



**THE
CORPORATE
SOCIAL
MIND**

ANNUAL REPORT: GERMANY | DECEMBER 2021
GERMAN CONSUMER EXPECTATIONS OF COMPANIES TO ADDRESS SOCIAL ISSUES

INTRODUCTION

“The social fabric of Germany is in a state of flux.”¹ “Social justice, climate protection top issues for German voters.”² “Corporate Germany has a race problem—and a lack of data is not helping.”³ These were the headlines when INFLUENCE|SG partners Wider Sense and goetzpartners published *Missed Opportunities*,⁴ a report revealing that “too few DAX40 companies are leveraging corporate citizenship to become more sustainable,” largely because “corporate citizenship as practised is currently still failing to grasp many opportunities.”

Today, with publication of our research in *The Corporate Social Mind Annual Report: Germany, December 2021*, those companies should consider themselves notified that German consumers not only expect them to be involved in social issues—they will stop buying products and services from those who are not.

PURPOSE

This study is an annual review of the German public’s expectations of companies as social moments and movements occur and mature. The ongoing examination arose from the book [The Corporate Social Mind: How Companies Lead Social Change From the Inside Out](#)⁵ by Derrick Feldmann and Michael Alberg-Seberich, which defines the social mindset needed by today’s companies in the face of these expectations—and how to weave this mindset throughout the company.

METHODOLOGY

A quantitative approach was taken with an online survey fielded Nov. 27-29, 2021, to collect data about attitudes and activities in Germany related to corporate involvement in social issues. The survey had 1,000 respondents from a nationally representative sample (Census projected), producing a 95% confidence interval with a +/- 3% margin of error. Note that categories may not total 100% due to non-answers, multiple-choice questions and rounding.

DEFINITIONS

Social Mindset: A perspective that approaches decisions and actions with their impact on society in mind (such as education, climate change, immigration).

Corporate Social Mind: Companies must develop eight traits to have a corporate social mindset: 1) Decide with society in mind, 2) live the company’s values, 3) use resources for society’s benefit, 4) listen before acting, 5) have a social voice, 6) lead social collectives, 7) measure social impact and 8) innovate for social good. ([The Corporate Social Mind: How Companies Lead Social Change From the Inside Out](#))⁶

RESEARCH TEAM

Derrick Feldmann	Lead Researcher
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PUBLIC ACTIONS FROM CORPORATE INFLUENCE

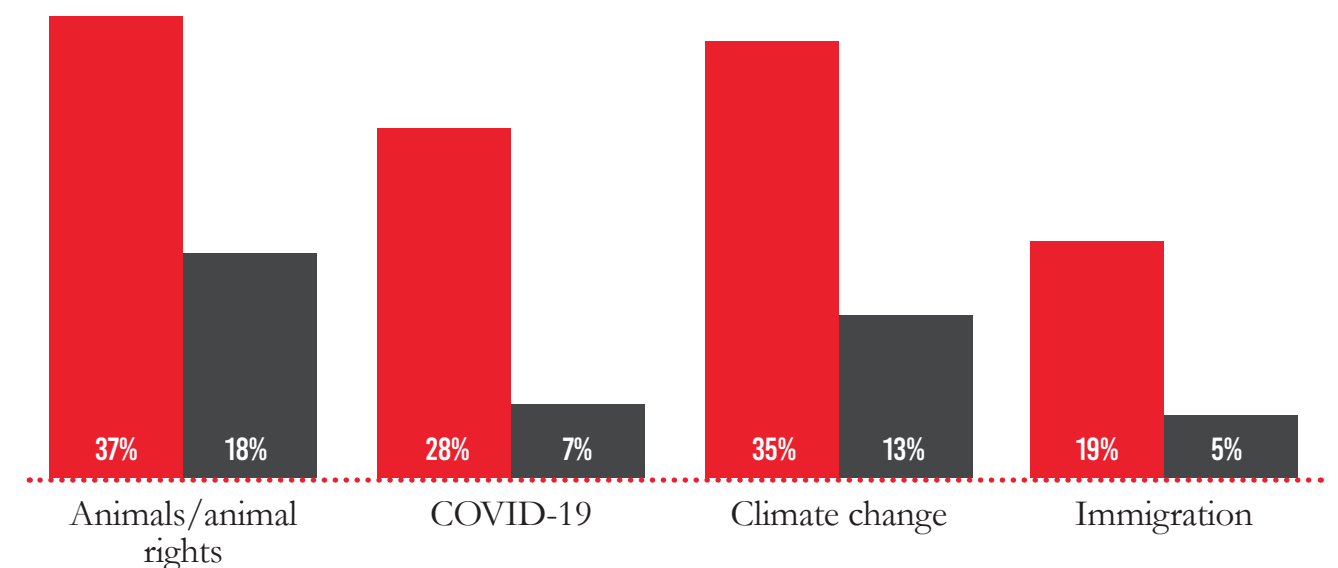
Actions supporting social issues due to corporate influence declined across the board in 2021, though the most popular issues for which actions were taken remained at the top.

Almost unchanged from the prior year, companies in 2021 influenced German consumers to act for the issues of environment, climate change and animals/animal rights. One notable change: Actions related to COVID-19 taken specifically in response to a company’s request plummeted from 38% to 7%.

TOP 5 ISSUES FOR WHICH ADULTS TOOK ACTION BECAUSE A COMPANY ASKED THEM TO

1. Environment
 2. Animals/animal rights
 3. Climate change
 4. Hunger
 5. COVID 19/the pandemic. Poverty/homelessness. Financial recovery efforts to address losses from COVID-19.
- tied

ISSUES WITH NOTABLE DECLINES IN ACTIONS: ● 2020 ● 2021



1. <https://www.dw.com/en/germany-reset-changes-beyond-the-chancellery/av-59252613>
 2. <https://www.aa.com.tr/en/europe/social-justice-climate-protection-top-issues-for-german-voters/2367385#>
 3. <https://fortune.com/2020/06/19/corporate-germany-race-diversity-data/>
 4. https://widersense.org/content/uploads/2021/12/missed-opportunities_study-corporate-citizenship-dax40-companies.pdf?x:89075
 5. To be published in German as “Das Neue Corporate Social Mind - Warum Haltung alles ist - und wie Unternehmen sozialen Wandel bewirken” at Redline Verlag on 22 March 2022
 6. <https://www.thecorporatesocialmind.com/>

AMERICANS:

While actions supporting the environment because of corporate influence stayed strong in Germany (28% in 2020 and 23% in 2021), it's the issue reflecting the most striking difference between Germans and Americans. In 2021, just 3% of Americans acted for the environment in response to corporate influence.

As in 2020, the most popular action taken in response to a company's request to get involved in 2021 was to change one's buying habits. A comparable percentage to those who stopped a shopping habit said they were taking time to learn about a cause or issue.

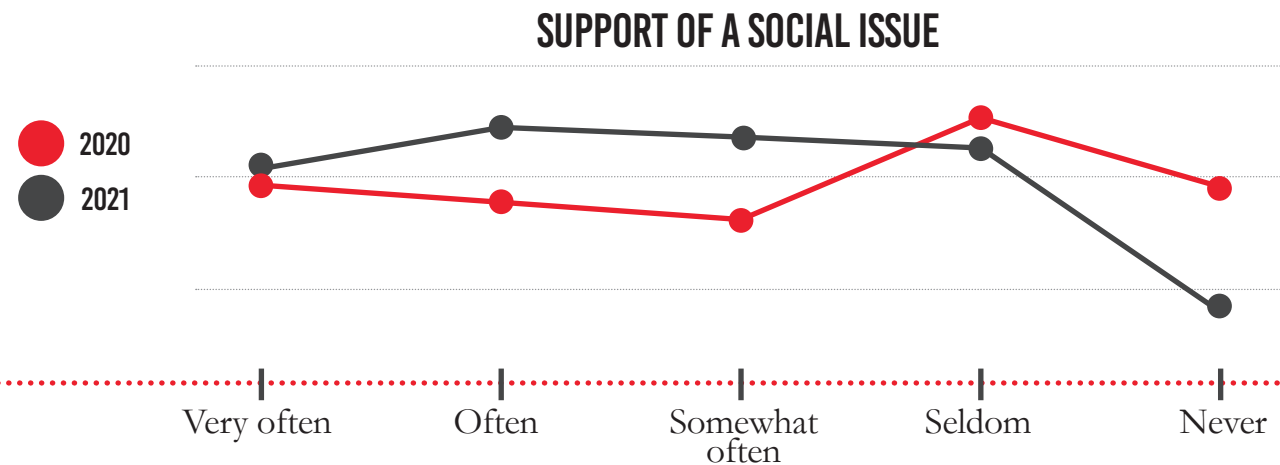
TOP 5 ACTIONS AMERICANS TOOK IN THE PREVIOUS 3-4 WEEKS BECAUSE A COMPANY ASKED THEM TO:

1. Started or increased buying certain products and/or services
 2. Decreased products/services purchases or support of a brand.
 3. Made a charitable donation to a cause or organization.
- took time to learn about a cause or social issue. Donated goods.

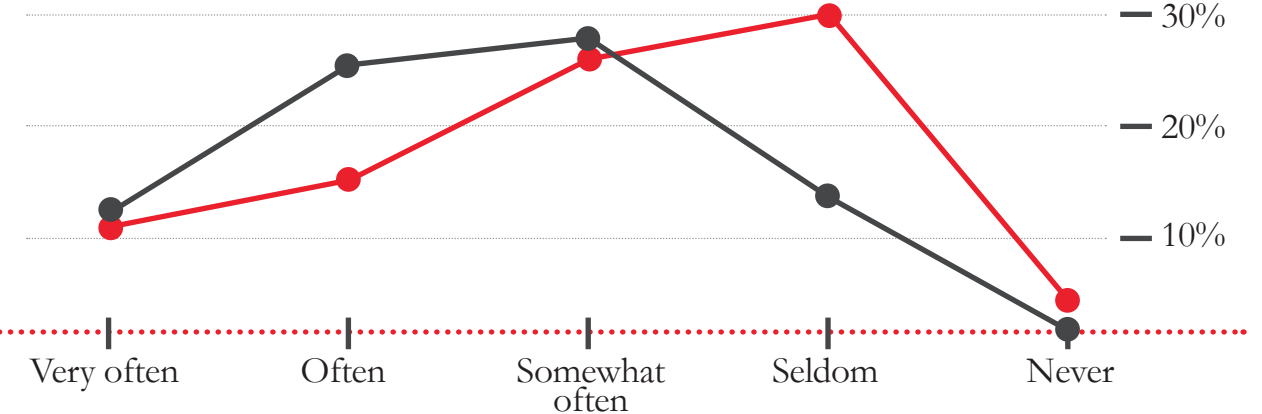
Though Americans largely took the same actions in a different order, they also did something Germans did not: 22% applied for or accepted a job with an organization because it was committed to being socially responsible.

CORPORATE ACTIONS AND SOCIAL ISSUES

HOW OFTEN DO YOU VISIT A COMPANY'S WEBSITE OR USE AN ONLINE SEARCH ENGINE TO LEARN ABOUT A COMPANY'S:



SUPPORT OF RACIAL EQUITY, SOCIAL JUSTICE, ANTI-DISCRIMINATION?

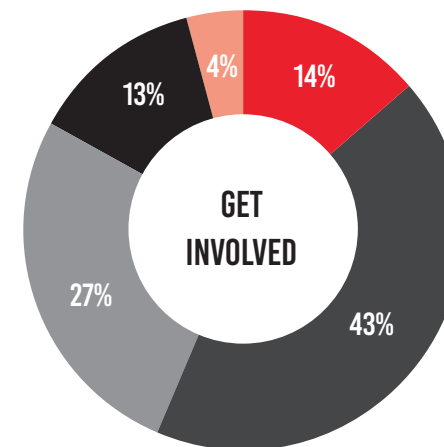


Most German respondents said companies they patronize should support social issues and take a public stance in doing so. At the same time, a quarter and a third, respectively, are in the moveable middle (open to persuasion).

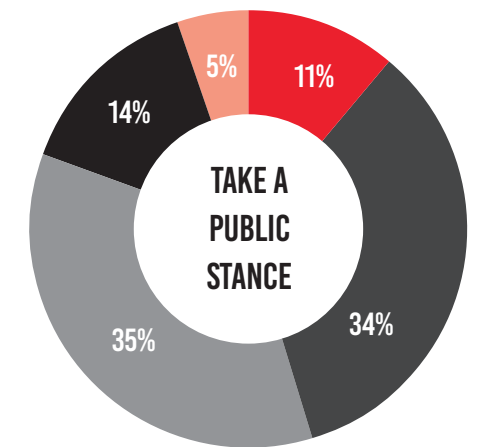
AMERICANS:

In 2021, about the same percentage of Germans (45%) and Americans (48%) agreed that companies they buy from should take a public stance. However, substantially fewer Americans (11%) than Germans (35%) were in the moveable middle (neither agreeing nor disagreeing).

AGREE OR DISAGREE: COMPANIES FROM WHICH I BUY PRODUCTS/GOODS/SERVICES SHOULD GET INVOLVED/TAKE A PUBLIC STANCE IN SOCIAL ISSUES.

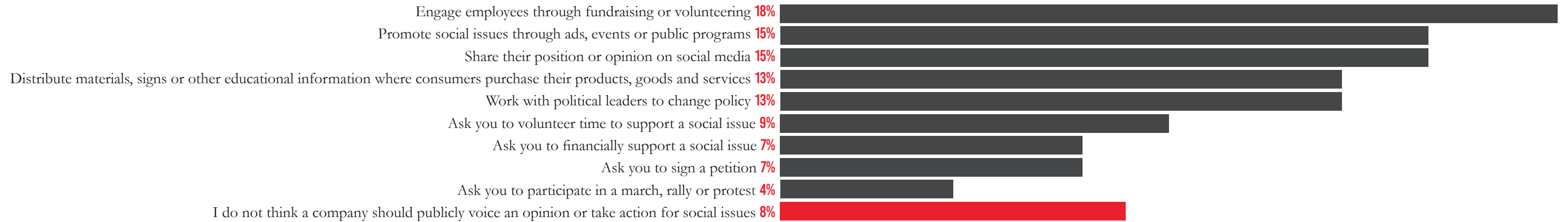


- Agree completely
- Agree somewhat
- Neither agree nor disagree
- Disagree somewhat
- Disagree completely



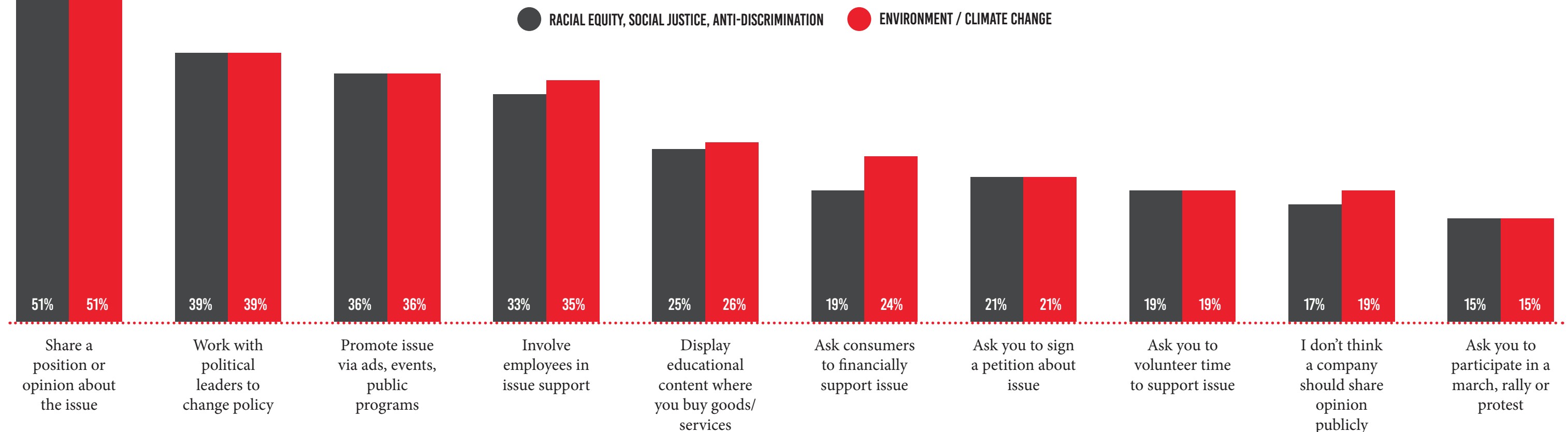
In suggesting how companies could take a public stance (see preceding chart), respondents saw employees as a company's first "public" and engaging them as the first step. Using ads and social media for issue promotion followed close behind.

DO YOU THINK A COMPANY YOU BUY FROM SHOULD DO ANY OF THE FOLLOWING AS THEY RELATE TO ANY SOCIAL ISSUE?



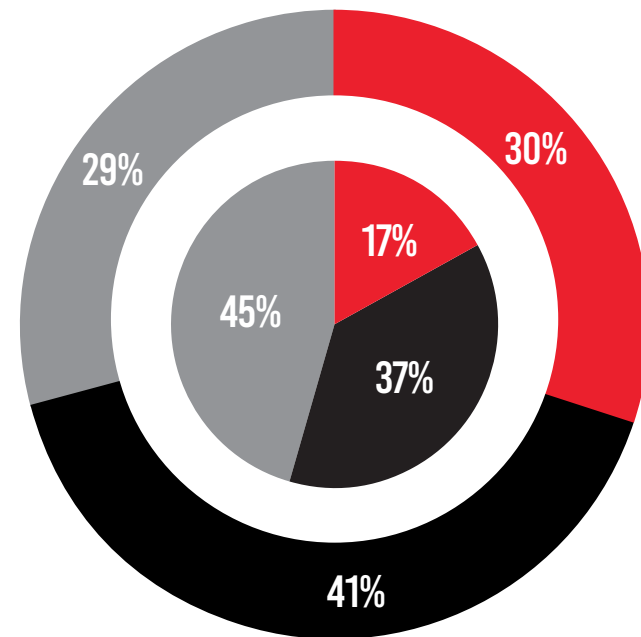
Respondents expect the companies they buy from to publicly support two social issues in particular: the environment/climate change and racial equity/social justice/racial discrimination, which seems to reflect growing discussions about diversity and identity in Germany. Specifically, they called for companies to work with political leaders to change policy on these issues, promote them via ads, events and public programs, and involve employees in their support.

DO YOU THINK A COMPANY YOU BUY FROM SHOULD DO ANY OF THE FOLLOWING AS IT RELATES TO THE FOLLOWING SOCIAL ISSUES? (SELECT ALL THAT APPLY.)



INTENT VS. ACTION

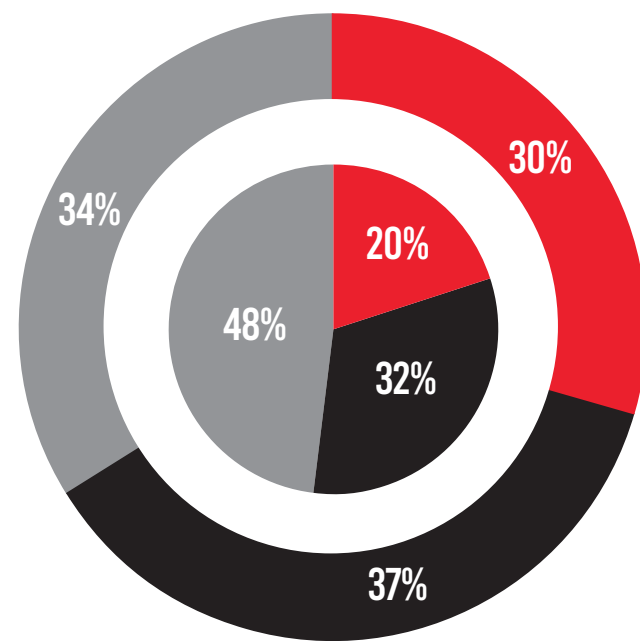
Germans appear far more willing this year than last to spend a little more on purchases when companies provide social-issue-related information.



YOU WANT TO PURCHASE A SOFT DRINK. AT THE STORE, YOU FIND THREE DIFFERENT BRANDS OF YOUR FAVORITE SOFT DRINK. WHICH ONE DO YOU CHOOSE?

OUTER CIRCLE: 2021 / INNER CIRCLE: 2020

- **Soft Drink Brand 1: Price \$3**
Label provides % employees from diverse populations, % women in management, NGOs/nonprofits the company supports.
- **Soft Drink Brand 2: Price \$2.50**
Label provides NGOs/nonprofits the company supports.
- **Soft Drink Brand 3: Price \$2.25**
Label provides nothing but nutritional information.



YOU WANT TO PURCHASE A NEW SWEATER. AT THE STORE, YOU FIND THREE BRANDS OF THE SAME SWEATER YOU WANT TO BUY. WHICH DO YOU CHOOSE?

OUTER CIRCLE: 2021 / INNER CIRCLE: 2020

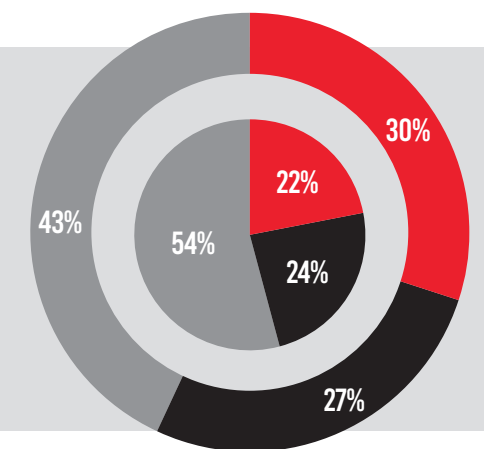
- **Sweater Brand 1: Price \$50**
Label provides % employees from diverse populations, % women in management, NGOs/nonprofits the company supports.
- **Sweater Brand 2: Price \$42.50**
Label provides NGOs/nonprofits the company supports.
- **Sweater Brand 3: Price \$35**
Label provides nothing but price and care for the garment.

AMERICANS:

Americans were a little more willing to pay a bit more to get social issue-related information this year than last, but not nearly as willing as Germans.

YOU WANT TO PURCHASE A SOFT DRINK. AT THE STORE, YOU FIND THREE DIFFERENT BRANDS OF YOUR FAVORITE SOFT DRINK. WHICH ONE DO YOU CHOOSE?

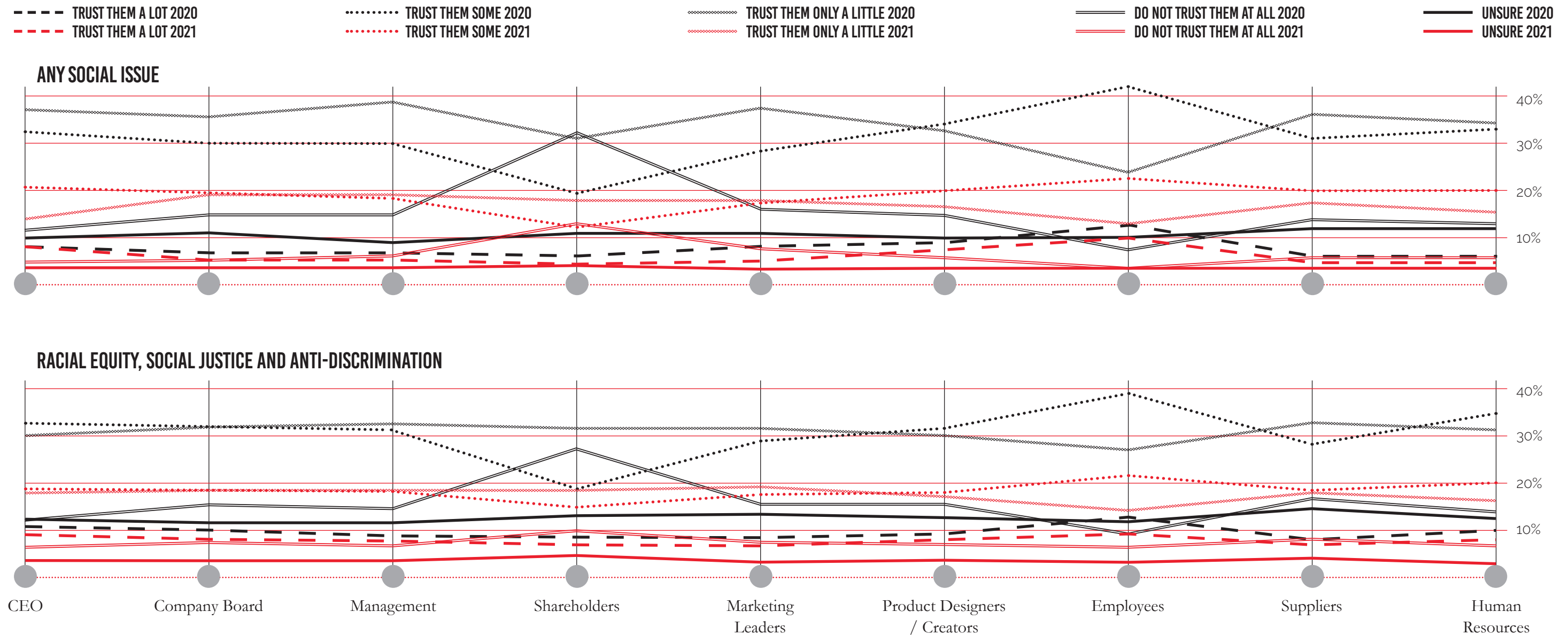
OUTER CIRCLE: 2021 / INNER CIRCLE: 2020



TRUST IN ADDRESSING SOCIAL ISSUES

As in 2020, Germans still trust a company's employees more than its CEO, management or board when it comes to social issues in general and completely distrusts its shareholders. With regard specifically to racial equity, social justice and anti-discrimination, Germans spread out their trust more evenly among all related groups, though shareholders still fare the worst.

HOW MUCH DO YOU TRUST THE FOLLOWING INDIVIDUALS WITHIN THE COMPANY TO DO WHAT IS RIGHT RELATING TO A) ANY SOCIAL ISSUE? B) RACIAL EQUITY, SOCIAL JUSTICE AND ANTI-DISCRIMINATION?



CONCLUSION

Companies can no longer rely on their traditions of co-determination and apprenticeship to satisfy consumers of their concern for the social fabric of German society. Low-level participation in social issues no longer is enough. Consumers now want to see companies take a new approach to societal engagement that reflects authentic actions and mindsets.

Where should companies start? Germans still strongly believe they should be working to protect the environment and stop climate change, protect animals and their rights, and identify and fix the core reasons for poverty. Yet, what concerns people the most today are issues that strain the social fabric of German society: Immigration. Racial inequity. Access to education. It's time for companies to answer the people's call to become true partners in creating a Germany that cares for and represents all of them.