

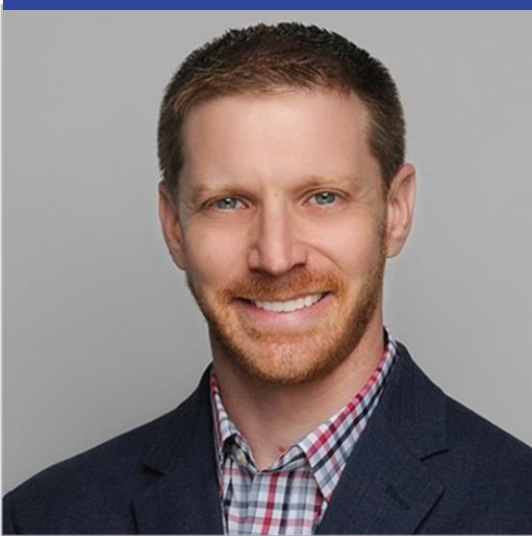
# Navigating Political Minefields

Ipsos + Page Society

MARCH 2024



# THANKS FOR HAVING US



**Jason McGrath**

**EVP and US Head**

**Ipsos Corporate Reputation**

**Jason.McGrath@ipsos.com**



**Jennifer Bender**

**Associate Partner**

**Ipsos Strategy3**

**Jennifer.Bender@ipsos.com**

# AGENDA

- **LANDSCAPE: How global and American citizens are feeling**
- **FORECAST: What should we expect in November**
- **IMPLICATIONS: What this means for corporate communicators**

# Landscape

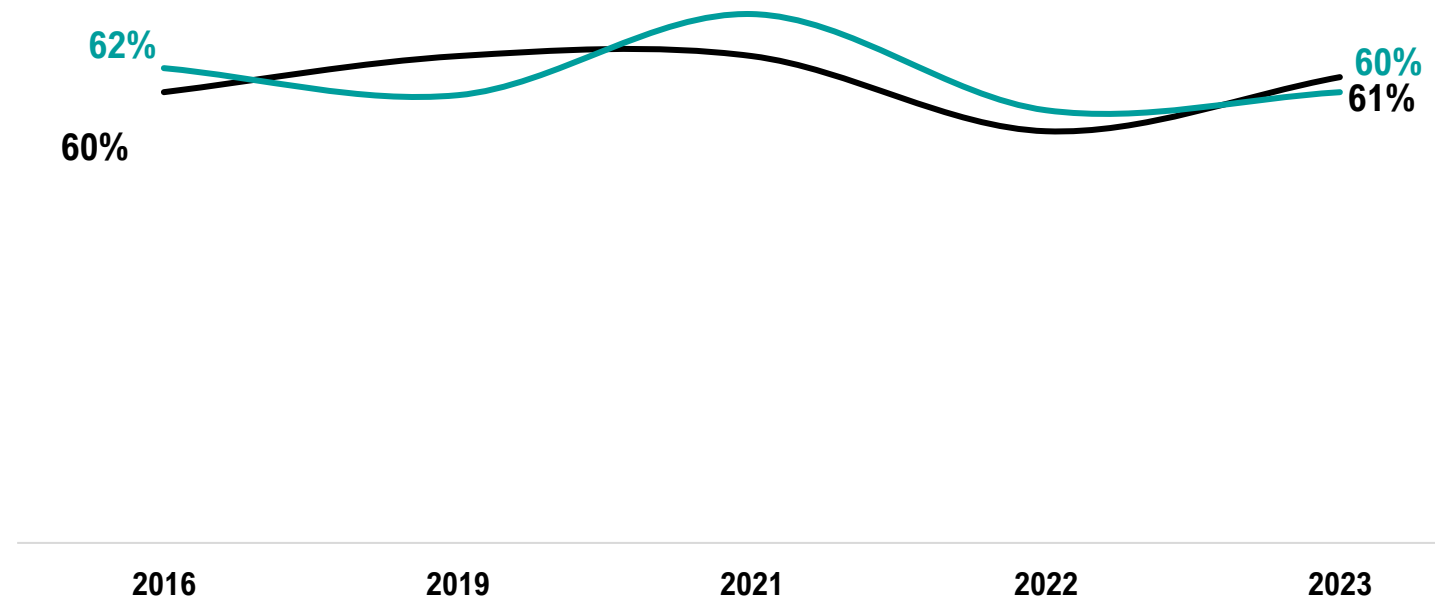
1

# Populism remains strong, feeling that the “system is broken” is widespread

The **system is broken index** is made up of the average agreement to the five statements below:

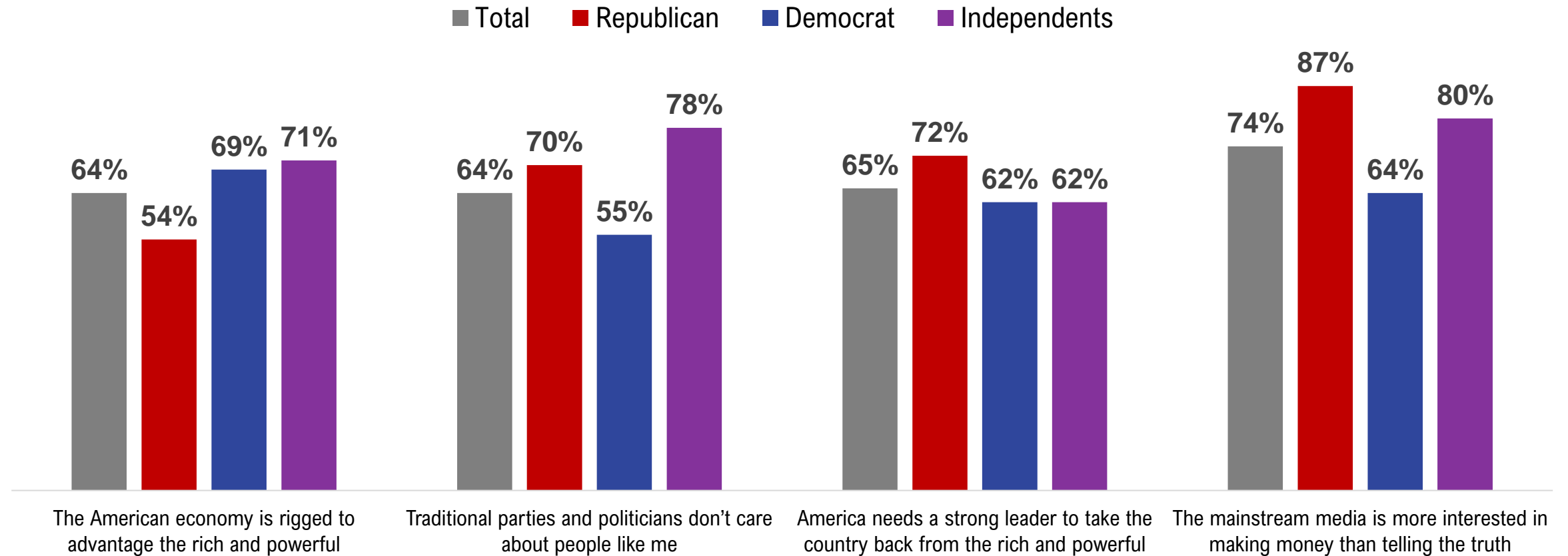
- The [country's] economy is rigged to advantage the rich and powerful
- Traditional parties and politicians don't care about people like me
- To fix [COUNTRY], we need a strong leader willing to break the rules
- [COUNTRY] needs a strong leader to take the country back from the rich and powerful
- Experts in this country don't understand the lives of people like me

## United States 28-country average



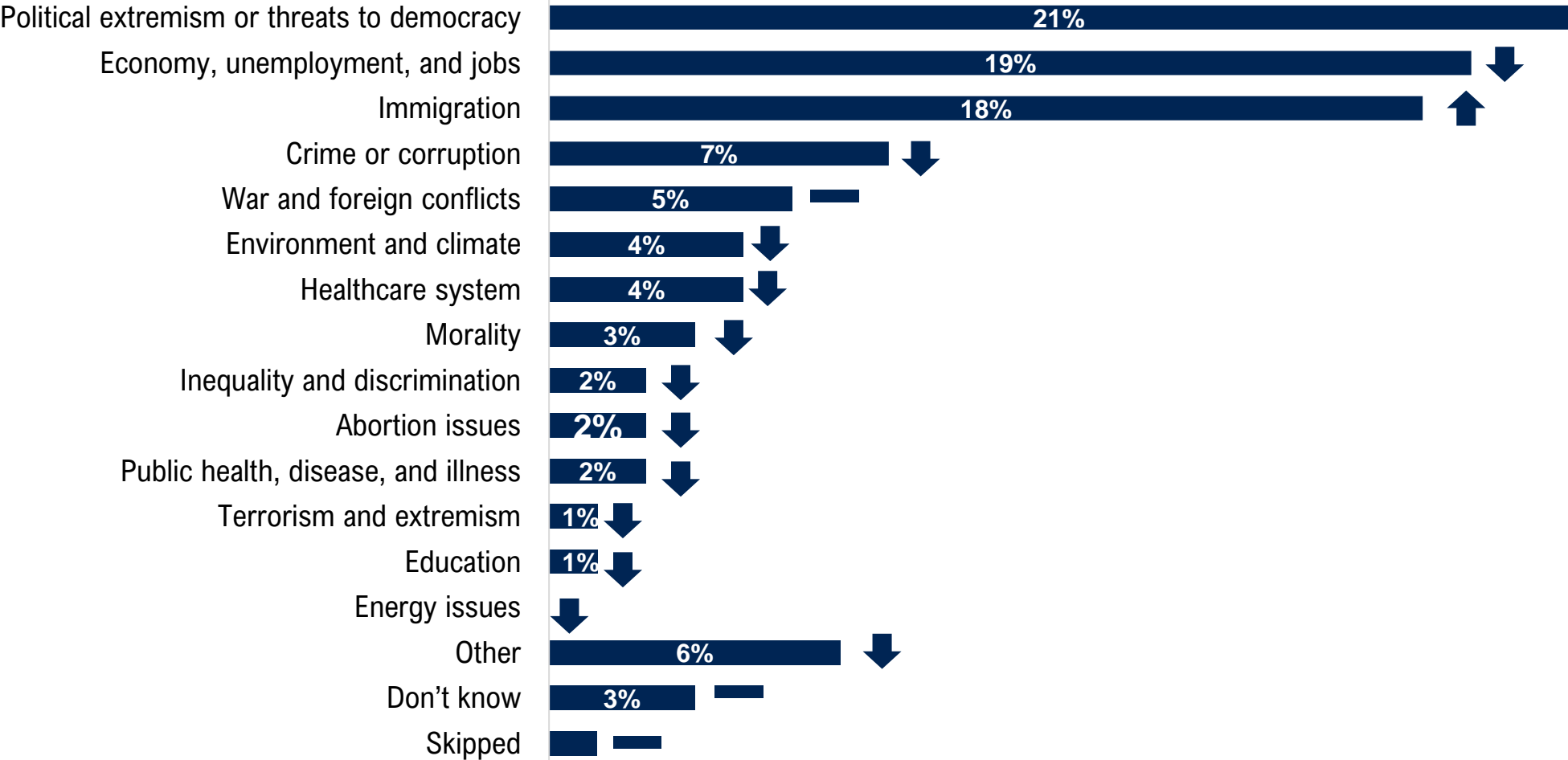
# Most Americans feel frustrated with the “system”

Percent who agree with the following



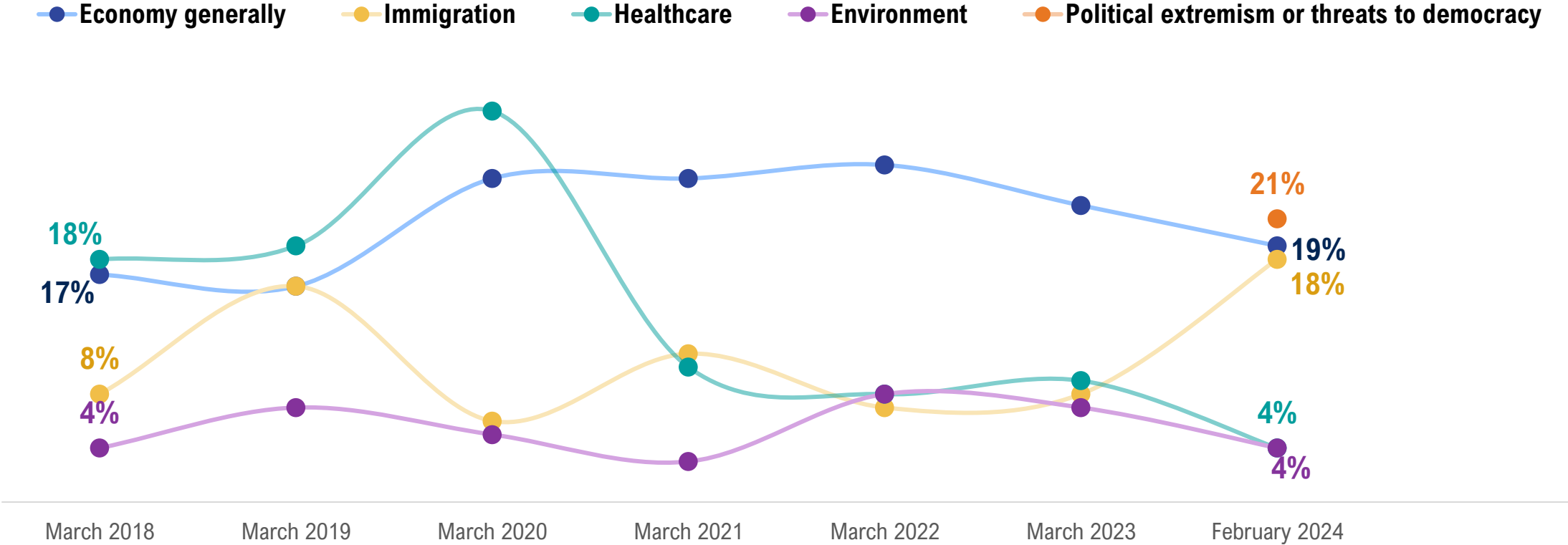
# Extremism / threats to democracy is now the most important issue for Americans

In your opinion, what is the most important problem facing the U.S. today?



# The main issue can and does shift

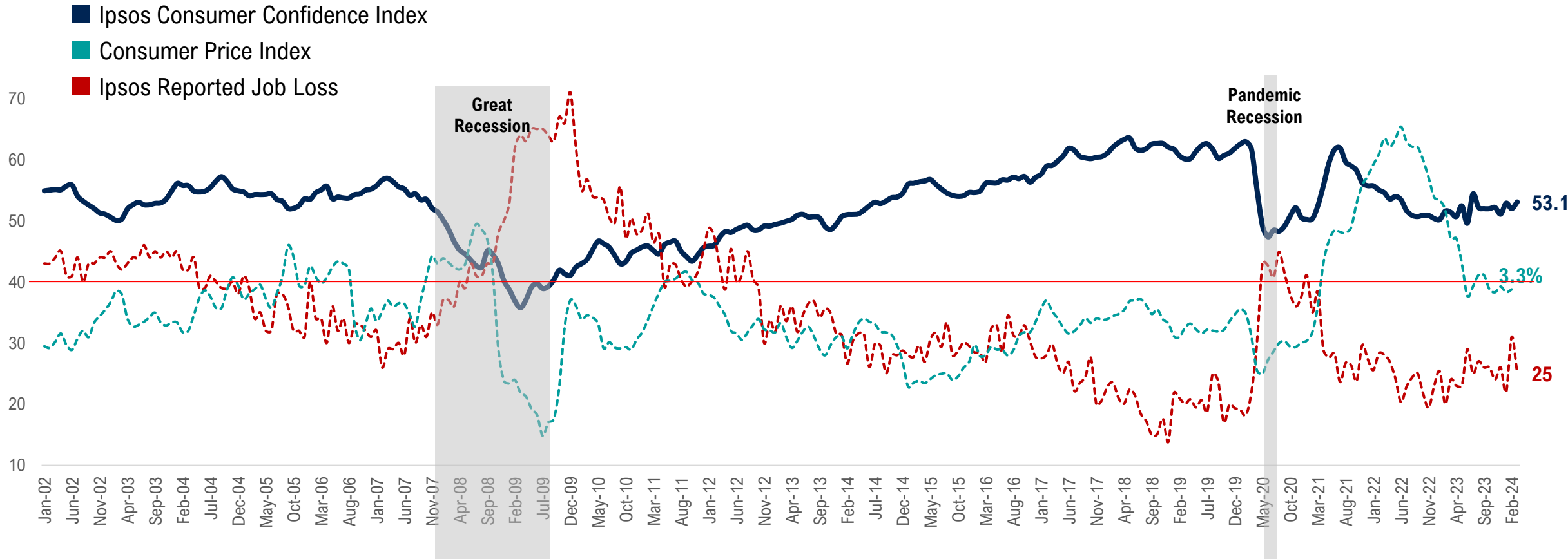
In your opinion, what is the most important problem facing the U.S. today?





# Consumer confidence still middling as inflation eases

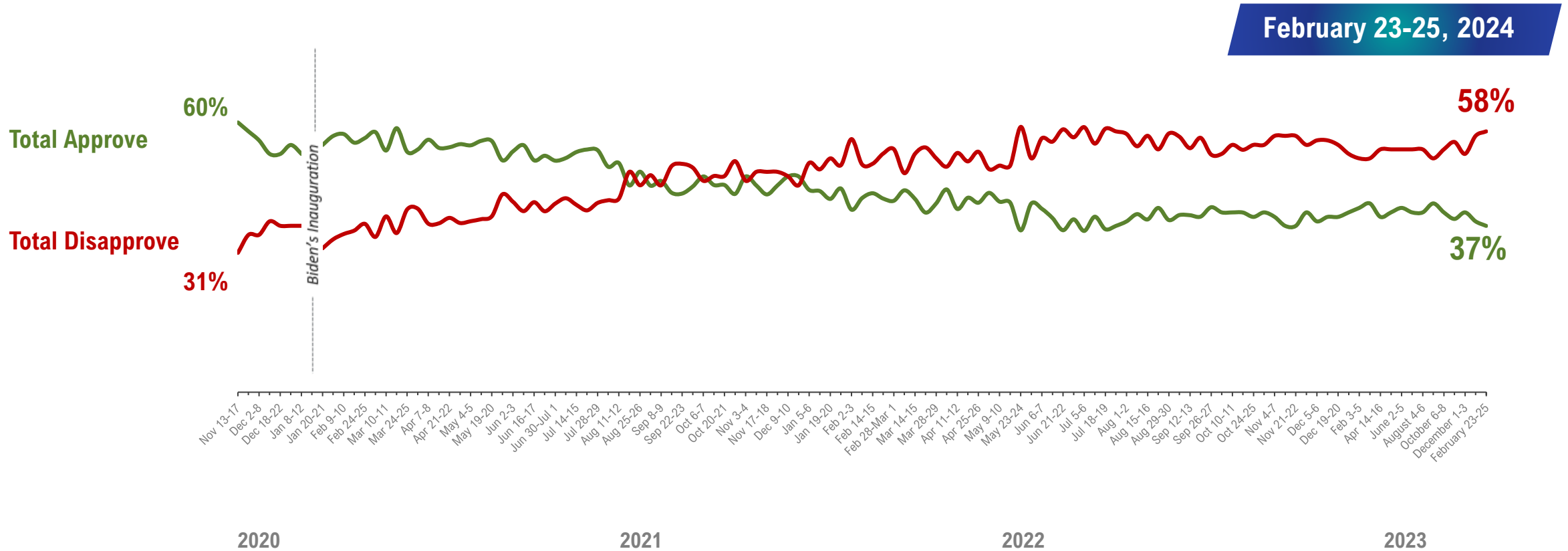
US Consumer Data 2002-2024



Source: March 2011 to early March Monthly Refinitiv-Ipsos Primary Consumer Sentiment Index. January 2023 to date Monthly Refinitiv-Ipsos Primary Consumer Sentiment Index  
March 25, 2020, to December 2022 Ipsos-Forbes Advisor U.S. Consumer Confidence Weekly Tracker  
CPI numbers from BLS via St. Louis Fed  
Note: Numbers for June 2023 were collected before the debt ceiling decision was made

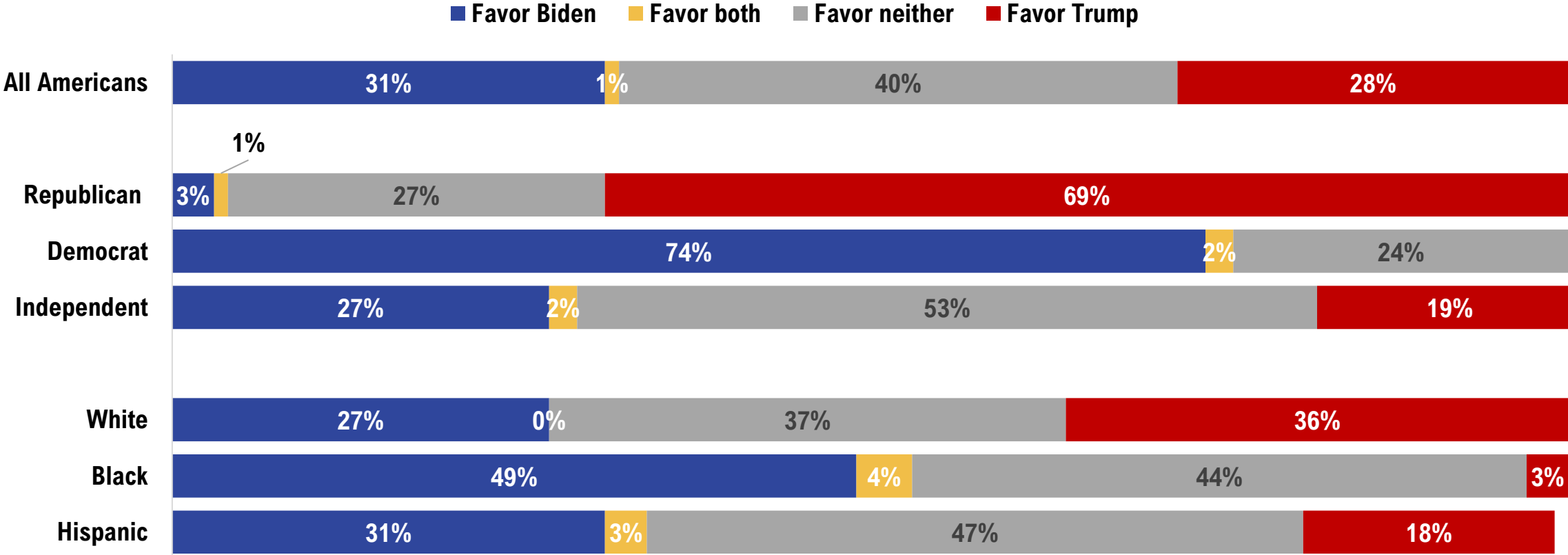
# President Biden's approval remains low

Overall, do you approve or disapprove of the way Joe Biden is handling his job as president? (previously 'president-elect')



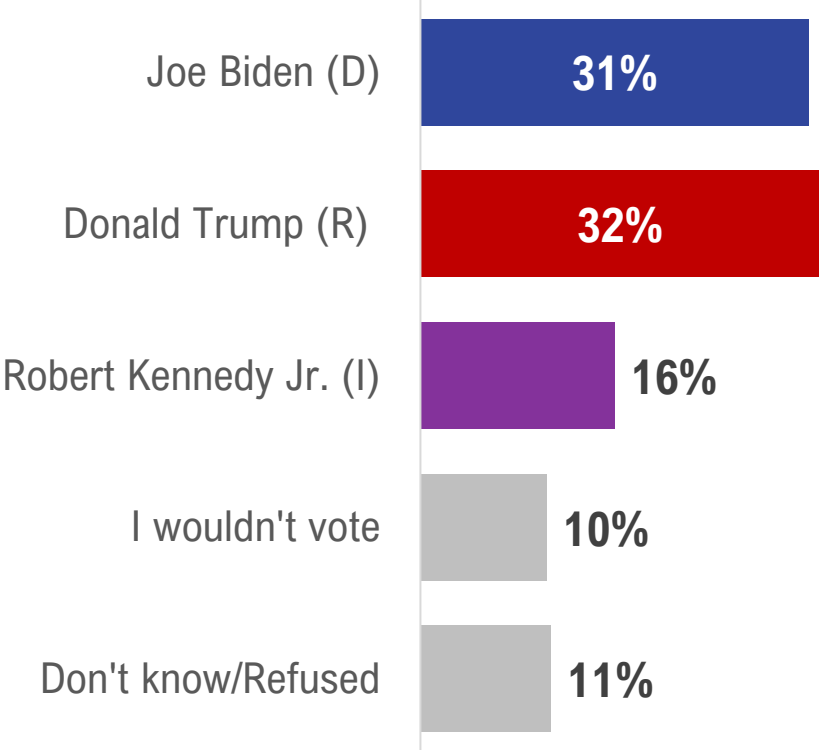
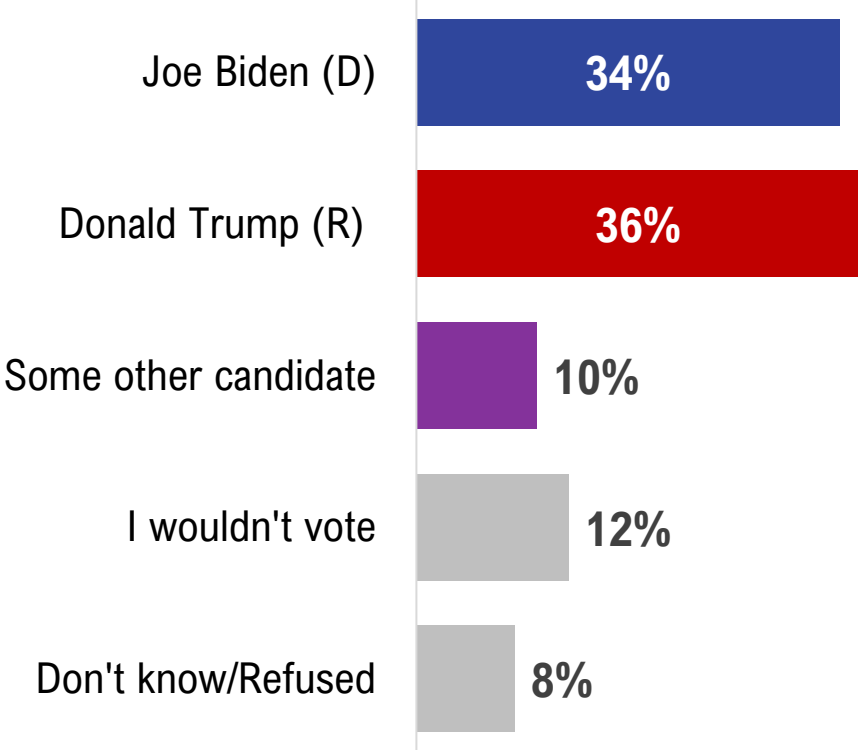
# Americans are sour on Trump and Biden

Favorability by partisanship and race/ethnicity



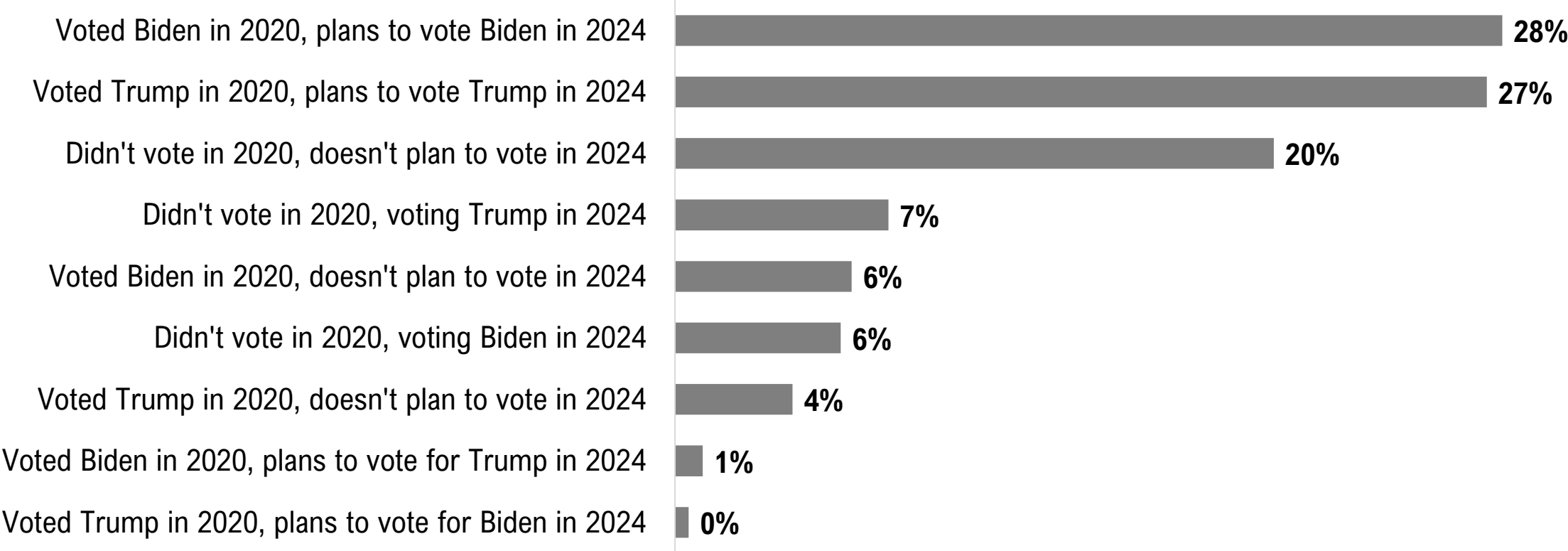
# The 2024 election is still roughly a tie

Q: If the election for president were held today and the candidates were [INSERT CANDIDATES HERE], for whom would you vote?



# Most Americans have stable political opinions

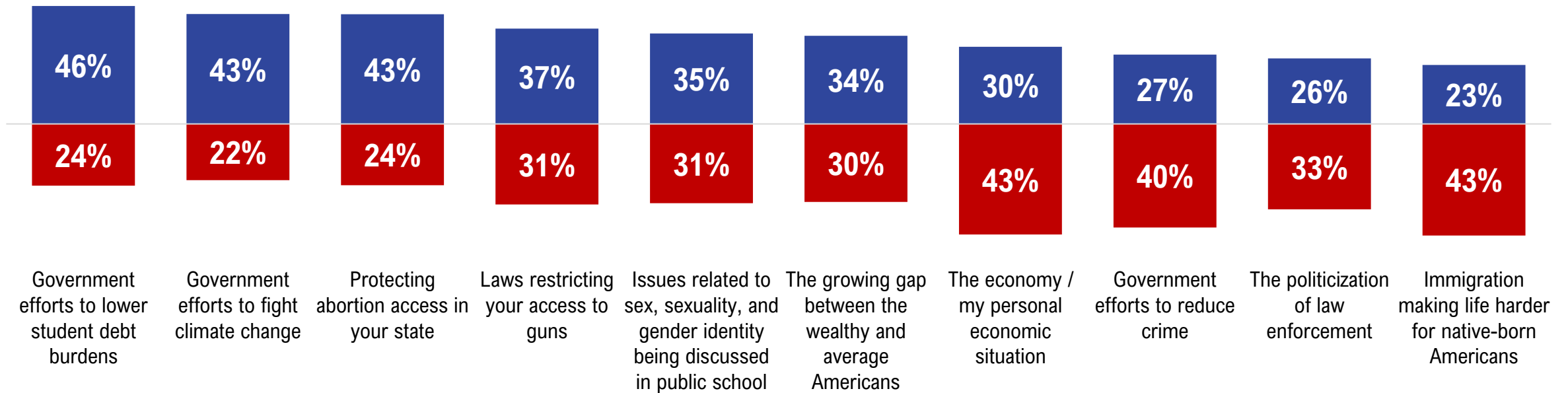
Reported 2020 vote vs. intended 2024 vote



# The economy, crime, immigration are top issues among Trump voters

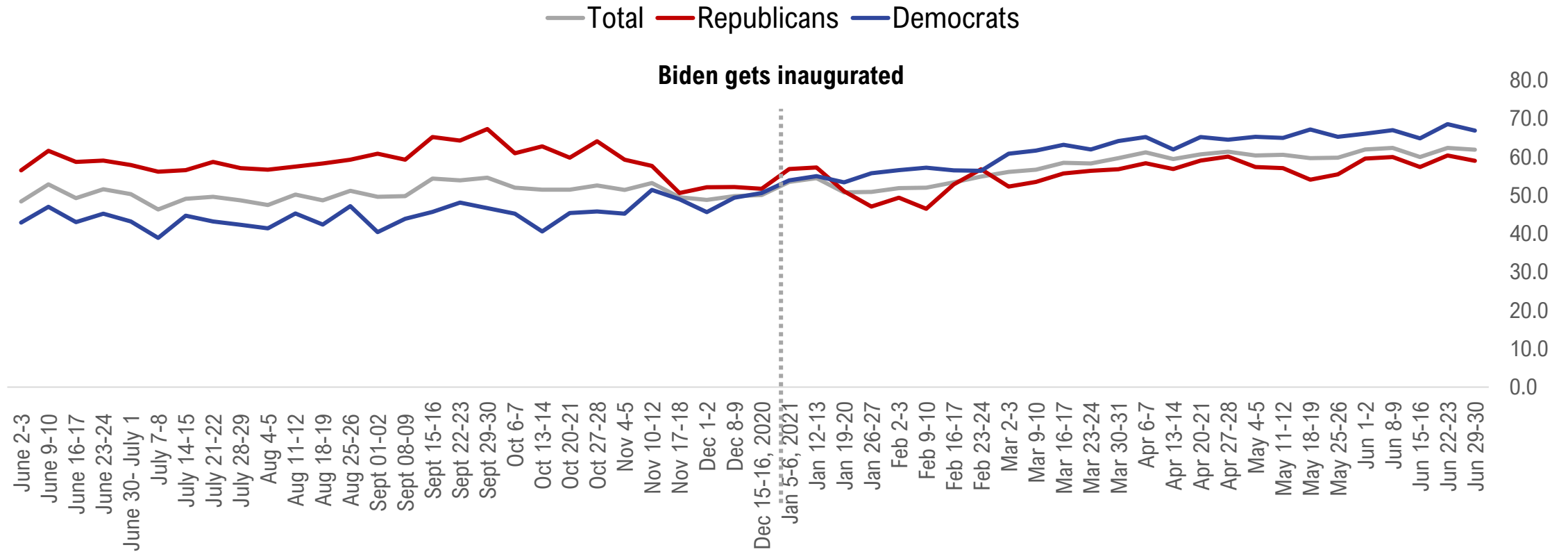
And thinking about the same things, which candidate do you think has the best approach to these things?

■ Joe Biden ■ Donald Trump



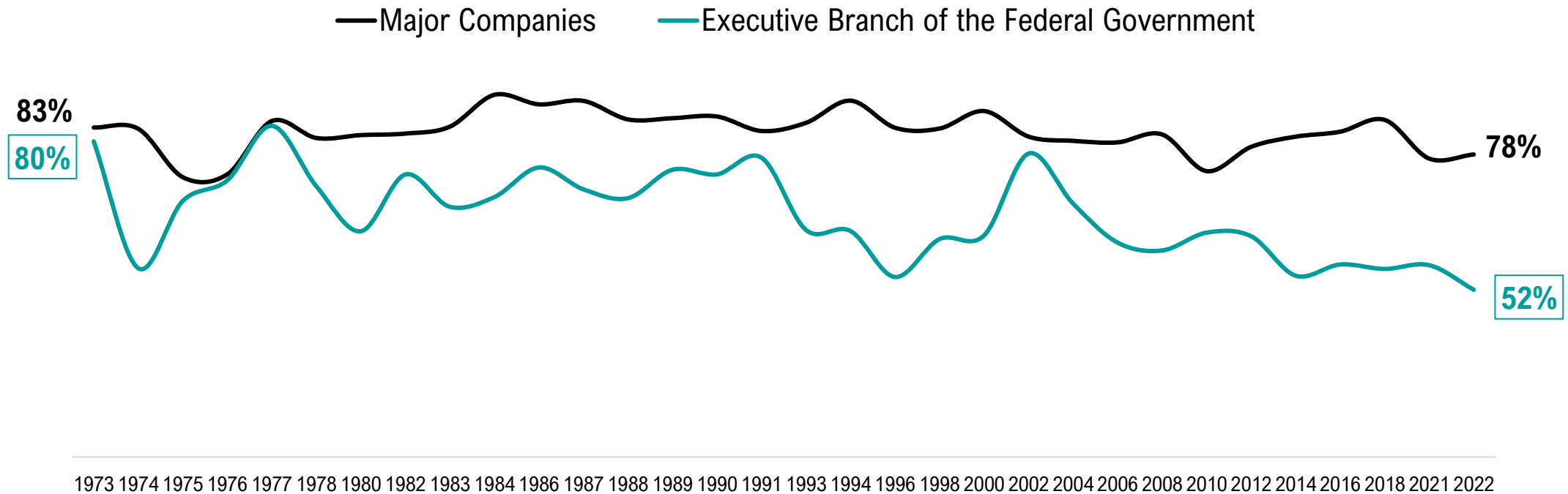
# Politics influences thinking about almost everything

Ipsos Consumer Confidence Index



# Public more confident in the leaders of major companies over leaders of executive branch

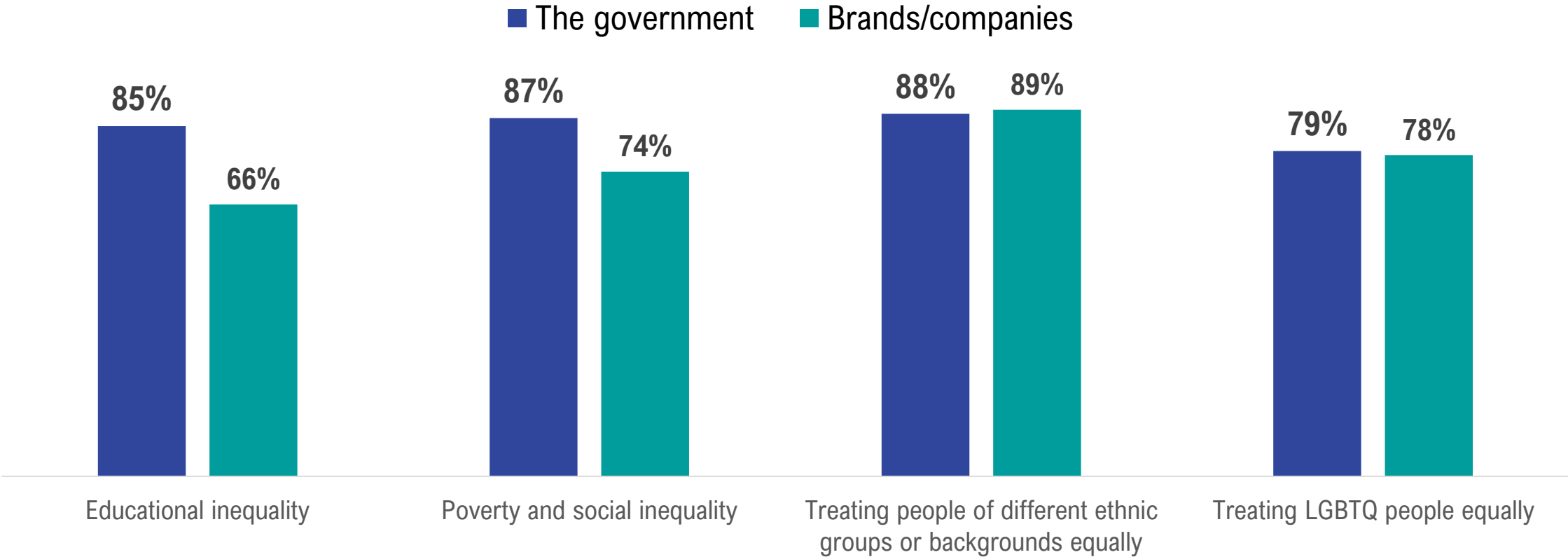
Percent who have a great deal or some confidence in the people running the following institutions





# Americans think the government and brands/companies should share the burden when it comes to social issues

How much responsibility, if any, should [...] have when it comes to providing solutions to the following issues?



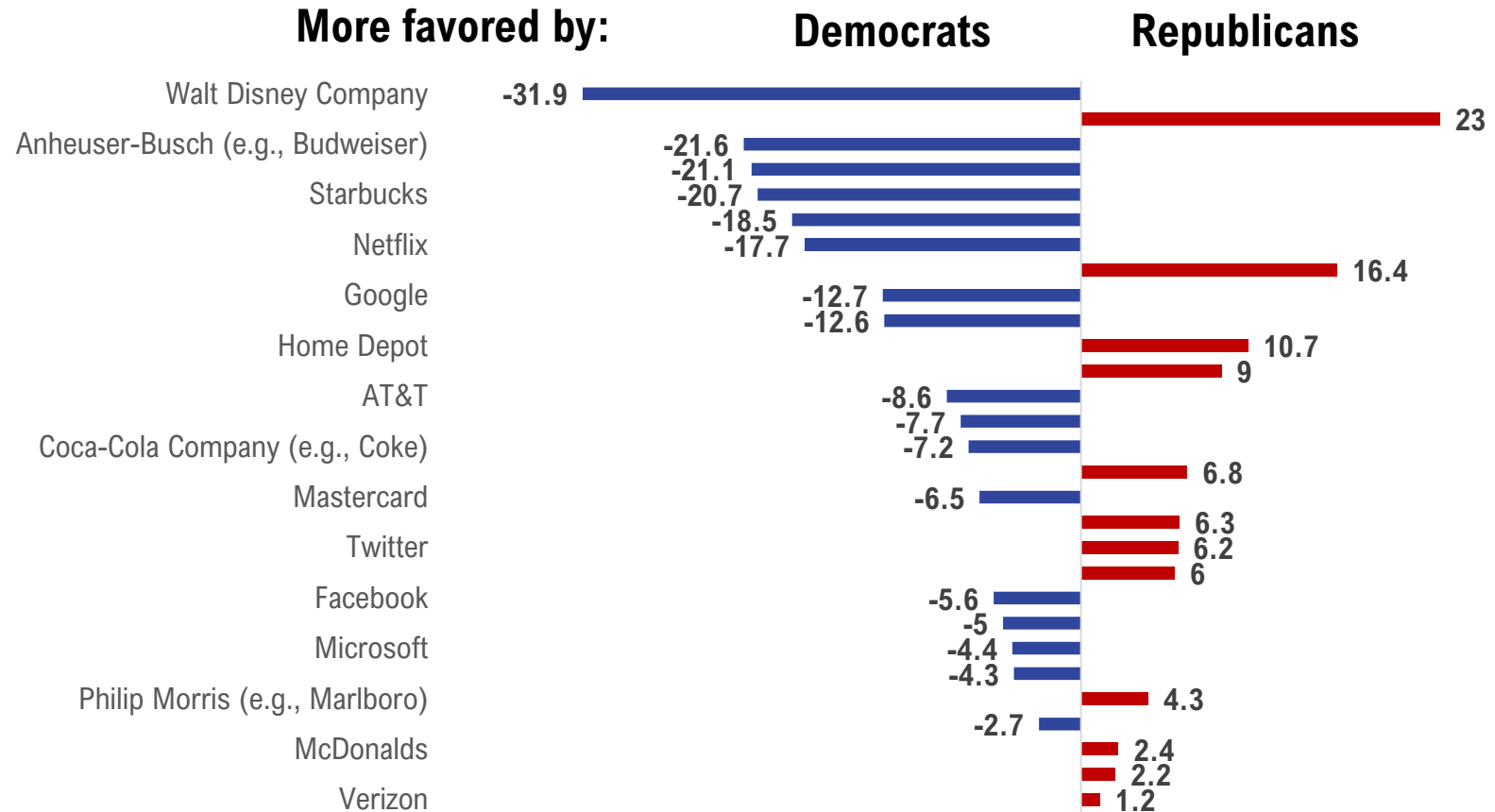
# Political beliefs affect some companies' brand perception

Brand favorability

More polarizing



Less polarizing



# FORECAST

# 2

**A Poll  $\neq$  A Forecast**

# Models, Academics, Experts and Aggregators

Type	Source	Advantage
Expert	UVA Crystal Ball	Tossup
Expert	Inside Elections	Tossup
Expert	Cook Political Report	Tossup
Expert	CNalysis	Tossup
Poll model	CNN	<b>Trump</b>
Poll model	Decision Desk HQ	Tossup/ <b>Trump</b>
Poll model	FiveThirtyEight	Tossup/ <b>Trump</b>
Poll model	RealClearPolitics	Tossup/ <b>Trump</b>

# Potential trajectories for the next 8 months

Where  
we are



Scenario	Description	Indicators	Forecast
<b>Status Quo</b>	Economic discontent remains despite improving macro economic climate	Biden approval at or below 40% Polls competitive Economy main issue	Trump
<b>Trends Continue</b>	Public opinion catches up with improving economy	Biden approval at 45% Biden leads most polls Democracy main issue	Biden
<b>Black Swan</b>	Unforeseen event (recession, pandemic, major attack, death) radically changes context	???	???

# Potential outcomes for 2024



One in ten

Four in ten

Four in ten

One in ten

<p><b>Blue Wave</b> <i>(Democrats take House, hold Senate and White House)</i></p>	<p><b>Narrow Biden Win</b> <i>(Democrats hold White House, Republicans hold House and take Senate)</i></p>	<p><b>Narrow Trump Win</b> <i>(Democrats take House, Republicans take Senate &amp; White House)</i></p>	<p><b>Red Wave</b> <i>(Republicans take White House and Senate, gain in House)</i></p>
<p><b>Emboldened progressive control of government</b></p> <ul style="list-style-type: none"> <li>Potential for major federal spending             <ul style="list-style-type: none"> <li>Proactive regulatory state</li> </ul> </li> <li>Opportunities for “good” private sector actors to set agendas</li> </ul>	<p><b>White House besieged</b></p> <ul style="list-style-type: none"> <li>Legislative gridlock &amp; focus on political battles / investigations of executives</li> <li>Potential for government shutdowns</li> <li>Relative freedom of maneuver for private sector within existing context</li> </ul>	<p><b>Governmental and social disorder</b></p> <ul style="list-style-type: none"> <li>Legislative gridlock &amp; focus on political battles / investigations of executives</li> <li>Personality-driven global policy setting</li> <li>Ongoing political and social risk for private sector</li> </ul>	<p><b>MAGA Ascendant</b></p> <ul style="list-style-type: none"> <li>Dismantling of much of regulatory state             <ul style="list-style-type: none"> <li>Significant social unrest</li> </ul> </li> <li>Significant pressure on businesses to comply or “resist”</li> <li>US retreats from global leadership</li> </ul>

# IMPLICATIONS & STRATEGY

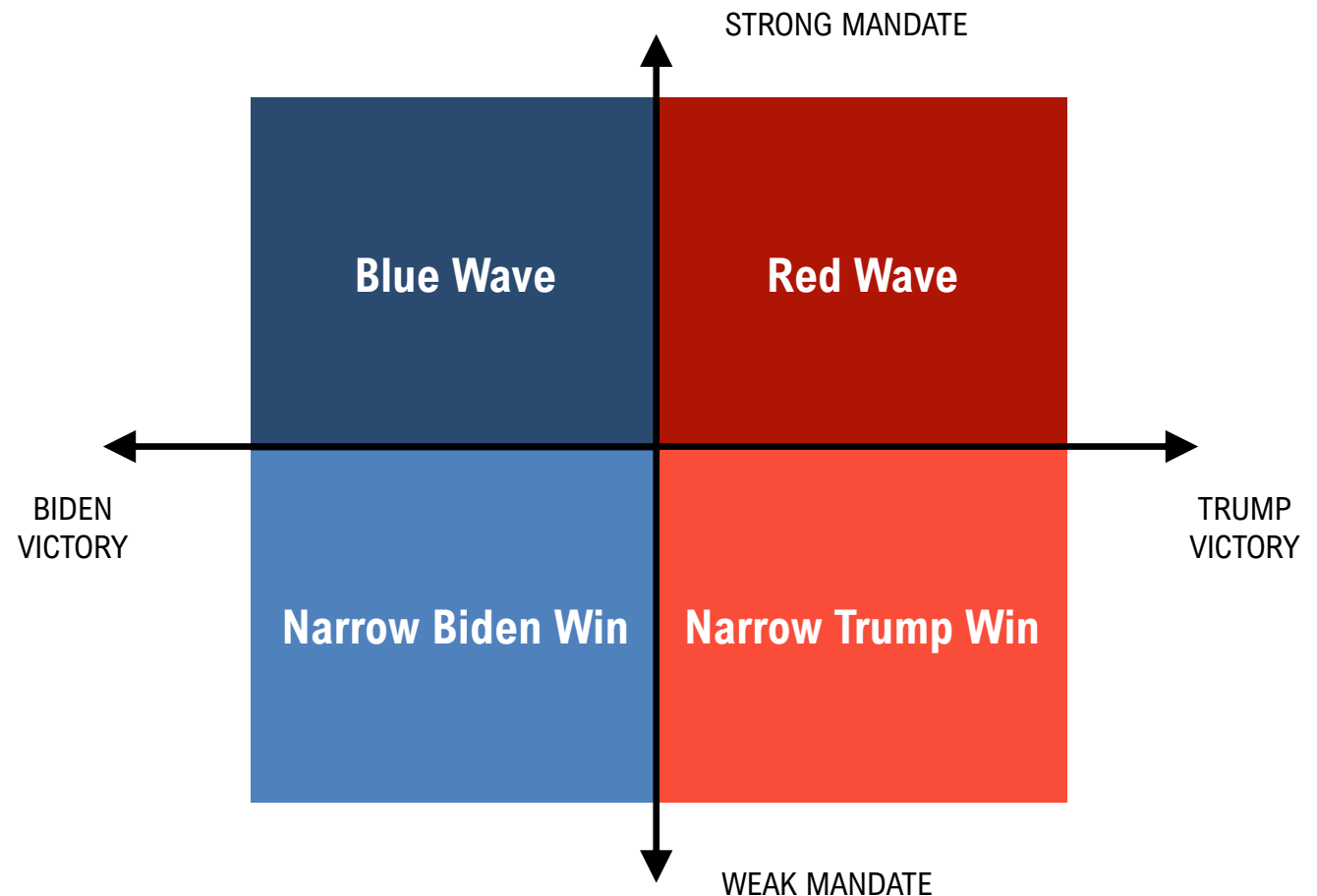
# 3



The 2024 election cycle will create a lot of uncertainty and anxiety, both for consumers and brands. **Scenario planning can help transform that energy into proactive strategic conversations with your stakeholders.**

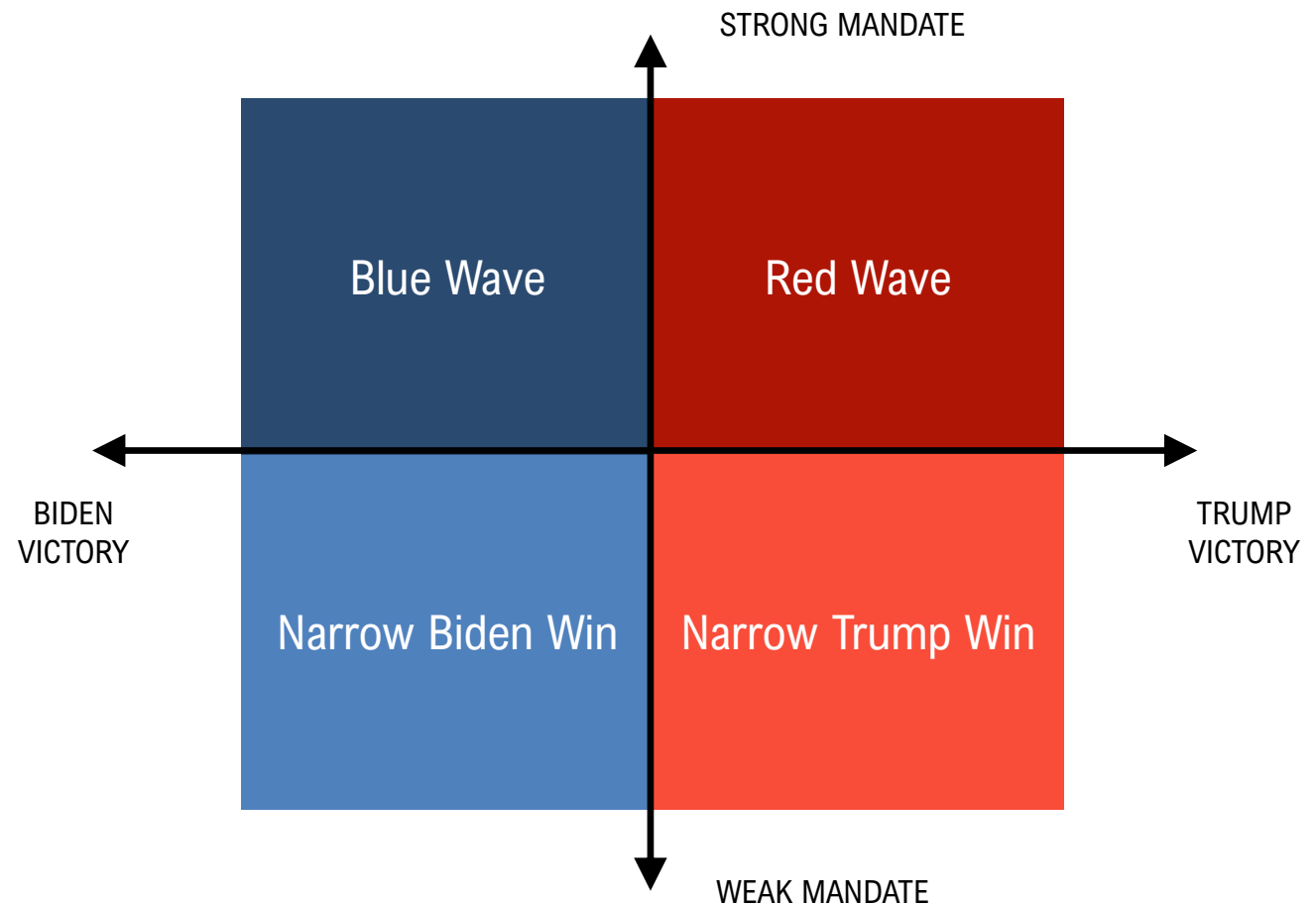
The reality is that there are **certainties** we should expect regardless of the outcome of the Presidential election, as well as **uncertainties** that depend on several factors – who wins the election, but also how much control of Congress each party wields.

Working through each of these scenarios can help business, brands and nonprofits **anticipate the implications** of the post-election environment we'll be operating in, and proactively plan for strategies to **navigate it successfully**.




# Commonalities are just as important as differences in scenario planning. **Here's what we expect to see, no matter which scenario occurs...**

- In any of these scenarios, we expect that consumers will be **fed up** with the other side's rhetoric—but they will also be **riled up** from a contentious election season
- Strong mandates—in either direction—will mean **policy changes** that are likely to impact your business and brands
- The world will be closely watching what companies do and how consumers respond—so expect **more risk and more scrutiny** this year



As an illustrative example, we've created a high-level scenario for each of the extremes. **While unlikely, they help us think through the context your brand may be operating in, and the mindset of your consumers...**



**Odds: 1 in 10**

**Scenario 1:**


- **Biden wins**
- **Democrats take the House of Representatives**
- **Democrats hold the Senate**

**Key Characteristics**

- Emboldened progressive control of government
- Potential for major federal spending
- Proactive regulatory state
- Opportunities for “good” private sector actors to set agendas

**Blue**

**Wave**



**Odds: 1 in 10**

**Scenario 4:**

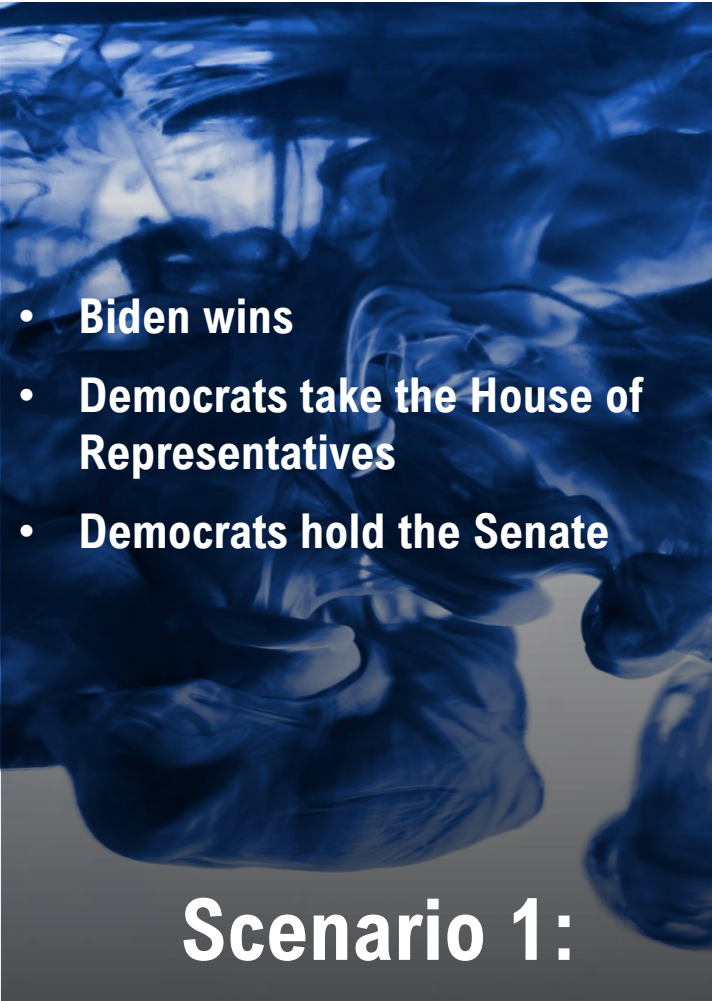
- **Trump wins**
- **Republicans gain in the House of Representatives**
- **Republicans take the Senate**

**Key Characteristics**

- MAGA Ascendant
- Dismantling of much of regulatory state
- Significant social unrest
- Significant pressure on businesses to comply or “resist”
- US retreats from global leadership

**Red**

**Wave**



**Odds: 1 in 10**

**Key Characteristics**

- Emboldened progressive control of government
- Potential for major federal spending
- Proactive regulatory state
- Opportunities for “good” private sector actors to set agendas

**In this scenario...**

Expect more public disagreements, and potentially more violence, in a situation where one party is in control of both Congress and the White House and Trump fails to secure a return to the Presidential office.

Emboldened by the mandate, Democrats would begin enacting policy changes in 2025, which could affect the way businesses operate. However, the continuity of a second term for Biden means few reversals of policy from the last four years.

**Scenario 1:**

**Blue**

**Wave**

# Scenario 1: Blue Wave

## Expected Impact

- Citizens will benefit from **increasing protections / investment for health care**, which may help them feel secure
- A continued push to reduce carbon footprints may bring **more support** for things such as **EV rebates & credits**
- Expect **regulatory action around the environment** - restrictions on emissions, investment in **clean energy**
- Continued agenda to **expand job opportunities**, improve **infrastructure** - which may help consumer confidence

## Example Business Implications

- Are your emissions and ESG initiatives in line with the expected actions from a Democrat-controlled Congress and White House? If not, how can you bring them in line?
- How might economic growth and an increase in headcount align with your company's diversity initiatives?
- Would your target consumers be in a positive or negative mood in this scenario, and how will that affect sales?



- What issues do your consumers, employees and stakeholders care about, and how will they be bolstered or dampened in this scenario?
- Are your brands prepared to act on those issues, in any of these scenarios?
- What risks are you facing regarding expected election outcomes, and what strategies are in place to mitigate them?

- Trump wins
- Republicans gain in the House of Representatives
- Republicans take the Senate

## Scenario 4:

**Red**

**Wave**

**Odds: 1 in 10**

### Key Characteristics

- MAGA Ascendant
- Dismantling of much of regulatory state
- Significant social unrest
- Significant pressure on businesses to comply or “resist”
- US retreats from global leadership

### **In this scenario...**

Emboldened by a Trump return to office and a situation where one party is in control of both the Senate and the White House, conservatives will feel victorious while liberals may feel as though history is repeating itself.

Republicans will begin scaling back infrastructure projects and government oversight, in line with conservative ideology. The return of Trump for a second term potentially means many changes in policy from the last administration, both at home and abroad.

## Scenario 4: Red Wave

### Expected Impact

- Citizens may feel heightened **concern for future stability** due to potential cuts to social security and Medicare
- Increase in **restraints on consumer healthcare** rights and access
- High **polarization trickles down from federal to the local level** due to **stricter immigration bans**
- **Less federal regulatory action** such as environmental rules on emissions, and international accords
- Businesses may have **lower taxes** and greater benefits from less federal oversight

### Example Business Implications

- Are your strategic priorities and product roadmaps aligned with the expected actions from a Republican-controlled Senate and White House? If not, how can you mitigate risks?
- What messaging might you need to prepare around a potential change in regulation, international relations and trade policy – internally and externally?



- What issues do your consumers, employees and stakeholders care about, and how will they be bolstered or dampened in this scenario?
- Are your brands prepared to act on those issues, in any of these scenarios?
- What risks are you facing regarding expected election outcomes, and what strategies are in place to mitigate them?

# Scenarios are not predictions of the future, but foresight tools to help us envision what that future *might* look like.

In building these scenarios with clients, we strive for a balanced view and base our hypotheses on stated policy stances by candidates and parties, as well as balanced media commentary. A sample of our sources:

Washington Post: [Election 2024: Key Issues](#)

New York Times: [How Trump Plans to Wield Power](#)

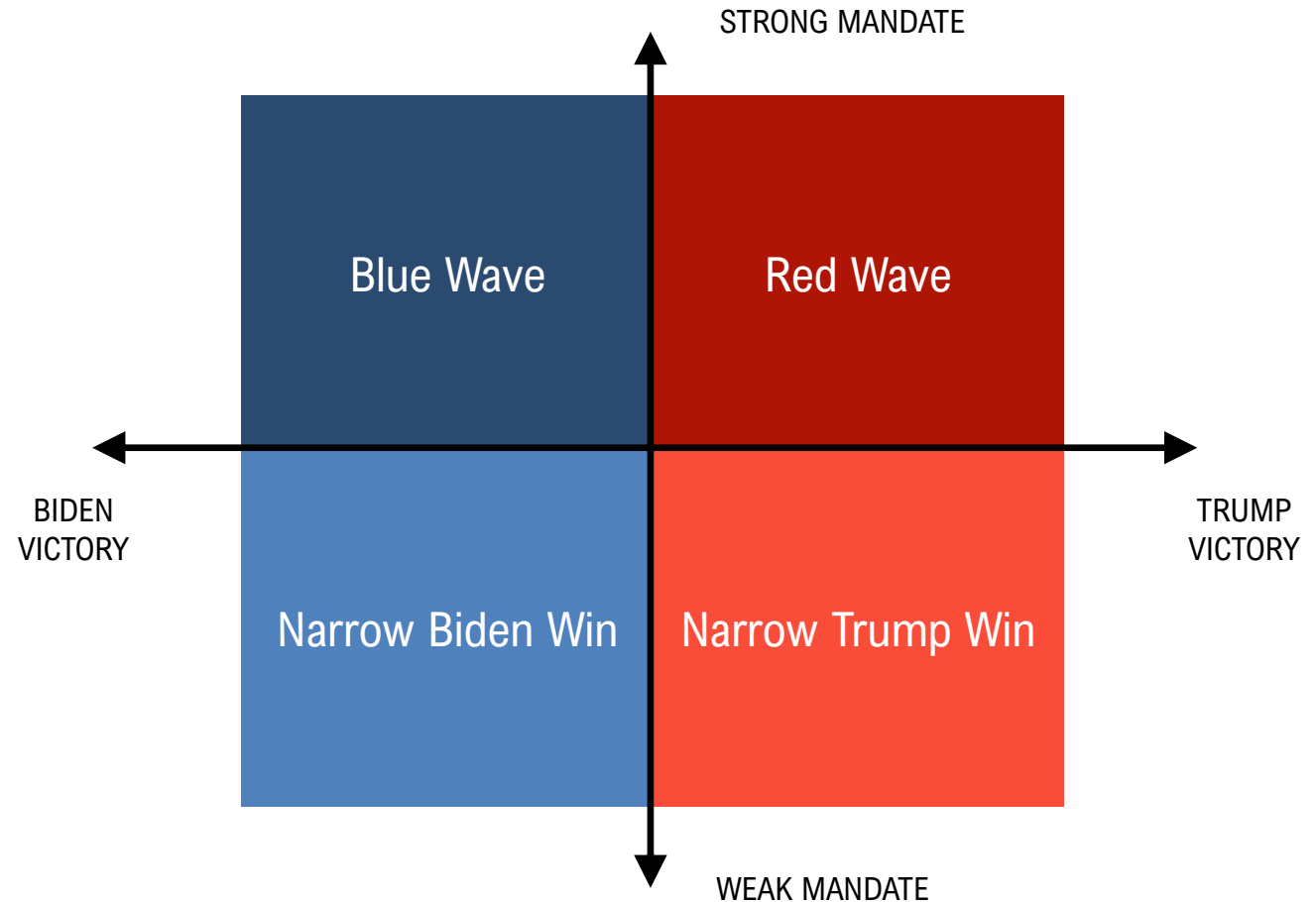
Project 2025: [Policy](#)

NBC News: [Joe Biden: On the Issues](#)

New York Times: [Republicans on the Issues](#)

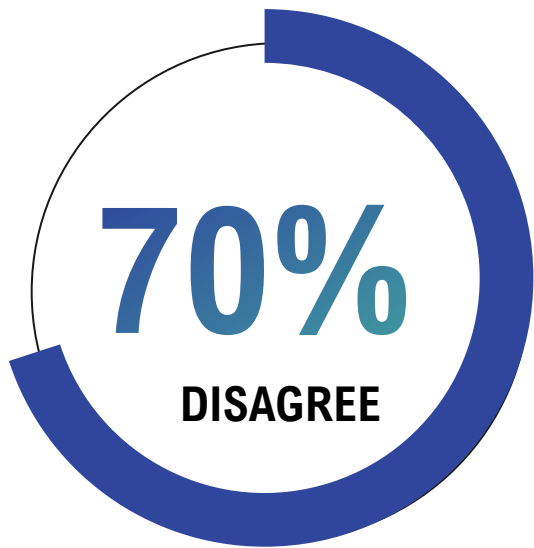
AP: [Americans Agree the 2024 Election Will Be Pivotal for Democracy](#)

Financial Times: [What Investors Should Know if Trump Wins 2024](#)

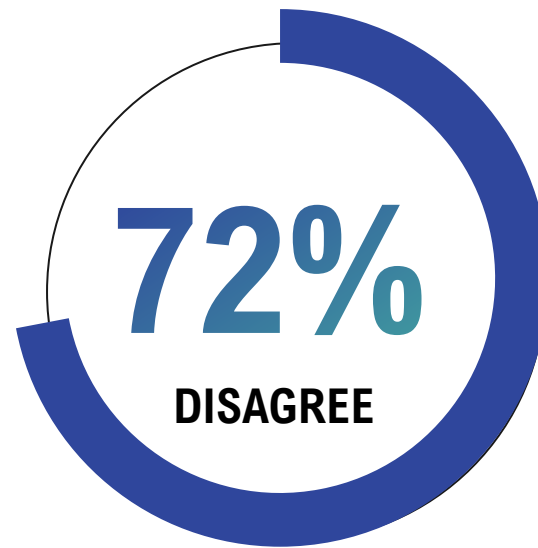




Despite polarization, businesses are still seen as having **a responsibility to address societal problems**



**It is the job of government, not business, to fix society's problems**



**Society is so divided at the moment that companies need to pick a side in order to thrive**

“

*Employee activism is definitely something we are seeing an uptick in and actually the easy short-term route is to bow to it, but actually it stores up long-term problems because you can never be pure enough.”*

# CCO as the PACE-setter

P.

A.

C.

E.

## Pertinent

- ✓ Understand what stakeholders want for society
- ✓ Understand what stakeholders expect from your industry

## AUTHENTICITY

- ✓ Utilize business know-how to drive change
- ✓ Focus on business value chain
- ✓ In-line with company mission and brand

## CREDIBILITY

- ✓ Co-creation with partners and interest groups
- ✓ Alignment with external realities

## EFFECTIVENESS

- ✓ Generate goodwill amongst stakeholders, employees, and public
- ✓ Create social change
- ✓ Drive business sustainability

# Ipsos Resources

- Ipsos Reputation Council: <https://www.ipsos.com/en/ipsos-releases-2024-edition-reputation-council-report>
  - Ipsos RISE: <https://www.ipsos.com/en-us/introducing-ipsos-rise-first-its-kind-ai-powered-insights-platform-modern-brand-risk-and-reputation>
  - POV | Navigating Social Issues: when and how to speak out: <https://www.ipsos.com/en-us/navigating-social-issues-when-and-how-speak-out>
  - Ipsos public polling: <https://www.ipsos.com/en-us/news-and-polls/news>
  - All of Ipsos' latest work: <https://www.ipsos.com/en-us/latest-us-opinion-polls>
- 
- *Understanding America* – Weekly Client Newsletter and Insight Digest
  - *Week in Review*– Weekly Ipsos Thought Leadership
  - Ipsos POVs

# Thank you

**Jason McGrath**

**EVP and US Head, Ipsos Corporate Reputation**

**Jason.McGrath@Ipsos.com**

**Jennifer Bender**

**Associate Partner, Ipsos Strategy3**

**Jennifer.Bender@Ipsos.com**