Defending Community:



Lyft & Texas Senate Bill 8

Table of Contents

- 1. Under the Hood
- 2. Be The Change
- 3. Defensive Driving
- 4. Navigating Events
- 5. Checking Gauges
- 6. The Road Ahead
- 7. References

Business Overview and Executive Leadership

Corporate Mission, Vision and Values

Situation Analysis and Corporate Response

Timeline

Stakeholder and Media Responses

Discussion, Evaluation and Teachable Moments

Abstract

In response to a Texas law allowing civil suits against anyone who aids a woman in getting an abortion, Lyft sought to protect its drivers by creating a legal defense fund and cemented its pro-choice stance by donating to Planned Parenthood. By considering multiple stakeholder perspectives, this case study will provide a deeper understanding of how politically-motivated corporate social responsibility campaigns can affect an enterprise's reputation and business. It will also aid in uncovering a point of authenticity by distinguishing Lyft's motives in reacting to political action in comparison to Lyft's background of social activism.

Under the Hood: Business Overview and Executive Leadership

Founded in 2012, Lyft Inc. is one of the largest domestic rideshare platforms in North America, operating in 645 US cities and 10 Canadian cities (Lyft, 2021a). Co-founders Logan Green and John Zimmer developed the service as an evolution of Zimride, a rudimentary ridesharing platform they developed while attending Cornell University and UC Santa Barbara in 2007. Green currently serves as Lyft's Chief Executive Officer and Director. Zimmer serves as its President and Vice Chair (Lyft, 2021b). Sean Aggarwal currently serves as Chair of Lyft's nine-member board of directors (Lyft, 2021b).

Lyft operates several product categories, anchored by a peer-to-peer marketplace for on-demand ridesharing, offering users "a multimodal transportation network that provides personalized and on-demand

access to various mobility options" (Yahoo! Finance, 2021). The company's proprietary application seeks to establish a single destination for mobility across markets, from ridesharing and rental cars to locationdependent sustainable choices. Universal rideshare options include the standard Lyft, Lyft XL, Lyft Lux, Lyft Lux XL and Lux Black (Lyft, 2021c). In select urban markets, Lyft also offers riders electric bicycles, scooters, rental cars and integrated public transit solutions (Lyft, 2021c). As of November 2, 2021, e-bike reservations represented 40% of Lyft's network volume in the New York City service area (Lyft, 2021i).

Lyft also offers subscription-based savings programs oriented for both businesses and individuals. Lyft Pass, a concierge service for organizations, allows businesses to create custom transportation programs. These enterprise programs comprise of monthly ride credits for daily commutes as a supplement to public transit. The company also offers Lyft Pink, a subscription model service enabling discounted rides, priority airport pickups, free bike or scooter perks and other savings opportunities for recurring customers whose employers do not offer enterprise packages.

Lyft is a pioneer and strong advocate for autonomous vehicle (AV) accessibility, operating Level 5, an in-house self-driving vehicle systems development division from 2017 until April 2021, when it sold this extension to Woven Planet, a Toyota subsidiary (Lyft, 2021d). In this halfbillion dollar deal, Woven Planet became the third AV manufacturer to sign a deal with the company, exclusively launching the AV developed with Level 5 technology on the Lyft platform (Lyft, 2021d). Previously, Motional, working with Hyundai, and Ford, working with Argo AI, committed to rolling out their respective AV solutions on the Lyft Network (Lyft, 2021d).



Logan Green Co-Founder & CEO



John Zimmer Co-Founder & President



Sean Aggarwal Chairman

Be The Change: Corporate Mission, Vision, and Values

Lyft's mission is "to improve people's lives with the world's best transportation," (Lyft, 2019) which it does through authentically pioneering alternative transportation options beyond personal car ownership. The company's vision plans for a future where private car ownership is a relic of the past, evidenced by its research and development commitments of alternative transportation methods. "Transportation doesn't just impact how we get from place to place. It shapes what those places look like, and the lives of the people who live there," said co-founder John Zimmer in Medium. "We'll have the chance to redesign our entire urban fabric... built around people, not vehicles. [Cities of the future] should be defined by communities and connections, not pavement and parking spots" (Zimmer, 2016). In an interview for Forbes, Lisa Boyd, Lyft's Director of Social Impact, said, "The idea behind Lyft was to create a model that got people to ditch their cars. Lyft was very much founded on social and environmental goals at its base" (Mainwaring, 2021). Lyft is actionably supporting this vision by offering Lyft Pink memberships to residents of Culdesac Tempe, the first car-free neighborhood in the U.S. (Lyft, 2021h).

LyftUp ride access programs

work



The company has constructed an inclusive culture through three critical values: "Be Yourself", "Uplift Others", and "Make It Happen" (Lyft, 2019). Socially, Lyft continually supports low-income communities through LyftUp, its branded program encompassing free rides or discounts for people in need, especially communities of color and the elderly. One such program revolves around access to COVID-19 vaccinations. In the earliest stages of vaccine rollouts, medical professionals noticed that many vaccine appointments in predominantly minority neighborhoods were taken by affluent people who often traveled several miles to get a shot (Bejar, 2021). In May 2021, Lyft, in partnership with Anthem and IPMorgan Chase, launched a free COVID-19 vaccination ride initiative, implemented in conjunction with United Way, the NAACP and the National Hispanic Council on Aging, to ensure the free rides go to the most in-need communities (Lyft, 2021e). Lyft has enacted similar programs for people living in food deserts without reliable transportation or for important elections. Throughout 2020 and 2021, Lyft financially supported drivers during COVID-19 and kept off-peak drive supply at adequate service levels by incentivizing these programs. This evidence establishes a precedent of Lyft actionably standing up for both internal and external stakeholders. While not a LyftUp program, the Texas Driver Defense Fund is another example of the corporation standing up for its stakeholders.

Defensive Driving: Situation Analysis and Corporate Response

Texas Senate Bill 8 ("SB8" or the "Heartbeat Bill") states that "a physician may not knowingly perform an abortion on a pregnant woman unless the physician has determined ... whether the woman's unborn child has a detectable fetal heartbeat" (Legiscan, 2021). To circumvent federal precedents established in *Roe v. Wade*

(1973), 17 state legislators created a system "authorizing a private civil right of action" (Legiscan, 2021), meaning that private citizens, even those unrelated to the case, may file a lawsuit against anyone "who performs or induces an abortion" (Legiscan, 2021) or "knowingly engages in conduct that aids or abets the performance or inducement of an abortion... regardless of whether the person knew or should have known that the abortion would be performed" (Legiscan, 2021). This bill was signed into law by Governor Greg Abbott on May 19, 2021, and took effect on September 1, 2021.

The broad language in the bill puts the onus of enforcement on private citizens. Civil suits brought under this statute are subject to payouts of "no less than



Texas Governor Gregg Abbott signed the Heartbeat Bill into law on May 19, 2021.

\$10,000" (Texas Senate, 2021) per case won. Additionally, defendants can be held responsible for any legal fees incurred by plaintiffs. This system has been widely criticized as a state-sanctioned witch hunt. Historians have compared this bill to the Fugitive Slave Act, as "it's hard to find many historical precedents for a law that has this kind of a bounty-hunter system" (Millhiser, 2021).

On September 2, 2021, Lyft announced the establishment of its Driver Legal Defense Fund, a bold step to protect its drivers from the effects of SB8. Lyft posted a blog stating that "drivers are never responsible



for monitoring where their riders go or why,"(Lyft, 2021f) and that women should never worry that a driver "will cancel on you for fear of breaking a law" (Lyft, 2021f). Lyft outlined that its Legal Defense Fund would cover 100% of legal fees incurred by drivers sued under this legislation while driving for Lyft. The company additionally made politicallycharged commentary saying that the bill "is an attack on women's right to choose" (Lyft, 2021f). In response, Lyft made a \$1 million donation to Planned Parenthood "to help ensure that transportation is never a barrier to healthcare access"(Lyft, 2021f). Lyft was the first major rideshare company to cement its position on this issue. CEO and co-founder Logan Green strongly attacked the bill on Twitter, writing [SB8] "threatens to punish drivers for getting people where they need to go especially women exercising their right to choose" (Green, 2021). Lyft's branded Twitter account retweeted Green's message, adding that the bill is "incompatible with people's basic rights to privacy, our community guidelines, the spirit of rideshare, and our values as a company" (Lyft, 2021g). Lyft's pro-choice stance on this highly-partisan issue posed great risk to the company's finances and broader reputation through alienation of potential and existing riders, a potential dip in active drivers, and potential management trust concerns from Wall Street.



TX SB8 threatens to punish drivers for getting people where they need to go— especially women exercising their right to choose. @Lyft has created a Driver Legal Defense Fund to cover 100% of legal fees for drivers sued under SB8 while driving on our platform.

3:19 PM · Sep 3, 2021 · Twitter Web App

1,491 Retweets 386 Quote Tweets 6,775 Likes

CEO Logan Green's Tweet condemning the Heartbeat Bill and announcing Lyft's Driver Defense Fund to pay legal fees for drivers sued under SB8 while driving on the platform.



Checking Gauges: Stakeholder and Media Responses

Social media platforms are key to brands practicing two-way symmetrical communications with relevant audiences. A content analysis of Twitter threads responding to both Logan Green and Lyft's brand account were key to interpreting how various groups of stakeholders interpreted the Driver Defense Fund, Planned Parenthood donation and affirmation of Lyft's stance on human rights. Additionally, Trendkite, a media management platform used by public relations professionals to measure the impact of their earned media, was used to conduct an audit search for any traditional media mentions from online news, broadcast news, and blogs. Search terms were limited to instances of both "Lyft" and any of the key terms "SB8," "Texas Heartbeat Bill," "Texas Heartbeat Act," "Texas Heartbeat Law," "Heartbeat Act," "Heartbeat Bill," "Heartbeat Law," and "abortion ban." Results were filtered to only include publications in English from the United States and Canada.

Drivers & Employee Response

Drivers are the central stakeholder to Lyft's decision, with all other audiences serving as tangential message recipients. Very few commenters identified themselves as Lyft internal stakeholders, but comments from those identified as such were ideologically balanced. Sonya Banerjee, head of Lyft Investor Relations, and Texan driver Elin Eifler both said this commitment to internal stakeholders made them "proud to work at Lyft" (Banerjee, 2021)(Eifler, 2021).

Several replies complained that drivers should be paid more in lieu of Planned Parenthood receiving a corporate donation. Like many broader public objecters, one self-identified driver implored that the brand "stay out of politics" (Skunkman, 2021). Twitter user Rebecca Brenia attacked rideshare's Achilles' heel, calling for active drivers to be classified as employees instead of contractors. This change would make Lyft "[take] on the liability for anything they might be sued for in the scope of their employment" (Brenia, 2021).

Elin Eifler @elineifle

Replying to @logangreen and @lyft

This makes me proud to work @Lyft. Thank you Lyft for taking one of the first stands. Good for you @Uber for following.

7:15 PM · Sep 3, 2021 · Twitter Web App



Chuk The Skunkman @skunkarific

As a Lyft driver, I implore you to stay out of politics.

2:14 AM · Sep 4, 2021 · Twitter Web App



Replying to @logangreen and @lyft

You know what would show real commitment to your drivers? Classifying them as employees and taking on the liability for anything they might be sued for in the scope of their employment; not putting money in your own bank account for legal fees you know you'll never pay.

Varying internal stakeholder responses from a Twitter media audit reveal that not all drivers recognized Lyft's action as beneficial.

Competitor Response

Uber, Lyft's primary rideshare competitor, declared that it would also cover driver legal fees if its drivers were sued under SB8. Uber CEO Dara Khosrowshahi announced the matching fund nearly an hour and a half after Lyft CEO Logan Green's tweet. Khosrowshahi retweeted Green, adding the following: "Right on @logangreen - drivers shouldn't be put at risk for getting people where they want to go. Team @ Uber is in too and will cover legal fees in the same way. Thanks for the push" (Khosrowshahi, 2021).

As a result, many of the articles covering the funds mentioned both companies, but often featured Lyft prominently as the concept originator. Replies to Khosrowshahi's statement revealed significantly more negative sentiment about the brand's move to copy Lyft. One commentor posed to Khosrowshahi that drivers can be similarly prosecuted in Nevada for transporting sex workers and asked what the company would do "for Vegas drivers who get charged with sex trafficking???" (Nonstop To Vegas, 2021). Sentiments in the Twitter thread showed that Uber users saw the move to copy Lyft as an attention grab that had no strategic significance or emotional support for drivers.

Rider & Public Response

Hundreds of comments carried positive sentiments of "Thank You", "Well Done", or simply cheering emojis. One self-proclaimed Texan and Lyft customer thanked the company for taking a "common sense stance on this issue," and for, "being a leader for our country" (Galambush, 2021). One Twitter user noted that she was choosing between Lyft and Uber, "when I saw your support," and that she was, "definitely going with Lyft!" (Neu, 2021). Austin, Texasbased attorney Karen Vladeck added that she hoped "other employers follow suit and speak out against this heinous law" (Vladeck, 2021). Some neutral users sought clarification on if the fund would cover the \$10,000 bounty for hypothetical defendants or solely their legal fees, which has not been clarified by Lyft.



dara khosrowshahi 🛷 @dkhos

Right on @logangreen - drivers shouldn't be put at risk for getting people where they want to go. Team @Uber is in too and will cover legal fees in the same way. Thanks for the push.

🕀 Logan Green 🧭 @logangreen · Sep 3

TX SB8 threatens to punish drivers for getting people where they need to goespecially women exercising their right to choose. @Lyft has created a Driver Legal Defense Fund to cover 100% of legal fees for drivers sued under SB8 while driving on our platform.

Show this thread

:46 PM · Sep 3, 2021 · Twitter Web App

Above: Uber CEO Dara Khosrowshahi tweets that Uber will offer its Texan drivers the same protections that Lyft offered. This move demonstrates that Lyft created positive societal change by practicing public relations as if the entire enterprise depends on it.

Below: One critic responded to Khosrowshahi's tweet reflecting that drivers in other areas faced similar perils that neither company has addressed, opening up conversations on authentic corporate social responsibility moves.



NonStoptoVegas 🛪

Replying to @dkhos @logangreen and @Uber

Did you know #Vegas drivers can be charged for transporting prostitutes ??? What are you going to do for Vegas drivers who get charged with sex trafficking ???



@MGalambush

Replying to @lyft

I'm a Texan and Lyft customer who can't thank you enough for your common sense stance on this issue. Thank you for being a leader for our country. Hopefully your actions will inspire others to act similarly. Keep up the good work!

7:37 PM · Sep 3, 2021 · Twitter Web App



The email from @lyft re SB8 is straight 🖖 🖖 and they are backing up their words with action.

I hope other employers follow suit and speak out against this heinous law.

> **Positive Public Reactions to** Lyft's Announcements

Negative Public Reactions to Lyft's Announcements

Billy Acres @billy_acre

I just deleted my Lyft account. Thank you for making it clear where the company stands regarding the rights of the unborn. No way I could ever support anyone or any company which supports such a horrific act.

12:33 AM · Sep 4, 2021 · Twitter for iPhone

Turret View Turret View Replying to @yft I needed a ride, not your moral and ethical stand on issues. You are going to lose huge revenue, because we use our wallet with discretion! #ProLife @Lyft 11:33 AM · Sep 4, 2021 · Twitter for iPhone An overwhelming number of negative responses reflected users claiming to delete their Lyft apps and accounts because of the company's stance "regarding the rights of the unborn" (Acres, 2021). Interestingly, several respondents in Lyft and Green's threads stated they intended to switch loyalties to Uber, not realizing that both companies made identical commitments. Many dissenting commenters argued that Lyft should not take a political stance on issues not directly related to its business, but previous evidence shows how SB8 could affect Lyft platform users. Finally, other negative responses focused on potential revenue losses, which are best summed up by a user from Idaho who claimed Lyft would "lose huge revenue, because we use our wallet with discretion!" (View, 2021).

Shareholder Response

Immediate financial repercussions hit the corporation within minutes of crossing the wire. Green sent his tweet at 3:14p.m. on Friday, September 3rd, just over 45 minutes prior to the Labor Day weekend NASDAQ closing bell. Market response saw share price drop nearly 3% on the day, but trade volume remained consistent with previous days (NASDAQ, 2021). When trading resumed the following Tuesday, the stock's volume reached 6.1 million shares traded, which was high in comparison to surrounding days, but very much within the company's normal range (NASDAQ, 2021).

Following a standard December fiscal year end, Lyft communicated about the issue just over one month in its third quarter of FY2021. Any financial consequences from its statement would logically surface in Lyft's third quarter results that were announced on November 2, 2021. Lyft announced a 13% increase in revenue compared to the second quarter of 2021 (Lyft, 2021j). While several other factors influence financial markets and shareholder confidence, it is clear that taking a pro-choice did not negatively impact the company financially.

Third quarter financial metrics could be attributed to several factors beyond the scope of the case study, but material non-financial information also paints a strong picture that Lyft's statement did not hurt (and arguably could have helped) the company. Lyft saw a 45% increase in driver supply, with 60% of that increase being newly-registered drivers (Lyft, 2021j). Lyft had 18.9 million active users in the third quarter, a 10.5% demand increase over the second quarter of 2021 or 89.3% of pre-pandemic passenger volume when compared to the first quarter of 2020 (Lyft, 2021j).

-					
Date	Close/Last	Volume	Open	High	Low
09/08/2021	\$49.81	3,456,417	\$50.48	\$51.24	\$49.03
09/07/2021	\$50.59	6,127,327	\$48.58	\$50.825	\$48.45
09/03/2021	\$48.21	3,750,636	\$49.19	\$49.19	\$47.73
09/02/2021	\$49.3	3,809,374	\$49	\$49.968	\$48.2
09/01/2021	\$48.37	4,550,301	\$48	\$49.59	\$47.84
08/31/2021	\$47.61	5,075,580	\$47.16	\$48.1	\$47.13
08/30/2021	\$47.13	4,307,026	\$48.43	\$48.71	\$46.92
08/27/2021	\$48.39	2,766,947	\$48.115	\$49.25	\$48.115

Left: NASDAQ archives of Lyft's trading activity before and after their actions, showcasing that response from Wall Street was within the stock's normal turnover range.

2021

Revenue per Active Rider

2020

Growth Rate

Right: Material metrics from Lyft's Q3 earnings release demonstrate expansive growth of active riders compared to previous quarters.

349.ZJ 340.TTJ						
		(in thousands,				
Three Months Ended March 31	13,494	21,211	(36.4)%	\$45.13	\$45.06	0.2%
Three Months Ended June 30	17,142	8,688	97.3%	\$44.63	\$39.06	14.3%
Three Months Ended September 30	18,942	12,513	51.4%	\$45.63	\$39.94	14.2%
Three Months Ended December 31		12,552			\$45.40	

Growth Rate

Active Riders

2020

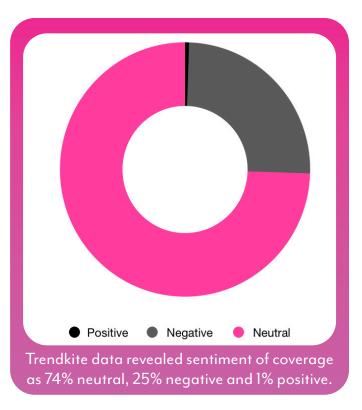
2021

Media Response

Trendkite Analysis

Lyft received overwhelming media coverage on its statements surrounding the announcement. However, the majority of media mentions focused on the company covering legal fees for drivers sued under the Texas abortion law, rather than the second clause of the statement mentioning the monetary donation to Planned Parenthood. Key media highlights include online features on USA Today, Yahoo!, Reuters, CNN, CNBC and NPR. Most news outlets' coverage remained politically neutral without mentioning personal opinions on the issues at hand. The Trendkite search of media coverage surrounding Lyft's response to the Heartbeat Bill showed there were 1,796 total media mentions in the United States and Canada in the English language.

Of the 1,796 media mentions, 440 were



categorized as having negative sentiment, 1,347 were considered as having neutral sentiment and only nine were deemed to have positive sentiment. It must be mentioned that sentiment is measured by the entirety of each article, many of which did not solely focus on Lyft's response in particular, but rather covered the abortion ban in Texas as a whole with mentions of Lyft's response. For example, Trendkite measured a Forbes article titled, "Justice Department Will 'Protect' Women Seeking Abortions Under Texas Abortion Ban," as having negative sentiment, while Lyft was only mentioned in one sentence that stated, "Private companies have also spoken out against the restrictive abortion law in Texas. On Friday, rideshare companies Lyft and Uber said separately they would cover legal fees for any driver under their platform that gets sued for transporting a passenger to a health clinic to receive an abortion, which can be considered 'aiding and abetting' an abortion under the law" (Speakman, 2021).

A syndicated article titled, "Uber, Lyft Promise to Pay All Legal Fees of Drivers Sued Under New Texas Abortion Ban," published on Yahoo! Entertainment was also categorized has having negative sentiment, while the negative sentiment was derived from direct quotes of business executives, as well as attributed and paraphrased commentary from President Biden (Siu, 2021). The author did not make commentary for or against either company. Taking this into consideration, many of the articles filtered through the database as having negative sentiment are likely neutral. Overall, aggregate data pulled from the Trendkite search showed that media mentions in the United States and Canada totaled 14,300,776,477 impressions based off of each outlets unique visitors per month (UVM), equating to approximately \$26,471,885.87 in terms of ad value equivalency.

14,300,776,477 UVM Impressions \$26,471,885.87 Ad Value Equivalency

Executive Messaging

The comprehensive media attention allowed Lyft's executives to articulate their perspectives in making the decision to take a stance and provide context. In an NPR interview, president and co-founder John Zimmer spoke about Lyft's motivations behind establishing the Driver Legal Defense Fund. "This decision was not made with the bottom line in mind," said Zimmer. "It was made based on our values, based on what we believe to be the very bad precedent that a law like this could set. This was based on the fact that decades of law have followed *Roe v. Wade*, and this threatens to undermine that." He continued that Lyft's reaction was partly inspired by its own drivers who wrote to leadership who feared getting sued because of the legislation (Martinez, 2021).

"We will keep looking for opportunities to make a difference. We've done that throughout our history. You know, one of the ways that we felt like we could really make a difference here is that we did see a lot of silence around this from corporate America, and we wanted to raise our hand and say, this is not right to pit citizens against citizens. This is not right to move the ball on women's right to choose. And we're going to be the first or one of the first to take action and hopefully inspire others to do the same."

- John Zimmer, in an interview with NPR

The extensive media coverage also gave way for Lyft's General Counsel Kristin Sverchek to call on the rest of corporate America to take a stand in an interview with CNN (Duffy, 2021). Sverchek stated that Lyft decided to take action despite knowing that "we will lose some customers because of it." In November 2021, Lyft promoted Sverchek from General Counsel to President of Business Affairs. By organizing interviews with top publications, Lyft executives had the opportunity to voice their concerns and take control of the narrative.

"Abortion is a constitutionally protected right, and so I'm happy to see us here taking a voice and I hope that more of corporate America does this. Now, that said, governments should also be passing fair legislation and not look to inappropriately ban a constitutional right as they have here. But I do think it's important that corporate America holds government accountable and speaks out on important issues."

- Kristin Sverchek, in an interview with CNN



Left: Lyft President and Co-Founder John Zimmer

Right: Lyft President of Business Affairs Kristin Sverchek (Formerly General Counsel)



The Road Ahead: Discussion, Evaluation and Teachable Moments

While interest in corporate social responsibility has risen gradually since the 1980s, a major paradigm shift came in 2019 when the Business Roundtable released a new purpose of corporations, which states, "While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders." CEOs from 181 of the world's largest companies — as part of the lobbying group The Business Roundtable (BRT) — declared that the purpose of a corporation is not just to serve shareholders, but "to create value for all our stakeholders" (Business Roundtable, 2019). This progressive statement came with a heap of backlash. While some CEOs are truthful in their pledge to conduct business practices from the lens of stakeholders rather than shareholders, other



signatures are hard to take as word, as very few executives who signed the statement submitted it for board approval (Goodman, 2020).

This brings us to the overarching public relations ethical dilemma surrounding corporate social responsibility: how do we distinguish between authentic responses in highly politicized communication from corporations who seek to benefit all stakeholders from those who attempt to hop on a social bandwagon, otherwise known as "woke-washing"?

Interestingly, an article from Harvard Business Review titled, "How Do Consumers Feel When Companies Get Political?" highlights a study conducted by James R. Bailey and Hillary Phillips that surveyed 168 managers across multiple industries, as well as advanced MBA students, that sought to answer the following questions:

- Does political advocacy have the power to change consumers' minds?
- Does it really affect stakeholder attitudes?
- Are people willing to apply for jobs at organizations whose beliefs oppose their own?
- Are people growing more cynical about how pervasive politics have become in their day-to-day lives?
- Do their political affiliations influence how they perceive corporate advocacy?

The survey concluded that participants viewed companies with conservative values as less committed to corporate social responsibility and less profitable. Participants were 25.9% less likely to buy a conservative company's products and 25.3% more likely to buy from a competitor. Job seekers were 43.9% less likely to apply for a position at a company with conservative values. The survey also gathered that participants viewed companies with liberal values as neither good nor bad. Most respondents viewed companies' political advocacy as both genuine and designed to build loyalty, while the hypothesis of the study thought the answers would be mutually exclusive — that advocacy would be viewed as either genuinely held or designed to build loyalty (Bailey & Phillips, 2020).



Protests outside of Supreme Court hearings reveal a diversity of opinions on this matter, which Lyft must continue to navigate carefully to remain authentic.

One major forward-looking point of interest will be any communications Lyft conveys in response to upcoming abortion law precedentaltering cases brought before the United States Supreme Court. On December 1, 2021, the Court heard oral arguments in *Dobbs v. Jackson Women's Health Clinic* (2021), a case exploring the constitutionality of Mississippi's 2018 state law banning abortion after the 15th week of pregnancy. Considering the historical voting affiliations and current demographic composition of the Supreme Court's nine justices, decisions from the bench expected in Summer 2022 could overturn, affirm, or greatly

alter precedents set by both *Roe v. Wade* (1973) and *Casey v. Planned Parenthood* (1992), the two landmark cases guaranteeing a woman's fundamental right to choose to end her pregnancy. While Texas's Heartbeat Bill posed a direct and imminent threat to Lyft's operation in the state, Mississippi's law does not similarly enable lawsuits against parties who "aid or abet" abortions. Beyond protecting drivers, one of Lyft's key messages surrounding its action was that the law was incompatible with its corporate values. Further statements or actions dependent on future outcomes will be critical to keep this pillar of corporate social responsibility authentic.

Ultimately, Lyft's reaction to the Texas abortion ban and stakeholder responses showed that political advocacy did have the power to change consumers' attitudes and behaviors. This is shown through the negative reaction from riders on social media, of which, some consumers who previously used Lyft's platform had stated that they would no longer because of the political stance the company took. The overall responses from both drivers and riders showed that politically motivated corporate social responsibility did in fact affect stakeholder attitudes in both positive and negative ways. All the while, Lyft's response proved that while some people are growing more cynical about how pervasive politics have become in daily life, the majority of commentary surrounding Lyft's response was an authentic representation of corporate social responsibility, advancing conversations on how enterprises can value stakeholders and discussion surrounding hot-button issues through action and advocacy.

References

- Acres, B. [@billy_acres] (2021, September 4). I just deleted my Lyft account. Thank you for making it clear where the company stands regarding the rights of the unborn. No way I could ever support anyone or any company which supports such a horrific act. [Tweet]. Twitter. https://twitter.com/billy_acres/status/1434011783157542914
- Bailey, J. R., & Phillips, H. (2020, February 17). How Do Consumers Feel When Companies Get Political? *Harvard Business Review*. <u>https://hbr.org/2020/02/how-do-consumers-feel-when-companies-get-political</u>
- Banerjee, S. [@sonya_banerjee]. (2021, September 3). *Makes me proud to work @lyft #leadership*. [Tweet]. Twitter. <u>https://twitter.com/sonya_banerjee/status/1433907062849802240</u>
- Bejar, S. [@DrSusanaBejar]. (2021, January 24). Good news: I volunteered as an appt verifier at the Armory, the Washington Heights vaccination site run by NYP. ~2400 people were vaccinated. Bad news: the majority of ppl being vaccinated were not from the low-income predominantly Latino neighborhood of Washington Heights. [Tweet.] Twitter. <u>https://twitter.com/DrSusanaBejar/status/1353394854349434885</u>
- Brenia, R. [@rebeccabrenia]. (2021, September 4). You know what would show real commitment to your drivers? Classifying them as employees and taking on the liability for anything they might be sued for in the scope of their employment; not putting money in your own bank account for legal fees you know you'll never pay. [Tweet.] Twitter. <u>https://twitter.com/RebeccaBrenia/status/1434175291820290052</u>
- Business Roundtable. (2019, August 19). Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans'. Business Roundtable. Retrieved November 12, 2021, from <u>https://</u> www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promotean-economy-that-serves-all-americans
- Duffy, C. (2021, September 6). Lyft General Counsel: I hope that more of Corporate America takes a stand on Texas abortion law. *CNN Business*. <u>https://www.cnn.com/2021/09/06/tech/lyft-general-counsel-texas-abortion-law-response/index.html</u>
- Eifler, E. [@elineifler]. (2021, September 3). This makes me proud to work @Lyft. Thank you Lyft for taking one of the first stands. Good for you @Uber for following. [Tweet]. Twitter. <u>https://twitter.com/elineifler/status/1433931773461901314</u>

- Galambush, M. [@mgalambush]. (2021, September 3). I'm a Texan and Lyft customer who can't thank you enough for your common sense stance on this issue. Thank you for being a leader for our country. Hopefully your actions will inspire others to act similarly. Keep up the good work! [Tweet]. Twitter. <u>https://twitter.com/MGalambush/ status/1433937284945125377</u>
- Goodman, P. (2020, December 2). Stakeholder Capitalism Gets a Report Card. It's Not Good. *New York Times*. <u>https://www.nytimes.com/2020/09/22/business/business-roudtable-stakeholder-capitalism.html</u>
- Green, L. [@logangreen]. (2021, September 3). TX SB8 threatens to punish drivers for getting people where they need to go—especially women exercising their right to choose. @Lyft has created a Driver Legal Defense Fund to cover 100% of legal fees for drivers sued under SB8 while driving on our platform. [Tweet]. Twitter. <u>https://twitter.</u> <u>com/logangreen/status/1433872421254098945</u>
- Khosrowshahi, D. [@dkhos]. (2021, September 3). Right on @logangreen drivers shouldn't be put at risk for getting people where they want to go. Team @Uber is in too and will cover legal fees in the same way. Thanks for the push. [Tweet]. Twitter. <u>https://twitter.com/dkhos/status/1433894081487273987</u>
- Legiscan. (2021, September 1). *Bill Text: TX SB8* / 2021-2022 / 87th Legislature | Enrolled [Full text of TX SB8] [Website]. Legiscan. Retrieved November 9, 2021, from <u>https://legiscan.com/TX/text/SB8/id/2395961</u>
- Lyft. (2019, March 1). *Lyft, Inc. Form S-1*. <u>https://d18rn0p25nwr6d.cloudfront.net/CIK-0001759509/0045a481-349d-44e3-aaec-c8906f9d9ba9.pdf</u>
- Lyft. (2021a). Drive with Lyft Cities. Lyft.com. https://www.lyft.com/driver/cities
- Lyft. (2021b). Executive Management. Investor Relations Lyft. <u>https://investor.lyft.com/governance/management/</u> <u>default.aspx</u>
- Lyft. (2021c). *Rider. <u>https://www.lyft.com/rider</u>*
- Lyft. (2021d, April 26). Woven Planet acquires Level 5. Lyft Investor Relations. <u>https://investor.lyft.com/news-and-events/news/news-details/2021/Woven-Planet-a-subsidiary-of-Toyota-to-acquire-Lyfts-self-driving-car-division/default.aspx</u>
- Lyft. (2021e, May 11). Vaccines for All: Announcing Free or Discounted Rides to Vaccination Sites. Lyft Blog. <u>https://www.lyft.com/blog/posts/vaccines-for-all-announcing-free-rides-for-anyone-getting-a-shot</u>
- Lyft. (2021f, September 3). *Defending drivers and women's access to healthcare*. Lyft Blog. <u>https://www.lyft.com/</u> <u>blog/posts/defending-drivers-and-womens-access-to-healthcare</u>
- Lyft. [@lyft]. (2021g, September 3). The new TX law #SB8 is incompatible with people's basic rights to privacy, our community guidelines, the spirit of rideshare, and our values as a company. A message from our founders: [Tweet]. Twitter. <u>https://twitter.com/lyft/status/1433876131015393280</u>

- Lyft. (2021h, September 8). Lyft Becomes Official Rideshare Partner of First-Ever Car-Free Neighborhood, Culdesac Tempe. Lyft Blog. <u>https://www.lyft.com/blog/posts/lyft-culdesac-tempe</u>
- Lyft. (2021i, November 2). FY21 Q3 Earnings Call. Lyft Investor Relations. <u>https://investor.lyft.com/financials-and-reports/quarterly-results/default.aspx</u>
- Lyft. (2021j, November 2). *Lyft Announces Strong Third Quarter Results*. Lyft Investor Relations. Retrieved November 3, 2021, from <u>https://s27.q4cdn.com/263799617/files/doc_financials/2021/q3/LYFT-</u> <u>2021.09.30-Press-Release-(Quarterly)-(1).pdf</u>
- Mainwaring, S. (2021, May 17). Purpose At Work: Lessons From Lyft On How To Transform Lives Through Transportation. *Forbes*. <u>https://www.forbes.com/sites/simonmainwaring/2021/05/17/purpose-at-work-lessons-from-lyft-on-how-to-transform-lives-through-transportation/?sh=2ebda7fc6b8a</u>
- Martinez, A. (2021, September 8). *Lyft, Uber Will Pay Drivers' Legal Fees If They're Sued Under Texas Abortion Law.* NPR. <u>https://www.npr.org/2021/09/08/1035045952/lyft-uber-will-pay-drivers-legal-fees-if-theyre-sued-under-texas-abortion-law</u>
- Millhiser, I. (2021, September 9). SCOTUS Ruling On Texas Abortion Law Could Foreshadow The End Of Roe V. Wade [Web]. NPR. <u>https://www.npr.org/2021/09/09/1035475408/scotus-ruling-on-texas-abortion-law-could-foreshadow-the-end-of-roe-v-wade</u>
- NASDAQ. (2021, September 1-10). *Lyft Class A Common Stock Historical Data*. Retrieved November 3, 2021, from <u>https://www.nasdaq.com/market-activity/stocks/lyft/historical</u>
- Neu, A. [@drrocketgirl]. (2021, September 3). We were just deciding between you and Uber when I saw your supportdefinitely going with Lyft!! [Tweet]. Twitter. <u>https://twitter.com/drrocketgirl/status/1433951230338928643</u>
- Nonstop to Vegas. [@nonstoptovegas]. (2021, September 3). Did you know #Vegas drivers can be charged for transporting prostitutes ??? What are you going to do for Vegas drivers who get charged with sex trafficking ??? [Tweet]. Twitter. <u>https://twitter.com/nonstoptovegas/status/1433904359746654208</u>
- Siu, A. (2021, September 3). *Uber, Lyft Promise to Pay All Legal Fees of Drivers Sued Under New Texas Abortion Ban.* Yahoo! Entertainment. Retrieved November 12, 2021, from <u>https://www.yahoo.com/entertainment/uber-lyft-promise-pay-legal-213321104.html</u>
- Skunkman, C. [@skunkarific]. (2021, September 4). As a Lyft driver, I implore you to stay out of politics. [Tweet]. Twitter. https://twitter.com/skunkarific/status/1434037191345426433
- Speakman, K. (2021, September 6). *Justice Department Will 'Protect' Women Seeking Abortions Under Texas Abortion Ban.* Forbes. Retrieved November 12, 2021, from <u>https://www.forbes.com/sites/</u> <u>kimberleespeakman/2021/09/06/justice-department-will-protect-women-seeking-abortions-under-</u> <u>texas-abortion-ban/?sh=626db7d6acfe</u>

- Texas Senate. (2021, May 19). Senate Journal 87th Legislature Regular Session. Texas Senate. <u>https://journals.senate.texas.gov/sjrnl/87r/pdf/87RSJ05-19-F.PDF#page=23</u>
- View, T. [@turretview]. (2021, September 4). I needed a ride, not your moral and ethical stand on issues. You are going to lose huge revenue, because we use our wallet with discretion! #ProLife @Lyft [Tweet]. Twitter. <u>https://</u> <u>twitter.com/Turretview/status/1434177831806799876</u>
- Vladeck, K. [@KSVesq]. (2021, September 3). The email from @lyft re SB8 is straight and they are backing up their words with action. I hope other employers follow suit and speak out against this heinous law. [Tweet]. Twitter. <u>https://twitter.com/KSVesq/status/1433936819322773505</u>

Yahoo! Finance. (2021, September 26). LYFT Company Profile. Retrieved November 13, 2021, from https://finance.yahoo.com/quote/LYFT/profile/?guccounter=1&guce_ referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_ sig=AQAAABaDUWuRUUQqnGD5srtp-yT9F75QDw2wgHcH9oHDykw6ETTebq3As9JLF1N6hgbXyw OMRujD0RGTIalx0woalLZhvfQmioeLHLIneSgzGfNIOcITEG62AT3yLSL51SK7

Zimmer, J. (2016, September 18). The Third Transportation Revolution. *Medium.com*. <u>https://medium.com/@johnzimmer/the-third-transportation-revolution-27860f05fa91</u>