

The Hershey Company, Coca-Cola, Ford, and others leave Facebook over Hate Speech

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A campaign that only started June 17 has already led to more than 1,000 businesses nationwide pledging to suspend all paid advertising on Facebook through at least July, according to the latest estimates from Stop Hate for Profit, a coalition of civil rights organizations that launched the action to protest Facebook not doing enough to combat hate speech and misinformation on its platform.

The list of businesses publicly committing to the advertising pause includes dozens of the most recognizable brands in the United States, such as Coca-Cola, Ford and Honda, The Hershey Company, Microsoft, Starbucks, Verizon and Unilever.

Advertising accounted for 98.5 percent of Facebook's \$70.7 billion in revenue generated in 2019, according to Yahoo Finance.

Facebook has about 8 million advertisers, most of them small businesses, according to published estimates. To date, the boycott has impacted less than 3 percent of Facebook's overall U.S. ad revenue for the first six months of 2020, according to published estimates from Pathmatics, a marketing analytics firm.

That indicates the action has plenty of room to grow. Moreover, campaign organizers are dissatisfied with Facebook's response to their calls for change thus far, further indicating the boycott may not run out of steam anytime soon.

Stop Hate for Profit is also targeting companies that advertise on Instagram, the photo-sharing platform that is owned by Facebook.

As of June 30, just two of Instagram's top 10 advertisers - Hershey and Clorox - had publicly committed to a temporary pause of their paid advertising on the platform, again leaving plenty of room for the protest to expand.

While many companies so far have only committed to pulling their paid advertising from Facebook through July, the movement gained momentum with Unilever's announcement that it would halt all ad spending on Facebook and Twitter through at least the end of 2020. Unilever said it would be shifting its own U.S. digital ad budget to "other platforms," according to CNN Business.

Unilever rival Procter & Gamble, the company behind brands like Pampers and Tide, was second only to The Walt Disney Company in advertising spending on Facebook, according to the Pathmatics data.

Procter & Gamble had not joined the Facebook advertising boycott, but was said to be weighing its options regarding ad spending across all media platforms.

“We are not advertising on or near content that we determine is hateful, denigrating or discriminatory,” P&G’s chief brand officer Marc Pritchard told an advertising conference as reported by NPR.

Similarly, Home Depot, also among the top 10 advertisers on Facebook according to Pathmatics, while not announcing any changes publicly was reported by NPR to be watching the situation “very closely,” according to a company spokeswoman.

Among other influential advertisers, PepsiCo - while not formally signing on to the Facebook ad pause as has its rival Coca-Cola - has announced it is suspending through at least July all paid advertising on all social media platforms including Facebook, according to comments from PepsiCo vice chairman and CFO Hugh Johnston reported by Yahoo Finance July 13.

“Obviously as a company we are in favor of free speech, but some of the things on social media are really inconsistent with the way we are looking to position our brand,” Johnston told Yahoo. Referring to Facebook and other social media, he added, “as they do a better job with managing that, you’ll see us come back to social media. But for the time being, we said we’re going to pull back on that.”

Nor has Facebook come close to satisfying demands that would end the ad boycott, based on Stop Hate for Profit’s statement following the group’s July 7 meeting with Facebook CEO Mark Zuckerberg and other top Facebook executives.

“It was abundantly clear in our meeting today that Mark Zuckerberg and the Facebook team is not yet ready to address the vitriolic hate on their platform,” organizers said in the statement.

On July 14 Stop Hate for Profit announced the campaign has been strengthened by more than 100 non-profit, labor, faith-based and advocacy groups signing an open letter to Zuckerberg pledging support for the ad boycott, and calling on Facebook to meet the organizers’ demands for change.

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