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The State of CSR Strategic Communication and Company Reputation in the Fashion Industry: The Consumer's Perspective after Covid-19 Pandemic

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ABSTRACT

The aim of this paper is to analyze the current state of the industry of fashion with regards to the communication of its CSR activities. The scope of the analysis is to discuss about the consumer perspective of CSR Strategic Communication in the fashion industry to understand if and how it impacts the company's reputation. The first part of the article is a theoretical overview of the existing literature on strategy and competitive advantage. Consequently, the existing intertwining between three different dimensions - fashion industry, corporate social responsibility (CSR) and communication - will be analyzed and their connection and importance will be explained through a framework, which will help to understand the link between CSR communication and corporate reputation.

Lo scopo di questo lavoro è analizzare lo stato attuale dell'industria della moda per quanto riguarda la comunicazione delle sue attività di CSR. Lo scopo dell'analisi è quello di discutere riguardo la prospettiva del consumatore sulla Comunicazione Strategica della CSR nel settore della moda per capire se esista e quale sia l'impatto che quest'ultima può avere sulla reputazione aziendale. La prima parte dell'articolo è una panoramica teorica della letteratura esistente sulla strategia e il vantaggio competitivo. Successivamente verrà analizzato l'intreccio esistente tra tre diverse dimensioni - industria della moda, responsabilità sociale d'impresa (CSR) e comunicazione - e ne verrà spiegata la connessione e l'importanza attraverso un framework, che servirà a comprendere il legame esistente tra comunicazione della CSR e reputazione d'azienda.

Keywords: CSR, Covid-19, communication, corporate reputation, corporate social responsibility, fashion industry.

1 – Introduction

For companies, a sustainable economic behavior means the ability to maintain a competitive advantage in the current global environment (Porter, 2000). Even though there is still a lack of a shared definition of sustainability, the majority of business executives confirms that it is essential to their business. The last decade experienced a huge increase in the debate revolving around sustainability, with Social Media in particular playing a central role in generating a shift in the communication modalities; as more and more people have

access to information and can also play an active role in the communication dynamics through the digital platforms, awareness regarding the threat of climate change, social inequalities and injustice has increased, which is consequently leading individuals, communities, companies and nations globally towards the path of taking concrete actions.

This behavior increases the necessity for companies to communicate and report their CSR activities. From the new financial reporting including sustainability practices, to marketing, and last but not least the new digital communication strategies, companies are required to invest more in the stakeholders' relationship (Gazzola, 2012). Unfortunately, the terms "sustainability" or "CSR" have been misused and even abused by companies and this type of behavior paved the way for accusation of acting opportunistically. As the public opinion is becoming less and less tolerant to acts of irresponsibility, a new, higher level of transparency is required, otherwise the shareholder confidence will inevitably falter. The direct consequence will be a negative impact on the company's reputation (Langham, 2018).

These dynamics generated an impact to all industries, but "fashion companies" in particular have been affected by them. The industry of fashion had been under scrutiny in the last couple of decades: it is currently one of the most polluting in the world and it's now facing the objections of public opinion about their profit-maximizing behavior at the cost of social and environmental damage. Here's the need for firms to take sustainability and its communication as an investment in order to maintain their competitive advantage in the future. CSR strategic communication in particular can act as the bridge connecting business and stakeholders by filling the existing gap in communication (Tench, Sun & Jones, 2014), but it represents for fashion companies a double-edged sword: it's very difficult to make people believe something when in reality it is simply not true.

By understanding consumer's behaviors and expectations towards the way fashion companies communicate their CSR activities, it will be possible to gain insights about the impact that CSR communication dynamics have on company's reputation, but also to learn how can companies navigate this "new normal" generated by the Covid-19 pandemic, which has generated a deep shock in the world as we knew it and it will take time to recover from the current global economic crisis. How have our lives been affected by the lockdowns? Has consumers' preferences shifted throughout the pandemic? Has the communication of CSR activities had an impact on fashion companies?

The article will be structured in three paragraphs: following the first paragraph consisting of the Introduction just presented, the second paragraph will consist of the literature review of the main themes of this article – Fashion industry, CSR and Communication – while in the third section of the article will explain how these three dimensions are interconnected to each other. In the last section of the article the conclusion regarding if consumer's perspective has changed after the pandemic with regard to CSR communication in fashion will be explained.

2 – Literature review

Through his main studies Porter (1980) demonstrated that, in order to maintain a competitive advantage in the current global environment, it means that a firm (or a nation) gained a favorable position compared to its competitors and it is also able to maintain this advantage overtime. Strategy helps companies to achieve this objective, for this reason is also defined as a set of guidelines with the aim of guiding and supporting the company's growth; it can be explicit or more of an abstract concept, as stated by Ansoff (1988). Strategy helps the firm to state how it will achieve its mission (Hunger & Wheelen, 1996).

The current historical moment surely stands out for a huge shift not only in prosperity, but also in terms of growth, technological innovation and R&D. Businesses are nourishing the consumption system, creating employment and attracting investments; they generate wealth (Blowfield & Murray, 2008).

On the other side, the change generated by the current technological advancement, together with globalization and deregulation (Casadeus-Masanel & Ricart, 2009) is exacerbating the frustration generated when we, as humans, have to manage the unpredictability that is naturally part of any change. Technology is generating a rapid shift in lifestyle and in the way business is executed. People, companies and countries also have to face the threatening consequences of Climate Change, that is perceived more and more tangible every day, to the extent that people now understand that many aspects of our current lifestyle won't be sustainable anymore in the long-term. Moreover, after few weeks at the beginning of this new decade, Covid-19 pandemic have thrown us not only in the middle of a new economic recession, but also obliged all countries to take extreme decisions to contain the virus, to the point where "business as usual" was not that usual anymore. The pandemic required businesses to think outside the box, draw on their own resources and creativity, and be resilient. In such a turbulent environment, not only the competitive advantage of firms, but even their survival depends on their ability to focus on strategic activities. As considered by Ansoff:

An explicit new strategy also becomes necessary when the objectives of an organization change drastically as a result of new demands imposed on the organization by society (Ansoff, 1988).

On the contrary of what stated traditional economical literature in the past, nowadays social objectives can represent a competitive advantage (Gazzola, Pavione & dall'Ava, 2020).

In general, the development and implementation of new strategies may enter in conflict with the historical culture and power structure of the organization. Change is uncomfortable and is always met with resistance (Ansoff, 1988). Furthermore, the current acceleration in the technological development and the new role that technology and social media communication play in our current life, not only need firms to adapt strategically, but also to do it fast due to the ongoing metamorphosis of the (also digital) world.

Given this context, the "target industry" of this research is "fashion", for two main reasons in particular:

1. It is among the industries that went through a deep crisis caused by the disruptive pandemic dynamics, like the closing of shops, the cancellation of runaways and events, the travel bans that can make the access to raw materials and the movement of the final products more difficult, as well as to take care of employees' health.
2. It is also facing a shift in its business structure and operating model, being now required to change its capitalistic focus in order to fight Climate Change and to meet the new customer's values and demands.

These external changes are charging fashion companies and brands with pressure that is affecting the entire industry pipeline and its supply chain, which is now required to adapt to be able to survive in the long-term.

The fashion industry is among the most criticized industries in the world because of its acts of irresponsible behavior towards stakeholders, environment and society. The fast fashion system in particular – because of its operating model and the excessive amount of resources exploited and waste produced – is facing public scrutiny regarding their "profit-maximizing behavior" at the cost of social and environmental damage: cotton production, for example, it's extremely water consuming; the manufacturing of synthetic fabrics it's chemically intensive and polluting; lots of textiles cannot be recycled and products that remain unsold are burn in land fields, contaminating both air and soil. In addition, the fashion industry not only has an immense environmental impact, but also a social one, both in terms of health and human rights. Consumers are questioning if the extreme demand for cheap clothes can justify the modalities in which they are produced (Gazzola, Pavione, Grechi & Raimondi, 2020).

This is the context where the discussion about Sustainable Development and Corporate Social Responsibility (CSR) of firms arose, even though the roots of this conversation dates back decades ago. Already in 1987, the World Commission on Environment and Development (WCED) published the report “*Our Common Future*”, also known as the *Brundtland Report* (The World Commission on Environment and Development, 1987), that gave the first definition of *sustainable development* as:

Development which meets the needs of the present without compromising the ability of future generations to meet their own needs (WCED, 1987).

By introducing the environmental concern in both the political and public sphere, the report had led almost 30 years later, in 2015, to the adoption of the 17 Sustainable Development Goals by all the members of the United Nations (UN).

Even though there is still a lack of a shared definition of sustainability, and fashion companies verge their own definition of it into their CSR activities – i.e. some of them focus on the sustainable production of raw materials, others on the use of recycled textiles or on a structure based on circular economy, and few others on the respect of their employee by paying the right wages and in leveraging their craftsmanship – but the majority of them agree that it is a *strategic asset* for their business. As mentioned by Mosca & Civera (2017),

CSR can be interpreted as the sum of practices, policies and strategies linked with social and environmental benefits that corporations implement to serve multiple stakeholder’s interests simultaneously (Mosca & Civera (2017)).

So, CSR activities can be considered a key ingredient to maintain the competitive advantage necessary for firms to survive and thrive.

What emerge from this is that fashion companies need to engage with consumers not only from an economic point of view, but also by taking in consideration the environmental, social and cultural components that surround them in a multi-faceted way. As the stakeholder’s consciousness rises regarding topics of *sustainability* and *social responsibility*, so does their pressure on companies to act responsibly; as a consequence, the necessity for companies to communicate and report their CSR activities and to invest more in the stakeholders’ relationship become an imperative from a strategic point of view.

Since sustainability cannot remain responsibility only of the marketing department anymore, the last years have also seen the rise of CSR strategic communication as a field of study, whose role is to act as the bridge connecting business and stakeholders by filling the existing gap in communication (Tench, Sun & Jones, 2014). One of the most important characteristics of CSR communication is *Transparency*, which is a way for the firm to declare and represent its commitment to the civil society (Gazzola, Pavione, Amelio & Magri, 2020); Nwagbara & Reid (2013) argue that an effective stakeholder communication facilitates organizational success and legitimacy. A correct communication allows stakeholders to perceive the value created on both society and the environment through the implementation of CSR activities. On the contrary, if stakeholders perceive the presence of an opportunistic behavior from the firm’s CSR activities, and also a lack of transparency, it will generate a negative response to it. This type of opportunistic behavior from firms is now known as *greenwashing*. CSR communication, on the contrary of what can be the popular belief, can also represent a threat to companies’ reputation. This contradictory dynamic has been accentuated by the shift in communication modalities between firms and their stakeholders generated also by the introduction of social media to everyday life.

By pushing the reflection forward, it can be realized that Communication is already embedded in the DNA of Fashion itself; historically, people have used fashion as a way to express themselves and their values to the rest of society; so, it is understandable why consumers (and stakeholders more in general), expects transparency from firms in performing

and communicating their CSR activities: they don't want to be associated with a product or brand that doesn't align with their values, or doesn't do it anymore.

On Social Media the communication process is not one-way, like in the conventional media and marketing communication channels, but it is two-ways: the public can directly interact with fashion firms, and they are expected to manage the communication with their clients (and with all the other stakeholders) properly, like they would deal with their clients and partners in real life. Also, as more and more people have access to information and can also play an active role in the communication dynamics through the digital platforms, they are taking concrete action through those channels, due to the increasing awareness regarding the threat of climate change, social inequalities and injustice. Social media communication represents for Fashion companies in particular a double edge sword: it permits the spread of information about social responsible behaviors and help consumers in holding companies accountable, but it can also turn against those businesses that tries to exploit the communication of sustainable actions again, for opportunistic goals. This abuse in communicating Corporate Social Responsibility without it being backed by a strong action plan can generate a negative return and will lead public opinion towards accusations of acting opportunistically. Consequentially, as the level of transparency required by consumers are not met, their trust in the companies will falter, generating a negative impact on the companies' reputation and to the ability to maintain the competitive advantage in the long-term.

3 – The Framework

The deep shock of the pandemic may have generated a shift in the evolution of these dynamics previously described. So, has CSR communication an impact on fashion companies' reputation in a post pandemic world? The answer to this question will help to understand consumer's behaviors and expectations towards the way fashion companies communicate their CSR activities, thus helping companies to learn how to navigate this "new normal" generated by the Covid-19 pandemic. The reason behind this analysis is born after the publishing of the extra edition of the annual report "*The State of Fashion. Coronavirus update*" from Business of Fashion, McKinsey (2020), containing updates from the fashion Industry in April 2020, two months after the spread of the Covid-19 virus around the globe and the market shock that followed. In this context, we understand that the fashion industry itself, CSR and company's strategic communication cannot be treated as separate topics, instead they are deeply interconnected, for which a framework has been created, as shown in Figure 1.

3.1 – *The Fashion Pipeline and Operating Model*

The Fashion Industry worldwide is going through a challenging moment for two main reasons: first, its operating model started to falter because of a shift in cultural and social values, generated by the challenging historical moment in which companies must also respond to Climate Change new dynamics and challenges; second, Covid-19 pandemic put the entire industry on a crisis that is still far from the end, which is obliging the industry to rethink its structure and values. Before the pandemic, fashion industry projections elaborated by Statista stated that revenues were expected to reach US \$664,474 millions in 2020 (www.statista.com); now, after the pandemic begun, projections talk about 30% contractions for the global revenues of fashion companies. (Business of Fashion & McKinsey, 2020).

The World Bank (2019) defines the Fashion Industry as "*The world's third-largest manufacturing sector after the automobile and technology industries*". With a global value of 3 trillion dollars, the fashion industry plays quite a central role in the economic development, making up for 2% of the Gross Domestic Product and employing 75 million people worldwide.

Besides the exponential crisis that the whole fashion industry is going through, its value chain was already in need of a reformation in order to reach a sustainable development and try

to put an end to the contribution that the industry was giving in the worsening of climate change. The Ellen McArthur Foundation, created in 2010 in order to foster circular economy, stated that “if the fashion industry continues on its current path, by 2050 it could use more than 26% of the carbon budget associated with a 2°C global warming limit.” (Vogue Business, 2019). Current data shows in fact, that the fashion industry is responsible for 10% of annual carbon emissions worldwide. (World Bank, 2019)

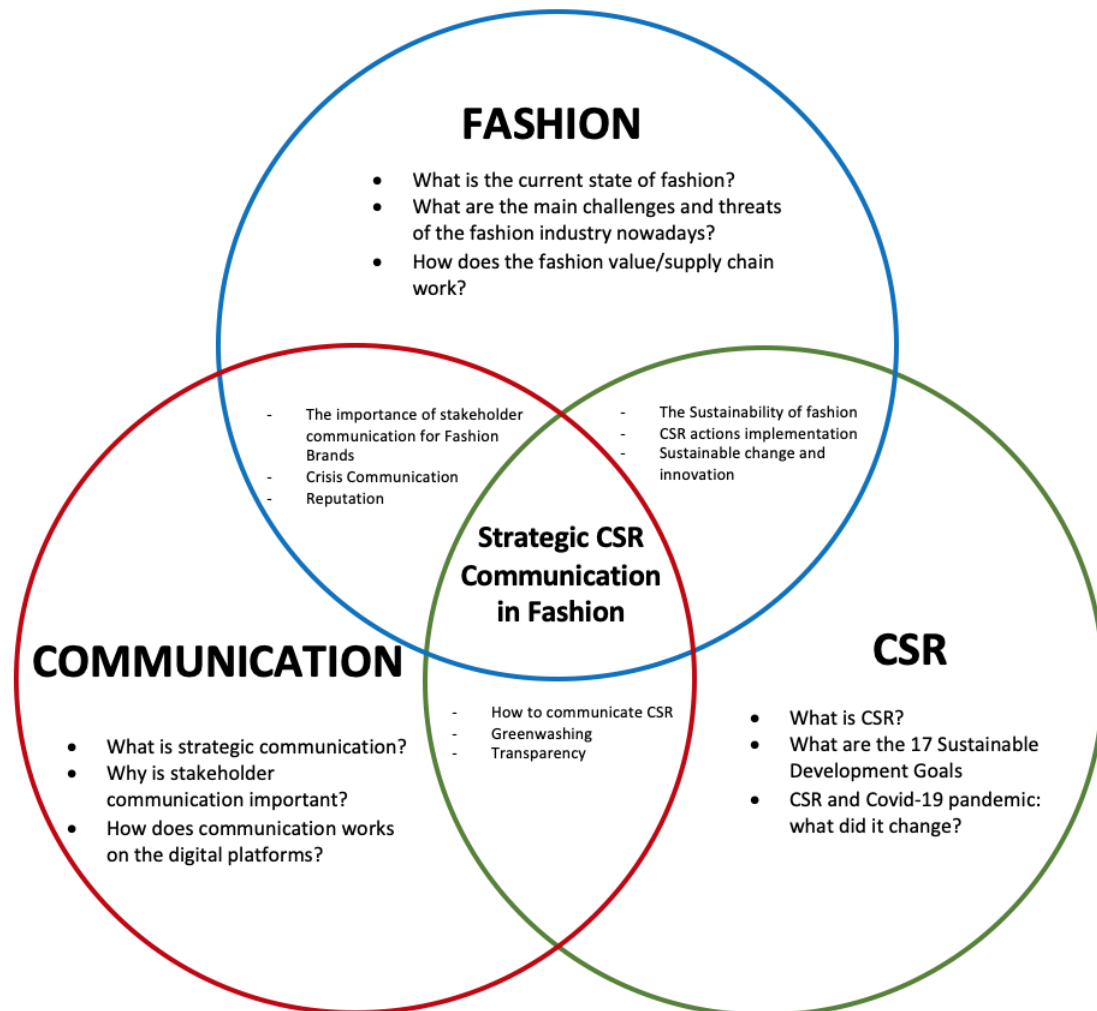


Fig. 1 – Strategic CSR Communication in Fashion: The Framework (own elaboration)

The current value chain of the fashion industry relies on a systemic pressure on resources, the environment, people to produce products that, given the spread of the fast fashion model worldwide, will be used only for a short period of time and then they will be thrown away, damaging even more the environment because of the total absence of a waste management and recycling system. The fashion industry structure keeps on feeding a loop that have negative impact on a large scale worldwide. Other concrete data with regards to this system have been shared by The World Bank, in which they mentions a study from the United Nations Environment Program (UNEP) declaring that “it takes 3,781 liters of water to make a pair of jeans, from the production of the cotton to the delivery of the final product to the store.”; by translating this numbers on a larger scale, the social and environmental damage is huge, for example:

1. The fashion industry uses 93 billion cubic meters of water every year;

2. 20% of the total water waste worldwide comes from fabric treatment;
3. The average person of today buys 60 % more clothing than in 2000, and not only do they buy more, they also discard more as a result;
4. Of the total amount of textile product used to produced clothes, 87% is incinerated or disposed in a landfill;

Last but not least, from the very beginning of this first decade the Fashion Industry have to fight against the dynamics generated by Covid-19 virus that spread throughout the world at the beginning of the year, generating a real economic and social crisis. Even if fashion business leaders and executives were not optimistic about 2020, in a couple of months the whole industry became vulnerable and is still currently under enormous distress (Business of Fashion, McKinsey, 2020). From a strategic point of view, this means that the Fashion Industry has to deconstruct, re- think and re-build its operating model, including both its supply chain and value chain.

In a company, activities regarding *operations* are those that “transform inputs into outputs of a greater value” (Ivanov, Tsipoulaidis & Schonberger, 2019), meaning that through operations a company is able to transform its resources into a product desired by its customers (Chase, Jacobs, Grando & Sianesi, 2011). The operating model is the result of this process that is composed of four main stages: sourcing, production, distribution and after sales. This high-level discipline is called *Operations and Supply Chain Management*, OSCM.

The concepts of supply chain and value chain gets often confused, but they regard different aspects of OSCM. Specifically, the *supply chain* is defined as:

The connected network of individuals, organizations, resources, activities, and technologies involved in the manufacture and sale of a product or service. A supply chain starts with the delivery of raw materials from a supplier to a manufacturer and ends with the delivery of the finished product or service to the end consumer.

The concept of *value chain* instead, describes

... all business activities which increase the value of a product or service in the eyes of the buyer. (...) The value chain flows from the customer back through the supply chain to the production/creation/extraction of raw materials, but also includes activities you wouldn't typically associate with the supply chain—activities such as product development and marketing.

In his article “*The value chain and competitive advantage*”, Michael Porter (2000) explains through the value chain to the concept of competitive advantage: it cannot be understood by looking at a firm as a whole, but by understanding how it fits in the overall value system. It is now possible to understand that to achieve success, gain and maintain a competitive advantage it is necessary to match these complex supply network and value chains - intended as the value added throughout the whole production system to the final product and to the environment revolving around it - with customer' desires and needs (Chase, Jacobs, Grando & Sianesi, 2011).

In the current moment we are spectators of the just explained concept; the fast fashion industry model in particular was designed, thanks to the exploitation of outsourcing and economy of scale, to make people need and buy new clothes and accessories after just a couple of weeks thanks to their low prices, but also low quality, which required to discard the item after few wears.

Currently values in society are shifting towards a more conscious way of living – which means respecting the environment, its resources and worker's rights – and so do people's desires. It can be deduced why the previous capitalistic consumerism model is faltering: we

moved from the need to accumulate material things and change them as often as we liked, to a “less is more” philosophy of living.

3.2 – *Corporate Social Responsibility in Fashion*

As already described by Chase, Jacobs, Grando and Sianesi, (2011) in their book *Operations Management nella produzione e nei servizi*, among the main challenges in OSCM is included *sustainability*, intended as “*the ability to maintain a system in equilibrium*”. The reason for it is that nowadays the integration of sustainability and CSR activities at the strategic core of the business is inevitable for the survival of any company in the future. From a strategic point of view, sustainability is the way in which a company can generate value for its stakeholders by taking in consideration not only the economic, but also the environmental and social impact of their practices on them (and on future generations). These are the three main areas of focus of Sustainable Development and constitute the *Three Pillar Model*, developed and presented during the first *United Nations Conference on Environment and Development* in Rio de Janeiro in 1992.

This model implies that a company’ success cannot be measured only by its “profit maximization activities” anymore. A part of the business management was always resistant to the concept of *sustainable development* because of the existing belief that it would reduce the business scope and its freedom, restricting the possible economic growth. But given the current environmental and social threats, sustainability is “*an absolute prerequisite in a highly competitive global environment*” (Dietmar & Sailer, 2015). It can be affirmed that the objective of a sustainable business strategy is to reconcile the economic success of companies with the social and environmental pillars; the acknowledgements of these *three pillars* constitutes the company CSR.

Ksiezak & Fischbach (2017) give an explanatory overview of the *three pillars* of CSR:

1. *Profit* is a mandatory requirement, but it is not the only one; companies have to manage well their profit by being socially responsible in their environment and with their stakeholders. By being profitable, companies pay taxes and wages, generating an improvement in living standards, to the company’s expansion and growth. Also, by being open with their stakeholders and transparent they will be able to grant their cooperation and trust, maintaining the company’s reputation stable;
2. *People*; “*Companies cannot exist without their workers, the customers or participants of the supply chain*”. This means that a company should not exploit its workers and need to care of their customers, who are always more and more interested in their business (and non) activities. Thanks to the Internet, customers have access to almost all the information regarding a company’s activities. This is another reminder of the importance of maintaining a good relationship with customer’s and stakeholders by being transparent and grant their trust, as any episode of mismanagement, people’s right abuse, bribery and scandal is a direct reputational threat.
3. *Planet*; if large corporations pollute the environment with their business activities, they will be equally affected by the consequences. Environmental protection is a responsibility of everyone and above all of companies, as they are the first in contributing to its damage. By preserving the environment, companies will grant their long-term survival and boost their reputation with their customers.

For the Fashion Industry, having a sustainable strategy and applying CSR principles and activities means a whole re-definition of their supply and value chain. By investing in R&D they can be able to save resources like water and soil and the technological development can help them to create and use new textile materials that are more environmentally friendly and can be recycled afterwards. They should build a model that grant the right wages to their employees and suppliers, and they should minimize the pollution generated while creating their products

and while bringing the products to their customers. Moreover, they need to communicate their sustainable strategy and CSR activities to their stakeholders, to maintain the reputation during this process.

3.3 – *Communication in Fashion*

The importance of CSR as a business strategy is visible in relations with every stakeholder. Companies need to inspire trust and be dependable to secure good relationships with customers, business partners, suppliers, employees, and even NGOs (Ksiezak & Fischbach 2017).

To maintain this relationship, communication plays a central role. Nowadays, with the rise of the internet and Social Media, it is an imperative for firms to integrate communication to the strategic level of the business.

Strategic communication allows a company to engage properly with their stakeholders, in order to meet their needs and interests in the business' activities. CSR communication has the objective of explaining

what they do and why they do it to an increasingly vocal, educated body of stakeholders aware of their rights and the concomitant obligations of business (Tench, Sun & Jones).

Once a company commit to the implementation of their CSR activities, it is inevitable that it has to commit also to its communication, so CSR communication can be intended as the bridge connecting businesses to their stakeholders.

From one side, CSR communication is often confused with PR activities and sometimes it just consists in more opportunistic behaviors like the so-called greenwashing; on the opposite side, given the central role it plays in nurturing stakeholder's relationships, it is important to embed it in the business strategy to achieve the goal of sustainable development. To do so, it's important to restore the confidence of customers in large companies (Ceglinska & Ceglinski, 2014). To restore trust, companies have to commit to a two-way, transparent communication with their stakeholders, which will change depending on the communication channel. In particular, the last decade has seen the born and rise of social media, which completely changed the way businesses have to communicate. Social Media brought to a democratization of the communication dynamics, as now anyone can communicate to a company directly and call them out for their irresponsible behaviors.

Without a strategic CSR communication, the risk to destroy a company's reputation increases: everything you put on the Internet, stays in the Internet forever, and not only the final consumer, but any person who's part of the value chain can raise their voice and hold companies accountable.

Fashion companies are somehow the most affected negatively by the way they communicate their CSR activities on social media, perhaps because of the consumeristic and capitalistic idea that people has of the Industry itself: it is extremely challenging for them not to end up in greenwashing communication as customers have now all the resources to track if their claims about using recycled materials, avoid polluting the environment and wasting natural resources corresponds to reality. Moreover, when engaging with customers, companies need to pay attention to their cultural background: inclusivity and representation are also part of a responsible, sustainable communication, and also these dynamics have the power to directly affect the company's reputation.

With the Rana plaza accident (on 24 April 2013, the collapse of the Rana Plaza building in Dhaka, Bangladesh, killed 1,132 people and injured more than 2,500) and now the Covid-19 pandemic, a lot of attention has also been posed to the non-compliance of companies in protecting worker's rights, above all of those working for activities outsources in third world countries. This seems to be one of the most complicated pillars of the model to be implemented,

but the pandemic for sure brought the topic again to public attention, as it now concerns not only workers' rights but also their ability to protect their health while working, thanks to the work of many associations whose objective is to keep companies accountable. Strategic CSR Communication is now an imperative necessity.

By contextualizing the concepts exposed in the last paragraphs for Fashion, the industry has to commit strategically to embrace the shift in the way it creates value. This means to leverage innovations and technological development for the procurement of new raw materials. Moreover, companies need to figure out how to bring this value created to the final customer, by exploiting that same innovative and technological mindset to limit and prevent environmental damages, by respecting employee rights creating a new value for people involved in the value chain system, and to close the value chain by taking advantage of the new opportunities to deal with waste materials created by circular economy and sustainable development; if companies will act as part of a bigger system, they will be able not only to maintain their competitive advantage, but also to be leading the system itself, thanks to the high reputation gained among their customers and stakeholders too.

4 – Conclusions

For Dawkins (2004) "companies recognize the reputational risks and opportunities that corporate responsibility brings, and for these companies aligning corporate behaviour with stakeholder expectations is an ongoing business priority. Communication, however, often remains the missing link in the practice of corporate responsibility". The implementation of CSR Communication is for sure one of the biggest double-edge sword for companies, above all in an era where the communication dynamics have completely changed because of the role of internet and the social media, which "democratized" communication, giving the opportunity to anyone to talk about their own truths and be heard; on social media the company and the single consumer have the same power when they engage in a conversation together. This means that businesses have to manage this communication properly and learn how to engage not only with their stakeholders, but with anyone is present on social media; with regard to CSR activities there is an increased amount of scepticism towards the company message, and this can lead to hostile reactions from stakeholders and the public media (*ibidem*).

A stakeholder can be defined as "a group or an individual who affect or is affected by the achievement of the firm's objectives" (Morsing & Schultz, 2006). In their article Morsing & Schultz (2006) emphasize the importance of involving the stakeholder in the entire value creation process, and this means that stakeholders cannot be taken in considerations only for marketing or PR activities, but instead companies must develop a mutual relationship. This relationship consists of an "interactive, mutually engaged and responsive relationship that establish the very context of doing modern business, and create the artwork for *transparency* and *accountability*. By leveraging strategically the use of CSR and its communication to engage with stakeholders about the value creation, the company contribute not only economically, but also socially and environmentally to the world, and the company will strengthen one of the most important success factor: its reputation. (Gazzola, 2012)

Yeonsoo (2014) affirms the essential use that stakeholders make of a company's reputation:

Reputation reflects corporate performance, including CSR initiatives, and publics use reputation as an ethical benchmark to evaluate CSR programs Yeonsoo (2014).

The fastest and most engaging way in which stakeholders can evaluate a company performance now is by engaging with companies on social media, which is the place where they are supposed to openly explain what they have achieved regarding their CSR programs; also, stakeholders make sure to hold companies accountable by demanding a fair and transparent communication, otherwise their can use social media as a tool to discover if the companies have

respected their CSR agenda, even if they want to know about activities on the other side of the world.

To conclude, with the pandemic we have seen how all areas of our lives has been affected by the pandemic and the consequential lockdowns, so not only our habits and preferences has changed, but also our values and principles. Consumer's preferences underwent through a shift: they are now focused more than ever on developing a sustainable way of living (matching the tendency of Gen Z to focus more on socially responsible behaviour and activities). The consequence is that implementing a strategic CSR communication can have a higher impact on the ability of the company of being competitive and survive the current time." Consumers tends to choose the products (or services) they want to buy depending on which product matches with their values; the best way for them to look for this match is through the information conveyed by the company, which nowadays mostly happens through the digital platforms (websites, social media). A positive impact on company's reputation is generated when the communication conveyed is also based on company's values and commitment towards a more socially responsible behaviour. Through this match, the gap between businesses and stakeholders is filled and generates a growth in reputation, which contributes to the competitive advantage of the firm.

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