

# CSR communication during critical events Qualitative research of H&M's CSR communication during the Covid-19 pandemic

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Abstract: During the Covid-19 pandemic, multiple companies decided not to pay for the ordered or made clothes. This led to garment workers not receiving their salaries. From a CSR perspective, this is going against human rights since various workers starved because of the actions from companies. While most companies later promised to pay up for the orders, their reputations had shifted negatively. Companies can regain trust through CSR communication. Currently several media channels open opportunities for companies to communicate their actions.

This study aims to understand how these critical events affect companies' reputations and how their CSR communication through annual sustainability reports and social media affects the stakeholder's perception of the company. The research was conducted by following H&M's actions and CSR communication through annual sustainability reports and Instagram before, during, and after the Covid-19 pandemic for five years. The derived material was analyzed with a thematic analysis method. By dividing the results into separate themes, the material was implemented to answer the research questions.

The theoretical framework was built up by reading through earlier studies of CSR communication, reputation, and associated with critical events. CSR in fast fashion was furthermore investigated to understand the occurring situation in the fast fashion industry.

The results show that companies should have transparent communication. Although dialogical communication is recommended, practical actions are the most crucial for regaining reputation after critical events.

Social media and annual reports are effective ways to reach stakeholders. Through transparent communication, the company gains trust. Taking fast positive actions in the criticized events and communicating these positive actions through reports or social media has an positive impact on stakeholders. To be able to take fast action, companies must be aware of the criticized topics, and by taking action, stakeholders feel that the company listened to them.

The research confirmed that previous neutral and positive attitudes impact future attitudes even after critical events. People forget quickly negative events if the company takes action toward improvements.

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## 1. Introduction

Recently, fast fashion companies have been widely discussed from the sustainability and corporate social responsibility (CSR) perspective. Sustainability includes three different aspects i.e., environmental, economic, ethical. Fast fashion companies, such as H&M, Zara, and other clothing companies that produce clothes in vast amounts and short time, have made efforts to change the perception of sustainability. However, the company has received criticism for greenwashing and for publishing distorted data. Society requires companies to perform CSR actions to maintain a good reputation among diverse stakeholders since the issues, especially concerning the garment industry, are widely known. After the Rana Plaza accident in 2013, where over 1,100 garment workers died after a devastating building collapse, there were serious discussions about the working conditions of garment workers (Auke & Simaens, 2019). The issues surrounding garment workers are diverse. These people work long hours with minimal payment (Bhuiyan, 2012), and workers cannot provide enough food for their families and have no extra savings for emergencies (Anner, 2020; Sen et al., 2020). Working conditions are often inadequate, and commonly no healthcare is provided for the workers. Those who work in these factories are usually young, uneducated women (Mandhana & Myo, 2020) with low socioeconomic status (Anner, 2020).

In 2019 the Covid-19 virus was detected in Wuhan, China. The virus spread worldwide in early 2020 and became a global pandemic. Several industries found themselves in unseen situations where markets were closed, and people could not leave their houses. Different industries closed their stores and factories when lockdowns were imposed in several countries. One of these industries was the clothing industry. Several brands closed their stores and canceled their orders (Anner, 2020). This led to people losing their income or having their wages decreased suddenly.

Fast fashion companies produce a vast amount of clothes annually. The global textile consumption is approximately 62 million tons of apparel annually; by 2030, the estimation is 102 tons (Niinimäki, Peters, Dahlbo, Perry, Rissanen & Gwilt, 2020).

The garments and orders are usually made months in advance, although only paid upon shipment.

When the pandemic occurred, vast amounts of clothes were already made or in production. Many fast fashion companies canceled their orders and decided not to pay for them (Anner, 2020). This led factory owners unable to pay even low wages. The workers did not receive full payment for their work or were not paid at all. When the factories closed their doors after the cancellations and regulations, thousands had to leave for their home cities in unsafe conditions. (Kabir et al., 2020)

Certain companies took action to reverse the worsened situation by paying for the clothes later (Worldbank, 2019). Meanwhile, other companies never compensated for the ordered clothes, leading to economic losses for garment workers. After reopening the factories, UNICEF (2020) expressed concern about working conditions that were not safe enough for workers during the pandemic. Additionally, customers started to demand actions for better ethical solutions by the companies and discussed the issues surrounding the situation on several media platforms, which led to the companies receiving a bad reputation and the negative attention evolved into a critical event for garment companies.

CSR communication is one way for companies to benefit from CSR actions and maintain a good reputation. However, it has been shown that companies with good CSR reputations are more prone to receive more media attention after crises (Luo et al., 2011). Previous research has shown that stakeholders can change their perception of a company quickly, although a previously positive reputation can also benefit a company's reputation, even after critical events (Pérez, 2015). Companies must understand how they should continue CSR communication after critical events such as the negative attention they received during the covid-19 pandemic. How customers have been willing to forgive companies after the pandemic and what kind of message and communication companies should release to maintain their reputation have not been researched adequately.

H&M has been chosen as one of the most transparent companies regarding its sustainability and CSR activities and the company has been widely recognized as actively informing stakeholders about its improvements, which has led to a good CSR reputation. The question of how the crisis during the covid-19 pandemic

affected attitudes toward H&M and which actions the company took to restore the company's reputation will be researched more closely in this thesis. CSR actions and reputation influence the brand experience from the customers' perspective, which means that a better CSR reputation and communication create a better organizational reputation in the end.

### 1.1. Problem discussion

Before the pandemic, garment workers' conditions were poor, receiving low salaries and exposing themselves to chemicals and toxins. However, their situation only worsened after the pandemic in 2019 began. Low wages prevented garment workers from saving their incomes to secure their economic position for possible future financial issues. The pandemic made them unable to provide food and healthcare to their families, which led families of garment workers even to starve and live in insecurity (Kabir et al., 2020).

The economic situation was not the only issue garment workers faced during the pandemic. Other issues putting pressure on garment workers were health risks during the pandemic. After the factories were closed and reopened, many were forced to travel from their hometowns in unsuitable conditions during the ongoing pandemic (Sharif, 2021). Busses and trains were overcrowded, causing the pandemic to spread and later the garment workers were given only a few days to return to the factories when they reopened. Otherwise, they faced the risk of losing their jobs, which many families could not afford economically (Kabir, 2020).

Various non-profit organizations announced their concerns about garment workers' rights and reported the situation, which led to a broader knowledge of how the crisis affected garment workers. The news spread fast through word-of-mouth and social media. As a result, the movement led many companies to pay up the canceled orders partly or entirely, although their reputation was already affected. To maintain their reputation, the companies had to respond to their actions and communicate them to stakeholders.

This pressure from the outside affected fast fashion companies' actions and CSR communication will be researched further. The companies must respond to the criticism to save themselves from a bad reputation. However, since greenwashing has been a big issue in recent years and a widely discussed topic, companies must understand how previous and future CSR communication affects their reputation and how it is discussed on social media. The first aim for evolved ethical actions is to respond with transparency and understand what stakeholders expect from a company to regain a positive reputation (Pérez, 2015). Furthermore, to become more sustainable and responsible, the actions must evolve and continue, which is currently still not the situation since most fast fashion companies' garment workers are still paid less than pre-pandemic.

Companies must require their suppliers to change their ethical values to improve garment workers' conditions and avoid future risks of losing their reputation. This paper will follow how H&M came out of the crisis.

## 1.2. Purpose and research questions

This thesis aims to understand how fast fashion companies should communicate their CSR actions and decisions during and after a crisis such as the covid-19 outbreak, and the unethical actions companies took surrounding it to maintain a positive reputation after critical events. Consumers are increasingly aware of the importance of CSR actions, and a good reputation directly influences sales.

Additionally, to the main purpose, this research is looking at how earlier reputation affects trust in companies after crises and how social media discusses issues during critical events. Since H&M has made several CSR action improvements in the past years and has an effective CSR action plan, this can directly connect with how much the crisis affected them.

This thesis's research questions are the following.

- How do critical events affect sustainable actions and CSR communication in multinational companies?
- In what way does social media respond to CSR communication after companies' unethical actions?
- What measures do textile companies take to recover their reputation after unsustainable actions?
- How should companies communicate about CSR actions after a critical event?

## 1.3. Definitions

## Critical events

Events that strongly differ from the normal and influence a company's way of response. (Hedaa & Törnroos, 2008)

Ready-made garment workers

Workers in the garment industry mass-producing clothes, usually for low prices. They are most commonly women living in less developed countries. (Kabir et al., 2020)

Corporate social responsibility

The process whereby enterprises integrate social, environmental, ethical, and human rights concerns into their core strategy, operations, and integrated performance, in close collaboration with their stakeholders (European Commission, 2011)

## CSR reputation

Stakeholders' perception of companies' CSR actions that influence their future and how believable their plans are. (Vogler & Eisenegger, 2021)

### CSR communication

The way companies decide to communicate their CSR actions that, in the end, affects their CSR reputation in the desired way to reach their goals. (Du, Bhattacharya & Sen, 2010)

## 1.4. Methodology

The research for this paper is going to be conducted as qualitative research. Specifically, a thematic analysis by first identifying occurring themes from social media that reveal thoughts and attitudes towards companies after critical events impacted a company's reputation and how it can be altered.

This research first examines how H&M has communicated its CSR actions through annual reports and social media. After this, it will look at H&M's response to the criticism of its actions during the covid-19 pandemic towards garment workers and how the company communicates the improved actions to the outside. Furthermore, it will be followed by looking at how people on the social media channel Instagram have responded to H&M's new message and how it is discussed on social media. Specific themes and topics will be recognized to understand attitudes towards the company.

#### 1.5. Limitations

This thesis will be limited to the fast-fashion company H&M and its actions during a specific time. To detect attitudes and discussions on social media, only Instagram will be investigated as a social media channel, together with the annual reports H&M publishes.

Instagram as a social media channel appears to be best suited since H&M's major target group is the younger generation, 17–40-year-olds, who use Instagram as one of their preferred social media channels (Dixon, 2022). Instagram includes an enormous amount of material and in this study, only English posts and comments are included. The study investigates attitudes from three non-governmental organization profiles,

four hashtags, and comments on the posts. These profiles and hashtags were chosen by broad research beforehand on Instagram. The chosen hashtags were created during or before the pandemic and were highly connected to the issues in the fast fashion industry during the Covid-19 pandemic. These hashtags and profiles frequently appeared in the research of why they were thought to give the most accurate attitudes. On Instagram, the possibility for stories was not considered in this research since they disappear after 24h.

The chosen profiles are most followed by people with a high interest in human rights issues, and the hashtags are followed by those who actively participate in the discussions. This may lead to distorted results. This is considered and followed mainly by the variation in the number of negative or positive attitudes mentioned. H&M's own profile is usually not followed as widely by people with negative associations, which is why the opinions may give different results.

Further from the limitations above, earlier netnographic research has been criticized for leading to the author's opinion by free access and attitude seeking which can additionally limit credibility (Berg, 2016). These are taken into constant consideration and constantly looking back at material and critically reviewing the gathered material minimalizes the risks.

#### 1.6. Structure of the thesis

The thesis is divided into nine chapters. Introduction, Theoretical framework, Method, Empirical context of the study, Data presentation, Analysis and Results, Discussion, Conclusions, and end with a Swedish summary.

The introduction gives an insight into the main topics in this research and issues in the matter. CSR and critical events as concepts are briefly introduced, as are the problems in the garment industry during the Covid-19 pandemic.

The theoretical framework explains the concepts and theories derived from previous research to have a broader understanding of the concepts and issues. The theoretical framework discusses CSR communication and reputation and connects the concepts'

influence through social media and the impact during critical events. CSR is additionally associated with the fast fashion industry.

The method chapter discusses the used methods chosen in this research. Qualitative research and thematic analysis are explained and argued as to why the methods are preferred for the study. Additionally, the data collection is explained, and the credibility and limitations of the study are discussed and presented.

The fourth chapter introduces the empirical context of the study. Ready-made garment workers and the critical event in this study, the Covid-19 pandemic, are presented further, and the chosen fast fashion company H&M is introduced more thoroughly.

Following, the data are presented. The data are introduced as a timeline to reach a broader understanding of the development through the events. This leads the reader to understand reputation before, during, and after the critical event.

The sixth chapter includes the analysis and results of the research. The topics are related to the theoretical framework.

The seventh chapter discusses the findings by further relating them to earlier research.

The eighth chapter summarizes the conclusions derived from the research.

After this, the last chapter is a Swedish summary of the thesis.

## 2. Theoretical framework

## 2.1. CSR communication and reputation

Most businesses have been impacted by the present economic, socio-political, and environmental changes (Valdez, 2017). Public thematizations such as pollution, climate change, inhumane working conditions, and unfair economic treatment, together with other aspects, are currently discussed topics. Awareness of sustainability; economic, social, and environmental justice are increasingly essential

aspects in every company to keep stakeholders satisfied (Vogler & Eisenegger, 2021). Corporations are not only concerned about what is legal or illegal anymore. Instead, they strive to fulfill society's norms, values, and beliefs through new actions and outcomes (Auke & Simaens, 2019). Furthermore, research shows that positive changes and developments from CSR activities affect various stakeholders positively (Pérez, 2015.).

CSR as a concept has been complicated to define; the concept is broad and still has no universally accepted definition (Sarkar & Searcy, 2016). Different understandings further complicate this since CSR knowledge and measurements in reporting CSR actions differ in various countries (Khan, Hassan & Harrison, 2020). Sustainable development, also a broad concept, is commonly defined as "meeting the needs of the present generation without compromising the ability of future generations to meet their own needs" and can be viewed as the origin of CSR (Sarkar & Searcy, 2016). Issues surrounding sustainable development led to the creation of 17 sustainable development goals. Corporations started to commit to actions toward sustainable development, which led to voluntary CSR commitments (Sarkar & Searcy, 2016). Nevertheless, the idea of CSR existed before this. The CSR European Commission (2011) defines CSR as follows:

"The process whereby enterprises integrate social, environmental, ethical and human rights concerns into their core strategy, operations, and integrated performance, in close collaboration with their stakeholders."

Sarkar and Searcy (2016) define CSR as follows:

"CSR implies that firms must foremost assume their core economic responsibility and voluntarily go beyond legal minimums so that they are ethical in all of their activities and that they take into account the impact of their actions on stakeholders in society while simultaneously contributing to global sustainability."

Multiple companies have, in recent years, incorporated CSR actions, reports, and communication into their activities. Most are multinational companies; however, SMEs also have and should increase their participation (Valdez, 2017). Companies must change their perspective from viewing CSR actions as an obligation to an opportunity (Kotler & Lee, 2008). Luo, Meier, and Oberholzer-Gee (2011) highlight

that CSR actions can shield companies in times of trouble. Doing well as a company is highly connected to doing good deeds (Kesavan, Bernacchi & Mascarenhas 2013). Being socially responsible positively affects various stakeholders (Vogler et al., 2021). As the public receives more information about issues surrounding multiple corporations, they have placed pressure on companies to find new ways of doing business without harming the surroundings. This has increased the demand for companies to rapidly present new innovative ways to do business (White, Nielsen & Valentin, 2017). Currently, more importance has been placed on the environment from the CSR perspective. However, the social issues surrounding working conditions still need more attention (Auke & Simaens, 2019).

## 2.1.1 CSR communication

CSR communication and reputation influence each other. Being involved in CSR actions has various benefits for corporations and is required by most stakeholders. Therefore, companies should find the proper way to communicate the message to reach their actions' benefits (Du et al., 2010). Companies still overlook CSR communication, although major corporations are slowly increasing their activity surrounding annual reports and other CSR messages to stakeholders (Ziek, 2009). CSR communication is issued to draw attention to the positive achievements of a corporation. This includes social, environmental, and economic actions that can affect various stakeholders' attitudes positively and responsibly. Kesavan, Bernacchi, and Mascarenhas (2013) argue that the effectiveness of CSR communication rests on how corporations communicate their activities to stakeholders who bring companies toward their future goals. This means that it is crucial to understand various stakeholders and their demands.

One crucial element for companies to be aware of is how to choose their specific message channels (Figure 1.), to understand the message and which stakeholders the company wants to reach, selecting the right channel is essential; everything from annual reports to product packaging can be used to reach customers. These are company-controlled CSR communication channels. However, there are other communication channels. Several channels vary in the extent to which the company

controls them. Uncontrolled media channels, such as news articles, blogs, and influencer media channels, can, in the best-case scenario, add credibility to the company since stakeholders tend to be more critical of company-controlled communication channels than less controllable channels. Positive media coverage results in enhanced CSR associations; however, these are only some communication channels companies do not control. Word-of-mouth by stakeholders and customers play a significant role in trust toward actions. Therefore, it is highly recommended to engage customers in CSR discussions. (Du et al., 2010)

Social media channels are widely used ways to communicate about CSR actions. Social media has a broad audience, and companies must understand which social media channels to use for the customers and other stakeholders to reach the company most effectively (Vogler & Eisenegger, 2021). In various social media platforms, the algorithms control what we view on our feed, which is supposed to reach specific audiences (Vogler & Eisenegger, 2021). The target groups are smaller compared to more traditional media channels, which reach wider groups, also those outside the target audience; however, the algorithm-based message on social media channels reaches the specific target audience more effectively by measuring people's earlier social media activity. The specific audience can communicate directly with the company, creating engaged communication between the company and its stakeholders. (Vogler & Eisenegger, 2021)

## 2.1.2 CSR communication and the influence on CSR reputation

Although CSR communication can create a better brand image, it also includes various threats. Companies with active CSR communication have a wider possibility of reaching attention in crises where cases against appropriate CSR actions arise. Most commonly, the media has a negative tone in the news coverage (Vogler & Gisler, 2016). Corporations with good CSR reputations are more likely to draw negative media attention (Luo et al., 2011). Less negative media coverage gives corporations a more positive association than positive media coverage (Vogler & Eisenegger, 2021). Recently, greenwashing has been a much-discussed topic, and stakeholders have a more critical view of companies' communication about

sustainable actions. Gupta, Nawaz, Aldalah, Naveed, Muneer & Ahmad (2021) highlight that to reduce skepticism and communicate dynamic progress, the most important aspect of CSR communication would be to engage with various stakeholders.

Meanwhile, companies should strive for CSR actions and communication; consumers also respond to the actions critically (Vogler & Eisenegger, 2021). Giving false information about companies through social media channels can, in the end, lead to more harm if people find out about distorted information. Perez (2015) highlights that stakeholders view transparency and legitimacy as the most critical aspects of a company's communication to maintain a good reputation (Figure 1.). Previous legitimate behavior also influences stakeholders to expect the same actions in the future; by combining messages, trust grows through transparency (Pérez, 2015).

Furthermore, not all corporations have the same starting point. The previous reputation has an impact on skepticism in future CSR messages (Figure 1.). Perez (2015) argued that earlier neutral and positive attitudes result in better credibility also in the future when negative associations increase distrust. Bögel (2019) expands the research by understanding how CSR communication impacts over a longer time. The expanded study discovered that even companies with bad reputations and companies that, after only one effort to gain a better reputation, still fail to change the perception, gain an advantage, and reduce skepticism by continuously communicating CSR actions (Figure 1.). Companies gain a negative CSR reputation when they are not meeting the self-promoted standards or when they do not meet stakeholder demands (Vogler & Eisenegger, 2021, Miller, Eden & Lii, 2018). Gaining a positive CSR reputation requires social commitment from the company and further acknowledgment of negativity in the prior period (Miller et al., 2018)

Du et al. (2010) divide CSR actions into extrinsic, where companies aim to increase profits, and intrinsic, where measures are taken from genuine concerns. These can result in different reactions from stakeholders. A key challenge of CSR communication is to generate favorable CSR attributions. To reveal companies underlying CSR activities to stakeholders is identity revealing (Du et al., 2010). Even though extrinsic actions create negative and intrinsic, more positive attitudes,

transparency reduces the suspicions of self-serving motives by the company, which has resulted in increased skepticism and creates a positive outcome. In the end, one of the biggest challenges is to reduce this skepticism by understanding how to communicate the message (Du et al., 2010).

## 2.2. CSR Communication on social media

Social media has changed the way companies communicate messages to the public. Customers have a new role exceeding traditional relationships, and companies can create profit through communication on media channels (Figure 1.). Social media enable interactive platforms in a short time for a big audience and immediate feedback from stakeholders (Gupta et al. 2021), and because of this scene, a "match made in heaven" with CSR communication (Kent & Taylor, 2016). As mentioned above, an interactive space creates better trust in customers and is a way of communicating and sharing content, as discussed above. Communicating positive outcomes and debating issues on social media with various stakeholders can increase trust surrounding CSR actions and create discussions (Gupta et al.2021).

The dialogical opportunity gives space for discussion. After companies receive criticism, social media allows for an open conversation with stakeholders and engaging with the critics.

Stakeholders and customers can be divided into two categories. Chu, Chen & Gan (2020) divides stakeholders into opinion seekers and opinion leaders. These differ in the message required. Opinion seekers seek advice when making decisions, while opinion leaders tend to influence opinions. These need a different kind of message to influence opinions.

It has been suggested that CSR communication through social media creates positive attitudes from a consumer perspective. It strengthens consumer-company engagement and improves collaboration (Gupta et al., 2021). Companies can further strengthen their relationships with collaborators by sharing their CSR activities on social media which results in even more trust since companies show genuine interest in CSR actions (Jeff, 2016). Through this, companies can strengthen their corporate

image. Colleoni (2013) suggests that companies do not share an audience. Instead, they create themselves. These networks indicate an interest in a specific organization instead of a generic CSR interest.

Customers have high knowledge of the products and influence attitudes towards companies. These attitudes can spread widely through word-of-mouth on social media. Another crucial factor is the feedback customers offer companies afterward through media channels. This creates stronger customer insights and, with effective communication, creates a rich customer experience. (Ahmad et al.,2021)

Companies should have a CSR communication strategy to derive the best benefits from social media channels (Figure 1.). Companies must understand where the desired stakeholders and customers are reached and what kind of message these customers require. There are various social media channels to choose from and understanding which channels can reach the desired group most effectively is crucial. Additionally, communicating the right CSR message is critical for reaching the desired outcome (Sutton, 2016).

Currently, diverse social media channels create opportunities for companies to interact with various stakeholders. This is one of the benefits of CSR communication on social media. By communicating strong CSR performance through social media and in-depart reviews, companies can be connected with socially responsible consumers, organizations, and attractive partners through these social media platforms (Ahmad et al., 2021). By communicating CSR performances, companies bring the brand more visibility and engage stakeholders in the brand. Social media can create positive emotions when the organization is thought of as a socially responsible one.

The CSR message can also differ from internal to external on social media. Wang (2018) suggests that internal messages, which communicates internal issues and developments, such as employer well-being, etc., would result in greater trust, satisfaction, and commitment to the company.

All communication is, however, not dialogical, which is one of the most significant advantages social media platforms have in communicating CSR actions. Kent and Taylor (2016) highlight that all messages on social media are not a conversation or dialogue. Dialogue requires attributes such as patience, sympathy, trust, openness to

change, and space for improvement. By generating self-centered messages through social media, companies exhibit low interaction and stakeholder content diffusion (Colleoni, 2013). Bad communication practices generate dialogues without alignment, which are more similar to traditional advertising strategies (Colleoni, 2013). For a dialogue, companies need to be able to admit when they are wrong and commit to an effective dialogue (Kent & Taylor, 2016).

## 2.3. CSR communication during and after critical events

During a company timeline, unpredictable events will occur, influencing future business. The earlier actions companies have taken can affect future behavior and events. Hedaa and Törnros (2008) describe events as "temporally specific outcomes of performed acts." Critical events are defined as those that strongly differ from the norm and influence a company's way of response. According to Tidström and Hagberg-Anderson (2012), critical events can be either negative or positive, but these events are the first to create change. Tidström and Hagberg-Anderson (2012) also highlight that these events influence shifts from cooperation to competition in business relationships.

During critical events, the most crucial action is communicating with customers. Especially in questions related to CSR, open communication creates a dialogue that further enables trust between the actors, as discussed in earlier sections. Even in unfavorable situations, these critical events open a possibility for closer communication with stakeholders. The dialogue increases the company's visibility, which, through transparency, can result in the desired results in the long term. (Sutton, 2016)

CSR communication has commonly been thought of as a process from the firm-generated perspective. Companies must understand what kind of communication benefits them during and after critical events (Chu et al., 2020). How the customers receive and resonate with the message is a consumer-generated perspective. The customer perspective of the message must meet with the company perspective to have two-way communication and, through this, create honest communication between them, which is crucial for the companies during critical events to achieve

results from CSR communication efforts (Chu et al., 2020). Earlier CSR communication and actions influence the stakeholders' response to the critical event. However, by communication, listening, and future actions, companies can create better dialogue, and stakeholders can understand which kind of actions the company takes toward better CSR in the future. Nowadays, scholars argue that CSR communication should be multi-sided by listening to various stakeholders and a dialogical approach to gain trust (Etter, Colleoni, Illia, Meggiorini & D'Eugenio, 2018).

After critical events, companies may lose their CSR reputation, even when they previously gained a positive reputation (Vogler & Eisenegger, 2021). Stakeholders adapt to negative associations quickly after negative media attention. Companies that are transparent and communicate effectively about these situations have a good chance of regaining their reputation (Nguyen, Le, Ho & Nguyen, 2020). Furthermore, it is also worth noting that even negative attention can strengthen corporate-stakeholder communication through effective communication, which enhances the relationship between them (Ivanova-Gongne & Lång, 2019)

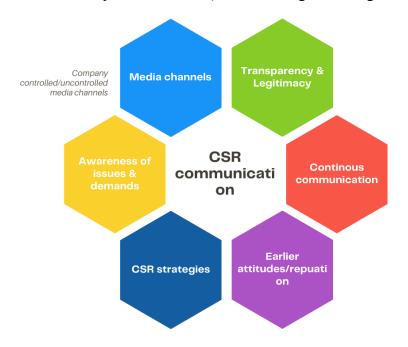


Figure 1. Earlier CSR communication findings

## 2.4. CSR in fast fashion

The fast fashion industry is one of the most frequently criticized industries for its harmful actions against sustainability (White, Nielsen & Valentini, 2017).

Fast fashion has various issues in the supply chain, from manufacturing- and distribution processes to ready products. The supply chains have become increasingly longer with more intermediaries, making it difficult for companies to know the origin of products. By choosing suitable suppliers, companies avoid damage to their reputation (Księżak, 2017). However, even with qualified suppliers, it is impossible for fast fashion companies not to overconsume natural resources and cause damage to the climate. Common issues are that factories spill out pollution created in the manufacturing processes, excessive water usage, and pesticides (Niinimäki et al., 2020).

However, the production issues discussed primarily affect the environment, and another significant impact is labor issues. Companies still constantly move production to countries where clothing is made with low salaries and long working hours. The highly competitive market makes companies pressure workers to produce more clothing in a shorter time (Nguyen, Le, Ho & Nguyen, 2020). The workers are usually uneducated women or children who receive low wages (Wren, 2022). These garment workers risk their health and expose themselves to safety hazards (Nguyen et al., 2020). Because of social issues, the fashion industry is negatively associated with human rights and salaries (Ma et al., 2016). After the Rana Plaza incident in 2013, the entire world noticed the issues surrounding working conditions in garment factories, especially in developing countries. Since then, there have been several improvements, i.e., Bangladesh, one of the most significant garment manufacturing countries, has improved wages and working conditions. Although, the improvements have not been linear. For example, after the covid-19 pandemic, garment workers' salaries were cut again, and many never received their wages at the beginning of the pandemic.

Fast fashion companies come out with new collections on average between 6-25 weeks (Księżak, 2017), depending on whether they are short-season products or regular collections. For example, Zara produces 24 new clothing collections annually

(Nguyen et al., 2020). Tons of clothes are thrown away without ever being used because of overproduction (Niinimäki et al., 2020).

Furthermore, the market is also highly competitive, which lays pressure on the prices (Księżak, 2017), additionally, it continues to be more feasible and attractive to produce garments with the lowest-cost method since people still prefer low-cost products over sustainable ones (Thorisdottir & Johannsdottir, 2020). This results in companies not making drastic changes, even when the media discusses garment workers' ethical issues. Stakeholders increased pressure on companies' sustainable and strategic supply chains.

Especially large companies in the fast fashion industry have developed new actions and solutions for positive outcomes, although, there are still employees, especially in SMEs, who lack knowledge of CSR (Księżak, 2017). Fast fashion companies come out with sustainable collections that mainly support reused materials. Companies have also increased their efforts to improve the recycling processes by allowing customers to bring used clothes to their stores to be recycled further. One company cannot find all the solutions at once, although every company should decide their most desirable goals for better solutions in the future (Nguyen, Le, Ho & Nguyen, 2020). A practical solution would be to create restrictions and requirements for the companies; however, political pressure is thought to be restricted towards the fast fashion industry since limiting overconsumption hurts economic development (Hillier, 2012).

People have accepted that the clothing industry has been built in a specific way for a long time. However, there has been more knowledge of the conditions surrounding CSR and fast fashion in recent years. This has led fast fashion companies to adopt new ways of doing business. Companies must plan their communication strategy to communicate the information to the public. After various greenwashing cases in the industry, stakeholders are increasingly skeptical of better CSR actions. Companies might feel pressure from the possible negative impact CSR communication may have. Additionally, previous negative attitudes may increase the pressure.

Social media platforms effectively communicate in real-time with various stakeholders and annual reports. Depending on the stakeholder group the company wants to reach, the message and platform tend to vary. Annual reports suit better

political and investor groups with economic interests and already have information about CSR and actions surrounding it. Meanwhile, social media platforms with simple and educating messages tend to affect better customers, who might not have the same knowledge as others from before (White, Nielsen & Valentini, 2017). Fast fashion companies use social media platforms such as Instagram to communicate. One example is H&M which has put increasable efforts into communicating about its sustainable clothing collections through several media channels (Sutton, 2016). Especially young people, who tend to be one of the most prominent customer groups for fast fashion companies, commonly use these social media platforms.

## 3. Method

In this chapter, the chosen method is going to be discussed. It will take a closer look at the data collection, discuss the preferred method, and how the data were analyzed, followed by a discussion of the limitations and issues with this research. In the end, it will discuss the validity and reliability of this research. This is to understand better why the specific methods were chosen in this research to minimize the errors and to find the most accurate results and understanding.

## 3.1. Qualitative research

Most commonly, research methodology is separated into two categories: qualitative and quantitative (Ahrne & Svensson, 2015). Even though they are discussed as different methodologies, they are supporting each other instead of excluding each other. Research is usually conducted using qualitative and quantitative data or from a mixed-method approach. The significant difference that is reoccurring is the difference in approach. Quantitative data usually rely on closed questions and answers and give numerical results (Bryman & Bell, 2015). The method is used for hypothesis testing and verification of assumptions. The studies tend to be deductive (Alvesson & Karreman, 2011). The results are objective and leave no space for speculation (Bryman & Bell, 2013).

Meanwhile, qualitative methods usually rely more on words. Qualitative research gives space for individual points of view and interpretation (Bryman & Bell, 2013) and provides space for intuition and exportation. Qualitative research helps to understand the human condition and perception in different contexts (Bengtsson, 2016). Qualitative research emphasizes the diversity of interpretive possibilities and allows the researcher to construct the study.

Qualitative research methods analyze topics such as feelings, experiences, and thoughts, and the methods are generally designed to answer questions related to experience, meaning, and perspective from the participant's perspective (Hammarberg et al., 2016). Qualitative research is commonly used in an inductive way using empirical data (Alvesson & Karreman, 2011). Empirical data can be defined as material from the real world, and the data should further be able to be interpreted globally. The data are based on observations and studies of phenomena. Qualitative data have their strengths and weaknesses in interpretation. All qualitative data include interpretation, although the level of it varies depending on the method and the author's ability to distance (Ahrne & Svensson, 2015).

Since this research follows attitude development and people's experience towards CSR communication through social media, a qualitative method was the most logical decision. Since the attitudes are collected from secondary data such as social media comments and posts a qualitative method gives a better possibility for interpretation.

There are various ways to do qualitative research, and the concept should not be as one. Instead, the concept should be regarded as a category with different approaches (Eriksson & Kovalainen, 2015). These categories have various methods and focus, and research techniques. For example, some common ways are interviews, focus group observations, and many more (Eriksson & Kovalainen, 2015). In this thesis, secondary data are being collected to analyze attitudes and messages from a company perspective. Annual reports and social media content are secondary data, meaning material not created for the research (Bryman & Bell 2013). The answers cannot be found in numerical and closed-up analyses, so a qualitative approach to the study was decided.

Abductive research is explained as an increasingly creative process. The process creates more opportunities to look at earlier data and, at the same time, find new solutions and realizations and give space to intuitive findings. Rinehart (2021) discusses that abduction as a method requires time to familiarize and defamiliarize with the study's evidence. To avoid jumping to conclusions, it is essential to be familiar with the data and have knowledge about the topic. Rinehart (2021) further highlights the importance of backward mapping, where the researcher looks at the logic in hindsight, the method is neither data-driven nor hypothesis-driven. Since this research is both based on earlier research and the expectations are based on earlier findings, and at the same time applicated to new findings, and abductive research was used in this research.

There are multiple ways to conduct and analyze qualitative data, such as content and thematic analysis, this research is using a qualitative thematic analysis. The next part is going to discuss further thematic analysis.

## 3.2. Data collection

## 3.2.1. Decision of the company

The chosen company to be observed in this study is H&M. H&M was selected as the company because of people's wide acknowledgment of this company. In recent years when the discussion of issues in fast fashion has been visible, H&M decided to take various actions and has come out with annual CSR reports. The company's sustainability goals have been drastically updated in the last ten years, and currently, sustainability is one of the main goals (H&M group, 2021). H&M is also active on social media channels, especially Instagram, which will be examined in this research. The company's customer group fits into the chosen social media channel.

H&M as a company is additionally widely discussed with different attitudes. Before the research, I heard several opinions about the company, everything from people with positive attitudes and who classify them as a more sustainable choice to those with negative attitudes.

H&M was one of the companies discussed during the covid-19 pandemic. The company was also one of the companies that decided to pay up for the unpaid products after receiving attention on the actions. This means that the company made efforts to save its reputation and had to speak up for its previous actions.

#### 3.2.2. Decision of the social media channel

As the importance of social media communication is constantly increasing, companies need to understand how communication on these channels can benefit their reputation. Since fast fashion companies do not necessarily communicate their CSR actions through social media channels, although their customer groups could easily be reached through them, this creates new possibilities for companies to regain a good reputation. Social media channels are additionally known for including a wide range of attitudes these can be found through these media channels.

Instagram was chosen as the social media channel to understand customer attitudes and criticism and the positive feedback the company receives for its actions. H&M's leading customer group is young women. Instagram's primary demographic is 18-34-year-old people, which make up 62% of its users. Instagram has over two billion monthly users, and more than 200 million businesses can be found on social media. Fashion companies are one of the biggest businesses found on Instagram. (Aslam, 2022)

Furthermore, the desired attitudes can be found on this page. Instagram also has influencers, other volunteer organizations, and non-governmental organizations that speak up for garment workers who put out messages of attitudes toward fast fashion companies.

Another strength of Instagram is its use of tags and search words, making it easier to find data after deciding on the tags and search terms used for the data gathering.

## 3.3. Gathering and analysis of data

The required data for the research are gathered by observing H&M's annual sustainability reports from 2017-2021. The period was chosen to have enough understanding of attitude development over a few years prior to the pandemic. Between the years 2017-2019, the research follows times before major critical events where no individual event affected the company's reputation over a longer period. The most recent annual sustainability report was from 2021 during the study. The reports are red throughout, focusing on human rights discussions and the covid-19 pandemic. Additionally, to these, earlier crisis responses and comments are noticed.

As mentioned earlier, Instagram is the chosen social media channel in this research. After first researching the topic and finding the most accurate accounts and hashtags that could be useful in the study, these are used to gather public opinions on the researched topic.

The most obvious profile researched was @HM which is the company-controlled profile. Additionally, @cleanclothescampaig, @fash\_rev, and @labourbehindthelabel were used as profiles influencing public opinion. Hashtags used in this research were #payyourworkers, #payup, #payuphm, and #whomademyclothes. Some of the chosen hashtags had been ongoing for years, while others were created especially during the pandemic; all of them are closely linked to the issues in the garment industry during the Covid-19 pandemic.

The research only considers posts where H&M is mentioned in the picture or connected text. In these posts, the comments are noticed and analyzed. Otherwise, possible comments are skipped. The posts, hashtags, and profiles are analyzed from 2017 to 2022. Since certain hashtags were created during the pandemic, these were followed from the time they were created.

## 3.4. Thematic analysis

There are various methods to analyze qualitative data. This thesis is conducted as a thematic analysis of the gathered material. The decision for a thematic analysis was chosen because of the flexibility and possibility of analyzing qualitative data in different forms (Braun & Clarke, 2012). The method allows options for analyzing, identifying, and interpreting patterns and themes in the gathered data (Clarke, Braun & Hayfield, 2015). It can be suited for example for research such as interviews, focus groups, qualitative surveys, story-based methods, and online media sources. Thematic analysis can be conducted as inductive, abductive, or deductive. This research will take an abductive approach since the study is made by first gathering the usable material, and from this research is collecting new observations, where qualitative thematic analysis fits in. Furthermore, unique patterns and findings are detected, and the study leaves room for creativity, speculation, and exploration. Because of this, the research looks both backward and forward.

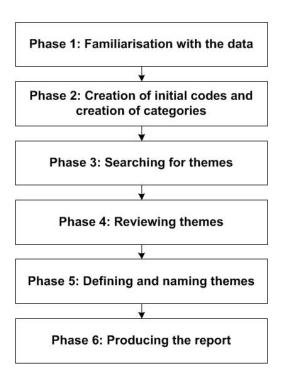


Figure 2. Herring (2015) Thematic analysis phases (adapted from Braun and Clarke, 2006).

Thematic analysis can look different depending on the analyzed material. Terry, Hayfield, Clarke & Braun (2017) identify thematic analysis in six steps (Figure 2.) that fit the study of the specific data for the research. The researcher should start with familiarization with the data. The researcher should not just read the data; instead, finding patterns, occurring themes, and questions that arise throughout the reading should be written down and recognized. The analysis continues to the coding phase of the data. This needs an even closer and more detailed engagement with the data and creates a deeper immersion into the data. During this stage, the researcher discovers patterns in the gathered data. (Terry et al., 2017)

Further from these codes, various themes are created. The codes are collected and reorganized into decided themes. Unnecessary codes and data can be rejected if the data is irrelevant to the research questions. These themes are just preliminary and additionally flexible for change, and reviewing these themes is a crucial step in the analysis. These themes are reviewed and given names; the final phase is producing the report.

## 3.5. Credibility and quality of the research

For transparency reasons, it is essential to look at the credibility of this research. Most commonly, quantitative data are measurable to prove validity and reliability (Bryman & Bell, 2015). It is questionable if quantitative research is comparable in being analyzed to qualitative data. Qualitative research does not search to develop generalizable findings (Ahrne & Svensson, 2015). Instead, qualitative data are commonly used to investigate certain phenomena to increase knowledge and understanding (Eriksson & Kovalainen, 2015). Qualitative methods also have a weakness in replication because of the research's flexibility. The researcher can decide what to concentrate on, which further impacts the study's outcome.

Using thematic analysis in this thesis creates credibility by evaluating the material constantly throughout the analysis process. The researcher should also take a neutral

perspective on the material, although the researcher's attitudes can never be excluded entirely from the analysis in qualitative research.

This research is looking specifically at one company. The data used in this research is public secondary data available to everybody. This creates a possibility for transparency. The data are also neutral since the people with attitudes are unaware of their comments being used in research. From an ethical point of view, gathering this material without the people being aware was thought of. These comments and posts are gathered from public profiles and pages on Instagram, and those who post on these pages are aware of them being public. All the gathered material was on public profiles available for everyone. Since studies for a specific company can harm its reputation, the public material reduces the impact this thesis might have on its reputation.

The found data are constantly compared to earlier research during the process for better credibility and a critical view of the gathered material.

## 4. Empirical context of the study

## 4.1. Ready-made garment workers

Female workers highly dominate the ready-made garment industry. The workers are usually young, uneducated women, making them a fragile group since they have few opportunities to work in other sectors and have low socioeconomic status. The fast fashion industry uses the workers' vulnerable position to push down their rights and limit bargaining power (Kabir et al., 2020). This results in garment workers having low salaries, long working hours, and not an ensured health and safety environment. The garment industry also produces clothes with high profit, which means they pay lower salaries, and the production cost is cheap, although the profit for the clothes is high (Księżak, 2017).

Even though there have been improvements in the recent decade toward better working conditions, there are still several concerns in the garment industry. The pandemic proved that garment workers' rights are easily dragged down because of their low socioeconomic status during critical events (Kabir et al., 2020). These women have, for several years, tried to create trade organizations to have better opportunities in the future. Furthermore, various factories have denied these organizations, and women have been raped, killed, or fired because they attempted to improve their working conditions and human rights. During the pandemic, these workers went out on the streets to demonstrate their rights after the factories were shut down and they did not receive their payments. Authorities commonly shut down these demonstrations, and real change was unfound.

Ready-made garment workers' rights are improved by new regulations that countries include, although there have been issues with these (Prentice, De Neve & Ruwanpura, 2018). During the controls, the conditions at the factories are different from normal, and because of this, factories do not show the real issues, and the results are distorted (Brown, 2021).

Recently, also other initiatives, such as demonstrations, have occurred, and non-governmental organizations that speak up for garment workers' rights (Ahmad et al., 2021). Different movements have impacted people's attitudes and acknowledgment of the situation. During the Covid-19 pandemic, Ayesha Barenblat started the hashtag #PayUp, which was meant to shed light on the lack of payment from fast fashion companies during the pandemic and highlight who had paid back the money (Brooke, 2020). The hashtag gathered thousands of signatures and, in the end, had a considerable impact; already, in 2020, an amount of 15 billion dollars was paid back to garment workers due to the campaign (Brooke, 2020).

## 4.2. The Covid-19 pandemic

Coronavirus disease (Covid-19) broke down in 2019 in Wuhan, China. At the beginning of 2020, the virus started to spread globally, and on March 11, 2020, World Health Organization (WHO) declared it a pandemic. The virus influences individuals in multiple ways, from mild symptoms of fever, shortness of breath, and coughing to severe symptoms that can even be fatal, primarily affecting the older

population (Zhou, Zhan & Qu, 2020). The pandemic affected countries differently since governments decided to try out country-specific measures. Most countries chose to establish lockdowns that affected both private persons and companies. People lost their work and incomes, or incomes were cut drastically.

This affected buying behavior, that in the end, affected stores. Consumers' buying behavior has become more conscious and is moving more to digital channels over physical stores (Nurnafia, 2021). Furthermore, the change was not only from the side of demand. Companies also had issues with the supply side since suppliers had problems with deliveries and transporting between countries became more complicated because of the restrictions (McMaster, Nettleton, Tom, Xu, Cao & Qiao, 2020). In Ernst & Young's research from 2019, only 21% of 500 global board members and CEOs believed their companies were prepared to respond to a large adverse risk.

The covid-19 pandemic can be is a critical event from various perspectives. It brings exceptional circumstances to everyone. People change their behavior, which can be a shock in the short term and lead to long-term circumstances since the pandemic continues after a few years and is affecting our future operations. Furthermore, the covid-19 pandemic affected companies as a critical event. It changed the way we do business and taught new patterns for companies. Companies responded to the pandemic and discovered their solutions. Even though the pandemic can be a negative event initially, it might have further led to new, more effective ways of business that can benefit companies in the future.

## 4.3. H&M and ethical actions during the pandemic

H&M is a fast-fashion company with 4,242 stores in seventy-five markets (Sustainability report, 2020). H&M has additional online markets available in fifty-four countries. Online stores were improved during the covid-19 pandemic, and sales grew online; meanwhile, various physical stores were reduced. The company was created in 1947 by Swedish Erling Persson and is 2022 owned by Stefan Persson. The company mainly creates clothes, accessories, footwear, and cosmetics for

women, men, children, and teenagers, although its most important customer group is young adults. H&M wants to make affordable clothes for everyone.

Furthermore, H&M also creates collections with famous influencers that are pricier. The company has outsourced about 800 factories in Asia and Europe (Forbes, 2022). As fast-fashion companies produce enormous amounts of clothes in a short time, H&M also produces clothes in surplus. Additionally, the company launches 12 to 16 collections annually which are refreshed weekly.

H&M is a part of the H&M group, which includes companies H&M, COS, &otherstories, Monki, Arket, AFound, and H&M home. H&M Group also consists of a separate legal entity H&M Foundation which was initiated in 2013 and is concentrated on sustainability issues and improvements. The sustainability reports are made for H&M Group (H&M sustainability report, 2020).

H&M has gone through a rough patch with several negative events that affected its reputation. There have been incidents where factories collapsed, the company used child labor, and several chemicals impacted people inside factories. Since 2002 H&M has had annual sustainability reporting. In 2016 H&M Group adopted SDGs as its primary goals. The company made a renewed strategy to reach the new goals and started with annual sustainability reports. H&M group's present sustainability reporting in 2022 includes Annual and Sustainability reports, which provide information for Statutory Report, Financial Report, and Corporate Governance report. H&M Group further complements these with Sustainability Disclosure. H&M measures its sustainability performance by its Index Code of Conduct, where 100 is the maximum score for responsible behavior. The company follows the guidelines of GRI in its sustainability reports.

H&M is currently one of the leading CSR companies by constantly developing and running the company according to its values, satisfying its goals, and maintaining this reputation for stakeholders. The company also highlights the importance of communication for a transparent outcome with understanding. H&M strives for transparency and to maintain an ethically responsible image. In 2021 the company was ranked second in the Fashion Transparency Index, which included 250 fashion brands (H&M Sustainability report, 2020). H&M follows the Agenda 2030 guidelines and strives to safeguard humanity and the planet.

H&M had had issues earlier with promises for improvements. The company started 2013 a campaign that promised to pay 850 000 workers enough for a living wage by 2018. However, when the deadline arrived, H&M could not promise that a single worker had reached the promised salary. Furthermore, H&M claimed the campaign had been a great success. This received media attention initially, although the attention fast faded away. (Clean Clothes Campaign, 2019)

H&M's tier 1 and tier 2 production supply chains contribute to employment for approximately 1,5 million people. The company claims in its annual report to constantly inform the workers of their rights and educate them about human rights and working conditions. H&M base its human rights approach on UN Guiding Principles on Business and Human Rights – Grievance mechanisms and incident management and expect its partners to have the same guidelines. H&M's present suppliers and partners have to agree to sign the Sustainability Commitment and Code of Ethics. The company develops its strategies on a county-based basis, meaning following national contexts and legal settings in each country. Additionally, H&M strives to increase wages in specific countries. (H&M Group, 2020)

H&M has made a significant effort in the recent decade to change its reputation. The company has made considerable efforts in its CSR communication, and the efforts have been successful. H&M has gained recognition for its actions and has been nominated as a sustainable and conscious company by several organizations. (H&M Group, 2020)

## 4.3.1 H&M during the pandemic

When the pandemic hit on a global scale, H&M was one of the several companies that decided to close its orders. Canceling the orders led to the factories not receiving money for the produced products, and they had to shut down and send the employees home without payments. This information reached the public fast. Since H&M is known as a conscious company that has made efforts to change its reputation to a sustainable one, the unethical actions could be received as a move backward in development for ethical development from a stakeholder and company perspective.

The media was active in reporting fast-fashion companies' actions during the pandemic, and H&M was recognized especially because of the high expectations from earlier communication. H&M responded to the criticism in multiple ways. As the company highlights transparency and openness in its sustainability reports, this is also expected from the company. In June 2020 Independent released an article about the canceled orders that affected Indian workers (Crump, 2020). H&M refused to take responsibility for the action, although the company accepted the incident. Additionally, H&M blamed its actions on the Covid-19 pandemic and claimed that the outcome was uncontrollable.

Even if H&M first denied its involvement in the outcomes of the canceled orders, the company was a pioneer of companies that promised to pay the total expenses for the canceled clothes (Pay Up Fashion, 2020). Furthermore, Fashion Revolution crowded the company during 2020, the most critical Covid-19 impacted year, number one in their Fashion Transparency Index (Fashion Revolution, 2020).

H&M foundation donated 500,000 USD to the COVID-19 Solidarity Response Fund. By this, the company supported the work towards conflicts of the pandemic. Additionally, H&M supported healthcare workers in Sweden, Spain, and Italy by donating healthcare equipment.

In the sustainability report from 2020, H&M does not mention its lack of payment. Instead, highlight its fast actions toward the pandemic and its support for the most vulnerable employees in their chains (H&M Group, 2020). H&M recognizes that their supplier's wage system needs to be further improved by clear incentives and requirements in the future.

H&M additionally cooperates with diverse, sustainable programs and organizations. The company is active in International Labor Organization (ILO) Call to action. This goal is to create a social protection system and strengthen national social security for garment workers in the long term by exploring new creative options (H&M Group). Together with Sustainable Impact Partnership Programme (SIPP), H&M aims to make constant progress towards the 100% goal of Tier 1 supplier units completing with Higg Facility Environmental Module (FEM) and Higg Facility Social and Labor Module (FSLM). (H&M Group, 2020)

# 5. Data presentation

This part of the thesis will discuss H&M's communication before and during the pandemic and look at how this communication currently affected people's attitudes toward the company.

The research was conducted by following annual reports between 2017 and 2022, and by looking at attitudes and responses customers and stakeholders gave the company through the app Instagram. The research does not include Instagram stories caused of the short time of visibility, only 24 hours. Since the research was started in February 2022, this would not have been available for the whole time, which is why this material was excluded from the study. Further, it is worth noticing that this report concentrates mainly on H&M's actions surrounding human rights issues. H&M constantly reports about its CSR actions surrounding materials and the environment. This is detected and slightly discussed from a communication perspective in the research. However, it is not investigated in depth. The Instagram posts included in this research only include posts where H&M is mentioned either in the picture itself or in the text under the image. This means there might have been comments about H&M in photos not included in the research.

#### 5.1. Communication before the Covid-19 pandemic

## 5.1.1 Annual sustainability report 2017

H&M describes itself as one of the garment industry's pioneers in annual sustainability reports. Since 1998 the company has published reports and progress details. At the beginning of 2018, H&M published its annual sustainability report for 2017. From a sustainability perspective, H&M concentrates on reaching the five-year goals with a 100% fair living goal that was meant to be achieved by 2018.

At the beginning of 2018, H&M published a commercial where a black child wore a pullover stating, "Coolest monkey in the jungle." This was an issue from an equality and racism perspective. Since the company alleges to be equal, the public received this negatively. The annual sustainability report included attention to human rights and even mentioned, "In early 2018, a Global Leader for Diversity and Inclusiveness was appointed within H&M group to drive our ambition to be stewards for diversity & inclusiveness forward.". This comment was rare since it mentioned actions made in 2018 in the report discussing the previous year. This was the fastest way for H&M Group to respond to the event by including responses as fast as possible, even though the report did not aim to further discuss actions during this time.



H&M GROUP SUSTAINABILITY REPORT 2017 54 OF 100

H&M has been recognized for its constantly evolving theologies for cleaner production with a reduced environmental impact in its supply chain. The sustainability report included environmental impacts with graphs and relevant numbers that inform stakeholders about the company's current situation at the time of the report.

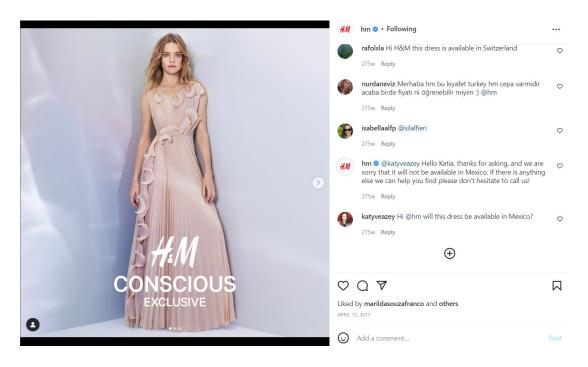
This report included much talk about human rights. H&M had ongoing the final year of its fair living wages strategy ongoing. These goals promised that supplier factories representing 50% of product volume should use the Fair Wage Method by 2018, and

90% of business partners should regard H&M group as a fair business partner by 2018. The most discussed human rights issues in the report were subjects improving issues in H&M's supply chain by detecting Tier 2 and 3 partners and understanding working conditions and wages. The company also recognized the problems with health, education, and unfair wages for the supply chain workers.

Other noteworthy mentions of supply chain issues and human rights are the company's high activity in SIPP and Higg activities. H&M has ongoing projects on multiple sustainable levels and partnerships that lead them to reach its sustainability goals. The sustainability report is highly concentrated on the future and the goals H&M has already achieved, which are in the reports highly measured by its success in various awards and recognitions.

## **5.1.2 Instagram 2017**

In 2017 H&M was already a widely discussed company. Various non-profit organizations were created after accidents, such as Rana Plaza 2013; these organizations have already, from their launch, concentrated on fast fashion companies such as H&M. Positive and negative posts and discussions about the HM group's fair living wage goals were already discussed as a topic. People were skeptical about the success surrounding goals and promises for the following year. This led to discussions about greenwashing from social media users.



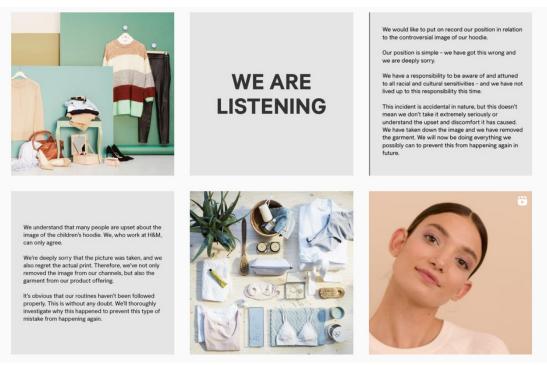
Picture 2.

On H&M's own Instagram profile, sustainability talk was overall limited in 2017. In April 2017, H&M launched a conscious collection. No further information about which part of production made the clothes conscious was public in these posts. For picture 2. the overall reaction and comments on the posts were positive and enthusiastic about the progress and access for consumers to make more conscious purchases. The number of comments was noticeably higher than on an average post, and the majority was positive. Although the comments mostly considered the clothes or where people could find them in a specific region, various comments directly commented on sustainability attitudes. One example is the user @esthermd22, who asked how to find especially consciously made clothes on H&M's website.

## 5.1.3 Instagram 2018

In 2018 the public expected H&M to have achieved the promised goals of fair living wages. In HM Group's annual sustainability report, the company announced reaching its goals and declared the campaign a success. The campaign had been somehow misleading since the outside criticized the company for not achieving its

goals and neither giving answers about the current situation. H&M's goal was not fair living wages for 100% of the workers, although the public had expected this. Clean Clothes Campaign highly recognized H&M in 2018 by demanding fair living wages for garment workers and criticized the company for not reaching its goals until 2018. The organization has a broad audience and followers on Instagram. This means its opinions and posts negatively impacts H&M through social media channels. The posts gathered comments agreeing with the Clean Clothes Campaign's view of the situation.



Picture 3.

Another topic surrounding H&M this 2018 was the scandal where the company published a commercial where a black child wore a pullover stating, "Coolest monkey in the jungle." This launched discussions on Instagram and media platforms overall. People with small private accounts to influencers with thousands of followers had opinions about H&M's mistake. This was an immediate response towards H&M and the company's promises of inclusion and a non-racistic environment. Since H&M had responded to the criticism on various media channels, people also discussed H&M's response on Instagram. H&M had claimed the

commercial was a pure coincidence, although furthermore admitting this was a mistake that should never have happened. Social media discussed widely how this mistake could have gone through various people unnoticed.

H&M apologized for its actions on Instagram with three posts seen in picture 3. The company admitted its mistakes and informed the removal of the picture and pullover production. Additionally, H&M stated that the situation was investigated to prevent similar problems from occurring in the future.

The second post takes more responsibility for the issue and apologizes again for the situation, still stating it is a mistake. The posts are similar, although written in different tones. The first is apologizing, while the second is more serious and forward. The third post stated that the company was listening and learning.



Picture 4.

CSR communication through H&M's Instagram channel was limited during 2018. In June 2018, the company posted a shirt with the text "equality" and wrote, "Love for all. Always." (Picture 4.) This is a statement of H&M's values which is also mentioned in the annual sustainability reports in the chapter, the goal to reach 100% equality for everybody. More information about the company's equality values cannot be found on Instagram. However, H&M's sustainability report includes

information about providing fair jobs, inclusive workspace, and encouraging diversity and equality in the company. H&M strives to take action for a more gender-equal leadership approach, discussing better rights for garment workers with governments. H&M additionally participated in Anti-Racism Networks and had internal training opportunities for the employees.



Picture 5.

Additionally, H&M published in April 2018 a new conscious collection as in the previous year. Through social media, the educational level of the conscious collection was limited. H&M states that its collection is conscious without elaborating on which parts of the production process make it conscious (Pictures 5 and 6.). The comments were once again primarily positive, and people wondered where these products were available.



Picture 6.

# 5.1.4 Annual sustainability report 2018



Picture 7.

The year 2018 had a big goal for HM Group in reaching the goals for fair living wages. This was discussed broadly in the report, although in difference to the public

opinion on social media, the goals were achieved on every level, and the company discussed them with pride. H&M promised to continue with development by continuously increasing wages in the system since it is one of the most critical human rights issues in the garment industry. Together with the UN and global workers' trade unions, H&M was finding new solutions for the issues worldwide. H&M did not answer the criticism specifically from the public.

In the report, the company highlighted the enormous issues in the supply chain and explained how it's constantly improving its actions for the better. Additionally, H&M discussed the weight of education and increasing awareness among garment workers about their rights and representation in their workplace.

The "Coolest monkey in the jungle" incident was discussed further on this channel. H&M tackled the incidence on social media through responses and discussions. Additionally, it received recognition in its annual sustainability report. The company wrote the following.

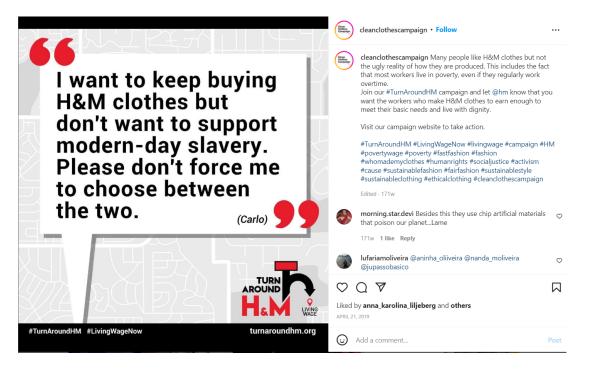
"In 2018, we intensified our continuing work around inclusion and diversity. One of the reasons was the key learning from the children's hoodie, which many perceived as racist. This was unintentional and consequently had to be addressed comprehensively. As a result, we have increased our emphasis and attention to our inclusion and diversity work. During 2018 we updated our strategy on inclusion and diversity and broadened the scope of our ambitions. We use our size and scale to advance inclusion and diversity towards our customers and the communities around us. An important step in implementing our strategy was the roll out of a new training programme on inclusion, diversity and unconscious bias, which raises awareness and helps us shape our goals, as well as identify improvement areas."

The report was released a year after the incident, and by this, H&M ensured that the company still took the situation seriously. Additionally, the company informed how it would develop actions to ensure these situations would not occur again.

Furthermore, it is worth noticing the different tones in writing addressed in the company's annual report compared to H&M's Instagram. HM Group has a more educational view of sustainability and explains its processes and why the company does them.

# 5.1.5 Instagram 2019

As a significant actor in the garment industry, H&M received 2019 attention from non-governmental organizations, such as the Clean Clothes Campaign, on social media. After the goals for 2018, the activism surrounding living wage issues continued, and posts criticizing H&M received attention from the public and reached a broad community. Clean Clothes Campaign additionally encouraged people to pressure H&M's shareholders to take the company in the "right direction" and increase wages (Pictures 8 & 9).

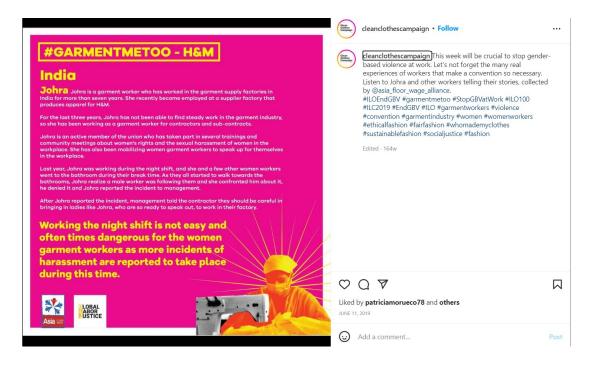


Picture 8.



Picture 9.

Especially Clean Clothes Campaign additionally focused the spotlight on H&M in sexual harassment cases in factories (Picture 10.). The profile used the hashtag #garmentmetoo.



Picture 10.

In April 2019, H&M launched a new conscious collection. The attitudes toward the collection were divided. While the majority received the collection with a positive attitude, there were exceptions. As found in the previous year's sustainability report, H&M had made efforts for new innovative ways to create sustainable solutions in garment production. Since the topic is complex, this reached negative attention. People were skeptical about H&M classifying itself as more sustainable, although producing clothes in vast amounts and unethically. This led the public to have discussions about greenwashing.



Picture 11.

On H&M's Instagram profile, the sustainability reporting was limited. H&M came out with a conscious collection that mainly received positive attention from the public, although it also received negative attention. The post in Picture 11. received comments from @inventoress criticizing the material used, and other comments discussed issues as if it is too late to make changes and how H&M encourages people to buy fast fashion. Certain comments were a mix both of positive and negative attitudes, as one example from the user @meladmelat, who was optimistic about the improvements, although she continued her statement by commenting, "next step: fair

wages and good working conditions.". Certain comments were also purely negative, such as @zanna\_za\_zan recognizing the environmental issues and the issues in working conditions "...The low prices also suggest that you don't pay your garment workers a fair wage. Not only are you harming the environment with the vast amount of waste but you're also harming those who work for you and misleading customers...".

Compared to the previous year H&M included information about what makes the clothes conscious in 2019. This collection was made from recycled or sustainably sourced materials and as picture 12. shows, these posts also gathered negative comments. In the post (picture 12.), people were asking H&M who made the consciously produced clothes, although, the majority of the comments received the collection with positive attitudes.



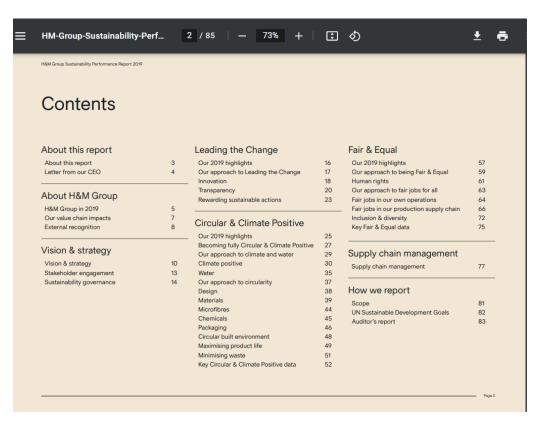
Picture 12.

# 5.2. Communication during the pandemic

This part concentrates on Instagram and HM Group's annual sustainability reports during the pandemic. Since the report of 2019 was published at the beginning of 2020 and already includes information about the Covid-19 pandemic and the impact it had on H&M's actions, it is included in the following segment.

# 5.2.1 Annual sustainability report 2019

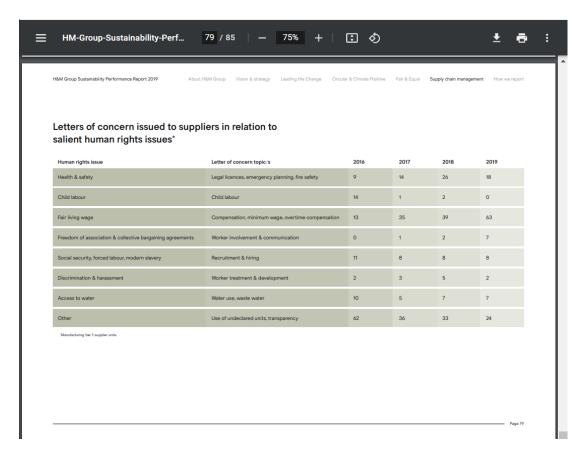
HM Group published its annual sustainability report at the beginning of 2020. The company's CEO changed in 2019, and there were new directions and challenges upcoming for the company. This was visible in the annual sustainability report. The development of new materials and environmental impacts were discussed more broadly; meanwhile, human rights issues received less attention. The report still discussed ongoing problems in the supply chain and factories, recognizing human rights and equality. However, the primary concentration in the report had moved to environmental impacts and materials.



Picture 13.

At the time the report was published, the Covid-19 pandemic was already a global pandemic. However, the situation was still new, and nobody knew how the pandemic would affect daily lives and companies. The company recognized this and admitted that the future looked unsure, and that H&M would take the best actions in the situation.

Compared to previous reports, the report included more numerical information and detailed information about increased or decreased wages, emissions, and other measurable sustainability information. These created an additional trust for the company through increased transparency. HM Group did not hide worsened numbers and discussed the development in the future.



Picture 14.

From Picture 14. stakeholders could detect letters of concern for fair living wages which had increased from 39 in 2018 to 63 in 2019, while health and safety concerns had decreased from 26 to 18, even though the public criticized the factories for poor health and safety conditions. Freedom of association and collective bargaining

agreements increased from two letters in 2018 to seven in 2019, influencing the awareness of the factories' issues.

Transparency in the company had also been increased in the discussions, and an effort for an increasingly positive reputation with more transparent communication was an important goal. HM Group stated in the report.

"Trust takes time to earn and is easily lost. We hope that by consistently sharing information about our impacts, challenges, progress, business partners, and products, we can continue to build and maintain relationships with our many stakeholders based on open dialogue and mutual respect."

## 5.2.2 Instagram 2020

2020 was an uncertain time for everybody. People had increasingly more time to be on social media and find new ways to educate themselves. People participated in inequality and human rights issues and discussions and posts could be found on various media platforms, as well as Instagram.

H&M announced early in the pandemic its intention to pay back all unpaid orders made and produced before the pandemic without changing prices or orders. Before the announcement, there had been only a few concerns about actions H&M would take during this time.

For the first months, H&M was appreciated by people or left without attention in a negative light. The fashion revolution and Clean Clothes Campaign published H&M's attention to pay back, which received positive attention from the public, and people reposted posts leading to increased positive attention surrounding the company. Picture 15. is a repost from a Fashion Revolution post from 2020. Earlier discussions concerning labor rights, harassment, and wages surrounding H&M were left unnoticed in the unstable situation for garment workers, and other fast fashion companies received more attention until the autumn of 2020.



Picture 15.

During August 2020 wage discussions received additional attention. Companies had decreased wages for garment workers during the pandemic, and H&M was one of these companies. Clean Clothes Campaign was already known for easily giving H&M negative attention. In autumn 2020, the attention was heavily placed on H&M. This received attention from the followers and the public overall, which is why the posts were reposted on Instagram. The Fashion Revolution, another profile that recognized H&M's actions, rarely mentions companies, instead, the profile has an educational approach to discuss issues in the fashion industry. During 2020, Fashion Revolution discussed and mentioned H&M in a negative way. The profile had an active audience during 2020 and mentioning H&M strongly associated the company with negative attitudes.

The wage discussions led to a new movement and hashtag, #payup. The hashtag demands companies pay up decreased wages and give living wages to garment workers and is often associated with pictures of the garment workers holding a white

paper with the writing #payup, which shows garment workers' initiative to improve their situation. Stories about a specific person and their life are often added to these stories, these are educating people on the reasons wages immediately need to increase. This hashtag has been additionally used in other industries.

One of H&M's garment workers was harassed and killed in 2020 which gained some attention on social media. The factory had repeatedly been reported for harassment towards garment workers, which continues to occur in the factories. This received H&M's negative attention since even with public responses, the situation had not improved in time. Discussions awoke repeatedly after knowledge about garment workers daily risking their lives attending to the factories. These discussions were ongoing already prior to the pandemic, although they had disappeared for a while during the beginning of the pandemic.

At the end of 2020, various factories called the employees to return to the factories without safety regulations or options; if they did not return, they lost their work. Factories that produced clothes for H&M called workers back in these conditions, which was also noticed on Instagram. People were frustrated about how factories treated their workers and did not offer a safe environment.

#### 5.2.3 Annual sustainability report 2020

The annual sustainability report from 2020 concentrated on innovation, materials, and the environment, as in the previous year. The report additionally included information about human rights, equality, and wages, although in a more minor issue than earlier. The focus was once again on transparency and how to reduce the impact on the environment.

As expected, the report discussed widely the issues that appeared at the beginning of the Covid-19 pandemic, actions taken, and how the business was affected by the new challenges. HM Group ensured to follow regulations and, in various cases, took extra measures, such as closing stores even before the regulations arrived and having a close dialogue with authorities in every country to guarantee the best outcome.

"Our first priority was employee and customer health and safety, and we cooperated closely with the relevant authorities in all markets. Our global crisis team coordinated efforts, collaborating with local teams to work with colleagues, customers, suppliers, landlords and communities"

HM Group further recognized how vulnerable garment workers were during the year and how the company had made efforts to help the most vulnerable.

"This vulnerable group has been hugely impacted by the effect of the pandemic on the ready-made garments sector. Efforts by H&M Foundation's partners CARE, Save the Children, and WaterAid have reached almost 100,000 women. In addition, 1 million people in Bangladesh have been reached with messages on COVID-19 and good hygiene practices."

During the year, H&M received negative associations on social media, and this was not explicitly mentioned in the report. The report focused more on the good deeds HM Group had made to help the vulnerable groups and the pride in taking fast actions that followed the company values, i.e., promising to pay for orders.

In 2020, H&M scored number one in fashion revolutions' most transparent fast fashion company among 250 companies, gaining recognition for this nomination. H&M had misinformed information on the media channels stating the company was the most sustainable fashion company, which was false. For this, H&M apologized both on its social media and sustainability report. Additionally, the company gathered other awards related to its environmental actions, innovation, and transparency. The transparency mainly surrounded H&M's environmental impacts, although also recognized the company's actions surrounding human rights issues.

H&M's impact on wages was included in the report separately for specific countries with garment factories. The company was transparent about the decrease in wages in the majority of the countries and gave reasons that were mostly affected by factory closures. H&M Group additionally stated its constant efforts with factories, especially in Tier 1 and 2, to reach wage management more efficiently in the future.

"We're working to improve wage management systems at our suppliers' factories based on our belief in equal and competitive compensation for work of equal value."

HM Group additionally highlighted that the wages reached the minim wage even after the decrease. Since HM Group had made efforts for the salaries to increase in the previous years, this issue was left with lesser attention.

#### 5.2.4 Instagram 2021

During 2021 H&M received negative media attention primarily through Instagram. The discussed topics that started at the end of 2020 increased explosively at the beginning of 2021. H&M was criticized for decreasing wages and bringing people back to factories in unsafe conditions, and discussions about trade union representation received attention. Labour Behind the Label posted, among others, about H&M during valentine's day (Picture 16.). These posts spread through Instagram during that time. The lack of continuous communication in previous years negatively affected these discussions and the situation could have been less harmful by addressing the complaints.



Picture 16.

H&M had, in its last annual sustainability report, claimed to have helped the health authorities and garment workers receiving the vaccination. While this was true, most garment workers had no vaccination, which received criticism towards H&M. People

went as far as claiming H&M for greenwashing. This was also due to H&M stating the company as a sustainable company on its Instagram. In contrast, people with an interest in sustainable production responded by criticizing H&M for still taking actions that were not sustainable, especially in overproduction and human rights issues.

The hashtag #payup continued to grow as in the previous year, and @cleanclothescampaign was one of the most active users of this hashtag (Picture 17.). During 2021 smaller private profiles increasingly began to repost more of these hashtag-related posts, which additionally led the posts to spread fast and reach a broad audience rapidly (picture. 18). The hashtag received repeatedly increased attention when information about H&M's salary for its CEO became public. People criticized the enormous wage inequality, with the CEO gaining considerable compensation while garment workers could not reach living wages.



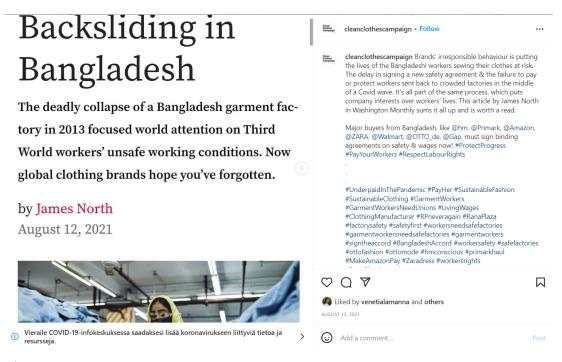
Picture 17.



Picture 18.

During the year, a new Accord for Health and Safety in the Textile and Garment Industry was created. This accord was created as a successor to the Bangladesh Accord from 2013. It ensures better conditions for garment workers as garment workers still have health issues, are verbally or physically abused, or work in unsafe working conditions overall (Kuenneke, 2022). The accord binds companies and trade unions together to strive for better conditions.

Additionally, this accord entails free access to inspect factories (International accord, 2022). H&M received, in the beginning, negative attention (Picture 19.) while refusing to sign the accord. After signing it, the attitudes and mentions on Instagram changed quickly to positive associations.



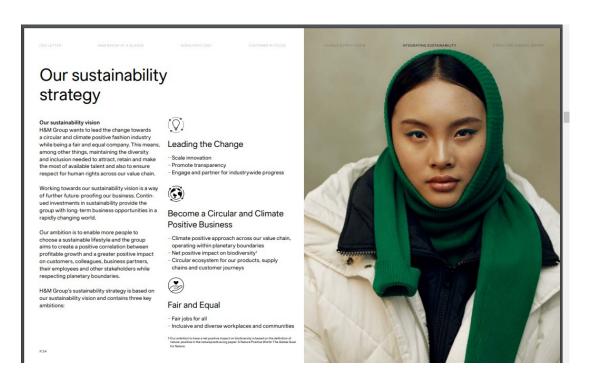
Picture 19.

# 5.3 Current response to the communication

## 5.3.1 Annual sustainability report 2021

HM Group published its annual sustainability report 2021 at the beginning of 2022. This is the most recent annual sustainability report in this research. This was the first year that HM Group decided to integrate its annual and sustainability report into one. The decision was made since these reports should be combined as one instead of two separate reports and highly influence each other, as sustainability should be the core of any action in companies.

As in the previous years, the sustainability discussions and actions were concentrated on product development, environmental actions, and transparency. H&M scored high in many attention awards, especially in product transparency.



Picture 20.

The widely discussed International Health and Safety Accord that H&M first refused to sign was discussed in the report. H&M stated its involvement in the international accord, which the company signed with trade unions and other brands. H&M discussed how the accord would guarantee safe work environments in Bangladesh, among other things. The report discussed the positive effect, and any notice of H&M's hesitation for the accord was not recognized in the report.

In 2021 H&M received the most negative Instagram attention during the five years researched and this was slightly detectable in the sustainability report. The Covid-19 pandemic had a minor part in the report, although H&M had included learnings from the current years. The company recognized that it must be able to protect the most vulnerable in the supply chains, which meant the garment workers. H&M identified issues with wages and required suppliers to perform better in the future for the workers' sake. HM Group stated wanting to re-examine its role in the future. HM Group was satisfied with its actions during the years of the covid-19 pandemic according to the report stating.

Development in 2021 was like the previous year impacted by the negative effects of the Covid-19 pandemic. As a result of the H&M group's transformation work and

many years of investments, the company proved to be well equipped to handle the great challenges that the Covid-19 situation brought and showed great resilience to what can only be described as an unprecedented challenge for the industry. The H&M group acted with the safety of employees and customers as its top priority.

Due to the issues in the supply chain, HM Group had made efforts for increased social dialogue at every level of the company. The company increased its trade union representation by 37%, wanted to emphasize human rights in every action, educate women about their labor rights and offer possibilities for women's education and leadership inside the company.

To evolve its actions, HM Group engaged its stakeholders for actions and discussed with policymakers to develop the business in the "right direction" in the future. HM Group defined its focus on offering fair jobs as follows.

"Our focus is on ensuring fair jobs with fair compensation and benefits in safe, secure workplaces free from discrimination, where everyone has the right to freedom of association and equal opportunities to develop. Our approach is informed by the International Labour Organization's definition of decent work, our Human Rights Policy and the UN Guiding Principles for Business and Human Rights, among other things."

#### 5.3.2 Present social media attitudes

During 2022 posts about the covid-19 pandemic diminished slowly and the few posts that occurred were usually not related to H&M. A few posts discussed the pandemic combined with H&M's actions during the time.

The most reoccurring topic discusses wage issues. The hashtag #payup is still in 2022 widely used, although not associated as strongly with issues affected by the covid-19 pandemic, as the hashtag is used for increasing wages and ensuring actions toward living wages continue. In 2022 H&M is mentioned in these posts, although other companies such as Adidas have gathered the majority of attention, even by companies such as Clean Clothes Campaign, while H&M has taken actions towards

better wages, Adidas has never paid its lost wages and is continuing with its old business ways.

# 6 Analysis and results

The following part of the thesis analyzes the detected material to understand how the attitudes shifted during and after the pandemic for H&M and how CSR communication influenced the outcome.

#### 6.1 CSR communication

According to Kesacan et al. (2013), CSR presents an opportunity that can lead companies to achieve profit and perform good deeds. Kotler and Lee (2008) argue that companies should view CSR as an opportunity instead of a threat and go further than thinking about legal or illegal actions, and by this, make the minimum effort. H&M as a company has the mindset of CSR as a possibility for their business, and according to the company's annual sustainability reports, it views CSR actions as crucial and states it will give an advantage in the future. H&M wants to be a pioneer in CSR actions which further means the company has made strategies to reach the desired future CSR goals, which Nguyen et al. (2020) claim should be crucial to success. H&M has had, in recent years, its goals on innovation, especially in production methods, which can be noticed in its strategies for the future. Vogler & Eisenegger (2021) argue that companies must be aware of issues surrounding their reputations and future challenges. From H&M's sustainability reports, the stakeholders can notice that the company is aware of ongoing topics by constantly widely covering CSR actions and challenges through sustainability reports. Since the public tends to be more worried about environmental issues, which could additionally be influenced by the 2022 United Nations Climate Change Conference, H&M tries to follow the trend by changing which issues it is investing in.

As mentioned, H&M views CSR as an opportunity; however, using Du et al.'s (2010) division into intrinsic and extrinsic, the company's actions are more of a combination, since H&M constantly tries to improve its actions in CSR, nevertheless, certain actions are taken after noticeable pressure from the outside. During the time of the research, one example of actions taken after considerable pressure was the health and safety accord from 2021, which H&M first refused to sign. However, after pressure on social media and media overall, H&M changed its mind. The company needed to protect its reputation and remove negative connections between working conditions and garment workers. Since the company gained negative attention during the time of the Covid-19 pandemic, it appears that a proactive approach would be more beneficial in reaching a positive reputation in the future.

H&M's CSR communication strategies have not evolved notably during the past five years this research covers, i.e., the communication channels have remained the same. Du et al. (2010) highlight the importance of understanding the proper communication channels to reach stakeholders in order to gain the most benefit since stakeholders influence the future of the company. H&M has succeeded in finding proper communication channels that are currently giving the desired results, and yet also making its communication easily accessible on websites through sustainability reports and information letters.

The most notable difference in the company's communication activity is its slightly increased number of Instagram posts on social media about innovation, circularity, and equality. Bögel (2019) acknowledges that increased trust and legitimacy are earned by constant, transparent communication, virtues which H&M is lacking regarded to its social media posts about CSR actions and challenges. A continuous and dialogical approach would give stakeholders a sense of H&M listening to their messages which would lead to a closer relationship. Trust in H&M's environmental actions has been increasing since 2017, which is an outcome of the company's more active communication surrounding issues and challenges inside the company and industry. H&M's Nordic mentality could influence the concentration on environmental issues, where human rights are somehow disregarded as the issues are not ongoing, meanwhile, the environmental impacts from Nordic countries are noticeable. Furthermore, there had been a build-up of environmental concerns prior

to the 2022 United Nations Climate Change Conference, and following the environmental trend was strategic from H&M's perspective. Other CSR communication occurs rarely, and the most noticeable communication is H&M's sustainability report which was published annually and has had no changes in activity surrounding CSR communication.

H&M's CSR communication message changed various times between 2017 and 2021. The company's CSR communication through Instagram was almost non-existent in the years prior to 2018, and the activity barely increased during the following years. In H&M's annual sustainability report, the goals for fair living wages in 2017 and 2018 resulted in attention toward supply chain and human rights issues, the goal was only discussed through H&M's annual sustainability reports and not the company's Instagram profile. Over time, the company's communication message shifted from concentrating on human rights issues to environmental concerns, especially after the introduction of the company's new CEO in 2019. The reports considered environmental, human rights, and economic challenges and strategies annually, although the shifts in concentration were visible in the reports. The shifts in sustainability strategies could be a combination of H&M's perspective on successfully reaching the goal for fair living wages, which had focused on human rights issues, and the increased attention environmental issues had received.

In recent decades, customers have added pressure on environmental issues for companies. Global concerns about the fashion industry's environmental issues have given customers knowledge, to which H&M responded by taking a new approach to the company's sustainability strategies. Transparency evolved and was communicated more effectively throughout the year, and H&M received recognition for this from i.e., the Fashion transparency community in 2020. Increased awareness and communication of troublesome topics created increased trust and perception of transparency (Pérez, 2015), as noticed in the received awards, nominations, and attitudes on social media. This led H&M to gain more favorable recognition from stakeholders over its good deeds.

During the following years, H&M started to post a few posts annually on its Instagram profile, most of them being about environmental actions in the production of garments. During the Covid-19 pandemic, the company discussed issues

surrounding its most vulnerable workers, which mostly touched on subjects involving human rights briefly through its Instagram account. Furthermore, H&M started to increase its Instagram activity about equality, primarily through small comments, which were a response to the crisis with the black child. Furthermore, equality has been an increasing topic worldwide, and H&M is following the trend. During the pandemic, the movement "Black Lives Matter" spread worldwide, and H&M took part in spreading the word by recognizing the movement through its social media channels. Although CSR communication is still low on Instagram, the variety of subjects, and the number of CSR-related posts increased during the five years this research followed.

Overall, H&M's message shifted on its channels, increased on Instagram with the number of both posts and topics, and CSR became the base of all actions in the company when H&M decided to combine the sustainability report with the annual report.

### 6.2 Social media and dialogue

According to Kent & Taylor (2016), communication through media channels should be a dialogue to receive the best trust between stakeholders and the company. H&M has a dialogue through posts on Instagram where the company answers messages about products. Most of the responses are about product availability or responses to satisfied customers and H&M rarely answers negative comments, especially about garment workers and supply chain issues. This is the case in various other well-known fast fashion companies.

On Zara's and Boohoo's Instagram, the criticism they receive through comments towards sustainable actions and posts are not responded to (@Zara, @Bohooo, 2022). In comparison, companies such as Patagonia, trying to work towards a more sustainable future from the beginning, have another approach and respond to criticism (@Patagonia, 2022). In this area, the communication from H&M was one-sided from the commentator's perspective. Overall, H&M's CSR communication is low on Instagram. In 2017 H&M had only one conscious collection the company published materials about. Innovation projects toward a more circular and

environmentally friendly production evolved through the years. Increased activity around sustainability on Instagram posts during the recent two to three years was detected, although discussions about human rights remained low or non-existent. As mentioned above, the concentration on the environmental impact could be impacted by the Nordic mentality and the lack of prominent human rights issues.

Additionally, the conference in 2022 influenced companies to concentrate their actions on environmental impacts when climate change was discussed. The increase in posts on social media can be connected to both expectations from the public as a response to the increased awareness of issues in the industry, additionally a genuine interest in new innovative ways of making sustainable changes which lowers costs in production while giving a positive image outward. As transparency is gained from a continuous open dialogue with stakeholders, it is interesting how H&M held its reputation even after the criticism it received on Instagram about its actions on human rights with no response from the company. Sutton (2016) argued that this would lead to decreased trust and a more negative attitude.

Another topic that increasingly gained recognition is equality, especially between women and men, nonbinary people, and activity in non-racism. This was encouraged by the crises with the black child commercial, and the Black Lives Matter movement. Furthermore, it is worth noting that H&M had made efforts in these areas even before the crises, as companies need to maintain a positive reputation after crises in a credible way (Pérez, 2015). While H&M had no dialogical communication after its crises, the actions remained as communication. This confirms that H&M follows the discussions on its social media to improve communication and gain a positive reputation.

During the 2017-2022 timeline, H&M has rarely commented on criticism the company has received through Instagram. The responses were most often found on Instagram pages. In the end, a reasonably good reputation surrounded the company, even after the Covid-19 crisis. Interestingly, the lack of response has still led them to gain positive recognition for transparency. To answer comments would be dialogical, which Sutton (2016) stated is crucial for trust and leads to a transparent overlook of the company.

The most noteworthy announcement was when H&M gave responses in three different posts about the mistake with the black child commercial. The tone was apologetic, although had various approaches on different posts, however, the most noticeable apologies were given outside social media. This issue was also discussed later in H&M's sustainability report, even though the report was published approximately a year after the mistake occurred. After this, the only response on Instagram was after the covid-19 outbreak when H&M recognized that the company had vulnerable groups in the supply chain, meaning that continuous communication is appreciated, as Bögel (2019) argued since H&M is no longer criticized for a racist approach.

Apart from the racist accusations, H&M's approach to responses to CSR issues through Instagram is only to recognize more significant crises in a non-dialogical way.

The other media channel in use that was researched was annual sustainability reports. Firstly, it is worth noticing that the sustainability reports changed annually and, in certain years, drastically. The report changed rapidly depending on goals, projects, new CEOs, or educational/non-educational perspectives, which led to difficulties detecting the drastic changes this had on overall attitudes in such a short time. As Nguyen et al. (2020) stated, a company cannot concentrate on all the issues and need one goal to work towards. In 2017 H&M's focus was on the living wage goal, although the report concentrated additionally on the environment and materials. This meant that the company tried to make changes in every part of CSR. Even though H&M still is acting in all of them, the focus on material is clear through Instagram and is confirmed by the annual sustainability report. This could be one reason for increased trust in the company. Since making considerable efforts led to greater success, H&M has received attention for positive development, which gives stakeholders a positive attitude towards the company since it's taking the promised actions.

On the other hand, CSR actions are crucial, and the lack of enough effort in the different categories could lead H&M to further crises. It can also be argued that the times when H&M changed its main focuses most drastically were when it received the most criticism. This could mean it is essential to concentrate on specific topics

for legitimacy; having the goals for a longer time gives stability and ensures customers more of the company's actions.

The annual sustainability report as a communication channel is a one-way communication channel and overall, from the detected channels, responses to criticism from a company perspective have been low. However, pressure from social media channels such as activism hashtags has reached them, and actions have been taken, such as with the health and safety accord in 2022. This means that H&M could have dialogical communication through Instagram, where the company is currently avoiding CSR questions.

## **6.3 Transparency**

During 2020-2021 H&M gained attention for transparent communication, and the company received a nomination for the most sustainable company in 2021 by Fashion Revolution, including 250 other global fast fashion companies. H&M took pride in the achievement acknowledged by Fashion Revolution/award, and additional efforts taken surrounding transparency could be noticed in the company's sustainability reports from 2019-2021, which evolved by adding detailed numeric information, tables, and discussions surrounding the issues. Most of the attention was received for product transparency instead of the human rights issues discussed in this research.

Since transparency and legitimacy are connected to stakeholder trust (Pérez, 2015), these nominations affect stakeholders' attitudes. The overall public's attitude towards H&M is increasingly optimistic, which can be noticed after reading customers' comments on Instagram posts. H&M also receives negative comments on Instagram, although the company chooses to ignore them. Still, most of the comments are positive, and the majority of H&M's Instagram audience has faith and trust in H&M's actions. The company's conscious collections were received positively, and communication about taken actions and recognition of the aid given during the pandemic mainly received positive comments. Additionally, the comments included opinions from people who were skeptical about H&M's sustainability, and by not

responding to their doubts, H&M should have gained a negative reputation for the silence, according to Sutton's (2016) research on achieving transparency. Sutton (2016) acknowledged that ignorance derives skeptical attitudes from stakeholders, although the attitudes turned only negative for a while during the pandemic and overall had no crucial impact on attitude development. The continuous positive attitude means that even after critical events, H&M's customers still had faith in their actions, and in difference to the earlier research, this means that instead of dialogical communication actions are more crucial to maintain a positive reputation.

Luo et al. (2011) acknowledge that companies that have active CSR communication and are noticeable in the market often receive more attention during negative events. During the Covid-19 pandemic, H&M received attention on social media, which could be a combination of the company's involvement in CSR communication and positive attention surrounding them before the pandemic and high media attention overall on media channels that are not company controlled. Since H&M's actions during the Covid-19 pandemic were not always following the promises in sustainability reports, especially in human rights issues, this received negative media attention and a lack of trust in the company. People were skeptical of H&M's actions at the end of 2020 and discussions about greenwashing surrounded the company, meanwhile, H&M had a more positive outlook on its performance and actions during the pandemic compared to the public's opinion.

#### 6.4 Covid-19 communication

H&M did not follow one approach to communication surrounding the Covid-19 pandemic during 2020-2021. H&M's sustainability report from 2019 already mentioned the challenges the Covid-19 outbreak would bring upon them. The company recognized that upcoming times could be challenging, and new actions would be taken with unknown results. The company took a transparent approach admitting the situation was uncertain, and future actions were still unclear. This was a clear representation of transparent communication, meaning no false promises to stakeholders were given, which is further connected to trust in the company, this approach gained H&M a trustworthy reputation in the upcoming crises.

In the report from 2020, H&M had an approach that could be divided into two attitudes towards its actions, first pride and satisfaction for the rapid actions, and second, uncertainty and transparent information of the challenges. The company took pride in its reaction to the new situation and the rules it followed, H&M discussed the commitment to close stores even before being obligated to and saw themselves as a cautious company. H&M tried to highlight the positive effects through posts on Instagram and mentions in annual sustainability reports. Simultaneously, the same report from 2020 included parts where the company admitted the situation was unstable and acknowledged that especially garment workers, were at significant risk. The transparency in their annual sustainability reports showed the negative effects on salaries, environmental impacts, and diverse human rights issues. While one of the approaches acknowledges the good deeds during the pandemic, the other highlighted the significant challenges, which created an inconsistency in the company's reports.

The positive approach was most noticeable through H&M's Instagram where the company wanted the audience to notice its positive actions and by this gain positive attention, which worked in the desired way for most of the public. However, it also initiated discussions on Instagram's various profiles, which were engaged by the lack of response from H&M on critical comments. By this, H&M lost the trust of various customers and stakeholders, while those who did not have a critical view could just notice the good deeds.

H&M's other approach, which exposed the issues during the pandemic, could be noticed through the company's annual sustainability report, which highlighted H&M's good deeds, although admitting the challenges at the time of the pandemic. Stakeholders and people active in human rights discussions are more commonly reading these reports, explaining why the critical and more transparent approach was needed. Without admitting the issues in these reports, transparency would have decreased even further since transparency and trust are linked together (Pérez, 2015). H&M took an approach where the company did not exclude difficult topics such as i.e., human rights and salaries, although neither comprehensively discussing which actions led to these negative effects, instead informing future strategies to improve certain aspects.

During the Covid-19 pandemic, wages decreased, and H&M received noticeable criticisms on Instagram for the low salaries that further decreased for garment workers. H&M did not hide this in the reports, instead, and instead, discussed how vulnerable garment workers are, especially their sensitivity to wage shifts. H&M strived to keep a positive tone throughout the report while explaining decreased wages, which according to the company was primarily due to lockdowns, additionally, the company highlighted that the wages were still above minimum wages. It appears to be a division on acknowledging issues and explaining that the company is still striving for good and doing reasonable decisions.

H&M was confident in the annual sustainability report from 2021 about its actions during the Covid-19 pandemic.

"As a result of the H&M group's transformation work and many years of investments, the company proved to be well equipped to handle the great challenges that the Covid-19 situation brought and showed great resilience to what can only be described as an unprecedented challenge for the industry. The H&M group acted with the safety of employees and customers as its top priority."

This citation has a self-confident tone about the company's positive actions during the time, which was in contradiction to the public view. H&M had taken positive actions being one of the first companies to promise to pay back orders in full and additionally help certain garment workers in their struggles, although it is crucial to notice thousands of garment workers suffered during the time.

H&M's first reports and communication had more attention to uncertainty and included a surprised tone in the difficulty of the situation, meanwhile, comments such as the previous communicate a different approach, which can be confidently stated after the worst crisis. As discussed above, this communication of transparency and uncertainty, while being confident about the company's good deeds, did work to maintain a positive reputation after the pandemic for H&M.

Bögel (2019) issued the importance of continuously communicating during a critical event since a lack of transparent communication could lead to negative attitudes toward the company. As mentioned, H&M had no continuous CSR communication during the pandemic on its Instagram profile, the company posted primarily the

positive actions it performed during this time, helping healthcare providers. H&M's Instagram profile did not discuss the struggles during 2020-2021, the company trusted that by ignoring to communicate most of the issues through social media, customers would ignore them. Continuous communication could have increased trust in the company since these issues were widely discussed, although sustainability and CSR questions continue to be topics people, in the end, forget to think about while shopping. The absence of communication on the issues had not a long-lasting negative effect on customers' attitudes as Bögel's (2019) research suggested.

# **6.5** Attitude development

According to Pérez (2015) and Luo et al. (2011), earlier attitudes affect CSR reputation in the future. In 2017-2019 H&M received attention for its positive reputation and open discussion about the company's increased transparency in its sustainability reports. The majority received the communication positively, which could be noticed in the lack of significant publicity for negative Instagram comments. The biggest crisis during the time of this research was H&M's incident with the black child, wearing a pullover stating, "coolest monkey in the jungle" and the pandemic. H&M received noticeable criticism on various media channels and responded to the criticism. Even though the public's response to H&M's responses was not positively received by everyone, the company's tone was sincerely apologizing. H&M promised to further investigate and take action in the future to prevent similar incidents, which was a suitable approach from the company since the response pleased most of the crowd. The criticism decreased and by taking responsibility the attention faded slowly away. This went, as Sutton (2016) and Bögel (2019) argued; through transparency, dialogue, and listening to stakeholders, trust is regained. The same strategy was not followed during the Covid-19 pandemic through Instagram, since H&M did not apologize or admit to taking completely negative actions.

Furthermore, H&M received attention for its innovative environmental actions and production ideas, which were also received positively from stakeholders. The company had fulfilled its goals, and this gained trust in the company. Vogler &

Eisenegger (2021) and Miller et al. (2018) noticed that false promises lead to negative outcomes and by fulfilling innovative projects, H&M gained a positive attitude.

H&M's goal to apply living wages in supply chains was a campaign received with mixed emotions. Meanwhile, H&M ascertained reaching all desired goals in its 2018 sustainability report the public disagreed. This could be due to miscommunication since the goals stated 100% fair living wages while the report stated there would be specific percentages that were supposed to be reached, not 100%. This created a lack of trust in the company, especially because certain profiles criticized H&M for deleting comments where people criticized them.

Going into the pandemic, H&M had one of the best reputations among major fast fashion companies. Although there were discussions about living wages and other issues, the company had fulfilled many of its promises, and people regained trust in the company's CSR actions, although, as Pérez (2015) points out, positive attitudes could shift quickly to negative ones, although they also influence future attitudes, depending on the company's response, which the Covid-19 pandemic proved. At the beginning of the pandemic, H&M received neutral or positive attitudes, later, positive attitudes increased since H&M was one of the first companies to promise to pay entirely for their orders and already produced orders. Neutral attitudes have been proven to be beneficial for companies (Pérez, 2015), and the lack of negative posts and instead neutral or positive attitudes and attention surrounded H&M to the company's benefit.

These attitudes shifted in the autumn of 2020, because of various profiles and activists who had revealed the current situation surrounding wages, and one of the companies criticized was H&M. H&M had declared its collections sustainable and discussed human rights development in annual reports; this led stakeholders to react to the news strongly, and attitudes changed rapidly to negative. As Perez (2015) noticed, promises companies do not fulfill are associated with negative reactions. Various profiles commented they would avoid H&M; some commented on H&M's posts about human rights issues without receiving answers, people went to protests on the street and reposts about H&M's negative actions from more noticeable

profiles increased. As Luo et al. (2011 disclaimed, companies with a positive reputation gain more negative attitudes during critical events.

H&M's response to the criticism was minimal, on Instagram, there were nearly no mentions of the situation. The company declared a challenging time and later posted how the company gave aid to healthcare providers and garment workers without taking any responsibility in the negative comments discussing the company. H&M's sustainability reports discussed the issues, although mostly during 2021, when the situation had been ongoing for a while, and certain difficult situations were already over. As discussed earlier, the approach to the crisis was various from the company side, which could affect stakeholders' attitudes additionally.

In the sustainability reports, H&M did not discuss specifically any criticism, although the company had noticed the criticism, and future goals were concentrated on the criticized issues. This meant no clear dialogue or mutual communication, although H&M listened and took future actions, which was received positively by the stakeholders. Kent & Taylor (2016) argued that dialogue requires companies to admit when they are wrong, which H&M did not do on Instagram.

Still, in 2022, the pandemic is ongoing. The discussions about the Covid-19 pandemic have decreased and are a part of our everyday life. This led discussions online surrounding the pandemic to decrease. H&M received 2021 attention for refusing to sign the health and wage accord, although the negative attitudes shifted on social media fast to positive after H&M agreed to sign the accord and these fast shifts in social media attitudes can be viewed as trust in the company.

After these events in 2022, H&M received less negativity than before the pandemic. Negative discussions are still occurring, although the attention lies on other companies at the current time. This means that, in the end, H&M went out of the pandemic with a positive or neutral reputation, possibly even a better one than prior to the crisis. This could be due to previous neutral or positive attitudes before the pandemic.

#### 7. Discussion

H&M survived the pandemic successfully. The decreased profit turned after the first year into growth, and H&M is again making enormous profits. The reputation on Instagram is even less negative than prior to the pandemic.

The first research question (RQ1) asked how critical events affect sustainable actions and CSR communication in multinational companies. The findings in this research suggest that companies should shift to the criticized and accurate topics during this time, and the company should communicate these shifts and actions through reports or media platforms. Critical events shift stakeholders' perceptions of accurate topics, and companies should be able to follow which topics are accurate. Miller et al. (2018) argue that for a positive reputation, the company must be aware of earlier criticism to take the proper actions in the future. Acting on an accurate topic is crucial.

Furthermore, stakeholders expect companies to communicate their actions. Without communication, there will be misunderstandings, although the actions are the most important ones. H&M received a positive attitude through the efforts, although the company received critical comments and attention from stakeholders, especially during a time of low communication from a company perspective. Through more dialogical CSR communication, this negativity could be avoided.

Companies should additionally be able to be transparent (Pérez, 2015; Du et al., 2010). Since critical events may lead to new unforeseen actions, companies benefit from transparency during these critical times. H&M increased its transparency in its Sustainability reports during the pandemic. H&M was open about the upcoming situation that looked unstable during the beginning of the pandemic; by this, the audience had a better understanding of possible future margins of errors. A fast action time was detected positively even though H&M cut orders initially. The immediate reaction to pay for the unpaid orders as one of the first companies shed positive attention.

The second research question (RQ2) asked in which ways social media respond to CSR communication after unethical actions. As unethical actions lead to increased skepticism, the affective time appears short if the company makes positive changes.

Activist pages are the most critical ones during and after negative events, and those following these profiles or hashtags are most prone to be reminded of the negativity. People increasingly demand changes in actions, although they wished to discuss why the company made the negative actions.

A dialogical approach was missing for H&M and not critical to for regaining the reputation, although it would have decreased negativity. This contradicts earlier research that found a dialogical approach beneficial and increased trust and transparency (Etter et al., 2018; Sutton, 2016; Kent & Taylor, 2016). A dialogical approach is still encouraged for companies such as H&M. Some people seeking these dialogical discussions were completely negative, however, other comments had more positive attention, both encouraging the improvements and still seeking answers for the negative actions.

As Bögel (2019) discovered, a positive or neutral attitude before a crisis can help regain trust after critical events. H&M's reputation decreased during the pandemic, although the company's actions to regain trust with elaborated processes led H&M to regain its reputation reasonably quickly. This would mean that earlier reputation has a positive effect in regaining trust after critical events.

Research question three (RQ3) asked which measures textile companies take to recover their reputation after unsustainable actions. Textile companies should be aware of the issues that led to them taking unsustainable actions and be transparent about their negative actions to shift their reputation to a better one. Promises and words towards better actions already decreased negativity, although stated promises must be kept to avoid negative attention. Improved actions have the most noticeable influence toward a better reputation.

The company must understand and listen to criticism to improve its actions most effectively, *i.e.*, in this research, the wages had to be increased, and the clothes paid for. After the pandemic, H&M signed the new accord after the criticism, which decreased negativity. By listening to stakeholders, companies can make the appropriate changes. Stakeholders want to feel that they are heard, and by this, have an impact on sustainability (Etter et al., 2018).

Avoiding negative comments and attention surrounding companies leads to increased negativity. One example is Adidas, which still has not made changes, and the

negativity surrounding the company continues to increase (Labour Behind the Label, 2022; Pay Your Workers, 2022).

The last research question (RQ4) asked how companies should communicate about CSR actions after a critical event. This research found that the most important communication is transparent communication. H&M increased its efforts in transparent communication already before the pandemic and continued the efforts during the pandemic. According to Sutton (2016), transparent communication increases trust in the company, which was the case for H&M. H&M's tone continued to be positive and concentrated mainly on the company's positive actions taken without excluding the negative. This influenced trust and positive associations with the company that helped it regain its reputation.

Contrary to earlier studies, continuous and dialogical communication is not crucial (Etter et al., 2018; Sutton, 2016; Kent & Taylor (2016)). However, various stakeholders and customers are asking for it, which could benefit the companies during critical events. People believe easily in companies' good deeds, especially if they have already made positive changes and actions during critical events. The communication of good deeds adds positive associations why it is recommended for companies; however, this is accurate only when the deeds are already taken since false actions are detected by stakeholders and can lead to increasingly negative associations in the end.

### 8. Conclusions

The research investigated how companies should act and communicate their CSR actions during critical events and how this is received on social media channels, such as Instagram and annual reports. The research was conducted by analyzing the social media platform Instagram and H&M's annual sustainability reports.

The findings in this research show that actions taken from a company side as an answer to the criticism that may occur after negative events during crises have a significant impact on future attitudes. In contrast to earlier research from Sutton (2016), dialogical communication was not necessary for H&M. However, some

people were more skeptical and had a negative approach while not receiving answers to their questions.

A positive and neutral previous attitude and earlier CSR efforts are beneficial before critical events to maintain a positive reputation. This supported earlier research. Maintaining CSR actions and shifting them to the desired topics from stakeholders created a positive or neutral attitude surrounding the company after negative events. This means that people with a neutral or positive attitude prior to a critical event quickly forget negative actions after the company remediates the situation. People were more involved in issues since people had more time to dive into the information and news. The negative events were discussed publicly, and people were aware of the situation. When companies take positive action, the media attention decreases, and people forget that negative actions were taken. As Bögel (2019) noticed, and this research supported, previous CSR communication and positive/neutral reputation may lead to increased attention during critical events. After making improvements, this attention decreases, and the benefit from the earlier attitudes appears.

Additionally, the transparency of the actions was proven to create trust in the company. H&M lacked transparency on Instagram, giving no answers to criticism, although Annual Sustainability Reports had an increase in transparency which was an improvement. This gained them more positive attitudes and less criticism.

This research detected the evolvement of H&M's reputation for only five years, and the critical event is still mildly ongoing, possibly leading to a different result. Additionally, even if continuous and dialogical communication were not crucial to sustaining a positive or neutral reputation during the pandemic, as Bögel (2019) and Pérez (2015) would have argued to be beneficial, it is questionable if it could have led to less negative attention during the critical event. These answers were not found in this research.

Since global fast fashion companies still do not have a broad enough knowledge of the benefits they can reach through CSR communication through social media, the findings in this thesis can help managers to find new communication strategies for the future. The results showed that people on social media channels were active during critical events and quickly spread negative and positive news. While fast actions and new strategies were crucial for maintaining a good CSR reputation, more

transparent continuous communication could further benefit a company's reputation. In the future, companies should communicate their CSR actions transparently during critical events as this was found to benefit the company's reputation and fast actions as a response to criticism and new strategies.

Since one of the findings showed that a positive and neutral CSR reputation benefits companies during and after critical events, this proves that continuous CSR communication should be implemented in companies' CSR strategies even before critical events. It may lead to increased attention during negative events, although it ultimately benefits companies.

If a company communicates its CSR actions in real-time, a dialogical approach that supports a relationship between the participants could be created. The research encourages future research on how especially a dialogical approach could benefit companies in the future during critical events.

# 9. Summary in Swedish – Svensk sammanfattning

CSR-kommunikation under kritiska händelser

En kvalitativ studie av H&M:s CSR-kommunikation under covid-19-pandemin

### 9.1 Inledning

Diskussioner om snabbmodeföretag och deras CSR-åtgärder (Corporate Social Responsibility) samt hållbarhetsåtgärder har förts i olika medier. CSR delas in i miljömässiga, sociala och ekonomiska åtgärder och företagen bör i dag beakta CSR som en del av företaget. Intressenter förväntar sig att företagen uppföljer och strävar efter en utveckling mot en hållbarare framtid, vilket i slutändan gynnar även företagen genom bättre rykte.

Covid-19-pandemin spred sig globalt under slutet av året 2019, och 2020 ledde pandemin till nya oförutsedda situationer för samhällen och företag genom nya restriktioner. På grund av restriktionerna och den oförutsägbara situationen bestämde flera snabbmodekedjor sig för att annullera beställda produkter även om de redan hade producerats, vilket ledde till att textilarbetarna aldrig fick löner för de arbetade timmarna. Då fabrikerna senare stängdes ner för en obestämd tid blev textilarbetarna arbetslösa. Med ingen utbildning och låg socioekonomisk status är dessa förändringar extrema, vilket ledde till att flera familjer t.o.m. svälte då kvinnornas löner är ofta familjernas huvudinkomst. Textilarbetarna kallades senare tillbaka till fabrikerna på kort varsel, och för att inte mista arbetet var de tvungna att omedelbart återvända till fabrikerna. Arbetsförhållandena var osäkra under den rådande pandemin och hälsoåtgärderna var få, vilket ledde till ogynnsamma förhållanden och arbetarna var tvungna att riskera sin hälsa.

Nyheter om textilarbetarnas förhållanden spred sig och snabbmodeföretagen fick starkt kritik, speciellt genom sociala medier. Vissa företag lovade betala för de producerade kläderna i efterhand, medan andra företag tog lång tid på sig för att åtgärda situationen. Intressenter blev skeptiska mot löften företagen tidigare hade

gett om hållbara handlingar, och flera aktivistprofiler följde upp och kommunicerade aktivt förändringarna som skedde inom snabbmodebranschen.

Då hållbarhet och CSR är allt viktigare, bör företag snabbt vidta åtgärder för att återfå ett positivt rykte, eftersom detta har en tydlig inverkan på inkomster och förhållanden mot företagen. Ett sätt att nå sina intressenter är genom olika medier och denna undersökning kommer koncentrera sig på den sociala mediekanalen Instagram. Årliga hållbarhetsraporter kommer undersökas för att förstå hur CSR-kommunikation kan påverka företagens rykten under kritiska händelser, och för att se inverkan dessa har på attityder i framtiden.

CSR-kommunikation har en stark anknytning till CSR-rykte och dessa påverkar varandra. Genom transparent och legitim kommunikation kan företagen nå ett gott rykte (Perez, 2015) då intressenterna kan lita på företagen. Transparens uppkommer då ett företag aktivt kommunicerar sina åtgärder och lyssnar på sin omgivning för att nå de önskade åtgärderna. Transparens kan nås genom en aktiv och dialogisk kommunikation med intressenter och omgivningen. Företagen bör inte enbart koncentrera sin kommunikation på de positiva åtgärderna, utan även vara transparenta om de krävande situationerna och genom detta få mera tillit från intressenterna (Gupta et al.2021).

En dialogisk kommunikation har visat sig ge mera tillit för företagen genom en relation mellan företaget och konsumenterna (Kent and Taylor, 2016). Detta ger även företaget möjlighet att förstå mot vilket håll strategierna kan utvecklas för att nå den största nyttan och för att få information om var bristerna ligger. Under kritiska händelser kan intressenternas krav dock ändras (Sutton, 2016), vilket enbart kommer fram om intressenterna har en möjlighet att få företagets uppmärksamhet.

### 9.2 Syfte och forskningsfrågor

Syfte med denna avhandling är att förstå hur företag efter covid-19-pandemin och liknande kriser kan återvinna sitt rykte och vilka åtgärder som kan vidtas genom CSR-kommunikation för att förebygga och lindra negativa attityder. Hur företagens

tidigare handlingar och rykte inverkar på uppfattningen om företagen under och efter kritiska händelser undersöks.

Forskningsfrågorna i denna avhandling är följande.

- Hur påverkas hållbara handlingar och CSR-kommunikation i multinationella företag under kritiska händelser?
- På vilket sätt reagerar människor på sociala medier på företagens oetiska ageranden?
- Vilka åtgärder vidtar textilföretag för att få tillbaka sitt rykte efter ohållbara handlingar?
- Hur ska företag kommunicera om CSR-åtgärder efter en kritisk händelse?

## 9.3 Metod och datainsamling

I denna studie undersöks den sociala mediekanalen Instagram och årliga hållbarhetsraporter genom att använda kvalitativa metoder, som möjliggör en öppen analys utan fasta svar, vilket är kritiskt för denna undersökning (Bryman & Bell, 2013). Studien koncentrerar sig på företaget H&M, som undersöktes under åren 2017–2022. H&M är ett välkänt snabbmodeföretag, och möjliggör en tillräcklig mängd med information. Företagets största kundgrupp har även samma demografi som Instagram, som senare valdes till den sociala mediekanalen i studien.

Både Instagram och de årliga rapporterna undersöktes för att få en helhetsbild av företagets egen uppfattning om CSR-helheten inom företaget och CSR-kommunikationen. Instagram undersöktes för att erhålla attityder och förståelse om kommunikationen både från företagets och kundernas perspektiv, då mediekanalen innehåller information som är kontrollerad av företaget samt diskussioner som företaget inte själv kan kontrollera. Genom detta kunde attityderna på Instagram tydas före, under och efter pandemin. De årliga rapporterna visade vilka områden

som H&M hade satsat på under olika år, och Instagram användes för att tolka attityder på sociala medier.

Attityderna och materialet som användes i denna studie analyserades som en tematisk analys. Det samlade materialet på sociala medier och de årliga hållbarhetsrapporterna ger tillgång till enorma mängder data som kan vara utmanande att sortera. Tematisk analys möjliggör en flexibel sortering av stora mängder varierande data, vilket passar till denna undersökning (Braun & Clarke, 2012). För att kunna analysera materialet måste det delas in i olika teman varifrån den önskade informationen lättare framkommer, och genom vidare sortering och eliminering av data kan en helhetsbild av studien formas.

På Instagram analyserades bilder och texter som var anknutna till bilderna samt kommentarer där H&M nämndes. Möjligheten till Instagram-storyn användes inte då dessa är synliga endast 24 timmar och inte kunde beaktas i realtid under undersökningens tidsperiod.

### 9.4 Analys

Under kritiska händelser fick H&M märkbar uppmärksamhet, vilket beror på företagets aktivitet inom CSR-diskussioner. Under kritiska händelser får företag som varit aktiva i hållbarhetsdiskussioner mycket uppmärksamhet, speciellt då de går emot sina egna värderingar (Luo et al., 2011).

Åren före pandemin gick H&M genom olika mindre kriser. H&M:s kampanj hade som mål att ge levnadslöner åt en viss procent av textilarbetarna och fick negativ respons på grund av oklar marknadsföring. På grund av den missledande marknadsföringen som lovade 100% levnadslöner åt textilarbetarna, sågs detta som grönmålning då levnadslönerna procentuellt gällde en mindre mängd arbetare. H&M gav inte respons på kritiken som riktades mot dem på sociala medier. Däremot gav H&M respons på skandalen som uppmärksammade rasism i en reklam. H&M gav respons både på Instagram och i sin årliga hållbarhetsrapport, vilket lugnade ner diskussionerna snabbare än de som hade kretsat den tidigare kampanjen.

I början av pandemin bestämde sig H&M för att inte betala fabrikerna för kläderna, men ändrade sig snabbt och blev ett av de första snabbmodeföretagen som lovade betala de beställda kläderna. Detta gav företaget ett positivt rykte, och de fick uppmärksamhet för sina goda och snabba gärningar.

Senare under pandemin började kritiken på Instagram växa då det framkom att textilarbetarna arbetade i fabrikerna i ogynsamma förhållanden under den rådande pandemin. Lönerna hade blivit lägre under pandemin, vilket H&M öppet kommunicerade i sina årliga hållbarhets rapporter. Majoriteten av rapporterna koncentrerade sig dock på att ta goda gärningarna och snabba handlingarna under de osäkra tiderna.

Efter den mest kritiska tiden under Covid-19-pandemin minskade människornas diskussioner om brister inom snabbmodeföretag på sociala medierna. H&M hade betalat tillbaka de obetalda kläderna och hade nya mål och strategier för att nå bättre arbetsförhållanden för sina arbetare. Människorna glömde snabbt de negativa handlingarna under pandemin, då H&M åtgärdade de kritiserade handlingarna. Fastän företaget inte gav direkt respons på de negativa kommentarerna på Instagram, tyder gärningarna på att de lyssnar på omgivningens krav.

#### 9.5 Resultat

Det visade sig att företagen snabbt måste ändra sina strategier och handlingar under kritiska händelser för att minska de negativa attityderna på sociala medier. Företagen måste lyssna på kritik från omgivningen, tyda vilka handlingar omgivningen anser vara kritiska under de osäkra tiderna och även förstå varifrån kritiken kommer. Ett positivt rykte från förr hjälper företagen under kritiska situationer, speciellt då ryktet ska återuppnås. Transparent kommunikation visade sig vara nyckeln till tillit, fastän positiva gärningarna efter kritik ledde till positiva attityder. Praktiska handlingar visade sig vara det absolut viktigaste för ett positivt eller neutralt rykte, speciellt då företaget vidtar åtgärder före eller efter kritiken riktats mot företaget. Det visade sig viktigt att företagen är medvetna om de aktuella diskussionerna, då åtgärderna kan ses som ett svar på kritiken.

Efter de oetiska handlingarna fick H&M stark kritik på sociala medier. Aktiva och välkända profiler uppmärksammade H&M och skrev inlägg på Instagram som spred sig snabbt. Profilernas inlägg delades vidare, vilket även de välkända profilerna uppmuntrade omgivningen att göra, för att nå större synlighet. Profilerna bad människor vidta åtgärder som skulle förändra situationen genom protester, kommentarer på profilerna, delning av inlägg med mera. Dessa personer strävade efter svar från företagen och en dialogisk kommunikation. Vissa personer gav både positiv och negativ kritik i sina kommentarer och inlägg. Sociala medier sprider snabbt både bra och dåliga nyheter, varför företagen bör reagera snabbt för att hindra negativa diskussioner.

Efter oetiska gärningar kan textilföretagen vidta olika gärningar för att återuppnå sitt rykte. Som nämnts ovan visade sig gärningarna och transparent kommunikation samt snabba reaktioner på kritik vara de viktigaste aspekterna. Genom att hålla sina löften kan företagen återfå intressenternas tillit. Företagen måste vidare lyssna på sin omgivning för att förstå vilka krav som ställs under kritiska händelser. Det visade sig även att medvetenhet om både nuvarande och äldre kritik är viktigt för att inte göra samma misstag igen.

Fastän transparent kommunikation visade sig vara viktig, tyder denna undersökning på att positiva gärningar associerar företaget med positiva känslor. Människor glömmer snabbt företagens negativa handlingar, om företaget tidigare har haft ett gott eller neutralt rykte. Under undersökningen ändrades attityderna ofta, men H&M:s tidigare neutrala och positiva rykte före pandemin gav företaget en möjlighet att snabbt återfå sitt tidigare rykte efter negativa handlingar under pandemin. H&M:s snabba åtgärder som respons till kritiken verkar ha en tydlig anknytning till upprätthållandet av sitt rykte. Fastän de inte kommunicerade sina åtgärder på Instagram, framförde H&M sina positiva åtgärder i sina årliga hållbarhetraporter. Detta verkade vara tillräckligt för majoriteten av intressenterna.

I motsats till tidigare forskning visade det sig att kontinuerlig och dialogisk kommunikation inte var nödvändig för ett gott rykte. Undersökningen utesluter dock inte att detta kunde vara nyttigt och vissa intressenter strävade tydligt efter en mera dialogisk kommunikation. Vissa krävde svar till de negativa handlingarna på

Instagram och skulle ha föredragit en dialog med företaget, vilket kunde vidareutveckla H&M:s transparens och legitimitet i framtiden.

### 9.6 Avslutning

Denna studie gav en tydligare bild av hur företagen i framtiden under kritiska händelser kan kommunicera CSR-åtgärder för att upprätthålla sitt rykte. Denna undersökning korrelerade med majoriteten av tidigare undersökningar, även om dialogisk och kontinuerlig kommunikation visade sig i denna undersökning vara mindre viktigt än tidigare forskning föreslog. Vidare forskning om hur stor inverkan dialogisk och kontinuerlig kommunikation skulle ha på företagens tillit och rykte under kritiska händelser uppmuntras och kunde ge företagen en uppfattning om hur de kan genom detta inverka på sitt CSR-rykte i framtiden.

I framtiden bör företagen beakta CSR-kommunikationens nyttor redan före kritiska händelser, då dessa korrelerar med deras rykte under och efter händelserna. En positiv, neutral och kontinuerlig kommunikation korrelerade med ett bättre rykte. Företagen bör ytterligare lägga märke till transparens i sin kommunikation då detta påverkade ryktet positivt.

Det bör tas i beaktande att denna undersökning berörde enbart ett företag och undersökte enbart den sociala mediekanalen Instagram. Det bör även beaktas att de valda hashtaggarna i studien inte når allt material och en stor del av människorna som kommenterar på de valda profilerna är speciellt intresserade om hållbarhet i snabbmodeföretagen från förr, vilket delvis kan ge missledande tolkningar.

Slutligen kan det konstateras att studien bevisade att CSR-kommunikation och CSRåtgärder har en stor inverkan på intressenternas attityder. Hur stor inverkan de har på konsumentbeteende kan vara intressant att utforska i framtiden.

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