

Risk and Reward: An Analysis of #BoycottNike as a Response to Nike's Colin Kaepernick Advertising Campaign

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Abstract

In September 2018, Nike released its most controversial marketing campaign yet. It featured Colin Kaepernick, an NFL player known for kneeling during the national anthem to protest police brutality and racism. Some people immediately reacted to the campaign's launch by posting pictures on Twitter of burning Nike shoes, along with the hashtag #BoycottNike. This paper examines the Twitter conversation around #BoycottNike through sentiment analysis, topic modeling, and analysis of tweet engagement. The analysis revealed that despite the initial negative Twitter reaction surrounding #BoycottNike, sentiment became more positive over time. Topic modeling revealed that conversations about the Kaepernick campaign were at times framed through an overtly political lens.

I. Introduction

From Charles Barkley declaring he is not a role model, to Tiger Woods sharing his experiences with racism in golf clubs, Nike has employed star athletes to both address timely social issues and power its marketing efforts. In 2018, Nike released arguably its most controversial and risky ad campaign yet, featuring Colin Kaepernick as the face of the brand. The campaign honored the 30th anniversary of its slogan, "Just Do It," but also took a clear stand on police brutality.

Kaepernick has made a name for himself in recent years, not just as a successful NFL player, but also as a social activist. He began kneeling during the national anthem before games to protest police brutality and racial discrimination in 2016. As other players began to join him, the protest became highly publicized, and President Donald Trump publicly stated that any kneeling player should be fired. The protest continues to be highly debated. In 2019, Kaepernick and the NFL settled a collusion case that charged the league was conspiring to keep him off the field.

Nike's campaign depicts Kaepernick with the words "Believe something. Even if it means sacrificing everything," alluding to the risk he took by standing up to the NFL. As soon as Kaepernick revealed his Nike partnership, some people took to Twitter with the hashtag #BoycottNike, with some posting pictures of themselves burning Nike apparel. The immediate backlash on Twitter made it clear that the company risked alienating customers who hold opposite views, raising concerns about whether the campaign would hurt

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the company's profitability. This study will analyze tweets using #BoycottNike to gauge the degree of online pushback to the campaign.

II. Literature Review

A significant amount of previous research has been conducted on celebrity and activist advertising. Though this paper focuses on one specific advertising campaign, this review will discuss Nike's advertising history to establish its tendency to create campaigns with a social impact. It will also discuss celebrity endorsement advertising, brands as activists, and anti-brand activism and boycotts, establishing the current knowledge surrounding the approach of the Kaepernick campaign as well as its outcomes.

Nike's Advertising History

Nike has long been known as a brand that takes risks in its advertisements in order to address current social issues. Armstrong (1999) analyzed Nike's advertisements to identify how it communicates with black audiences. By examining symbolic messages in Nike basketball advertisements that had high visibility with black consumers, Armstrong found that consumers respond to advertisements that include culturally relevant symbols and interactions. Ads that showed people hanging out at a barber shop or playing basketball and had a message of overcoming adversity helped Nike create ads that black consumers could relate to. Lucas (2006) completed a similar study but analyzed Nike's messaging to girls and women participating in sport. She studied the "If you let me play," "There's a girl being born in America," and "The Fun Police" campaigns to understand how Nike positioned itself to encourage girls to get involved in athletics. Each of the ads was labeled an "ad with conscience." Lucas found that in each ad, Nike shared the message that girls should be encouraged to play sports, especially if they wore Nike products. Both of these studies explain how Nike has established its reputation of being a social activist by appealing to underrepresented audiences, but the studies fail to analyze how celebrity endorsement plays a role in building this reputation.

Celebrity Endorsement

Leveraging the endorsement of celebrities in marketing can be an effective strategy to gain trust from an audience and shape a brand. Seno and Lukas (2007) identified celebrity endorsement as a practice of co-branding for the company and the endorser. Through a review of previous research, Seno and Lukas found that celebrity endorsement is a reciprocal relationship – endorsement not only affects the image of the brand but also that of the celebrity – especially when there is consistency between characteristics of the endorser and the product that is being endorsed. This means that audience perceptions of the company and of the celebrity begin to converge. In the case of the current Kaepernick and Nike study, one can assume that Kaepernick's partnership with Nike has caused people to hold parallel perceptions toward the player and the company.

Cunningham and Regan (2011) also examined the idea of celebrity-brand congruence, but sought to understand how race and political activism play a role in perceptions of athlete-product fit. They found that political activism and racial identity, taken individually, did not have any direct effect on perceived trustworthiness to an audience. However, a combination of strong racial identity and non-controversial activism positively correlated with trustworthiness and athlete-product fit. Lear, Runyan, and Whitaker (2009) expanded upon these ideas and applied them directly to retail product advertising. Using print media in sporting magazines, the researchers found that the use of sports influencers has increased in recent years. Additionally, when analyzing Nike's partnership with Tiger Woods, they found that Nike had a large return-on-investment from the sponsorship despite the marital infidelity scandal surrounding Woods. This finding suggests that Nike will have the same success with Colin Kaepernick.

Brands as Activists

Nike's use of sports celebrities that are from minority groups, such as Serena Williams and Tiger Woods, has helped it create the image of an activist brand. Many researchers have studied this emergence of brands as activists to understand the effect that activism has on business goals and outcomes. Mohr, Webb, and Harris (2005) examined corporate social responsibility (CSR) participations to understand the effect of

those activities on customer buying behavior. The results showed that although most consumers do not use CSR as a purchase criterion, a small subset of consumers do choose to give their business to companies that have a strong sense of CSR.

Schmidt, Shreffler, Hambrick, and Gordon (2018) expanded upon the findings of the Mohr study by focusing on brand sponsorship of activists. They found that brand image and purchase intent are negatively impacted by risky activism of brand spokespeople. Colin Kaepernick, Brandon Marshall, and Carmelo Anthony were used to identify the effect. For Kaepernick, his activism against police brutality resulted in public backlash and a loss of sponsorship from brand partners. Additionally, they claim that Kaepernick's protests caused a slight decrease in Nike's brand image and the purchase intentions of Nike products, however that decrease did not have an overall detrimental effect. Schmidt's study asked similar questions as this research but fails to analyze the social media backlash to Nike's sponsorship of Kaepernick.

Anti-brand Activism

The negative effect of activism can lead to consumer anti-brand activism in extreme cases. Romani, Grappi, Zarantonello, and Bagozzi (2015) revealed that brands' moral misconducts can induce hateful feelings from consumers and motivate anti-brand boycotts. Neilson (2010) studied how participants in boycotting differ from those in "buycotting" (rewarding businesses for favorable behavior). She found that women are more trusting and more likely to buycott than boycott. However, there are no gender associations with boycotting. Klein, Smith, and John (2004) also examined boycotting behaviors but focused on motivations for boycott participation. Four factors were identified to predict boycott participation: the desire to make a difference, the opportunity for self-enhancement, counterarguments that deter boycotting, and the direct cost of boycotting.

Existing literature has created a thorough understanding of the various concepts used in this research. It has examined Nike's ability to reach minority audiences through sponsorship of underrepresented athletes, creating Nike's reputation as an activist. Research has also shown how the use of celebrity endorsement results in the co-branding of the brand and the celebrity. Finally, it has established that when these endorsers are activists, consumer purchase intents from a small subset of individuals can be affected, and that when there are extreme differences in brand and consumer values, activism can result in boycotts. Existing literature has clearly established how celebrity endorsement and brand activism shape the perceptions of a company, but it has not used social media to understand consumer reactions to brand activism. This research will build upon these ideas to examine the impacts of Nike's 2018 campaign with Colin Kaepernick. Within the context that Nike as a brand is also an activist, it will study how Nike's sponsorship of Kaepernick has affected its brand perception on social media.

III. Methods

In order to understand the Twitter conversation around #BoycottNike, content and sentiment analyses were performed. Tweets containing #BoycottNike were mined from the Twitter API using R and the twitterR package. The tweets were collected from September 3, 2018, the day of the campaign launch, through September 15, 2018, and the tweets were analyzed for sentiment – the positivity or negativity of a text – using the Syuzhet package in R. This package calculates sentiment from text using dictionaries containing words with predefined sentiment values. Each tweet was assigned a numerical value, negative values indicating negative sentiment, 0 being neutral, and positive values indicating positive sentiment.

Topic modeling, a type of statistical modeling used to identify the "topics" that occur in a collection of texts, also was performed on the tweets in R using the Latent Dirichlet Allocation (LDA) probabilistic model. This model finds collections of words that appear together frequently and identifies topics based upon the probability that words will appear together. These topics reveal the main areas of discussion around #BoycottNike. Retweets, favorites, and replies also were analyzed for volume and to understand the spread of the message.

Google Trends, a tool that analyzes the popularity of top search queries in Google Search, was used to understand brand awareness. "Nike," "Kaepernick," "Nike Stock," and "Nike Ad" were used as search terms in Google Trends, and search volume and top related queries were recorded from August 3, 2018, to October 15, 2018, a month before and after the Twitter data collection.

IV. Findings

A total of 79,184 tweets were collected after running the R script each day from September 3, 2018, to September 15, 2018. After cleaning the results, a total of 20,629 valid tweets were collected and used in the analysis. Once the data was collected, its volume, engagement (favorites and retweets), topical content, and sentiment were analyzed. Analysis of tweet volume and engagement aimed to identify the spread of the hashtag. Topic analysis was used to identify what conversations were centered on, and sentiment analysis was used to understand the attitude towards the campaign and surrounding #BoycottNike.

Tweet Volume, Favorites, and Retweets

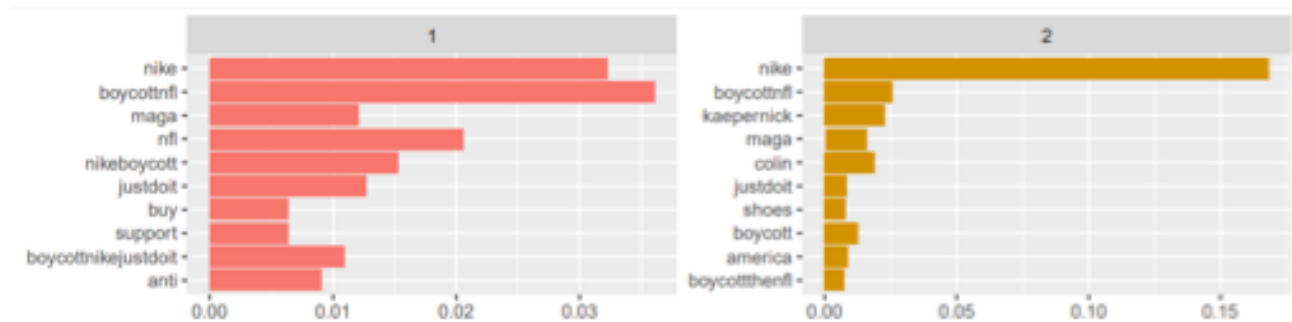
After data cleaning, the remaining tweets had a total of 120,720 favorites (an average of nearly six per tweet), and 56,128 retweets (an average of just under three per tweet). The vast majority of tweets were published on the day of the campaign release and the day following. More than 40% of the total number of tweets were published the day after the ad release. Each day from September 5, 2018, to September 9, 2018, contributed between 1% and 5% of the total tweet volume.

The majority of tweets did not receive any engagement (retweets or favorites); 58% of tweets had no favorites and 74% of tweets had no retweets. Tweets in the 95th percentile had, on average, only four retweets and eight favorites. However, a few had more than 1,000 retweets and favorites. On average, tweets had 1,669 retweets and 3,499 favorites; however, these averages are heavily skewed by outliers. In general, there was very little variation in the average number of retweets and favorites per tweet over time. However, the number of favorites per tweet slightly decreased as time progressed, while the number of retweets remained more constant.

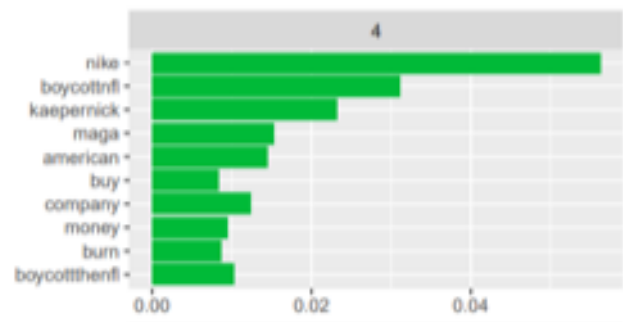
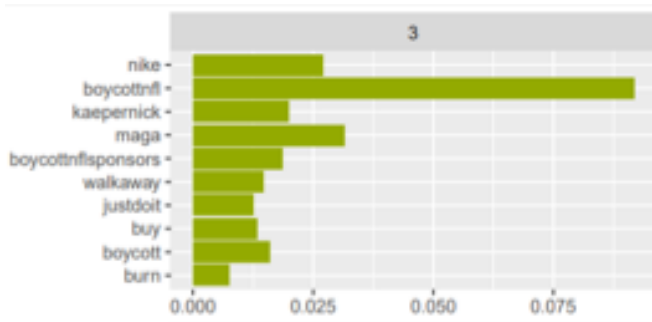
Topic Modeling

Topic modeling analysis was employed to identify collections of words that appear together frequently, revealing the primary areas of Twitter discussion around #BoycottNike. The nine most common topics are visualized in the following charts. Each chart groups words that are commonly seen together into topics. Every topic is dominated by “nike” and “boycott,” as expected since every tweet included in the analysis contains #BoycottNike. However, after these terms, there are differences among the topics.

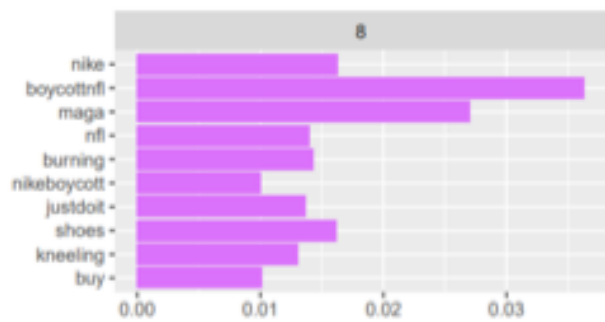
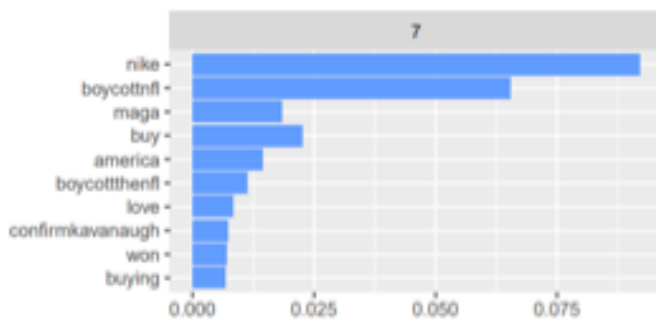
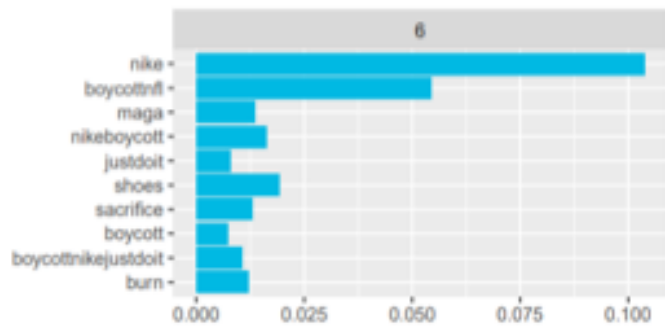
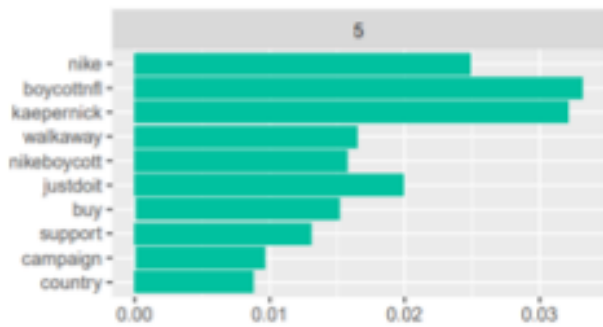
Topics 1 and 2 both appear to be a general discussion regarding the controversy, but topic 1 has more emphasis on boycotting Nike, while topic 2 is more focused on Kaepernick himself.



Topic 3 revolves around boycotting the NFL and its numerous corporate sponsors, while topic 4 is focused on monetary implications of the campaign and uses the term “American.”



Among the remaining topics, three are generalized discussions with slight differences in emphases, such as “walkaway” (topic 5), “sacrifice,” (topic 6), and “burning” (topic 8). Finally, topics 7 and 9 are the most overtly political, bringing in discussion of Supreme Court nominee Brett Kavanaugh, declassifying information related to investigations surrounding the Trump presidential campaign, and bias.



Sentiment Analysis

This analysis revealed that the overall sentiment of the conversation surrounding #BoycottNike was negative, as the total of all the sentiment scores was -290.3. However, most tweets had a neutral sentiment (a score of zero) with average and median sentiment scores of zero; 68% of the tweets had a sentiment score between -0.6 and 0.6.

Average Sentiment Per Day

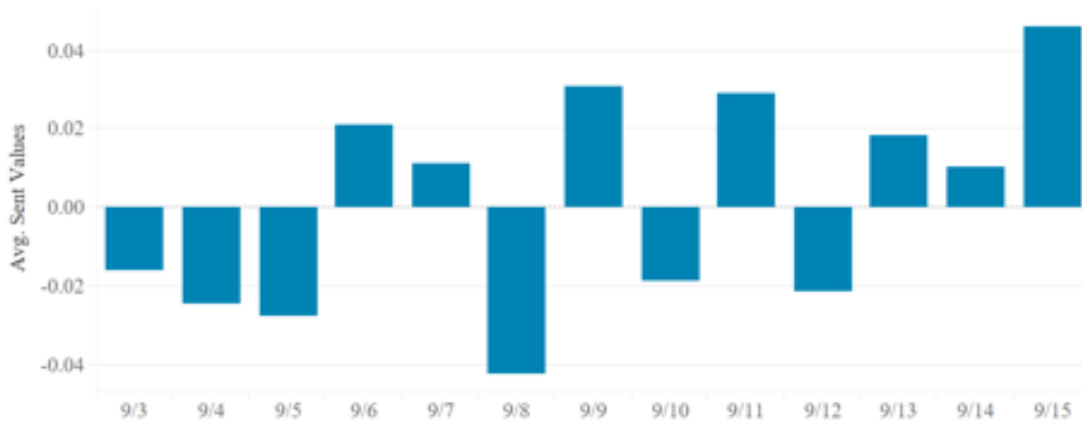


Figure 1

Initially, the average sentiment was negative with a two-day shift to positivity on September 6 and 7 (Figure 1). However, September 8 had the most negativity. After this point, the sentiment began to become more positive overall. Throughout the time period, the majority of the tweets were neutral, with positive/negative tweets each making up about 25% of the volume (50% collectively).

When looking at the spread of the tweets, there is a relationship between the number of retweets a tweet received and its sentiment (Figure 2). Tweets at or below the 10th percentile for number of retweets greatly ranged in sentiment. However, as the percentile increases, the range of sentiment narrows, ending with very neutral content above the 90th percentile.

Sentiment Value per Retweet Count Percentile

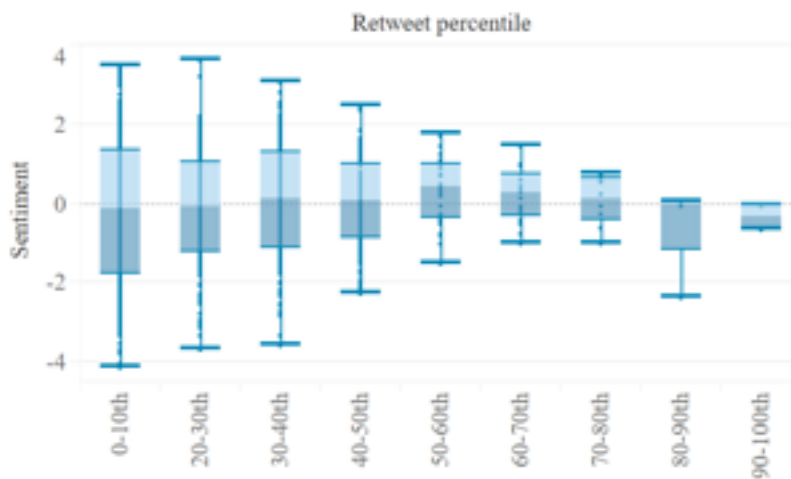


Figure 2

Google Searches

Google search volume for “Kaepernick,” “Nike,” “Nike Ad,” and “Nike Stock” is visualized in Figure 3. The values represent search interest relative to the highest point on the chart. A value of 100 indicates the peak popularity of a term within the time period, while a value of 50 indicates that the term is half as popular. Zero means that there was not enough data for the term.

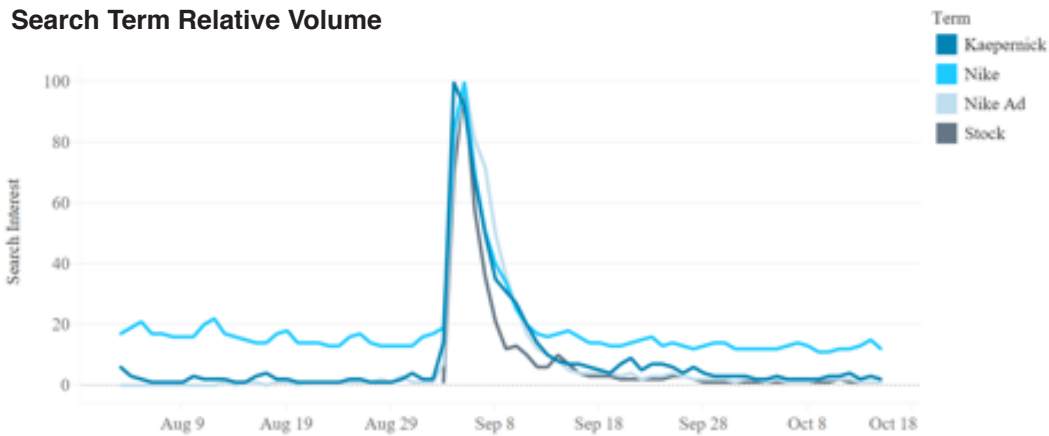


Figure 3

The search volume of each query peaked on September 3, 2018, the day that the campaign was announced, with a steep decline over the next week, before returning to a similar popularity as before the campaign.

The study also identified “related search queries” – queries that users who searched for the indicated term also entered – with the largest increase in search frequency between August 3 and October 15, 2018 (Figure 4). It shows that Nike terms were added to the list of queries searched with “Kaepernick,” and terms related to Kaepernick and the campaign were added to the queries searched with “Nike.” Queries relating to Nike ads and stock were also centered on Kaepernick. Each of these related queries were deemed “breakout,” meaning that they saw an extreme increase in search volume, suggesting that they were not subjects of interest before the launch of the Kaepernick campaign.

<i>Kaepernick</i>	<i>Nike Ad</i>	<i>Nike Stock</i>	<i>Nike</i>
colin kaepernick commercial	colin kaepernick nike	nike boycott	colin kaepernick commercial
kaepernick nike contract	nike ad meme	has nike stock dropped	kaepernick nike contract
kaepernick nike deal	nike meme	nike controversy	kaepernick nike deal
nike ad	kaepernick nike ad	nike kaepernick	nike ad
nike ad kaepernick	kaepernick nike	kaepernick	nike ad kaepernick
nike and kaepernick	nike colin	colin kaepernick	nike and kaepernick
nike colin kaepernick ad	kaepernick	nike stock news	nike colin kaepernick ad
nike commercial	colin kaepernick	nike ad	nike commercial
nike kaepernick commercial	colin kaepernick ad	colin kaepernick nike	nike kaepernick commercial
nike stock	kaepernick ad	nike stock drop	nike stock

Figure 4

V. Discussion and Conclusion

The release of Nike's Just Do It campaign featuring Colin Kaepernick immediately resulted in social media backlash, but the immediate negative sentiment of the Twitter conversation was not lasting. Though the overall sentiment of tweets using #BoycottNike in the days following the campaign's launch was negative, it began to change after the first three days, and the vast majority of the tweets were neutral, with extreme outliers skewing the overall sentiment. Those tweets with extreme positivity or negativity did not receive high engagement; tweets that were more neutral spread at a greater rate.

It is possible these findings could be influenced by a lurking variable. For example, those tweeting neutral content could have had a larger follower base, but further examination would be needed to reach a conclusion. In addition, television and newspaper coverage of the tweets that contained images of burning shoes may have led to public perception that social media reaction was extremely negative, when in reality it was often neutral.

In terms of the topic model analysis, although we cannot infer the sentiment related to each sub-topic, it reveals that discussions of Nike stock and political controversies were often intertwined. The Twitter discussion was not solely focused on Nike as a company, but often as part of a larger political discussion. Negative sentiment may have, in part, been a reflection of the current political climate.

The campaign clearly caused a spike in interest in Nike and Colin Kaepernick, as shown through the analysis of Google Trends data. There were extreme spikes in the volume of search terms related to the campaign the day of the launch. Even if news of the campaign spread due to a few extremely negative social media reactions, the search volume of terms related to the Kaepernick campaign indicates a large increase in Nike's brand awareness.

This increased brand awareness seems to have helped Nike, as reported by many major news sources. The author examined 16 news articles found through Google News Search that focused on the Kaepernick campaign and found only one that predicted a negative financial outcome for Nike; two articles published close to the campaign's launch predicted positive outcomes from the beginning. Fifty-six percent of the articles discussed the increase in Nike sales following the campaign launch, and 38% discussed the stock increase in the days following. The social media backlash was mentioned in 31% of the articles, but each asserted that it would not have an overall negative effect on the company. Additionally, four of the financial articles cited other causes for the initial dip in Nike's stock immediately following the campaign launch, taking the blame off Kaepernick.

The various analyses in this research reveal that sentiment around #BoycottNike was not as negative as originally thought, and that the campaign was successful in not only increasing sales, but also in raising Nike's stock prices and boosting brand awareness. Though these are interesting findings, there were several limitations in this study. Rate limits on the Twitter API limited the number of tweets that could be collected for analysis. Also, sentiment analysis can have difficulty interpreting sarcasm and slang, reducing its accuracy on media. There are much more advanced methods of completing sentiment analysis that could be used in future studies but that are beyond the scope of this study. Future research could also benefit from completing a social network analysis to identify the most influential players in the discussion, analyzing more keywords and hashtags to understand more sides of the story, and comparing tweets from media outlets to those from individuals.

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