society. As online research shows, people accept Patagonia as a civic leader, even if in conflict with the government. This extreme case indicates that if civic leadership goes deeper than a time-bound action it allows the brand to also gain a new standing within society.

**TWITTER, REACTIONS:**

![Twitter Reactions](image.png)
DISCUSSION
Whereas at the moment civic leadership by brands might still be a niche phenomenon, the above discussed research indicates that the field is growing and brands now have the option to consider if and how their image could benefit from civic leadership actions. However, most publications concerned with the topic champion activist companies, which have civic leadership as a core principle of their mission, and therefore omit actions of civic leadership by companies that are not entirely dedicated towards civic leadership. Nevertheless, the outlined cases above show that actions of civic leadership can also be taken by companies that are not necessarily activist in nature. Therefore, a classification of different types of civic engagement is suggested, enabling a more holistic view of the field.

TYPES OF CIVIC ENGAGEMENT
In analysing the civic and political engagement of brands, it becomes evident that they can engage with the civic or political sector to different extents. While some brands have a strong focus on communication, others focus on the action as civic leaders.

In the following figure three distinct types of civic engagement are identified. It is important to note that not one of the types is better than the other. Rather, the specific types of civic engagement can be seen as different means to different goals. The evaluation of which type of civic engagement yields the most benefit for a brand has to be made from case to case, as it is highly context dependent.

**FIGURE 5**
**TYPES OF CIVIC LEADERSHIP**

**TYPE 1**
In this type of civic engagement, a brand is connecting via its campaign messages to certain societal topics or values. For the most part, the extent to which the brand is involved with the civic case does not go further than its communication efforts. Examples of this can be seen in Johnny Walker “Ode to Lesvos” (Johnnie Walker, 2016), Gareth Thomas: Never Alone (Guinness, 2016) describing the journey of the rugby player to coming out, the Makers Mark #lovewins post (Johnnie Walker, 2016), Gareth Thomas: Never Alone (Guinness, 2016). As the engagement is not converted into actions by the brand, central to the communication approach is a clear connection of the brand with the civic values in place. As no actions will further establish the connection of the brand to the values, it mostly is beneficial if the values are within the sphere of the brand identity. These campaigns can be highly successful if they are perceived to be in line with the brand identity and function as a credible bond between the brand and civic values.

As the Pepsi case illustrates, a campaign that does not consider the sociocultural context in creating the message and lacks authenticity in connecting civic values to the brand risks causing a backlash. Whereas the execution misses the point of highlighting specific values carried by the brand, the lack of actionable civic engagement by Pepsi can’t be amplified to give the campaign backbone. Hence the public perceived the campaign as “fake” and called Pepsi out for pretending to be civically engaged in a case where it has no history. In comparison to the other two above-mentioned video examples of campaigns, an executional difference is that Pepsi’s campaign centered around a product placement and repetition of the companies colors, while the other two had no product placements included. For future research, it could be valuable to explore whether product placement in Type 1 civic engagement increases the likelihood of a backlash.

**ODE TO LESVOS**
Johnny Walkers “Ode to Lesvos” portraits the Greek island Lesvos and the people living there who helped half a million refugees, when they arrived on their island in 2015 (Jardine, 2018). As part of their storyline series the documentary is aimed at exhibiting a different side of the refugee crisis and aligned with Johnnie Walker “keep walking” mentality.
line dating platform being in line with women is crucial. Through this the brands can convincingly answer the question of why they are getting involved, which as the research found is important to being accepted as a civic actor.

**TYPE 3**

When the actions of civic leadership are repeated over a longer time frame and the connection between civic values and the brand are strengthened, actions of civic leadership can have long-term effects on the brand image.

Through its continuous actions of civic leadership, Patagonia gained a brand image as an activist company rather than an outdoor clothing retailer. Similarly, ventures of Tesla founder Elon Musk are often perceived to be contributing to society, whether he builds rockets or flamethrowers. It can therefore be argued that brands that continuously act as civic leaders gain a standpoint within society, which allows for an evaluation of their actions as civic institutions rather than merely economic entities.

Whereas cases such as Patagonia and Tesla are an exception, the influence of continuous civic leadership actions on the brand image can also be seen with other brands. It can be argued that Porn Hub amplifies its civic leadership actions, creating an attitudinal imbalance for the consumer. As the congruity theory (CCL model) explains, a divergence of brand associations to being accepted as a civic actor.

**DRIVERS**

As in the theoretical section analysed, there are various, mainly external drivers causing brands to take civic leadership actions. However, in the case studies it became evident that there are also internal factors, such as Patagonia’s mission to protect the environment, which can be traced back to Chourniard’s experience as a mountain climber, that drive brands to actions of civic leadership. Therefore, in the following a differentiation based on internal and external factors is proposed.

Proactive civic leadership implies that a brand’s commitment to a specific cause is not bound to a certain event but can be traced back to the internal value proposition of the brand. Reactionary civic leadership is bound to a certain external event, which could be of political or environmental nature and functions as a trigger for a brand to step into a role as civic leader.

Reactive civic leadership, on the other hand, is not part of a brand’s long-term strategy, but mostly occurs only in reactions to specific events. Therefore, this kind of civic leadership is highly context-dependent and often developed by the public relationship or the marketing department. Hence, communication methods and channels vary depending on internal or external driven civic leadership.

**CONCLUSION**

This paper outlines the realm of civic leadership in relation to brands and the influence actions of civic leadership could have on the brand image. Therefore, civic leadership of brands is defined as a cross-sectional action, detached from authority and not primarily aimed at increasing profits. Furthermore, the CCL model offers a structural framework which allows the perception of civic leadership to split into different components.

The main finding of the case studies was that the civic leadership actions of brands can vary greatly in content and socio-cultural context. Therefore, a general guideline is not likely to be beneficial, as it neglects a consideration of the specific content and context. Overall, it became evident that associating the brand with civic values and strengthening the purpose of the brand have the potential to function as a main differentiation point for brands. Therefore, actions of civic leadership can have a positive influence on the brand image, both in the short and long term.

However, the perception of civic engagement by brands within contemporary society varies depending on multiple factors. Main factors discussed in this paper are the sentiment of the public, the standing of the brand within society, the authentic connection of the brand to a cause and a coherent message creation. Even though some campaigns were overall better perceived than others, most case studies in this paper faced conflicting reactions to their actions of civic leadership. Furthermore, in the Maker’s Mark “#lovewins” campaign, indications were found that people with similar social media profiles displayed similar attitudes towards the campaign. On that account, further research to determine the likelihood of specific consumer segments to positively or negatively evaluate a campaign centered around civic values could be beneficial. Next to prior attitudes, noise (as defined in the CCL model) could be an important factor influencing the perception of consumers, which will have to be further investigated.

An identified key risk is the alienation of the current customer base, as they may believe in contradicting values. It became evident that in some cases (Porn Hub), civic leadership is perceived as whitewashing, which complicates the successful communication of actions.

Additionally, this paper found a positive correlation between civic causes and an increased engagement with branded content. In the Maker’s Mark case, the accumulated consumer engagement increased by 1,275.5% (Appendix 1), and Patagonia received broad media coverage for suing the government. Therefore, an argument can be made that civic leadership actions can lead to more exposure of a brand. For further validation of these findings, future research would have to focus on the engagement with branded content.

Lastly, actions of civic leadership were classified into three different types, and a differentiation between internal and external drivers was suggested. In reference to the classifications and an examination of the socio-cultural context, actions of civic leadership and the communication thereof can be optimized.

In conclusion, it can be said that this research contributes a classification of civic leadership in the context of brands, providing an overview of the topic; the models developed in this paper can function as frameworks for further analyses. As the research found that civic leadership can impact brand image, thereby also affecting brand value, managerial recommendations for brand managers are valuable.
MANAGERIAL RECOMMENDATIONS

Thus far the conclusions drawn from the research have a common emphasis on the complexity of the topic, with multiple variables, which influences the perception of civic leadership and different types of civic leadership. Furthermore, the case studies show that actions which are beneficial in one case may not yield benefits if applied to a different case. Therefore, the evaluation of civic leadership actions is highly context-dependent and unsuitable for a generic guideline. Nevertheless, the below established outline is a consensus reached through the studies in this paper. While it shouldn’t be seen as a guideline for best practises of civic leadership actions, it can function as a structural support, raising key questions to consider before becoming civically involved.

**Why? Purpose**
As a brand it is important to consider a key question when it comes to civic leadership: Why do you care? As the research illustrates, brands with well-perceived civic leadership actions, usually have an answer to this question. If a brand can’t find an answer to this, it may be beneficial to consider whether civic leadership is a beneficial component for the brand.

**How? Focus**
Making a choice is vital for civic leadership of brands. If the engagement is not centered around a certain idea or problem the brand wants to fight, it is likely that the actions are very generic and hence miss the mark of making a lasting impact. The Pepsi example illustrates how a generic cause can lead to irrelevance.

**Timeframe? History**
Whereas civic leadership of brands can be mostly seen as an action with a specific time frame, some brands are perceived as activist companies. As the accumulation of legacy indicates, as seen with Patagonia and Porn Hub, civic leadership actions are scalable. An implementation plan that tests the impact on the brand image on a small basis and scales the efforts accordingly could be beneficial for most cases.

**What? Goal**
What is the goal of the civic engagement? Whether it is creating awareness, subsidizing medical research or fighting climate change, a clear goal definition for civic leadership is important to measure the success of the engagement. At this point it has to be noted that whereas civic engagement can have various beneficial impacts on the brand image, it cannot be seen as a marketing practise. If actions of civic leadership by a brand lack a goal that is connected to improving society, it will be identified as moral marketing.

LIMITATIONS

This paper was composed with the aim to define civic leadership of brands and analyse the impact actions of civic leadership could have on the brand image. As the paper has been drafted in the context of a Bachelor thesis, time is an important limitation to this research; the case studies for instance would have benefitted from an approach that enabled working alongside the studies for a significantly longer time frame. Furthermore, most case studies are from either northern America or Europe, which could have a negative impact on the relevance of the paper in relationship to civic leadership in other cultures.

The selection of cases illustrated a broad variety of brands and civic leadership actions; however, because the case studies are limited in number, new cases could offer new insights that this paper did not consider.

Another important limitation is the lack of previous research in this area. Civic leadership as action had to be laboriously defined before a closer look at a specific point of this topic could be taken. Furthermore, the perception of civic leadership by brands was mainly analysed via online research, assuming that online communities are representative of society; therefore, this base assumption could be seen as limitation of the research. The engagement numbers were evaluated using external data collection and could have been misguided by prior promotion of posts, which externally can’t be traced.
REFERENCES


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APPENDIX
Marer’s Mark
The chart illustrates the difference of engagement from the the #lovewins Facebook post Likes (blue) and shares (red) compared to the average likes and shares of posts of Maker’s Mark in the same year.

<table>
<thead>
<tr>
<th>Likes</th>
<th>Shares</th>
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<tbody>
<tr>
<td>Average</td>
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</tr>
<tr>
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<td>275.6455224</td>
</tr>
<tr>
<td>Lovewins</td>
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<tr>
<td>32131</td>
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<tr>
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<td>870%</td>
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