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Financial brands taking a stand

Exploring the impact of advertised social activism on a brand's image
in the financial services sector

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Exploring the impact of advertised social activism on a brand's image in the financial services sector

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Abstract

Purpose: The purpose of this research paper is to explore the consumer perceptions of advertised social activism and its impact on a financial services sector brand's image.

Methodology: The study is of a qualitative and inductive nature based on literature review along with findings of 12 semi-structured interviews. The former serves as the basis of our theoretical analysis. The latter provides an in-depth understanding of the effects of social activism in advertising on consumer perceptions of financial services brands.

Findings: Favourable impact of advertised social brand activism on consumer perceptions is visible, however its strength is limited by the involvement of consumers with the tackled social issue, the internalisation of the issue by the brand and the perceived authenticity of the financial services sector.

Research limitations: The limitations of this study include the focus on two financial brands only as well as the limited number of advertisements used for the qualitative research, which raises concern towards generalizability. The use of convenience sampling also serves as a limitation as it might affect the results' validity.

Managerial implications: The research paper provides marketing practitioners in the financial services sector with insights regarding the impact of advertised social activism on consumer perceptions which can be used to guide strategies for brand image building.

Originality/value: This research paper attempts to explore the impact of advertised social activism on brand image in the financial services sector, which has received little attention in academic literature.

Paper Type: Research Paper

Key words: Consumer perception, brand image, brand activism, social activism, advertising, financial services

Introduction

With minimal quality and price differences in firm offerings, mounting technological advancements and greater volumes of information accessed by consumers, the brand is reasserting its role on a daily basis as a key factor in simplifying consumer decision making (Cornelissen, 2000; Melin, 2002).

Brands are eternal assets whose values are becoming of strategic interest to firms (Melin, 2002). In an increasingly money-oriented world, value-adding brands are the

only thing that give meaning to what we consume. This concept holds true for all companies and does not belong exclusively to the retail or mass marketing sectors; brands are for everyone (Kapferer, 2012). In fact, Devlin (1998) points out to the particular importance of branding in the financial services sector, especially for differentiation purposes. McDonald, de Chernatony and Harris (2001) further contend that the financial services sector stands as one where brand image is of paramount weight.

Creating a strong brand image, as pointed out by Kapferer (2012), necessitates consistency with consumer expectations; a challenging task in a dynamic world. Today's consumers hold brands at high standards, they expect them to not only offer benefits and add value to their customers, but extend those to their society as well (Kambhampaty, 2017).

Gone are the days where firms position themselves solely based on their performance (Kotler & Sarkar, 2017). The current era with its radical visibility and infiltrating media presence gives rise to a new strand of socially conscious global consumers who expect their brands to be the same (Horst, 2018). Consumers are looking very closely into what brands say and do, and they expect them to take stands on socially relevant matters (Barton, Ishikawa, Quiring & Theofilou, 2018). Given advertising's central role in communicating with the public (Doyle, 1989), brands are increasingly relying on it as a vehicle through which their social engagement and efforts are conveyed (Kaushal & Kumar, 2016). As a matter of fact, advertising, in addition to being a communication tool, is viewed as a major component in leveraging brand equity (Achenbaum, 1989; Lindsay, 1990) and that is in part due to its role as a brand language component actively assisting with image creation (Kapferer, 2012).

It is worth noting, however, that albeit being on the receiving end of advertising, consumers are not passive recipients of such messages (Meenaghan, 1995). Instead, and as pointed out by Joyce (1991), consumers bring their own preconceptions into advertisements and take away what they choose as well. This is particularly valid in advertising for social issues where consumer conceptions could be, to a large extent, related to the brand itself and the trust they have in the authenticity of its messages (Berggren & Lander, 2019). Furthermore, some industries might be faced with greater opposition given the nature of their work; the financial service sector being one of them (Loch,

Sting, Huchzermeier & Decker, 2012). Loch et al. (2012) contend that this sector is rarely associated with fairness and commonly viewed as exploitive. That being said, few studies have looked into the brand image in the financial sector, and even fewer have studied advertised social activism's effect on it.

As a result of this gap in literature, this research paper's focus will be to explore the impact that social activism in advertising has on the image of brands in the financial services sector using Mastercard and American Express as case examples. Therefore, the below research questions are set to be answered:

- *RQ1: How is advertised social activism in the financial services sector perceived by consumers?*
- *RQ2: How does advertised social activism in the financial services sector impact the consumer perception, and as a result, the image of the brand that engages in it?*

The research paper proceeds as follows. First, a literature review is presented on the concepts of brand image, advertising, brand activism and social activism. Then, the methodology of the research is presented, followed by a discussion of the results in relation to the proposed research questions. Finally, conclusions are drawn, and implications, limitations, and further research are acknowledged.

Literature Review

Brand Image

According to academic research (Ajour El Zein, Consolacion-Segura & Huertas-Garcia, 2020; Melin, 2002), a company's most valuable resources are strong brands. Melin (2002) points out that by creating intangible value, strong brands can act as sustainable means of competition, differentiation and added value. According to the author, this is due to the nowadays fast emergence of imitations and the rapidly progressing

technological advances, both of which are drivers of shorter product life cycles and an increased competitive environment.

Therefore, as Melin (2002) states, well-built brands fulfil five different functions for customers: Firstly, brands can act as information carriers as they signal prices, functions and qualities of their products making them more comparable. Secondly, brands serve as a guarantee of a certain level and consistency of quality. As a third function, Melin (2002) mentions brands as catalysts, as they assist customers in evaluating the market and ease the decision-making process, saving the customer money and time. Fourthly, by providing the mentioned guarantee, strong brands reduce perceived risks. The fifth and last function of strong brands is of most importance for this research paper, including, as described by Melin (2002), the creation of image. The information provided by a brand is either perceived as “rational or emotional in character” (Melin, 2002, p.111) which provides it with a symbolic meaning and shapes the image customers have of that brand. In other words, a brand image can be also defined as consumer perceptions of a brand based on particular associations created in the consumer’s mind and stored in the memory (Keller, 1993). Keller (1993) continues to say that a positive brand image tends to establish a unique customer association to the brand. In fact, when a brand is strong, it can positively impact a person’s self-image as well (Keller, 1993). Therefore, brands serve as a tool of social acceptance and self-realization (Melin, 2002). But how much of a role does that play in the realm of the traditionally rather dry and objective financial services sector (Catmull, 2019)?

According to Ajour El Zein, Consolacion-Segura and Huertas-Garcia (2020), intangible assets such as a strong brand image are nowadays a fundamental aspect in the long-term success of any firm. Kapferer (2012) confirms this and claims that the concept, development and management of brands is suitable, if not vital, for all kinds of

companies and that it is not limited to the fast-moving consumer goods (FMCG) industry. In his book, Kapferer (2012) focuses on the importance of intangible value creation in the electricity industry, which is more traditionally viewed as a service brand. This paper has extended Kapferer’s (2012) concepts to the financial services sector as illustrated in the below adjusted graphic.

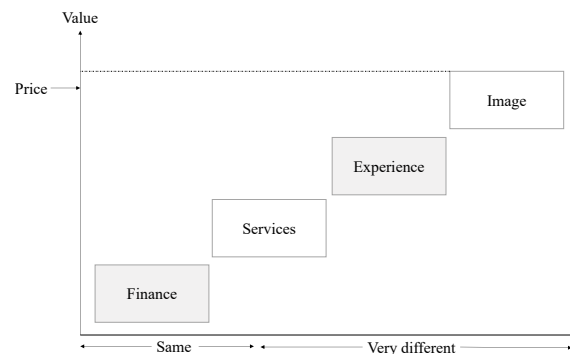


Figure 1: How to build a financial services brand (own illustration based on Kapferer, 2012, p.54)

The importance of building strong relationships between service brands and external and internal stakeholders is also highlighted by Dall’Olmo Riley and de Chernatony (2000). Thus, as financial brands are seen as a typical example of service brands by academics (financial services brands; Kapferer, 2012), these factors should be taken into account in their brand-building process as well. Moreover, Cornelissen (2000) and Lukášová and Urbánek (2014) explain that having a strong corporate brand image is especially important in the financial services sector as there are only minimal price differences and an enormous flow of information confronting the potential customers. Furthermore, and as highlighted by Loch et al. (2012), customers of the financial sector rarely associate it with just behaviour. That being said, the creation of a robust corporate brand image is regarded as the most powerful tool of differentiation (Balmer & Stotvig, 1997).

However, not only does the public rarely perceive banking companies as brands, but also the management teams tend to neglect the importance of brand-building and focus

more on functional aspects instead of emotional values (Dall'Olmo Riley & de Chernatony, 2000; de Chernatony & Cottam, 2006).

Advertising

In a study conducted by Meenaghan (1995), it is stated that advertising can be seen as a most powerful contributor to brand identity and the external brand image. Accordingly, he identifies two different functions: On one hand, advertising is a way of informing consumers about product attributes and performance specifications, which represents the practical and rational function. On the other hand, he states that advertising also equips the brand with human-like and symbolic values which places the brand in the appropriate lifestyle context. This latter function represents the emotional side of advertising. Additionally, Micco Grönholm, a recent guest lecturer from Future (2020) highlighted that consumers are, for the most part, led by emotions and not by rationality.

Parallely, in order to show the customers that a company, including one in the financial services sector, invests both in brand-building and the creation of intangible added value and a strong corporate identity, external communication towards the stakeholders and potential customers is needed (Bravo, Montaner & Pina, 2012; Kapferer, 2012). Crane (1990) also states the importance for financial institutions to advertise, highlighting corporate image and awareness, to position themselves appropriately, which can then be used as a basis for product advertising. However, one crucial difficulty for financial service marketers is finding the balance between product and corporate advertising (Crane, 1990). Therefore, the company's objectives must be clarified, which mostly consist of brand awareness, brand attitude and brand purchase intention. While it is mainly product advertising that influences brand awareness, it is both product and corporate advertising which creates and maintains a positive brand image. This is, according to Crane (1990), the most important objective.

In summary, advertising in the financial sector has not been widely covered in academic literature, but most sources confirm the applicability of the general theoretical findings about brand advertising. These imply the importance of creating intangible values, inter alia by emotions, which seem especially important for the financial services sector.

Brand Activism

A company's positioning, based on performance characteristics and product attributes, was the name of the game in branding for decades (Kotler & Sarkar, 2017). However, positioning alone is no longer enough in today's competitive business environment (Kotler & Sarkar, 2017). Millennials, as one of the largest demographic target groups today, have higher expectations towards brands and appreciate companies that take a concrete ideological and social stand by caring more about the community, rather than about profits (Kotler & Sarkar, 2017). Besides, organizations are progressively being pressured by all their stakeholders to adopt a more transparent, open and accountable approach (Molleda, 2010). Simultaneously, businesses have to stay authentic and true to their own values and principles (Baird, 2019; Barton et al., 2018; Davis, 2018). As a result, brands in emerging markets have started to enter the socio-political domain by taking a public stand on polarizing societal issues within their advertising campaigns (Vredenburg, Kapitan, Spry & Kemper, 2020), leading to what Sarkar and Kotler (2018) describe as brand activism.

According to Sarkar and Kotler (2018), this concept is defined as "business efforts to promote, impede, or direct social, political, economic, and/or environmental reform or stasis with the desire to promote or impede improvements in society" (p.465). Even though this definition states that brand activism is an effort to reform "with the desire to promote or impede improvements in society", Mukherjee and Althuizen (2020) argue that these efforts can also occur coincidentally, due to the inadvertent nature of

brand activism activities, and may lead to opposite results than those expected. Additionally, Sarkar and Kotler (2018) divided brand activism into progressive brand activism and regressive brand activism, which can be synonymized as the good and bad side of brand activism. Businesses that strategically use regressive brand activism actively follow policies that have a negative impact on society or, in other words, hurt the common good in society by offering, for instance, harmful products such as cigarettes (Sarkar & Kotler, 2018). In contrast, companies that make use of progressive brand activism want to positively influence social and political issues instead of just focusing on making profits (Sarkar & Kotler, 2018), which can be seen as the response to the previously mentioned demand by millennials.

Under their concept of brand activism, Sarkar and Kotler (2018) identified six sub-categories that capture the overall matters facing today's society:

- Legal activism dealing with labour law, workplace safety, etc.
- Business activism focusing on corporate organization, living wages, etc.
- Economic activism including infrastructure, employment, taxes, etc.
- Political activism covering voting rights, democracy, legislation, etc.
- Environmental activism dealing with climate change, rights of nature, etc.
- Social activism focusing on social matters such as equality, LGBTQ, race, etc.

The progressive form of the latter, which is the focus of this paper, is one of the most tackled forms of brand activism today (Sarkar & Kotler, 2018). Consequently, there has been a perceived climb in marketing campaigns addressing social issues, such as Nike with its “For once, don’t do it.” advertisement that underlines their position towards racism and injustice (Nike, 2020). Another example would be Gillette’s “We Believe: The Best Man Can Be” advertisement, where the brand jumps on the #Me-Too movement and raises awareness

towards sexual harassment and toxic masculinity (Topping, Lyons & Weaver, 2019). More and more businesses are becoming part of such movements and taking on the role of social activists – financial companies included (Barton et al., 2018; Loch et al., 2012).

Social Brand Activism

In times where people of colour still have to deal with racial teasing, women earn less than men and same-sex marriages are mostly forbidden, people are raising their voice and demanding change, with the goal of making the world a better place (Horst, 2018). As Holt (2016) states, with consumers being digital natives, “woke”, cosmopolitan and globally connected, they have evolved an acute sense of social justice. Therefore, customers are forcing businesses to support them in their movement as activists (Horst, 2018). In other words, consumers expect businesses not to stand silent on the side lines but rather take a social stand and throw their brand in the spotlight, in order to share and support their activist attitude (Horst, 2018).

Since “brands are used as a sort of language” (Lannon & Cooper, 1983, p.205) businesses have started to submit to the pressure of consumers and use advertising as their voice to participate in social movements supporting improvements in society, even if, according to Baird (2019) and The Moon Unit (2019), it means putting not only their profits but also their reputations on the line. As a result, companies are increasingly obsessed with how the public perceives their activities (Barton et al., 2018; Meenaghan, 1995). That being said, businesses need to pay attention not only to the tone, but also to the volume of their voice, if they want to achieve a certain image perception on the market (Barton et al., 2018).

As previously mentioned, one of the key functionalities of advertising is to create a specific character for a brand in the perception and minds of its target audience. Since “consumers choose brands in the same way they choose friends”, as stated by Melin

(2002), companies place more attention on the creation of their brands' personality. To build an emotional bond and relationship between company and consumer, corporations try to develop a brand image by actively showing the same values and caring about the same social topics as their target group (Kim & Sullivan, 2019; Meenaghan, 1995). In effect, by using social brand activism in a brand's external communication in an authentic way, a magnetic, emotional connection is built between the brand and the consumers (Kim & Sullivan, 2019), thus influencing their perceptions towards the brand and consequently its image (Berggren & Lander, 2019).

The following chapter will explain the methodology followed by an exploration of consumer perceptions towards financial services brands using social activism in their advertising.

Methodology

Qualitative research design

Creswell (2014) defines research approaches as "plans and procedures for research that span from broad assumptions to detailed methods of data collection, analysis, and interpretation" (p.3). He further mentions that, in planning a study, researchers need to be aware of the philosophical worldview they bring to it given its link to the research design and subsequent methods utilized. In fact, he discusses four possible philosophical worldviews: postpositivist, constructivist, transformative and pragmatic.

This research paper falls under the constructivist category seeking to develop meaning from people's experiences and perceptions towards the world – in this case, towards advertised social activism in the financial services sector. As a constructivist view is coupled with a qualitative design (Creswell, 2014), this paper's analysis will apply the latter, utilizing semi-structured interviews, to inductively generate answers in reference to the posed research questions.

Sample selection

Qualitative interviews are valuable to the researcher as they provide access to insights that the interviewer cannot observe; they also offer interviewees the chance to express their thoughts, feelings, and experiences in their own words (Tracy, 2013). One crucial step in choosing people to interview is sampling (Tracy, 2013). In fact, purposeful sampling entails choosing data that meet the project or research's goals (Tracy, 2013). Given the time and accessibility constraints imposed, the semi-structured interviews were based on a convenience sampling method.

Sampling was based on criteria of gender, age, and nationality. The interviewees belonged to different nationalities with ages ranging from 20 to 55 years. Furthermore, the sampling included equal gender representation. The above criteria were chosen as a starting point to explore possible factors that might impact consumer perception. The final sample included 12 interviewees from 10 different nationalities.

Data Collection

The research paper included two sources of data: primary data from the semi-structured interviews and secondary data from the literature review. The topic under study is characterized by relative scarcity in terms of research which required the collection of primary data. As such, 12 semi-structured interviews lasting an average of 30 minutes were conducted in an effort to explore the consumer perception regarding advertised social activism of two chosen brands in the financial sector. Semi-structured interviews, as pointed out by Bryman and Bell (2015), are commonly used as a means of qualitative research. They are particularly helpful with open-ended questions that the interviewer would have to follow up for additional insights (Adams, 2015). Adams (2015) further states that semi-structured interviews provide a keen advantage when the topic under study has not been researched extensively and when the researcher, as a result, seeks to explore prospective themes.

An interview framework was constructed to guide the process. The process included open-ended questions related to perceptions of the two brands under study. The interviewees were moreover asked to rate the brands' social activism efforts (on a scale of 1-5) and describe their associations (positive, negative, neutral) before and after exposure to two advertisements for each brand. Open-ended questions were followed up with further inquiries when the interviewer needed additional clarification and insights. Furthermore, at the end of the interview, the interviewees were provided with the opportunity to express any additional thoughts, opinions, and views related to the topic.

The research paper based its study on two brands in the financial services sector: Mastercard and American Express. The selections were based on the extent to which the aforementioned brands exhibited social activism in their advertising.

Data Analysis

In order to properly analyse the data, interviews were recorded and transcribed. Thematic analysis was utilized to identify pertinent perception categories. The latter were then linked to the two research questions presented as each provided insights into distinct aspects of the study. Furthermore, average ratings were calculated for Mastercard and American Express before and after the advertisement exposure to quantify the change it had on consumer perceptions. It is worth mentioning that all interviewees were anonymized and provided with alphabetical aliases to eliminate the risk of bias.

Brand Advertisements

In an effort to explore the impact of advertised social activism on the image of brands in the financial services sector, two brands with different levels of social activism were selected for analysis: Mastercard and American Express. Two advertisements for each brand were presented to the interviewees. Below is a brief summary of each brand's

advertisements and their respective contents.

Mastercard

In this study, Mastercard represents the brand exhibiting a higher level of advertised social activism. The first Mastercard advertisement, Mastercard Scamproof crosswords puzzle (2019), sheds light on the societal issue of "grandparent scams" in Poland and highlights the collaboration between Mastercard and the Psychology Department of the University of Warsaw in an effort to decrease such incidences (Mastercard, 2019). The second advertisement, True Name™ by Mastercard (2020), involved the release of Mastercard's "True Name" card which provides transgender people with the opportunity to use their chosen names instead of the ones they were born with.

American Express

The research paper presents American Express as less engaging in social activism in its advertising. The first advertisement in 2019, Points are worth more | American Express Gold Card (2019), promotes its "Gold Card" along with all the benefits that one can attain from its reward points. The second advertisement in 2020, It's The Small Details -- Barbershop | American Express (2020), encourages customers to support local businesses when shopping and using their American Express card.

Results

The following section presents the data and observations made. Consumer perceptions were presented in five different categories as per the below:

C1: General consumer perceptions towards financial services sector

The most common associations that the interviewees formed with the financial services sector were "money", "security" and "investments". Additionally, the adjectives "important", "exploitative" and "greedy"

were used by the participants to describe the sector. Thus, the general consumer perceptions towards the financial services sector have the tendency to be negative, although its importance and functional aspects are still recognized by the interviewees.

C2: Consumer perceptions towards advertised social activism in financial services sector

When it comes to the question if brands in the financial services sector generally should take a stand on social matters, half of the interviewees stated that they should, while four interviewees would prefer if they do not. The remaining two participants were indecisive about this topic. One argument supporting the engagement in social issues highlighted the importance of communicating inclusivity:

“Whenever you’re a brand that wants to cater to different audiences and do not want to favour certain groups over another, it’s especially important to cater to different social issues simultaneously.” -Person K

Another strong and often mentioned argument favouring social brand activism in the financial services sector pointed to the amount of impact the financial brands have, which should be used for societal matters.

“[T]hey have a lot of power, so it would be a great idea that they get active in such matters. I mean nowadays everybody has a credit card or ... something to do with the financial industry, so they can really have an impact on the society.” -Person L

On the contrary, the responses opposing the necessity for financial services brands to get involved in social activism often stressed the desired neutrality of such brands:

“I don’t think they should take a stand. Because if I spend my money, I prefer spending it on something politically neutral because oftentimes when it comes to brands, I feel that either ... the executives don’t have a matching opinion or the

brands reflect the opinions of the said executives, and those opinions might be against my values.” -Person E

“I don’t think so, it’s not their business.” -Person H

Furthermore, the interviewees that could not decide whether financial services brands should take a stand on social matters or not, brought up arguments such as the dependence on the involvement with the topic and the high risk of losing customers:

“I think that brands are taking a risk when they take a stand regarding divisive and controversial social matters. A brand should study its customers base carefully so as not to lose any customers.” -Person F

The interviewees were then asked if they believed that advertising is the right way of including social matters. The responses were mainly affirming (nine interviewees), whereas a small part was indecisive (two interviewees). Only one interviewee negated the question. The themes behind the responses believing that advertising is the right way often stated the opportunity to educate or to create awareness among the advertisements’ recipients.

“[T]his is how they become visible. They need to make use of the platform for the message to get spread. It depends on the way that they do it i.e. raise awareness in a neutral way by highlighting the cause itself and not their efforts.” -Person F

“It has to be done in ads because it’s a way to reach people, but they should be doing more.” -Person G

One of the interviewees who did not state a clear opinion brought up the following argument:

“Depends on the type of social issue or impact you like to make; advertising is not the black and white solution. Sometimes things need to be done behind the scenes and communicated on a more low-key level, and some things need to

be promoted to a wider audience: then you can use advertising.” -Person K

The interviewee negating this question made the following statement:

“People ... are able to share and spread information about causes without needing the packing of a whole brand to define that cause. I feel I can do my own activism.” -Person E

To further explore the interviewees’ perceptions of advertised social brand activism, they were asked if they perceived Mastercard as authentic in their activism efforts. Nine of the participants did indeed perceive them as authentic. Two interviewees thought they were not, and one person was indecisive about this question. The themes evolving from the positive feedbacks consisted of a feeling that Mastercard seems to be actually investing in and caring about social matters.

“They were more authentic than American Express, it felt like they invest more in the issues themselves and then have the ads as a way of communicating what they were doing.” -Person K

“Yes, I feel that there were efforts placed especially in the 2019 ad in terms of thinking of a solution.” -Person F

The responses unsure of or opposing the authenticity of Mastercard’s advertisements mainly stated that it felt forced or that it seems to be done just for lobbying and selling their brand.

Compiling the responses of the three questions previously mentioned, it can be stated that the general sentiment towards advertised social brand activism in the financial services sector was positive. Interviewees, to a large extent, agreed that utilising advertising to engage in social activism is beneficial given their significant power of influence on the society. Those who opposed it mentioned the lack of authenticity as a major reason not to engage in that.

C3: Consumer perceptions towards Mastercard pre- and post-advertisements

To begin with, it is worth mentioning that for this and the following section, the same set of questions were asked before and after the interviewees’ exposure to the advertisements to assess the impact of the latter on consumer perception and brand image.

The first question the interviewees were asked was to associate Mastercard with traits or feelings, the aim of this question was to capture their existing perceptions of the brand and its image prior to advertising exposure. The interviewees associated the brand with “ease of use” and being “well-established”. Furthermore, 40 percent of the interviewees had a positive feeling about the brand while 60 percent had a neutral feeling towards it.

The interviewees were then asked to rate the brand on a scale of 1 to 5 on social activism, 1 being the least engaged and 5 being the most engaged. The average result was 2.1 with a maximum rank of 4 (ranked twice) and a minimum of 1 (ranked 6 times).

After exposure to the advertisements, the interviewees were once again asked to describe their associations. The most used traits were “caring”, “warm”, “supportive”, “friendly” and “activist”. Furthermore, 80 percent of the interviewees now had a positive feeling about the brand and 20 percent still had a neutral one.

“I’d describe Mastercard as an activist, someone who goes to rallies. A younger person who isn’t conservative.” -Person G

In terms of ranking, once asked again, the average measure of social activism increased from 2.1 to 3.3. The rankings ranged from 1 (ranked once) to 5 (ranked 4 times). Only two interviewees kept the same ranking while all the remaining increased theirs by a minimum of one point.

The final question asked was to pick one of the two brands based on the advertisements displayed. Ten of the interviewees chose Mastercard. Four of the ten attributed their choice to a pure functional aspect.

“Mastercard, it’s a debit versus credit decision. I feel like as a human being, I am very detached from marketing. I never get affected by it, at least when it comes to things like how I should spend my money.” -Person E

While six of the interviewees mentioned the social activism in the advertising as the reason behind their choice:

“Mastercard somehow brought me to the point that it is the right time to switch to their company now, since it helps me, you, the whole world. Not even because of fun, because it is easier, just because of its respect to all human beings. Independent of age, sexual orientation or cultural background.” -Person A

“Mastercard, because their first ad was super clear about the issue and they made me aware of issues regarding security and no judgement.” -Person C

C4: Consumer perceptions towards American Express pre- and post-advertisements

Interviewees were first asked to associate American Express with certain traits or feelings. As it turns out, most of the interviewees associated the brand with relatively neutral concepts such as “rich people” and “travel”. Furthermore, only four out of the twelve either associated it with positive (two responses) and negative feelings (two responses).

The interviewees were then asked to rate American Express on a scale of 1 to 5 on social activism. The average rating was 1.4 with one person ranking it 3, three people ranking it 2 and eight ranking it 1. Most of the interviewees expressed very little knowledge of American Express’s social activism efforts.

After the advertisements were presented, the interviewees were once again asked to describe feelings or traits that they associate with American Express. Interviewees maintained a somewhat predominant neutral feeling towards it; however, it is worth mentioning that positive feelings were no longer

associated to the brand. Furthermore, new traits such as “influential”, “exclusive”, and “up to date” were used to describe it.

The new ratings that the interviewees provided after watching the advertisements increased on average to 2.2. All the previous rankings either remained the same or increased by a maximum of one point.

Finally, when the interviewees were asked at the end to choose between the two brands, only two out of the twelve interviewees chose American Express.

“I would choose American Express based on the power that it gives me and not because of what it stands for. It’s based on what they can offer me.” -Person D

“American Express. Mastercard talked about an issue that I am not really interested in, they might just do that to sell more products; not a hundred percent authentic.” -Person H

Per the above, the choice of American Express was in one case based on the benefits offered in terms of power and prestige while the other emphasized the lack of authenticity felt towards Mastercard’s advertising coupled with a lack of general interest in the topic of the advertisement.

C5: Consumer perceptions towards added value of social activism in financial services sector

When the interviewees were asked if they believe engaging in social activism is of added value for financial brands, nine of them were in favour. The interviewees highlighted the importance of financial brands using their power as an influencer to have a positive impact on society.

“Companies should consider using their platform as they are situated in a place where they can impact people’s views and drive change ... It is a powerful tool to get out of what you do for a living and influence something bigger.” -Person F

“I think so. Because it takes a lot of courage. Most of those companies try to be neutral ..., not to upset a different customer group that is not of that opinion. I guess it takes a lot of courage to do so and that's why I would really respect companies doing that - taking a stand for their beliefs. That has to do with corporate identity and their mission, and if they would integrate good things like that in their mission and show it in their ads, that would take a lot of courage and I would think that's a good thing. We could change a lot, ... they have a lot of power in the financial business so they should use it.” -Person I

Three out of these nine respondents emphasized the importance of financial brands identifying with the social issue they want to communicate, in order to be perceived as authentic.

“It is of added value, but the brands have to be strategic and selective when deciding which social issue to tackle.” -Person K

On the other hand, the remaining three respondents expressed their opposition towards the usage of social activism in brand advertisement. They found it would not be of added value for financial brands. The respondents agreed that advertised activism might be used for the wrong reasons instead of genuinely advocating for social causes.

“All brands are forced to do this right now. They do it because they need to, but not because they care.” -Person D

Discussion

As pointed out in the introduction, this research paper aims to explore the impact that advertised social activism has on the consumer perception of a brand in the financial services sector; and thus, on the brand's image. In an effort to do so, two research questions were modelled: (1) How is advertised social activism in the financial sector perceived by consumers? And (2) How does

advertised social activism in the financial sector impact the consumer perception, and as a result, the image of the brand that engages in it? This section will analyse the obtained results by linking the five consumer perception categories to the relevant question and identifying the themes behind them.

RQ1: How is advertised social activism in the financial sector perceived by consumers?

In order to answer the first research question of this paper, the first two perception categories, C1 and C2, will be combined and discussed.

Based on the conducted interviews, the financial services sector was generally associated with being greedy, exploitative and functional, confirming Loch et al.'s (2012) view mentioned in the literature review. As a result, most of the interviewees, although agreeing on the influence this sector has, still questioned the authenticity of its efforts. Moreover, high risk of controversy and the subsequent potential loss of a group of customers adds to the lack of enthusiasm towards social brand activism. The other half of the interviewees were clearly in favour of social brand activism, mostly explained by the immense impact and reach of the financial services sector. In contrast, using advertisements as the way to include social brand activism seems to be the general consensus. As consumers are constantly surrounded by advertisements anyways, they could as well be used as vehicles for engaging in social activism to raise awareness.

Linking back to the prevailing perceptions of the financial services sector, Person E pointed out to social activism efforts being viewed more authentic in the fashion sector, driven by the internalisation of the concepts. The interviewee particularly mentioned internalisation of values in the organizational culture as the reason behind the view. In the fashion industry, for instance, there exists a creator of a brand serving as the driver of the brand's behaviour. As such,

if the creator is a social activist, the brand is as well. This isn't the case with the financial industry where measuring internalisation is much harder.

To sum it up, consumers perceive the financial services sector as quite impactful, however lacking authenticity. As a result, social activism efforts, regardless of the vehicle used to communicate it, are viewed with scepticism, which might lead to a decrease in their potential impact.

RQ2: How does advertised social brand activism in the financial services sector impact the consumer perception, and as a result, the image of the brand that engages in it?

The results from perception categories C3, C4, and C5 were combined to answer this question.

The results show that the brand image was, to a certain extent, impacted by the advertisements supporting both Kim and Sullivan's (2019) as well as Berggren and Lander's (2019) views. In fact, Mastercard was described as warm and supportive while American Express as influential and exclusive. However, despite consumer perception being more positive towards Mastercard following the interviews, quantitative measurement shows that both brands witnessed a 50 percent increase in appeal.

This discrepancy, as per the results, was largely attributed to a lack of trust in the authenticity of the brand's efforts driven by the financial sector's image. Barton et al. (2018) also mentioned that as a setback for brands in that sector.

Another theme that emerged was the degree of consumer involvement with the social causes tackled by the brand. Persons D, E, and F exhibited a more sceptic view of Mastercard's advertisements and posted conservative ranking increases. The three mentioned interviewees belong to social and ethnic groups that are largely engaged in current social issues. The close relation to these issues acted as a repelling force towards the brands that portrayed said issues

in their advertising; thus, rendering their efforts less authentic and impactful. This is in disagreement with Kotler and Sarkar's (2017) as well as Horst's (2018) view who mentioned that consumers want brands to take a social stand.

An additional point mentioned was the need to incorporate the social issues into a brand's business model. Person L expressed particular interest in Mastercard's True Card created for the transgender community stating that fighting for a social issue while still focusing on its profits seemed more authentic and believable. Furthermore, the interviewees believed that brands, in their efforts, should stay loyal to their values in agreement with Baird (2019), Barton et al. (2018) and Davis's (2018) previously mentioned views.

That being said, and although most interviewees agreed with the literature on the added value of social activism in the financial services sector, the data pointed to the complexity of measuring the impact. In fact, based on the above analysis, the impact of social activism in the financial services sector on consumer perception depends, largely, on the level of authenticity associated with the sector, the degree to which consumers relate and engage with the social issues, and the extent to which brand social efforts are incorporated within their business model and values.

Conclusion

This paper aimed at exploring the consumer perceptions of advertised social brand activism in the financial services sector and its impact on the brand's image by answering the two research questions proposed in the beginning. The first research question focused on exploring the general perceptions of advertised social brand activism. The reviewed literature highlighted the importance of creating strong relationships, intangible value and brand image especially in the financial services sector as a means of differentiation. It further emphasized the

role that social activism plays in improving consumer/brand connection. The analysis of the explorative interviews conducted, however, challenges the extent to which that applies in the financial services sector. Specifically, social brand activism is generally viewed as potentially impactful, however, it is confronted with high scepticism.

Research question number two aimed at exploring the impact social brand activism has on said consumer perception and subsequent brand image. Again, the reviewed literature suggests a rather considerable impact. The results, although showing a positive effect in terms of added value, indicate that the strength of impact is influenced by the involvement of the consumers with the tackled issue, the internalisation of the issue by the brand and the perceived authenticity of the sector.

Managerial Implications

Given the strong impact brand image has on a brand's relationships with consumers (Keller, 1993), it is essential to understand its underlying drivers. This research paper provides marketing practitioners in the financial services sector insights into consumer perceptions building into the brand image and potentially affecting consumer purchase behaviour.

Research Limitations

The focus of this study was to explore the impact that social activism in advertising has on the image of a brand in the financial services sector. However, there are also some limitations for this research, which have to be considered. First of all, this study focused on two American financial brands (Mastercard and American Express) only, which raises concern towards generalizability. Second of all, used advertisement for the qualitative research was limited to two videos per each brand. Furthermore, another limitation relates to the convenience sampling, which was used due to time constraints. The wide age range of our interview participants (20 to 55) can be

considered as a limitation as well since it affects the results' validity.

Further Research

Based on this research, future studies within this area should include more international financial services brands and should use a random sampling group in order to overcome the limitation of generalizability. Furthermore, cultural aspects and their impact should be taken into consideration, given the differences in the prominence of social activism among countries. Customer engagement with the social issue is yet another aspect that should be further researched as it might impact perceptions of the authenticity of the brand's efforts. As the results suggest, the incorporation of social issues within the brand's business model, often academically referred to as Brand-Cause Fit, should be integrated in the analysis.

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Appendix: Interview Guide

1. Do you have a credit card?
2. What brand is it?
3. What qualities/adjectives do you associate the financial sector with?
4. What do you know about American Express? What do you associate it with?
(positive, neutral, negative)
5. What do you know about Mastercard? What do you associate it with?
(positive, neutral, negative)
6. Do you know what social brand activism is?
If yes: Ask them for explanation.
If not: Define social brand activism for the interviewee.
7. Do you think that brands in the financial sector should take a stand on social matters like “BlackLivesMatter”, LGBTQ rights, gender equality?
8. Do you believe advertising is the right way of including social matters?
9. On a scale of 1 to 5, how do you rate American Express on social activism?
(1 being the least engaged in social activism; 5 being the most engaged in social activism)
10. On a scale of 1 to 5, how do you rate Mastercard on social activism?
(1 being the least engaged in social activism; 5 being the most engaged in social activism)

Show Advertisements:

Mastercard (2019) - Scamproof crosswords puzzle

Mastercard (2020) - True Name

American Express (2019) - Points are worth more

American Express (2020) - It's the small Details: Barbershop

11. On a scale of 1 to 5, how do you rate American Express on social activism now?
(1 being the least engaged in social activism; 5 being the most engaged in social activism)
12. On a scale of 1 to 5, how do you rate Mastercard on social activism now?
(1 being the least engaged in social activism; 5 being the most engaged in social activism)
13. Do you perceive Mastercard as authentic in its social activism efforts?
14. Do you think Amex is up to date in its advertising?
If not, what do you think they should include/change?
15. What do you associate Mastercard with now? What human traits would you give it?
(positive, neutral, negative)
16. What do you associate America Express with now? What human traits would you give it?
(positive, neutral, negative)
17. If you had to choose now, which of the 2 brands would you choose? Why?
18. Do you believe engaging in social activism is of added value in the financial sector?
Why, why not?