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Stakeholder Analysis on Boycott Movement: A Preliminary Study Using Media Contexts

Kresno Agus Hendarto*

Just like the celebrities, social movement depends, to an extent, on media in communicating its activities to the public. The relationship between social movement and media is transactional. On the one hand, social movement needs media to disseminate its activities. On the other hand, media needs social movement as the news source. Scant (beyond very few notable exceptions) empirical research is not available on boycott product as a social movement and stakeholder analysis in Indonesia. The objective of this study is to perform stakeholder analysis on boycott product as a social movement. To do so, the study attempts to answer some questions: (i) what are the trigger and root cause of boycott movement?; (ii) what are the interest and influence of each stakeholder on boycott movement?; (iii) how is the existing relationship among stakeholders?; and (iv) among the stakeholders, which group does get priority? The news about boycott was collected from national media. The news was then analyzed by content analysis. The results show that in the case of boycott, many parties are involved. However, firms’ management has to give priority to consumers, special interest groups, and the government. Attention can be manifested in a continuous and sustainable dialogue with them.

Keywords: Boycott movement, media, content analysis, agenda setting, stakeholder theory.

Introduction

Institut Pertanian Bogor (IPB) studied 22 samples of infant formulas (baby’s non-breast milk) and 15 samples of baby’s foods produced in the period of 2003-2006. The results suggested that 22.73% of the sample of baby’s non-breast milk and 40% of the sample of baby’s foods were contaminated by the Enterobacter sakazakii bacterium (Subandriyo, 2011). When

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known by the public, David Tobing, a lawyer and consumer of baby’s non-breast milk, brought this case before the District Court of Central Jakarta. He urged the Ministry of Health, the Food and Drug Supervisory Agency (BPOM), and IPB to publicly announce the brands of the contaminated baby’s non-breast milk. The District Court approved the litigation. Soon after that, the Ministry of Health, BPOM, and IPB appealed to the High Court of Jakarta. The High Court endorsed the verdict of the District Court. Likewise when appeal to the Supreme Court was claimed, the Supreme Court approved. In the verdict, the judges stated that consumers hold the rights to know the information about the non-breast milk contaminated by the *Enterobacter sakazakii* bacterium. However, *Kompas* daily (11 February 2011) wrote that in the press conference on 10 February 2011, Minister of Health Endang Rahayu Sedyaningsih said that the ministry did not know which brands of baby’s non-breast milk were allegedly contaminated by the bacterium. She said that “In spite of the insistence, we do not know the names of the milk brands because we did not perform the study.” She also stated that in order to ensure food safety for the society, the government through BPOM, has tested the baby’s non-breast milk brands in the marketplace from 2008 to 2011. The results of the study suggested that no such bacterium was found in the baby’s non-breast milk. We can imagine that when the results of the study conducted by IPB were published to the public, it is possible that the society would not consume the brands. Further impact is the decreased income of dairy farmers, reduced employment due to increase of work termination, and decreased revenue from tax.

Another news published by *Kompas* daily on 20 February 2011 stated that Directorate General of Tax Regulation No. Per-33/PJ/2009 on the Treatment of Income Tax of Royalty from Cinematography Work has regulated the royalty tax for national cinemas. On 10 January 2011, the government through the Director General of Tax issued a memo of SE-3/PJ/2011 about income tax for royalty and the Treatment of Value-Added Tax from Imported Films. In addition to the regulation for royalty tax for imported films, the memo also changed the currently effective tax calculation. The absence of royalty tax for imported films and the low customs duties, value-added tax, and income tax have been considered to have contributed to the uncompetitive national industry because of the influx of imported films. As a result, the vice president of the Motion Picture Association Asia Pacific stated that the association of large film producers in the US has decided not to distribute films to Indonesia unless the government revokes the tax regulation.

Not a week later, the editorial of *Media Indonesia*, 23 February 2011, wrote that Cabinet Secretary Dipo Alam ordered all ministerial offices and other state offices to boycott the media continuously criticizing the government. The intended boycott was in the form of stopping to insert advertising and refusing to attend any invitation as the news source. The targeted media were *Metro TV*, *TV One*, and *Media Indonesia*. He argued that what the three media had done was not to criticize the government. Instead, they sullied the government and triggered public hate to the government. Of the three examples of boycott, we can see that the government, in this case the Minister of Health and Minister of Finance, have tendency to stand on milk producers and national film industry, but they are different from the boycott mentioned later. In the later ones, the Cabinet Secretary have tendency to stand on his superior.

**Literature Review**

The decision to stop buying, as well as the prohibition and avoidance of buying are the phrases that have equal meaning to boycott. In Indonesia, even in foreign countries, the number of research about boycott is very limited (Klein, Smith, and John, 2004). The limited research on boycott is unfavorable, because the number of consumers getting involved in boycott has increased (Sen, Gurhan-Canli, and Morwitz, 2001). Hoffmann and Muller (2009) mention that based on the report of the European Values Study Group and the World Values Survey Association, boycott participation increased in the US and other industrial countries. For example, in a survey conducted in
1982, 16% of respondents in the US stated that they had ever made boycott on a company’s products and about 35% decided to boycott in the future time. The percentage of respondents stating that they had ever boycotted products increased to 26% in 2002, while the percentage of those stating that they wanted to boycott in the future time rose to 51%. Almost similarly, Garrett (1987) also states that there are five reasons of why marketers have to analyze the boycott. They are: (1) the increasing intensity of boycott as social quirks; (2) the more advanced sponsors of boycott in making more effective movement to influence the public; (3) the legal decision that support boycott as a form of legal protest; (4) the strategy of marketing that negates the policy of marketing boycott as an suppressing environmental power; and (5) the currently adopted double-barreled marketing boycott policy. Davidson (1995) informs that the study of boycott is important for academic purpose for two perspectives: (1) boycott helps clarify and develop stakeholder theory; and (2) since boycott influences public consumers and firm consumers, it is important for those dealing with marketing (for example: it can determine what has to be changed in the marketing strategy? What communication strategy has to be implemented by the firm before, during, and after boycott? And so on).

From the sociological perspective, social movement is an important part of political landscape because it mediates the relationship between individual citizens and political elite (Croteau & Hoynes, 1997). Gamson and Wolfsfeld (1993) suggest that social movement and media have transactional relationship as two complex systems, in which each of the complex systems attempts to gain particular objectives. Social movement needs media to: (1) mobilize, in this case, to communicate or disseminate messages to the public; (2) validate, in this case, to show that what they have done is right or in other words, it is intended to get justification for movement purpose; and (3) extension of scope, in this case, to attract sympathizers through conflict extension. Meanwhile, media sees social movement as a potential news source. Social movement provides drama, conflict, and opportunity, and various portraits to be reported.

Because boycott is a form of social movement, using the data of news in media, the objective of this study is to perform stakeholder analysis of boycott. The stakeholder analysis in boycott is useful because: (1) it gives understanding about the background and history of boycott since boycott is not an instant phenomenon that suddenly appears without any historical and dialectic causes; (2) it identifies all related groups or parties involved; and (3) it identifies the relationship of the stakeholders involved in boycott. To answer the objective, the questions of the study are: (1) what are the trigger and root cause of boycott movement?; (2) what are the interest and influence of each stakeholder?; and (3) what are the existing relationship among stakeholders?; and (4) among the stakeholders, which group does get priority? Brown in Sanim, Budiharsono, Oktaviani, and Suædi (2006) mentions that the stakeholder analysis is determined by identification through a participatory survey approach. What is new in this study is that stakeholder is determined on the basis of the news in media.

**Agenda Setting, Stakeholder Theory, and Research Question**

The agenda setting theory was initially introduced by Walter Lippman in 1965. Empirical study about this theory was performed by McComb and Shaw (Rakhmat, 2007). McComb and Shaw (1972) examined the agenda setting theory in the presidential campaign in 1968 and made hypothesis that media determined the agenda for each political campaign, that affect the projected attitude to political issues. Severin and T ankard Jr (2001) inform that the agenda setting theory refers to the media ability, with repeated news coverage, to raise the importance of an issue in public mind. The assumption in the agenda setting theory is that the media filter news, articles, or writings to be published. Selectively, the “gatekeepers” such as proofreaders, editors, and even journalists determine which news items deserve to be published, and which others have to be declined. Because the readers, audience, and listeners get information mostly from the media, the agenda of the media is certainly related to the agenda of the society. Jena (2009) mentions that with their power me-
dia can provide selected news that the audience can directly get focused or get the framing power. Media report the news in different frames in order to direct and influence the audience, to deepen or to create the effect of surprise, wonder, frustration, and so on.

From the afore-mentioned theory of agenda setting, McQuail (1983) states that: First, the media can serve as a mirror of public life. Second, the media can also be viewed as a social agent or power. As a mirror, the media is assumed to be an institution that process social facts in the society. In this context, the media sets the agenda of social facts. In other words, the media release important social documents portraying the real condition of the society. On the contrary, when the events are concealed, they are considered as unimportant things. Meanwhile as an agent, the media is assumed to be a social institution taking part in the creation of public opinion and public attitude to particular issues or events. The media can create the agenda of mind and perception determinant on particular issues and events. What not released by the media is considered unimportant for the society. For example, nobody thought that President Bill Clinton had sexual scandal unless David Brock, writing in The American Spectator in 1993, reported the accusation by Paula Jones. This issue would have not been a public issue unless Matt Drudge reported in 1997 on his online site about Monica Lewinsky (Vivian, 2008).

The stakeholder theory has burgeoned in recent years (Friedman and Miles, 2002). Donaldson and Preston (1995) note more than 100 articles primarily concerned with this theory between 1984 and 1995, while Gibson (2000) finds 200 articles in the 1990s alone. Mitchell, and Agle, and Wood (1997) examine 27 definitions of stakeholder. They find that stakeholders are groups that have “stake” or an interest in the firm that bears a risk; groups that have a claim, contract, ownership or rights; or groups that have a relationship with the firm, affect or are affected by, influence or are influenced by the firm. Nevertheless, Kolk and Pinske (2006) inform that the classic definition of stakeholder suggested by Freeman mostly referred in the literature. Freeman (1984) defines the stakeholder, as” individual and groups influenced by the achievement of organizational objectives that in turn will influence the achievement of the objectives.” Bertens (2000) notes that the successful use of the term stakeholder is partially caused by the fact that English is rhetoric in nature. This term is identical to the term stockholders, although it is actually an implicit criticism to the tendency of over appreciation to the importance of stockholders or owners of the firm. All stakeholders deserve adequate attention from the firm. Unless it is adequately attended, there will be a feeling of dislike to the firm. They may join to stop or disrupt corporate operation. However, on the other hand, stakeholder can help and support corporate operation (Frederick, Devis, and Post, 1988). Therefore, in addition to other parties, stockholders are a part of stakeholder. Etes (1995) mentions, in addition to stockholders, there are some inves-

Figure 1. The Original Stakeholder Model

Source: Freeman (1984)
The investors include the employees, customers, suppliers, communities, nation, and the public that support the existence of firm. The investors are called stakeholder, and firm has a credit in accounting sense because the stakeholders have invested large amount of resources, which include not only money but also job, career, and sometimes their life to the firm. Clarkson (1995) classifies stakeholder into two main groups: primary and secondary stakeholders. The primary stakeholder, participant stakeholder, is a person (a group of people) without their participation of which the firm cannot keep the existence (going concern). The secondary stakeholder, non-participant stakeholder, is a person (a group of people) that influences and gets influenced by the firm. Keraf (2000) mentions that the secondary stakeholder can be very important, even more important than the primary stakeholder. Moreover, Frederick et al., (1988) state that market and non-market are the basic classification on the primary and secondary stakeholders. Meanwhile, Neville and Manguc (2006) discuss how members of different stakeholder can work in collaboration to achieve the collective objective or may be different in perspective, diametrically opposed, towards a particular issue that influences the firm.

Figure 1 shows that initially the stakeholder concept included such basic elements as customers, employees, civil society, suppliers, stockholders, government, and competitors. Freeman (2004) represents the stakeholder model in the form of map. When we observe, the map will resemble a wheel the axis of which is firm, and the rim consists of other elements. Each element is connected to the axis by dual-edge arrows representing a reciprocal relationship.

Although many researchers have classified stakeholder into small units, identifying the stakeholders is still difficult and ambiguous. A person living near the firm and works as a government employee is an example of the difficulty in classification. It is not clear also if competitors are the stakeholders. Which competitors? How can competitors be classified into the primary stakeholder? Does each firm’s strategy have impact on competitors? These are some weaknesses of the stakeholder theory. To deal with such problem, Freeman in Fassin (2009) makes some adaptation to the stakeholder concept.

Figure 2 shows that competitors can be excluded from the primary stakeholder category. Freeman made a square containing only the primary stakeholder, which is the direct factor of input-output of a firm. Freeman also put pressure group in the concept of stakeholder. This pressure group consists of NGOs, environmental observers, the government, media, critics, and others. Although Freeman has adapted his concept of stakeholder, there is still a dispute about how stakeholder influences firms’ decision and behaviour.

To overcome the problem, Fassin (2009) proposes a stake model of three kinds: real stakeholder, stakewatcher, and stakekeeper. The three categories have substantially differ-
Figure 3. The Triangular Relation between Stakeholder, Stakewatcher and Stakekeeper

Methods

Population and Sample

The population is all news in Kompas daily. Kompas was chosen because of the following: (1) Kompas is a national daily newspaper; (2) Kompas is the daily newspaper with the largest circulation; (3) Kompas is independent (neither it is left-oriented nor right-oriented) and impartial (neither to the government nor to the non-government agency); and (4) Kompas has all-Indonesia coverage, both the news content and distribution. This can be seen from the fact that Kompas has a remote printing system, Kompas update, as well as the website www.kompas.com. Meanwhile, the scope of the study is the news items that meet the following criteria: (1) the news is about boycott product; and (2) the news is put in Kompas since the beginning to the end of the observation, from mid 1965 to 17 June 2010 or during 45 years (see Appendix 1).

Sampling is crucial to all forms of the content analysis (Sumser, 2001). If we want to discuss the relatively weak roles that women have in film, we cannot mention only those films in which women have weak roles. We must choose a sample that represents a population, which means we must select films that are representative of the kind of films we are talking about. The sample used at this phase is saturation sampling. Black and Champion (1976) mention that saturation sampling is defined as the gathering of all sample elements in a particular population having the characteristics needed by the researcher.
Operational Definition of Variable

Operational definition is quantification of a nominal/dictionary definition (Black and Champion, 1976). Kerlinger (2006) states that the operational definition gives meaning to variables by specifying the operations or activities needed to measure these variables. While Kunoro (2003) writes that operational definition is the procedure to be followed by researchers in the measurement of a variable. In this study, operational definitions are as follows:

a) Social movement is a collective action with clear conflict orientation to social and political rivals (Diani and Bison in Tribowo, 2006).

b) Boycott is an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace (Friedman, 1985).

c) Trigger is an event that causes boycott, but it is not important and inadequate to explain boycott.

d) Pivotal factor or root cause is the heart of boycott and deserves attention to solve boycott permanently.

e) Stakeholders are individuals and groups having the interest in the achievement of organizational objectives and thus influence the achievement of the objectives. Stakeholder can be classified into real stakeholder, who possess a legitimate claim, power and influence are reciprocal, the firm has responsibility for them; stakewatchers, who look after a stake with care, attention, and scrutiny, just as a watchdog does; stakekeepers, who have no stake in the firm but have influence and control.

f) Interest refers to the role that one or a group of stakeholders plays in the achievement of output and focus of boycott activity consideration.

g) Influence refers to the power of one or a group of stakeholders to control output and objective of boycott activities.

Data Analysis

Berelson (1952) informs that in content analysis, validity is not a big matter. By carefully defined operational variables and selected indicators, the coding sheet is assumed to be able to measure what it has to be measured. Meanwhile Kassarjian (1977) mentions that validity in content analysis can be tested by face validity. Neuman (2000) informs that face validity is a judgment by a scientific community that the indicator really measures the construct. The reliability of the study was tested by an inter-coder reliability test to ensure the objectivity and reliability of the analyzed data. In the study, reliability was measured by the value of Holsti’s coefficient of reliability (1963).

\[
R = \frac{2(C_{1,2})}{C_1 + C_2}
\]

In which:

- \(C_{1,2}\) = The number of category assignments on which all coders agree
- \(C_1, C_2\) = The sum of all category assignments by all coders

After the face validity and inter-coder reliability testing, the data was descriptively analyzed and performed by contextualizing the news. The contextualization was performed by coding the consensus and difference among the text and presented some citations from the news to strengthen arguments. Hocking, Stacks, and McDermott (2003) suggest that in a content analysis, the description/quantification is done by calculating the number of analysis unit for each category. In this study, data is quantified by calculating the modus score, that is the frequently appear score. Thomas (1997) states that the use of modus has some advantages: (1) it is easily obtained; and (2) it is the best way to determine the typical score in data. In other words, modus shows the stakeholders concentrated in the news.

Result and Discussion

The development of coding sheet had been consulted in advance to a researcher at the Center for Culture and Popular Media Research. The objective of the consultation was to have validity test in the coding sheet. In order to assess the face validity of the coding sheet, we submitted the coding sheet and a letter introducing our research objectives to researchers at the Center for Culture and Popular Media.
Research. These respondents provided feedback and qualitative comments about coding sheet in general. As a result of this procedure, we reworded some operational definitions and indicators to integrate terminologies currently used by professionals (see Appendix 2 and 3). After that, with the assistance of a researcher at the Charles Sturt University, the reliability was tested.

There was a difference in determining the cut off of reliability coefficient acceptance. Krippendoff (1980) reports that the lower limit of acceptance of reliability coefficient is 0.8; Scott in Hasrullah (2001) put it over 0.75; while Berelson (1952) informs the coefficient should be between 0.79 and 0.96. The reliability at this phase is 0.85 or above the score proposed by Krippendoff and Scott, and between the ranges suggested by Barelson (see Appendix 4).

**General Description of News**

In collecting the data, 50 news releases containing the phrase “boycott product” were collected. The first news about boycott was published by *Kompas* on July 9, 1982. Since then the news about product boycott is sometimes either present or absent in a year. After the reform era of 1998, there was a higher rate of news about boycott. This is partly caused by a better democracy in media than before. There were various kinds of media and they started to have courage to put the ongoing real life on media at the risk of possibly offending public officials. Of 50 news articles collected, 32 articles were the boycott incidence in Indonesia, 18 articles were the boycott incidence outside Indonesia, and 18 articles were the boycott in both Indonesia and outside Indonesia. Based on the news form, most of the forms are straight news (41 articles), opinion (7 articles), corner-column (1 article), and brief caption of photo news (1 article). The distribution of news about boycott in *Kompas* is presented in Figure 4.

Figure 4 shows that there is an increasing trend of boycott news in *Kompas*. This is in part caused by the emerging era of democratization in Indonesia after the reform movement in 1998. Before the reform order, Indonesia was under the new order regime. Abar (1995) mentions the main characteristics of the new order regime. Some of them are: (1) strong and dominant; (2) led and supported by military forces in collaboration with technocrats and civil bureaucrats; and (3) equipped with repressive forces to preserve and produce powers. Referring to the characteristics, the relationship between the new order regime and media can be described as top-down structured relationship. In other words, media directly is positioned under the government or the regime in power. With such top-down relationship, media have to be selective and careful in reporting an event to the public. It is understandable because majority of media have ever got any kind of warning. The worse is that some of them were prohibited to be in operation.

**What Are the Triggers and Root Causes of Boycott Movement?**

The approach of stakeholder integrates business interest on the one hand, and ethical requirement on the other hand. Keraf (1998) states that the stakeholder analysis is performed by observing and explaining analytically how
<table>
<thead>
<tr>
<th>Root Causes</th>
<th>Article</th>
<th>Trigger of Boycott</th>
<th>Special Interest Groups (Sponsor Boycott)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Firm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Politic</td>
<td>-</td>
<td></td>
<td>Consumer groups / International market (not specifically defined)</td>
</tr>
<tr>
<td>Economic</td>
<td>3</td>
<td>Firms not willing to allocate some amount of money for waste treatment</td>
<td>15 NGOs in Semarang</td>
</tr>
<tr>
<td></td>
<td>31</td>
<td>Excessively high increase in teakwood auction price (27%)</td>
<td>Association of Wood Trader in Jepara</td>
</tr>
<tr>
<td>Legal</td>
<td>49</td>
<td>Unsatisfactory settlement of dispute among factory workers, the majority of whom were the Uighur</td>
<td>Nihat Ergun (Turk Minister of Trade and Industry)</td>
</tr>
<tr>
<td>Environment</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Firm (Community)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Politic</td>
<td>2</td>
<td>Arrest of the Malaysian China Association (MCA) leaders by the government of Malaysia</td>
<td>Leaders of MCA</td>
</tr>
<tr>
<td>Economic</td>
<td>37</td>
<td>Firm not meeting the requirements for economic and environmental sustainability</td>
<td>Mexican Labour Union</td>
</tr>
<tr>
<td></td>
<td>40</td>
<td>Expansive economic caption by the US in Mexico</td>
<td>14 Islamic Mass Organizations, including the Masyarakat Professional Assistance</td>
</tr>
<tr>
<td></td>
<td>43</td>
<td>State’s loss due to embezzlement of Bank Indonesia Liquidity</td>
<td>Madani</td>
</tr>
<tr>
<td>Legal</td>
<td>1</td>
<td>Advertisement of Dior product accused for degrading the people</td>
<td>Newark County Council</td>
</tr>
<tr>
<td></td>
<td>34</td>
<td>Harassment of Al Quran in the Guantanarno prison</td>
<td>Alliance of Muslim Students of Bina Sarana Indonesia</td>
</tr>
<tr>
<td></td>
<td>44</td>
<td>Increasing trend of unhealthy TV programs</td>
<td>The researcher</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>Conversion of Taman Nasional Bukit Tigapuluh (TNBT) supporting region into Hutan Tanaman Industri (HTI)</td>
<td>Humane Society International, Australia Zoo, Dream World, Zoos South Australia, and Auckland Zoo</td>
</tr>
<tr>
<td>Environment</td>
<td>7</td>
<td>Approved distribution of transgenic products that may cause resistance in plant disease</td>
<td>Consumer groups, Euro Commerce, Pure Food Campaign, US citizens</td>
</tr>
<tr>
<td></td>
<td>28</td>
<td>The government was accused for ignoring natural conservation</td>
<td>Foreign NGOs</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td>Deforestation and the trade of forest commodities</td>
<td>Hundreds of e-mails</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td>A firm polluted a river in Surabaya</td>
<td>Ecological Assessment and Wet Land Conservation Institute</td>
</tr>
<tr>
<td></td>
<td>41</td>
<td>A firm damaged the environment and life of the local people</td>
<td>The researcher</td>
</tr>
<tr>
<td></td>
<td>45</td>
<td>A firm polluted environment</td>
<td>Greenpeace International</td>
</tr>
<tr>
<td></td>
<td>46</td>
<td>Firm’s operation massively damaging the environment</td>
<td>-</td>
</tr>
</tbody>
</table>

| External Firm (State) |         |                   |                                         |
| Politic   | 4       | Plan of nuclear experiment in South Pacific | 50 people of Anti Nuclear Alliance Indonesia |
| 5         |        | The US invasion of Afghanistan | Opposition of Shinshito Japan |
| 9         |        | The US invasion of Afghanistan | 16 Islamic mass organizations in Surakarta (for example: Laskar Julius, Corps Hibribullah, Pemuda Muhammadiyah, Kokam, IRM, FPI Surakarta, FKAM, Forum Komunikasi Ahsusunnah wal Jamaah, & PIH) |
| 10        |        | The US invasion of Afghanistan | 100 students of Universitas Muhammadiyah Malang |
| 11        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 12        |        | The US invasion of Afghanistan | The researcher |
| 13        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 14        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 15        |        | The US invasion of Afghanistan | The researcher |
| 16        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 17        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 18        |        | The US invasion of Afghanistan | Anti-US protest previously |
| 19        |        | The US invasion of Afghanistan | The researcher |
| 20        |        | The US invasion of Iraq | People of Tokyo |
| 21        |        | The US invasion of Iraq | Anti US protest previously |
| 22        |        | The US invasion of Iraq | Multi parties, including Said Sutomo (Yayasan Lembaga Perlindungan Konsumen) Surabaya |
| 23        |        | The US invasion of Iraq | Anti-USA protest previously |
| 24        |        | The US invasion of Iraq | A group of Banten young people |
| 25        |        | The US invasion of Iraq | Dewan Masjid Indonesia DIY, Thoha Abdurahman (MUI DIY), Gerakan Pemuda Keadian DIY, Sivitas Akademika Unsoed |
| 26        |        | Allowing the leader of Gerakan Aceh Merdeka (GAM) to live and manage action from Sweden | Pedytandawuya (F-Golkar) |
| 27        |        | Allowing the leader of GAM to live and manage action from Sweden | Gabungan Imporit Nasional Seluruh Indonesia (GINSI) |
| 28        |        | Lack of coordination in illegal logging prevention | Transtoto Handadari (Ministry of Forestry) |
| 33        |        | Bending the history of cruelty of Japan in China in World War II and licensing for oil extraction in the region disputed by Japan and China | 20,000 Chinese people in Shanghai |
| 36        |        | Forceful action by Bangkok to the Muslim in South Thailand | Students, consumer groups |
| 42        |        | The US arrogance through the invasion of Afghanistan and Iraq | Students, consumer groups |
| 47        |        | Biased statement of French president about Hamas | Students, consumer groups |
| Economic  | 6       | Suggestion for sooner enactment of AFTA | The writer |
| 38        |        | Tax-free selling of Shin Corp, owned by Thaksin Sinawatra | Opposition of Thailand, Panthep Puupongpan (spokesperson for the Alliance of People for Democracy) |
| Legal     | 8       | Human rights violation in East Timor | 60 Internet users in Brazil |
| 35        |        | Sentence for Schapelle Corbi | Media, a small group of people |
| 39        |        | Sentence for Schapelle Corbi | A small group of people of Indonesia & Australia |
different elements are either influenced or influence the decision making and business action. He also stated that in the end, this approach has an imperative objective: business has to be managed in such a way to respect, ensure, and appreciate the stakeholders’ interest.

The first step in identifying the stakeholder is by identifying the trigger and the root cause of boycott, and the special interest group (sponsors of boycott). From the analysis, the result is shown in table 1.

Table 1 shows that the underlying problem of boycott can be categorized into two main categories: those originating from firm’s internal behavior; and those deriving from firm’s external behavior. Internal behavior is the behavior of the firm that potentially triggers boycott, such as ignoring employee’s interest, unwillingness to provide material, or reducing firm’s income. External behavior is the behavior of other stakeholders, such as consumers, requiring the firm to stop boycotting, or shifting the product to other firms.

Table 2. Stakeholder, Interest, and Influence

<table>
<thead>
<tr>
<th>No</th>
<th>Stakeholder</th>
<th>Interest and Article Number</th>
<th>Influence</th>
</tr>
</thead>
</table>
| 1  | Consumer (Primarily) | Purchasing firm’s product. (all news except 15 & 25) | a) Being likely to inform unfavorable news to other consumers.  
b) Stop purchasing.  
c) Reducing firm’s income. |
| 2  | Stockholder (Primarily) | Requiring consumer not to boycott his product (12, 16, 18, 21, 23, 41) | Decreasing his wealthy |
| 3  | Employees (Primarily) | Unable to work as usual (16, 17, 21, 23, 37, 40, 49, 50) | Being likely to move to competitor’s firm. |
| 4  | Suppliers (Primarily) | Unable to provide firm with raw material (12, 13, 14, 16, 18, 21, 23) | Shifting the product to other firms |
| 5  | Sponsor Boycott/ Special Interest Group (Secondary) |  
a) Advocating consumers’ rights (1, 31, 44)  
b) Advocating the people around the firm (3, 28, 37, 48, 30, 41, 45, 48)  
c) Advocating the labors (49, 50)  
d) Advocating human rights (4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 29, 32, 33, 36, 38, 40, 43, 42, 46)  
e) Advocating group members (2, 34, 47, 35, 39)  
f) Advocating government’s policy (6, 26, 27) | a) Improving awareness among consumers and laborers about their rights.  
b) Being likely to become reference group for consumers. |
| 6  | Government (Secondary) | Approving boycott (3, 5, 10, 32, 50)  
|  | | Triggering boycott (7, 38, 48, 49) | Making or correcting legal rules |
| 7  | House of Representatives (Secondary) |  
a) Holding and accommodating aspiration (10, 19, 24, 25, 31)  
b) Triggering boycott (26, 50)  
c) Requiring the people not to boycott by:  
|  | | d) Asking the president as leader in effort to eliminate illegal logging (32)  
e) Accelerating money laundering legalization (17) | Making or correcting legal rules |
| 8  | Local Communities (Secondary) | Decrease in quality of life (3, 33, 41, 49) | Being likely to take part in boycott movement. |
| 9  | Civil society (Secondary) | Decrease in quality of life (13, 19, 21, 33, 47) | Being likely to take part in boycott and to trigger boycott movement. |
| 10 | Academic commentators (Secondary) | a) Giving information about the impact and way of boycott (6, 12, 19, 35, 41, 44)  
b) Giving alternative target of boycott to minimize loss (15, 42) | a) Giving systematic information about boycott to be easily understood by the public  
b) Triggering created legal rules. |
| 11 | Consumer Organizations (Secondary) | Approving boycott (5) | Being accommodated and attended as it represents the members |
| 12 | Associations (Secondary) | Advocating association members, usually the suppliers (13, 21, 23, 39, 47) | Being accommodated and attended as it represents the members |
| 13 | Unions (Secondary) | Advocating union members, usually the employees (12, 13, 14, 16, 18, 21, 23) | Being accommodated and attended as it represents the members |
| 14 | Business community (Secondary) | Making self-regulation (37, 45) | Creating code of conduct on a voluntary basis. |
| 15 | Competitor (Secondary) | Having an eye to the niche market (21) | Replacing the role from the firm boycotted |
| 16 | Media (Secondary) | Obtaining news (8, 25, 35, 44) | a) Disseminating news to public.  
b) Triggering created legal rules. |

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to spend more on waste treatment. External behavior includes behavior of the firms or state that potentially triggers boycott, such as donating part of their profits for transgenic research, and tax manipulation. Either internal or external behaviors are further categorized into politic, economic, legal, and environmental behaviors.

What Are the Interest and Influence of Each Stakeholder?

From Table 1, we can identify which stakeholders are involved, their interests, and influences to the reported boycott as explained in Table 2.

Table 2 shows that the primary stakeholder affects the sustainability of a firm. In brief, firms collect capital from capital owners to buy raw materials from the suppliers. Then the firms produce goods or services with the help of the employees. After that the firms sell the products to consumers, and the money earned is returned to the capital owners. In other words, a firm has to establish good relationship with the primary stakeholder. Then, how the secondary stakeholder has? Keraf (1998) states that, in particular times, the secondary stakeholder is very important or even much more important than the primary stakeholder. In brief, when a firm violates the prevailing legal regulation, then the state will terminate the operational license or nationalize them (if the firm is owned by foreign capital). Therefore, firms that want to survive and sustain have to pay more attention to the primary and secondary stakeholders in a good and ethical manner.

How is the Relationship among Stakeholders?

After identifying each stakeholder’s interest and influence, the following step is constructing their relationship. At this phase, each stakeholder, either primary or secondary, is constructed/divided into three groups: the real stakeholder (constituency) who holds a stake, the stakewatcher (pressure group) who watches the stake, and stakekeeper (regulator) who keeps the stake.

Figure 5 shows that all groups in stakewatcher and stakekeeper are the secondary stakeholder. Meanwhile the group of real stakeholder consists of the primary and secondary stakeholders. The difference between local community and civil society is found in the location where they live. Local community lives around the location of boycott, while civil society lives in the far location, even in other province. Figure 5 can be described in the form of map as presented in Figure 6.

Fassin (2009) gives some examples of stakewatcher from stockholder. They are institutional investors, shareholder activists, pension funds, and auditors. The results of analysis did not find any presence of this group of stakewatcher in the news in media. This can be seen in Figure 6, where there is an empty group beside the stockholder. On the other hand, there are two stakewatchers from supplier. They are association and competitor. Likewise is civil society. They have two stakewacthers. They are academic commentators and media.
Figure 6 shows that stakekeepers (regulator) are not predominantly the government and the House of Representatives. There are also self-regulations based on voluntary attempt of particular industries. For example, *Kompas* (30/11/2005) wrote “...after an experimental period for two years, international market will only buy RSPO-certified processed palm oil to avoid boycott by consumers.” In this case, the RSPO certificate is a self-regulation made by palm oil industrial group and is only effective in the palm oil industry, not in other industries.

Among the Stakeholders, Which Group Gets Priority?

To answer the question, Table 2 can be described in the form of chart as we can see in Figure 7. The score from each stakeholder is obtained from their modus (frequency of appearance) in the news report in media.

Figure 7 shows that consumer is the most frequently mentioned stakeholder (48 times), followed by special interest groups (46 times), government (30 times), and others at lower frequency. This represents that firms’ management should give priority sequentially to consumers, special interest groups, and government, and finally to others. This also implies that when competitors are only mentioned 1 times; and consumers 48 times, attention to consumers should be 48 times more than competitor.

Figure 7 also shows that these stakeholders (consumers, special interest groups, and the government) are very critical because they have high interest and influence. In general, their interest is in relation to boycott management which is the competence of the group. The government has interest in the people working in that firm. In addition, the state has interest
in tax income. Special interest group has high interest because they organize the boycott activity. With their good network, they can disturb firms’ operation. Likewise are the consumers. They can reduce the firm’s income by stopping, avoiding, and reducing consumption. They also shift to consume competitor’s products. In addition, they can make negative words of mouth that urges the family members, friends, or relatives to do the same as what they have done (firms’ product boycott).

There are two views about media, positivist and constructionist. The positivist views media merely as a message channel. Media is seen as a neutral means. It reveals objectively. News is presented to the public as the representation of reality. On the other hand, the constructionist views differently. Media is viewed as the agent of social construction that defines reality (Bennett in Eriyanto, 2002). In the theory of agenda setting, social construction is made by choosing the reality to be reported. How the reality is reported as news depends on how the reality is understood and interpreted by the journalist and media. Similar reality may result in different news report. For example, if there are simultaneously held protests in different places, only the anarchic protest will be reported and peaceful protest will not be reported. From the perspective of agenda setting theory, we can see that there is a complicated transactional relationship between mass media and boycott movement. On the one hand, mass media needs news source and on the other hand, boycott movement needs media to verify and dissemiate their goals. Media serves the function as the means to establish public support, suppress the firm and the government. However, not all social boycott movements are publicized in mass media. The publication about boycott related to ethnicity, religion, race, and group is avoided by Kompas. For instance, when an appeal was made to boycott Denmark after a paper there illustrated Prophet Muhammad in caricature, no news report was made. This was contrast to the boycott appeal to the US when the country invaded Afghanistan and Iraq. Editor and journalists considered that issue as human rights. In other words, in this theory, media does not tell people “what to think” but instead “what to think about”.

For most people, the term marketing is frequently connoted to particular function in marketing as in Kotler and Levy (1995). The American Marketing Association (AMA) has upgraded the term of marketing. The first definition, which lasted for 50 years, was publicized in 1935. The term was redefined by AMA in 1985, 2004, and 2007 (see Table 3).

Table 3 shows that in line with the increasing knowledge and technology, the definition of marketing has been revised. Initially, marketing merely concerns on the producer and consumer. It then was developed to cover larger scope. Table 3 shows that the definition in 2004 included the term stakeholder. The redefinition has enlarged the level analysis from merely being market-oriented (MO), limited in customers, competitors, and inter-function coordination, to stakeholder-oriented (SO). However, in the definition of marketing in 2007, the term stakeholder was replaced by the term consumer, client, partner, and public. Many people considered the elimination of the term stakeholder was merely a definition change. But we think otherwise because stakeholder has identical meaning that represent consumer, client, partner, and public.

Ferrell, Gonzalez-Padron, Hult, and Maignment (2010) stated that the concept of SO has lacked attention from researchers of marketing. However, there is a positive trend to the con-
cept of SO. For detail, they defined MO as an organizational culture, which provides norms for behaviors that focus on assessing and acting on customers’ needs and anticipating and responding to competitors’ actions, and SO as the organizational culture and behaviors that induce organizational members to be continuously aware of and proactively act on a variety of stakeholder issues. The main difference between MO and SO is that in MO, the primary focus of firms is customers and competitors, while in SO other stakeholders are also covered. However, the attention has different degree. There are different priorities for different cases. In other words, in a case, it is possible that consumer is the primary priority, but in other case, it is consumer group that deserves the priority.

Positive trend to SO is also found in the proposition of Achrol (1997); Greenley and Foxall (1996); Kimery and Rinehart (1998); Menon and Menon (1997) suggested that in addition to consumer, in order to be more effective, marketers have to pay attention to other stakeholders. On the other hand, Polinsky, Schuppisser, and Beldona (2002) suggested that the perspective of SO is closely related to relationship marketing. Still in the same article, Koiranen suggested that relationship marketing is a marketing approach to establish, maintain and enhance long-term relationships with customers and other internal and external stakeholder so that the objectives of the parties involved are met. The focus of relationship marketing is the establishment of mutually-beneficial long-term positive relation.

The stakeholder theory discusses the matters related to the interest of the public. This theory is developed upon the criticism and failure of the stockholder theory. In the theory of stockholder, the only responsibility of firm is its responsibility to the owner. In the stakeholder theory, a firm is responsible to some related stakeholders and stockholder is one among the stakeholders. In other words, the stakeholder theory is an approach based on how to observe, identify, and explain analytically about some elements to show who have interest and get involved in the business in general. Frooman (1999) states that the attributes of stakeholder have received increasing attention in recent years. Vos (2003) suggests that the attributes of stakeholder will help manager allocate limited time, energy, and resources to each stakeholder. When the stakeholder theory is used as a managerial tool, a specific action is to identify which stakeholder is more important, and deserve more attention by the management. It is clear that the difference of group stakeholder may present different and conflict interest (Sen, Bhattacharya, and Korschun, 2006).

Mitchell et al., (1997) identify urgency, legitimacy, and power as important attributes in the analysis of stakeholder. In this study, we use the trigger, root cause, interest and influence as the attributes. Trigger is an event that causes boycott, but it is not important and inadequate to explain boycott. Pivotal factors or root causes are the heart of boycott and deserve attention to solve boycott permanently. Interest means what people feel about they want. Feeling tends to be central in the mind and action and forms the core of some attitudes, objectives, and intentions (Raven and Rubin in Pruitt and Rubin, 1986). Influence refers to the power that a person or a group of stakeholder has to control the output and objective of an activity. In this case Freeman (1984) stated that there are three types of stakeholder powers: (1) voting power; (2) political power; and (3) economic power. For example, stockholders can use their “voting power” to influence firms; the government (central or local) can exert their “political power” to make rules; and consumers can exert their “economic power” to stop purchasing, avoid purchasing, or even shifting to competitors’ products.

Fassin (2009) states that to ease the decision making, stakeholders can be classified into three: stakeholder (constituency), stakewatcher (pressure group), and stakekeeper (regulator). From the results of this study, pressure group consists of some special interest groups, researchers, observers, media, associations, and unions; constituency consists of stockholders, competitors, employees, and consumers; while regulator consists of central and local government, central and local house of representatives. By combining the interest, influence, and relationship of the three types of stakeholder, a firm has to give higher priority to consumers, special interest groups, and the government. In
other words, in boycott, firm and special interest group will compete to win consumers’ heart. In this case, the central and local governments, upon request or on their own initiative, generally will give priority to firms’ interest than special interest group.

With regard to the social movement of boycott, there are two propositions on how firms should stand. First, firms do not necessarily take any action. This argument is based on the view that the more the firms react, the stronger the reaction. In natural science, the third law of Newton (action = - reaction). Second, firms have to take action. This argument is based on the view that the social movement of boycott is just like fire. In case of fire, what is important to maintain is time. Sooner is better. From the perspective of stakeholder theory, this study shows those who have the influence and those who are influenced. By knowing this, firms can choose the best and suitable strategy to determine the focused and realizable priority.

Conclusion

The stakeholder theory is a managerial conception of organizational strategy. The core of the idea is that a management’s success is dependent on how well they manage the relationships with stakeholders. The management’s job is to keep supporting all stakeholders and balancing their interests. According to that, the identification of stakeholder or analysis of stakeholder is currently among central debates in the scholarly and popular literature (Mitchell et al., 1997). In order for firms’ business not being boycotted, firms are required, or initiate to ensure and appreciate the rights and interests of other relevant stakeholders in their business.

The objective of this study is to perform the stakeholder analysis on the case of boycott reported by media. Data from media is used because of the transactional relationship between media and boycott. The results of the analysis suggested that in the case of boycott, many parties are involved. However, firms’ management has to give priority to consumers, special interest group, and government. Attention can be manifested in a continuous and sustainable dialogue with them. Dialogue with consumers and government will have to be direct, while dialogue with special interest group may be intermediated by media (indirect). The content of both direct and indirect dialogues should accommodate their interest. About other stakeholder groups (such as, consumer organizations, competitors, and unions), it is apparent that they are not fully interested in such issue of product boycott. Therefore, the strategy that can be adopted by firm’s management is to monitor and “wait and see” to minimize expenditure.

This study adopts other people’s observation, thought, and opinion, in this case journalists’, to analyze those involved in boycott. The study employs content analysis. Stokes (2006) mentions that the limitations of the content analysis are: (1) insensitivity; sometimes content analysis becomes a rather ineffective instrument. For example, in the content analysis of violence in television, researchers sometimes only calculate violence without differentiating between the revenge, justice, or action performed by wild animals to domesticated animals; (2) content analysis sometimes is criticized to be too descriptive; (3) content analysis is sometimes less credible; and (4) using content analysis is a tiring and time-consuming activity. The limitations, in this paper, are minimized by: (1) the insensitivity can be minimized by making categories (operational definitions) of the unit of analysis; (2) the criticized model of being too descriptive can be minimized in the nearly same way as the first disadvantage, that is by making suitable operational definitions and using simple statistical analysis; (3) the third limitation can be minimized by the inter-coder reliability test, in order to reduce inter-coder bias. Krippendorf (1980) informs that the method usually used is asking other two researchers to code similar data, and then comparing the results; and (4) the last limitation can be minimized by using computer, and by analyzing constantly “what is to be analyzed” and excluding the unnecessary analysis.

In general, the stakeholder analysis was based on the survey methods. In this study, the stakeholder analysis was based on the news reported by the print media (observation method). For future research, the combination between observation method and survey method is expected to give a better result. Media used in this
study is only Kompas. This is the main limitation of this study. It will better to use more print media. In addition, the use of non-print media or electronic media may result in more comprehensive analysis. In addition, as a social movement phenomenon, boycott by groups deserves further scientific analysis to identify the emergence, establishment, operation, transformation, and structural modification. Individual motivation that underlies the participation or involvement (in social movement of boycott) deserves attention. Of equal importance is the consequence of boycott to image and financial performance of firms deserves further investigation.

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