Masaryk University

Faculty of Economics and Administration

Corporate social responsibility and business competitiveness

Master Thesis

Student: 426908 Dijana Drinčić

Advisor: PhD Alena Klapalová

Brno, 2015
ASSIGNMENT OF DIPLOMA THESIS

For: Dijana Drinčić

Field: Business Management

Title: Corporate social responsibility and business competitiveness

Principles of thesis writing:

Objective of the thesis:
The main objectives of the thesis are to analyse web communication on CSR issues of chosen industry and (or) company(ies), to analyse the communication according to stated criteria and to formulate conclusions (ev. suggestions) related to research problem.

Approach and methods used:
1. Literature search on all relevant topics (marketing communication, business competitiveness, CSR etc.),

2. Analyses of web communication,

3. Conclusions (and suggestions).

Methods:

All relevant methods of marketing communication analyses and research, esp. content analyses.
The extent of graphical works: according to the supervisor’s guideline, the assumption is about 10 charts and graphs

The thesis length without appendices: 60 – 70 pages

List of specialist literature:


Diploma thesis supervisor: doc. Ing. Alena Klapalová, Ph.D.

Date of diploma thesis assignment: 13/11/2014

Submission deadline for Diploma thesis and its entry in the IS MU is provided in the valid Academic Calendar.

Department Head

Dean

In Brno on 28/11/2014
Abstract of Thesis

Marketing scholars, but also scholars of other business and economic areas, are increasingly involving the importance of responsibility to the society into researches during the studies and it is becoming the crucial thing in business life of international or global companies. The main purpose of this thesis is about how fashion companies deal with different aspects of corporate social responsibility.

Nowadays, corporate social responsibility is becoming more and more important aspect in global businesses, as well as in local businesses. Modern companies and businesses are more obligated to meet demands of the society, such as ethical, environmental, legal, commercial or public standards. This aspect of their activities is reflected to some extent and in some particular manner also in the communication towards the stakeholders, specifically towards the customers. There are many reasons why companies and businesses do it, as well as there are many themes, ways, media messages that are involved in the communication about issues related to social responsibilities. The main focus of my thesis is based on how apparel companies communicate corporate social responsibilities on their official Websites.

Key words

Corporate social responsibility (CSR), fashion industry, fashion companies
Author's statement

I hereby declare that I worked out the Diploma work *Corporate social responsibility and business competitiveness* myself, under the supervision of PhD Alena Klapalová, and that I stated in it all the literary resources and other specialist sources used according to legislation, internal regulations of Masaryk University and internal management acts of Masaryk University and the Faculty of Economics and Administration.

In Brno, 15/05/2015

___________________________
Dijana Drinčić
Acknowledgements

Hereby, I would like to express my deepest appreciation to all people, who sacrifice their own time helping me to make this work done. First of all, I want to thank to PhD Alena Klapalová, for mentoring and giving me support with invaluable advices. Moreover, I would also like to thank to my mother for supporting me and my decisions all the time during my studies.
# Table of Contents

Introduction ........................................................................................................................................... 5

Research Questions.......................................................................................................................... 8

Structure of the Thesis ....................................................................................................................... 9

Review of Literature.......................................................................................................................... 10

What is Corporate Social Responsibility (CSR)? ........................................................................... 10

Theories behind Corporate Social Responsibility ........................................................................... 14

Corporate Strategy and CSR ........................................................................................................... 16

Business case for CSR ....................................................................................................................... 18

Looking Inside Out: Social Impact of the Value Chain ................................................................. 19

Looking Outside In: Social Influences on Competitiveness .......................................................... 20

Communicating Corporate Social Responsibility .......................................................................... 21

CSR communication – why it is important? .................................................................................... 23

CSR Communication to Stakeholders ............................................................................................ 26

The increasing number of companies communication CSR ........................................................ 28

Internet as a channel for CSR communication ............................................................................. 33

The CSR topics communicated on corporates Websites ............................................................... 35

CSR communication from self-presentation to external criteria .................................................. 37

The variety of instruments and initiatives supporting CSR ............................................................ 39

CSR and Fashion Industry ................................................................................................................ 40

Theoretical framework ...................................................................................................................... 42

Methodology of the research ........................................................................................................... 44

Content analysis as research method ............................................................................................... 44

Selection of data/Collection of data .................................................................................................. 45

Analysis of data ................................................................................................................................ 48

Limitations ........................................................................................................................................ 52

The trustworthiness of the study ...................................................................................................... 53

Findings ............................................................................................................................................... 54

CSR communication in 10 great international fashion companies ............................................. 54

Guess Inc ........................................................................................................................................ 57

LEVI STRAUSS & Co ....................................................................................................................... 59

Gap Inc ............................................................................................................................................... 61
<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESPRIT</td>
<td>63</td>
</tr>
<tr>
<td>TOMMY HILFIGER</td>
<td>65</td>
</tr>
<tr>
<td>RALPH LAUREN</td>
<td>66</td>
</tr>
<tr>
<td>ARMANI Group</td>
<td>68</td>
</tr>
<tr>
<td>HUGO BOSS</td>
<td>69</td>
</tr>
<tr>
<td>Dolce &amp; Gabbana</td>
<td>71</td>
</tr>
<tr>
<td>MICHAEL KORS</td>
<td>73</td>
</tr>
<tr>
<td>Outcomes of findings of 10 studied fashion companies</td>
<td>75</td>
</tr>
<tr>
<td>The issues communicated</td>
<td>76</td>
</tr>
<tr>
<td>The use of CSR instruments and initiatives</td>
<td>79</td>
</tr>
<tr>
<td>Other ways of legitimizing the CSR messages</td>
<td>81</td>
</tr>
<tr>
<td>Summary of findings</td>
<td>83</td>
</tr>
<tr>
<td>Discussion and Conclusions</td>
<td>85</td>
</tr>
<tr>
<td>The summary of research</td>
<td>86</td>
</tr>
<tr>
<td>The outcomes of the study</td>
<td>88</td>
</tr>
<tr>
<td>Limitations and indications to future studies</td>
<td>93</td>
</tr>
<tr>
<td>References</td>
<td>94</td>
</tr>
</tbody>
</table>
List of Tables

Table 1: Different attitudes to CSR.................................................................................................................. 13
Table 2: A Strategic Approach of CSR ............................................................................................................ 18
Table 3: The categorization of data file ............................................................................................................ 49
Table 4: Summarizing data for Guess Inc. CSR communication ................................................................. 57
Table 5: Summarizing data for LEVI STRAUSS & Co. CSR communication .................................................. 59
Table 6: Summarizing data for Gap Inc. CSR communication .......................................................................... 61
Table 7: Summarizing data for ESPRIT CSR communication ........................................................................ 63
Table 8: Summarizing data for TOMMY HILFIGER CSR communication ..................................................... 65
Table 9: Summarizing data for RALPH LAUREN CSR communication ....................................................... 66
Table 10: Summarizing data for ARMANI CSR communication ...................................................................... 68
Table 11: Summarizing data for HUGO BOSS CSR communication ............................................................. 70
Table 12: Summarizing data for Dolce & Gabbana CSR communication ....................................................... 71
Table 13: Summarizing data for MICHAEL KORS CSR communication ....................................................... 73
Table 14: CSR communication within 10 studied fashion companies ............................................................ 75
List of Figures

Figure 1: The triple bottom line view on corporate social responsibility .......................................................... 14
Figure 2: Carroll’s pyramid on corporate social responsibility (Carroll 1991, p. 42) ........................................... 15
Figure 3: Inside Out context .......................................................................................................................... 19
Figure 4: Outside In context .......................................................................................................................... 20
Figure 5: Level of information about what companies do to behave responsibly towards society (people’s opinion) ................................................................................................................................. 22
Figure 6: Motivators and opportunities recognized in CSR communication ..................................................... 25
Figure 7: The growth in CSR reporting 1993-2013 .......................................................................................... 30
Figure 8: CSR reporting by industry sector ..................................................................................................... 32
Figure 9: The percentage of Non-listed and Listed companies ........................................................................... 55
Figure 11: The headings of CSR communication on corporate’s official Websites ........................................... 56
Figure 12: CSR issues communicated on the corporate Websites of studied fashion companies ................. 76
Figure 13: CSR topics communicated on the corporate’s Websites ................................................................. 78
Figure 14: Public and private instruments and initiatives in the fashion companies’ CSR communication ...... 80
Figure 15: The most used CSR incentives and initiatives by 10 studied great fashion companies ............... 80
Figure 16: Other ways of legitimizing the CSR messages among fashion companies ..................................... 82
Introduction

Corporate Social Responsibility (CSR) is becoming more and more important aspect and the corporates increasingly pay more attention on dealing with these issues. Surrounding environment could be affected by companies’ activities, so they are increasingly taking into account the consequences which could be produced by doing their business activities. In each different industry corporate operations and activities are affected or they could be affected by various groups of stakeholders such as investors, the media, customers, non-governmental organizations and so on. Moreover, it is very important how corporates communicate with their stakeholders, because the successfulness of the business is dependent on the responding to the needs of stakeholders. In addition to this, nowadays a growing number of companies are paying more attention to the environmental and social impacts of their activities. Thus, the companies are becoming aware of the fact that prerequisite for successful business is paying more attention to improve their responsibilities in each aspect. For example, the corporates are engaging in nature protection, they are improving the labor practices, especially in case of women, or they can donate to social cause. All of these actions and many other types of corporate actions are related to corporate social responsibility (Cornelissen, 2011).

*Corporate Social Responsibility is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources.*

Many definitions about corporate social responsibility are found, but this one is quite simple and in the same time quite comprehensive. The main point of this definition is the aim of the company to be social responsible in order to improve society and community well-being through company’s activities. Discretionary business practices and activities are not always ordered by law or they are not obligated to be moral or ethical. On the other hand, these practices are expected to be made in order to improve society and its comprehensive well-being. Moreover, companies should base their activities on voluntary commitment and implement these activities and practices in the way to contribute to community. The aim of the company should be how to demonstrate social responsibility, how to contribute to the society through its business activities and how to adopt those activities in order to improve some aspect of living conditions or quality of life.

---

1 P. Kotler and N. Lee; *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause*; p. 3, 2005, John Wiley & Sons, New Jersey
In modern world and businesses, it is not just accepted by the companies to do good activities for the society, but it is expected by them. So, we can say that it is not an easy job for the business leaders and managers at all levels. Furthermore, they have to be aware of the fact that community expect from them to make business activities which can contribute to the whole society. Good managers and marketing experts have to make link between company’s well-being and society’s well-being. Sometimes, this relation could be quite difficult, because those two interests are not always the same. In addition to this, good leaders sometimes have to make decisions which are not so easy to decide. Also, society’s interests sometimes could be more important than company’s interests. Moreover, making decisions at the highest level of the company have to be sensitive to the society, and it is not always the best option to put the profit on the first place. The bottom line is definitely very important for each corporate, but on the other hand, the increasing pressure to be a socially responsible is getting its bigger importance.

Important thing to mention is that companies need to follow the trends or maybe it is better to say it is recommended. Nowadays, companies are involving more and more charity activities in their business practices. It could not always be the thing of doing well and contribute to the society, but it is definitely a good marketing strategy. On the other hand, charity activities are contributing to the society and this has positive effect to customer attitudes. So basically, company’s charity activities usually have double positive effects, firstly this is the way to contribute to the community and the other one is to increase positive opinion of the customers. Another thing that corporates are increasingly doing is reporting. Corporate annual reports, such as community giving reports, financial statements with special sections on community giving and other types of reports, are mainly involved in this type of reporting. Various groups of stakeholders are interested in corporate’s reporting, because they are interested in companies activities and responsibilities. Companies have different attitudes regarding the reporting, but usually they are taking care about stakeholders opinion and that is why they want to be assure that provided information are accurate, just in case that some independent factor decides to verify the content of reports. Moreover, it is also becoming popular to establish corporate social norms in order to do good for the society. Within company’s annual reports and also within the announcements on their web sites, the CEO’s message is also included. Head of company usually consider that giving to the society is not only helping and increasing of society’s well-being, but also good business and
strategy to improve overall economy. Some companies consider that important factor of company’s measurement of success is not always profitability, share value, ability to change with the times or product development, but also important feature of company’s measurement is its social responsibility. They believe that social responsibility is not only the process which has is beginning and its end, it is a process which has to be continuous and it should the way of business program and life. On the other hand, the growing need for shifting obligations to business strategy is getting on its bigger importance. Therefore, this could contribute to company’s bottom line and increase the profitability too. The best strategy could be to shift social responsible activities to business goals, through making strategic alliances or forming long-term commitments to specific issues and practices, which can provide more than cash contribution. Socially responsible issues are also very effective marketing strategy. (Kotler and Lee, 2005)

Furthermore, some researches show that marketing activities have the strongest impact on stakeholder groups who are highly educated and who earn more than average salary. So, companies should be aware of the fact that stakeholders and customers are interested in their CSR issues, and this should be a guide for them. In order to generate CRS activities as much as better, corporates should follow customer’s “wishes”. Not always, but usually, customers are expecting that company do ethical and moral activities in order to do good for the community (Dawkins, 2004) and sometimes they also expect from the company to provide more information about CSR activities then they actually do.

As was written before, CSR issues belong to those themes which are of rather high interest and objects of communication of fashion industry and relatively intensive attention is paid to this area also from the scholars (Crane and Matten, 2007; Joergens, 2006; Mae and Victoria, 2008; Dickson and Eckman, 2006). What is less known is how specific groups of companies within this big industry deal with this communication on their Websites? Fashion industry is very diverse in character – in size of companies, customer segments orientation, international or geographical segmentation orientation, categories of products (and character of production) etc. All these (and of course others) factors affect also the need to communicate behavior and attitudes of management towards CSR, since they work as the environmental forces being the potential opportunities and or threats. Knowledge of some patterns of behavior and attitudes of the specific groups of
companies can give more complex picture of situation and can induce the interest in following research for better understanding of the whole situation and reasons behind.

**Research Questions**

The main goal of this thesis is to investigate the current situation of CSR communication of fashion industry on the Web. Another objective of this research will be the comparison of the Web CSR communication of the selected fashion companies. Furthermore, this research concentrates also on the way how the corporates communicate about their CSR practices and activities on their Webpages, and how are they try to attract the customers through CSR issues.

The research questions are mainly going to be the following:

1. **To what extent do large fashion companies communicate on CSR issues on their official Websites?**
2. **Which CSR issues do large fashion companies communicate on their official Websites?**
3. **To what extent do large fashion companies use CSR instruments and initiatives in their CSR communication on their official Websites?**
4. **How fashion companies employ CSR on their official Websites in order to attract and motivate stakeholders, specifically customers?**
5. **To what extent does fashion industry contribute to the society through its CSR activities through the perspective of the Web communication?**

This research questions refer to CSR communication of fashion companies through their official Websites. So, the goal of this research was to investigate fashion companies global CSR communication and how they are contributing to the society globally. It is also important to point out that this research was not referring to the CSR communication of fashion companies in one country, but it refers to global CSR communication of the fashion companies on their international and official Websites.
Structure of the Thesis

This Master’s thesis consists of five main sections:

1. Introduction,
2. Review of Literature,
3. Methodology of the research,
4. Findings,
5. Discussion and Conclusions.

The topic of this thesis, the purpose, as well as the research questions of the study was introduced and presented in the first section of this thesis, Introduction.

The second section of the thesis, Review of Literature, introduced the whole concept of CSR by defining it and also presenting the most well-known models of this area. Also, the second section explained the CSR communication on the Web and gives the introduction to CSR instruments and initiatives. Moreover, the theoretical part for this study is also presented.

In the Methodology of the research section, the methodology for the current study is presented and explored. The data collection and analysis, as well as the trustworthiness of the study are reviewed. In the fourth section, the findings of the study are presented and analyzed. Finally, in the fifth section, a concluding discussion provides the research summary and discusses these findings and conclusions, as well as the limitations of the study and implications for future research.
Review of Literature

In this section, literature relevant to this study is presented and also studies concerning corporate social responsibility, CSR communication on the web and different CSR initiatives and instruments are reviewed as well.

What is Corporate Social Responsibility (CSR)?

First of all, it is needed to specify and define a society. Organizations or we can call them companies, corporates, businesses or firms, are created by people in order to leverage their resources and in that way it is easier to them to achieve common goals and interests. Furthermore, in order to pursue those common goals, the companies have to interact and cooperate with the society. There are many different types of organizations and they can be classified according to their purpose, but each type of organization need to cooperate with the society depending on their goals and stakeholders. (Werther and Chandler, 2011, p. 3)

Government exists to define the rules and structures, according to which society and other organizations must operate. But, no matter if organizations are governmental or non-governmental, they are emerged to do social good and also the profit is not always the main purpose of their existence. So, society exists because of these different forms of organizations. Each organization performs differently and it has its own rules, but also they are dependent on each other, therefore they need to interact. (Werther and Chandler, 2011, p. 3)

Corporate Social Responsibility (CSR) is much more discussed in contemporary business than it was the case before. Nowadays, CSR could be found in every form of organization, so we can say that it is almost everywhere.

There are many different definitions about corporate social responsibility. According to variety of attitudes and opinions, different people could think differently regarding the whole concept and issues of CSR. For some, it represents a misguided attempt to divert money that should rightly go to shareholders; for others, it is little more than smokescreen behind which large multinationals can maintain a discredited, unsustainable business model while appearing to be responsible to the outside world; for still others, it represents a genuine opportunity to help leverage millions out of poverty in the world’s poorest countries (Crane, Matten and Spence, 2008, p. 1). According to those people’s attitudes regarding CSR, it seems that companies are doing activities for society’s well-
being in order to benefit and improve the company’s business and profit. It is true that companies are doing practices and making strategies in CSR with the main aim to make good marketing, advertisement or doing long-term strategy to profit more, but, on the other hand, CSR activities are also contributing to the community, even though they could be a good marketing strategy too.

**Corporate Social Responsibility could be defined also as: a view of the corporate and its role in society that assumes a responsibility among firms to pursue goals in addition to profit maximization and a responsibility among a firm’s stakeholders to hold the firm accountable for its actions** (Werther and Chandler, 2011, p. 5). This CSR definition is quite comprehensive and it is noticeable that the accent is on stakeholders. In addition to this, stakeholders groups are wide and there are included customers, employees, suppliers, creditors, regulating authorities, local communities, environment and many other groups which are interested in the corporate. Furthermore, the company should identify which stakeholder groups are the most important for strategic plan and according to that the firm should respond to the demands of that chosen group or groups (Werther and Chandler, 2011, p. 5).

Very comprehensive and good example of CSR definition is provided by Kellie McElhaney. She described that the leaders of modern world are using business and CSR to create better world and improve the society. Also, according to her experience, she stated that CSR is corporate strategy and it should be a part of the company’s portfolio of business strategies. Moreover, McElhaney developed and created the following statement of strategic corporate social responsibility:

*A business strategy that is integrated with core business objectives and core competences of the firm, and form the outset is designed to create business value and positive social change, and is embedded in day-to-day business culture and operations.*

Therefore, the common problem could appear that defining of CSR within the companies could be different. Furthermore, the definition of corporate social responsibility in one company or organization might be unaccepted and totally different in another organization. According to McElhaney’s experience, she has encountered wide variety of other names for corporate social responsibility in different organizations, such as sustainable development, global citizenship, corporate citizenship, values-driven business, natural capitalism, spiritual capitalism, and many

---

other terms for the same activity. So, there is no unique role for creating the definition of corporate social responsibility. (McElhaney, 2009, p. 31)
Table 1: Different attitudes to CSR

<table>
<thead>
<tr>
<th>Organization</th>
<th>Type of Organization</th>
<th>What CSR represents to them</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Nations Industrial Development Organization</td>
<td>Governmental organization</td>
<td>“Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders.”</td>
<td><a href="http://www.unido.org/">http://www.unido.org/</a></td>
</tr>
<tr>
<td>European Commission</td>
<td>Governmental organization</td>
<td>“Corporate social responsibility (CSR) refers to companies taking responsibility for their impact on society. The European Commission believes that CSR is important for the sustainability, competitiveness, and innovation of EU enterprises and the EU economy. It brings benefits for risk management, cost savings, access to capital, customer relationships, and human resource management.”</td>
<td><a href="http://ec.europa.eu/growth/industry/corporate-social-responsibility/index_en.htm">http://ec.europa.eu/growth/industry/corporate-social-responsibility/index_en.htm</a></td>
</tr>
<tr>
<td>World Fashion Organization</td>
<td>Business association</td>
<td>“Our primary objective will be to highlight the importance of designing Corporative Social Responsibility (CSR) policies and implementing codes of conduct that ensure compliance with social rights, labor and environmental sustainability. Something that is increasingly demanded by stakeholders.”</td>
<td><a href="http://wfoi.org/62033/index.html">http://wfoi.org/62033/index.html</a></td>
</tr>
<tr>
<td>Gap Inc.</td>
<td>Corporation</td>
<td>“Being socially responsible means striving to embed our values and ethics into everything we do – from how we run our business, to how we treat our employees, to how we impact the communities where we do business.”</td>
<td><a href="http://www.gapinc.com">www.gapinc.com</a>; <a href="http://digitalcommons.ilr.cornell.edu/cahrs/wp/455/">http://digitalcommons.ilr.cornell.edu/cahrs/wp/455/</a></td>
</tr>
<tr>
<td>Levi Strauss and Co.</td>
<td>Corporation</td>
<td>“The Levi Strauss Foundation advances the human rights and well-being of underserved people touched by our business. Every day, we support progressive leaders and organizations that take risks and innovate as they address the most pressing social issues of our time: from HIV/AIDS and human rights, to promoting long-term assets among low-income people and improving the lives of apparel workers in our supply chain.”</td>
<td><a href="http://www.levistrauss.com/levi-strauss-foundation/">http://www.levistrauss.com/levi-strauss-foundation/</a></td>
</tr>
</tbody>
</table>

The table above shows different attitudes of some government organizations, business association and corporations. It is noticeable that all of them have almost the same attitude, so we
can say that in CSR issues the most important thing is to contribute to the society and link that to marketing strategy and profit maximization.

**Theories behind Corporate Social Responsibility**

Regarding to the term “social”, corporate social responsibility is often considered to consist three main components, which are: social, environmental and financial responsibility. The basic idea of this concept is companies’ responsibility and caring about people, the plant and about profit forms and in that way they are building the whole concept of corporate social responsibility. (Cornelissen 2011, p. 236) Moreover, this term refers to the “triple bottom line”, which was firstly and originally introduced to respond to limited focus of companies’ businesses on environmental issues. (Elkington 2008, p. 466) The better understanding and visual preview of this concept is illustrated in the following figure.

![Figure 1: The triple bottom line view on corporate social responsibility](http://sustainablebusinessforum.com/miketyrrell/57395/quintuple-bottom-line)

Nowadays, perhaps the most dominant and represented theory in the CSR field is the triple bottom-line view. But, also there are other theories which are explaining the corporate social responsibility, such as some other ways of modeling corporate responsibility could be studying the responsibilities of the corporate, which could be economic, legal, ethical and philanthropic. (Carroll 1991) According to Carroll’s pyramid, there are four types of responsibilities existing. Two of them are economical responsibilities, which are including the responsibility of being profitable and to conform to regulations and legislation. In this model from 1991, the economical responsibility is the most important and it creates the basis for all other company’s responsibilities and it enables the
company to focus on the other categories and issues. (Carroll 1991) Furthermore, after the economical and legislative responsibilities, which are necessary for the company, there are the third types of company’s responsibilities, the ethical responsibilities. This group of responsibilities is including the activities which are generally prohibited and which are not accepted as ethical, even though they are not categorized as laws. There is still fourth type of responsibilities left, and it refers to once that are voluntary and philanthropic by the businesses. This view of CSR can be seen in the next illustration in the Figure 2.

Figure 2: Carroll’s pyramid on corporate social responsibility (Carroll 1991, p. 42)

- **Economic Responsibilities**: Be profitable
  - The foundation upon which all others rest.
- **Legal Responsibilities**: Obey the law
  - Law is society’s codification of right and wrong. Play by the rules of the game.
- **Ethical Responsibilities**: Be ethical
  - Obligation to do what is right, just and fair. Avoid harm.
- **Discretionary Responsibilities**: Be a good corporate citizen
  - Contribute resources to the community; improve quality of life.

Definitely, this Carroll’s theory gained quite huge amount of popularity, and it is also well-known concept of CSR amongst some academics. Also, this concept has been developed more during the recent years and also nowadays, which can be seen in the example of the Global Reporting Initiative, which wishes to emphasize equally the economic, environmental and social issues of CSR. This is making the “triple bottom-line” approach even more interesting and suitable for further modern analysis, which is also going to be the view referred to the studies in this thesis. What is also interesting to emphasize is that the one of the reasons for the success of this “triple bottom-line” theory might be the movement of different concepts of CSR, from simple philanthropy to some complicated social problems which are tried to be solved by the business development and searching for the solutions in order to solve those world’s problems. (Batenkas 2004) This view is
concerning the transparency of the company and also the expectations of the stakeholders, but this also supports the idea that business could function better if it is following the interests of their stakeholders (Takala 1999).

So, in Carroll’s pyramid model, the financial and economic factors were recognized as perquisite for corporate social responsibility, but during the time this statement has changed and this is not the simple truth anymore. Therefore, nowadays sustainability is usually recognized as base for corporate social responsibility (Korhonen 2003).

**Corporate Strategy and CSR**

There are different areas of corporate social responsibility within each corporate operates, and those activities are usually described as economic, legal, ethical or discretionary issues, and all of them could affect economic performance of the company. Moreover, legal activities are needed to be followed, because in the case that company breaks the legal regulations means that it also breaks the law. Furthermore, this behavior is not ethical and in the same time not accepted as socially responsible. Thus, companies are paying more attention on ethical and discretionary concerns, because they are not so accurately defined, so companies have more options regarding this type of CSR activities. (Werther and Chandler, 2011)

*CSR is a key element of business strategy* (Werther and Chandler, 2011, p. 8). Companies are seeking for the best strategy which can provide and improve the business with continuous competitive advantage. Moreover, the strategy should be created in order to last long period or to be sustainable and also it should be competitive. On the other hand, what is also important is to make a CSR strategy which is acceptable to the wider environment within the company operates. (Werther and Chandler, 2011, p. 8)

It is interesting to mention that a hundred and more years ago, some companies used corporate social responsibility in a wrong way from today’s perspective and their ethical behavior was on a very low level. All what they did was mostly related to competitive advantage and they were able to do everything, no matter if it was good or bad, the main motive for them was just to make themselves better than other competitors. They did not pay any attention on what they will provoke, but the important issue for the companies in the past was to be better than other competitors in the environment where they compete. For example, some companies did activities
which could harm their other competitors in the same branch, and in order to make themselves better or the best in the eyes of society. (Werther and Chandler, 2011, p. 8) This result in series of antitrust laws made by government which eventually forced the low ethical companies to split into smaller companies or they had some other kind of consequences. (Werther and Chandler, 2011)

Furthermore, according to McElhaney, strategic CSR can provide and reach the most financial benefits in arias of human resource and talent management, reputation and branding, and operational cost savings. In addition to this, the result could be positive if the company uses the CSR as an effective strategy in order to attract and recruit the best talents, which definitely has positive implication for the profit maximization and bottom line of the company.

Usually, the ideas for CSR start among lower-level employees, but to be realized there is a need for those ideas to be engaged and accepted by senior executives. Those ideas and visions of CSR are needed to be embedded into the company’s strategy in order to benefit not only to the environment and the society, but also to the company’s bottom line and profit. Moreover, the best strategy for the company is to create and treat CSR as a core business strategy, such as marketing strategy, research and development (R&D), capital expenditures, or talent management. Also, the board of the company should be responsible for business strategies in other business areas as well. So, they should pay attention on business strategies such as accounting, finance and marketing, and also link them to the CSR strategy. One of the most important issues for top managers is to determine the specific business strategy, which will be supported by adequate CSR strategy. Thus, determining the business objectives are the crucial thing while making an effective CSR strategy, because it should be also made in order to reach the company’s goals and to be competitive.3

“We outline a supply and demand model of corporate social responsibility (CSR). Based on this framework, we hypothesize that a firm’s level of CSR will depend on its size, level of diversification, research and development, advertising, government sales, consumer income, labor market conditions, and stage in the industry life cycle. From these hypotheses, we conclude that there is an “ideal” level of CSR, which managers can determine via cost-benefit analysis, and that there is a neutral relationship between CSR and financial performance.”4

---

3 Source: http://responsiblebusiness.haas.berkeley.edu/documents/Strategic%20CSR%20(Leader%20to%20Leader,%20McElhaney).pdf
4 Source: http://amr.aom.org/content/26/1/117.short
Table 2: A Strategic Approach of CSR

<table>
<thead>
<tr>
<th></th>
<th>Generic Social Impacts</th>
<th>Value Chain Social Impacts</th>
<th>Social Dimensions of Competitive Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Citizenship</td>
<td>Mitigate harm from value chain activities</td>
<td>Strategic philanthropy that leverages capabilities to improve salient areas of competitive context</td>
<td></td>
</tr>
<tr>
<td>Responsive CSR</td>
<td>Transform value chain activities to benefit society while reinforcing strategy</td>
<td>Strategic CSR</td>
<td></td>
</tr>
</tbody>
</table>

Business case for CSR

Like many other ideas, also the idea of CSR has not been accepted without many different critics. Milton Friedman’s article “The Social Responsibility of Business is to Increase its Profit” has become one of the classics in corporate social responsibility. This article was originally published by The New York Times Magazine and it was understandable for also non-expert audience, because it was written in very simple language and it indicated the key figures of CSR criticism. According to Friedman, the company's concern should be only about profit maximization and social problems would be resolved by free market system and if not, then government and legislators would responsible for resolving those social problems. Friedman also emphasizes that “business” cannot have any responsibility, because corporation is artificial person, thus he explained that only people or human beings could have responsibilities. Moreover, businessmen or corporate executive are the persons who are responsible, even though the most discussions are directed to corporation.5

Carroll and Shabana in their Director notes: The Business Case for Corporate Social Responsibility, argue that companies have a variety of reasons for being attentive to CSR. Also, in their report they document some potential benefits for bottom line if the company uses the CSR effectively, such as: reducing cost and risk, gaining competitive advantage, developing and maintaining legitimacy and reputational capital, achieving win-win outcomes through synergistic value creation.6

Furthermore, Porter and Kramer (2006) argue that many companies have already done a lot to contribute to the society and environment, but those activities and efforts have already not been as productive as they could be, for two reasons as they stated. First reason is that the companies put

---

5 Source: http://www.umich.edu/~thecore/doc/Friedman.pdf
6 Source: https://www.conference-board.org/retrievelfile.cfm?filename=1156_1307550372.pdf&type=subsite
business against society, which is wrong because they two are dependent on each other. The second reason is that the companies are under the pressure to think of CSR in generic ways instead of in the way that could be the most appropriate to each corporate’s strategy.\(^7\)

Moreover, for the company what is also important is mapping a social opportunities. A company and the society are interdependent and they can be analyzed with the same tools in order to find out a competitive position of the company and then develop and improve the strategy. After all those analyses, the company can decide what particular CSR activity would be the main focus with the best effect. Even though each company is constantly under the different types of pressure from outside, they can set the CSR activities which could contribute to maximum social benefit and in the same time those activities could bring the gains for the business. There are two contexts which could be used to analyze the company’s competitiveness.

**Looking Inside Out: Social Impact of the Value Chain**

The value chain covers all activities where the company participates while doing business. These “inside-out” connections may range different areas which are shown in the following figure:

---

\(^7\) Source: [http://f2.washington.edu/fm/sites/default/files/Porter%20Business%20Case%20for%20CSR.pdf](http://f2.washington.edu/fm/sites/default/files/Porter%20Business%20Case%20for%20CSR.pdf)
Looking Outside In: Social Influences on Competitiveness

This chart shows social influence on company’s competitiveness. According to Porter and Kramer (2006), effective CSR strategy requires understanding of social aspect of the company’s competitive context “outside-in”, which can affect company’s ability to improve productivity and execute strategy.

![Figure 4: Outside In context](http://f2.washington.edu/fm/sites/default/files/Porter%20Business%20Case%20for%20CSR.pdf)

Source: http://f2.washington.edu/fm/sites/default/files/Porter%20Business%20Case%20for%20CSR.pdf
Communicating Corporate Social Responsibility

Obviously, Communication is integral part of corporate social responsibility. The mail goal is to keep stakeholders informed about company’s interests, so those interests are needed to be communicated (Dawkins, 2005). Furthermore, in this thesis CSR communication is going to be defined as corporate’s communication in public, mainly about their interests, CSR philosophy and corporate’s performance to society in whole and different types of stakeholders.

The importance of corporate responsibility for companies is constantly growing, but in the same time the importance of company’s good deeds has grown too. Thus, the CSR communication can occur in several different channels. According to Polonsky and Hyman (2007), the most common channels for CSR communication are the corporate Websites, CSR reports, and other types or publications.

Perhaps, the most traditional way of communicating the companies’ CSR actions and commitments is CSR reporting. Nowadays, the increasing number of companies experiences the CSR as an integral part of company’s business activity. Therefore, the companies’ are publishing the information about their CSR activities in their annual reports. It seems that reporting style is integrating into annual reports, and all the time this is becoming more and more popular. (PwC 2012, p. 11)

Also, very popular and already traditional source of information for many stakeholders are companies’ Websites. So, the Internet and companies’ Websites are very popular way for companies to publish their CSR reports. Since the Internet is a widespread network all over the world, the companies are using that opportunity to publish their reports and in that way inform their stakeholders about their CSR activities. The number of companies, which are communicating about their CSR commitment and activities on their Websites, is increasing more and more. (PwC 2012, p. 11)

However, companies are communicating about their CSR activities, and they are trying to provide as much information as possible, but on the other hand there are stakeholders who have some opinion. They are also interested in company’s socially responsible activities, because they are interested in corporate’s influence to the society in whole or in some particular part.
According to the following chart, made by European Commission in 2012, we can see the percentage of people among different European countries who are feeling informed, less informed, or not informed at all about what companies do to behave responsible to the society and how the companies are communicating about their CSR activities.¹

Figure 5: Level of information about what companies do to behave responsibly towards society (people’s opinion)


From the previous chart, it is noticeable that 36 per cent of people thought that they are totally informed about the companies’ activities towards society. Therefore, those people were satisfied with the information provided by companies about their commitment in the society. In contrast, 62 per cent of EU citizens said that they do not feel enough informed about what companies are doing towards society. Thus, we can conclude that people were not feeling satisfied with the information provided by companies about what they do to behave responsible to the society, since more than a half of the population felt “not informed” about what companies do. Only 2 percent of EU inhabitants answered that they do not know anything about what companies do in order to improve the society.

**CSR communication – why it is important?**

In any country, there are not presented any regulatory bodies that require from all companies to undertake or communicate about their CSR activities. It is true that it was expected from some European countries governments to have developed public mandates for CSR communication so far, but it is still not done (Nikolaeva & Bicho 2010). Definitely, CSR communication in the most parts of the world and for the most companies is still just voluntary private initiatives (Nikolaeva & Bicho, 2010). There are several views about what it obligates the companies to communicate about their CSR activities and those views are going to be discussed in the following paragraphs.

One aspect on CSR communication is that it is seen as a part of company’s ethics. This can usually be related and connected to philanthropy, which is defined as “the company’s resource allocation to charitable activities” (Ricks and Williams, 2005). Moreover, Kotler and Lee (2005, p. 144) defined corporate philanthropy as a direct contribution by a company to charity or cause, usually in the form of cash grants, donations and/or in-kind services. Also, Kotler and Lee (2005) emphasized that these types of company’s contribution to the society are the most traditional and common of all corporate social initiatives. However, CSR communication combines and overlaps both, ethics and philanthropy too. Furthermore, corporate social responsibility represents the company’s efforts to do well and to avoid doing harm (Basil and Erlandsson, 2008). Crane and Matten (2007, p. 48) listed moral arguments for CSR, such as: “corporations cause social problems and hence have as responsibility to solve those they have caused and prevent further social problems arising” or “they (corporations) have a duty to take into account the interests and goals of these stakeholders as well as those of stakeholders”.

There are also other views of CSR and CSR communication. The next view of CSR that I am going to write about is CSR as a marketing tool. Kotler and Lee (2005, p. 114) stated that corporate social marketing is a tool where a corporate supports development and implementation of a behavior change campaign, which is usually intended in order to improve public health, safety, the environment or community well-being. According to Sweeney and Coughlan (2008), the main purpose of CSR communication is to respond to the stakeholder demands. Moreover, the demands and expectations of company stakeholders are often in conflict with the company’s profit-driven stakeholders. Thus, some authors stated that CSR activities in order to be profitable for the companies are usually in a conflict with the company’s true social effort, which means that the gap
between the corporate’s real CSR actions and commitments and the company’s CSR communication is quite wide, and also sometimes CSR communication remains not strong enough to influence stakeholder’s perception and perspective.

What is also very important for the companies is reputation management and brand protection. Those could be also the reasons of company’s engagement in CSR communication (e.g. Mori and Welch, 2008). For many companies the CSR communication about their CSR activities and commitment in the society could be very important, because in that way they can show to the stakeholders that they are contributing to the society and also this is a good marketing strategy, which can make better public attitude about the specific company. Furthermore, for many companies, active social and corporate responsibilities are very important factors in establishing good reputation and acceptance by the stakeholders. Therefore, CSR communication about CSR activities can also be good protection against potentially negative media attention (Lewis, 2013). CSR communication as a marketing strategy is especially important in fashion and apparel industry, because this is the way when these types of companies can contribute to the society and in the same time increase their own reputation. Since media, customers and pressure groups are monitoring company’s abuses and malpractices all the time, lack of social responsibilities could be the major risk factor for the companies. Nowadays, many businesses can detect and interpret the institutional pressure, as well as the community expectations, and transfer this knowledge into action in managing the relationship between the company and the company’s key stakeholders (Nikolaeva and Bicho, 2010).

In the KPMG (a global network of professionals providing audit, advisory and tax services) survey in 2013 (p. 13), many companies have no longer seen a corporate responsibility as a moral issue, but they see it more as a core business risk and opportunities. Investors are increasingly accepting that environmental and social factors put company value at stake. According to this survey, very small number of companies is still declaring any quantified risks to the bottom line in their CSR reporting. Moreover, what are very important things for companies in considering the top motivators for responsible businesses are also innovations and learning process, improvement of reputation or brand, improvement of market position, cost savings, how to highly motivate the employees, building up the relationship with suppliers, and also access to the capital or increasing
of stakeholder value. Improvement of the relationship with government authorities were listed having the least impact on CSR reporting. This is more visible in the following chart:

![Figure 6: Motivators and opportunities recognized in CSR communication](chart)

No matter whether the CSR communication is a marketing, ethics or brand reputation strategy, it is constantly the subject of discussion. This is stated by Moreno and Capriotti (2009), but Dawkins (2005) pointed out that communication remains less studied issue in the practice of corporate responsibility. Moreover, many companies are making efforts and they succeed to fulfill their social responsibilities, but on the other hand they are not committed in communicating about their activities enough and due to this they are not successful in convincing their stakeholders about their socially responsible activities and issues (Lewis, 2003). Thus, this can result in the lack of trust in companies, even though the companies succeeded to fulfill their socially responsible issues. In recent two or three decades, scholars have studied about effective CSR communication, but it is still necessary to make additional investigation regarding the remains issues (Bronn, 2004).
CSR Communication to Stakeholders

Increasing number of organizations realized the importance of communication with their stakeholders in order to develop and protect their reputation. The stakeholder management is partly important because of the government’s pressure and the international community promotion of the stakeholder perspective. (Cornelissen, 2004, p. 41)

Researches have indicated that often stakeholders are suspicious regarding the corporates motives for responsibility efforts (Du et al, 2010; Argenti, 2007, p. 83). Thus, the corporate usually faces with the challenge of establishing customer’s trust and the trust of audience in general, which requires a big effort and delicate communication. According to Du et al. (2010), sometimes the stakeholders may perceive the company motives for CSR as extrinsic, which means that stakeholders may see the profit as company’s priority. On the other hand, the stakeholders may also perceive the company’s motives for CSR as intrinsic, which means that the company is seen acting unselfish and out of a genuine and honest concern for a cause. It is also true that the stakeholders are able to identify the presence of both, intrinsic, as well as extrinsic motives in CSR. Moreover, Du et al. (2010) has suggested the stakeholders are increasingly interested and willing to adapt a view that both, business and society should benefit from the CSR.

Companies, whose strategy is to get positive business return result from the CSR activities and communication, need to try to overcome the challenges identified as stakeholder’s skepticism, which is discussed in previous paragraph. For the companies is also very important how to create and design CSR communicating message to the customers, in order to increase the stakeholder’s awareness of company’s CSR activities and to increase the trust in corporate’s social responsibility. Also, according to Du et al. (2010), the content of CSR message and the channel, where the CSR message was published, are crucial aspects to consider and affect the customer’s attention and to gain their trust in the CSR communications.

Du et al. (2010) stated that concerning the CSR message company can choose whether the content should be about promotion of some social issues itself or company’s involvement in some other specific issue. Usually, the companies are choosing CSR messages which are focused on company’s involvement in a specific issue. It is also possible that CSR message can contain the company’s motives for engagement into CSR (Du et al., 2010). It is also important to mention that Maignan (2001) highlighted that in order to communicate on CSR effectively, it is necessary to
investigate and know about customer’s expectations and what they include in company’s responsibilities. Maignan also found that customers establish difference between corporation’s economic, legal, ethical and philanthropic duties. However, the differences between nations exist, which means that different aspects of corporation duties are differently seen and important to different nations.

In addition to the content of the message, it is also important to mention the choice of CSR communication channel (Du et al., 2010; Argenti, 2007). Customers’ awareness of CSR and also their trust in CSR’s provided information is affected by the choosing of communication channel. The companies have the right to choose the channel where they can communicate on CSR issues (ibid). Furthermore, usually it is quite difficult to choose the right communication channel for CSR, and the main reason is because of contrasting research findings. Du et al. (2010) pointed out that company can control communication channels and also monitor to what extent they can affect stakeholders’ trust in provided CSR information. Moreover, the authors usually agree with the opinion that stakeholders are more skeptical regarding the CSR information when it is provided on corporates Websites or some other corporate sources, and they believe more in the CSR information which is issued by some independent sources. The lack of stakeholders’ trust could happen due to the fact that they can see the information provided on some type of corporate’s communication source as self-interested. Thus, the authors suggest that it is better option for corporates to communicate and launch their CSR messages through independent channels.
The increasing number of companies communication CSR

Primarily, the concept of CSR was investigated in USA, and the main concern was to pay attention on the CSR as a communication tool. But, on the other hand, in other countries there is quite little knowledge about CSR content and public expectations. For instance, in Europe the public has traditionally been skeptical about company’s motives when involving their activities in social affairs, because it is traditionally state’s and government’s responsibility to take care about welfare of the community. (Maignan and Ralston 2002) However, the crisis of welfare in Europe demanded a greater involvement of the corporates and their businesses in social affairs. According to the Edelman Trust Barometer (2012), he pointed out that young people expect and demand business leaders to take a bigger role in a solving the problems of society in whole. It is also obvious that the power of consumers in the society is increasing and they can influence the behavior of the business (Dawkins 2005).

Definitely, it is true that many people see CSR reporting as wasting of time and money. Usually, CSR reports are not easy readable and companies often should seek more engaging and more interesting way for communication of their information. However, for sure this is not the reason for not reporting at all. Moreover, CSR reporting is becoming more and more popular and it is or it should be an essential part of the company’s business management. Also, CSR reporting can be means where the business can meet the opportunity to increase the profit, reputation or some other commercial opportunity, but on the other hand it can be also exposure to the business risk. One more role of CSR reporting, which is very important and essential, is for sure convincing the investors that the business of the certain company has future and that it is going to be profitable in next coming period. According to many surveys and findings about the corporate social reporting, the encouraging fact is that many of world’s largest companies are using the process of CR reporting to bring the sustainability to the core and main focus of business strategy.

Mainly, I have paid attention and I have analyzed the survey made in 2013 by the KPMG about Corporate Responsibility Reporting and there I found many interesting information about the growth among corporates in corporate responsibility reporting issues. So, the KPMG survey shows that the companies all over the globe have met a significant growth in CSR reporting issues. Thus, the companies are taking CSR issues more serious and it is definitely becoming even more important area in companies. A dramatic increase in rates happened in CSR reporting in Asia Pacific
in the period from 2011 to 2013, the year of the analyzed survey. The percentage of companies who were publishing CSR reports in 2013 in Asia Pacific region reaches the number of 71 per cent, which is 22 per cent higher than in 2011. However, Europe was leader region in CSR reporting, but according to the research in KPMG survey, Americans has overtaken this percentage, especially because of the increasing number of CSR reporting in Latin America. Therefore, the survey’s results in 2013 showed that 76 percent of American companies were reporting, seventy three percent of corporates in Europe and seventy one percent on Asia Pacific’s companies.

If we take a look at the specific countries, we can notice that the biggest growth since the previously made survey was met in India, which went up for significantly 53 percent. Chile was the following country and there was increase for 46 percent more companies reporting their CSR issues. The next significant growth happened in Singapore, for thirty seven percent up, in Australia for twenty five percent up, then in Taiwan the increase was for nineteen percent and it China the percentage went up for sixteen percent. (KPMG survey of Corporate Responsibility Reporting 2013)

Undeniably, nowadays CSR reporting has become a mainstream practice in business worldwide, and more about that is told in the fact that 71 percent of 4,100 companies, which were surveyed in 2013 by KPMG, are reporting their CSR activities. During the time, the CSR reporting rate is constantly increasing. Also, an interesting fast is that among the world’s biggest and largest 250 companies, the percentage of CSR reporting rate is constantly around ninety three percent. (KPMG survey of Corporate Responsibility Reporting 2013)

If we take a closer look to CSR reporting, we can see that very high CSR reporting rates in every region all around the world suggest that now it is a regular and standard business practice. The question could be whether the leaders of large world’s companies who still do not publish their CSR reports put their companies at the risk or moreover, could they maybe benefit from not reporting. In the following two graphs, we can see the growth worldwide among companies’ CSR reporting since 1993 until 2013.
These charts have summarized the progress among N100 (top 100 on National level in 16 different countries) and G250 (250 biggest companies worldwide), regarding their CSR reporting, in the period between 1993 and 2013, when this survey was made. According to the first chart, it is visible that both, N100 as well as G250 companies met an increase in CSR reporting. From this fact we can conclude that CSR issues, activities and also CSR reporting globally are becoming more and more popular and important thing for corporates. Moreover, companies realized that they can even more benefit from reporting their CSR issues and also stakeholder are interested to know more about companies’ activities in each area.

Furthermore, it is obvious that companies are paying more attention on CSR activities, since the growth in percentages was constant during the period of 20 years, with an exception in 2013, where the progress in reporting among G250 companies slightly decreased for only two percent, but still it is high and represents the number of 93 percent of companies reporting their CSR activities. So, according to statistical results of this survey, definitely corporate social responsibility has growing importance for companies around the world. Thus, this is happening because of many reasons such as increased interests of stakeholders in enterprises’ CSR activities and also transparency of accounting practices. Also, media has very important role in CSR reporting and it can reveal quite high influence in corporates’ CSR issues, which can impact on customer behavior. One more thing worth to be mentioned, is that, in the future, CSR reporting issues are going to be even more important for the enterprises, because of current globalization trend. CSR issues have already
become an important element of company’s management and headquarters, as well as it became a part of the corporate’s strategy. It also became a part of company’s internal, as well as external communication and relations with stakeholders. (Loikkonen and Hyytinen, 2011, p. 152)

However, the CSR reported issues, practices and activities are different between companies, and it is the case because of influence and dependence of many factors. For instance, industrial branches, the size of the enterprise and location, as well as geographical location of the market where the company operates, are very important factors of corporate social responsibility issues. Consequently, each company has its own and different strategy and responses to CSR issues. So, sometimes companies are taking CSR issues as a challenge for some future goals, or sometimes the companies are investigating CSR issues in order to differ themselves from other companies in the same branch, or it is better to say to differ from competitors. Therefore, enterprises are also using a CSR issues and reporting as a competitive advantage. (Loikkonen and Hyytinen, 2011, p. 152)

Mainly, the corporates are searching and looking for their competitive advantage when they communicating their CSR issues. Moreover, enterprises are researching and developing their strategies in order to investigate and find out whether there exist some relationship and connection between corporate social responsibility issues and business competitiveness. (Loikkonen and Hyytinen, 2011)
More about enterprises’ CSR reporting by industrial sector we can see and compare from the following chart.

![Figure 8: CSR reporting by industry sector](image)

For this thesis the most interesting industry sector is Trade & Retail, because Fashion industry is part of it, and the most attention I will pay on this specific industry of the chart and its progress in CSR reporting. This chart provided by KPMG survey of Corporate Responsibility Reporting in (2013, p. 26), represents us the progress in percentages among different industry sectors worldwide. Firstly, I want to emphasize that each industry sector has different interest in CSR issues, so the topics communicated about CSR activities are also different and vary.

From the chart we can see that the mining sector is communicating the most on their corporate social responsibility practices and activities, comparing to other industries, whose CSR communicating is also quite high, but not as high as in mining industry. So, another interesting fact that we can notice from the information of this chart is that almost all industries met increasing trend in CSR reporting since 2008 until 2013, but with exception in Forestry, pulp and paper industry and Chemicals and synthetics industry, where happened a slight decrease in the period from 2011 to 201. Still, all industries have a very high percentage regarding CSR reporting and it is all the increasing among companies. Regarding the Trade & retail industry, which is the most
interesting industry for this thesis, because fashion industry is part of it, we can notice that this specific industry has the lowest percentage in CSR reporting trends, comparing to all other industries engagement in companies’ socially responsible issues. Moreover, this could be because of impact of many factors. As I already mentioned, different industry sectors have not the same interest in socially responsible issues, so they are reporting they CSR activities at different level. Some industries are expected to be more responsible regarding the environment, community and also to economics overall, since some others are less expected to be, we can say, responsible.

Moreover, this section about increasing number of companies communicating on their CSR activities has summarized how the level and quality of both CSR communication and the actual practice vary depending on the region and the industry sector. Increased stakeholder pressure, legislation, better knowledge of CSR, the expression of company values and many others have made corporate social responsibility issues and reporting a possible and also valuable source for a competitive advantage for the companies who are responsible. (Loikkonen and Hyytinen, 2011)

**Internet as a channel for CSR communication**

As I mentioned before, the companies can chose the channel of their CSR reporting. Obviously, so far the most popular channel for communicating CSR has been CSR printed reports, but, companies’ Websites and other kind of media have been used too (Polonsky and Hyman 2007). According to current situation, not many studies specified the importance of companies Websites as a tool for communicating their CSR issues (Moreno & Capriotti 2009), even though corporate social responsibility is strongly associated and connected to the whole concept of globalization and global market, where the Internet has a quite big and important role, as well as great potential in any type of communication (Dawkins 2005). Nevertheless, according to Wanderley et. al. (2008) pointed out that the Internet started to be one of the most important tools for CSR communication, because the possibility which allows computers to publish more information much less expensive than it was the case before, so increasing number of enterprises all around the world are using their Websites to show and demonstrate their behavior regarding the CSR issues. Moreover, it is quite logical that companies’ Websites and Internet are considered as very effective channels for communicating CSR, because they can target many different groups of stakeholders (Esrock and Leichty, 1998), and they are the most used medium and mean of communication especially in countries where Internet is highly used (Basil and Erlandsson, 2008).
Furthermore, the organizations or companies can communicate about their CSR activities with their stakeholders through Internet in at least two ways (Ryan 2003). The first type of CSR communication through Internet is the way of using corporates’ Websites to influence the image and opinion about the company that stakeholders have. On the other hand, the second type of companies CSR communication through Internet is more like two-way communication, which means that establishing better relationship with stakeholders is included, but also interactive part and dialogue between the company and its stakeholders are included too. Obviously, the first type is definitely with a lower interaction, whereas the second type of CSR communication through Internet is with much higher level of interaction. (Moreno & Capriotti 2009)

Furthermore, the Internet owns a pretty high potential in attracting the stakeholder who are active in seeking the information about corporate social responsibility. It is also true that many people or maybe it is better to say many groups of stakeholders, are not so much interested in information about corporate social responsibility, even though a CSR reports are quite important source of company’s CSR activities for some groups of stakeholders. Definitely, the public in general are looking for more creative presentation of CSR activities and also more creative and innovative CSR communication on the Internet (Dawkins 2004, p. 112).

As it is already acknowledged that the Internet is a very important media for CSR communication, there still exist a question about what to communicate and how to report the information (Colman 2005). There are many studies about how much companies are communicating through Internet about their CSR activities. One of them is a firstly made in 1998 by Esrock and Leichty. So, they studied the Websites of US Fortune 500 Index companies and they found out that even 82 percent of companies were using Internet to communicate about their CSR practices and activities. In their study, they indicated that Internet was becoming more and more important channel for CSR communication and through Web organizations can reach a wide audience in an active way. Moreover, customers may definitely be the most interesting and the most important group of stakeholders, but on the other hand there are other groups of audiences, such as investors, the press, suppliers, some activist groups, who are also willing to know about the specific company they are looking for (Esrock & Leichty, 1998, 1999, 2000).
According to some other studies, such as the one from 2008, when Kim et al. (2010) found out that 71 percent of the Fortune Global 500 companies used their autonomous Web page titled with some environmental issue, for example “environment” or “environmental responsibilities” and so on. Moreover, in their study they found out that especially the companies in Europe were using this type of environmental menus, 86 percent of them, with 70 percent in North America, whereas in Asia 52 percent of companies.

Also, there are some studies which concerned mostly with the content of CSR communication that companies’ provide on their Websites in different countries. So, corporates are usually communicating about CSR issues in different countries, due to variability of interests of stakeholders. Some authors of the studies found the differences among CSR communication in different countries, for example the amount of discussed CSR information on the companies’ Websites, or the companies’ importance to be perceived as socially responsible among stakeholders in some specific country (Maignan and Ralston, 2002).

To conclude this chapter, it is obvious that companies’ are using pretty much the Internet as a channel to communicate about their CSR good deeds and practices. From the studies I discussed in this chapter, we can infer that large companies who have international businesses and who act globally, are already using their Websites to communicate about their CSR activities and in that way they are reaching their stakeholders. Even though the Internet and companies’ Websites seem to be channels for global CSR communication, there are definitely differences in communicated aspects in different countries depending on the country’s culture, region, also religion and some other factors. According to the studies in this chapter, there is still lack of information about CSR communication in fashion industry, so in the next chapters of this thesis I will base more on CSR communication, issues and topics communicated in some large fashion companies, known worldwide.

The CSR topics communicated on corporates Websites

Nowadays, CSR communication has become a mainstream, and also, it is quite much that is expected from the organizations, so the topics of CSR communication are various. For instance, a good example is what Moreno and Capriotti (2009) found in their studies of Spanish companies. So, they found out that a quite high percentage of 80 percent of Spanish companies, which are on the IBEX-35 list, have on their Websites a specific sections only for corporate social responsibility communication and what they also found out is that those companies were mostly concerned
about environmental responsibility and social responsibility. Since the “triple bottom line” has three parts, the third part which is financial responsibility barely existed. Moreover, the authors found out that 75 percent of all studied Websites, had a section about “Social action, Environmental action and Human rights”. Furthermore, according to some other related studies and studies about other CSR issues, the authors found that 80 percent of corporates were very superficially mentioning corporate ethics and it was in connection with other CSR issues such as corporate governance. So, 57 percent of the corporates are publishing on specific sections of their Websites about economic issues, their social and environmental activities, the corporate ethics, also about their relationship with different groups of audience, and other external evaluation issues.

Definitely, if we want to find similarities between the companies from different regions of the world, in general we can notice that the corporates have the same tendency when choosing CSR topics for communication. According to Kim et al. (2010), the “climate change” is the main concern among companies in Europe and North America, whereas the “resources and waste management” are the topics which are mostly communicated by companies in Asia. Kim et al. also found that issues such as “environmental governance” and “ecosystem” were not included in companies CSR concerns in any region. But, on the other hand, we can conclude from many studies that differences exist among different regions and companies’ environmental concerns. Thus, according to the writers, it seems that corporate Websites do not indicate enough guidelines for action and solutions regarding environmental concerns.

Nowadays, customers, as one of the most important group of stakeholders, are much more interested in companies’ social responsibility then they were before. Moreover, customers pay more attention on companies’ CSR activities, which puts companies under the pressure while communication about CSR issues. Even though the scholars found several topics which are mostly communicated by corporates, also what is important for companies is to choose the right CSR agenda. Moreover, it is quite important for companies to logically connect CSR topics about they communicate with company’s business. If companies do not combine topics of CSR communication and company’s business in a proper way, then it can reduce company’s credibility regarding the communication. Thus, this can also affect stakeholder’s opinion and reaction towards the specific company’s CSR activity, which can also reduce positive reaction of public, and it can be seen as indicator for unethical behavior (Dawkins 2004).
Basil and Erlandson (2008) were interested in comparing what were CSR topics mostly communicated on selected Canadian companies’ Websites in 2003 and 2006. Furthermore, in their research, they found out that philanthropy was the most common topic that companies communicated on their Websites in 2003, so according to these authors philanthropy was the most communicated topic in this mentioned year. On the other hand, the year 2006 was a code of ethics, for example the companies were mainly communicated on their Websites about ethical standards or about formal set of guiding principles (Basil & Erlandson, 2008).

Definitely, the main focus of companies’ CSR communication is mostly company’s involvement in the cause, and not the cause itself. Therefore, it is crucial for the companies that chosen CSR topics are interesting for various groups of stakeholders, and on that way they can generate and gain positive reaction of audience. Moreover, the right choice of CSR agenda is also important for making balance between the topics which are interesting for the public and the other ones which are fitting to the company’s business. (Du et al 2010)

**CSR communication from self-presentation to external criteria**

Usually, corporate social responsibility is regarded as self-regulatory, since it has a voluntary nature. But also there is a growing pressure from the society’s side and the growing importance of media’s role which are monitoring corporates’ activities all the time, so this means that corporate social responsibility has gained bigger importance. Moreover, self-regulation is also seen as companies’ strategy which is preparing possible legal regulations in the future (Schwartz and Carooll 2003).

A big paradox of corporate social responsibility is that mainly companies with their activities are responsible for environmental and social disorder, but also at the same time companies are considered to fight against it (Moreno & Capriotti 2009). Thus, this paradox is making a base for CSR communication. It is also true that companies can easily post on their Webpages according to internal policies, but if there is no some external policy for validation of demonstrated companies’ CSR activity or practice, then there is no way to proof the published CSR issue and knowing if it is the true affair or not. Sometimes the internal policies are not in the same line with the regular business operations, and this can allow companies not to be completely committed to CSR issues, but the companies can still present those issues as they are really committed to them, on their CSR
Websites. (Basil and Erlandsson 2008) In addition to this previous state, internal CSR policies could be adopted according to companies who are really responsible, but also by those corporates who are not really socially responsible. (Moreno & Capriotti 2009)

Moreover, for the truthfulness of CSR communication to be assured, there is necessity and requirements for external factors which are able to estimate the companies CSR communication on their Websites. Definitely, self-regulations cannot eliminate the company’s willingness to present itself with great concentration of power in its CSR communication. (Basil & Erlandsson 2008) In recent years, the companies started to adopt different CSR instruments and initiatives and this practice became quite popular amongst many companies. This practice amongst companies may be due to many reasons, but one of them is that companies perhaps may feel that they will get legitimacy adopting CSR practice. Furthermore, enterprises are adopting CSR standards which are suitable for them in order to show that they are acting to meet the requirements of these standards. Also, the more CSR practices are adopted by organizations, the more it ensures their CSR communication, and makes the companies which are non-adopted to look like abnormal. (Ingelblink & Immink 2010) Definitely, nowadays the companies who are not adopting a commonly used CSR instruments, could be seen as non-competitive and also those corporates may feel like they are left in a competitive disadvantage. A study of United Nations Environmental program found out that one of the most important reasons for CSR reporting adoption was the pressure of competition. (Levy et al. 2010) What is also interesting to point out, is that it is definitely beneficial for the companies to use external references in order to succeed better and more in self-promoting their achievements and accomplishments and also the defend their reputation against negative publicity (Mori & Welch 2008).

According to Waddock (2008, p.93) the need for standardization emerged from reporting, or more precisely, the fact that companies have previously mainly reported what they wanted to, in formats they desired, typically focusing on positive activities. To contend with reporting inconsistencies, the Global Reporting Initiative (GRI) developed a common reporting framework for sustainability reporting that allows cross company and cross-industry comparisons. GRI, which nowadays is used as a global benchmark, is meant to be comparable to generally accepted accounting principles for financial reporting. In addition to the rise of standardized reporting, another increasingly popular way of pressuring companies to be more responsible is through
publication of ratings and rankings that compare one company’s performance with respect to a given set of stakeholders, society or nature with the performance of other companies. (Waddock, 2008)

So, in this section is seen that many different actors are claiming themselves regarding their responsibilities and also the lack of legislation which is obligatory and monitoring from the side of authority is making it more difficult for the customers and other groups of stakeholders to differentiate between really socially responsible companies and the others who are less responsible. Also, it is difficult for the corporates themselves to show that they are really publishing the truth information. This may also be affected by the external references of legitimization to stress the companies to use CSR communication only in truthful way. In the following chapter, the different legitimization means are explained in more details.

The variety of instruments and initiatives supporting CSR

When taking into account CSR instruments and initiatives, there are different ways how to categorize them. One way of categorization is simply dividing then into soft and hard laws. Soft laws are regarded as civil regulations, whereas hard laws are represented as national and international laws and regulations.

Moreover, according to Abbott and Snidal (2000, p. 423) indicates, the softer forms of law and governance are more often chosen by international actors and as a way of facilitating international cooperation, because soft legislation offers many advantages over hard legislation, such as costs and some limitations of creating legally binding standards. Furthermore, the forms of soft law have a wide range from voluntary and private codes, labeling systems and certifications, to the governments’ transparency obligations (Vogel, 2008). The approach of the soft law is usually said to have many advantages over hard laws, but still there is often a lack of the legitimacy and enforcement mechanisms. Also, another advantage of soft laws could be seen as their role to avoid conflicts about state sovereignty, which is often the case in western governments’ restrictions about using trade policies in order to affect domestic regulations in developing countries.

Nowadays, the emerging discussion is about the relationship between public/state regulations and private regulations. Moreover, the private regulations and the policies of the state can definitely interact in many different ways. For instance, the private standards could be used to
bypass some additional regulations of the state, but also, they can be competition or the role model to enforce the state regulations to be better. (Vogel, 2008)

According to the above presented, when the hard laws concern legislation, then their counterpart which is soft laws, include guidelines and standards, international conventions and declarations, and also private voluntary instruments and initiatives, such as stakeholder and/or business initiatives. Currently, there are many different private initiatives that could be discussed and related to the section of soft laws. Often, they could be the guides for environmental and social issues, and also a hope for improvement of the business contribution to enhance a society and environment, and also labor issues and human rights. Even though the existing instruments are evolving and the new ones are emerging, still the comprehensive listing is not possible. (OECD, 2009, p. 236)

**CSR and Fashion Industry**

Nowadays, the fashion industry has very powerful position in modern society. Fashion industry represents very important economic and cultural role in community, since this industry is one of the major actors on the global stage. Moreover, the fashion industry is quite complex, with a sustainable concept for environment and economic, whereas ethical concept sounds difficult to address for clothing industry (Black 2008). Black also pointed out that there is need to make a reconciliation of ethical, social, environmental and also personal agendas through product development in the future and though other manufacturing stage in fashion industry, with an growing role of designers in making choices.

Today’s companies in fashion industry focuses on sustainable challenge in many different ways, such as: they are using natural resources which has constant flow, contribution to the depletion of fossil fuels, growth is diminishing of freshwater reservation for some stages in cotton production, and employing compounds such as pesticide or synthetic fibres, which can increase freshwater’s persistent presence in the nature (Cataldi, Dickson and Grover, 2010). According to Cataldi, Dickson and Grover, if the consumption behavior of customers and also of the large fashion industry, keeps still increasing in the same manner, then the impact on the ecological environment and society will grow too. Therefore, there is still limited space for the fashion industry to handle these impacts and
changes in the future and to find the solution for the issues that community is facing today. The one of the solutions that could be done by fashion industry is ethical fashion.

So, the explanation of the term “ethical fashion” is something which refers to a new approach of “fashion with conscience” acting in the market. This approach also refers to an increasing number of ethical fashion companies, which are competing to attract the young customers as the main group of stakeholders by producing modern and fashionable clothes (Joergens, 2006). Also, “ethical fashion” can be defined as fashionable, trendy clothes which can incorporate the principles of fair trade with fair-compensation labor conditions, while not badly influencing or harming the workers or environment by using more organic or biodegradable cotton or other textiles (Joergens, 2006).

Furthermore, Dickson and Eckman (2006) stated that it is important to find the definition of CSR concept in a relationship with the fashion industry and their purpose was to explain more clearly the concept of corporate social responsibility as it has a great set of textile or apparel business activities. The scholars defined a socially responsible fashion industry business from their description of this term and also from their many various studies and they concluded with three following conceptual dimensions: the first dimension comprises the environment, the textile products which are made and consumed, and also the systematic impact of apparel production, marketing and at the end consumption of these components and finished products on all stakeholder groups and the environment too; the second orientation is related to philosophy about balancing between ethics/morality and accountability based business strategies and decisions; and the third dimension is a desire and willingness for outcomes that harm very little or affect positively to the society, the world and its people (Dickson and Eckman, 2006).

From this definition, which is formulated by Dickson and Eckman (2006), corporate social responsibility is mainly connected to raw materials, design and then to production. After that, it is related and comes into play as products, which are merchandised and then retailed to the targeted stakeholders, customers. At the end of this cycle, social responsibility takes a role into the consumption of these sold products, disposing of them and also perhaps how to recycle them and product a new products in a new cycle.

Sometimes it is questioned whether the pressure on fashion companies and their CSR communication comes from the customers or not. On the other hand if the customers do not care
about ethical fashion industry, why should the companies care? However, others believe that it is the companies’ role and responsibility to create a need for the customers. This dilemma is mainly known among the creative industries, such as fashion industry, and it is demanded to compare analysis and market construction (Lampel, Lant, and Shamsie 2000). Mainly, this dilemma is between those who believe that fashion is an expression of customers’ needs (pulled) and the others who argue that customers’ need come from the imagination and creativity of producers of fashion industry (pushed).

Definitely, the fashion companies are trying to attract their customers and other stakeholders promoting their ethical issues and many other CSR activities. Recently, the pressure over the fashion and also other kinds of industries to communicate about their CSR activities is increasing. Also the legislation has a big role in CSR communication, due to growing need for companies to be environmental, social, and as well financial responsible.

In this study, I will focus more on how different fashion companies are socially responsible in order to fulfill different conditions which are included in different definitions of CSR. I will rely mainly on some fashion companies which are, I can say, approximately at the same level. The explanation of this is going to be more explained in next section of this thesis, which is methodology.

Theoretical framework
The theoretical framework for this study is definitely clear and presented, which is based on previous sections about literature review. According to the scholars, it is obvious that nowadays corporate social responsibility have become a “hot topic” among presented companies and also an actively practiced part of companies’ communication with different groups of stakeholders. Definitely, the companies’ Webpages have very important role in CSR communication, and it is a medium where different groups of stakeholders are looking for and searching for the information of the specific company they are interested in. Also, the companies’ Webpages are the medium that become a place for self-evident CSR communication, which companies are using to attract their customers and other stakeholders. Furthermore, for many companies the exact and the main purpose of CSR communication is how to fulfill the expectation and needs of their stakeholders, who are perhaps more aware of their role regarding the CSR communication nowadays and who
understand that their opinion and power is more important than it was the case before. Moreover, the stakeholders are more aware of the importance of companies’ social, economic and environmental activities, and they know that companies’ CSR activities have grown and they still keep growing.

Even though corporate social responsibility seems to be an issue at global level, there are definitely many differences between the countries, different regions, cultures and religions in the world. The origin of the corporate, where it operates and some other factors are affecting the CSR communication and CSR activities of a specific company. Moreover, the CSR communication is still seen as an activity which is voluntary, but also many different public and private voluntary instruments and practices have been developed in order to guide the corporates to do their CSR activities and communication processes better, and also those instruments and initiatives are acting as means of communication companies’ actions. Also, external references are growing in use how to legitimate the companies’ CSR communication truthfulness.

The main purpose of this paper is to study how specific fashion companies are using their own Webpages in order to communicate with their stakeholders and send them the best image about themselves. Also, the other purpose is to compare the selected companies and to conclude are they similar or perhaps totally different it their use of CSR instruments and CSR communication on their Websites.
Methodology of the research

In this chapter, I will present the methodology and data which I am going to use in this research. The methods used for this thesis include qualitative elements, but also with more attention on quantitative elements. Qualitative research has the main focus on describing varieties or characteristics of e.g. events, people, whereas quantitative methods are putting more attention on measurements of characteristics. Furthermore, in this thesis research, describing the characteristics and also some measurements of them will be combined in the form of qualitative and quantitative content analysis. (Thomas, 2003) in the following sections, these methods are going to be explained in more details. Also, data collection and analysis of them will be more explained.

Content analysis as research method

The analysis can be qualitative, quantitative or a mixed methods approach of those two methods and the purpose is usually to identify the patterns in the text. Jansen (2009, p. 31) states that content analysis is an analysis of text documents. According to Neuendorf (2002), the content analysis is a technique with the fastest growth in quantitative research.

Berger (2014, p. 232) stated that the term content analysis can tell us, entirely, what the methodology is about: it is analyzing the content of something. Moreover, content analysis is the analysis of the documents and texts which seek the quantify content in terms of predefined categories (Bryman and Bell, 2003). Many scholars would say that content analysis cannot describe us the effect of studied material on public or audience. Thus, the content analysis shows us what is in the content or what is included in studied material, and not how it would affect the people who are exposed to this specific material. (Berger, 2014)

Also, what is interesting to mention about content analysis is that the simplest form of quantitative content analysis is to conduct a word-frequency-count, because it is assumed that the words which are the most often mentioned have the biggest significance (Weber, 1990). Furthermore, the content analysis could be applied to all forms of communication, from the personal to the mass mediated (Berger, 2014). Some another method which is also closely related to quantitative content analysis is the web impact method, which is related to the assumption that the ideas or documents which have more impact are likely to be mentioned more (Thelwall, 2009).
Nowadays, there are many different search tools for the purpose of collecting the ideas and documents, but according to Thelwall (2009), the best way is to identify and count the all matching pages manually, rather than to rely on search engine hit count, because it is estimated that sometimes it could not be realistic. So, the simple word-frequency-counting is not the only technique to perform quantitative content analysis. Also, data could be coded and categorized and in this way the content analysis can go further, which will be shown in this thesis research.

According to Thelwall (2009), in order to explain better the significance of the quantitative method, qualitative researches and investigations should always be conducted as a part of it. Furthermore, the qualitative information about the Web content was obtained by visiting, reading and studying the Websites of the selected fashion companies and in that way the needed content was found. Also, the context of keywords was studied in order to investigate where those specific words were mentioned and how the text looked like. This is the best formalized as qualitative content analysis (Thelwall 2009), which would be used in this thesis to reveal some additional information about the CSR communication of selected fashion companies. Furthermore, there is the explanation of the practical selection and analysis of the data by using quantitative and qualitative content analysis.

**Selection of data/Collection of data**

The purpose of this thesis is to study and research how 10 big international companies, which are operating in the same industry, are communicating about their CSR activities on their official Websites. Furthermore, I will compare their communication in order to investigate the way of their communication and if they are communication about the same things or there are at least some differences. As I already mention, the companies in this study are the companies which are operating in the same field of business and that is fashion or apparel industry.

Even though the fashion industry is quite big and wide, for the selection process of the companies I found the criteria which could be the same for all selected companies and according to that they are in the same range in this specific industry. Moreover, the random selection criteria of the companies in the fashion industry were mainly made according to the following statements:

- The companies should have the business operations in the same industry, which is the fashion industry in this case.
- The companies should have businesses around the world, or it is better to say they have to operate on international markets. (so, they should be multinational companies)
- The quality of products and prices of their products should be approximately at the same level. (they should have the same target segments)
- The companies should be well known world-wide and popular among young people, who are their main stakeholders or customers. (targeted on the same segment)

Moreover, the selection of the fashion companies was also made by using the simple inquiry. So, I asked my friends (64 of them in total) about their opinion. My friends were from different countries all over the world and they were age from 20 to 30. Thus, the asked friends were in the age category chosen for this study. I asked them about the 10 selected companies and all of them told me that they heard about the mentioned brand marks, and also they agree that they like those companies. The names of the 10 selected fashion companies for this study are the following: GUESS Inc., LEVI STRAUSS & Co., Gap Inc., ESPRIT, TOMMY HILFIGER, RALPH LAUREN, ARMANI Group, HUGO BOSS, Dolce & Gabbana and MICHAEL KORS. Definitely, I notice that the selected international fashion companies are the most popular among young people. Finally, after the simple inquiry and after the support of my friends, which are international, I decided to make a list of the fashion companies and investigate them in this study.

The selected fashion companies and more detailed information about their CSR communication is studied in Findings part of this thesis. The selected criteria was not according to the home country of headquarter of the corporations, but the important issue was the international orientation of their businesses. All listed fashion companies are private owned companies, which are operating on international markets. The main point is to find out how these companies communicate on their Websites with their stakeholders about the CSR issues, what are their topics of communication within CSR domain and to what extent they are socially responsible according the extent of the communication of CSR themes.

In this thesis, the CSR communication on the selected companies Websites is studied and researched to answer mainly to the questions “on which issues” and “to what extent” the companies are communicating on Internet about their CSR activities. Also, the other interesting question which is used is “which instruments and initiatives” they used to support the published
messages. Some studied companies have decided to publish the whole CSR report in their Websites, and often it is characterized with the content index from GRI (Global Reporting Initiative) or simply referring to the section as “corporate responsibility report”, which become quite popular in recent time, since the international companies are more interested in publishing CSR reports on their Webpages. The selected companies which have the separate link on their Websites to CSR report in PDF-file or similar, are classified as companies with separate reports and the topics communicated are also included in this study.
Analysis of data

This study is mainly descriptive and it is conducted by using quantitative and qualitative content analysis in order to establish observations on the provided CSR information on company Webpages. According to Stemler (2001), the quantitative content analysis should be done using a set of categories, which could be based on the categories that are previously used in similar exercises. Also, the choice of the categories should be related to the objective of the content analysis. But on the other hand, he pointed out that the classification of the categories have to be mutually exclusive, which means that no unit can fall between two categories and each unit is only presented by one category. Also, some other scholars defined the categorization which is connected to content analysis. For example, Bryman and Bell (2003) pointed out that it is common when doing research according to content analysis method, that the researcher codes text in terms of certain subjects or themes. Thus, this theme categorization requires more interpretive approach and after that simply counting of the specific words in the text.

In order to make this study, a set of categories, which is represented in a codification file, was created with concern on presentation of the companies’ Website content. The initial analysis of the subject for this study, allowed the grouping of the issues according to generic categories and after that checking, whether the codification was suitable and relevant for my research questions. When creating the categories, literature concerning different CSR instruments and initiatives was also used. Some of the prominent instruments, such as ISO, OECD, GRI, ILO and so on, were also include in the categorization of data. Moreover, the aim was to keep the scheme of categorization flexible and able to add or remove some categories if needed.
The raw categorization of the data sheet is presented in the following table.

**Table 3: The categorization of data file**

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes / No</td>
<td>e.g. carbon emissions, energy efficiency, using of animals for textile production</td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>e.g. Sustainability</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes / No</td>
<td>e.g. child labor, employee wellbeing, women as a workforce</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes / No</td>
<td>e.g. responsible investment, transparency</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>10. Refers to standards within CSR</td>
<td>Yes / No</td>
<td>e.g. ISO, OECD, GRI, ILO</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring related to CSR</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>14. Refers to certificates within CSR</td>
<td>Yes / No</td>
<td>e.g. ISO, OHSAS</td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>Yes / No</td>
<td>e.g. WWF Green office</td>
</tr>
<tr>
<td>16. Presents mottos, messages related to CSR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Presents recognitions within CSR</td>
<td>Yes / No</td>
<td>e.g. Dow Jones Sustainability Index</td>
</tr>
<tr>
<td>18. Presents partnerships within CSR</td>
<td>Yes / No</td>
<td>Environmental, Social, Financial: e.g. Pink Ribbon</td>
</tr>
<tr>
<td>19. Provides links to references for CSR issues</td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>20. Provides link to own report about CSR</td>
<td>Yes / No</td>
<td></td>
</tr>
</tbody>
</table>
The specific categories in the data file were created in order to analyze the companies CSR communication on their Websites and whether there are any differences between the CSR communication and activities among companies which are operating in the same industry. This categorization cannot contribute much to the study of the CSR communication of the companies, but simply it can provide the support to the categorization of the corporates in order to analyze them and which is more important for this study, to compare them.

Firstly, to answer the first question of this research, to what extent do selected large fashion companies communicate on CSR issues on their official Websites, the companies’ official Websites were visited in order to check whether the companies are communicating about their CSR activities on their Webpages.

Furthermore, it was studied whether the companies communicate about environmental, social and financial issues, which is related to the triple-bottom line and this is explained in the Theories behind CSR section of this thesis. Thus, this is related to the second question of this research, which CSR issues do large fashion companies communicate on their official Websites? For the selection of the companies was not necessary and obligated that the company’s Website includes the specific section such as “corporate social responsibility” or “sustainability”. On the other hand, if there is the specific section on the companies’ official Website for CSR communication, then it was used and interpreted only the information from this specific CSR section on the Website. Moreover, the official Websites were also searched manually and with the use of the search engine provided on the company’s official Website. Moreover, additionally to the simply quantitative calculations of the companies CSR communication on their Websites and other different CSR issues mentioned above, also some qualitative information were collected and included in this study. For instance, the qualitative information which was collected for this study was some particular issues which seem to be communicated on the company’s Website, and all of this was in order to get the better picture of their CSR communication. Therefore, this was done by using the qualitative content analysis.

Regarding the third question of this study, to what extent do large fashion companies use CSR instruments and initiatives in their CSR communication on their official Websites, the corporate’s use of external references connected to CSR, was studies also on the companies’ official Websites. As
presented in review of literature, there are many different types of CSR instrument and initiatives, but in this thesis I will use only few of them. For this research I selected only few CSR instruments and initiatives and those are: ISO standards\textsuperscript{9}, OECD\textsuperscript{10} (Organization for Economic Co-operation and Development), GRI\textsuperscript{11} (Global Reporting Initiative), ILO\textsuperscript{12} (International Labour Organization). Also, the companies’ Code of Conduct was studied. These CSR initiatives and instruments were selected because they are the most common and the most used and mentioned by international companies.

The fourth question of this study is: \textit{how fashion companies employ CSR on their Websites in order to attract and motivate stakeholders, specifically customers}? This question refers to the investigation of companies’ attempts to attract and motivate stakeholders as much as possible in order to present themselves as socially active and big contributors to the society. The connection to this question could be also the design of companies’ official Websites in order to look more attractive to audience. The design of logos might also have some links to CSR, as well as of the existence of policies statement, mottos or special messages on CSR issues, specific section on Website dedicated for company’s CSR activities and many other ideas and means could also be good tool to increase stakeholders’ interest.

The last and the fifth question of this study is \textit{to what extent fashion industry contribute to the society through its CSR activities through the perspective of the Web communication}? The combination of qualitative and quantitative content analysis was used method for this question. Moreover, this question is based on description of studied fashion companies CSR activities, provided on their official Websites. In addition to the previous questions of this study, this fifth question could be presented as conclusion, because the answer to this question can be given after the research done before.

All the information is entered into the Excel table of codification form, after the detailed analysis of selected corporates’ Websites. Furthermore, from the results of the quantitative analysis a simple statistical analysis is done. The qualitative content analysis was used to describe the CSR communication and to add some relevant information about companies’ communication. The aim

\textsuperscript{9} See at: \url{http://www.iso.org/iso/home/standards.htm}  
\textsuperscript{10} See at: \url{http://www.oecd.org/}  
\textsuperscript{11} See at: \url{https://www.globalreporting.org/Pages/default.aspx}  
\textsuperscript{12} See at: \url{http://www.ilo.org/global/about-the-ilo/lang--en/index.htm}
was to find out the similarities and differences amongst the selected companies for this study in the same industry.

**Limitations**

This study is organized as quantitative and qualitative content analysis, with concern on large internationally active fashion companies, and the study is highly descriptive. Furthermore, this means that this study is not going to be about any deeper analysis of reasons of company’s CSR activities or any other explanations for the company’s CSR communication and any other company’s performance. Moreover, I will mainly focus on companies’ actual performance of their CSR activities and whether they mentioned the studies CSR issues on their official Websites. Thus, one limitation of the research and findings lies in the research of some status quo without the possibility of real understanding of broader context.

However, in this study the qualitative content analysis is designed in order to complement and support the study in providing as much comprehensive information as possible. Otherwise, some information might be lost in simply quantitative content analysis method.

Definitely, as mentioned before, the main aim of this thesis is to investigate the CSR communication of selected fashion companies on their official Websites, compare them and check whether the large international fashion companies are communicating about the same or at least similar CSR issues. But, the limitation of the study is the number of the fashion companies selected. This limitation of sample size maybe could not provide the comprehensive information about fashion industry overall. Moreover, there are also other limitations such as limitation of sample choice, which means that chosen companies was selected according to similar business objectives. Also, there are other limitations in this study. Limitation of concepts and codification was also one of the problems in this study. Thus, this produced the lack of information founded and studied in fashion companies.
The trustworthiness of the study

Two qualities which are the most important in the content analysis method are objectivity and to be systematic. The meaning objectivity is the transparency in the procedures regarding the assessing the data in different categories with as little researcher’s personal bias as possible. Moreover, being systematic means that the application of the rules in a consistent manner, which should result in a study that can be repeated again by anyone else and that in the theory that another person can come up with the same results. (Bryman & Bell 2003)

This whole chapter has presented the research process through selected methodology and data analysis according to information provided on companies’ Websites, and therefore this study ensures repeatability. For this study were used the two types of methods, quantitative and qualitative content analysis methods, and they were complemented each other, so this contributes to the trustworthiness of the study.

Furthermore, according to Neuendorf (2001), an important issue, which is used to make the classifications, is the validity of the human judgments. Therefore, it is also true that the author of the thesis is conducting the study alone, so there is a slight possibility that the results are affected by tiredness, concentration, disruption, values, attitudes, as well as knowledge, etc. The categorization of the data in this study were created to ensure the correct categorization of the data and also to follow broad conditions. All of this has done in order to increase the validity of the study.

Also, all companies’ Websites were carefully researched and the confirmation of the results has been done with the support of using the search engine that is available on almost all official Websites of the selected corporations.
Findings

This chapter will represent the analyses of the findings of this study. The findings will be presented according to the order of the research questions of the study. Moreover, the comparison amongst companies and their CSR communication was also made.

The main guide for this study and analysis was the answering on the following research question:

1. To what extent do large fashion companies communicate on CSR issues on their official Websites?
2. Which CSR issues do large fashion companies communicate on their official Websites?
3. To what extent do large fashion companies use CSR instruments and initiatives in their CSR communication on their official Websites?
4. How fashion companies employ CSR on their official Websites in order to attract and motivate stakeholders, specifically customers?
5. To what extent does fashion industry contribute to the society through its CSR activities through the perspective of the Web communication?

CSR communication in 10 great international fashion companies

The first two questions of this study research are related to what extent the selected great fashion companies are communicating about CSR issues on their official Websites, and which topics are covered and mainly communicated. This study reveals that the large fashion companies are communicating quite a lot about different CSR issues on their official Websites and they are making a big effort to contribute to the society as much as possible. In general, it is obvious that, according to the analyzed large international companies, the fashion and apparel industry is trying to be quite much socially responsible. Actually, they have very important role in the community. Some other industries have different relationship with the corporate social responsibility, but as we can see from this study, the fashion industry has important role regarding the social responsibility. Moreover, the findings that the selected and analyzed great fashion international companies communicate about many different CSR issues are rather significant and definitely this supports the view represented in the review of literature in this thesis about large companies and also it confirms that the big international companies are forerunners of corporate social responsibility.
All ten selected companies communicate about their CSR activities on their official Webpages quite a lot. Three of them are private companies which are not-listed and they have no shares which are traded on Stock Exchanges, while the other seven companies, also private, are listed and their shares are traded mostly on New York Stock Exchange (NYSE). The following figure shows the percentage of non-listed companies (30%) and listed companies (70%), which were selected for this study, as well as stock exchange where they are listed.

The interesting thing which could be noticeable is that listed companies communicate much more about their CSR activities then non-listed companies. Generally, the fashion industry is one of the most active communicating industries, which also could be seen in this study, where the great international companies were researched. Also, the communication with stakeholders is quite important, since customers and other stakeholders have significant role for fashion and apparel industry. Although listed companies are not subject to more extensive disclosure requirements with respect to social responsibility activities than unlisted ones, they tend to receive more attention from the general public and are subject to more extensive media coverage (Archel Domench, 2003, p. 584).13

The variety of headings for CSR communication was quite large, because fashion companies are making that to attract their stakeholders as much as possible. Also, the headings for specific CSR section on selected companies’ official Websites were used to refer to the companies’ CSR communication. The concept, which was mostly used by companies for specific section on their

Websites, to describe their CSR communication, was “Responsibility” and “Sustainability”. There are also other concepts used for this specific section, such as “Corporate Governance”, “Philanthropy”, “Code of ethics”, and “Cares”. The proportion of the most common concepts for the CSR section on official Websites is illustrated in the next figure.

![Figure 10: The headings of CSR communication on corporate’s official Websites](http://link.springer.com/article/10.1007/s11846-010-0052-3/fulltext.html)

Seven out of ten studied fashion companies were providing links for company’s annual reports, including CSR sections on their Websites, while the rest three companies provide only separate links for CSR communication. The interesting thing is that two out of three companies which are not providing annual report were not-listed companies, while the third one is listed company. Somehow, this confirms the fact that non-listed companies communicate less about their CSR activities than listed companies.

Even though the web-reports are getting greater popularity, still it could be found among great international companies using the traditional, separate CSR reports on their official Webpages.14

In the following chapters I will describe the CSR communication on official Websites of all researched fashion companies individually.

---

guess Inc.

Guess Inc. is the first fashion company selected for this research. Definitely, this brand mark is quite popular among young people. It belongs to the group of companies listed on NYSE\textsuperscript{15} stock exchange. According to the Guess mission the company is committed to be a worldwide leader in the fashion industry.\textsuperscript{16} This fashion company has communicated quite a lot about its CSR activities, nevertheless one important point must be mention. On their official web the information about any CSR issues is not published. Reader has to roll down to the link “investor relation” or to search manually on the web for some communicated information about this company’s activities.

All three elements included in triple-bottom line are communicated: environment, social and financial CSR issues. The specific CSR section for communication with the stakeholders is named – as written above in the table - INVESTOR RELATIONS on Guess Inc. official Website. In this section the company provided all information related to communication about CSR issues, however not in reader’s friendly manner (authors subjective evaluation).

The comprehensive information for CSR communication of this fashion company was made according to the categorization of data file, which is presented in the Analysis of data chapter of this thesis. The specific table about Guess Inc. CSR communication is presented in the next table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>NYSE: GES (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>INVESTOR RELATIONS</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Responsible usage of minerals</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Personal responsibility, Conflict of Interest, Human Rights etc.</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td>Responsible investment, Transparency, etc.</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td>Quality standards</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Conflict Mineral Policy, Policy related to corruption, money-laundering, bribery, employment practices, health and safety</td>
</tr>
<tr>
<td>14. Refers to certificates</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{15} See at: https://www.nyse.com/index

\textsuperscript{16} Source: http://tmru.bizland.com/shoes/Guess.html
| 16. | Presents mottos, messages related to CSR | No |
| 17. | Presents recognitions | No |
| 18. | Presents partnerships within CSR | No |
| 19. | Provides links to references for CSR issues | No |
| 20. | Provides link to own report about CSR | Yes |


Guess Inc. was mentioning legislation, international declarations and standards, but it was mainly in the annual report provided on the company’s official Website – on the link Investor relations.\(^{17}\) Code of Conduct was briefly explained, with not so much details. But, what was interesting and widely explained on this Website was “Conflict Minerals Policy”. So, it was noticeable that this company was communicating about policies related to CSR issues, especially environmental. The Guess Policy Statement about “Conflict Minerals Policy” was explained as the following: “GUESS Inc. takes its obligations under SEC and other regulations seriously. GUESS Inc. also has adopted this policy as part of our efforts to encourage our suppliers to respect human rights and not contribute to the conflict. GUESS Inc. does not directly source conflict minerals from mines, smelters or refiners, and is in most cases many levels removed from these market participants. We therefore require the cooperation of our suppliers in the implementation of this policy and in enabling GUESS Inc. to meet its SEC compliance obligations.”\(^{18}\)

Furthermore, on the Guess Inc. official Website I have not noticed the communication about certificates, logos, mottos and similar issues related to corporate social responsibility. Moreover, this company has not mentioned recognitions gained or partnerships within CSR.

Overall, Guess Inc. is the fashion company which communicated mainly about financial responsibility, so for this company the relation with investors is quite important. They also communicated about other elements of triple-bottom line on the official Webpage, but it was mostly in the annual reports.

\(^{17}\) Source: http://investors.guess.com/phoenix.zhtml?c=92506&amp;p=irol-irhome

LEVI STRAUSS & Co.

The second studied company was maybe found the most interesting. LEVI STRAUSS & Co. is also one of the most popular brand marks among young people. This is the fashion company which is not-listed, but anyway they were communicating about CSR activities a lot, especially about environment responsibility. Moreover, this company has significant section called “Sustainability” and according to information provided on LEVI’s official Website, this company has great contribution to the society. The CSR section on the company’s official Website is visible immediately after opening this Webpage.

According to LEVI’s mission, the company believes that making a mark in the world is about what they do, but also how they do that. They also like to say that their company and their products were Made of Progress, in part because they have a long history of firsts, of leading, of making a difference.19

This company was communicating about all three elements included in triple-bottom line. Also they were communicating about financial issues, even though the company in not listed on the stock exchange. The communication about financial issues of this company is provided on the “Investors” section on the official Webpage.20

The information found on LEVI’s official Website were summarized and collected into the next table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>UNLISTED - Shares of company stock are not publicly traded.</td>
<td>Energy efficiency, water, chemicals, carbon emission, climate change, etc.</td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Sustainability</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Labor rights</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Financial incentives for garment suppliers, non-GAAP financial measures</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes</td>
<td>e.g. ISO, OECD, ILO</td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Anti-Bribery policy, Anti-Corruption policy, Animal Welfare policy</td>
</tr>
<tr>
<td>14. Refers to certificates</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>16. Presents mottos, messages related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17. Presents recognitions21</td>
<td>Yes</td>
<td><a href="http://levistrauss.com/who-we-are/#recognition">http://levistrauss.com/who-we-are/#recognition</a></td>
</tr>
</tbody>
</table>

19 Source: http://www.levistrauss.com/sustainability/
20 Source: http://levistrauss.com/investors/
21 See at: http://levistrauss.com/who-we-are/recognition/recognition-list/
The most interesting CSR topic communicated by this company was about the planet and its contribution to the environment. The interesting article was found on company’s official Website and it was about its pioneering practices to reduce the use of energy, water, chemicals and other materials in the apparel industry.\(^2\) On the company’s official Website they agreed that they cannot do this alone, but they can take innovative actions and partnering with the others throughout the industry, in order to drive the change and reduce the overall environment impact.\(^2\) This company also communicated a lot about human rights and other labor rights, where they mentioned that the labor rights are one of the top issues for CSR managers. As I already mentioned, the company communicated about the financial issues as well.

They also presented the legislation, international declarations and standards related to CSR, in order to support their CSR activities. Many policies were presented, such as Anti-Bribery policy, Anti-Corruption policy, Animal Welfare policy and so on.

Another noticeable issue was the presentation of different awards and recognitions, and there is a separate section on the LEVI’s official Website, where the all recognitions were listed. Partnerships within CSR are quite important for LEVI’s, since there is a lot of information about partnerships on the LEVI’s official Website. They presented the LEVI STRAUSS FONDATION in many different ways, but what I found the most interesting was the one about supporting the equality for women: LET’S GO GIRLS.\(^4\)

---


Gap Inc.

Gap Inc. is the third fashion company selected for this study. It belongs to the group of companies listed on NYSE\textsuperscript{25} stock exchange. Gap Inc. mission is “do more than sell clothes”. Every day they strive to bring this promise to life through the way they run their business and the actions their employees take in their communities.\textsuperscript{26} This fashion company is the one of the selected studied companies which communicated rather much.

Their Website is rather well organized and the information about CSR involvement could be found easily, so the all three elements included in triple-bottom line approach (environment, social and financial CSR issues) are easy to find. The section named “Responsibility” is visible for readers immediately after opening the official Webpage of this company.\textsuperscript{27} In this section the company provides all information related to communication about CSR issues. Also, on this Webpage the information related to investors could be found in the section called “Investors”.

The following table shows the summarized information about Gap Inc. fashion company CSR communication:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>NYSE: GPS (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Responsibility</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Energy and waste, recycling, etc.</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Human rights, employee well-being, etc.</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td>Responsible investment, transparency</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes</td>
<td>The United Nations Universal Declaration of Human Rights (UDHR)</td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td>GRI, ILO</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Human Rights policy, Conflict Minerals policy, etc.</td>
</tr>
<tr>
<td>14. Refers to certificates</td>
<td>Yes</td>
<td>Certificate from the U.S. Environmental Protection Agency</td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>16. Presents mottos, messages related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17. Presents recognitions</td>
<td>Yes</td>
<td>Dow Jones Sustainability Index, CR Magazine, Human rights Campaign</td>
</tr>
</tbody>
</table>

\textsuperscript{25} See at: \url{https://www.nyse.com/index}
\textsuperscript{26} Source: \url{http://www.letsdomore.com/about/}
\textsuperscript{27} See at: \url{http://www.gapinc.com/content/gapinc/html/social_responsibility.html}
Gap Inc. communicates a lot about different topics related to CSR activities, so on the official Website I could find almost all studies elements. The company mentioned responsible investments within partnerships. This company was mainly focused on human rights, employees, and community, so it could be said on social responsibility issues. The company mentions responsible investments within partnerships, for instance, the partnership with USAID\(^\text{28}\) in order to support the women in Burma.\(^\text{29}\)

They also present the declarations related to CSR (The United Nations Universal Declaration of Human Rights (UDHR\(^\text{30}\))) and standards (GRI (Global Reporting Initiative), ILO (International Labor Organization)) to support their CSR activities. Code of Conduct was named as Code of Business Conduct.\(^\text{31}\) Also, the company shows its responsibility through policies, such as Human Rights policy, Conflict Minerals policy and others. What is worth to mention as well is that this company also has a specific section for list of recognitions awarded on its official Website.\(^\text{32}\) The most interesting recognitions that I found were gained from Dow Jones Sustainability Index, CR Magazine, Human rights Campaign Foundation, but there was also many others.

Overall, Gap Inc. is the company which definitely has broad CSR communication on its official Website, maybe the widest CSR communication comparing to other studied companies.

---

\(^{28}\) See at: http://www.usaid.gov/who-we-are  
\(^{29}\) Source: http://www.gapinc.com/content/gapinc/html/media/pressrelease/2014/med_pr_GapInc_USAID_PACE_Burma.html  
\(^{31}\) See at: http://www.gapinc.com/content/dam/gapincsite/documents/COBC/COBC_english.pdf  
\(^{32}\) See at: http://www.gapinc.com/content/gapinc/html/aboutus/recognition.html
ESPRIT

ESPRIT is the fourth studied fashion company. The brand’s philosophy is effortless style, authenticity and easy-going living. All these positive values shine through at every level, from the laid-back tailoring to the made-to-last quality, use of natural materials and responsible production. These values of the company also make them so popular among young people. Furthermore, the proof that this fashion company is socially responsible is the CSR topics communicate on its official Website within separate CSR section named “Sustainability”. This separate CSR section is not immediately visible for the reader after opening the official Webpage, but easily it could be found in the “COMPANY” section, after rolling down to the end of the first page.

The company belongs to the group of the companies listed on SEHK stock exchange. ESPRIT is the fashion company which is acting socially responsible and they are communicating about all three elements within triple-bottom line. Mainly, they communicate about the social and environmental responsibility, especially environmental, whereas the financial responsibility could be found in the separate section of the Website and it is called “Investor Relations”.

More information about ESPRIT CSR communication is summarized and could be found in the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>SEHK: 0330 (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Sustainability</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Eco awareness, minimal textile waste, water waste, etc.</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Human rights, child rights and labor, employee wellbeing, etc.</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td>Responsible investment, transparency, sponsorships</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes</td>
<td>Declarations related to stock exchange</td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td>ILO</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>Yes</td>
<td>Quality and budget monitoring</td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Stakeholders Communication policy, Non Negotiable policy</td>
</tr>
</tbody>
</table>

33 Source: [http://www.esprit.com/company/about_us/](http://www.esprit.com/company/about_us/)
35 See at: [http://www.esprit.com/investor_relations](http://www.esprit.com/investor_relations)
<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>14.</td>
<td>Refers to certificates</td>
<td>Yes</td>
<td>Certificates related to stock exchange</td>
</tr>
<tr>
<td>15.</td>
<td>Presents logos related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Presents mottos, messages related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Presents recognitions</td>
<td>Yes</td>
<td>Press Investor relations Awards, Recognitions Corporate Governance Asia</td>
</tr>
<tr>
<td>18.</td>
<td>Presents partnerships within CSR</td>
<td>Yes</td>
<td>Greenpeace</td>
</tr>
<tr>
<td>19.</td>
<td>Provides links to references for CSR issues</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Provides link to own report about CSR</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>


From the table above, it is visible that ESPRIT is also quite responsible company, due to wide CSR communication and information provided on its official Website. As I have already mentioned, they are communicating about all triple-bottom line elements, but I could notice that the most interesting topic published by this company is the presentation of awards about environmental responsibility. This company presents on its official Website the EcoChic Design Award\(^{36}\), which is the Award of the sustainable fashion design competition organized by Redress\(^{37}\). The aim of this competition is to inspire the young fashion designers to create mass-market clothing with minimal textile waste.\(^{38}\)

The company presents also the policies such as Stakeholders Communication policy.\(^{39}\) The presentation of the recognitions was mentioned in CSR communication of this company, but it does not have the separate section for the list of all recognitions like the previous two studied fashion companies. The company communicates about the partnership with the Greenpeace, which is again telling that the environmental responsibility is important for ESPRIT.

---


TOMMY HILFIGER

Tommy Hilfiger is a popular fashion company which delivers a premium styling, quality and value to customers worldwide.\textsuperscript{40} The company is listed and it belongs to the group of companies listed on NYSE\textsuperscript{41} stock exchange. Even though the company has separate section about CSR communication, it is not directly published on the first page on the company’s official Website. The reader has to roll down to the end of the first page, and then click on section “ABOUT US”. Inside of this sections, the part named “SOCIAL RESPONSIBILITY” could be found. Also, on this Website, it is possible to search manually the issues within researched area.

Two out of three elements within triple-bottom line were communicated: social and environmental issues. Although the company was listed on stock exchange, they were not communicating about financial issues. Comparing to other fashion companies studied before, this one does not communicate much about CSR topics.

All information about CSR communication, which could be found on the TOMMY HILFIGER official Website, is collected in the next table:

\begin{table}[h]
\centering
\begin{tabular}{|l|l|l|}
\hline
Category & Answer & Specifying answer \\
\hline
1. Listed or Non-listed company & NYSE:TOM (listed) & \\
2. CSR communication on the Website & Yes & \\
3. Name of the CSR section & Social Responsibility & \\
4. Web CSR annual report & No & \\
5. Communication about environment & Yes & Planet’s natural environment \\
6. Communication about social issues & Yes & Labor rights, child labor, \\
7. Communication about financial issues & No & \\
8. Refers to legislation related to CSR & No & \\
9. Refers to international declarations related to CSR & No & \\
10. Refers to standards & No & \\
11. Mentions Code of conduct & Yes & \\
12. Mentions monitoring & No & \\
13. Presents policy related to CSR & No & \\
14. Refers to certificates & No & \\
15. Presents logos related to CSR & No & \\
16. Presents mottos, messages related to CSR & No & \\
17. Presents recognitions\textsuperscript{42} & No & \\
18. Presents partnerships within CSR & Yes & WWF \\
19. Provides links to references for CSR issues & Yes & \\
20. Provides link to own report about CSR & No & \\
\hline
\end{tabular}
\caption{Summarizing data for TOMMY HILFIGER CSR communication}
\end{table}

Source: \url{http://global.tommy.com/int/en/about/social-responsibility/14}

\textsuperscript{40} Source: \url{http://global.tommy.com/int/en/about/overview/14}
\textsuperscript{41} See at: \url{https://www.nyse.com/index}
\textsuperscript{42} See at: \url{http://levistrauss.com/who-we-are/recognition/recognition-list/}
Definitely, the CSR communication of this company is just basic. The first thing that was noticed is that the company does not provide its annual reports on its official Website. On the other hand, TOMMY HILFIGER was communicated about nondiscrimination in employment and child labor, described in the part about Code of Conduct. This specific part is related to the social responsibility and it is briefly, but understandable described.\(^\text{43}\) The company also mentioned the responsibility regarding the planet’s natural environment and partnership with WWF (World Wide Fund for Nature).\(^\text{44}\) The company also communicates about environment issues such as energy and climate, materials and recycling, etc.

**RALPH LAUREN**

RALPH LAUREN is the sixth studied fashion company. The company has always stood for providing quality products, creating worlds and inviting people to take part in their dreams. Thus, all of these values have made this company rather popular and interesting, especially among young people. RALPH LAUREN belong to the group of companies which shares are traded on NYSE\(^\text{45}\) stock exchange, so the company belongs to the listed group of studied fashion companies.

The company communicates CSR in the separate section on its official Website, which is named “Philanthropy”.\(^\text{46}\) This section could be found by reader after rolling down to the end of the first page of the official Webpage, inside the section called “COMPANY INFORMATION” / “About Ralph Lauren”. There is also one more separate section named “INVESTOR RELATIONS”\(^\text{47}\), within the company’s financial information. Therefore, this studied fashion company provides the CSR communication about all triple-bottom line elements on its official Website.

The comprehensive information about CSR communication of RALPH LAUREN was made according to the categorization table made specifically for this thesis, and it is presented in the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>NYSE: RL (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Philanthropy</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td>Citizenship report</td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Energy waste, climate, materials and</td>
</tr>
</tbody>
</table>


\(^{44}\) See at: [http://global.tommy.com/int/en/about/tommy-cares/european-initiatives/14](http://global.tommy.com/int/en/about/tommy-cares/european-initiatives/14)

\(^{45}\) See at: [https://www.nyse.com/index](https://www.nyse.com/index)


<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Communication about social issues</td>
<td>Yes</td>
</tr>
<tr>
<td>7.</td>
<td>Communication about financial issues</td>
<td>Yes</td>
</tr>
<tr>
<td>8.</td>
<td>Refers to legislation related to CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>9.</td>
<td>Refers to international declarations related to CSR</td>
<td>No</td>
</tr>
<tr>
<td>10.</td>
<td>Refers to standards</td>
<td>Yes</td>
</tr>
<tr>
<td>11.</td>
<td>Mentions Code of conduct</td>
<td>Yes</td>
</tr>
<tr>
<td>12.</td>
<td>Mentions monitoring</td>
<td>Yes</td>
</tr>
<tr>
<td>13.</td>
<td>Presents policy related to CSR</td>
<td>No</td>
</tr>
<tr>
<td>14.</td>
<td>Refers to certificates</td>
<td>No</td>
</tr>
<tr>
<td>15.</td>
<td>Presents logos related to CSR</td>
<td>No</td>
</tr>
<tr>
<td>16.</td>
<td>Presents motto, messages related to CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>17.</td>
<td>Presents recognitions</td>
<td>Yes</td>
</tr>
<tr>
<td>18.</td>
<td>Presents partnerships within CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>19.</td>
<td>Provides links to references for CSR issues</td>
<td>Yes</td>
</tr>
<tr>
<td>20.</td>
<td>Provides link to own report about CSR</td>
<td>Yes</td>
</tr>
</tbody>
</table>

This studied fashion company has mainly communicated about its voluntary activities, charity and humanity work. They presented the participation in many charity campaigns, for instance PINK PONY Campaign. An interesting thing about CSR communication of this specific company was that the most of information about CSR activities were found in the company’s “CITIZENSHIP REPORT”. The link for this report was provided on the company’s official Website, in the section “INVESTOR RELATIONS”. The company communicates mainly about social and financial responsibility issues on its official Website, whereas the CSR issues about environment responsibility could be found in the Citizenship Report.

The company was not mentioned the declarations, certificates or policies related to CSR, but what I was found interesting was one presented motto: “What I do is about living.” — Ralph Lauren. This motto could also be found in the Citizenship Report of RALPH LAUREN fashion company. According to my opinion, this motto presents the message to the stakeholders and shows them that the company is involved in all issues that could contribute to the living quality and community overall.

---

49 See at: [http://global.ralphlauren.com/en-us/About/Philanthropy/Pages/pink_pony.aspx](http://global.ralphlauren.com/en-us/About/Philanthropy/Pages/pink_pony.aspx)
ARMANI Group

ARMANI Group is the seventh company selected for this research. This brand is highly quoted among young population, due to its modern design. The company is unlisted, which means that it does not have shares which are publicly traded.

According to the company’s mission “the Armani Group is well aware of its obligations to deliver a more committed and concrete approach to Social Responsibility and has, for many years now, been putting in place a virtuous process for developing projects aligned to the most important international principles concerning environmental, social and economic sustainability. In this regard, the company places special attention on consumer protection and the impact on the environment and, by implementing projects targeted at supporting its business, intends to involve all its corporate stakeholders and product supply chain.”51 From this approach, the company presented itself as highly socially responsible, but on the other hand, the company does not have wide CSR communication on its official Website.

The CSR communication of this company is just basic, but still the ARMANI Group shows high level of environmental and social responsibility. There is a separate section about CSR communication on the company’s official Webpage named “Social Responsibility”, but the Website is not made in a friendly manner for the reader.

The comprehensive information about CSR communication of ARMANI Group was made according to the categorization table made specifically for this thesis, and it is presented in the following table:

<table>
<thead>
<tr>
<th>Table 10: Summarizing data for ARMANI Group CSR communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
</tr>
<tr>
<td>1. Listed or Non-listed company</td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
</tr>
<tr>
<td>5. Communication about environment</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
</tr>
<tr>
<td>10. Refers to standards</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Mentions monitoring</td>
<td>Yes</td>
</tr>
<tr>
<td>13.</td>
<td>Presents policy related to CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>14.</td>
<td>Refers to certificates</td>
<td>No</td>
</tr>
<tr>
<td>15.</td>
<td>Presents logos related to CSR</td>
<td>No</td>
</tr>
<tr>
<td>16.</td>
<td>Presents mottos, messages related to CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>17.</td>
<td>Presents recognitions</td>
<td>No</td>
</tr>
<tr>
<td>18.</td>
<td>Presents partnerships within CSR</td>
<td>Yes</td>
</tr>
<tr>
<td>19.</td>
<td>Provides links to references for CSR issues</td>
<td>No</td>
</tr>
<tr>
<td>20.</td>
<td>Provides link to own report about CSR</td>
<td>No</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Process control</td>
</tr>
<tr>
<td>13.</td>
<td>The Privacy Policy, Return Policy</td>
</tr>
<tr>
<td>14.</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>CONI (Italian National Olympic Committee)</td>
</tr>
</tbody>
</table>


Obviously, and what is also visible from the table above, the CSR communication of ARMANI Group fashion company is limited. But, few interesting issues were found. The company communicates about social\(^{52}\) and environment\(^{53}\) responsibility. It is interesting to mention that this company does not communicate about Code of Conduct on its official Website. The company mentions the monitoring of process control, but what was the most interesting about this company was the motto related to the CSR: “Safety of products is not enough: we aim at having an environmentally sustainable supply chain.”\(^{54}\) With this motto the company presented its environmental responsibility. Also, ARMANI Group pays attention on chemical safety of the products within process control, in order to satisfy the customers as much as possible.\(^{55}\)

**HUGO BOSS**

HUGO BOSS is eight fashion company selected for this study. The company is engaged to be one of the market leaders in the premium and luxury segment of the global apparel market. It focuses on developing and marketing of premium fashion and accessories for men and women.\(^{56}\) HUGO BOSS is the company which belongs to the group of listed companies on XETRA\(^{57}\) stock exchange.

The company has separate section for CSR communication named “Sustainability” and visible for readers immediately after opening the first page on company’s official Website. The official Website of HUGO BOSS is well organized and it was easy to find all provided information about its CSR communication. The company communicates about environmental and social responsibility within “Sustainability” section, while financial responsibility is separated within “Investor Relations”


section, which could also be easily found on the first page on the official Website. So, it could be said that this company communicates about all triple-bottom line elements.

The following table shows all found and summarized information about HUGO BOSS CSR communication:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>XETRA: BOSS (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Sustainability</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Environmentally-friendly technologies, Climate protection, etc.</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Human rights, child rights and labor, employee wellbeing, etc.</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td>National investment, transparency, sponsorships</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes</td>
<td>The United Nations Universal Declaration of Human Rights (UDHR), Guarantee declaration on compliance with the Restricted Substances List (RSL), etc.</td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes</td>
<td>ISO 50001 certificate, ILO</td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td>Monitoring of shares, financial reports, internal systems, etc.</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Privacy policy for e-recruiting</td>
</tr>
<tr>
<td>14. Refers to certificates</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>16. Presents mottos, messages related to CSR</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17. Presents recognitions</td>
<td>Yes</td>
<td>Social Compliance Initiative</td>
</tr>
<tr>
<td>18. Presents partnerships within CSR</td>
<td>Yes</td>
<td>UNICEF</td>
</tr>
<tr>
<td>19. Provides links to references for CSR issues</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>20. Provides link to own report about CSR</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>


As a leading international company, HUGO BOSS lives up to its responsibility to customers. For its collections, they use only the best and exclusively materials that meet high quality standards and it ensures that the products of HUGO BOSS do not contain hazardous substances. The company also communicates about standards such as ISO 50001, which presents the standard about energy management. The HUGO BOSS social standards are based on the conventions of the International Labor Organization (ILO) and the United Nations' Universal Declaration of Human Rights.

---

The company mentions interesting motto, which is presented as company’s vision: *HUGO BOSS’ corporate vision – inspiring people to live out their success potential – is the principle for how the Company treats its employees.*

In the past, HUGO BOSS presented the aim to become affiliated with an internationally recognized Social Compliance Initiative by the end of 2014. The partnership with UNICEF and “Save the Children” was presented.

What is also interesting on HUGO BOSS official Website is that this fashion company organizes annual stakeholders’ meeting.

**Dolce & Gabbana**

Dolce & Gabbana is the ninth investigated fashion company. According to the company’s mission, they made the world up of sensations, traditions, culture and a Mediterranean nature. Two designers, who know how to make a flag out of their Italian character and interpret their sensual and unique style on a world-wide basis, address this brand to young people and make this brand internationally well-known and popular.

The company does not belong to listed companies at any stock exchange, thus, it has no traded shares. The information provided on the company’s official Website is rather poor, with only short messages about CSR activities. But still, there are some information found about CSR issues, although the official Website is quite complicated for the reader. Finally the section about CSR communication, named “CODICE OF ETHICS” was found at the end of the first page on the official Website in section “CORPORATE” / “THE GROUP”.

The following table shows the summarized information about Dolce & Gabbana fashion company CSR communication:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>UNLISTED</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>Code of Ethics</td>
<td></td>
</tr>
</tbody>
</table>

---

62 See at: [http://www.bsci-intl.org/about-bsci](http://www.bsci-intl.org/about-bsci)
64 See at: [http://www.unicef.org/](http://www.unicef.org/)
65 See at: [http://www.savethechildren.org/site/c.8rKlXMGipl45/b.6115947/k.8143/Official_USA_Site.htm](http://www.savethechildren.org/site/c.8rKlXMGipl45/b.6115947/k.8143/Official_USA_Site.htm)
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Yes/No</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Web CSR annual report</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Communication about environment</td>
<td>Yes</td>
<td>Respect for the environment</td>
</tr>
<tr>
<td>6</td>
<td>Communication about social issues</td>
<td>Yes</td>
<td>Human rights, labor, employee wellbeing, etc.</td>
</tr>
<tr>
<td>7</td>
<td>Communication about financial issues</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Refers to legislation related to CSR</td>
<td>Yes</td>
<td>Legal rules</td>
</tr>
<tr>
<td>9</td>
<td>Refers to international declarations related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Refers to standards</td>
<td>Yes</td>
<td>Environmental protection standards</td>
</tr>
<tr>
<td>11</td>
<td>Mentions Code of conduct</td>
<td>Yes</td>
<td>Code of Ethics</td>
</tr>
<tr>
<td>12</td>
<td>Mentions monitoring</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Presents policy related to CSR</td>
<td>Yes</td>
<td>Sustainability policy, Distribution policy</td>
</tr>
<tr>
<td>14</td>
<td>Refers to certificates</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Presents logos related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Presents mottos, messages related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Presents recognitions</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Presents partnerships within CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Provides links to references for CSR issues</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Provides link to own report about CSR</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>


As already mentioned, Dolce & Gabbana has really narrow CSR communication, but there are few issues worth to be mention. The company does not communicate about legislation, declarations or partnerships within CSR, but it communicates about environmental and social responsibility. In its CSR communication, the company points out that the suppliers and business partners shall not, in any way and under any circumstances be involved in events related to money laundering from legal or criminal activities.\(^{69}\) Therefore, the company presented their responsibility regarding the criminal activities, or better to say responsibility to the community.

This company also communicates about training and empowerment of the employees, health and safety protection, equal opportunities and customer cares.\(^{70}\)


MICHAEL KORS

MICHAEL KORS is the tenth and in the same time the last fashion company selected for this study. The company belongs to the group of listed companies on NYSE\(^1\) stock exchange. Behind this brand the designer stands with an innate sense of glamour and an unfailing eye for timeless chic. Michael Kors has always been involved in philanthropy, fighting against hunger for more than 20 years.\(^2\)

When opening the official Website of this company, it can be noticed that the company involves into the CSR issues rather much. On the first page, there is a section of “Stock Information”, “Corporate Governance”, “Financials”, within the information about financial issues can be found. If the reader rolls down to the end of the page, the section named “MICHAEL CARES” is found with the information about company’s involvement in social issues and philanthropy. There is another section at the end of the first page named “SUPPLY CHAIN DISCLOSURE”, where more information about CSR communication is provided. The company provides the information about all three elements within triple-bottom line.

All information investigated regarding company’s CSR communication are summarized in the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Specifying answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>NYSE: KORS (listed)</td>
<td></td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>MICHAEL CARES, SUPPLY CHAIN DISCLOSURE</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes</td>
<td>Environmentally-friendly technologies, Climate protection, etc.</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes</td>
<td>Hunger stop Campaign, Human rights, child rights and labor, employee wellbeing, etc.</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes</td>
<td>Responsible investment, transparency, sponsorships, campaigns, etc.</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>10. Refers to standards</td>
<td>Yes</td>
<td>OECD</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12. Mentions monitoring</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes</td>
<td>Conflict Mineral policy</td>
</tr>
</tbody>
</table>

\(^1\) See at: [https://www.nyse.com/index](https://www.nyse.com/index)

\(^2\) Source: [http://www.michaelkors.com/browse/common/staticContent.jsp?slotId=400005](http://www.michaelkors.com/browse/common/staticContent.jsp?slotId=400005)
In its CSR communication, the company communicates a lot about Hunger Stop Campaign and its cares of world food.\(^{73}\) They also presented the partnership with The United Nations World Food Programme\(^{74}\) (WFP).

On MICHAEL KORS’s official Website, the study found interesting message about “Conflict Materials Role”. Although this topic was communicated by other companies too, MICHAEL KORS interpreted the Conflict Materials Rule as reduction of a significant source of funding for armed groups that are committing human rights abuses in the eastern Democratic Republic of the Congo (the “DRC”) and it is focused on specific minerals sourced from the DRC and its adjoining countries.\(^{75}\) Following this, the company also presented that they follow the processes and procedures set in the Organization for Economic Co-operation and Development’s Due Diligence for Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas (the “OECD Guidance”).\(^{76}\)

---


\(^{74}\) See at: [http://www.wfp.org/](http://www.wfp.org/)


Outcomes of findings of 10 studied fashion companies

During this study, I found many interesting CSR issues communicated by studied fashion companies. The corporate social responsibility issues which I found the most interesting are presented in this part of the thesis.

The following table summarizes results from quantitative content analysis made by each fashion company separately and provides the number of companies communicating about their CSR issues:

<table>
<thead>
<tr>
<th>Category</th>
<th>Answer</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Listed or Non-listed company</td>
<td>Listed: 7</td>
<td>Nom-listed: 3</td>
</tr>
<tr>
<td>2. CSR communication on the Website</td>
<td>Yes: 10</td>
<td>No: 0</td>
</tr>
<tr>
<td>3. Name of the CSR section</td>
<td>INVESTOR RELATIONS, Sustainability (3), Social Responsibility (2), Philanthropy (1), Responsibility (1), Cares (1)</td>
<td></td>
</tr>
<tr>
<td>4. Web CSR annual report</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
<tr>
<td>5. Communication about environment</td>
<td>Yes: 10</td>
<td>No: 0</td>
</tr>
<tr>
<td>6. Communication about social issues</td>
<td>Yes: 10</td>
<td>No: 0</td>
</tr>
<tr>
<td>7. Communication about financial issues</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
<tr>
<td>8. Refers to legislation related to CSR</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
<tr>
<td>9. Refers to international declarations related to CSR</td>
<td>Yes: 5</td>
<td>No: 5</td>
</tr>
<tr>
<td>10. Refers to standards within CSR</td>
<td>Yes: 8</td>
<td>No: 2</td>
</tr>
<tr>
<td>11. Mentions Code of conduct</td>
<td>Yes: 9</td>
<td>No: 1</td>
</tr>
<tr>
<td>12. Mentions monitoring related to CSR</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
<tr>
<td>13. Presents policy related to CSR</td>
<td>Yes: 8</td>
<td>No: 2</td>
</tr>
<tr>
<td>14. Refers to certificates within CSR</td>
<td>Yes: 3</td>
<td>No: 7</td>
</tr>
<tr>
<td>15. Presents logos related to CSR</td>
<td>Yes: 2</td>
<td>No: 8</td>
</tr>
<tr>
<td>16. Presents mottos, messages related to CSR</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
<tr>
<td>17. Presents recognitions within CSR</td>
<td>Yes: 5</td>
<td>No: 5</td>
</tr>
<tr>
<td>18. Presents partnerships within CSR</td>
<td>Yes: 8</td>
<td>No: 2</td>
</tr>
<tr>
<td>19. Provides links to references for CSR issues</td>
<td>Yes: 6</td>
<td>No: 4</td>
</tr>
<tr>
<td>20. Provides link to own report about CSR</td>
<td>Yes: 7</td>
<td>No: 3</td>
</tr>
</tbody>
</table>

Definitely, the same for all studied companies is that they take care rather much about environmental issues and how not to waste natural resource as much as possible. Environmental cares involve the companies into the activities related to improvement and innovative textile and apparel production. What is also characteristic for all companies is that they pay attention on employees care and working conditions, with mentioning the absence of child labor, which was maybe the most interesting topic communicated from social issues. Moreover, transparency and financial responsibility of the listed companies was widely communicated topic, with many different financial topics communicated and shown to the stakeholders - investors.
The issues communicated

To continue with identifying the issues which are the main topics communicated on corporates official Websites, this study shows that the most popular topics among international well-known fashion companies are social and environmental topics. This study also shows that all companies selected for this study were communicating about their contribution to environment, as well as contribution to social issues, such as child labor or health and safety of employees. Moreover, there are also financial issues, but not all studied companies were communicating about this type of CSR activities. Even though social and environmental issues are very important, also financial responsibility to company itself is important too. According to my opinion, the companies headquarter is financially responsible to make the company profitable, and in that way they are able to keep the employees and make them secured working places, but also the companies have the financial responsibility to protect the stakeholders’ value.

The issues communicated on the companies Webpages are explained in the next figure and paragraphs in more details. The next figure illustrates the corporates communication about environment, social and financial issues as a percentage.

![CSR issues communicated on the corporate Websites of studied fashion companies](chart.png)

The blue color represents the amount of companies which are communicating about specific CSR issue, while the red color represents the companies which do not communicate about the specific issue. From the chart, we can see that all studied companies are communicating about environmental and social issues. Thus, we can notice that those two CSR issues are the most
important for internationally well-known large companies and also for the fashion industry overall. But, on the other hand, not all companies are communicating about financial issues. Only seven out of ten studied companies communicate about financial issues, and all of them were listed companies. Also, what is noticeable is that three studied companies, which were not communicating about their financial issues, were non-listed companies. Therefore, from this statement we can conclude that non-listed companies were not communicating about financial issues, but sometimes it can be the case with listed companies too.

Furthermore, this study shows that all ten studied companies were communicating about social and environmental issues (100% of them), no matter whether they are listed or non-listed. The social issues were communicated by all studied fashion companies on their official Websites and the usual topics were about charity activities and human rights. All companies saw well-being, healthcare and safety of employees as the most important communicated social issue. Also, the topics about child labor found very important place among fashion companies CSR communication. Responsible sourcing, as well as diversity and equal gender opportunities were mentioned by studied fashion companies.

Another CSR issues that were communicated on official Websites by all studied fashion companies were environmental issues. The fashion companies mentioned many different environmental responsibilities, such as climate change, energy efficiency, recycling, carbon emission and carbon footprint. Some of studied companies mention more and some of them less, but overall all of them were mentioning the usage of energy and climate, the usage of minerals for producing the materials and recycling. It seems, according to this study, that all companies mentioned on their official Websites these environmental issues and all of them were engaged to contribute and not to damage the environment. No matter whether the companies are listed or not-listed, they are involved into environmental responsibility issues.

The third type of CSR issues are related to companies financial responsibilities. As it was already seen, the financial issues are the only one that was not communicated on official Websites by all studied fashion companies. Seven out of ten studied large fashion companies were mentioned the financial issues. Those companies which communicated about their financial activities were mainly mentioned topics such as profitable growth in order to be responsible to stakeholder’s and other
investor’s value. Some companies mentioned the responsibility of paying taxes and also relationship with the government as a form of financial responsibility. Some other communicated issues were about transparent accounting, responsible investments and financing, but also about optimizing operations and structure.

All these issues communicated about corporate social responsibility on companies’ official Websites are summarized in the next figure.

The financial responsibility is not seen as major part of corporate responsibility of fashion companies, compared to the other two components of triple bottom line, environmental and social issues. Moreover, this statement is judged by simply examining the corporates official Websites. Also, it is worth to be noted that many companies which are communicating about financial issues have a specific section for financial information on their Websites.
The use of CSR instruments and initiatives

The third research question of this study is concerned to what extent do large fashion companies use CSR instruments and initiatives in their CSR communication on the corporate Websites. It was clear that, according to this study, the CSR instruments and initiatives, which were the most commonly used, were the legislation of the country of company’s headquarter. All companies mentioned some type of legislation which was followed by them and this indicated that the position of hard laws as external reference is still strong. What is also interesting to mention, is that great fashion companies were communicating about other popular public authorities' instruments and initiatives, such as the International Labor Organization (ILO) or the Organization for Economic Co-operation and Development (OECD) guidelines.

Furthermore, to take a look to non-government instruments and initiatives, ISO certificate was mentioned by 20% of studied companies. Global Reporting Initiatives (GRI) framework for reporting was also not so popular among studied companies and it was mentioned by only two of them. International Labor Organization (ILO) was mentioned by half of the studied fashion companies, while the other half did not communicate about ILO. Moreover, private Code of Conduct was quite popular and communicated a lot among internationally well-known fashion companies, no matter if they were listed or not-listed corporations. There are also other well-known private initiatives which were mentioned by the companies, and the next figure will roughly illustrate different kinds of instruments and initiatives divided and mentioned by ten large fashion companies. The mostly mentioned and the most popular initiatives and instruments were divided and separated into two categories, private and public, which was based on description from the review of literature part of this thesis. The one initiative, which is on border between private and public categories, is on that place because firstly it was originally private initiative, and later on, it has been endorsed and accepted by governments. The size of the balls in the figure indicated on the popularity of the initiatives and instruments.
According to this study, the findings suggest that the private standards, certificates and company’s code of conducts are becoming more and more popular among companies in fashion industry. It also seems that all companies were using the same or almost the same instruments and initiatives, and this is due to their belonging to the same industry, fashion industry.

In the next chart presents the CSR instruments and initiatives used by large fashion companies worldwide and internationally.
From the figure above, it is visible how many studied fashion companies were using different kinds of CSR instruments and initiatives.

Other ways of legitimizing the CSR messages

According to this study, the press monitoring and auditing was used by all studied fashion companies, which could also be a very good advertising tool. Definitely, this makes very important external reference in the companies CSR communication. Also, many fashion companies provided different kinds of logos in the context of their corporate social responsibility. Those logos were usually represented in the context to show recognitions that were received for their CSR activities, such as Dow Jones logos, but also they presented even more the logos of globally well-known non-profit organization partnerships, such as UNICEF\textsuperscript{77} or WWF\textsuperscript{78}. Not all studied fashion companies were represented their received recognitions, but 50 per cent of them is quite great amount. The presentation of different kind of recognitions could be interpreted as company’s showing to the audience about its god deeds and contribution to the society. The most popular recognitions were Sustainability Index, which were presented by many studied fashion companies. Some companies were mentioned Dow Jones Sustainability Index, but also, they have mentioned many other recognitions, such as recognitions of different magazines. In this way the corporations have presented themselves as a socially and community responsible. The representation of different recognitions could be very intensive and important marketing tool, because this could increase the stakeholder’s awareness of companies CSR activities and their responsibilities to the community.

Next studied issue was concerned to presentation of partnerships. This study shows that 80% fashion companies which were included in this study presented their partnerships. The popular social relationship were formed between the company and research institution, such as university, but also the relationship with non-profit organizations was even more popular, such as Pink Pony, which were mentioned by fashion companies. The fashion companies mentioned a lot innovations and industry cooperation, in order to contribute to the environment and usage of minerals needed for production in apparel industry. For instance, Guess Inc. mentioned the Conflict Mineral Policy, which was the policy regarding the usage of conflict minerals for their production and also responsibility to resources in specific countries.

\textsuperscript{77} See at: \url{http://www.unicef.org/}
\textsuperscript{78} See at: \url{http://wwf.org/}
Definitely, most of the presented partnerships on the corporates’ official Websites were mainly charitable kind, or were related to product monitoring and not only to companies’ CSR activities. Also, companies have presented many different kinds of campaigns organized by them and all in order to promote themselves as socially responsible. One more thing worth to be mentioned, regarding the presentation of partnerships, is that in many cases those partnership relations were presented by logo, but in much more cases they were presented by name, with not concerning much on explanation of quality of the relationship or partnership content any deeper.

The final remark in this study was the fashion companies’ usage of external references. The aim was to investigate whether the great fashion companies link to the references or to their own reports. So, based on the results of this study, it was shown that seven out of ten studied fashion companies provided the links to their own annual CSR reports and in this way those companies have shown the transparency of their activities and other information regarding the company. On the other hand, not many fashion companies provided on their official Websites a links to their external references, only six of them.

All these explained remarks are summarized in the next figure and it shows the number of fashion companies that were using them in their CSR communication on their official Websites.

Figure 15: Other ways of legitimizing the CSR messages among fashion companies
Summary of findings

The findings of this study clearly show that the all studies companies which are operating in fashion industry were communicating about their CSR activities on their official Websites. The majority of the studied companies were listed, 70% of them, while the rest of 30% were non-listed, but also they communicated about their CSR activities quite much on their official Websites. Furthermore, the most communicated issue communicated by all studied companies were definitely about environmental responsibility, which included topics such as climate change, energy efficiency, etc. But, also significant part of CSR communication on companies’ Websites was about social responsibility, and issues such as labor responsibility, human rights, etc. On the other hand, financial communication was interesting only to listed companies. Compared to other two components of the triple-bottom line, financial responsibility was usually communicated by using the external references. Mainly used external references were legislation, as well as certificates, such as ISO or OECD. Moreover, privately developed CSR instruments and initiatives were somehow found to be more used then the public once.

As it was already seen, the fashion companies are more customer-oriented than business-oriented, and according to this study, it was shown that they were communicated about their CSR activities and contribution to the community a lot. Also, the use of external references found very important place in fashion companies CSR communication. Generally, for the business-oriented companies it is more specific to trust in certificates and standards, while the customer-oriented companies are more using the presentation of partnerships and also the companies own CSR report in order to support their CSR communication and to inform the stakeholders as much as possible. However, both were used by studied companies, but definitely, according to this study, the fashion companies were much more customer-oriented.

Additionally to different CSR instruments and initiatives used, also the possible other ways of companies’ legitimizing the CSR communication were investigated in this study. So, the findings suggest that partnerships, press monitoring, different kinds of logos, links to companies’ own CR reports and external references, all together were widely used by companies in order to support their CSR communication and messages provided on their official Websites.
The last sections were concerned to the fashion industry finding and specific issues communicated by each company. Although the all studied fashion companies were communicated about their CSR practices, there were found some differences among them, regarding the focus on different CSR topics communicated.
Discussion and Conclusions

In this Master’s thesis Corporate Social Responsibility Website communication of ten great internationally well-known fashion companies was explored. The findings were related to the five research questions which were presented in the introduction part of this thesis, but they are further discussed and summarized in this part.

One of the major findings is that CSR activities and CSR communication among the companies which are belonging to this industry vary significantly. Some retailing companies communicate very actively about their CSR practices in the very broad area, while the communication of the others is more modest.

What was also noticeable regarding the studied companies in fashion industry is that they all communicate about environmental and social responsibility quite a lot, but on the other hand the communication about financial responsibility is probably interesting and/or important only for listed companies. Moreover, for the fashion companies is also important to communicate about ethical fashion industry and whether the customers and other stakeholders care about ethical fashion industry or not.
The summary of research

The motivation for this study was to investigate how large international fashion companies communicate about their CSR activities and practices on their official Websites, as well as to which extent they contribute to the community.

The study focused on following five research questions:

1. To what extent do large fashion companies communicate on CSR issues on their official Websites?
2. Which CSR issues do large fashion companies communicate on their official Websites?
3. To what extent do large fashion companies use CSR instruments and initiatives in their CSR communication on their official Websites?
4. How fashion companies employ CSR on their official Websites in order to attract and motivate stakeholders, specifically customers?
5. To what extent does fashion industry contribute to the society through its CSR activities through the perspective of the Web communication?

The review of the literature of this study presented the basic overview of corporate social responsibility, CSR communication and also different types of legitimizing the CSR communication. From the review of literature, the theoretical framework has been developed for the understanding of reality which was explored within the practical part.

The research questions were studied and answered by using both, quantitative and qualitative content analysis methods. Firstly, five research questions were answered by conducting a quantitative research and after that qualitative notes and description were made in order to support the deeper understanding of the quantitative measurements. All ten official Websites of selected international well-known fashion companies were studied and analyzed manually and the main focus was their CSR communication and presentation of their CSR activities. Moreover, all found information was transferred to codification sheet, which is visible in the Findings part of this thesis.

The findings of this study showed that all studied fashion companies communicated about their CSR activities quite a lot on their official Websites. Also, the companies used different kinds of CSR instruments and initiatives, and also other external references in order to emphasize the
truthfulness of their CSR communication. It was interesting to found out that listed companies were communicating more about CSR activities, especially about financial responsibility, than non-listed fashion companies. Also, it was noticeable that fashion companies are more customer-oriented than business-oriented. The most commonly topics communicated were about environmental responsibility, even more than about social responsibility, whereas the financial responsibility was communicated only by listed fashion companies, as mentioned above. The use of CSR instruments and initiatives was different and varies depending on to what extent the company was customer-oriented or business-oriented. This was the case also with using of other external references which could support the company’s CSR message.
The outcomes of the study

In the review of literature in this thesis, it was conducted that nowadays the corporates’ interest in corporate social responsibility issues are growing actively (e.g. Nikolaeva & Bicho 2010). Also, many studies agree that the number of companies which report about their CSR activities has been growing steadily and also many business around the world recognized the importance of acting socially responsible. Furthermore, what was interesting and noticeable by this study, but also by other studies, is that listed companies are communicating more about their CR activities that non-listed companies, but also this is not always the role and there are sometimes exceptions with non-listed companies. Definitely, it is not surprising that listed companies communicate more about their CSR activities, especially about financial responsibility, because those companies and their share prices could also be affected by ugly rumors or misconduct. Moreover, companies have interest in convincing their stakeholders that they are acting responsibly.

Fashion industry, or at least the selected companies for this study are communicating quite a lot about their CSR activities and practices. Furthermore, it could also be stated that all studied companies have had an international and global tendency in their CSR communication, because their stakeholders who are visiting their official Webpages are all around the World. It is also the true that all studied fashion companies are kind of leaders in this industry. Therefore, their communication reflects this position as well.

The interesting statement is the following: a lack of logical connection between the CSR topic and business reduces positive stakeholder reactions (Dawkins 2004). For instance, the companies in fashion industry sometimes communicate about some CSR issues which are not directly connected with apparel or textile industry and business activities, which could produce the negative reactions of stakeholders. Presentation the labels of some charity organizations could be differently interpreted, due to different opinion of stakeholders. One would think that the companies could if they want so, to contribute to the society in many different ways, while others could thank that there is no connection between fashion industry and charity organizations.

So, the first conclusion could be the following: All studied companies communicate about their CSR activities very extensively, however some differences in the scope can be found without any pattern that could be clear to the visitors of Websites.
Further investigating the contents of the companies’ CSR communication, the study has shown that fashion companies mainly used names such as “Sustainability” or “Responsibility” for the specific corporate social responsibility sections on their official Websites. These two titles were mostly used, but there was also other titles used such as “Corporate Governance”, “Philanthropy”, “Cares”, “Code of Ethics”, and similar. According to headings, it could be concluded what is the most important to the specific company. For instance, the title “Sustainability” refers that environment responsibility is important for the company. Each studied company has communicated about environment, which means that these kinds of issues are very important for the all companies selected for this study. Nowadays, for many companies environmental issues such as climate change or waste management are very interesting and important topics for CSR communication, so this study showed that the studied companies also were communicating a lot about this environmental responsibility. Especially this was the case because the studied companies were European and North American and the “climate change” is one of the most dominant topics for CSR communication in that part of the world. Another point is that production of these companies can harm environment a lot (water, air) as well as distribution because production processes are usually located in Asian countries and after distributed in huge volumes to the countries worldwide.

The environmental responsibility is not only the interesting topic for fashion industry, it is also the mostly communicated issue for other industries, because nowadays “climate change” and other similar environmental topics are one of the main focuses for everyone. So, for companies is better to communicate about some global “trendy” topics, which are the related to stakeholders interests, then to communicate about something else which is not so popular, but which is maybe closer to companies business. Definitely, for companies is very important to make a balance between the important issue and interesting issue.

Furthermore, the study suggests that social responsibility is also very important issue for CSR communication on companies’ official Websites, but this is not surprising. According to this study, almost all studied fashion companies were communicating about social issues such as charity projects and human rights, while some companies saw employee and child labor well-being and also workplace safety as the most important social issues. The thing of big importance for fashion companies has been to represent themselves as a really good and responsible employer. Companies are including the actions regarding the social responsibility as a part of the CSR communication on
their official Websites. The main reasons behind this reality are some scandals in the past which revealed employment of children and very bad working conditions of companies in this industry in the countries of Middle and Far East Asia.

Comparing to some other previous studies about CSR communication and triple-bottom line, nowadays the communication is merely double-bottom line, because it is not the case that all companies were communicating about financial responsibility. The study has shown that recently companies are mainly communicating about environment and social responsibility, while the financial responsibility was important only to listed companies. Maybe, the companies might look at financial responsibility as old-fashioned issues and due to that they ignore this “part” of corporate social responsibility. On the other hand, the financial responsibility issues could be seen as underlying basis that enables the focus on other issues such as environmental and social responsibility (Carroll, 1991). Therefore, the view of CSR in this way, the companies would not need to communicate about financial responsibility issues due to being a self-evident part of the company’s business.

The financial responsibility is not only seen as something that might be interesting to general public and it does not appeal as, for instance, some issue such as “the saving of nature” or “climate change”. The financial issues are not concentrated to activities which are connected to environment or people, so this could sometimes make a problem to the companies CSR communication. Moreover, on studied companies official Websites the communication about financial responsibility was usually titled as “Investor Relations” section or some similar title. In these sections they communicated about their business and financial goals and about profitability growth. Definitely, this section is the most interesting part for investor or potential investors and it is the topic mainly communicated by the listed companies. It is also worth to mention that the financial responsibility section on corporate’s official Webpages is interesting part to attract the attention of media.

After this discussion, the second conclusion could be made: The selected fashion companies for this study were mainly communicated about environment and social responsibility, whereas listed companies were communicating about financial responsibility as well. Also the issues and topics communicated did not vary significantly and they definitely follow the common global trends in CSR communication.
Another objective of this study was also to study to what extent the companies used different CSR instruments and initiatives in order to legitimate their CSR messages. This study suggests that all studied fashion companies were using some external references to legitimize the messages on their official Websites. The legislation, followed by international declarations, ILO, GRI, standards such as ISO, OECD and others, were used in CSR communication of some studied internationally well-known fashion companies. The private CSR initiatives and instruments were used more than public CSR instruments and initiatives, because the legislation of CSR initiatives and instruments is still in process. Definitely, the companies are still using more the private initiatives and instruments to answer their needs to a large extent, due to lack of CSR legislations.

As it was discussed earlier in this thesis, adopting some specific external references might be the way of differentiation the company from other competitors, which could be also the tool for demonstration of some competitive advantage and make the business competitiveness of specific company even better comparing to other competitors. It is also worth to mention that almost all studied companies were communicating about their code of conduct, thus, this private standard is becoming more and more popular among companies. Mainly, the code of conduct of the each company was quite similar due to studied companies were all operating in the same type of industry. Moreover, some kinds of partnerships with different organizations were mentioned by all researched companies. The presented partnerships were mainly with charity organizations. What was also interesting finding in this study is that some companies were presenting the logos of some charity and other kinds of organizations, and all in order to present themselves as more socially responsible to the society. Mostly logos were well-known to the wide public, such as WWF, UNICEF and so on. The companies in this way also present their traditional charity work, even though it was not their core business. The companies were doing this in order to gain more attention from the stakeholders and also they want to show their activities related to doing well to the community, probably.

Companies also mention the monitoring of their CSR communication and provided messages on their Websites. What was also interesting to note, 70 percent of the companies provided the links to their annual reports as the source for more CSR information.
Therefore, the third conclusion could be the following statement: **Using the CSR instruments and initiatives and external references in fashion companies’ CSR communication on their Websites became some kind of norm and not an exception.** Definitely, presenting the charity activities, partnerships, logos and other types of external references is becoming more and more popular in fashion companies CSR communication on their official Websites.

Finally, the study found that according to measurements by quantitative analysis, all studied companies were communicating pretty much about their CSR activities. On the other hand, the qualitative content analysis showed more descriptive details about corporate social responsibility and its trustworthiness. Since the studied companies are in a quite same range, they are all internationally well-known great fashion companies, so they operate in the same industry, thus their CSR communication on official Websites is also quite similar. All of them communicate about environmental issues a lot, which could be considered as one of the main marketing tool of fashion companies. Also, communication about social issues was used as one of the competitive advantage. It could also be said that the studied companies are contributing a lot to the society overall, because according to the results of this study, they are acting responsibly regarding the community. Sometimes for the visitors of the studied Websites could be difficult to recognize whether the companies are really socially responsible or they communicate about CSR issues only to make marketing and to improve their competitive strategy. Even though the companies use many CSR initiatives and instruments to legitimate their messages, the question about trustworthiness of CSR communication is still open.

The next statement worth to point out, but without any hard data proof behind, is: **There is no good CSR communication, unless the true action is behind the CSR message.** Basically, it could be concluded that studied fashion companies use the CSR communication as brand protection and marketing tool in order to support their business competitiveness.
Limitations and indications to future studies

The study of this Master’s thesis reveals even more than it was expected by the author and many questions have been changed and the number of questions arise during the research process, but unfortunately not all of them could be answered. Also, it was natural that during the research process, many challenges had been met. The main challenge was to conduct the data for quantitative content analysis, which I did manually and without any special tool. One example of the challenge was using the search engine tool, provided on companies’ official Websites, and in that way looking for and trying to investigate whether a specific CSR initiative was mentioned or not on a specific Webpage. Moreover, this type of searching could be even more reliable than simple “human search engine”. Therefore, this limited the flexibility of this research study, because sometimes it has happened that I found some CSR instruments and initiatives that I was not aware of it before and I could not find them by using the automatic tool.

It was obvious that the study could not answer the all questions about corporate social responsibility and its communication on official corporates’ Websites. This was due to internationality of selected companies, especially because they communicated to stakeholders all around the world, which means that the companies were aware of different cultures, mentality and different types of people. But anyway, the study could enable the comparison between CSR issues communicated and what was the most important for CSR communication of each studied company. Moreover, this study can be simply repeated with companies in some other industry and for instance focused on some specific country. Also, it was possible in this study to involve even more companies in the research, and also to compare the companies of fashion industry, but with different kinds of interests, using the same content analysis as in this study.

Finally, even though the corporate social responsibility is relatively new phenomena, it is extensively explored in fashion industry. Definitely, CSR issues are becoming more and more important for companies business competitiveness and marketing strategic planning. Therefore, the further opportunities for future studies of this type are definitely endless!
References


Kotler, P. and Lee, N. (2005), Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause, New Jersey: John Wiley & Sons


Neuendorf, K.A. (2001), The content analysis guidebook, SAGE Publications.


Thomas, R. M. (2003), Blending qualitative & quantitative research methods in theses and dissertations, Corwin Press.


**Websites used:**


Gap Inc.: [http://www.gapinc.com/content/gapinc/html.html](http://www.gapinc.com/content/gapinc/html.html)


TOMMY HILFIGER: [http://global.tommy.com/int/en/about/overview/14](http://global.tommy.com/int/en/about/overview/14)


http://www.unido.org/


http://wfoi.org/62033/index.html

http://digitalcommons.ilr.cornell.edu/cahrswp/455/


http://www.iso.org/iso/home/standards.htm

http://www.oecd.org/

https://www.globalreporting.org/Pages/default.aspx


http://responsiblebusiness.haas.berkeley.edu/documents/Strategic%20CSR%20(Leader%20to%20Leader,%20McElhaney).pdf

http://amr.aom.org/content/26/1/117.short
http://www.umich.edu/~thecore/doc/Friedman.pdf