Starbucks Ends 'Race Together' Campaign But Continues The Fight

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Summary

- Starbucks ended its controversial campaign, Race Together.
- Campaigns like these raise the question of whether or not companies should be involved in promoting social causes.
- More companies should follow Starbucks' lead and apply their sizable influence and resources to making more than profits.
- A social campaign must be as well-planned and well-executed as any other corporate initiative.

Yesterday Starbucks (NASDAQ:SBUX) ended its controversial campaign, Race Together -- but the company's attempt to influence the national conversation about race is alive and well.

The campaign, which encouraged Starbucks employees to write "#RaceTogether" on drinks cups as a way to promote discussions about race, was the most visible aspect of the company's efforts to address racial issues. The effort was accompanied by full-page USA Today ads with the headline "Shall We Overcome?" and "RaceTogether" and the Starbucks logo near the bottom of the page.

Criticisms of the effort included complaints that the company overstepped its boundaries by engaging in a sensitive cultural topic, as well as concerns that inviting baristas and customers to have conversations would slow down service. Commentators such as NBA legend Kareem Abdul-Jabbar seemed ambivalent, praising the courage and morality of the campaign while questioning its effectiveness.

Starbucks is hardly the first corporation to spark controversy by acting like a non-profit advocacy group. Unilever's
(NYSE: UN) Dove brand took on the false expectations advertisers create about women in its Campaign for Real Beauty which featured un-retouched images of models of all shapes, sizes, and ages. Chipotle Mexican Grill (NYSE: CMG) created an animated short film, Back to the Start, to emphasize the importance of developing a sustainable food system.

These kinds of campaigns extend beyond the typical corporate social responsibility programs of most companies. They aspire to fan the flames of widespread conversation and ultimately lead to some sort of cultural transformation. These efforts and the resulting public reactions raise the question of whether or not companies should be involved in promoting social causes.

It makes sense for business to be involved in cultural conversations. Many people have lost faith in religious and political institutions, but brands retain a great deal of influence. People look to brands to express and/or experience certain self-identities and they form powerful communities with others who share their brand preferences, such as Harley-Davidson's (NYSE: HOG) Harley Owners Groups and the CrossFit community. So companies, as substantial social influencers, are well-positioned to advocate for and advance social change.

Customers are attracted to brands that make an emotional appeal and they want to do business with companies that share their values. By promoting a social cause, a company can attract like-minded customers, advance its brand differentiation, and increase the emotional engagement of its customers and employees both.

It also makes basic business sense if the social issue affects the company's strategy and operations. Starbucks seeks to expand into new markets and appeal to customers outside of predominantly white upper middle class communities. Attracting a more diverse workforce is critical to its success, as is gaining favor with key constituents including real estate developers and community leaders. By contributing to the improvement of race relations, Starbucks is planting seeds that will help itself -- and other organizations -- flourish.

Starbucks' efforts are not without fault, though. Some important lessons can be learned from the developments so far:

- **Use actions first, then words.** The "Race Together" campaign was only one element of the company's efforts to address racial issues. Earlier this year, Starbucks held a series of town hall-style meetings with employees in areas recently affected by racial tensions including St. Louis and New York City. And CEO Howard Schultz recently announced a plan to hire 10,000 youth, who he described as "disenfranchised and disillusioned," over the next three years.

These actions would have been perceived as far more important than the coffee cup writing campaign, but they received far less publicity. As a result, the campaign seemed to be the lead and, without the context of the other more substantive efforts, to be mere rhetoric. Starbucks should have managed its public relations better.

- **Plan for the worst and anticipate criticism.** Schultz acknowledged that the company expected some pushback to its efforts, but the reactions of its senior vice president of communications, Corey DuBrowa, suggests they were caught off guard. He suspended his Twitter account and published a blog post stating he felt "personally attacked in a cascade of negativity."

These actions only served to further fuel criticism of the campaign, including snarky tweets like "#Starbucks's @coreydu wanted to talk about race so much he deleted his account after people started talking to him about it." He, and Starbucks, should have known better. Furthermore, the concerns about increasing wait times should have been proactively addressed.

More companies should follow Starbucks' lead and apply their sizable influence and resources to making more than profits. But they should also learn from Starbucks' missteps and realize that a social campaign must be as well-planned and well-executed as any other corporate initiative. "Race Together" may be over, but hopefully its intent is not.