

Stanford SOCIAL INNOVATION^{Review}

Research
Citizen-Donors of the World
By Chana R. Schoenberger

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suggests. Activists might consider pursuing multiple strategies to build support, focusing on ways to strengthen perceptions of morality while cultivating closer emotional ties and social identification with the public. ■

Matthew Feinberg, Robb Willer, and Chloe Kovacheff, "The Activist's Dilemma: Extreme Protest Actions Reduce Popular Support for Social Movements," *Journal of Personality and Social Psychology*, vol. 119, no. 5, 2020, pp. 1086-1111.

PHILANTHROPY & FUNDING

Citizen-Donors of the World

BY CHANA R. SCHOENBERGER

Research shows that people are more likely to help those they perceive as close to them geographically or psychologically, possibly because they feel more empathy toward them, identify with them, or believe they can have more impact in helping them.

A new paper looks at this tendency and considers whether some people may become more inclined to donate to geographically distant beneficiaries by having different identities or experiences. Specifically, the researchers analyze whether "residential mobility," the tendency or experience of moving cities or of identifying as a mobile person, correlates with higher levels of donations to people and causes outside of their local community.

The paper's authors—Yajin Wang, an assistant professor of marketing with the Robert H. Smith School of Business

at the University of Maryland; Amna Kirmani, the Ralph J. Tyser Professor of Marketing with the same institution; and Xiaolin Li, an assistant professor of marketing at the London School of Economics and Political Science—conducted four studies using different methods to consider this question.

In their first study, the researchers analyzed 2010 data from the China Family Panel Studies, an annual longitudinal survey conducted by Peking University's Institute of Social Science Survey. Specifically, they looked at 30,000 Chinese donors who gave money after a massive 2008 earthquake killed 70,000 people in Sichuan. Even if they had never lived in the province, donors tended to give more if they had moved previously—if they had "residential mobility"—than if they had always lived in one place.

In the second study, they recruited 350 US residents from Amazon Mechanical Turk, a crowdsourcing platform; presented them with two different donation campaigns targeting child hunger, one for children in their local area and another for children outside the United States; and asked whether and how they would donate an imaginary \$10 payment. Again, those participants who had high residential mobility—who had moved more in the past—were more likely to donate to distant children and donated more money to them.

In the third study, the researchers asked more than 200 University of Maryland students a number of questions to manipulate their mindset

regarding their mobility to see whether it would affect their willingness to donate to distant others. They were then offered \$2 and the opportunity to donate to either a local or international charity for children. Regardless of past moving history, participants who were manipulated to see themselves as more mobile were more willing to donate to distant beneficiaries.

The fourth study tested the effect of residential mobility on

residential mobility after noting existing work suggesting that people who have moved engage in fewer pro-community behaviors, Wang says.

"All of our co-authors, including myself, we moved a lot in the past," notes Wang, who grew up in China and moved to Beijing, Minnesota, and Maryland. "It's not the case that we're less likely to be helpful."

The authors set out to redefine what helpful could mean.



local identity: Would people who saw themselves as mobile identify less with the local community? The researchers recruited 628 people from Prolific, an online platform for securing survey participants, and manipulated their mindsets in a way similar to the third study. They then queried participants on donating a hypothetical amount of money to local and global causes. Although participants who were made to feel more mobile were more willing to donate to global causes, they did not lose their willingness to donate to local causes.

The researchers became interested in the question of

They hit upon residential mobility as a metric because it made sense that people who had lived in different places would feel more connected to others in the wider world. The data bore out the hypothesis, Wang says: "Compared to people who never moved, they donated more to beneficiaries that are far from them, in other communities—whether or not they have a connection to that community far away."

The paper has a novel, contrarian take on the idea that people mainly choose to donate to causes close to home because of group affinity, says Carlos Torelli, a professor of

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marketing at the University of Illinois at Urbana-Champaign. Instead, those who have moved previously think of themselves also as members of a different group: global citizens.

“It’s this idea that as you move, you become less attached to any particular place, and you think of yourself as somebody who is more cosmopolitan, more open to the world as a whole instead of a locality,” he says. ■

Yajin Wang, Amna Kirmani, and Xiaolin Li, “Not Too Far to Help: Residential Mobility, Global Identity, and Donations to Distant Beneficiaries,” *Journal of Consumer Research*, forthcoming.

BUSINESS

Boycotts and Corporate Boards

BY CHANA R. SCHOENBERGER

It’s a familiar occurrence in today’s social media-driven call-out culture: Activists demand a boycott of a company for failing to live up to important values. Sometimes those values are progressive, such as environmental protection or LGBT rights; other times they are conservative, such as religious freedom or gun rights. Social movements have found boycotts to be an effective means of changing corporate behavior, betting that alienating a firm’s customers and business partners will sap its revenues and force it to change its ways.

A new paper looks at boycotts in a different light, by considering their effect on the firm’s board of directors.

“We find that boycotts provoke a significant increase in turnover at targeted firms, and that directors are especially likely to leave after boycotts that signal that the firm’s social values conflict with their personal values,” write authors Mary-Hunter McDonnell, an associate professor of management at the Wharton School of the University of Pennsylvania, and J. Adam Cobb, an associate professor of Business, Government, and Society at the McCombs School of Business at the University of Texas at Austin.

The researchers sampled 120 boycotts of companies that occurred between 2000 and 2014 and examined how those boycotts affected director turnover. Firms in the sample saw a 7 percent increase in turnover, or a 30 percent increase over the rate of firms not affected by boycotts.

The researchers assessed individual directors’ ideological leanings by seeing which political campaigns they supported, a matter of public record. They found that directors are more likely to quit a board when they share the values, whether liberal or conservative, of the social movement targeting the company. But conservative directors are more likely to stand their ground on the board when a liberal movement comes after the company than the converse—when liberal directors face a boycott by conservative activists. This finding is consistent with a hypothesis known as “rigidity of the right,” advanced by University of Pennsylvania professor Philip Tetlock, which holds that

people tend to be more doctrinaire as they move politically to the right.

This insight that “social boycotts that are in line with individual board members’ own political preferences lead to a greater propensity to involuntarily leave a board seat” is the paper’s most important finding, says Sarah Soule, a professor of organizational behavior at the Stanford Graduate School of Business, who has researched protest movements’ effects on companies.

The paper further finds that social movement boycotts affect directors’ decisions to quit the board only if the boycott creates an adverse market reaction and the criticism leveled at the firm is surprising. A director of ExxonMobil, for instance, already knows the company drills oil and isn’t likely to be shocked at the company’s pro-fossil-fuel stance.

“Board members interpret the new information provided by a boycott, and if the information leads them to have cognitive dissonance about the firm, they are more likely to leave a board seat,” Soule says.

The paper looks beyond the effect of boycotts on a company’s customers.

“What our paper did is show that the people within firms are critical audiences for social movements as well,” McDonnell says. Further research could look at whether the same conclusions hold true for the firm’s employee base as a whole, as long as there was a way to measure employees’ political affiliations.

“One of the most frightening findings suggests that an accidental effect of social movements is that they might drive out their most likely allies within the firm by highlighting how the firm isn’t aligned with their own values,” McDonnell says. Previous work on corporate governance suggests that directors “tend to be pretty fickle, among the quickest to jump ship,” she says, because the company typically isn’t their primary employer and they are concerned about their own reputations.

“Directors, like other members, may derive intrinsic motivation from the perception of values alignment with the firms they serve,” the authors write. “Insofar as crises promote negative cues about a firm’s values, they may undermine this facet of motivation, prompting exit.”

How can this research help directors select boards on which to serve? They ought to join “companies with values and practices that align with their own if they plan to stay on the board for the long haul,” Soule says. This point, however, raises a different problem: Research by Soule’s Stanford GSB colleague Deborah Gruenfeld and others has shown that diverse opinions lead to better decision-making.

“Thus if all board members chose to serve on boards of companies with aligned values, we might see poorer decisions made by the board,” Soule says. ■

Mary-Hunter McDonnell and J. Adam Cobb, “Take a Stand or Keep Your Seat: Board Turnover After Social Movement Boycotts,” *Academy of Management Journal*, vol. 63, no. 4, 2020, pp. 1028–1053.