

REPUTATION AT RISK

The Impact of Corporate DEI Rollbacks
on Brand Image and Credibility



Table of Contents

01

Study Overview

02

Methodology

04

Key Findings

05

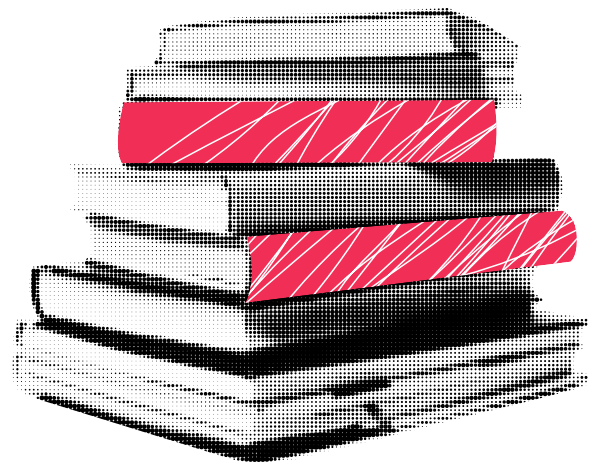
Discussion/Conclusion

06

Implications

07

References



Study Overview

Background

Over the past year, several large North American companies, including Walmart, Target, and Amazon, have rolled back their Diversity, Equity, and Inclusion (DEI) initiatives. As a result, programs designed to support underrepresented employees, increase workplace diversity, and promote equitable hiring practices have either been reduced or eliminated entirely. These policy changes have sparked widespread debate on social media, with many individuals sharing their thoughts on TikTok.

With millions of users in North America, TikTok is a popular social media platform that, in the past few years, has evolved into a space where individuals discuss and share their opinions on social issues (Lee & Abidin, 2023). Given its large user base, these discussions can spread quickly and shape public perceptions of the people, organizations, and companies involved. By analyzing publicly available TikTok posts, this study examines how corporate DEI rollbacks have affected the perceived brand image and credibility of large North American companies.

Purpose

This research is particularly valuable to corporate communications professionals, who play a key role in managing a brand's image and reputation through strategic messaging. Understanding how corporate policy changes affect the perceived brand image and credibility of companies such as Walmart, Target, and Amazon can help corporate communications professionals at these specific companies, as well as others, make more informed decisions when communicating future policy changes. For example, these insights can help these professionals anticipate how audiences may react to similar policy changes and tailor their messaging accordingly.



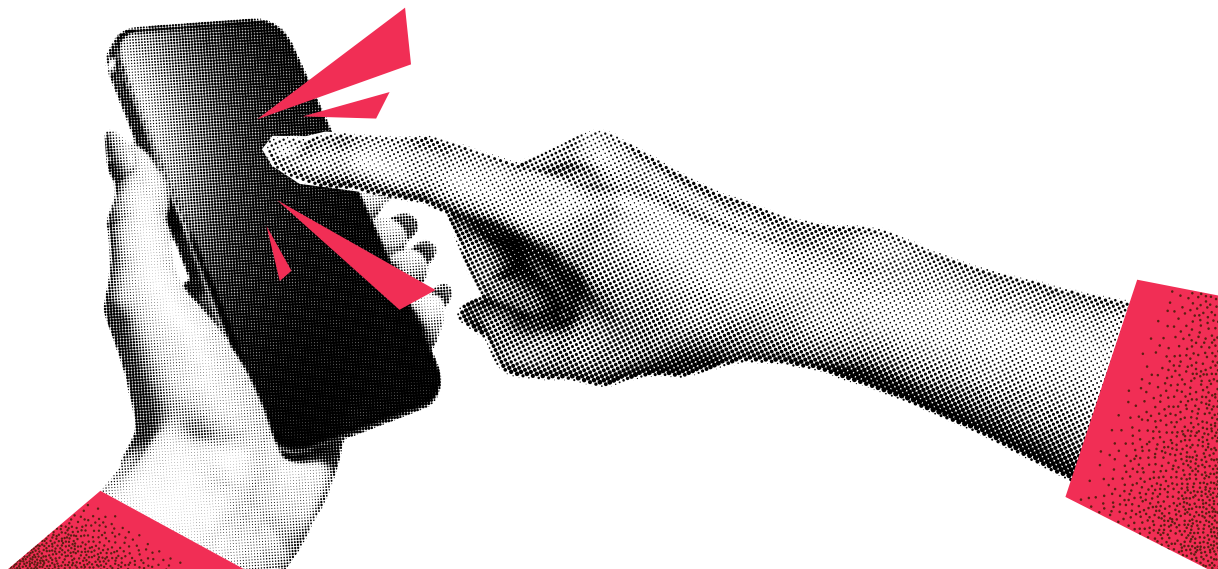
Methodology

Research Design

A qualitative research design was used to examine how corporate DEI rollbacks have affected the perceived brand image and credibility of large North American companies. In this case, a qualitative approach was most appropriate because the study focuses on understanding people's thoughts, feelings, and perceptions about DEI rollbacks, which cannot be easily quantified (Lakshman et al., 2000).

Data Collection

Data for this study consisted of TikTok videos discussing corporate DEI rollbacks. Videos were collected by searching keywords such as "DEI" and "corporate DEI rollbacks" on the TikTok app. Purposive sampling was used to select videos that were relevant to the research topic, meaning only those that directly discussed companies reducing or eliminating DEI initiatives were included in the dataset (Palinkas et al., 2013). Data collection continued until saturation was reached and no further relevant themes or information emerged (Saumure et al., 2008). The final dataset consisted of 48 publicly available TikTok videos posted between 2024 and 2026.



Methodology

Data Analysis

A latent content analysis was conducted on 48 TikTok videos to understand creators' underlying thoughts and feelings about DEI rollbacks (Kleinheksel et al., 2020). This method was the most appropriate because meaning on TikTok is often communicated through tone, word choice, and delivery, not just what is explicitly said. As a result, analyzing only surface-level content would not fully capture how creators felt about corporate DEI rollbacks.

Therefore, the latent content analysis involved analyzing and interpreting both what creators said and how they said it to better understand their views on the rollbacks and the companies involved. As part of this process, each video was deductively coded into four categories.

Coding Categories

- **The Creator's Stance on The Rollback**
Whether the creator supported or opposed the company rolling back its DEI initiatives.
- **The Perceived Motive Behind the Rollback**
Why the creator believed the company made the decision to roll back its DEI initiatives.
- **The Perceived Brand Image**
How the creator perceived the company.
- **The Video's Main Message**
The key message or takeaway from the creator's video.



1 First, the rollbacks were seen as strategic decisions made by companies such as Walmart and Amazon to protect profits and satisfy shareholders. Many creators implied that these billion-dollar companies were more focused on generating profit than on creating inclusive and equitable workplaces. Because they appeared to prioritize financial gain over corporate social responsibility, they were perceived as greedy and profit-driven.

3 Third, the rollbacks were seen as a betrayal of trust, as companies that had claimed to support the 2SLGBTQ+ community withdrew that support under pressure from external political and social forces. Many creators suggested that this revealed the companies had only expressed support for marginalized communities to improve their public image. As a result, they were perceived as untrustworthy and performative.

Discussion/Conclusion

In conclusion, corporate DEI rollbacks have negatively affected the brand image and credibility of several large North American companies. Following these policy changes, companies such as Walmart, Target, and Amazon were widely perceived as profit-driven, discriminatory, and performative, leading to a loss of consumer trust and support.

These findings show that audiences respond negatively when a company's actions do not align with its stated values. When companies publicly support a cause and later withdraw that support, it can damage their credibility and overall public image. As a result, DEI rollbacks not only affect how companies are perceived but can also influence whether consumers continue to support them. This highlights the importance of consistency and transparency in corporate decision-making and communication.

More broadly, these findings show that audience expectations are changing, as consumers are increasingly holding companies accountable for their actions by organizing boycotts and sharing unbiased, unfiltered opinions on platforms like TikTok, where content can quickly reach millions of users. As a result, companies can no longer make claims without following through or reverse them without facing serious consequences.



Implications

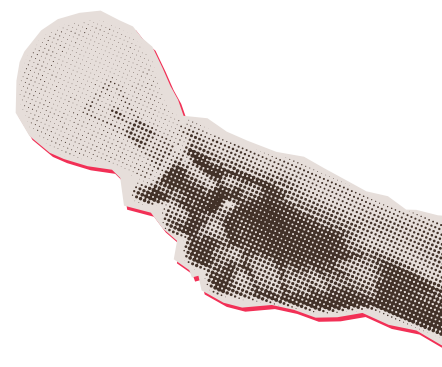
These findings highlight several important considerations for corporate communications professionals, especially when planning to announce policy changes:

1 First, corporate communications professionals must understand the reputational risks associated with corporate policy changes, as these decisions can significantly damage a brand's image and credibility. If a policy change is seen as inconsistent with a brand's values or harmful to certain groups, it can lead to a decline in consumer trust and support.

2 Second, they must be proactive in identifying these potential risks and planning messaging in advance. This involves communicating changes clearly and transparently by explaining what is changing and why, outlining how stakeholders will be affected, and delivering the message across multiple internal and external channels, such as social media, press releases, and the company intranet (Faisal, 2025).

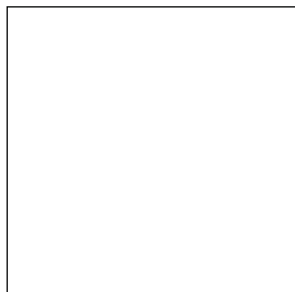
3 Third, they must be aware of how quickly public perception can shift and be prepared to respond to criticism and backlash. For example, if negative sentiment begins to spread on social media, communications teams should have a plan in place that outlines pre-approved messaging, communication channels, and response timelines (Tennyson & Ray, 2005). This will enable them to address concerns and correct misinformation in a timely manner.

Ultimately, by understanding how corporate policy changes, such as DEI rollbacks, affect brand image and credibility, and by using these insights to craft clear, thoughtful messaging, corporate communications professionals can help companies like Amazon and Walmart build and maintain trust rather than undermine it.



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The Impact of Corporate DEI Rollbacks on Brand Image and Credibility

Over the past year, several large North American companies, including Target, Walmart, and Amazon have rolled back their Diversity, Equity, and Inclusion (DEI) initiatives. As a result, programs designed to promote equitable hiring practices and support underrepresented employees have either been reduced or eliminated entirely. These policy changes have sparked widespread debate on social media, with many individuals voicing their thoughts and concerns on TikTok.

Research Question

How have corporate DEI rollbacks affected the perceived brand image and credibility of large North American companies?

Methodology

Dataset

48 TikTok videos discussing corporate DEI rollbacks

Method of Analysis

Latent content analysis

Coding Categories

- Creator's stance on the rollbacks
- Perceived motive behind the rollbacks
- Perceived brand image
- Video's main message

Key Findings

Due to DEI Rollbacks, companies were perceived as:

- Greedy and Profit-Driven
- Racist and Discriminatory
- Performative and Untrustworthy
- Unworthy of Support

Conclusion and Implications

Corporate DEI rollbacks have negatively affected the perceived brand image and credibility of several large North American companies. These findings highlight how essential it is for corporate communications professionals to:

- Understand the reputational risks associated with corporate policy changes.
- Anticipate how policy changes may impact brand image and credibility.
- Communicate policy changes clearly and transparently.
- Recognize how rapidly public perception can shift and respond effectively to public criticism and backlash.

