

REASSESSING PRIDE MONTH

Overview

Asked at the height of his career why he didn't delve into politics, basketball legend Michael Jordan famously quipped, "Republicans buy sneakers too." That sentiment, once the received wisdom throughout Corporate America, has been sidelined in recent years as corporations have scrambled to appease political activists intent on capturing and wielding hard-built brands to advance an ever-increasingly divisive agenda. Reaching its zenith in 2020 following the death of George Floyd, this trend appears to be on a rapid decline. Brands risk long-term damage by stepping into the political arena. Disney, Bud Light, and Target—three previously unassailable brands—have not recovered from the market backlash stemming from their public promotion of transgender ideology. Air Jordan seems to have been right all along: businesses are at their best when their executives focus on what's right for the company rather than what may appear to be politically expedient in the moment.

“Do not assume that all of your employees, customers or investors share your view.”

MESSAGING

- It's not enough for executives to ask, "What is the right thing to do?" Executives need to ask, "What is the right thing to do *for my company?*"
- Business leaders must ask what is right *for their company* in the long term, not what will gain headlines or appease activists in the short-term.
- In today's political climate—with the country divided in half on important issues—the best a company can hope to accomplish by taking a political stand is to *alienate half the country*, including customers, employees, shareholders, and more.
- Brands that are built over a century can be destroyed in an instant. That's what happened with Bud Light, which still hasn't recovered from its disastrous transgender-themed marketing campaign.
- Employees aren't activists. We can support all of our employees without bowing to the radical demands of outside activist groups.
- Employees aren't motivated to work harder or stay longer at a company that takes controversial political stances.
- Employees who disagree with such a company's public stance are demotivated and feel isolated.
- There is no reward for corporate political activism, just risk.
- Before issuing statements, business leaders should ask themselves: How central is this issue to our core business? How important is it to our customers, workforce, and shareholders?
- Too often, companies take divisive political stances based on what activists demand rather than what their customers, workforce, and shareholders want.
- There's no escaping it: Celebrating Pride Month includes a tacit endorsement of deeply unpopular cross-sex hormone regimens for children. That's what the Human Rights Campaign demands in its "Corporate Equality Index"—even though it's opposed by 7 in 10 Americans and illegal in 25 states.
- We all worry about "being on the wrong side of history." It's a matter of time before companies celebrating these out-of-step policies will be on the "wrong side" of history.

KEY DATA

- A Weber Shandwick Collective survey [found](#) that **71% of employees** felt employers should keep the workplace politically neutral.
- To earn 100% on its Corporate Equality Index this year and its coveted “Best Place to work for LGBTQ Equality” title, the Human Rights Campaign [demands](#) that companies cover “**puberty blockers for youth**” in their healthcare plans.
- The Human Rights Campaign’s demands are **notably out of step** with the culture:
 - 68% of Americans [oppose](#) puberty-blocking medication for children ages 10-14.
 - 58% of Americans [oppose](#) puberty blocking medication for minors ages 15-17.
 - 25 states have [adopted laws](#) protecting minors from cross-sex hormones and surgeries.
 - 5 European countries, including the U.K., have [reversed course](#) to protect minors from cross-sex hormones.
- A 2023 [Gallup poll shows](#) declined support for a wide range of LGBTQ+ issues, including same-sex relations, which only 41% of Republicans now support—a 15% drop since 2022 and the lowest number since *Obergefell v. Hodges* nationalized legal same-sex marriage in 2015.
 - [The polling also shows](#) that only 55% of Americans view gender transitions as morally wrong—up 4% since 2021—including 84% of Republicans.
 - Additional [polling from PRRI shows](#) that support for same-sex marriage among young Americans (18-29) has fallen 8% since 2018, when 79% of young adults supported the practice.
- Vanessa Burbano of Columbia University suggests in her [2021 research](#) that corporations may in fact have **little to gain and much to lose** by taking a stance on a hot-button issue.

Among [the study’s] conclusions, Burbano says: *“Employees who disagree with a political stance taken by their companies are demotivated—they do less extra work and do lower quality work.” On the flip side, “Those who agree with a political stance taken by their companies are not motivated—they behave no statistically differently than a control group.” There’s similarly a downside in regard to wooing consumers, as they are likely to boycott over a political position they don’t like but are not likely to ‘buycott’ over stances they agree with.”*
- Chief examples of backfiring corporate activism are Bud Light (InBev), Disney, and Target. All three have taken affirmative stances on the transgender issue in recent years and have yet to recover from the backlash. One 2024 analysis [found](#):
 - All three companies “suffered significant erosion of brand value,” with Target losing roughly \$1.2 billion and Disney losing roughly \$2.8 billion in brand value.
 - “[C]ompanies suffer when they take divisive stands on contentious political and social issues because they alienate large portions of their stakeholders.”
- The [Freedom at Work survey](#), conducted by Ipsos and released through Viewpoint Diversity Score, found that **57% of customers** say they are likely to stop purchasing products or cancel subscriptions from brands that do not respect their values.

- The [Freedom at Work survey](#) found that companies' public stances on hot-button issues are often at odds with their workforce and customers.
 - **55% support or strongly support**—compared with only 14% who oppose or strongly oppose—bills (like Florida's 2022 Parental Rights in Education bill) described as those that “aim to protect the freedom of parents to decide what their kindergarten through 3rd grade children are taught in the classroom about sex and gender identity by limiting what teachers can discuss and requiring notification and consent of parents before sensitive topics can be addressed.”
 - Despite high public support for such laws, **284 large corporations**, including The Walt Disney Corporation, Starbucks, Target, Apple, and financial institutions including Deutsche Bank and PNC Financial Services Group, signed the Human Rights Campaign's statement opposing such state-level legislation.

QUOTABLES:

- “Republicans buy sneakers too.” Michael Jordan ([Source](#))
- “Both Republicans and Democrats—far left, far right—all buy golf clubs. Why hit the beehive with a stick?” Bob Parsons, founder of Parsons Xtreme Golf and GoDaddy.com ([Source](#))
- “Do not assume that all of your employees, customers or investors share your view.” Zenos Group ([Source](#))

RECOMMENDATIONS

- Celebrate your truly diverse workforce.
 - Consider a broader celebration of your employees being who they are at work. Rather than touting hollow LGBTQ+ “Pride” activism, make it the month of authenticity. Share stories of employees of all walks of life by spotlighting first-generation college graduates, employees of faith giving back to the community, an employee who overcame a personal challenge, an employee who marked an important anniversary, milestone, or achieved an important goal. With this approach, the company celebrates each person for what he or she brings to fellow employees, the company, and customers.
- Stand out by declining to follow the crowd.
 - In early June 2024, every Major League Baseball team [except the Texas Rangers](#) adopted Pride messaging. By continuing to focus on its core business and constituency—baseball and Texas baseball fans—the Rangers avoided alienating large portions of their fan base.
 - On a similar note, 10 National Football League franchises—all based in conservative regions of the country—[declined to promote LGBTQ+ Pride](#) in early June 2024.

CONCLUSION

Companies should reassess their approach to Pride month and associated causes. Customers, employees, and shareholders will likely be more sensitive (and more likely to react negatively) to marketing campaigns that conflict with their deeply held beliefs. Corporate leaders may think they are staying on the “right side of history” by appeasing activists with political statements, but they should instead ask themselves if taking such a stance advances and builds long-term brand value.

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