

# **Do social media-led brand boycotts work?**

**Written by**

[Xinrong Zhu](#)

**Published**

7 November 2022

**Category**

[Marketing](#)

**Key topics**

[Brand](#), [Consumers](#), [Marketing](#), [Social Media](#)

**Political consumerism is on the rise and brands are often expected to take a stand on hot button issues. But how worried should companies be about the threat of a social media-led boycott?**

Increasingly consumers and employees expect companies to take a stand on topics that resonate – positively or negatively – with the brand’s values. But this can create problems if it results in polarised public opinion. As a company, deciding when to engage, and assessing whether political comment will benefit or damage the brand, is no small feat.

To learn more, we researched the effect on [Goya Foods](#), a US-based food company specialising in "authentic Latino food and recipes", after CEO Ricardo Alvaro said North Americans were “truly blessed to have a leader” like President Donald Trump in 2020.

The context is important: Goya has loyal consumers and in some categories it has a virtual monopoly. It is active in high purchase frequency categories, which tend to see short-lived responses to incidents like this. The brand has many left-leaning consumers and Trump had repeatedly offended Latinos with inflammatory remarks about immigration.

The comment was perceived as shocking by many who knew the brand, which begs the questions: was this intended as a PR stunt to raise brand awareness? And was the CEO confident in Goya's brand loyalty among core consumers, while seeing the potential to speak to a new Republican consumer demographic?

### **Boycott vs. "buycott"**

A tweet advising consumers to "make [their] shopping decisions accordingly" in response to Alvaro's comments, which was [reshared by Democrat politician Alexandria Ocasio-Cortez](#), sparked calls on social media to boycott Goya Foods.

At the same time, Trump supporters started a counter "buycott" movement, with Trump himself further fuelling the flames when he [posed with Goya products](#), with his daughter [Ivanka doing the same](#). Significant publicity of both boycott and buycott movements was generated, however, the boycott side generated 75 per cent more chatter on social media and media coverage was dominated by its message.

We were keen to study the net effect on Goya sales. What was the net effect of the boycott versus buycott movements and how did this relate to the media narrative? How long did any sales impact last? Did it vary across local markets that differed in political affiliations? Did the buycott bring in new customers and did they stick with the brand? What was the impact among Goya's core consumer base?

Surprisingly, **we found that the sales impact did not reflect the narrative in social networks and the media, with sales increasing by around 22 per cent, predominantly affected by the buycott effect.** This suggests that, in the case of political consumerism, social media "listening in" metrics may not be a good indicator of actual demand.

**This triumph of buycott over boycott is influenced by the fact that the boycott effect can only ever be as large as the brand's existing consumer base and baseline level of sales, whereas the buycott effect is, in theory,**

**limitless.** In the case of Goya, only a small fraction of US households were Goya consumers, leaving a much larger share of households free to boycott.

Of equal importance, and equally surprising, was the fact that the sales increase was temporary, returning to pre-incident levels after only two weeks. The increase did bring in first-time Goya consumers from heavily Republican areas, but, without any sustained purchase behaviour, these new consumers were not particularly valuable to Goya in the long term.

**Even the company's most valuable customers, the Latino market, did not decrease their overall purchases of Goya products.** There was a decrease in categories where they were able to switch more easily to competing bean brands, but even in the most Democratic areas, consumers stuck with the brand if there were no real alternatives.

So, what can we learn from this research? While this situation was specific to Goya and the remarks about Trump, our evidence on the effect of political consumerism campaigns can help brand managers better understand the consequences of taking a political stance.

### **1. Political campaigns on social media are short-lived**

It's clear from our research on Goya that the negative media activity was short-lived, and that the media conversation was not a good proxy for any sales impact.

### **2. Many factors affect the outcome of taking a political stand**

Our research explored the level of existing brand loyalty and the opportunity to switch brands as two factors that influence the response from consumers. There are other factors: a company's size, product profile, its existing consumer base and, in the case of Goya, we also saw significant differences across US states, largely dependent on the overriding political leaning.

### **3. The response is highly individual**

Because so many factors influence consumer behaviour in these circumstances, the better you know your consumers, the more informed your judgement about any political statement. It is therefore crucial that we learn more about how individual consumers change their behaviour as a result of political campaigns, and what

specific factors motivate this change.

There may increasingly be situations where brands decide to take a political stance. More research is needed to build on our findings, exploring whether our evidence holds true across different brands and scenarios.

*This article draws on findings from ["Spilling the Beans on Political Consumerism: Do Social Media Boycotts and Buycotts Translate to Real Sales Impact?"](#) by Jura Liaukonyte (Cornell University), Anna Tuchman (Kellogg School of Management - Northwestern University) and Xinrong Zhu (Imperial London).*

## Written by

[Xinrong Zhu](#)

## Published

7 November 2022

## Category

[Marketing](#)

## Key topics

[Brand](#), [Consumers](#), [Marketing](#), [Social Media](#)

## Share



## About Xinrong Zhu

Assistant Professor in Marketing

Xinrong Zhu is Assistant Professor in Marketing at Imperial College London Business School. Her research interests include quantitative marketing, empirical industrial organisation and retail analytics.

Read [Xinrong's Imperial Profile](#) for more information and publications.

## **Monthly newsletter**

Receive the latest insights from Imperial Business School

[Sign up now](#)

## **Why do poorer consumers often pay more?**

New research shows people with less money are willing to pay more to avoid potentially discriminatory commercial environments

[Read more](#)