

USC ANNENBERG CENTER FOR PUBLIC RELATIONS

THE FUTURE OF CORPORATE ACTIVISM

GLOBAL
COMMUNICATION
REPORT

2022



THE FUTURE OF CORPORATE ACTIVISM

2022 GLOBAL COMMUNICATION REPORT

BY

USC ANNENBERG CENTER FOR PUBLIC RELATIONS

LOS ANGELES, CALIFORNIA

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USC Annenberg
Center for Public Relations

FOREWORD

Every year, we conduct a global survey to forecast the future of Public Relations. We research the trends that are shaping the profession and impacting those who work in it. In the past, we've examined advancements in technology, the changing media landscape and the evolution of ethics.

Our reports always paint a picture of a dynamic industry. But now the stakes are even higher. Continued political conflict—on top of an extended global pandemic—has created a new reality for the PR profession. Media has become more biased, information has become more unreliable, and opinions have become more extreme. As a result, our society seems to be permanently polarized.

In the past few years, societal discord has become a significant risk factor for global business, posing a threat to corporate reputation, employee recruitment, and organizational morale. In response, CEOs, who have embraced stakeholder capitalism, are now recognizing they have the responsibility—and the platform—to engage with controversial topics outside of their normal comfort zones.

Professional communicators are the pioneers in this unfamiliar territory. 93% are spending more time navigating a growing list of complex societal topics. 77% believe Polarization is a challenge to their organizations. 73% predict they will increase their engagement with social issues this year. Three times as many are partnering with activist groups than three years ago. The majority are looking to their employees to determine their positions. All of them are making difficult daily decisions that have serious, long-term impact on their companies and their communities. Public relations has never been more demanding or more meaningful.

This year's *USC Global Communication Report* examines the challenges and opportunities facing socially conscious communicators, who are exploring the risks and rewards of corporate activism. We hope our findings will provide them with some direction and purpose.

FRED COOK
DIRECTOR, USC ANNENBERG
CENTER FOR PUBLIC RELATIONS

A CULTURE OF DIVIDE



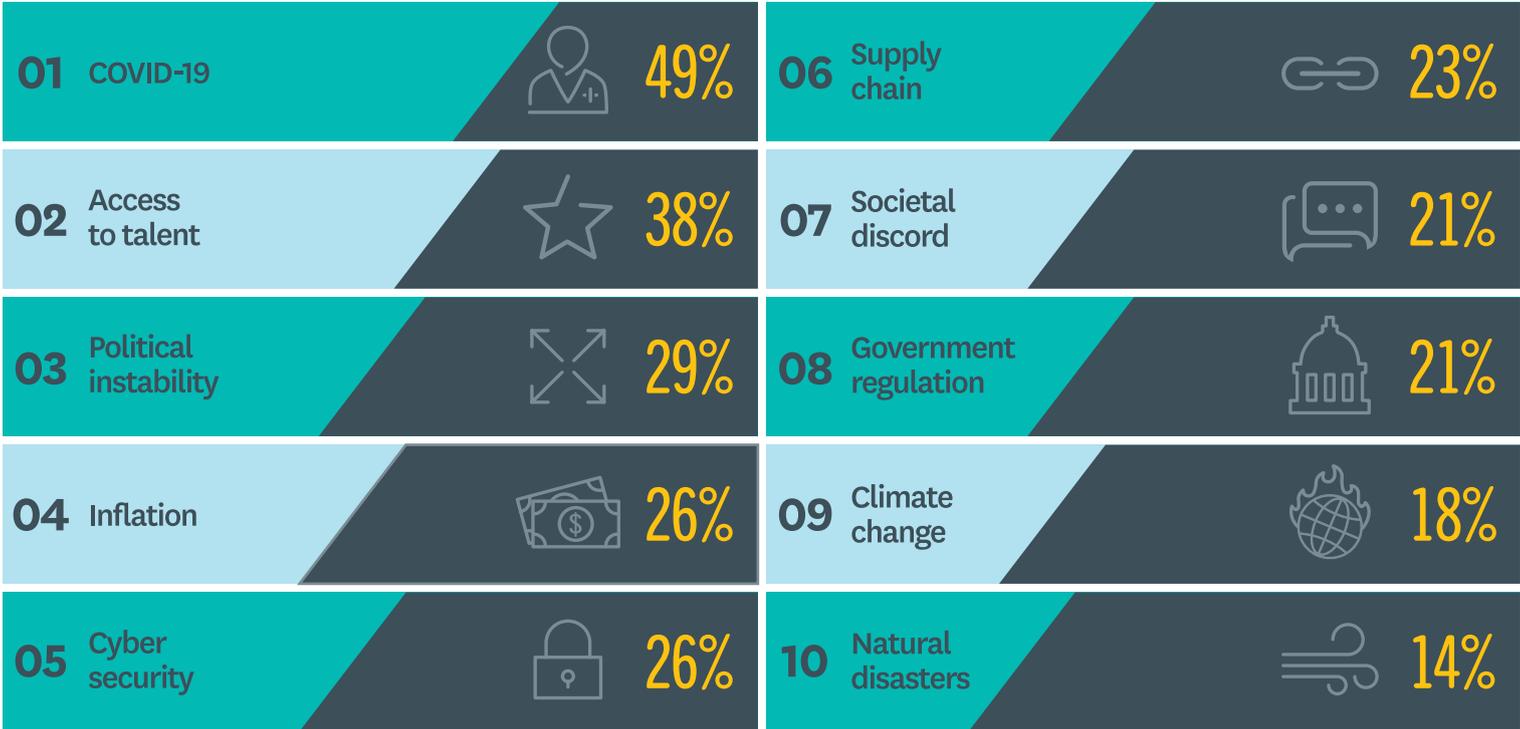
Businesses today face an unprecedented variety of threats—and communicators are the front line of defense for all of them. COVID-19 tops the list of their concerns, because it has disrupted every aspect of work and has required a monumental communications response for two long years. In addition to the immediate economic and health risks, the virus has created long-term disruptions to the global supply chain and the ability to recruit and retain talent.

“**In today’s world, polarization is a more complex, multi-dimensional phenomenon and the forces that spread it have created a divide that is more toxic and more permanent. Polarization is no longer just the result of disagreements. It’s the cause of them.**”

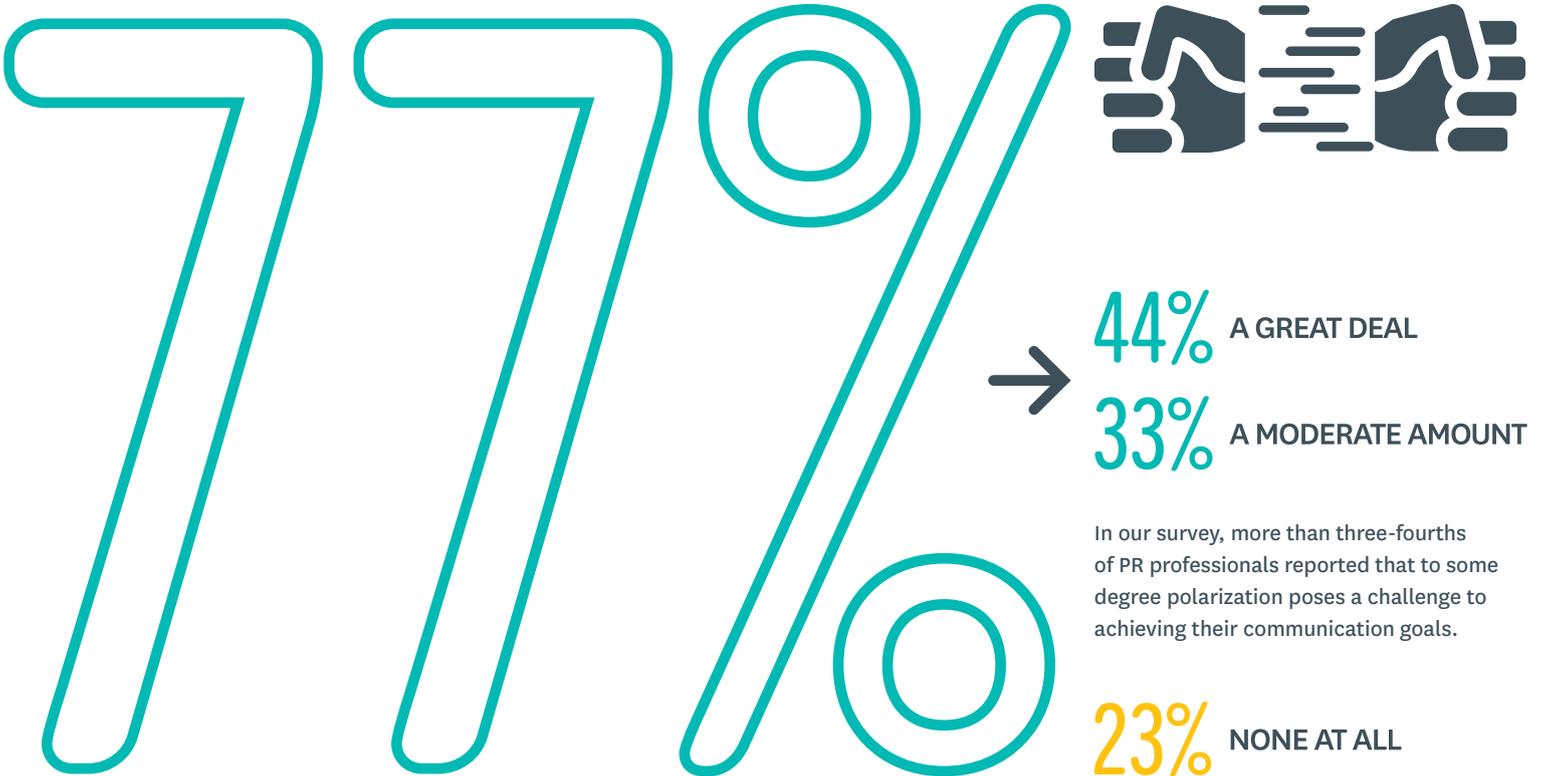
THE USC POLARIZATION INDEX

Which of the following potential risks to your business are you most concerned about in the coming year?
 Select up to three.

Societal discord and political instability have also moved up the corporate agenda because activists, employees and customers are demanding companies take a stand on issues that are important to them. Speaking out in our current culture of divisiveness is a real reputational risk for brands and few have a playbook for dealing with controversial topics.



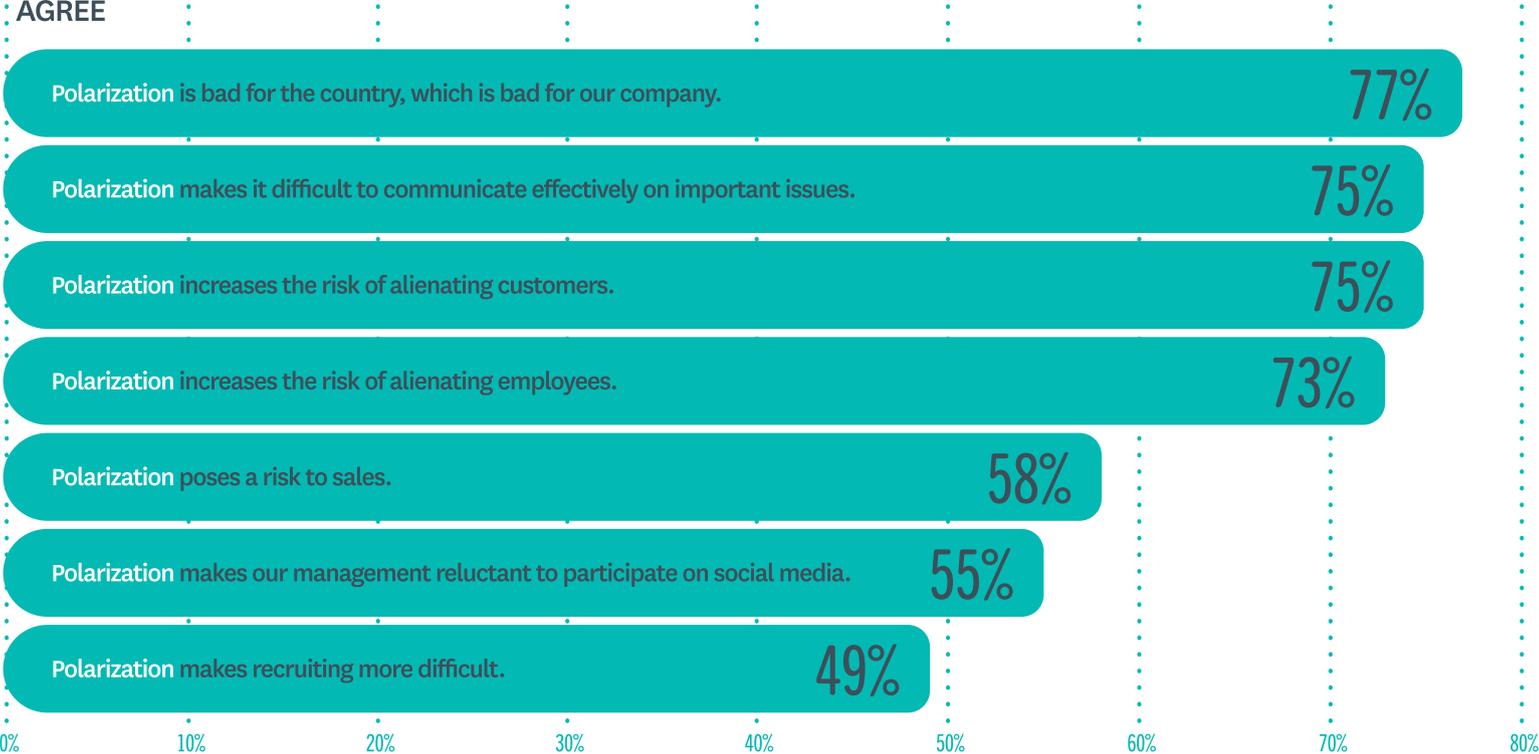
To what extent is polarization a challenge for achieving your organization's communication goals?



To what extent do you agree or disagree with the following statements?

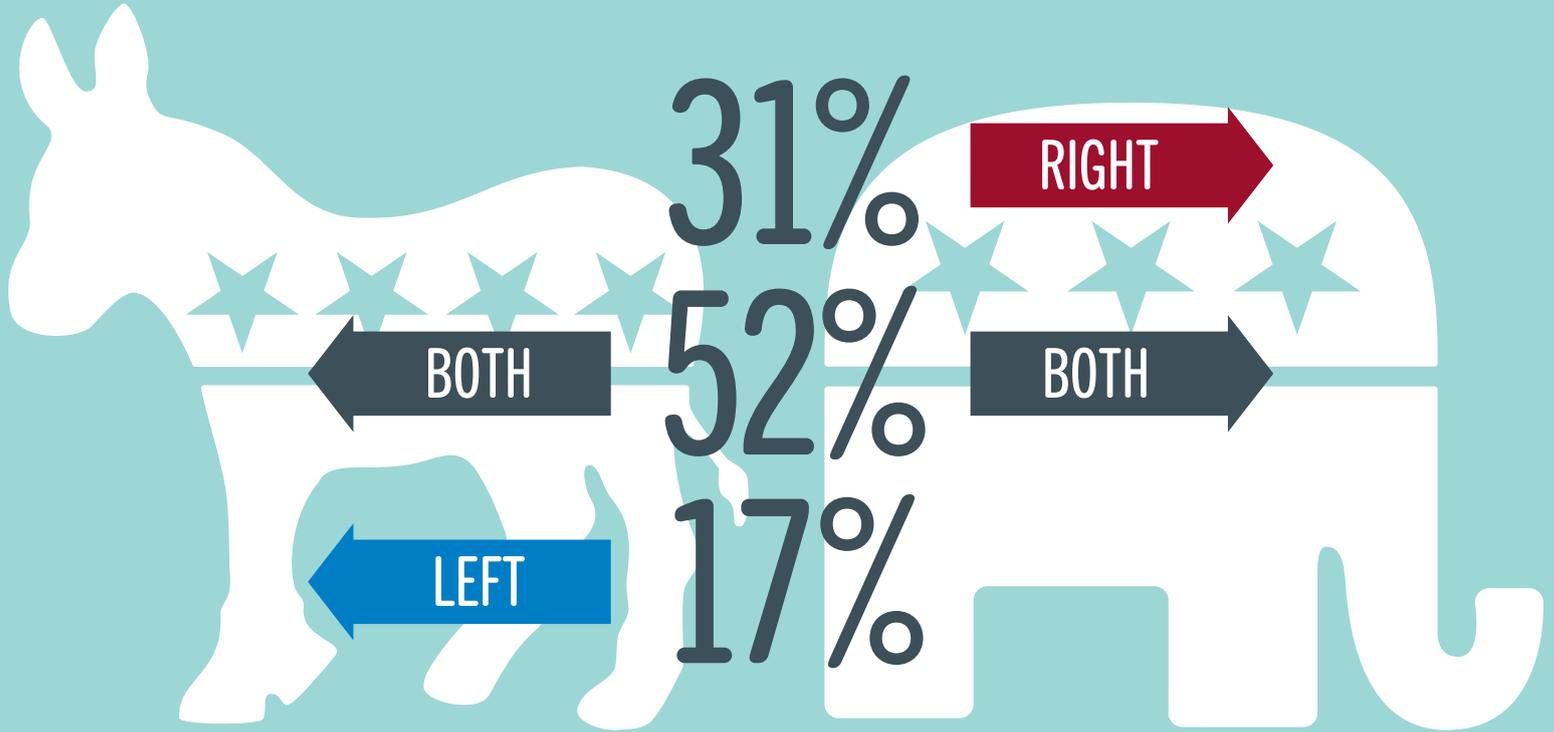
• Strongly or somewhat
AGREE

Their main problem with polarization is the risk of alienating people. Studies have shown that employees and customers want companies to speak out on topics they care about, but they may disagree with their stand when they do. This fear makes senior management reluctant to communicate on important issues, especially on social media.



Which side of the political spectrum do you believe contributes the most to polarization?

More than half believe that both the left and right contribute equally to the current level of polarization. The *USC Polarization Index* confirms that every issue has its own political dynamic and overall polarization is a result of attitudes and actions on both extremes.



Which do you think contribute the most to the current level of polarization?

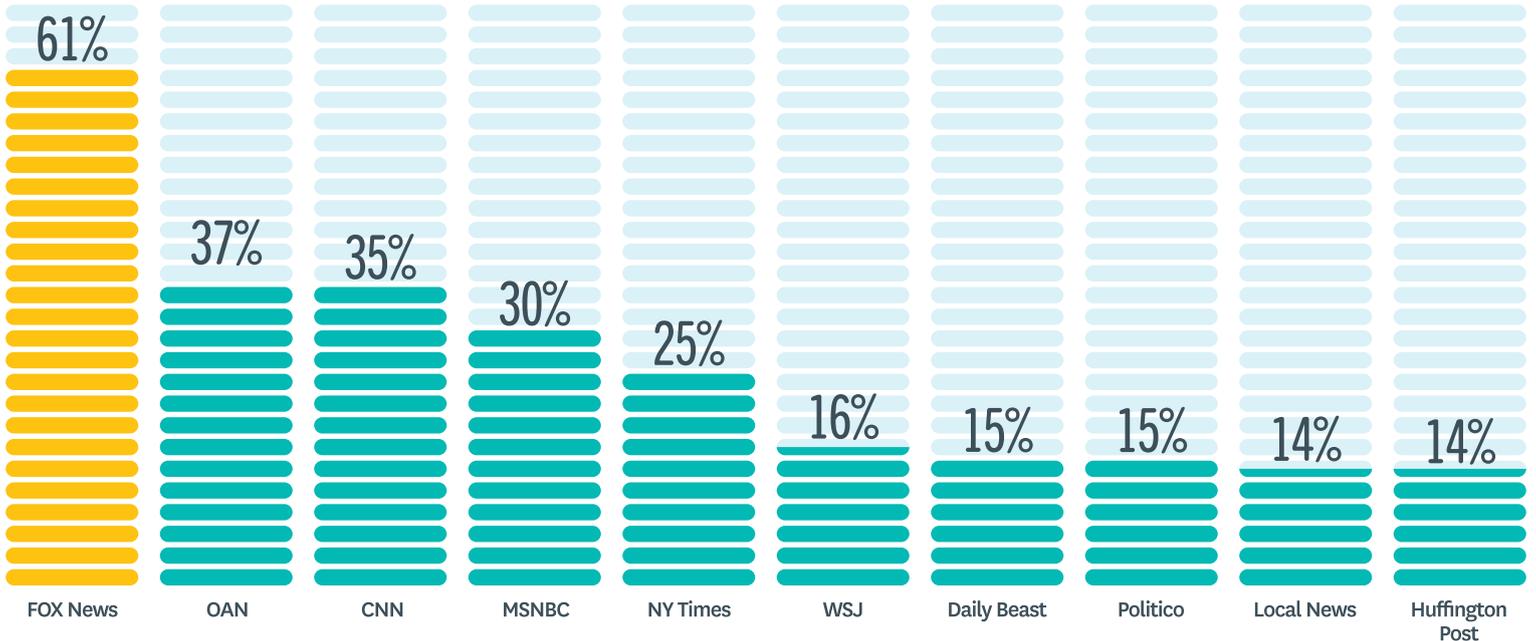
PR professionals believe media plays the lead role in creating the current high level of polarization, especially partisan outlets, who manipulate public opinion for their own benefit. They also blame the politicians who share the same biased information on their social media channels to gain attention and votes.



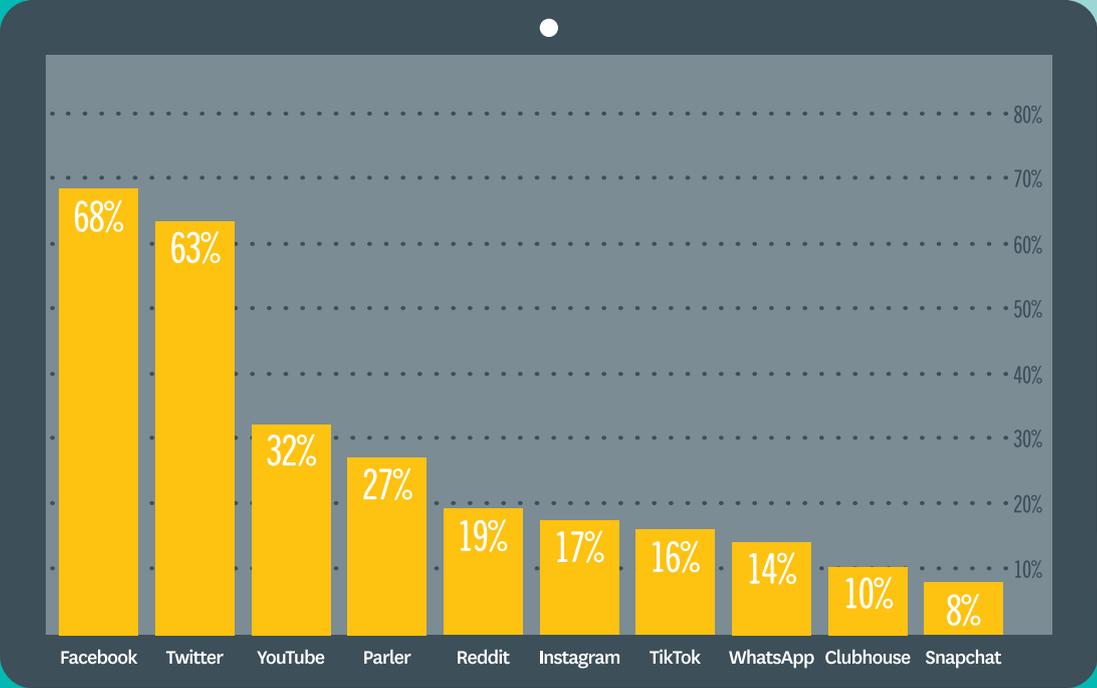
Which of the following media outlets most contribute to polarization? Select up to three.

Professional communicators rate FOX News as the most polarizing media outlet. Ironically, in a separate USC survey of American consumers, FOX ranks number one on the list of favorite sources for accurate information. CNN was also ranked high in both surveys, which proves that polarization drives audience ratings on both sides of the political spectrum.

Many PR executives believe social media is a root cause of social discord and they view Facebook as the leading contributor to the problem, followed by Twitter. These two platforms provide a voice for people on both extremes of the political spectrum, who often use them to spread questionable information. On controversial issues, like immigration, more than half of the stories shared on Twitter come from unreliable sources. Most communicators believe the government will increase social media regulation, but that may not prevent political strategists from abusing it.



Which of the following social media platforms most contribute to polarization? Select up to three.



THE ROLE OF BUSINESS

“I strongly believe the
business of a business
is to improve the world.”

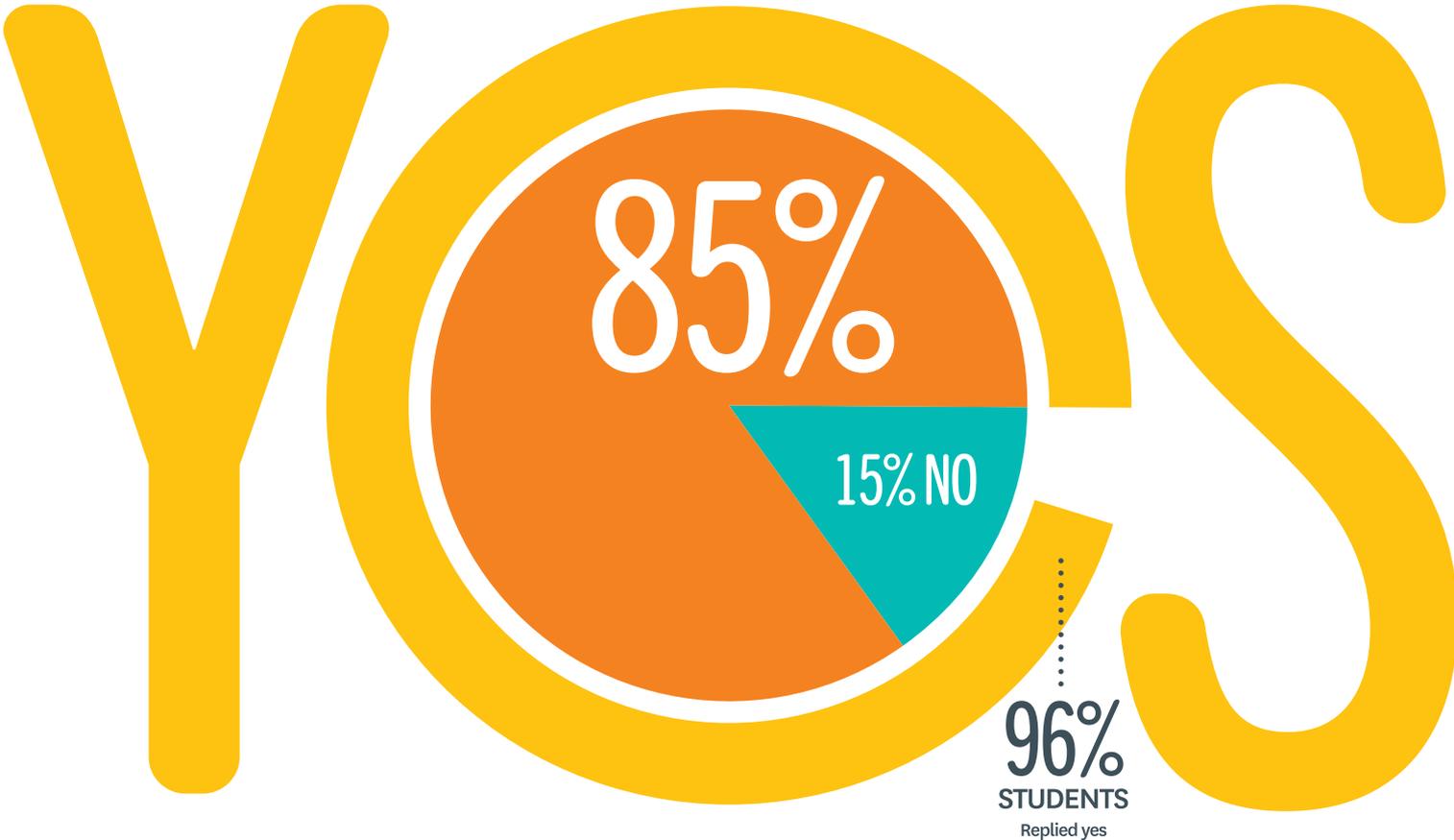
MARC BENIOFF
CEO AND CHAIRMAN,
SALESFORCE INC.



In spite of the fact that polarization has not decreased significantly since President Biden took office, 85% of PR professionals believe that business can help reduce it.

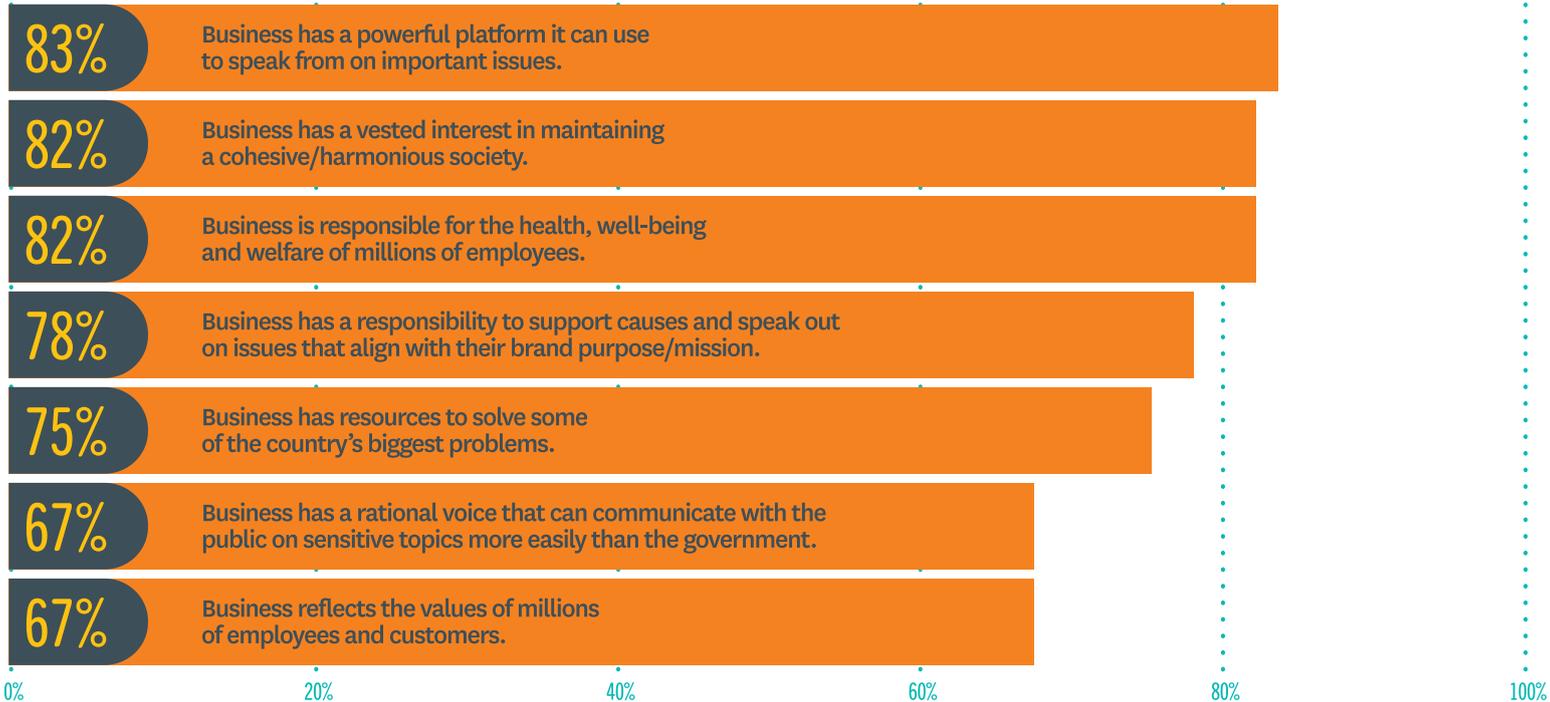
They have a lot of good reasons to feel that way.

Do you think business can play an effective leadership role in reducing the overall level of polarization in America?



To what extent do you agree or disagree with the following statements?

Strongly or somewhat
AGREE



Eighty-three percent of PR executives believe that business has a powerful platform to address important problems and three-fourths say they possess the resources to help solve them. Plus, 82% believe business is responsible for the well-being of millions of employees and customers and has a vested interest in maintaining a cohesive, harmonious society. But the question is can professional communicators craft a message that brings people together? That is the opportunity.

In the next 5 years, I believe the number of businesses that proactively advocate for a cause or an issue will:

Eighty-five percent of communicators believe the number of businesses who advocate for a cause will increase in the next five years. Seventy-three percent say their own companies and clients will increase their public engagement this year. Considering that PR professionals are often tasked with avoiding risk, the opportunity to become internal advocates for controversial causes has huge implications for their future.



There are many reasons communicators think increasing public engagement is a good strategy. First, they believe getting involved reflects a commitment to positive social change—as long as those changes align with their corporate values. Although many recognize that getting involved can enhance reputations and increase sales, the rationale they chose more often is simply “because it’s the right thing to do.”

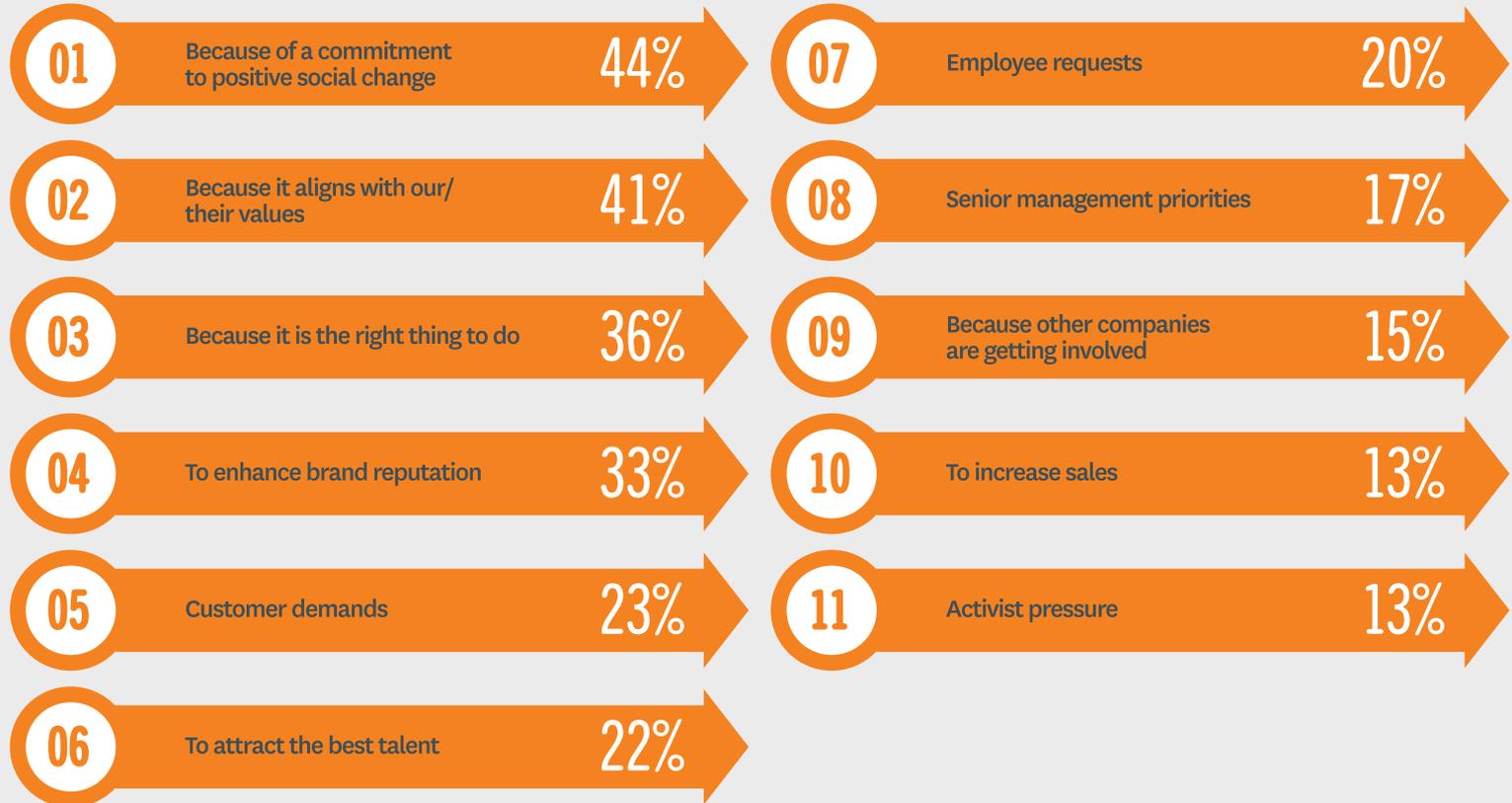
Lyft was one of the first companies to weigh in on the 2021 Texas abortion legislation, which was a bold step for the ride-sharing company. The founders stated “the law is incompatible with people’s basic rights to privacy, our community guidelines, the spirit of rideshare and our values as a company.” In the weeks following their statement, Lyft’s stock price increased by 5%.

Over the coming year, my organization or clients will increase its/their public engagement in a dialogue around one or more social issues.

73%



What are the primary reasons for increasing public engagement? Select up to three.



ADDRESSING THE ISSUES

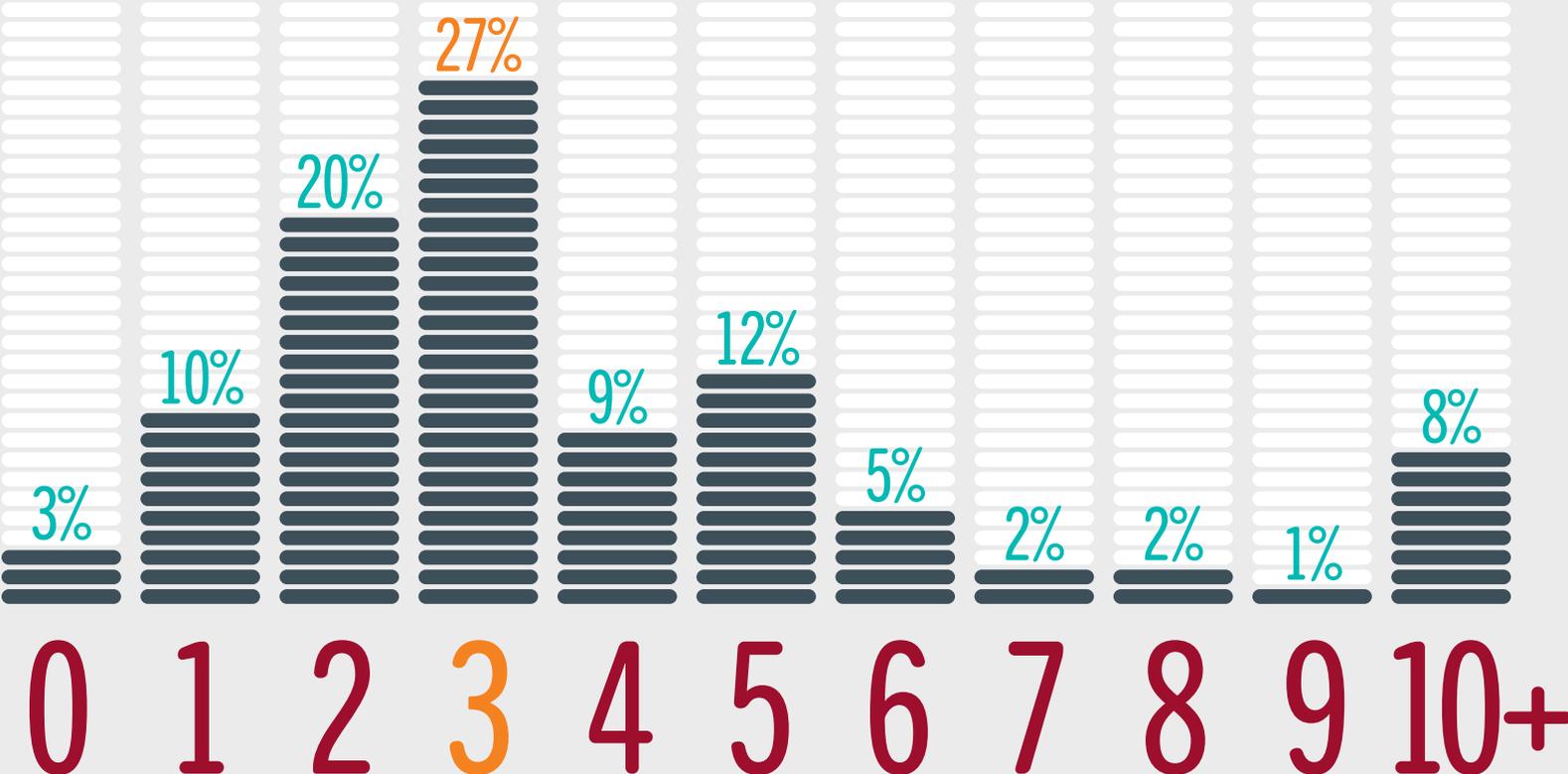


Our jobs as CEOs now include driving what we think is right. It's not exactly political activism, but it is action on issues beyond business."

BRIAN MOYNIHAN
CEO, BANK OF AMERICA

One of the questions many companies are grappling with is how many issues they should tackle. The executives who responded to our survey most often selected three. Obviously, this number will vary based on the size of the company. But the emphasis should be on the depth of the commitment, rather than the breath of the effort. It's possible to state a position on multiple topics, but long term it's more effective to focus on a few. Even Ben & Jerry's, a progressive brand that speaks out frequently, focuses primarily on criminal justice reform.

How many social issues does your organization/clients feel comfortable addressing simultaneously?



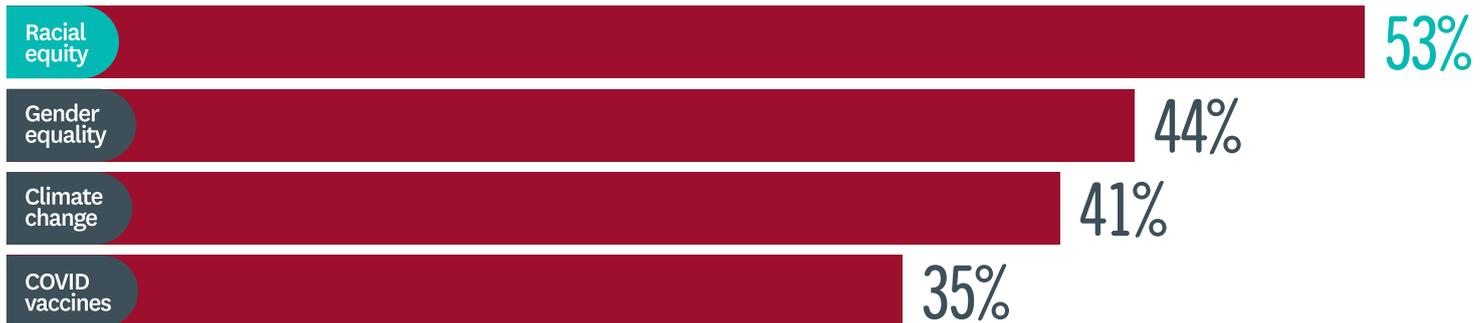
ADDRESSING THE ISSUES

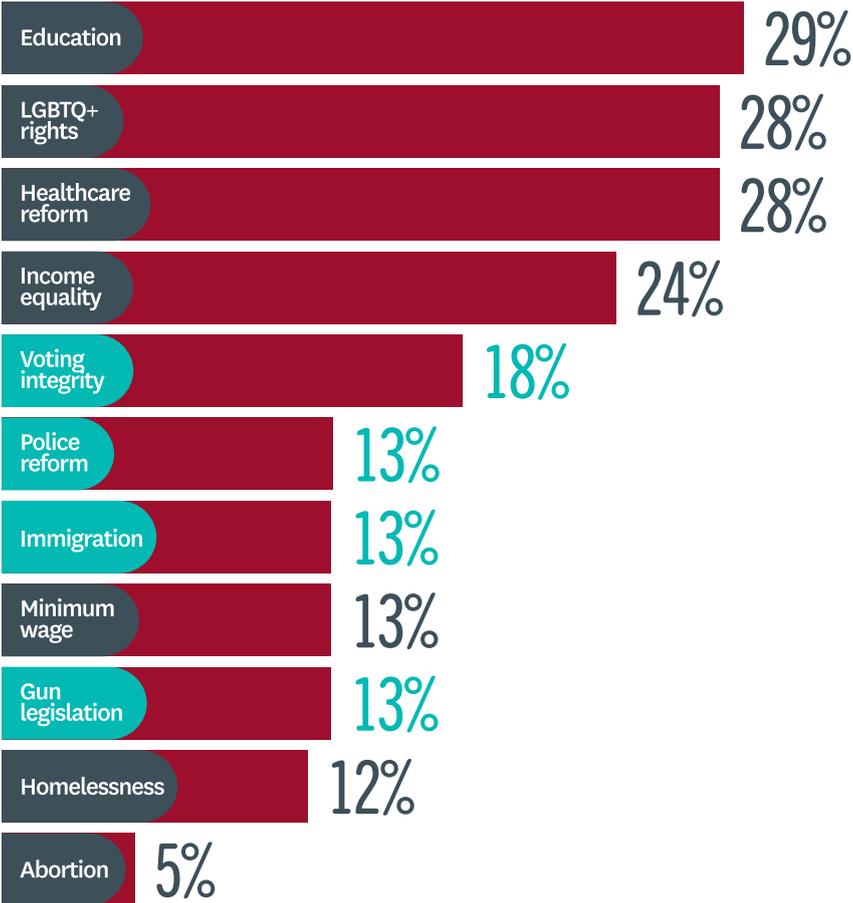
The other important question business leaders ask is what issues they should address. There is no shortage of topics, but picking the right one is a critical decision that should be based on the values of the organization and the nature of its business.

The PR people we surveyed selected racial equity as their number one choice, followed by gender equality. These are natural fits for many employers because they align with internal HR objectives and are important to current and prospective employees. Despite the widespread public disagreement about COVID-19, every employer should feel empowered to communicate their vaccination policy.

Topics that are important to current and future employees, like climate change and healthcare reform, have become less polarized in recent months, posing less risk for businesses who want to address them. But other long-standing issues, like abortion and immigration, likely will remain outside the comfort zone of most companies for the foreseeable future.

Which of the following issues do you predict your organization/clients will increase their public engagement with?
Select all that apply.





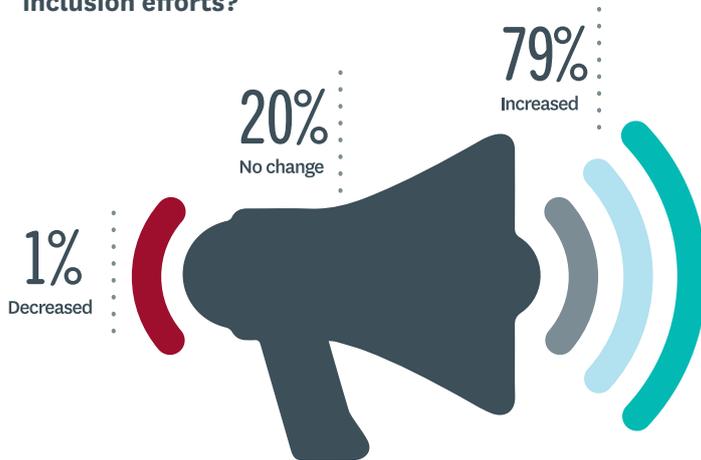
Highlighted topics are the most controversial issues from *The Polarization Index*.

A science-based database tracking national political division as measured with social media conversations, *The Polarization Index* mathematically calculates the degree of discord across key issues using real-time language processing.

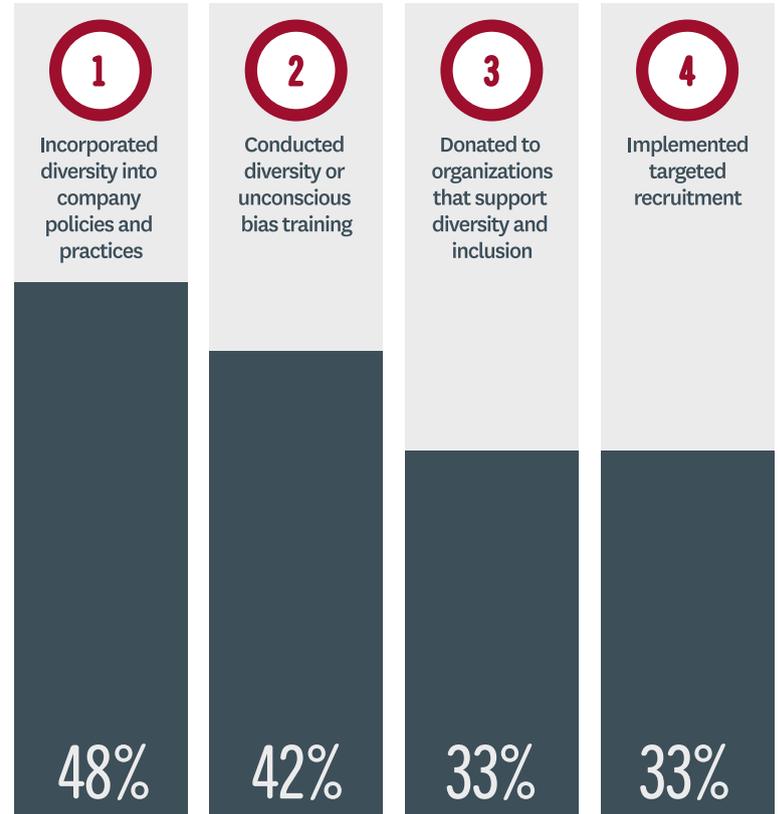
ADDRESSING THE ISSUES

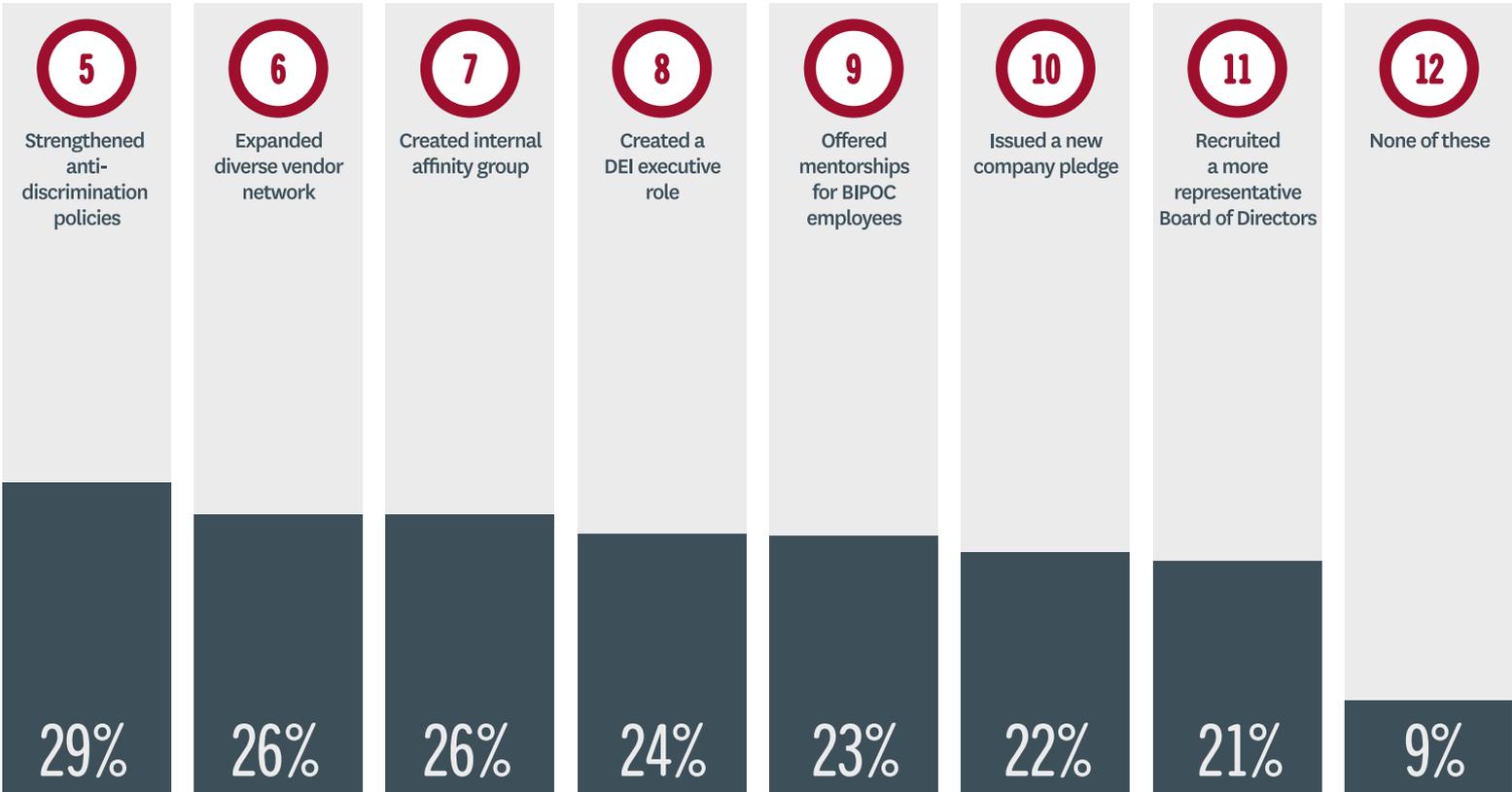
The racial justice protests during the summer of 2020 changed the dynamic of corporate activism forever. In an Annenberg survey conducted in January 2020, Black Lives Matter ranked below “none of the above” on a list of activist groups companies were interested in supporting. But the millions of citizens who took to the streets to protest the murder of George Floyd awakened Corporate America. Hundreds of companies, which had never spoken publicly about race, issued statements, made commitments, and donated money. Today, almost 80% of communicators report their companies have expanded their diversity and inclusion efforts through increased training, new policies, and targeted recruitment.

Since the racial justice protests of 2020, how has your organization changed its diversity and inclusion efforts?

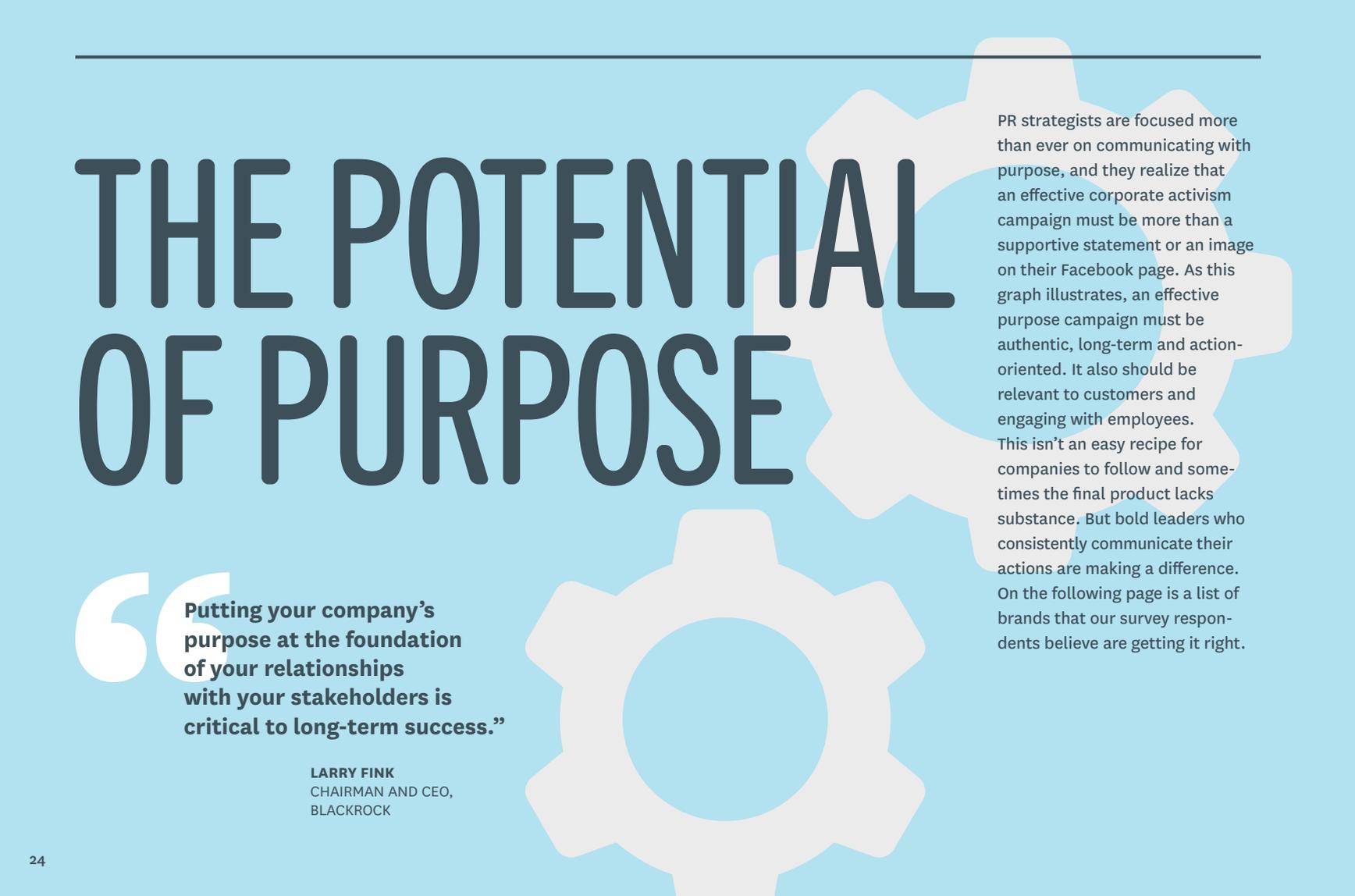


Please indicate which of the following steps your organization has undertaken.





THE POTENTIAL OF PURPOSE

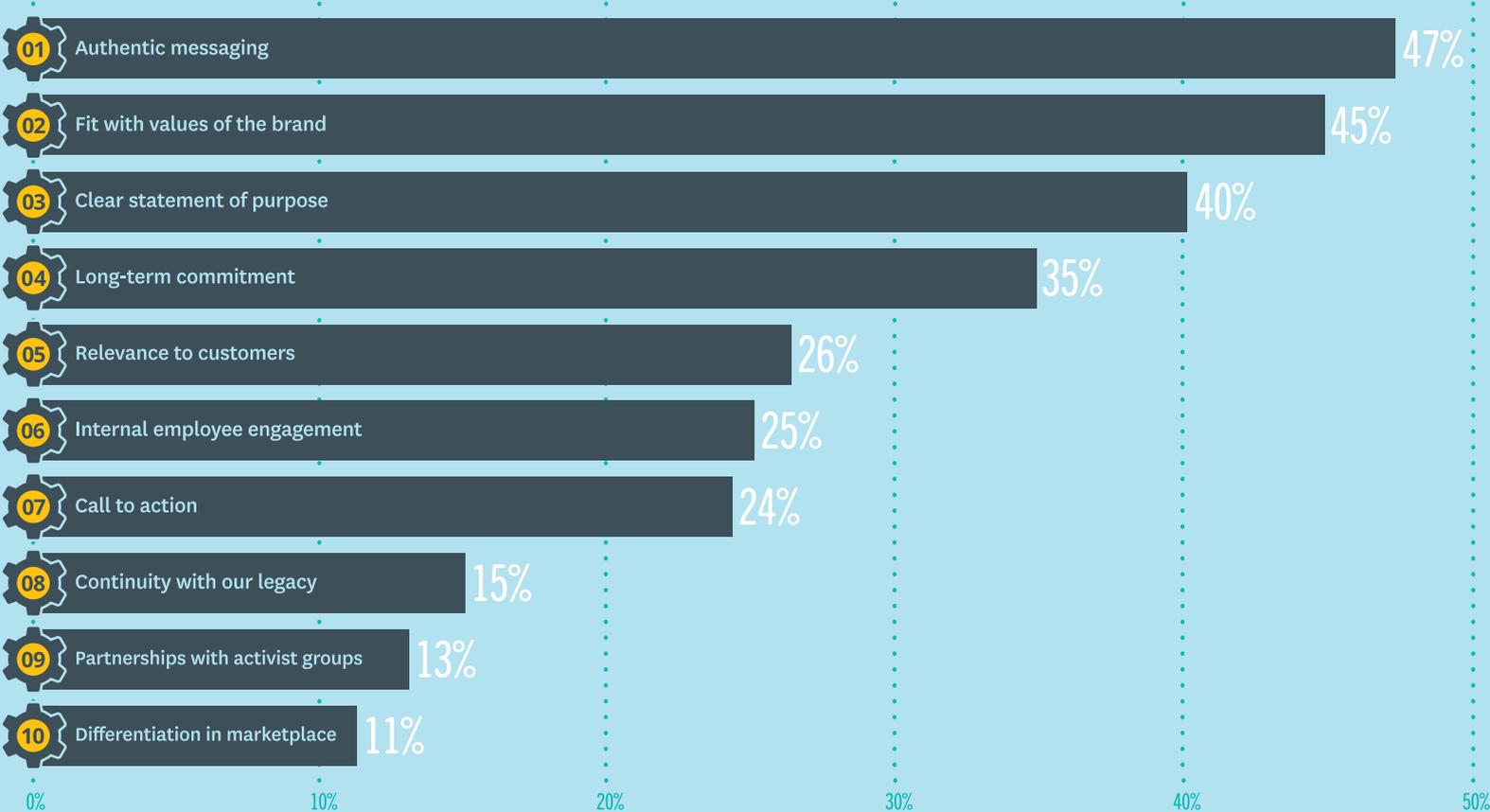


“**Putting your company’s purpose at the foundation of your relationships with your stakeholders is critical to long-term success.**”

LARRY FINK
CHAIRMAN AND CEO,
BLACKROCK

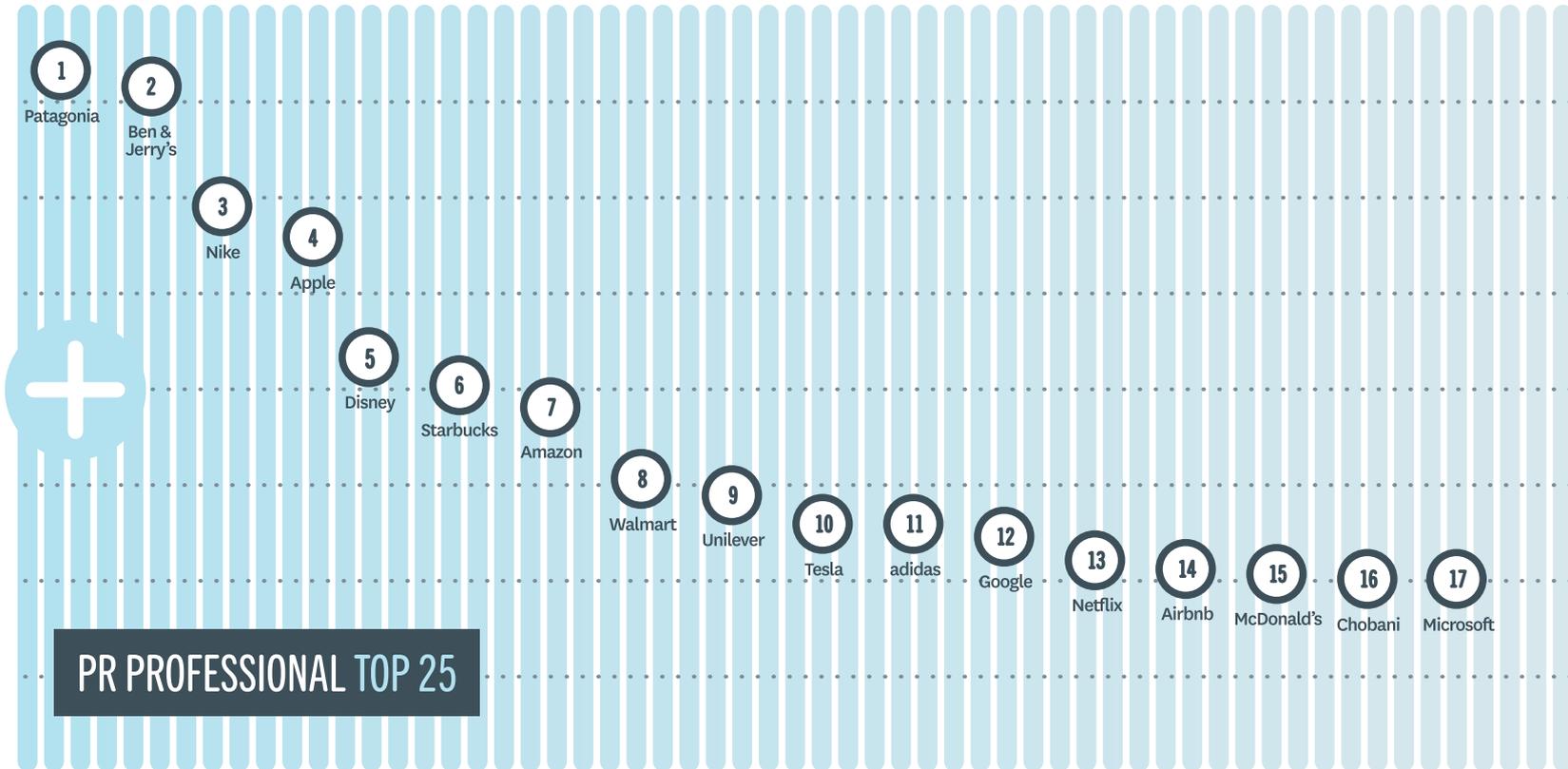
PR strategists are focused more than ever on communicating with purpose, and they realize that an effective corporate activism campaign must be more than a supportive statement or an image on their Facebook page. As this graph illustrates, an effective purpose campaign must be authentic, long-term and action-oriented. It also should be relevant to customers and engaging with employees. This isn’t an easy recipe for companies to follow and sometimes the final product lacks substance. But bold leaders who consistently communicate their actions are making a difference. On the following page is a list of brands that our survey respondents believe are getting it right.

Which of the following do you believe are the most important components of an effective purpose-driven campaign?



In your opinion, which of the following brands most effectively communicate their corporate purpose?

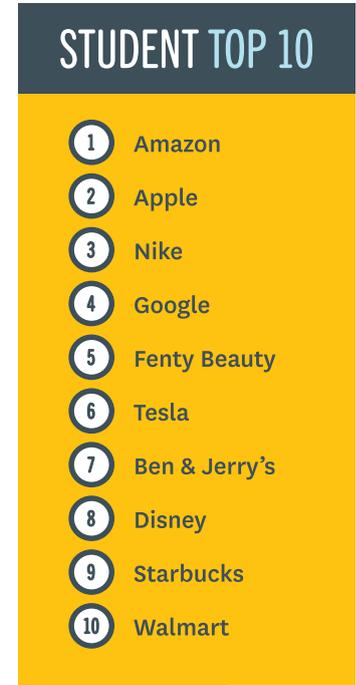
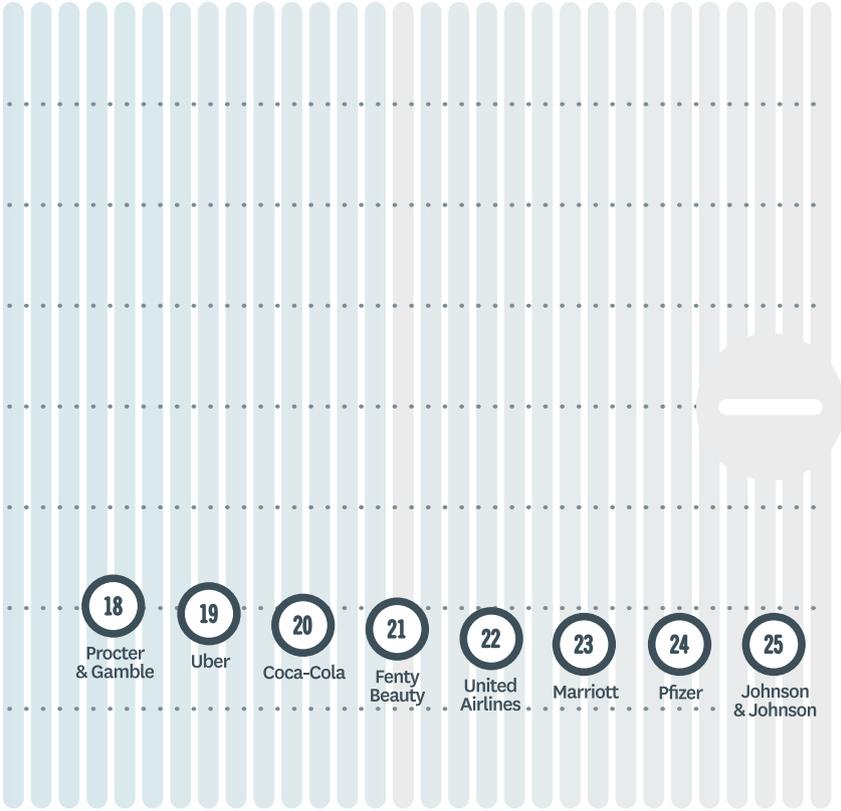
Well-known veterans of activism, like Ben & Jerry's and Patagonia, top the list with PR people. Journalists, who are on the receiving end of these communications, rate Amazon and Walmart highly. Students favor



PR PROFESSIONAL TOP 25

big brands that are relevant to their lifestyles, like Apple and Nike. Emerging brands, such as Fenty, Airbnb and Lyft, are building awareness through their activism, while big, established corporations like

Salesforce and Unilever are driving change globally. Each of these brands stands for something different, and sometimes their positions make people mad.



“If your company’s corporate activism doesn’t make someone mad, it’s not worth doing.”

Do you agree?

Strongly or
somewhat
AGREE



43%

Strongly or
somewhat
DISAGREE

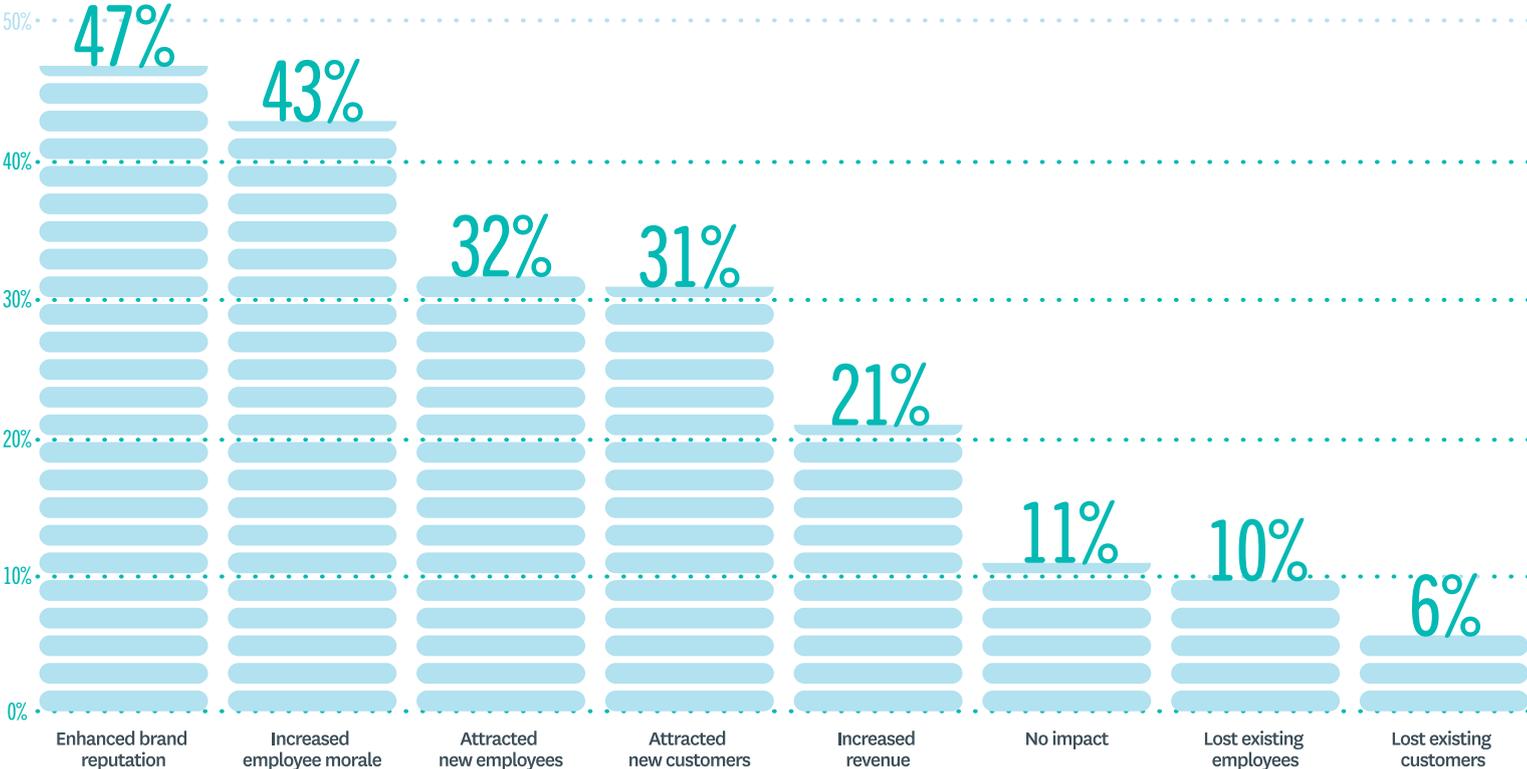


35%

For most of the organizations represented in our survey, the benefit of engaging in social issues outweighs the risk. Our survey respondents cite increased brand reputation as the primary outcome, followed by improved employee morale and the ability to attract new employees. Numerous studies attempt to correlate social purpose with increased profit, but thoughtful leaders are not measuring corporate activism by its dollar value.

When Chick-Fil-A stated their position on same sex marriage, they knew they would alienate the LGBTQ+ community. When Nike took a stand (or a knee) with Colin Kaepernick they anticipated backlash from sports fans. Both were being true to their values and their brands benefitted.

What has been the business impact of actively engaging in social issues for your clients/organization?
Select all that apply.



THE ACTION OF ACTIVISM

“There is a moment where
you have to choose whether
to be silent or stand up.”

MALALA YOUSAFZAI
PAKISTANI ACTIVIST
FOR FEMALE EDUCATION



Although every communicator may not believe corporate activism is the right strategy for their company, 93% of our survey respondents said they are spending more time dealing with topics like race, healthcare, and climate change. And they expect the amount of time they will spend on these matters to increase in the future.

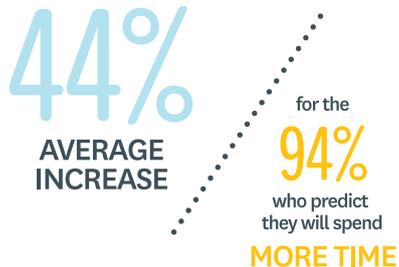
Compared to 5 years ago...

how much more or less time do you spend dealing with societal issues today?

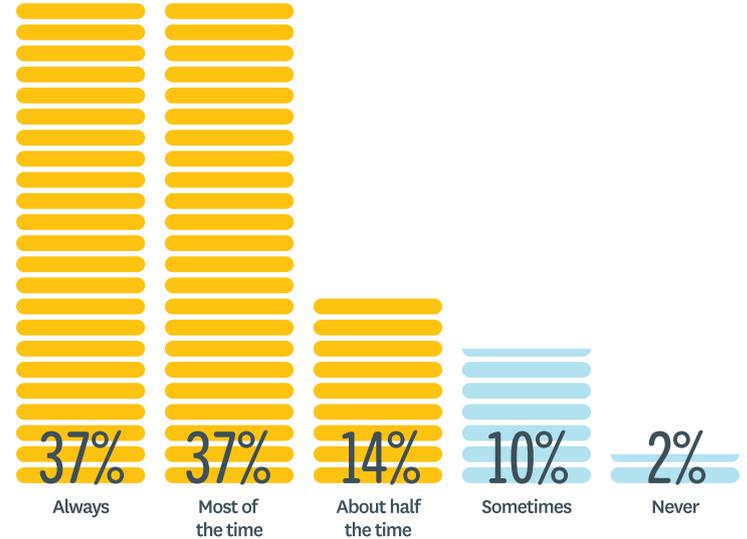


Compared to today...

how much more or less time do you predict you will spend dealing with societal issues in 5 years?



When creating external messages about a specific social issue, to what extent do you take the level of polarization associated with that issue into account?



The conversation around a growing number of topics has become a carefully constructed trap that can ensnare even the smartest business communicators. It is increasingly important for brands to get ahead of these powerful forces by understanding the impact of the positions they are taking. In a world where the attire of an M&M character creates controversy, 88% of PR people are thinking twice about how their news—no matter how benign—will be reported and shared.

How do you currently determine the level of polarization on a specific issue? Select all that apply.

They mainly monitor traditional and social media, while also tuning into to the opinions of their employees. This is where the *USC Polarization Index* can be very helpful as the first data science measurement tool that calculates the level of political bias, social media engagement and reliability of information across a variety of divisive topics.



64%

Analyzing social media



63%

Monitoring the media



54%

Listening to employees



37%

Consulting with policy experts



35%

Working with data analysts



30%

Relying on gut instinct



22%

Collaborating with activists

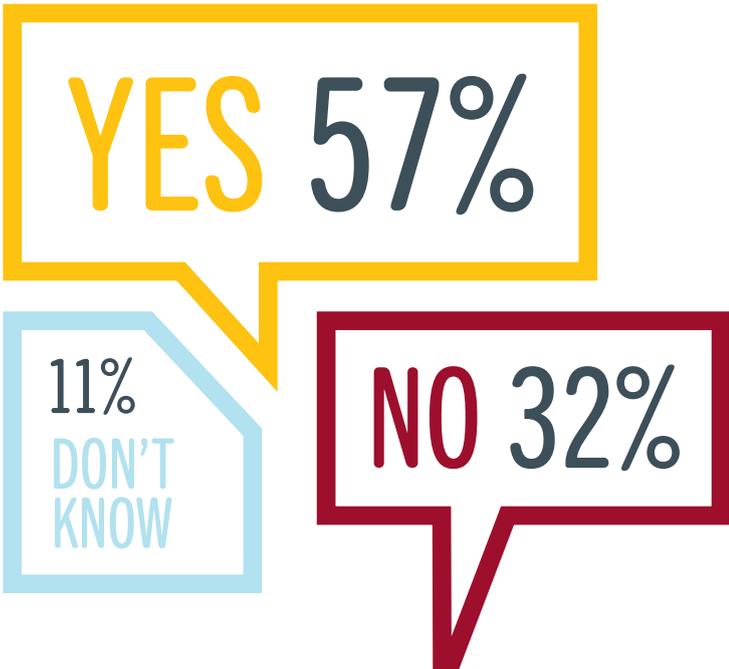


20%

Subscribing to tools

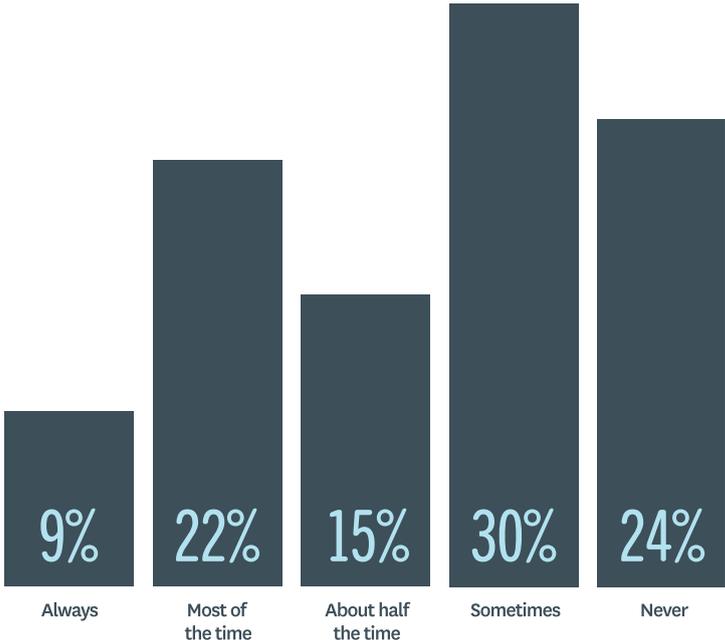
Does your company currently have enough accurate data about complex societal issues to make important decisions about how and when to engage in a conversation about a specific issue?

When it comes to making decisions about when, where, and how to engage with complicated social issues, more than half feel they have ample information to guide them.

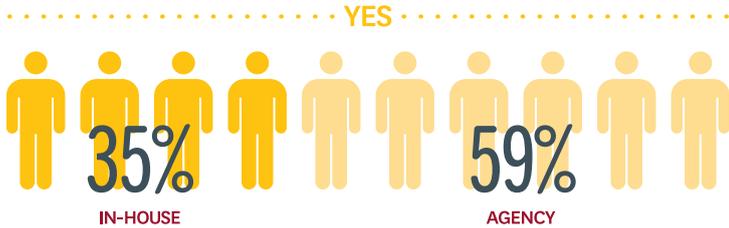


To what extent do you proactively involve activist groups when you are planning an initiative or creating a new policy for your company, organization or clients?

For the past three years, the percentage of communicators who report they are proactively engaging with activist groups has increased from 14% in 2020 to 46% in 2022. This is a very encouraging statistic because the inclusion of outside voices demonstrates diversity and increases credibility.



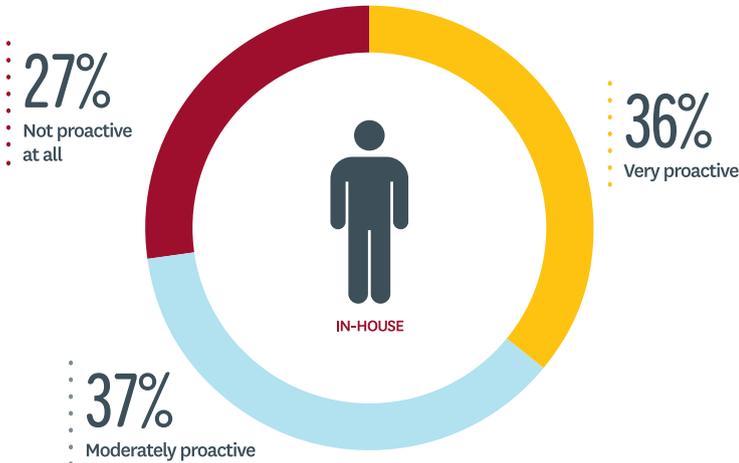
Does your organization have an executive who is primarily responsible for corporate activism?



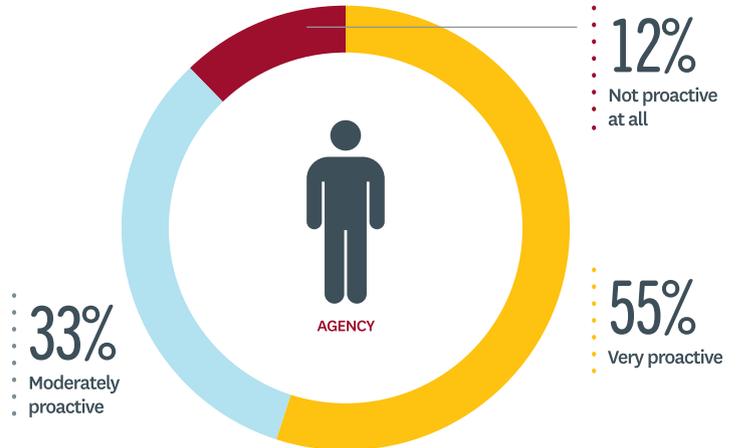
“CEO activism is not a leadership choice, but a modern — and an evolving — expectation.”

MARC BENIOFF

How proactive is **your CEO** in speaking out about societal issues?



How proactive is **your agency's CEO** in speaking out about societal issues?



Given the increasing demands, half of the communicators surveyed have designated an individual to manage corporate activism in their organizations. Some, like Ben & Jerry's and Rare Beauty, have created separate functions for their activist efforts. Others incorporate them into their traditional communications team. PR agencies are creating dedicated practices to counsel their clients on the growing number of issues they are facing.

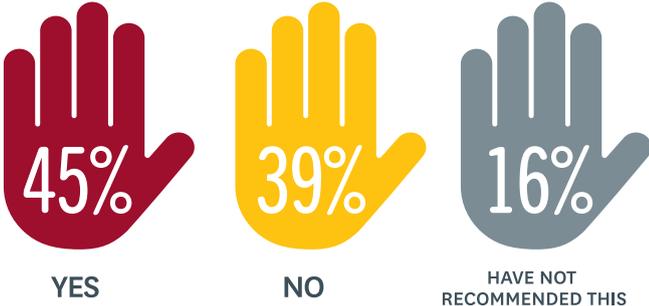
Even though most communicators are spending more of their time and resources managing social issues, their CEOs may not be as proactive. Our survey showed that only 36% were considered very or extremely proactive compared to 27% who said their CEO was rarely or not at all

proactive. The majority fell somewhere in the middle. In fact, 45% of in-house communicators report they have faced resistance from senior management when they recommended including social issues in their programs. Sixty percent of agency execs report getting the same resistance from their clients. Clearly, many senior executives are hesitant to enter the uncharted territory of corporate activism, but others like Marc Benioff at Salesforce are leading the way.

PR agency CEOs are viewed as more proactive on social issues than their client counterparts, but they rarely have the same platforms to speak from.

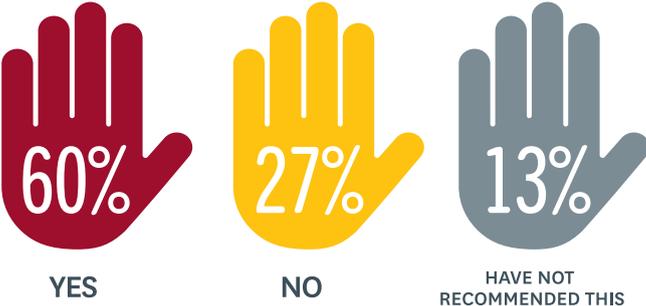
Has your department or team **faced resistance from management to your recommendation of incorporating social issues into communication programs?**

IN-HOUSE



Have you or your agency **faced resistance from clients to your recommendation of incorporating social issues into communication programs?**

AGENCY



How does your organization promote its corporate activism? Select all that apply.



The vast majority of communication professionals we surveyed found value in promoting their corporate activism, especially to their employees. Most use typical PR tools—like websites, media relations and social media—to get the word out. A much smaller percentage support their efforts with paid advertising. The recent Super Bowl was a good example: Most advertisers felt more comfortable with celebrities than with causes. Proof that purpose remains the purview of PR.

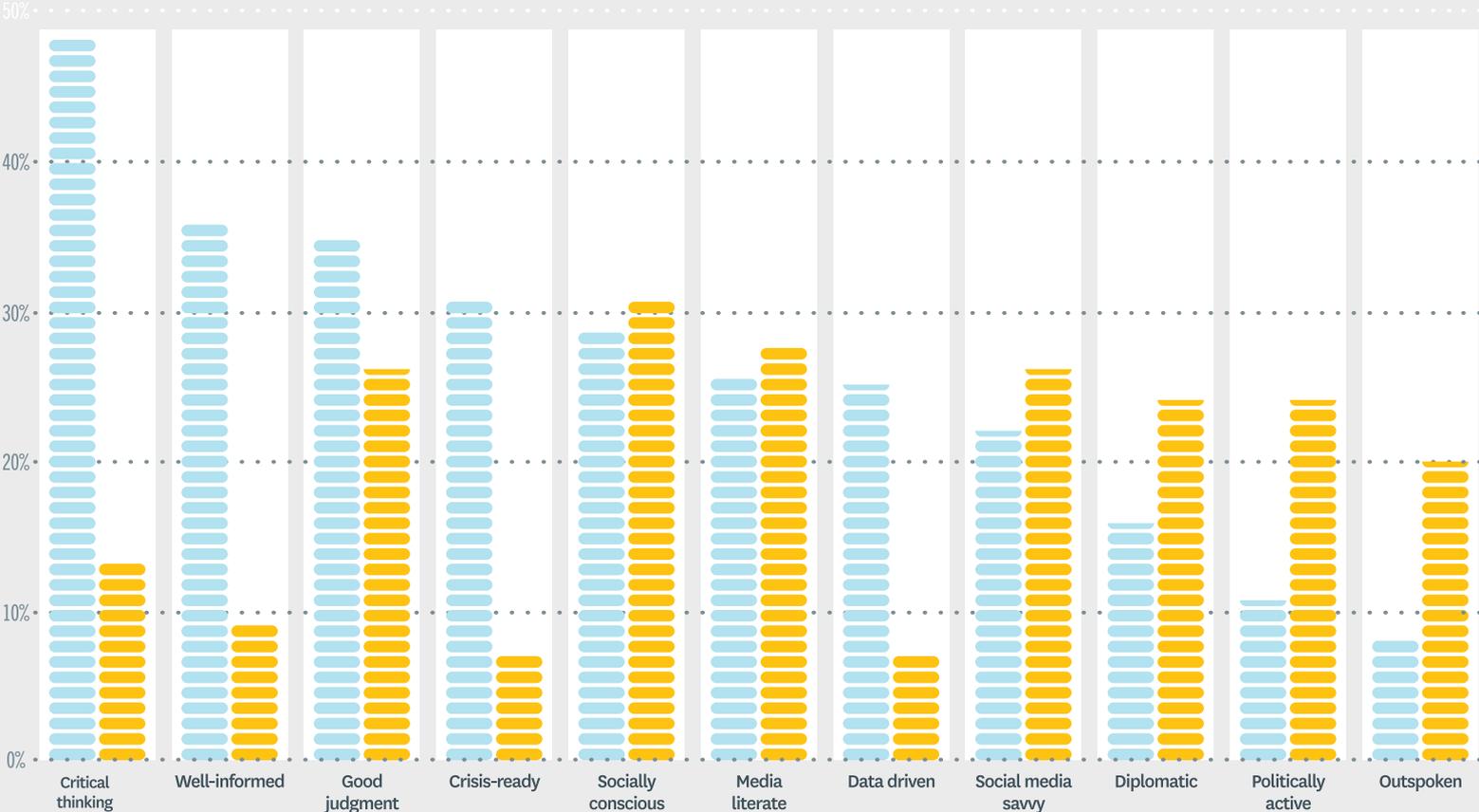
Our survey showed that a whopping 96% of PR students believe business can and should solve social problems. To lead this transformation, PR veterans think these future leaders will need to be well-informed critical thinkers. But students place greater emphasis on being politically active and outspoken.

And they have a lot of career options. They may choose a company based on its values, over its value. They may work in a van, rather than an office. They may get news from TikTok, instead of The Times. They may worry about climate change more than the stock exchange.

One thing is certain. The next generation of PR executives will judge their profession by its contribution to society and measure their careers by the change they are able to create. The rest of us should encourage their activism, listen to their ideas and follow their lead. They will help us find our purpose.

In an era of increased corporate activism, which of the following traits are most important for the next generation of PR professionals to possess to be successful in this environment?

PROFESSIONALS
STUDENTS



METHODOLOGY

The data for the *2022 Global Communication Report* was collected through an online survey fielded by the USC Annenberg Center for Public Relations (CPR).

The survey encompasses 1,600 responses from communication professionals, journalists, educators and students, and was live between January 4, 2022, and February 4, 2022. The sample for this survey is a “convenience sample.” Consequently, we cannot say that the responses are representative of the respective populations. Nevertheless, we believe this data offers numerous directional insights into the attitudes and beliefs of the public relations community.

DESCRIPTION OF PR PROFESSIONAL SAMPLE

The sample included in the analyses encompasses 687 responses from PR professionals, of which 413 said they were PR professionals working in agency/consultancy establishments and 274 work as in-house PR professionals. 75% of the PR professionals were from the United States. Of those working for agencies/consultancies, 38.0% indicated that they headed the organization and 26.0% had significant management responsibilities within the organization. Of the in-house PR professionals, 40.4% indicated that they were the most senior communication professional in the organization and an additional 21.9% indicated that they had significant management responsibilities.

The PR professionals in the sample were mostly between 35-44 years old (31.4%), followed by 25-34 years (28.4%). 41.7% indicated that they were male, 55.9% female and 2.5% other or preferred not to answer. About one-third (32.3%) had 20 years or more of working experience in the PR industry, with 26.2% having 5-10 years experience.

DESCRIPTION OF MEDIA PROFESSIONAL SAMPLE

The sample encompasses 193 respondents, of which 61.8% were from the United States. Of the American reporters, 25.6% reside in California. The respondents were 52.8% male, 44.1% female and 3.0% identified as other or preferred not to answer. 53.4% were between 25-34 years old, and 26.1% between 35-44 years.

DESCRIPTION OF STUDENT SAMPLE

The sample encompasses 475 respondents, of which 94% were from the United States. Of the American students, 13.7% reside in California. The respondents were 48.4% male, 51.4% female and 0.3% identified as transgender.

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Special thanks to USC Annenberg graduate students Bokie Muigai and Dervla Mcneice for their leadership on this project.



Join Fred Cook, USC Annenberg professors and PR industry guests as we review the latest trends and insight into the future of public relations. Find and subscribe to #PRFuture on Apple Podcasts, Spotify, or wherever you find your favorite podcasts.

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