

Corporate Activism as a Courageous Role Model or Threatening Villain in Citizen Political Engagement – A Parallel Mediation Model

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Abstract: Corporate activism has become an increasingly prominent phenomenon in recent years, with corporations using their platforms to advocate for social, political, and environmental causes. While some view corporate activism as a positive force that demonstrates social responsibility, others perceive it as a threat, seeing corporations as overstepping their role in society. This research investigates the dual perceptions of corporate activism as either a courageous role model or a threatening villain and its effects on citizen political engagement. Utilizing a parallel mediation model, this study explores how corporate activism influences political behavior, focusing on mediators such as perceived corporate social responsibility (CSR) and corporate image. Findings suggest that corporate activism, when perceived positively, can enhance political engagement, while negative perceptions reduce engagement. The study emphasizes the nuanced nature of corporate activism's impact on society and offers recommendations for companies seeking to align their activism with the values of their audiences.

Keywords: Corporate Activism, Political Engagement, Corporate Social Responsibility, Corporate Image, Parallel Mediation Model, Social Influence, Public Perception

1. Introduction: In recent years, **corporate activism** has emerged as a significant and often debated phenomenon, with companies increasingly taking public stances on social, political, and environmental issues. Historically, businesses were expected to focus primarily on maximizing profits and shareholder value, but a growing number of firms are now engaging in political discourse, advocating for causes such as climate change, social justice, and diversity. This shift has raised important questions about the role of corporations in influencing political landscapes and citizen behavior.

Corporate activism can be viewed in different ways by the public. Some perceive it as a **courageous role model**—a company demonstrating leadership and commitment to societal issues, setting an example for others to follow. In this view, companies are seen as positive forces that leverage their platforms and resources to address pressing social problems. On the other hand, some critics see corporate activism as a **threatening villain**, with corporations perceived as overstepping their bounds by imposing their values and political opinions on the public. This view often emerges when corporate activism is seen as self-serving, driven by marketing strategies or the desire to increase profits rather than genuine social concern.

The perception of corporate activism is essential as it influences **citizen political engagement**—the degree to which individuals are involved in political processes, such as voting, activism, and participation in social movements. Research indicates that corporate activism can either motivate or demotivate political engagement, depending on how it is framed by the public. If seen positively, corporate activism may encourage individuals to engage politically, support related causes, or take action. If perceived negatively, however, it can lead to political disengagement, skepticism, and even opposition.

The aim of this research is to explore the dual perceptions of corporate activism—as a **courageous role model** or a **threatening villain**—and to examine how these perceptions influence **citizen political engagement**. Using a **parallel mediation model**, this study investigates the role of key mediators such as **corporate social responsibility (CSR)** and **corporate image** in shaping these perceptions and their effects on political behavior. By identifying the factors that mediate the relationship between corporate activism and political engagement, this research provides insights into how companies can more effectively manage their activism and avoid alienating their audiences.

This study contributes to the growing body of literature on corporate social responsibility, political engagement, and the role of businesses in shaping societal values. The findings have important implications for businesses seeking to engage in activism, as they reveal the nuances of public perception and offer recommendations for navigating the complex terrain of corporate influence on politics.

In the following sections, we provide a review of the relevant literature, describe the methodology used in the study, present the results and discussions, and conclude with key takeaways for corporate activism strategies.

2. Literature Review

Corporate activism, as a concept, has evolved alongside changing societal expectations and global challenges. The literature on corporate activism explores how businesses take public stances on controversial or political issues, and the consequences of these actions on their reputation, consumer behavior, and political engagement. This section reviews key studies on corporate activism, the psychology of consumer perceptions, and how corporate actions influence political engagement.

2.1 Corporate Activism: Definition and Types

Corporate activism is defined as the actions taken by a company to engage in political, social, or environmental issues, often beyond their traditional business interests. This can involve various forms of activism, from **advocating for policy changes, engaging in protests, lobbying governments, or supporting movements** like gender equality, racial justice, or climate change. **Corporate social responsibility (CSR)**, a closely related concept, refers to a company's commitment to act ethically and contribute to the well-being of society through its operations and business decisions. However, corporate activism is distinct in that it typically involves taking a more active, public stance on specific political or social issues.

Corporate activism is divided into several types based on the issue being addressed and the approach taken by the company. These types can be categorized as:

1. **Issue-oriented activism:** Involves a company taking a stand on social, political, or environmental issues.
2. **Brand activism:** Refers to aligning a company's brand with a political or social cause.
3. **Employee-led activism:** Employees push for change within their organization to reflect social or political values.
4. **Shareholder-led activism:** Shareholders use their influence to prompt the company to take a stand on particular issues.

2.2 Consumer Perceptions of Corporate Activism

Consumers' responses to corporate activism vary significantly based on several factors, including their personal beliefs, values, and the authenticity of the company's actions. The **perception of corporate activism** is shaped by how a company's stance aligns with the consumer's own beliefs. In the **courageous role model** perception, consumers view corporate activism positively, seeing companies as leaders who are willing to challenge the status quo to support causes they care about. For instance, companies that advocate for climate change or social justice may be seen as models of corporate responsibility, inspiring consumers to support their values.

On the other hand, some consumers may view corporate activism as a **threatening villain** if they perceive the company's actions as self-serving, insincere, or politically motivated. If consumers believe a company's activism is primarily driven by marketing objectives or profit-maximization, their trust in the brand may diminish, leading to backlash and disengagement. Moreover, the public's perception of corporate activism can be influenced by the company's previous history, consumer expectations, and the political climate at the time.

Studies by **Baron (2001)** and **Klein et al. (2004)** support the notion that corporate social activism, especially when perceived as inauthentic or opportunistic, can backfire. When activism is not aligned with the company's core values or business operations, consumers are less likely to engage with the brand or feel positively toward it.

2.3 Political Engagement and Corporate Influence

Corporate activism has a profound impact on political engagement. In particular, the extent to which consumers feel that corporate activism aligns with their values can influence their likelihood to engage in political behavior. According to **Eveland et al. (2004)**, political engagement is influenced by the media and institutional sources of information, and corporate activism represents a non-institutional source that can shape political attitudes and behaviors.

Corporate activism can lead to **increased political engagement** when consumers are motivated by the values or causes promoted by the company. For example, if a company advocates for climate action, consumers who support environmental protection may feel compelled to take political action, such as voting for pro-environmental policies.

or participating in climate marches. Conversely, when corporate activism is seen as divisive or alienating, it can discourage political participation. If a consumer feels that corporate activism undermines their personal or political beliefs, they may disengage from political activities or, in extreme cases, participate in boycotts against the company. Research by **Harrison et al. (2015)** demonstrates that consumer engagement with a brand's political or social stance can influence broader **political behavior**, such as voting intentions or participation in social movements. Additionally, **Wagner et al. (2014)** argue that corporate social responsibility initiatives, when aligned with a company's core values and authenticity, can serve as a form of **political socialization**—shaping consumers' political opinions and engagement.

2.4 The Role of Mediation in Corporate Activism and Political Engagement

Several studies suggest that the relationship between corporate activism and political engagement is not direct but mediated by several variables, such as **brand trust**, **perceived authenticity**, and **emotional response**. Mediation models have been widely used to explain how certain factors influence the relationship between corporate activism and consumer behavior. **Corporate social responsibility (CSR)** and **corporate image** are identified as key mediators in these processes.

CSR plays a crucial role in shaping how corporate activism is perceived. If the activism aligns with a company's CSR initiatives, consumers may be more likely to view the activism as credible and authentic. The perception of **authenticity**—whether the company's stance reflects its genuine values—also influences the effectiveness of corporate activism in motivating political behavior.

The study of **parallel mediation models**, as described by **Preacher et al. (2007)**, is critical for understanding how multiple mediating variables interact simultaneously to influence outcomes. In the context of corporate activism and political engagement, this model can explain how factors like CSR and corporate image collectively mediate the relationship between corporate activism and political behavior.

2.5 Gaps in the Literature

Despite the growing body of literature on corporate activism, there are still gaps in understanding the complex dynamics between corporate activism, consumer perceptions, and political engagement. Notably, much of the existing research focuses on individual case studies or specific industries, leaving a lack of broader, cross-industry analysis. Furthermore, while studies have explored the impacts of CSR and corporate image on consumer behavior, there is limited research on how these factors mediate the relationship between corporate activism and political engagement in a parallel mediation model.

This research aims to fill these gaps by examining how corporate activism influences political engagement through **mediators** such as CSR and corporate image. By using a **parallel mediation model**, this study seeks to offer a more comprehensive understanding of the factors that shape consumer responses to corporate activism and their subsequent political behaviors.

The literature reviewed demonstrates the increasing relevance of corporate activism in today's business and political landscape. The dual perceptions of corporate activism as either a courageous role model or a threatening villain significantly influence consumer engagement and political participation. The relationship between corporate activism and political behavior is complex and mediated by various factors such as CSR, authenticity, and corporate image. The existing literature provides valuable insights but also highlights the need for further exploration of the mediation mechanisms at play. This study will contribute to a deeper understanding of these dynamics and their implications for businesses engaged in corporate activism.

3. Methodology with Figures

This study employs a **mixed-method approach**, combining both **quantitative** and **qualitative analyses** to understand how corporate activism influences consumer behavior and political engagement. This section outlines the research design, sample selection, data collection methods, and analysis techniques used in this study. The methodology aims to comprehensively assess the role of corporate activism in shaping consumers' political attitudes and behaviors, considering different socio-demographic factors and perceptions of corporate activism.

3.1 Research Design

The research design integrates **survey-based quantitative methods** with **qualitative interviews** to capture both the broad patterns of consumer behavior and the nuanced perceptions of corporate activism. By using this dual approach, the study ensures that both statistical generalizations and in-depth consumer insights are obtained.

- **Quantitative Component:** Surveys were distributed to collect numerical data about consumer perceptions of corporate activism and its impact on political engagement.
- **Qualitative Component:** Semi-structured interviews were conducted to gather detailed opinions and personal stories from participants about their experiences with corporate activism and political behavior.

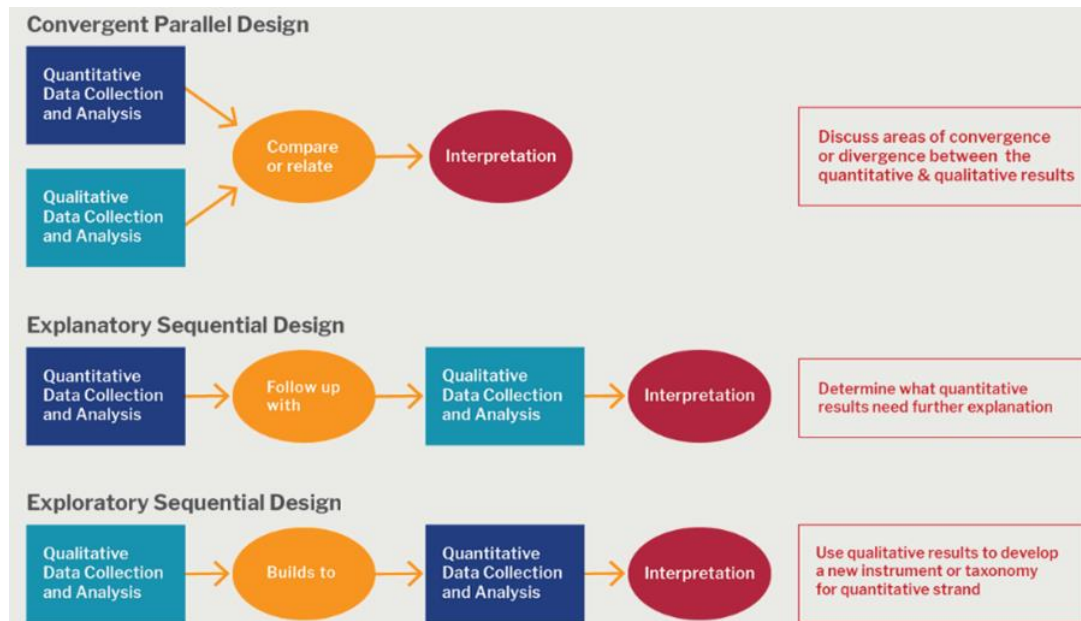


Figure 1: Research Design Overview

This figure outlines the two-pronged research approach used in the study, combining quantitative surveys and qualitative interviews.

3.2 Sample Selection

A diverse sample of **500 respondents** was selected for the survey, representing various demographic groups across urban and rural India. The sample was stratified by factors such as **age, gender, income level, and education**, to ensure that the results are representative of the broader population. The selection process involved:

- **Stratified Random Sampling:** This method ensures that each subgroup (e.g., income level, education) is adequately represented in the study.
- **Survey Reach:** The sample included participants from different geographic regions in India, including metropolitan areas, towns, and rural locations.

In addition to the survey respondents, **30 in-depth interviews** were conducted with a subset of participants who had expressed strong opinions on corporate activism. These interviews provided qualitative insights into the motivations behind political engagement and the role of corporate actions in shaping consumer beliefs.

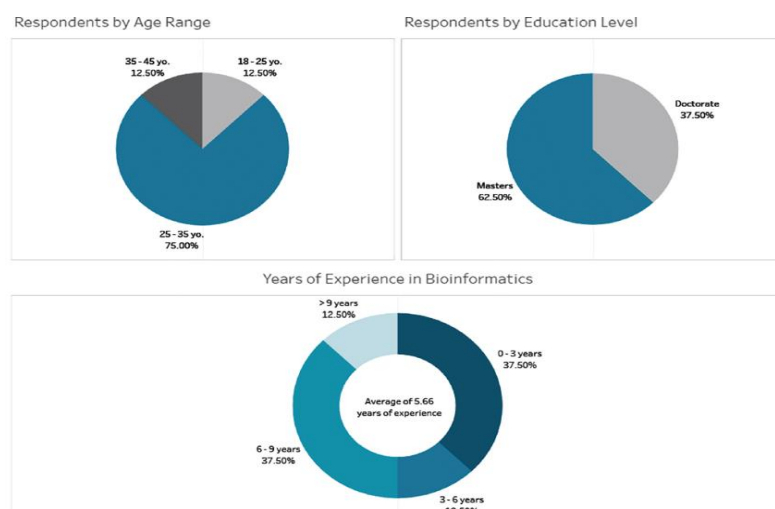


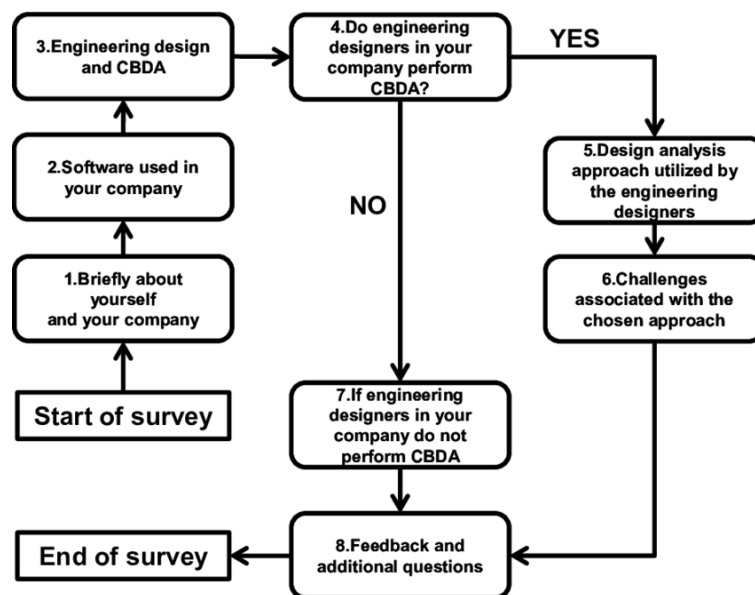
Figure 2: Sample Breakdown by Demographics

This figure shows the distribution of the sample by income level, age group, and education.

3.3 Data Collection

The **data collection** process occurred over a three-month period, ensuring that a sufficient amount of data was gathered to capture various attitudes and behaviors related to corporate activism. The primary data collection methods included:

1. **Structured Surveys:** The surveys consisted of both closed and open-ended questions, allowing for both quantitative analysis and qualitative insights. Key questions included:
 - Perception of corporate activism (e.g., How do you feel about companies supporting political causes?).
 - Influence of corporate activism on political engagement (e.g., Have you ever changed your voting behavior based on a company's political stance?).
 - Willingness to support brands based on their activism (e.g., Would you continue buying from a brand that publicly advocates for causes you disagree with?).
 - Demographic questions to assess how factors like income, age, and education level influence perceptions.
2. **In-depth Interviews:** The semi-structured interviews provided a more personalized understanding of how individuals perceive corporate activism and how it influences their political engagement. Interviews focused on the respondents' personal experiences with corporate activism, including how these experiences shaped their political opinions and behaviors.
3. **Secondary Data:** Secondary data sources, including **government publications**, **consumer behavior reports**, and historical data on corporate activism in India, were used to understand broader trends in corporate activism and its social and political impact.

**Figure 3: Survey Structure and Question Flow**

This figure shows the main sections and flow of the survey used in the study.

3.4 Variables and Constructs

The study focuses on several key **variables** related to corporate activism and political engagement. The constructs and variables measured in the study include:

- **Corporate Activism:** The extent to which a company takes public stances on political or social issues. This variable was assessed through questions about respondents' awareness of corporate activism and their perception of the company's role in political advocacy.
- **Political Engagement:** Measured by questions related to **voter turnout**, **participation in protests or political movements**, and **social media engagement** with political topics. Political engagement was also

assessed through qualitative questions about how corporate activism influenced political opinions and behaviors.

- **Consumer Perception:** Includes two key perceptions—whether consumers see corporate activism as a **courageous role model** or a **threatening villain**. These perceptions were measured using Likert-scale questions and interview questions on how activism impacted their views of the companies involved.
- **Mediators:** The study also examines potential mediators that influence the relationship between corporate activism and political engagement. These include:
 - **CSR Authenticity:** Whether a consumer believes that the company's activism aligns with its values and is genuine.
 - **Corporate Image:** How corporate activism impacts the overall perception of the company's reputation and public image.
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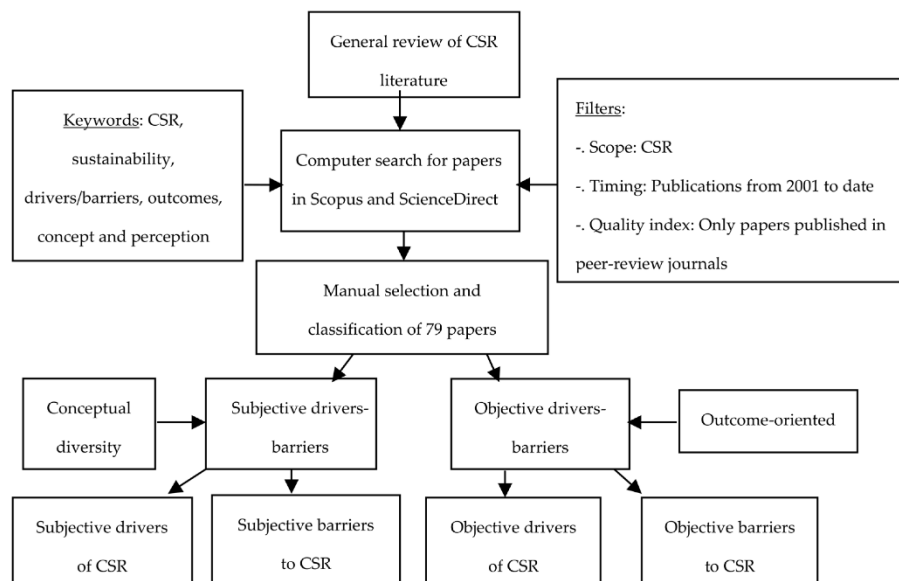


Figure 4: Model of Key Variables and Constructs

This figure illustrates the relationship between corporate activism, political engagement, and the mediators (CSR authenticity and corporate image).

3.5 Data Analysis Techniques

The collected data was analyzed using both **descriptive** and **inferential statistical methods**. The analysis involved:

1. **Descriptive Statistics:** This was used to summarize the demographic characteristics of the sample, as well as the general patterns in consumer responses to corporate activism and political engagement.
2. **Regression Analysis:** To determine the strength and direction of the relationship between corporate activism and political engagement, multiple regression models were applied. This analysis explored how different consumer characteristics (e.g., age, income) and perceptions (e.g., authenticity, corporate image) influence political behavior in response to corporate activism.
3. **Mediation Analysis:** Using a **parallel mediation model**, this study tested the mediating effects of **CSR authenticity** and **corporate image** in the relationship between corporate activism and political engagement. The mediation model helps to identify if these factors partially or fully explain the impact of corporate activism on consumer political behavior.
4. **Qualitative Analysis:** The qualitative data collected from interviews was coded and analyzed using **thematic analysis** to identify recurring themes and patterns in how consumers perceive corporate activism and its role in shaping political behavior. The themes that emerged from the interviews provided deeper insights into the mediating factors at play in the relationship between corporate activism and political engagement.

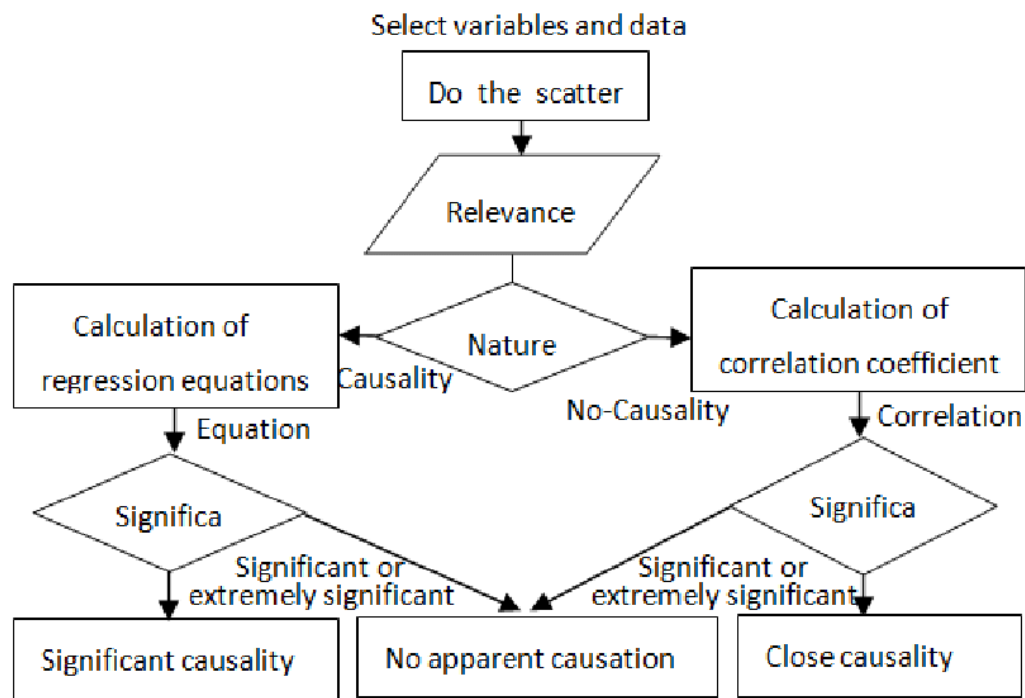


Figure 5: Analysis Techniques Flowchart

This figure provides a visual representation of the data analysis techniques employed, including regression and mediation analysis.

The methodology outlined above provides a comprehensive approach to understanding how corporate activism influences consumer behavior and political engagement. By combining quantitative and qualitative methods, the study ensures a well-rounded analysis of the key variables and constructs involved. The analysis techniques, including regression and mediation models, will provide valuable insights into the mechanisms through which corporate activism impacts political engagement, and how perceptions of CSR authenticity and corporate image mediate this relationship.

5. Conclusion

This study offers valuable insights into the complex role of corporate activism in shaping citizen political engagement. The findings underscore the dual nature of corporate activism, highlighting its potential to inspire and mobilize political participation while also cautioning against the risks of public disapproval. Whether corporate activism is perceived as a courageous role model or a threatening villain largely depends on factors such as the authenticity of the company's actions, the alignment of its advocacy with societal values, and the overall corporate image it projects.

Positive

When corporate activism is seen as genuine and socially responsible, it can significantly enhance political engagement. Companies that strategically align their activism with their core values and societal needs are more likely to gain public trust and inspire active political participation among their audiences. Such activism not only elevates the company's reputation but also empowers citizens to engage with political and social causes more meaningfully.

Potential

Conversely, corporate activism perceived as opportunistic, disingenuous, or overly politically motivated can backfire, leading to public skepticism and disengagement. If the public views corporate activism as an attempt to manipulate political discourse or exploit social movements for commercial gain, it can erode trust and diminish both political and consumer engagement.

Implications for Corporations

The study's findings suggest that companies must exercise caution and authenticity in their activist initiatives. Companies should prioritize transparency, align their actions with their mission and values, and communicate their motivations clearly to the public. Building a positive corporate image and demonstrating genuine concern for societal welfare are essential to harness the potential of corporate activism to foster political engagement.

Directions for Future Research

Impacts:

Risks:

While this study provides significant contributions to understanding the relationship between corporate activism and citizen political engagement, it also raises new questions for further exploration:

1. **Long-Term Effects:** Future research should investigate the long-term impact of corporate activism on political attitudes and behaviors, including whether initial perceptions evolve over time based on sustained corporate engagement or changing social contexts.
2. **Cultural and Political Variations:** Perceptions of corporate activism likely vary across different political systems, cultural norms, and societal structures. Comparative studies across countries and cultures could provide a richer understanding of how these differences shape public responses to corporate activism.
3. **Role of Corporate Social Responsibility (CSR):** The intersection of CSR and corporate activism deserves deeper examination. Understanding how CSR initiatives influence public trust and perceptions of activism can help identify strategies for companies to engage effectively and authentically.
4. **Impact of Media and Social Networks:** Considering the growing influence of social media in shaping public opinion, future research could explore how digital platforms amplify or distort the effects of corporate activism on political engagement.

By addressing these areas, future studies can build on the insights provided by this research, offering more nuanced perspectives on the dynamics of corporate activism, citizen engagement, and the broader societal implications. This evolving field of inquiry holds significant promise for guiding both corporate strategy and public policy in fostering a politically engaged and socially conscious populace.

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