

Communication Strategies for Corporate Social Responsibility of Luxury Brands

- How to create harmony in a paradox

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Master thesis in Marketing & Brand Management

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This thesis was written as a part of the Master of Science in Economics and Business Administration program -Major in Marketing and Brand Management. Neither the institution, nor the advisor is responsible for the theories and methods used, or the results and conclusions drawn, through the approval of this thesis.

Executive Summary

The research question of this master thesis is how luxury brands can communicate their corporate social responsibility. The assumption that this thesis relies upon is that communication of CSR in the luxury industry is more challenging compared to other industries, because of the conflicting core values of the two. To situate this current study in a context, the literature review includes a chapter on CSR and on luxury respectively. In order to answer the research question at hand, I identify the CSR communication strategies of two luxury brands, namely Tiffany & Co and Louis Vuitton, and try to recognize what the two brands do in order to bridge the assumed contradictions between CSR and luxury. The main findings involve the importance of brand in luxury CSR communication.

Preface

This report is written as a final part of the Master of Science in Economics and Business Administration at the Norwegian School of Economics. The thesis constitutes thirty credits of my major in Marketing and Brand Management.

Being raised in Norway with Indian parents, my childhood was always filled with yearly trips to my home country. Not only did these trips give me a valuable insight into two very different cultures, it also placed me face to face with reality in an early stage. What this reality did was to give me an interest in ethics and social development, which in some sense was hard to combine with my early fascination for fashion, luxury and aesthetics. After eighteen years of education I finally got the chance to combine these two interests in this thesis.

The process of developing this report has been challenging yet very motivational, since I believe the luxury and fashion industry is at this time standing at the crossroads of change. The future holds what this change will be, but I hope that this thesis can contribute to give it a nudge in the right direction.

I will like to take this opportunity to thank Francesca Romana Rinaldi for all the inspiration and opportunities she has given me, as well as my supervisor Ingeborg Astrid Kleppe for the good discussions, helpful advice and constructive feedback in the midst of her summer vacation.

Bergen, 06.01.13

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1.0 INTRODUCTION

In 2007 Jem Bendell and Anthony Kleanthous from WWF-UK published a report named *Deeper Luxury*, which criticized the luxury industry for lagging behind on the subject of CSR. Based on certain criteria, WWF-UK had graded the biggest conglomerates in luxury and gave the minority of them a passing grade. In the wake of the publication of this report the debate regarding CSR initiatives in luxury got water to its mill.

At first glance, it appears that ethical luxury is an oxymoron. Purchasing luxury seems to be all about pampering yourself, while corporate social responsibility is about caring for others. On the contrary, luxury goods have a high income-elasticity of demand and the highest price and quality ratio in the market (Ward & Chiari, 2008; Wiedmann et al., 2007), both which should indicate that a potential price increase as a result of more ethical products should easily be absorbed by luxury consumers. Furthermore, one could expect that consumers that can afford luxury goods would pay more attention to ethics to feel better about themselves. It also appears, maybe as a result from the *Deeper Luxury* report and the debate that followed, that luxury companies are in fact incorporating CSR into their business. They just seem to be staying rather quiet about it.

The idea behind this thesis came in a meeting with the head of CSR in Gucci, Rossella Ravagli the 26th of June 2012 (Appendix 1). I was attending the meeting with four other students in addition to a supervisor from Bocconi University for a research project regarding Gucci's CSR initiatives. Gucci was developing a completely traceable value chain taking them to the frontline regarding sustainable luxury. I was not surprised by the fact that they were working on such a project, but by the fact that we hadn't heard anything about it. So I couldn't help myself but ask why.

“Our communication until now was a very low profile communication. To be honest, now it is absolutely necessary to do it, not just to increase our reputation, but because people really need to know. I think that at the beginning the company really wanted to be working on the substance of the topic, and not be perceived as green-washers. I started to work in CSR in 1998, so I know and recognize when someone is green-washing and when a company is working in the roots of the problem.”

(Ravagli, 2012)

As I searched further into the topic of communication of CSR in the luxury industry I found a limited amount of practice. The reason why may appear to be that the concepts of luxury and CSR are contradicting. As Kapferer (2012) points out: “the challenge for sustainable luxury is the fact that its symbolic nature of irrationality, excess and inequality is not aligned with the symbolic nature of sustainable development, which represents equalitarian and humanitarian values, and encourage us to be frugal in our consumption”. This makes the communication of CSR in luxury a complicated matter.

In this thesis I examine the CSR communication for luxury brands, by analyzing and comparing two different CSR communication strategies done by two famous luxury brands: Louis Vuitton and Tiffany & Co. The main research question is thereby as follows:

How can luxury brands communicate their corporate social responsibility?

1.1 The Structure of the Thesis

The thesis is organized as follows. The following chapter is a literature review in order to place the current study in a context. In this part I will define and elaborate on the two main concepts of the thesis, CSR and luxury respectively. As mentioned in the introduction, there are contradictions that appear in the combination of the two that challenges the process of communication. These contradictions will be explained in detail in the last part of the literature and thereby summarized in a table. The third part of the thesis encompasses the methodology chapter that will elaborate on the research question at hand, as well as explain how the analysis of the thesis will take place. Furthermore, an introduction chapter on both the cases of research, namely Tiffany & Co and Louis Vuitton, will be covered in this part. In part four the analysis will take place. In the first part of the analysis I will identify the CSR communication initiatives of Tiffany & Co, and based on these findings conclude what the core strategy of brand is in terms of CSR communication. The analysis of Tiffany & Co will end with an argumentation of what the brand does in order to bridge the contradictions between CSR and luxury. The same structure will also follow in the analysis of Louis Vuitton. In the following discussion in part five I will on the basis of the analysis compare the two cases. The thesis will end with a conclusion in part six.

2.0 LITERATURE

The main goal of this chapter is to situate the current study within the body of relevant literature. The literature review includes two extensive parts, which are CSR and luxury. I will start with CSR, a topic that has received an extensive amount of research and popularity in recent years. In order to keep the information structured and to the point, I will answer the three questions of what CSR is, how companies can engage in it, and why they should engage in it. Since this thesis deals with CSR in one particular industry, the luxury industry, the second part aims to give a clear view into the concept of luxury. This section will include an insight into the role of luxury both in a social and personal context, as well as an overview of the developments the luxury industry has experienced in recent years. An assumption this thesis rests upon is that there is a contradictory symbolic nature between CSR and luxury that makes communication of CSR in luxury a complicated matter (Kapferer, 2012). This discussion will take place in the third and final chapter followed by a summarizing table.

2.1 Corporate Social Responsibility

2.1.1 What is CSR?

The concept of Corporate Social Responsibility (CSR), also known as Corporate Citizenship or merely Corporate Responsibility, is rooted in the discussion regarding the relationship between business and society. In general, the concept of CSR sees the business as an integrated part of society at whole. The company does not only serve a market but also a culture, a local community and a political system.

While CSR at a minimum implies that businesses have responsibilities beyond profit seeking, the notion is still ambiguous (Ihlen, Bartlett & May, 2011). Werther & Chandler (2006, mentioned in Ihlen, Bartlett & May, 2011) characterizes CSR as both a means and an end. They explain that CSR is a means because it is an integral element of the firm's strategy, while also being an end because it is a way of maintaining its legitimacy of its actions in the larger society by bringing stakeholder concerns to the foreground. A stakeholder is defined by Freeman (1984) as "any individual or group that can affect, or be affected by the

organization's activities". Along the same lines, the European Commission expects enterprises to have a process in place to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy, by defining CSR as "the responsibility of enterprises for their impacts on society" (The European Commission, 2011). The European Commission's definition will be used in this thesis.

2.1.2 How do Companies Engage in CSR?

"For most managers the only real question about CSR is how to do it"

The Economist (2008a)

The theories around CSR are extensive, especially on the aspect of what it is and why companies should engage in it. Yet when it comes to the question of how to do it, the theory falls short. Nevertheless, Kotler and Lee (2005) have taken a more practical approach the concept in order to guide companies on how they can do the most good for their company and cause. They identify six major strategies where most social responsibility-related activities fall: (1) Cause promotions, (2) Cause-related marketing (CRM), (3) Corporate Social Marketing, (4) Corporate Philanthropy, (5) Community Volunteering and (6) Socially Responsible Business Practices (Appendix 2). Companies may engage in all of these strategies simultaneously. In this thesis I choose to go in depth on Cause Promotion and Socially Responsible Business Practices. The main reason being that these two strategies is that both strategies are long-term commitments and encompasses the whole company, compared to for example cause-related marketing that is only related to a certain product or company sales in a certain time frame, or to company volunteerism that in most cases are connected to a certain country-specific branch.

Cause Promotion In cause promotion a corporation provides funds, in-kind contributions, or other corporate resources to increase awareness and concern about a social cause or to support fundraising, participation, or volunteer recruitment for a cause (Kotler & Lee, 2005). In order to get a greater understanding of the practice it is appropriate to look at how cause promotion differs from other types of CSR initiatives.

- It differs from cause-related marketing, as contributions and support are not tied to company sales or specific products.
- It differs from social marketing, as the focus is not on influencing individual behavior change.
- It differs from philanthropy in that it involves more than simply writing a check, as promotional campaigns will most often require involvement in the development and distribution of materials and participation in public relation activities, and will include visibility for the corporation's sponsorship.
- Although a cause promotion may include employee volunteerism, it goes beyond this by also developing and implementing promotional materials.
- It differs from socially responsible business practices in that the focus is primarily on external communications, as opposed to internal operations, and the target audience for the promotions is primarily outside the organization (ibid).

Cause promotion most commonly focus on communication objectives as for example to build awareness and concern by using publicity, printed materials, special events, web sites and advertising (ibid). Since this strategy focuses on communication, most of the potential benefits are marketing-related, like strengthening brand positioning and corporate image, and creating brand preference with target markets (ibid). There are, however, some potential concerns regarding cause promotion, e.g. loss of visibility of the corporation and that most promotional materials are not sustainable. The key success factors related to cause promotion is to carefully select a cause that can be managed long-term, is of concern to your stakeholders, and has the most chance of media exposure (ibid).

Socially Responsible Business Practices A Socially Responsible Business is when a corporation adapts and conducts discretionary business practices and investments that support social causes to improve community well-being and protect the environment (Kotler & Lee, 2005). The key distinction in this initiative is thus that there is a focus on activities that are discretionary, not those that are mandated by laws or regulatory agencies or are simply expected, as with meeting moral or ethical standards (ibid). Community is interpreted widely to include all kind of stakeholders, and well-being can refer to health and safety, as well as psychological and emotional needs (ibid). Socially Responsible Business Practices is the highest level of CSR initiatives in a company, since it integrates CSR in the business model and not just as a side project.

Typical practices within this kind of initiative are related to adjusting internal procedures and policies within the value chain of the company. Examples on such modifications can be designing facilities that meet certain environment and safety recommendations, develop process improvements like cutting water consumption in manufacturing, selecting suppliers based on their sustainability practices, providing full disclosure regarding product materials and their origins (transparency), and potential hazards and making decision regarding plant, outsourcing and retail locations, recognizing the impact of these decisions on communities (ibid).

The key success factor in socially responsible business practices is to be preemptive; choosing an issue that meets a business as well as a social need; making a long-term commitment; building employee enthusiasm; developing and implementing infrastructures to support the promise; and provide open, honest and direct communication (ibid).

2.1.3 Why should Companies Engage in CSR?

There is a multitude of reasons why a firm should invest in CSR. Being a socially responsible firm is not only the right thing to do from an ethical standpoint, as doing good may also lead to doing well (The Economist, 2008b). Research suggests a positive relationship between CSR and Corporate Financial Performance (CFP) (Orlitzky, 2003). The fact that CSR can

affect the bottom line is presumably the main explanation to the increase in CSR practices in business during recent years.

Evidence suggest that CSR initiatives have an affect on consumer related results, such as consumers response on products, attitudes towards the company and its products, the image of the company, purchase intentions and consumers identification with the company (Bjordal-Aven & Landsvik, 2010). Moreover, CSR has been identified to increase loyalty and advocacy behaviors (Due, Bhattacharya & Sen, 2007), as well as uphold a preferable reputation when the company has been exposed to negative publicity (Klein & Dawar, 2004).

These findings can be linked to ethical consumption, where consumers translate their concerns or attitudes towards society or the environment into their buying behavior (Davies, Lee & Ahonkai, 2011). Micheletti, Stolle & Hooghe (2005) call this type of buying behavior for *political consumerism*, defined as “consumer choice of producers and products based on political or ethical considerations, or both”. They argue that this method of “voting with your wallet” is on the rise, and is replacing normal methods of political activism such as demonstrations and petitions (Appendix 3). In the future companies may have to become more ethical in order to survive in the marketplace (ibid).

2.2 Luxury

“Luxury is a necessity that begins where necessity ends”

Coco Chanel (1920)

Luxury is as difficult to define, as it is to acquire. Nevertheless, there are some common distinctions that can be made. A luxury good has a superior quality, a high price, is stylish and extravagant in terms of design and has a strong brand related to an exclusive lifestyle (Saviolo, 2012a). It is also considered to be timeless and rare, and can be found in almost all product categories (Corbellini & Saviolo, 2009).

What makes luxury so interesting to study is how the consumer uses it, both on a social and personal level. The social aspect of luxury is how it used as a social statement that reveals social class and taste. The personal aspect of luxury is how consumers buy it for their individual pleasure and as a part of self. Thus, in order to fully understand the concept of luxury, the social and the personal aspect of it needs to be clarified.

2.2.1 Luxury in a Social Context

“Those who find beautiful meanings in beautiful things are the cultivated... They are the elect to whom beautiful things mean only Beauty”

Oscar Wilde (mentioned in Bauman, 2011)

Luxury is interesting to look at in a cultural context because this type of consumption has played, and still play, an important role in the distinction of social classes. Luxury is not only a definition of scarce products with a high price and quality and great design, but also a culturally embedded phenomenon in which people distinguish themselves from others (Mortelmans, 2005).

In a historical perspective luxury has mainly been considered to be a weakness for society due to its moral inappropriateness (ibid). This perspective can be traced back to the Ancient Greece where longing for extended needs beyond food, shelter and clothing breaks the harmony in the primitive *polis* and is therefore considered to be unhealthy. The joint satisfaction of needs is replaced by an unending struggle for wealth and luxury. For this reason luxury needs to be banned from society because it creates a weak and unhealthy state. This view gained popularity after the fall of the Roman Empire, where the luxurious lifestyle of the Romans was considered one of the main reasons for the fall (ibid).

The debate turned from a question of moral to an economic one during the Renaissance (ibid). Bernard Mandeville was the first to defend the positive effects of luxury, arguing that people cannot enjoy the pleasures of life coming from the industrialized society while at the same time obey the rigid moral prescriptions that condemn this enjoyment. A strong opponent to this view was the French philosopher Jacques Rousseau who linked luxury to greed, which he considered as a form of slavery to the human instincts. According to him luxury is responsible for the poverty of a country because the prosperity of the wealthy originates in the inequality of society (many are working for some). The link between power, position and luxury was put an end to during the French Revolution (ibid). During this time luxury lost its ascribed role and got an achieved role, where luxury products became more than ever a consumer product sold in the market to those who can afford it. This is termed as the democratization of luxury that will be elaborated further in the section on the development of the luxury industry, part 2.2.3. This democratization process has led to what many academics claim is the end of consumption patterns being a sign of social classes (Holt, 1998; Bauman, 2011).

However, Bourdieu (as referred to in Holt, 1998) argues that social life can be conceived as a multidimensional status game in which people draw on three different types of resources to compete for status. These three resources are termed as economic capital, social capital and cultural capital. Economic capital is financial resources, while social capital is resources such as networks, relationships and organizational affiliations (ibid). Cultural capital consists of a set of socially rare and distinctive tastes, skills, knowledge and practices. This type of capital is fostered in a over-determined matter in the social milieu of cultural elites: upbringing in families with well-educated parents whose occupation require cultural skills, interaction with peers from similar families, high level of formal education at institutions that attract other cultural elites studying areas that emphasize critical abstract thinking and communication over the acquisition of particularized trade skills and knowledge, and then refinement and

reinforcement in occupation that emphasize symbolic production (ibid). According to Bourdieu, this cultural capital can be objectified through consumption, constructing desire towards consecrated objects and disgust towards objects that are not valued in the field. This set of tastes and consumption practices across many product categories of goods and activities results in the construction of a distinctive set of consumption patterns - a lifestyle. Thus, the field of consumption is stratified in different lifestyles organized by class position.

Put in the context of luxury; even though more people can purchase luxury items as a result of the democratization trend, which items that are purchased, and how you use and refer to those items expose your cultural capital and thus, your social class (ibid).

In their report on brand prominence, Han, Nunes and Dréze (2010) seem to agree. They propose a taxonomy that assigns consumers to one of four groups on the basis of two distinct and measurable characteristics: wealth and need for status (Appendix 4). The two groups that possess wealth (*patricians* and *parvenus*), and thereby can purchase luxury, are distinguished on their level of cultural capital. Parvenus possess significant wealth, but not the connoisseurship necessary to interpret subtle signals, an element of cultural capital (ibid). To parvenus, Louis Vuitton's distinctive "LV" monogram or the popular Damier canvas pattern is synonymous with luxury because these markings make it transparent that the handbag is beyond the reach of those below them. However, they are unlikely to recognize the subtle details of a Hermès bag or Vacheron Constantin watch or know their respective prices (ibid).

2.2.2 The Personal Aspect of Luxury

In order to fully understand the concept of luxury, the distinction between luxury brands and non-luxury brands needs to be clarified. This can be achieved by explaining what the perception of luxury is amongst consumers and what motivates them to purchase luxury goods.

Vigneron and Johnson (2004) have developed a conceptual framework that presents five key luxury dimensions (Appendix 5), which explains the motivations of the luxury-seeking consumer. This framework demonstrates the existence of three latent luxury dimensions reflecting non-personal-oriented perceptions: perceived conspicuousness, perceived uniqueness and perceived quality, in addition to two personal-oriented perceptions: perceived extended-self and perceived hedonism.

Non-personal-oriented dimensions Conspicuous consumption is the acquiring of luxury goods to display economic power (Veblen, 1899). Consumption of luxury is considered to be a status signal and sign of wealth and the high price that is connected to luxury accentuates this effect. Conspicuousness is related to a common perception that luxury goods have a great deal of symbolic value, because they are bought in order to “reveal who we are” (Dubois, Czellar & Laurent, 2005). As argued in the former section about the social aspect of luxury, this conspicuousness has dimmed surrounding consumption, and is now more related to cultural capital, hence which items that are purchased and how these items are referred to.

The uniqueness dimension is based on the assumption that perceptions of exclusivity and rarity enhance the desire for a brand, and that this desirability is increased when the brand is also perceived as expensive (Vigneron & Johnson, 2004). Kapferer and Bastien (2009) distinguish between two types of uniqueness: physical uniqueness and virtual uniqueness. The first is connected to the physical elements of the product or brand, while the latter is the uniqueness the brands create and maintain through communication.

Perceived quality is based on the assumption that luxury brands offer superior product quality and performance compared to non-luxury items. Perfectionist consumers will thus perceive more value from a luxury brand because they may assume that it will have greater quality and reassurance.

Personal-oriented dimension Belk’s (1988) concept of extended-self suggests that we regard our possessions as part of ourselves, and that the only way we can know who we are is by observing what we have. We thereby use our possessions to extend our concept of self, by using luxury products to e.g. feel empowered, or be in command. Luxury consumption may reduce the distance between actual and ideal self. This reduction may be greater amongst consumers who are highly materialistic, and thus regard luxury brands as a mean to reach happiness and as a method to evaluate personal and others’ success (Vigneron & Johnson, 2004).

The hedonistic dimension relates to the assumption that luxury consumption is more related to sensory pleasure and gratification than to functional benefits of the product, hence, its “bought for pleasure” (Dubois, Czellar & Laurent, 2005). Mortelmans (2005) supports this

notion by stating, “luxury goods are not there to fill an elementary need, but more a realm of desire”.

The framework developed by Vigneron and Johnson (2004) and the discussion regarding luxury’s role in society illustrates two important points. The first is that consumers are looking for a distinctively different set of benefits when buying luxury products compared to their non-luxury purchases. The second point is how luxury consumption is still used as a social statement that signals social class and taste. What these two point imply is that marketers must have an entirely different strategy for communicating luxury goods compared to non-luxury good in order to succeed in the marketplace.

2.2.3 The Development of the Luxury Industry

The components that define a luxury product have been fairly consistent over time. The same goes for the social and personal aspect of luxury consumption. However, the industry of luxury has developed radically since Veblen (1899) described luxury as “a status symbol belonging exclusively to the upper class” in his book *Theory of the Leisure Class*. In particular, we have witnessed three trends that demonstrate the development of the luxury industry: democratization, diversification, and globalization (Mejia & Øymyr, 2004).

Democratization As society develops economically, the leisure class has expanded, and those who can afford luxury are not longer the elite, but the *hoi polloi*. As mentioned in part 2.2.1, this development is mainly a result of the industrialization that took place in the end of the nineteenth century, which made it possible for the middleclass to acquire luxury goods (Mortelmans, 2005). Luxury items are more affordable to mass-market consumers and often used to supplement non-luxury products (Saviolo, 2012b). An example is how middle-class women are buying expensive handbags to complement their otherwise fast-fashion outfits. The increasing purchasing power amongst the middleclass is very favorable for luxury companies as it enables them to expand their business. This has been enabled by the use of diversification.

Diversification The diversification of luxury has taken place in two directions: (1) Vertical and (2) Horizontal (ibid).

The vertical diversification can be divided into two consecutive processes. The first process is a result of the democratization trend where luxury brands develop different segmentations within the brand based on price (ibid). A good example is Armani's four-leveled brand: (1) Armani Privé, (2) Giorgio Armani, (3) Emporio Armani and (4) Armani Exchange. By doing this, the luxury industry has developed a hierarchy within luxury, so the wealthy remain alone on top, while the mass market can experience parts at lower levels (ibid). These levels are described as the three different segmentations of luxury, illustrated as a pyramid: super-luxury, luxury and accessible luxury (Appendix 6).

Super-luxury is reserved for the wealthiest consumers and contains goods like haute couture clothing, unique jewelry items and private jets. Luxury is the category in the middle, where fine wine, prêt-a-porter clothing and designer bags can be found. Accessible luxury is the lowest level, which usually includes accessories such as cosmetics and sunglasses. According to Catalani (2012) most luxury brands use these levels strategically. One example is Hermés, who uses items such as silk scarves and ties as so called "entry-products" which captures potential future clients into the dream of Hermés (ibid). Their hope is that some of the costumers buying their accessible luxury will eventually move up to buy their super-luxury items.

In recent years a new trend has emerged amongst luxury consumers called *polarization*, which is the second process of vertical diversification. This process transforms the traditional pyramid shape into a pear shape by shrinking the middle luxury segment (Appendix 6). This is a result of the rich demanding more super-luxury in order to keep their exclusive and unique lifestyle (Saviolo, 2012b). In addition, consumption in developed countries is becoming increasingly polarized driven by the growing inequality in the distribution of wealth, which shrinks the middle luxury segment by transferring costumers either up to super-luxury or down to accessible luxury (ibid).

The horizontal diversification refers to how luxury brands expand into new product categories (Saviolo, 2012c). In branding theory this diversification is called brand extension, which rests on the assumption that established brands that have a certain degree of brand equity will experience success in brand extension as long as there is a perceived logical fit between the original and the new product category (Volkner & Sattler, 2006). One example is the luxury jewelry brand Bulgari that has extended into luxury hotels.

Globalization Today most luxury brands are global, with presence in most big cities around the world. To be present globally is an important strategy for luxury brands. *The Law of Globalization*, as Kapferer and Bastien (2009) calls it, claims that it is better to have a small customer base in many countries, than to have a large customer base in few, since this group could eventually disappear. When it comes to consumption, the US, Europe and Japan have historically been in the forefront of luxury purchases (Danziger, 2005). This picture has changed in recent years, much due to the growth of the BRIC countries, in particular China and India.

China has in recent years become the focus of attention for luxury brands (Corbellini & Saviolo, 2009). Even though the market of luxury good today is limited (one percent of the Chinese population), the focus is on the future growth prospect. Merrill Lynch has estimated that by 2014 Chinese consumers will account for 24 percent of the industry's total revenues, not only in China itself, but also as a result of outbound Chinese tourism (Saviolo, 2012d).

With its fast growing middle class, India appears to be the next China (Chadha & Husband, 2006). Indians are replacing Gandhian frugality with splurging on credit. However, in contrast to their neighbor in the North, the growth is mainly driven by male consumers due to the still extensive use of traditional clothing amongst Indian women. In addition, boundaries like high luxury taxes, poor infrastructure and lack of retail space prevent the luxury market from expanding (Saviolo, 2012e).

In short these three trends describe how everyone, regardless of social class or geographic location, can eat cake and leave the bread. Luxury is now a household name. This development can thereby explain why the luxury companies have come under scrutiny in regards to CSR in recent years, which may also explain the increased importance CSR has achieved in this particular industry.

2.3 Communicating CSR and Luxury

I have until now explained the two main concepts of this thesis, namely CSR and luxury. In this section I will combine these two concepts in the context of communication, and thereby discuss which challenges that arise from that combination, i.e. how luxury brands can communicate their corporate social responsibility.

Before I include luxury into the equation of CSR communication, I find it appropriate to emphasize that CSR communication is a challenging process regardless of industry. The reason why it is challenging is what Coombs and Holladay (2012) refer to as “the CSR promotional communication dilemma”, which implies that stakeholders want to know more about the CSR efforts that are done by the companies, and yet become skeptical if the companies commit too much time and effort on communicating their CSR, since it serves corporate self-interest. CSR communication can thus be illustrated as a continuum between CSR opportunism and CSR credibility. It is therefore with good reason Kotler & Lee (2005) suggest a minimal approach to CSR communication, with the conclusion of “do good and let others talk about it”.

Ihlen, Bartlett & May (2011) disagree on this view, arguing that some form of communication is needed and cannot be avoided, since silence on the matter of CSR is also a form of communication. Ven (2008) supports this notion by underlining that companies will lose, or reap to a lesser extent, the benefits of their investments in CSR by not communicating them. Furthermore, in order for the public skepticism to dim, and for society to move forward, companies need to collectively start talking more about CSR. An example is the success of fair trade, which is not built upon the existence of an ethical consumer, but a planned and systematic education and marketing initiative to convince consumers that they should care about fair trade (Davies, Doherty & Knox, 2010).

By concluding that CSR communication is challenging, yet necessary, let's now see what happens when we put luxury into the equation.

2.3.1 CSR and Luxury – Never the Twain shall Meet

As mentioned in the introduction of the thesis, CSR communication is more challenging in the luxury industry because of the contradiction between the two concepts (Kapferer, 2012). In his article “All that Glitter is Not Green” Kapferer points out that “the challenge for sustainable luxury is the fact that its symbolic nature of irrationality, excess and inequality is not aligned with the symbolic nature of sustainable development, which represents equalitarian and humanitarian values, and encourage us to be frugal in our consumption”. The following table gives you an overview of these contradictions.

Table 1: The contradictions between luxury and CSR

Luxury	CSR
Emotions	Rationality
Excess	Frugality
Social Distinction	Equality
Self-enhancement	Self-transcendence
Dream	Reality

Luxuries purchases are by definition irrational (Kapferer, 2012). Why pay 1500 dollars for a handbag whose function is the same as a handbag at 150 dollars? Irrationality is thereby described as buying something not for it’s function (to carry your stuff in), but rather for other reason like symbolic and/or hedonistic (because other people see it and it’s pretty). This is directly connected to the discussion regarding both the conspicuous and hedonistic dimensions of luxury consumption in part 2.2.2. One can thereby claim that luxury is bought out of emotions, not rationality.

Moreover, luxury means excess. The word derives from the word “luxus” and conjures up images of “pomp, excess and debauchery” (Pascaud, 2012), whereas sustainability invites us to “meet the needs of current generation without compromising the future generations ability to meet theirs” (Brundtland commission, 1987), and thereby be frugal in our consumption.

Furthermore, luxury signals social distinction. Luxury has throughout history been used as a sign of a higher social class, a method that according to Pierre Bourdieu still is the case (as referred to in Holt, 1998). Furthermore, the globalization trend is happening in countries where society is highly unequal and has a significant amount of poverty. This has made government official in the respective countries to call on the rich to limit their conspicuous consumption in order to avoid social tension (Bendell & Kleantouse, 2007). CSR is a sign of egalitarian values, since it takes other concerns like planet and people, and not only profit, to the foreground (Rinaldi, 2012).

To include the element of brand, Torelli, Monga and Kaikati (2012) claim that when consumers evaluate CSR information, they do so in the context of prior information that they have about the brand. Brands are associated with concepts, which is defined as “unique, abstract meanings associated with brands” (Park et al., 1986). For example, Lexus is associated with pursuit of perfection, Rolex with luxury and high status. Further, they argue that brand concepts are based on one of four types of consumer values: *conservation*, *openness*, *self-enhancement* and *self-transcendence*. The authors argue that most luxury brands have a *self-enhancement* brand concept, which implies dominance over people and resources. This is related to the element of luxury being part of the extended-self and the feeling of empowerment when using luxury products, as discussed in part 2.2.2. As CSR triggers *self-transcendence* values, which transcend personal interest to consider the welfare of others, a presentation of CSR information by a luxury brand will initiate a motivational conflict for the consumer, and thereby create a decline in the evaluation of the brand. This purposes two new conflicting elements in the discussion, namely self-enhancement versus self-transcendence.

A central part of luxury branding is to create a dream for the consumers (Corbellini & Saviolo, 2009). When you buy a Gucci dress, you are not merely buying a dress, but you are becoming a part of the dream of Gucci. A part of the strong and sexy Gucci woman. On the contrary, CSR has been developed as a result of facing reality. As the recent debate regarding the H&M crisis in Cambodia has illustrated, companies need to take responsibility and face the facts. If done in the correct matter, CSR describes reality and presents solutions to cope with it.

There is reason to believe that these contradicting observations lead to a higher degree of skepticism amongst consumers when it comes to CSR communication amongst luxury brands

as opposed to non-luxury brands. Not only do luxury brands have to overcome the CSR promotional dilemma with the belonging continuum between CSR credibility and CSR opportunism, they also need to bridge the mentioned contradictions in order for consumers to be susceptible for the CSR communication. Which leads me to my research question:

How can luxury brands communicate their corporate social responsibility?

It is important to bear in mind that the CSR communication is affected by what kind of CSR strategy the company is engaged in, as there are differences in level of commitment to CSR from the company's side. As presented in part 2.1.2, there are six strategies that all CSR-related activities fall under. Amongst them, I found two strategies to be most central, based on the criteria that they are both long-term commitments and encompasses the whole company, namely Cause Promotion and Socially Responsible Business Practice. In order to answer the research question, these two CSR strategies need to be taken into considerations.

An additional remark is that since I am focusing on luxury brands, the focal point of the analysis is how the luxury brands bridge the contradictions presented in table 1, and not how they deal with the CSR promotional dilemma. The analysis and discussion will thus be more focused. However, another way of seeing it is that the contradictions and the CSR promotional dilemma can in the case of luxury be interlinked. This is because they both deal with the aspect of credibility. If a bridging between contradictions is to take place, the credibility of the CSR communication will increase, which in turn will dim the skepticism opposed by the CSR promotional dilemma. By focusing the analysis and discussion on the contradictions we thereby might have a case of killing two birds with one stone.

By including these two additional elements into the research we thereby end up with two additional research questions. The first additional research question is as follows:

RQ₁: How can a luxury brand that is engaged in a socially responsible business practice bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

What is interesting to look at in terms of socially responsible business practice is that this strategy represents the future within CSR. It is the most extreme way for a business to take environmental and social concerns into account, since it integrates these concerns into the business model. Because the level of commitment is so great the communication of this commitment would assume to be an easy match. You just merely have to tell everyone what

you are doing. The risk connected to this kind of CSR strategy is, however, also connected to the level of commitment, as luxury consumers may ask themselves if this commitment affects the company's ability to create quality products. The element of perceived quality is, as presented in part 2.2.2, one of the five key motivations for luxury consumption. The luxury brand thereby needs to create an implicit logic in their communication where the quality aspect is not jeopardized.

Similarly, the second research question is as follows:

RQ₂: How can a luxury brand that is engaged in cause promotion bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

Cause promotion is, as opposed to socially responsible business practice, a side project for the company that most commonly focuses on external communication objectives. This affects the credibility of communication from the beginning, since consumers may start asking questions of why the company is doing it. Will this at all help the cause, or are they just out for some cheap points? The challenge in this case is therefore not only to communicate the cause, but to communicate it in a way that makes the consumers not question the initiative at hand.

In other words, the two CSR strategies include the same kind of challenge, namely to bridge the contradictions between CSR and luxury. Yet the execution of the CSR communication is different as the two strategies represent a varying degree of CSR commitment.

3.0 METHODOLOGY

In order to answer the research questions established in thesis I choose a case study. According to Yin (2009) a case study is used when a “how” or “why” question is asked about a contemporary set of events, over which the investigator has little or no control. In other words, a case study is chosen when you want to understand a real life phenomenon in depth (ibid). Moreover, I choose an exploratory approach in order to gain insight into how luxury companies deal with the contradicting concepts of CSR and luxury in the process of communication.

The analysis is divided into two parts where each part explores the two additional research questions respectively. In other words, the analysis is divided according to the underlying CSR strategy, namely socially responsible business practice and cause promotion. To pursue this separation I choose one luxury brand as representative for each of these strategies.

The first choice criterion will therefore be to find two representative luxury brands. By choosing two different luxury brands with two different CSR strategies a variation will be ensured in my analysis. This type of variation is referred to as variation in kind. As mentioned in part 2.1.2 companies may engage in different CSR strategies simultaneously. Therefore, the case selection must be clearly based on the representativeness of the underlying CSR strategy in order to be able to control other underlying variables.

The second criterion is that the two brands are similar in terms of certain characteristics. These characteristics include that both brands are global and of a critical size, and that they are leading in their field. The rationale behind these criteria is to make the two cases comparable in the final discussion. Another reason is to have a limited number of variables, which have the potential of polluting the comparability between the two cases.

The third and final criterion is that there is a large amount of data available on the two cases in order to give me the opportunity to analyze them in both in depth and breadth, and enables me to clarify multiple sides to the same story. Such data should include company self-produced sources, as these are direct sources into the CSR communication strategies that the companies have. The downside to company self-produced sources is that they are subjective, which creates a need to include other types of data sources such as magazines, news sites and social media. The main advantage of these sources is that they are objective and independent

of the companies. By including social media, I also get the consumers take on the communication strategies.

I believe that these three criteria enable me to clarify my research questions in the best possible manner.

The two luxury brands that fulfill these three criteria are Tiffany & Co and Louis Vuitton. Both brands are global and enjoying a high degree of brand awareness amongst the public. The brands are universally understood and appreciated as luxury brands and can in that sense be considered of the same caliber. In addition, both Tiffany & Co and Louis Vuitton have long traditions as brands and have been able to build up powerful luxury houses through the years. I believe that by using as representative brands as Tiffany & Co and Louis Vuitton the guidelines that will be developed subsequent to the analysis will be easier to generalize than it would be by using smaller, more niche brands such as Brunello Cucinelli, Osklen or Stella McCartney, even if these brands have come further in developing their CSR communication strategies.

In the following sections I will shortly elaborate on the two brands and their belonging CSR strategy, as well as present the data sources used in order to obtain information about the two cases.

3.1 Case 1: Socially Responsible Business Practice - Tiffany & Co

The story of Tiffany & Co started in 1837, when Charles Lewis Tiffany and John Young opened a stationary and fancy goods store in New York. The name was shortened to Tiffany & Co in 1853 when Charles Tiffany took control, and the firm's emphasis on jewelry was established (Wikipedia, 2012a). Tiffany & Co is said to be as American as guns, and has throughout history designed heritage pieces such as swords for the Civil War, the Great Seal and the Super Bowl trophy (Wilson, 2009). With the purchase of the Tiffany diamond in 1878, Charles Lewis Tiffany achieved a position as the “King of Diamonds”. This precious stone is still what the company is primarily known for today, in particular the diamond engagement ring with the famous “Tiffany Setting” (Wikipedia, 2012a).

Soon after the company was founded, a distinct shade of blue was chosen to symbolize the company's products to be used on boxes, catalogues, shopping bags and promotional

material. Soon the color was so closely identified with Tiffany & Co that it is today universally recognized as the trademark Tiffany Blue (Luxury Insider, 2012). Charles Lewis Tiffany was considered to be a marketing genius who created the iconic role of the Tiffany Blue Box, instructing that no box were to leave the store unless a purchased Tiffany piece was contained inside (CBSnews, 2012). Today, the Little Blue Box is considered a symbol of Tiffany & Co and connected to what the core of the brand that is describes the “celebration of true love” (Luxury Insider, 2012).

Tiffany & Co can be considered to run a socially responsible business practice. From around 2004 they started communicating their CSR efforts, and in November of 2011 the company launched a 55-page long CSR report on their company website which covers all the efforts that they are doing in the CSR field. This report has been the starting point of my analysis, where I have identified the various CSR communication efforts they have done and investigated further around the mentioned initiatives both online and offline. Following you will find a table with the various data sources used:

Table 2: Data sources for Tiffany & Co case

T & CO	Company s.p.	News	Magazines	NGOs	Social Media
Online	X	X	X	X	X
Offline	X	X	X		

The data can be divided into online and offline sources. As illustrated by the table, the online data includes The Tiffany & Co website (company self produced), as well as news sites, magazines, NGO sites and social media such as Facebook, Instagram and Twitter. In regards to the NGO sites, there have been occasions where the NGOs that Tiffany & Co has done partnership with have communicated about the CSR work of the brand. These type of data does not only give an objective take on the brands initiatives, but also increases the credibility of the brand’s CSR. Among the offline sources I have used Tiffany’s products (company self produced), newspapers and magazines.

Combining subjective (company self produced) and objective (news sites, magazine and social media) data I believe will strengthen my foundation of analysis by increasing the validity of the study. As much of the information obtained goes back to when Tiffany & Co

first started CSR communication, which is as far as in 2002, this gives me a retrospective view on the case.

3.2 Case 2: Cause Promotion - Louis Vuitton

For seven consecutive years (2006-2012) Louis Vuitton has been named the world's most valuable luxury brand (Roberts, 2012). In addition the brand has been placed as the seventeenth most valuable brand in any product category in the world (Okonkwo, 2007). These figure are exclusively attributable to the brand and excludes the company's assets, earnings and revenue, which means that the Louis Vuitton brand name and associations alone could fetch the company more than its book price (ibid). Chadha & Husband (2006) describes the brand as the leader of the luxury cult, and many would probably define Louis Vuitton synonymous with luxury.

The brand was founded by Louis Vuitton in Paris in 1854 (Wikipedia, 2012b). It was around this time the Industrial Revolution in Europe made traveling a leisure activity because of new means of transportation (Corbellini & Saviolo, 2009). The wealthy wanted quality and costume made luggage for their travels and Mr. Vuitton met this need by creating specialized trunks. His products were innovative, expensive and of very high quality, and in order to make them distinctive he used the monogram of LV combined with the brown Damier canvas pattern. In a few decades the name became synonymous with the art of travel.

In 1997 the company named Marc Jacobs as their artistic director who in the same year presented Louis Vuitton's first ready-to-wear collection.

During recent years, the brand has collaborated with different artists to create special editions of the classic LV monogram and thereby always reinventing themselves in the eyes of the consumers. The most recent collaboration is with the Japanese artist Yayoi Kusama (Louis Vuitton, 2012a).

Louis Vuitton is using the CSR strategy of cause promotion in their "Journeys"-campaign that was launched in 2007 and is still running. The starting point of this analysis is the book *World of Luxury* by Mark Tungate (2009). Underneath you find the data sources I have used:

Table 3: Data sources for Louis Vuitton case

LV	Company s.p.	News	Magazines	Books	Social Media
Online	X	X	X		X
Offline	X	X		X	

Also in this case the data can be divided into online and offline sources. The company self produced sources include company and campaign website, as well as campaign photos found offline in news and financial publications. The book used is World of Luxury (Tungate, 2009), which includes a chapter completely devoted to the “Journeys”-campaign by Louis Vuitton. The advantage of this source is how the writer has obtained information about the campaign that is not public, the disadvantage is the fact that the source is static. Various news- and magazine sites have been used, as well as social media, which in this case includes Facebook and online purse forums.

In this case I used the campaign-website as a starting point and found additional information both from company self-produced and other sources, such as new-sites and magazines. Combining subjective (company self produced) and objective (news sites, magazine and social media) data I believe will also in this case strengthen my foundation of analysis by increasing the validity of the study. As much of the information obtained goes back to when Louis Vuitton first started the cause promotion in 2007, this gives me a retrospective view on the case.

4.0 ANALYSIS

4.1 Sometimes Big Change Comes in A Little Blue Box

"We absolutely believe that due to the nature of what we do, because of the emotional nature of what we do, we have to be socially responsible. That's precisely what our customers expect."

Michael J. Kowalski (mentioned in Wharton, 2004)

Over the past 20 years, the jewelry industry has been faced by many realities, amongst them conflict diamonds and dirty gold (Aston, 2011). As Michael J. Kowalski, chairman and CEO of Tiffany & Co stated: "For a long time, neither jewelers nor their costumers knew or cared very much where or how these things came from" (ibid). This drastically changed in the mid-nineties when the truth regarding conflict diamonds surfaced, followed by debates concerning mining of other raw materials such as gold and silver. It seemed that the jewelry business lost its sparkle, and that the companies operating in it had to face these new challenges with socially responsible efforts (ibid).

On November 14, 2011 Tiffany & Co launched a Corporate Social Responsibility report on their website. In this 55-page long report the company explains in detail their CSR initiatives, with a goal to be an open, honest and transparent jewelry company (Tiffany, 2012a). The publication of this report, in addition to other efforts initiated by the brand during the last decade, gives one good reason to believe that the company runs a socially responsible business practice, defined in part 2.1.2 as "where a corporation adapts and conducts discretionary business practices and investments that support social causes to improve community well-being and protect the environment". In this analysis of Tiffany's, I will try to present an overview of the CSR communication efforts that the brand does, and how all these efforts seem to build up to one core strategy. The communication efforts, I believe, can be divided into three parts; How Tiffany's integrate the CSR communication with their brand, their media strategies and finally their Internet strategies.

4.1.1 Integration of CSR Strategy with Brand

In this section I analyze how the CSR communication is integrated with the brand. This integration is done with the use of CEO as spokesperson, product design and the flagship store windows.

CEO as spokesperson It appears that Tiffany & Co use their CEO and chairman Michael J. Kowalski as a spokesperson for their CSR efforts, and thereby as part of the CSR communication strategy. This assumption rests on the outspokenness and visibility of the CEO and chairman in regards to the CSR efforts of Tiffany & Co. The first indication of this visibility was connected to the company's first independent action in regards to CSR communication in the form of an open letter published in the Washington Post in 2004 (Appendix 10). The CEO himself signed the letter, as oppose to the brand. In the wake of this publication, Michael J. Kowalski also attended Wharton Business School to personally discuss how he saw Tiffany & Co's role in the social development of the jewelry industry (Wharton, 2004). In the years that have followed there are multiple examples of Kowalski speaking out when it comes to environmental and social issues, most recent in December 2011 in context of the publication of their CSR report (e.g. Gunther, 2008; Aston, 2011). A question that arises is if such a strategy works in order to transfer the image of a socially responsible CEO onto the brand.

According to Rolke (2004, mentioned in Burmann & Zeplin, 2005) the executive board and the CEO in particular have a large influence on external brand perceptions. An obvious example is how the rebellious and innovative image of Apple has been colored by the personality of Steve Jobs. According to Belk & Tumbat (2005) the consumer devotion to Apple is like a religion where Jobs is (was) their Messiah, which is probably the most extreme case of connection between brand and CEO. Another example of what we can refer to as a person-brand, is Richard Branson and his Virgin Group.

What these two examples have in common is that both Steve Jobs and Richard Branson are founders of the companies they lead and have thereby created the brand according to themselves. They thereby have a strong connection to the brand from the beginning, making it easier for consumers to have a CEO-brand linkage. An aspect to look closer at is therefore if Kowalski has a critically strong connection to Tiffany & Co.

Kowalski started in Tiffany & Co in 1983 as director of planning and served as vice president of merchandising administration before being appointed group vice president of merchandising in 1985 (Tiffany, 2012b). After several years of different managing roles within the company, he was appointed president of Tiffany & Co in 1996, assumed chief executive officer in 1999 and chairman in 2003 (Forbes, 2012). In addition to being associated with the company for almost thirty years, the fact that Kowalski has a *CEO duality* makes it appropriate to conclude that Kowalski has a very strong connection to the company. Furthermore, based on the fact that Kowalski seem very visible in the media as a spokesperson for such a famous company gives one also reason to believe that consumers are aware of this connection between him and Tiffany & Co.

What the CEO duality also indicates is that the company and the owners have a high degree of trust in him and his way of presenting the firm, and thereby share his points of view. Therefore, based on the assumption that a CEO speaks on behalf of the company, the focus he has had in recent years on environmental and social concerns is shared by Tiffany & Co.

According to Thorbjørnsen (2012) the meaning-transfer model developed by McCracken (1989) about celebrity endorsement can also be used in regards to meaning-transfer done by the CEO, since both cases discuss how certain associations of a spokesperson for the brand rubs off onto the brand. There are three stages in the meaning-transfer model (Appendix 7). In the first stage the celebrity (in this case the CEO) gain cultural meaning through the roles he/she performs in public. As McCracken (1989) underlines, the celebrities own their meanings because they have created them on the public stage by dint of intense and repeated performance. Through his many interviews and public appearances, Kowalski has gained this kind of public role as a socially responsible businessman who is CEO and chairman of Tiffany & Co. The next stage is the endorsement, where the celebrity endorses a brand in an advertisement campaign, and thereby gets associated with the brand. Since Kowalski is CEO and chairman of the brand this association already exist. The cultural meaning of him being socially responsible is thereby transferred off onto the brand. In the third and final stage the consumer acquire or construct certain aspects of their self-image by consuming such an endorsed brand. In this case, consumers feel good about themselves for consuming a brand that is socially responsible.

Product Design Tiffany & Co also uses product design to get their message out, designing unique pieces of animals as a token of appreciation for nature (Facebook/Tiffany&Co, 2012). Examples of such pieces is a white polar bear with two diamond-embellished baby bears, a penguin with a white pearl representing its egg and a koala bear on a tree (Appendix 8). What these three animals have in common is that they have become cultural symbols of the world's sustainability challenges, as they are all endangered. In this way, Tiffany & Co is incorporating the element of CSR into their products.

According to Catalani (2012) companies that operate in the jewelry industry have a strong relationship between brand and product positioning. What this indicates is that a introducing of new products gives a hint of new directions for the brand (ibid). Moreover, including CSR into product design reaches out to consumers who only purchase Tiffany & Co products, without giving attention to other CSR communication efforts done by the brand. The brand also uses these pieces to draw attention to and create discussion regarding their sustainability efforts on social media websites such as Facebook (Facebook/Tiffany&Co, 2012), which will be elaborated on the Internet strategies section.

Flagship store windows Another strategy Tiffany & Co uses to communicate their CSR efforts out is their shop windows. In 2009, the company devoted their store windows to coral conservation to remind costumers and other window shoppers about their no coral policy since 2002 (Coral Reef Alliance, 2009). The "Under the Sea" windows were on display in all Tiffany & Co stores worldwide, including their flagship store on Fifth Avenue in New York (Appendix 9). Not only does the flagship store stand for eight percent of the company's worldwide sales (Tiffany, 2012c), its windows have gotten an iconic status as the peephole into the dreamy life of Tiffany & Co, eternalized by the opening scene of "Breakfast at Tiffany's". By devoting such an important marketing channel to CSR sends a strong message on what the brand cares about as well as gives a high degree of visibility to their causes.

4.1.2 Media Strategies

Newsmedia In 2004 the company surprised everyone by buying a full-page advertisement in The Washington Post on March 24 in 2004 (Appendix 10). This was the very first sign of CSR communication done by the company. The page contained an open letter from Michael J. Kowalski to Dale Bosworth, chief of the U.S. Forest Service, where he openly criticized the American government's reliance to an antiquated law used to grant approval for the development of a silver mine in Montana. As the CEO of Tiffany & Co wrote in the letter:

“Minerals should – and can – be extracted, processed and used in ways that are environmental and socially responsible. Government and industry each has a role to play in shaping sensible measures to achieve this goal.”

(The Washington Post, 2004)

In addition to this letter being a proactive, political comment presented by Tiffany & Co, it also implicitly communicates that the company commit themselves to responsible minerals and metals. They thereby “tied themselves to the mast” of CSR. By publicly making such a commitment in a national newspaper, in contrast to a fashion magazine or a smaller journal, it sent a signal that this was something the company could be held accountable for.

Targeted periodicals In 2010, Tiffany & Co used the same strategy when they opposed the Bristol Bay mining plans in Alaska (Appendix 11). In this case, the announcement was not in the form of an open letter, but as a direct statement where Tiffany & Co proclaim that they are against the location of a mining plant in this area, and that they will not use gold extracted there if the mine should open. In contrast to the letter in 2004, the statement was not signed Michael J. Kowalski, but Tiffany & Co. The advertisement was published in the National Geographic journal.

There are multiple interesting remarks to be made on this sort of public announcements that Tiffany & Co is using. The first is the choice of media channels. The first announcement that was assigned to a statesman was printed in a national newspaper known for its political emphasis. The other announcement about the preservation of a geographic area was printed in

a scientific journal. It appears that Tiffany & Co use the channel most suited for their message to order to make these announcements. In both cases they use a print channel, which according to Skard (2011) has a high degree of conveying product information and a medium ability to create emotional response. These abilities may also be true when speaking of a cause instead of a product. To read about a cause, rather than to hear about it, gives the receiver time to digest the information so the speed of consumption is controlled. In the instance of causes, one usually is subject to new information and words that are not used in everyday context. So the brand, which is promoting the cause, needs to first address and explain the case:

“The Bristol Bay watershed is the spectacular home of America’s greatest wild salmon fishery and one of the most beautiful and pristine places on earth.”

Thereby put itself in the picture:

“This is why Tiffany & Co is so concerned about the proposal to locate an enormous gold and copper mine in the very heart of this watershed.”

Further, Skard (2011) argues that a print advertisement has a medium ability to create emotional response. This is most likely true for a cause advertisement as well, even though a cause usually is emotional in itself compared to a product. There are more emotions that arise reading about “one of America’s priceless treasures” than reading about the benefits of a Phillips hairdryer. Nevertheless, these emotions would arise to a higher degree if the advertisement were on TV, with music and moving photos included.

Furthermore, Fill (2002, mentioned in Dahlén, Lange & Smith, 2010) provides comparison between print channels, in this case between newspaper and magazine.

A print advertisement in a newspaper gives wide reach and high coverage to a general audience. With advertising in such a serious and political newspaper, gives the reader a sense of seriousness to the cause – Tiffany’s means business. A downside of newspaper print is the short lifespan and that an advertisement in this medium usually gets little exposure. However, it seems that Tiffany & Co had this in mind, and therefore bought a full right-sided page. The wording in this open letter is also very bold and controversial, a method that also attracts attention.

The positive sides of a magazine advertisement are the high quality of the reproduction and thereby high-impact, and that the target audience is specific and specialized. That “Bristol Bay” is mentioned in the heading is probably enough to make the average National Geographic reader know what the announcement is about. In addition, a magazine is usually something you spend time on and thereby has a high readership level. The downsides of magazine print are of course the long lead-time, and that the topicality of the cause might be over once the magazine is published.

Not only is it important to underline that Tiffany & Co use the print channels most suited for the announcements, it is also interesting to notice that they at the same time refrain from printing these statements in media channels where their more standard advertisements appear. This might indicate that they try to keep their CSR business separate from their commercial business. I will return to the discussion whether or not this separation is deliberate in part 4.1.4.

Ally with other Activist Campaigns through Socio-sponsorship As earlier mentioned, the advertisement in National Geographic in 2010 regarded a gold and copper mine in Bristol Bay, Alaska. Two years earlier, Tiffany & Co sponsored a screening of the documentary Red Gold in New York (Novellino, 2008). The award-winning documentary describes the local fisherman community around the Bristol Bay and the fate of the red-skinned salmon if the Pebble mine is built. The screening was for representatives from the jewelry industry in order for Tiffany & Co to get them on board in opposing the mine, as well as other decision-makers (ibid).

Sponsorship is defined as “the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives” (Meenaghan, 1983, mentioned in Skard, 2011). In this case we have a form of *socio sponsorship*, which Seitanidi and Ryan (2007) defines as the type of sponsorship that has a prime objective of showing social responsibility. It aims to serve social needs, and the anticipated compensation awards are mainly intangible and related to image and reputation (ibid).

Perceived fit is important for sponsorship success. According to d’Astous and Bitz (1995) there is a difference between commercial and philanthropic (socio) sponsorship regarding fit.

Consumers more positively evaluate philanthropic sponsorship if the perceived fit between the brand and the cause is low, compared to commercial sponsorship where the evaluation is positive if the perceived fit is high (Appendix 12). This is explained by the fact that the consumers see the sponsorship as a more unselfish reason for the company to engage in than they would if they saw a connection that the company could earn on as a value-added (ibid).

In this case I would review the perceived fit to be moderate. The documentary describes the local fishing community around Bristol Bay, and how the Pebble mine will impose a risk on the wildlife and fish stocks, nothing that is of particular link to jewelry and blue boxes on Fifth Avenue. The reason for being moderate however is that the mine would extract materials that the jewelry industry uses, a conclusion one could easily draw if the information about the sponsorship is centrally processed.

4.1.3 Internet Strategies

The CSR communication initiatives that have been mentioned until now are all offline; the role of the CEO as a spokesperson, the two print advertisements and other initiatives like sponsorship, shop windows and product design. However, what appears to be the greatest measure that Tiffany & Co has done in regards to their CSR communication is online.

Company Website As mentioned in the introduction of the analysis, Tiffany & Co published a CSR report on their website November 14, 2011. The report contains information about the their efforts within CSR including corporate governance, responsible sourcing and mining, preservation, use of different materials, paper and packaging etc. (Tiffany, 2012a). Although most companies today have CSR information on their corporate websites, the extensiveness of this report almost regardless of which industry it operates in seem exceptional. As a comparison to other companies within the jewelry industry, such as Cartier and DeBeers, there is no sign of information on their website about CSR even though both companies are described as active in the development of a socially responsible jewelry industry (Cartier, 2012; DeBeers, 2012; DeBeersGroup, 2008).

Furthermore, they include a video on the website named “Striving for Sustainability”. Here, Michael J. Kowalski summarizes the different main themes of the report with the use of beautiful imagery, media clips and grand, classical background music.

According to Outtes et al. (2008) the Internet is increasingly becoming one of the main tools for CSR information disclosure, as it allows companies to publicize detailed and up-to-date information fast and less expensive. Moreover, the information remains permanently available on the website allowing users to select the specific information interesting for them at any given time. By disclosing CSR information on the corporate websites also provides an official perspective regarding CSR within the corporation for all its stakeholders (ibid).

There is however a downside to this medium. Since this CSR information is coming from the company itself, consumers question the credibility of the source. Not surprising since much of CSR information is hard to ensure.

There is, however, some measures the company has done in order to increase the credibility of the report on the website. First, whenever they mention an initiative they also mention the partnership they have created in order to make this initiative possible and legit. For example within diamonds they mention that the diamonds they purchase in addition to their own produced, are only bought in countries that are participants in the Kimberley Process Certification Scheme (KPCS). If needed, they thereafter explain what this NGO is, and present the necessary links for the reader to click on. Second, they have also included quotes from the spokespersons for the NGOs and other partners. If we continue with the diamond example, they present a quote of Arvind Ganesan from Human Rights Watch:

“Tiffany was quick to respond to the human rights crisis unfolding in Zimbabwe’s diamond fields. It publicly assured its costumers that it would not buy diamonds from Zimbabwe and urged for reforms to the Kimberley process so that it could better safeguard human rights.

Tiffany is an example other retailers should follow.”

This further increases their credibility. Third, it is stated that the CSR report is aligned with the Global Reporting Initiative and United Nations Global Compact reporting framework. The report thereby gives a sense of Tiffany & Co wanting to report facts that can be investigated further if necessary by the reader. The impression you are left with is thereby a company not only appearing to be socially responsible, but a company that is.

Social Media Tiffany & Co has also shown signs to being very active on social media platforms, such as Facebook, Twitter and Instagram. On Facebook they have their own group where they daily keep their members updated on what is going on around the Tiffany brand. As of today (22.12.12) there are approximately 3,5 million likes to the Facebook page, 188 000 followers on Twitter and 136 000 people that follow their Instagram updates.

Returning to the observation that Tiffany & Co might separate their CSR communication with their regular commercial communication seem to not hold true according to their social media marketing. They occasionally remind their members on all the social media channels about their CSR report online, and open for discussion on Facebook around by enabling comments. Following is some of the comments that has come on those postings (Facebook/Tiffany, 2012):

“That's why we love you so much, we know you care!”

“Thank you, Tiffany & Co, for supporting human rights, doing things to protect our environment and speaking out against governmental corruption! I will remember this whenever I spot a robins egg blue box or bag.”

“I never would have put human rights and Tiffany in the same sentence, but I like the ring. :)”

“I love Tiffany silver, but are your diamonds ethically harvested?”

4.1.4 Tiffany & Co as CSR leader for the jewelry industry

I have until now tried to give an overview over the CSR communication efforts done by Tiffany & Co. All these efforts, I believe, boils down to one core strategy, which is that Tiffany & Co have taken a leading role towards its own industry and its consumers in their CSR communication.

Why consider Tiffany & Co a leader in a CSR communication setting?

First and foremost, from the strategies we have seen in the foregoing discussion it seem that Tiffany & Co not only try to keep their own house neat, but try to lead the industry they

operate in and create a CSR agenda. At the launch of the CSR report online, Kowalski said it clearly (Vijayaraghavan, 2011):

“Our position as a leader in the luxury jewelry market gives us the opportunity and the responsibility to set an example for the industry and to conduct our business in a manner that is consistent with our core beliefs—protection of the environment, respect for human rights and support for the communities in which we do business.”

In other word, Tiffany is functioning as a leader by firstly communicate themselves as a CSR leader in the jewelry industry and thereafter raising a CSR agenda on what both consumers and other companies should be aware and alert about. This does not only lead to consumers demanding more socially and environmental jewelry companies, they might also believe that Tiffany & Co will be the best place to buy socially responsible jewelry.

However, whether or not this CSR leader role and the corresponding initiatives enable the brand to bridge the contradictions between CSR and luxury will be discussed in the following part.

4.1.5 How Tiffany & Co bridges the contradictions - Integration with brand

By mapping out the CSR communication strategies that Tiffany & Co have used over the years I concluded that the company is trying to position itself as a CSR leader in the luxury jewelry industry.

As established in part 2.3.1 there are certain challenges that arise when the concepts of luxury and CSR are combined. This is because of the contradictions that the two concepts represent. The contradictions are summarized in the following table.

Table 4: The contradictions between luxury and CSR with Tiffany & Co

Luxury	CSR	<i>Tiffany & Co</i>
Emotions	Rationality	<i>Emotions</i>
Excess	Frugality	<i>Frugality</i>
Social Distinction	Equality	<i>Social Distinction</i>
Self-enhancement	Self-transcendence	<i>Self-transcendence</i>
Dream	Reality	<i>Dream</i>

In order to evaluate if Tiffany & Co is able to bridge the mentioned contradictions, I need to evaluate their core strategy in light of these. The first additional research question will thereby be answered:

RQ₁: How can a luxury brand that is engaged in a socially responsible business practice bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

Rationality vs. Emotions - Keeping the Emotions while Adding the Facts In the first open letter that was published in 2004, the dreamy and emotional communication that is typical for Tiffany & Co was exchanged for a letter that went straight to the facts. Another rational tendency is how thorough the brand has presented its CSR online, with its clear, consistent and up to date 55-paged report, which includes not only a mission, vision and value statement, but detailed actions and obligations from the company. However, although the language is rational and detailed, the setting and atmosphere is always presented in a typical Tiffany & Co manner.

An example is the public statement that was published in National Geographic in 2010 where grand expressions like “priceless treasures” and “spectacular home of America’s greatest...” are used. This may indicate that they are trying to “emotionalize” CSR, which seems more right in term of their brand identity. Along the same lines, in their online video “Striving for Sustainability”, they combine beautiful landscape photos and grand background music while Kowalski is presenting the CSR information. Furthermore, their CSR communication on

social media such as Facebook and Instagram uses wording like “We take sustainability to heart” and “We are committed to a beautiful planet” (Facebook/Tiffany, 2012).

What these observation may conclude is that the newer CSR communication by Tiffany & Co is playing on emotions and is incorporated with the more traditional way the brand communicates.

Frugality vs. Excess – Endangered Species as Brand Symbols Tiffany & Co makes special one-of-a-kind products that represent endangered animals such as a penguin, a koala and a polar bear. This type of CSR communication can be understood as a way of reminding consumers of the things that can get lost as a result of our consumer culture, which in turn can be recognized as an indirect way of reminding consumers to be frugal in our consumption. Other elements of the brand’s CSR communication that supports this notion is the fact that Tiffany & Co has signed pledges to refrain from buying metals from certain areas of mining, such as the Pebble Mine in Bristol Bay. Likewise, they also banned the use of coral in their production in 2002 as they came to learn that there is no sustainable production of it possible. This was communicated through the flagship window display “Under the Sea” of underwater corals set up the same year.

In this sense, the CSR communication of Tiffany & Co is implying frugality in our consumption.

Equality vs. Social Distinction – Rarity as an Excuse By reminding consumers that nature is precious, you are also reminding them that nature is rare.

One of the key distinctions of a luxury good is that it’s rare. Rarity is associated with perceived uniqueness, one of the five dimensions of luxury perception. If it is not rare, it is most likely not unique. Beyond the brand’s exclusive image, luxury value is based on it’s objective rarity; rare skin, rare pearls, rare materials or rare craftsmanship and know-how. Thus luxury is resource dependent: high price limit the demand and enables the sustainability of these resources (Kapferer, 2012). Thus, the fact that luxury items are rare explains the fact that there are few people who can enjoy them.

One may therefore conclude that Tiffany & Co use rarity as an implicit excuse for the social distinction that their luxury products represent.

Self-enhancement vs. Self-transcendence – Giving as a Core Brand Value As Torelli, Monga and Kaikati (2012) argue luxury brands are often based on the value of self-enhancement, which can be conflicting with the value CSR represent, namely self-transcendence. In the discussion regarding egocentrism versus solidarity, I thereby find it appropriate to look beyond the CSR communications of the brand and rather discuss whether or not the brand has a brand concept that is based on self-enhancement.

As mentioned in the presentation of Tiffany & Co in part 3.1, the brand is especially known for their engagement rings and the celebration of true love. As an engagement ring is something you give, the brand identity is thereby based on the idea of giving.

This element of giving instead of buying for oneself is present in other aspects of their brand communication as well. Advertisements where a man is giving his wife a Tiffany Blue Box, or a husband on his way home carrying a Tiffany bag are images that frequently appear in their campaigns (Appendix 13).

As giving to others plays on the value of putting other people first would indicate that the brand concept of Tiffany & Co is based on the value of self-transcendence.

Dream vs. Reality – Keeping the Dream Alive Based on the discussion regarding rationality versus emotions, the observation of Tiffany & Co playing on the emotional side in their CSR communication may indicate a direction to pull CSR upwards towards a more dreamy communication, which is more familiar with the brand's traditional communication.

Integration with Brand To summarize the foregoing discussion, it seems that the company is trying to emotionalize their CSR communication. Furthermore, they make beauty out of endangered species and play on the idea of nature being rare and precious. As the brand accentuates the idea of giving, one might conclude that the brand concept of Tiffany & Co is based on self-transcendence values. The brand also seems to keep the element of dream in their CSR communication.

What these findings indicate is that the CSR communication of Tiffany & Co is similar to their traditional brand communication. They keep the aspects of emotions and dreams in the CSR communication, as well as create beauty around certain aspects of social and environmental issues. This could indicate a desire from Tiffany & Co to properly include CSR into their brand identity and make CSR part of who they are.

It thereby appears that the bridging strategy of Tiffany & Co is to integrate CSR with their brand. This integration strategy with CSR and brand appears in their leadership strategy and implies that the company wants to communicate CSR and brand simultaneously. That to be a CSR leader is a part of who they are as a brand.

One might argue that the reason for the brand to be able to integrate their CSR communication into their own brand communication is because of the fact that their brand concept is not based on self-enhancement values. A brand concept based on the idea of giving makes it easier for consumers to connect it to the idea of giving *back*. I will return to this argumentation in the discussion in section 5.1.

4.2 A CSR Journey

In 2007 Louis Vuitton started a small luxury revolution. Firstly, they launched an advertisement campaign where an old, Russian politician had replaced the standard supermodel (Appendix 14). Second, the campaign was created in collaboration with the global advertising agency Ogilvy & Mather. Both moves were considered radical for a luxury brand (Tungate, 2009). The campaign was named “Journeys”, and is the Cause Promotion initiative by Louis Vuitton that will be analyzed in the following pages. Cause promotion is, as defined in part 2.1.2 “when a company provides funds, in-kind contributions, or other corporate resources to increase awareness and concern about a social cause or to support fundraising, participation, or volunteer recruitment for a cause”.

According to Pietro Beccari, the Marketing and Communication Director for Louis Vuitton at the time, the goal of the campaign was to broaden the appeal of the brand particularly in new markets (Pfanner, 2007):

“Many consumers in places like Russia and China may only have seen these fashion advertisements from Vuitton, and may be unfamiliar with the brand’s less flashy heritage as a maker of trunks, suitcases and other travel-related items.”

The press pointed out that the campaign also reflected a move done by Louis Vuitton in order to connect with the consumers on a more humane level (ibid).

Beautiful campaign photos of various celebrities describing their personal journey are the focal point of the Journeys-campaign (Appendix 15), the most recent starring the Olympic swimmer Michael Phelps (Louis Vuitton, 2012b). The images are all shot by the famous photographer Annie Leibovitz, and are published alongside the more traditional Louis Vuitton advertisements you find in women’s magazines, but in different channels such as news and financial publications (Pfanner, 2007).




There are some elements that make this campaign unique in terms of cause promotion. Firstly, as it appears from Beccari’s quote, the campaign was not launched to promote a cause, the cause is merely an add-on to the campaign. Furthermore, the Journeys-campaign seems to have changed in regards to which cause is being promoted, and how the image and celebrity are related to that particular cause. The different campaign photos can thereby be divided into two categories. The first consists of images where there is neither a relationship between the

celebrity and cause being promoted, nor an indication in the image itself for the cause. The image of Francis Ford and Sofia Coppola is an example of this group.

The second group consists of images where both the chosen celebrity and the image are related to a particular cause. In this group we can place the later campaign photos, which includes Bono and his wife, and Angelina Jolie. I choose to analyze both these photos because they differ in terms of whether or not the cause supported is mentioned in the advertisement.

Underneath you will find the three images with their respective causes.

Table 5: The three cases of analysis for the Journeys-campaign

		
Francis Ford Coppola & Sofia Coppola	Bono & Ali Hewson	Angelina Jolie
The Climate Project (mentioned)	Conservation Cotton Initiative Uganda (mentioned)	Demining in Cambodia (not mentioned)

The three campaign photos will be analyzed in-depth in accordance to three different types of rhetoric. Rhetoric is an interpretative theory that frames a message as an interested party's attempt to influence an audience (Scott, 1994). The sender, therefore, crafts the message in anticipation of the audience's probable response, using shared knowledge of various vocabularies and conventions, as well as common experience (ibid). The three types of rhetoric that will be used are visual rhetoric, celebrity-brand rhetoric and cause-brand rhetoric. By including one analysis for each element of the campaign advertisements (image, celebrity and cause), we can search for common denominators, which will give us indications of what the CSR communication strategy of Louis Vuitton is in this cause promotion initiative.

4.2.1 Visual Rhetoric

The use of images is the central part of the Journeys-campaign. According to Supphellen (2011) images can be used as an effective implicit emotional persuasion, where the image arouses warm, positive feeling that are transferred onto the brand. According to Scott (1994) rhetoric can also be found in visuals, and rests on the assumption that visual images communicate cultural meanings, as opposed to only having an aesthetic affective response. Visuals can have the potential for cognitive impact, either directly and obvious or by providing clues for elaboration. However, the visuals must have certain capabilities and characteristics in order to interpret them as rhetoric. First, visual elements must represent concepts, abstractions, actions, metaphors, and modifiers, such that they can be used in the invention of a complex argument. There further must be an ability to guide the order of argumentation via the arrangement of the visual elements. Visual elements must also carry meaningful variation in their manner of delivery, such that the selection of style can suggest an intended evaluation (ibid).

The visual analysis will start with a thorough examination of each of the three images. This will be done in accordance to Caterina Presi's (2009) image communicative analysis. This method of analysis includes four steps: (1) Description, (2) Reflection, (3) Technical Analysis and (4) Uncovering of consumption relationships. The first step evolves to look closely at the photo and try to absorb the details. This step should be as objective as possible. The second step should focus on the emotion and the interpretations that the image evokes for the viewer. The third step encompasses a more formal analysis by looking closer at the elements and the composition in the photo. The fourth and last step is the uncovering of consumption pattern. I will in the fourth step discuss how the image conceives the identity of the subject, the cause and how it relates to the brand identity of Louis Vuitton.

In order to find which visual elements Louis Vuitton has focused on in the campaign as a whole the analysis will be summarized by pointing out the common factors between the images.



Inside every story, there is a beautiful journey. Early evening, Buenos Aires, Argentina.
Sofia Coppola, Francis Ford Coppola and Louis Vuitton are proud to support The Climate Project.

Tel. 020 7399 4050 www.louisvuitton.com

LOUIS VUITTON

Francis Ford Coppola and Sofia Coppola in Argentina In this photo the father and daughter are outside in what appear to be in the South America countryside in the mist of a sunset. The daughter is lying down, and admirably looking up at her father, an older man who is sitting and seemingly telling her a story. The fact that there are papers and notebooks scattered around them, in addition to the father holding piece of paper and a pen, gives you the impression that they are working on something together. Yet the setting of this work is very informal. A Louis Vuitton bag is placed in the in the down left corner of the photo. The text at the bottom of the image reads:

“Inside every story, there is a beautiful journey. Early morning, Buenos Aires, Argentina.”
“Sofia Coppola, Francis Ford Coppola and Louis Vuitton are proud to support The Climate Project”

If we start reflecting on the image, the very first thing that hits you is the relational aspect between father and daughter, which can further be extended to the relation between the old and new generation. This reflection is further enhanced if we look at the composition of the photo. The father is placed above the daughter, which could indicate a signal of the power relation between the two. The fact that the daughter is lying down instead of sitting on another chair while the father is sitting supports this assumption, since it enhances the fact that he is an old man and need to sit comfortably. The way that the daughter is looking at him gives a

signal that she admires and respect the old generation and thereby listens carefully at what is being said. The way the father is gesticulating gives the impression that he is teaching her something.

It is clear that the Coppolas are presented in a very personal manner. Both Francis Ford and Sophia are dressed casually with no exaggerated form of styling, and seem to be in a posture and setting that are comfortable for them both. If the photo weren't so beautifully composed as it is, you would almost think that the photographer had sneaked up on the two while they were working.

The cause presented in the advertisement is The Climate Project, which is a non-profit organization dedicated to calling attention global problems associated with climate changes (Wikipedia, 2012c). This fact is not apparent in the photo, since the photo does not give any indication on what Louis Vuitton is supporting.

The objective of the campaign was to enhance the association the brand has with the art of travel by incorporating the element of personal journey into the images. The personal journey element would not appear to be that evident, as the image does not seem to have any travel related cues, apart from the fact the the Coppolas are outside and not in a home related environment. The text underneath thereby plays a determining factor. On the other hand, since a personal journey is not necessarily connected to traveling, one might say that the relational aspect of the photo between a father and his daughter plays with the aspects of dynamics; how the art of filmmaking is passed down to the new generation and thereby goes through a journey in time.



Bono and Ali Hewson in Uganda The photo of Bono and his wife Ali Hewson is situated in a field in what seems to be the in the African veldt. They are both carrying bags and equipment and gazing out into the horizon. It appears that they have just stepped out of the small plane which is parked in the background. The text at the bottom of the advertisement reads:

“Every journey began in Africa. Ali and Bono wear Edun. Ali carries the Louis Vuitton/Edun collaboration bag. Profits from the bag, as well as Ali and Bono’s fee benefit Conservation Cotton Initiative Uganda.”

By reflecting over the photo and looking at its composition, I find that the photo is conveying two messages. The first is that the image is connected to philanthropic work in some manner. The reason for that reflection is that Bono is photographed with his wife and not his band mates that immediately give you the impression that he is acting as the philanthropist Bono and not the rock star Bono. The photo is shot in an African landscape, which may imply a link to philanthropy, as the continent can be associated with philanthropic work. The other message the image is sending is that it is evident that the couple is on a journey; due to the

plane in the background and that they are carrying luggage. The element for travel is thereby evident.

An interesting observation is that the image of Bono and Ali Hewson appears to be more glamorous than what one would assume was the intent. The couple just came out of a private plane, he is carrying his guitar which give an indication that they are not in Africa to get their hands dirty, and the way that they are gazing seem to give an impression of a colonist watching over his land. Although this interpretation may be characterized as a long shot, there were examples of criticism in the media, as well as examples of *ad busting* with an African child carrying their Louis Vuitton luggage behind them (Appendix 16). On the other hand, one could defend that in order to get to certain rural destinations like this, a small plane is the only realistic way of transportation. In addition, the text underneath contributes to dim the “colonial” impression and helps to align the photo with the cause.

The couple is presented in a setting that seems natural for them, an observation that is similar to the latter photo of the Coppolas. Since both the reflection of the photo and the composition implies that the image is related to philanthropy in some way, the cause in this context is well presented in the visual communication. The journey element gives associations to the brand identity, yet the brand is to a less extent visible in the photo, as the LV monogram is not visible on the bags Bono and Ali Hewson are carrying.



Angelina Jolie in Cambodia In this image the actress Angelina Jolie is sitting barefoot on a wooden boat that is placed in the waterfront of a lake. She is sitting in a nonchalant manner and gazing out, while a Louis Vuitton bag is placed beside her. It appears to be early morning by the light haze in the photo. The text underneath reads:

“A single journey can change the course of a lifetime. Cambodia, May 2011. Follow Angelina Jolie on louisvuittonjourneys.com”

The immediate impression you get from the photo is that it is a very simple and humble presentation of the actress, which in turn makes the viewer question the motive behind the image. Similar to the photo of Bono, the image creates a connection to the philanthropic side of the actress rather than the Hollywood side of her. This philanthropic signal is supported by the composition of the image. The actress is not placed in the middle of the photo, and is thereby not the focal point. Moreover, Jolie is wearing clothes that almost make her disappear in the pale green surroundings. Both these observations give an indication that there is

something more to the image than just a celebrity in a foreign environment. The fact that thereby is a cause related to the image is somewhat clear. However, what is unique in terms of this image compared to the others is that the cause is not explicit in the advertisement, one needs to visit the website in order to learn what cause is related to the image.

The text underneath reads that the image is from Cambodia. Since the image is taken in what seem to be South-East Asian surroundings, the association to travel is apparent. She is also sitting in a wooden boat, which underlines the element of travel.

Common factors Before I go on with the celebrity-cause rhetoric, I find it appropriate to point out the common factors found in the three campaign images in order to capture the visual identity of the campaign as a whole.

First, the campaign photos include the element of storytelling, a method integrated in modern branding and extensively used by luxury brands (Corbellini & Saviolo, 2012). In this case, however, the storytelling is visual. The reason behind the use of storytelling by luxury brands is that these brands often rely on the heritage in order to justify that they are in fact luxurious. A Louis Vuitton bag is exclusive because you get a piece of their history of the Parisian bourgeoisie traveling to exotic destinations when you purchase their products. In other words, the use of storytelling of heritage is a method of creating a brand identity that is unique and not easily replicable (ibid). The story told in all the images is the art of travel either mentally or literally. This is an association connected to the brand, which in other words implies that the campaign is to some extent brand-focused. It also implies that the brand is trying to reinforce the exiting connection it has to travel.

Another observation is the understated role of luxury in the campaign images. The styling is modest, the setting simple and the postures seem natural. Even when the photo itself does not indicate any CSR effort, the pictures are humane and lifelike to an extent that when the CSR message is read at the bottom, the pictures enables the viewer to acknowledge the message to a higher degree than what would be the case in a more standardized Louis Vuitton advertisement. In that sense, the photos support the CSR information communicated in the images.

A third observation, which I will return to in the celebrity-brand rhetoric, is the use of celebrities in the images. This is another commonly used strategy by luxury brands, especially by Louis Vuitton (Pfanner, 2007).

A last common observation is that, apart from the fact that the photos represent a visual rhetoric in some kind, the images are very beautiful and interesting to look at, as pieces of photographic art. As mentioned in the beginning of the visual rhetoric, images can be used as an effective implicit emotional persuasion, where the image arouses warm, positive feelings that are transferred onto the brand (Supphellen, 2011). This may to a large extent be the case in this campaign.

By connecting the various common observations it seems that the images are trying to achieve two objectives by the use of visual storytelling and celebrity endorsement. One is to reinforce the exciting association the brand has to the art of travel. The other objective is to dim the luxury aspect of the brand and present a more subtle and humane side of Louis Vuitton. By understating the element of luxury the brand is able to facilitate the CSR communication by making the viewer more susceptible to it.

4.2.2 Celebrity – Brand Rhetoric

The use of celebrity endorsement is widespread in the context of luxury brands, and is one of the strategies a brand can use in order to leverage secondary associations (Thorbjørnsen, 2011). Secondary leveraging relies on the assumption that if a brand is linked to another entity in some manner, consumers may assume or infer that some of the associations that characterize the other entity may also be true for the brand (Keller, 2008, as mentioned in Thorbjørnsen, 2011). Thus, in effect, some associations are borrowed from the other entity to the brand and thereby create strong, favorable and unique associations that may otherwise not be present. Which entity the brand chooses is dependent on what the brand wants to accomplish with the link. A *commonality* leveraging strategy link makes sense when consumers have associations to another entity that are congruent with desired brand associations. A *complementary* strategy represents a departure of the brand because there are few if any common or similar associations (ibid).

In the case of celebrity endorsement, a celebrity is the entity the brand gets linked to. McCracken (1989) defines a celebrity endorsement as “any individual who enjoys public

recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement". As explained in part 4.1.1, the meaning-transfer model developed by McCracken (1989) explains how certain associations of the endorser rubs off onto the brand in the process of three stages; culture, endorsement and consumption.

As pointed out earlier, the Journeys-campaign differs from a regular celebrity and brand collaboration because the campaign uses different celebrities each time they publish a new advertisement. Therefore, in order to evaluate the celebrity-brand rhetoric in the campaign I find it appropriate to look at the three images and their respective celebrities combined. This way I will find the common denominators that these celebrities have, which in turn can give an indication to what associations the brand wants to create and/or reinforce.

The most obvious common factor is that all the celebrities featured are successful within their fields of work. The Coppolas within film, Bono within music and Jolie within acting. Furthermore, they all show good craftsmanship in their work, an association shared by brands within the luxury category. Another common feature is the fact that they all are top-of-mind celebrities in their respective businesses, which in turn is also a similarity the celebrities have with Louis Vuitton in the category of luxury (Roberts, 2012). One can thereby state that it seems that the brand chooses celebrities that to some extent are the equivalents of Louis Vuitton.

If we take the analysis somewhat further however, we find another denominator between the celebrities. All of the endorsers featured in the three campaign photos have, in addition to their line of work, some societal engagement connected to them. Francis Ford Coppola is not only known as a talented film director, but also for directing films that have a certain societal importance. The most obvious example is the 1979 film "Apocalypse Now" which was a direct and brutal criticism of the Vietnam War. Similarly, Bono is not only known as the vocalist of U2, but also for his activism and initiatives in regards to Africa. Along the same lines, Angelina Jolie is recognized as a UN ambassador at the same time as she is a Hollywood actress. The endorsers thereby all represent a sort of dual role, where their other role is connected to causes of societal importance. The interesting question will therefore be if Louis Vuitton uses these "dual" celebrities in order to introduce a new association to the brand image, and that the celebrities is their way of communicating that they too have a socially engaged role.

To summarize, it seems that Louis Vuitton is using celebrities who to some extent are congruent with the brand in terms of associations. This would be referred to as a commonality strategy. However, in terms of the dual role pointed out earlier, this could represent a complementary strategy, which in turn sends a signal that the brand is trying to incorporate new more socially responsible associations to the brand identity that weren't there to begin with, and thereby creating a brand image more susceptible to CSR communication. By using endorsers that represent enforcement as well as escape is an interesting strategy, since the brand thereby seems to incorporate a new element into their exiting brand image instead of trying to a create a completely new one.

4.2.3 Cause-brand rhetoric

Until now I have discussed the visual rhetoric and the celebrity-brand rhetoric. The next step is to look closer at the cause-brand rhetoric, which is to analyze how the causes being promoted are related to the brand. As established earlier, the campaign is unique in terms of the cause, since it varies according to the celebrity featured. In the beginning the campaign supported one cause regardless of celebrity in the advertisement, namely the Climate Project. After a while, however, causes differ according to the celebrity featured. The cause-brand rhetorical analysis must therefore be divided in two.

According to Kotler and Lee (2005) the key success factors related to cause promotion initiatives is to carefully select a cause that can be managed long-term, is of concern to the company's stakeholders and has the most chance of media exposure.

If we start by looking at The Climate Project, it is safe to say that this is a cause that can be managed long-term. It is not related to a certain event, as the earthquake in Haiti or tsunami in Asia, which would imply that the problem would be of less relevance at a later point in time. The Climate Project is related to an ongoing problem, which affects us on a daily basis. Furthermore, the cause is of global importance. Since Louis Vuitton is an international brand, it seems appropriate to choose a cause that is of relevance for their stakeholders worldwide. Climate change is as relevant to a Louis Vuitton worker in Naples as it is for a Chinese consumer or Argentinean supplier. In other words, one could safely say that the problems regarding climate change is broadly established as an issue that needs to be dealt with. This

fact also increases the chance of media exposure. Furthermore, the campaign was launched the same year as the controversial climate change movie “11th hour”, produced and narrated by Leonardo DiCaprio, was launched. This could also have contributed to increase the relevance the cause had in the eyes of the media.

It is however difficult to see how the Climate Project is of particular importance to Louis Vuitton compared to other companies. In order to evaluate the perceived fit between brand and cause, I choose to use the theory introduced by d’Astous and Bitz (1995) regarding fit in terms of socio-sponsorship. As established in the analysis of Tiffany & Co, there is a difference between commercial and philanthropic (socio) sponsorship regarding perceived fit. Consumers more positively evaluate philanthropic sponsorship if the perceived fit between the brand and the cause is low, compared to commercial sponsorship where the evaluation is positive if the perceived fit is high (Appendix 12).

In this case, I would consider the fit to be moderate. On one hand, as Louis Vuitton is a international brand the issues that are global affects the brand on the same level as other international brands. Moreover, being a manufacturer of luxury goods the brand is dependent on the supply of natural resources that may be affected in regards to climate change. The brand itself is an exploiter of resources, which in turn might contribute to the climate change problems. On the other hand, there is not an obvious direct link between the Climate Project and Louis Vuitton, i.e. the core business of making luxury goods does not have too much in common with climate change compared to e.g. a chemical company or a car producer. In other words, a leather handbag does not seem to contribute to the climate change in the same way as for example a car does, so as a consumer you would presumably not see the link between Louis Vuitton and the Climate Project as that obvious.

In regards to the two remaining advertisements, the cause-brand rhetorical analysis becomes a bit different, since the causes are related to the celebrities and not the brand itself. Here, it is more purposeful to look at how these celebrity-cause cases reflect upon the brand.

First of all, it appears that the reason the celebrities have endorsed the brand in the Journeys-campaign is because the brand offered to support the cause of their choice. The cause support was thereby used as a mean and not an end. Another way of seeing it is that by supporting the cause of the celebrities’ choice, Louis Vuitton is communicating that they don't know best, but the people engaged in it do. In other words, Louis Vuitton supports every cause, because the cause is a part of that particular person’s journey. The brand is the faithful and helpful

companion on the road. If the latter assumption holds true, then that contributes to increase the connection between the celebrity, the cause and the image, which in turn sends a stronger message and seem more credible than in the case of the Coppolas, where the cause communication may seem displaced.

In terms of the cause-brand rhetorical analysis, the choice of cause can be evaluated as good, since the cause can be managed long-term, is of interest to all of Louis Vuitton's stakeholders and has a good chance of media attention. Furthermore, the perceived fit between brand and cause is moderate. As the campaign also include advertisements where the cause is according to the celebrity featured, it seems irrelevant to evaluate in cause-brand rhetoric. Here it is more appropriate to see how the celebrity-cause link is reflected upon onto the brand. In this case, there seem to be two assumptions; either the brand used the cause as a mean to get the celebrity or the brand tries to communicate the companionship the brand has to people's journeys. In the latter case the campaign images may increase the credibility of the advertisement as well as tie the images, celebrity and cause more together in a greater sense than it does when the cause is unrelated to the image and celebrity.

4.2.4 Louis Vuitton towards a more CSR-susceptible brand identity

What this analysis boils down to is one question: What core strategy is Louis Vuitton using in the Journeys-campaign in order to promote a cause, or in this case, various causes?

In order to answer this question, one needs to collect the main findings from the three analyses. First of all, the use of imagery plays a big role in the Journeys-campaign. Furthermore, the visual analysis had two main findings. The first is that the brand is reinforcing the existing association Louis Vuitton has to the art of travel. In addition, they seem to understate the role of luxury in the advertisements and create a less flashy brand identity.

If we move on to the celebrity-brand analysis, the common denominators are that the celebrities, on one hand are very similar to the brand in regards to success, craftsmanship and level of fame. However, it seem that Louis Vuitton uses celebrities who represent a dual role that is more socially engaged. This may indicate a strategy to communicate that the brand too has something more to it - a more socially responsible side incorporated in its identity.

Thirdly I analyzed the campaign in the light of cause-brand rhetoric. The Climate Project, which was the initial cause supported in the campaign, is considered to be a right choice for a global luxury brand like Louis Vuitton, where the perceived fit is moderate. However, the cause may seem displaced in the advertisements, as the viewer do not see an apparent connection between the image, the celebrity endorser and the cause supported. In the advertisements where the cause supported has a clear connection towards both the image and the celebrity endorser may therefore seem more credible.

What these findings are implying is that the Journeys-campaign does not only set out to promote a cause, but also to put the brand back on track in terms of identity. This may, on one side, cause confusion amongst the consumers since it seems unclear what the brand is trying to communicate through the campaign. Moreover, by communicating two things at the same time the causes may have the risk of not getting sufficient attention.

On the other hand, by including cause promotion into a campaign that captures the heart of the brand, namely the art of travel, this may seem like a strategy of incorporating CSR communication to a greater extent into the brand identity. Louis Vuitton is related to travel, which can be related to personal journeys, which again can be related to CSR initiatives. In other words, they fit the CSR communication into their brand identity, which is a more long-lasting strategy than merely adding it on from time to time in more standard Louis Vuitton advertisements. This assumption is supported by the fact that there are multiple causes being supported. Since the causes are various, it seems that the brand is trying to first and foremost plant a seed that will grow into more extensive and direct CSR communication in the future, more than actually trying to raise awareness and concern towards the different causes at hand. In this way, when Louis Vuitton will try to communicate their own CSR initiatives in the future, the brand identity and image might be susceptible to it.

Whether or not Louis Vuitton manages to bridge the contradiction between CSR and luxury with this strategy will be discussed in the following section.

4.2.5 How Louis Vuitton bridges the contradictions – Brand Alliances

I have until now analyzed Louis Vuitton's Journeys-campaign, which is a cause promotion campaign. I conclude that the company is trying to shape its brand identity, and hopefully brand image, into a more CSR susceptible image in the expectation that there will be more extensive CSR communication to come in the future from the brand.

As with the analysis of Tiffany & Co, I will use the table of contradictions as a starting point. The summarizing table is as follows:

Table 6: The contradictions between luxury and CSR with Louis Vuitton

Luxury	CSR	<i>Louis Vuitton</i>
Emotions	Rationality	<i>Emotions</i>
Excess	Frugality	<i>Frugality</i>
Social Distinction	Equality	<i>Equality</i>
Self-enhancement	Self-transcendence	<i>Self-enhancement</i>
Dream	Reality	<i>Reality</i>

In order to evaluate if Louis Vuitton is able to bridge the mentioned contradictions, I need to evaluate their core strategy in light of these. The second additional research question will thereby be answered:

RQ₂: How can a luxury brand that is engaged in cause promotion bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

Rationality vs. Emotions - The Use of Beautiful Imagery To create a more emotional aspect to CSR communication rather than to make it rational is something that Louis Vuitton seems to be doing with the Journeys-campaign. The reason why I believe that the brand is playing on emotions is the fact that they are not explaining the causes being supported, they are focusing on the affective and emotional side of the images and using them to create warm feelings towards the brand which in turn may transfer to the feelings consumers get when they see the cause promotion information at the bottom. These emotions emerge not only because

of the beauty of the images but also by what the images symbolize. The image of a father and daughter in deep discussion, of a husband and a wife fighting for poverty and the women in search for answers. We as audience are witnessing a fraction of their personal journeys.

I thereby conclude that the cause promotion of Louis Vuitton is focusing on emotions.

Frugality vs. Excess – Louis Vuitton as a lifelong companion There is no direct communication about Louis Vuitton urging their costumers to be frugal in their consumption in the Journeys-campaign. But, as the element of travel is so evident in the campaign, and because the communication in the campaign is about Louis Vuitton being a faithful and helpful companion on the road, one might think that you are buying something that will last your entire life. The bag will join you on the way, either its in the African veldt, the busy city of Berlin or jungles of Cambodia. This creates an impression that if you buy a quality product like Louis Vuitton bag you do not need to buy a dozen more. An argument that supports this view, is the fact that some of the celebrities used their own Louis Vuitton bags in the advertisements, which where old models not available in stores (Johannessen, 2011).

Therefore, instead of concluding that Louis Vuitton is focusing on frugality in their campaign, one might rather conclude that Louis Vuitton is not focusing on excess.

Equality vs. Social Distinction – Stripped for Luxury Louis Vuitton has two elements in their cause promotion campaign that includes the element of equality.

The first element is how the Journeys-campaign is understating the level of luxury that the brand represents, and creating a more humane and lifelike image. The images are taken in a natural, non-glamorous outdoor setting with a low level of styling. The other element is how Louis Vuitton takes the celebrities off their pedestal in the campaign images, and creates a more mortal expression of them. This can be considered unusual for a celebrity endorsed luxury advertisements.

These two elements in the Journeys-campaign would imply that the brand is creating a more equalitarian side of their brand identity.

Self-enhancement vs. Self-transcendence – Finding oneself Louis Vuitton is in many cases regarded as the mother of luxury brands and the leader of the luxury cult (Chadha & Husband,

2006). With a brand with such a high connection to luxury, the brand concept of Louis Vuitton will inevitably be connected to the self-enhancement luxury represents. However, as the brand concept is based on the art of travel, the brand thereby communicates itself as a faithful companion on the road. What this may imply is how the brand cares about and supports their costumers, which in turn creates an abstract concept of the brand that evokes self-transcendent values in consumers.

It is however, difficult to argue that the companionship communication is the dominating of the brand concept of Louis Vuitton if we include the Journeys-campaign into the discussion. The campaign is based on personal journeys, which in turn appeals to the realization of oneself.

I would therefore argue, based on the fact that Louis Vuitton is extensively connected to the luxury concept as well as the element of personal journey in their Journey-campaign, that the brand evokes self-enhancement values in their brand concept.

Reality vs. Dream – Facing the Facts As Louis Vuitton is trying to create a more humane and lifelike way of communicating their brand, I would argue that they are coming downwards in their CSR communication and becoming more reality oriented.

Brand Alliances To summarize Louis Vuitton is using imagery to be emotional in their CSR communication. Furthermore, they are not focusing on excess by underlining that Louis Vuitton products are lifelong companions. The campaign is stripped for luxury, so it seems that the brand is trying to implement equalitarian values to their brand identity. This may be because the brand concept is based on self-enhancement values that are not compatible with CSR communication. Furthermore, the CSR communication is more reality oriented than their normal brand communication.

First of all, these findings indicate the same as concluded in section 4.2.4, namely that it appears that the brand is not trying to incorporate CSR into their exciting brand identity, but rather trying to shape their own brand identity into something more CSR susceptible. The method they are using to incorporate a more CSR susceptible image, and thereby bridge the contradictions, is by engaging in brand alliances, both with celebrities and with causes. A brand alliance is defined as a branding strategy where two or more brand go into a business alliance, either by co-branding a new product, by licensing or by cross marketing (Thorbjørnsen, 2011). The latter is the case for Louis Vuitton, which is defined as an agreement for mutual promotion between two companies (ibid).

Louis Vuitton uses the alliance with celebrities in order to imply that they too have a dual role that is more socially engaged. Moreover, they use the causes to increase the association to a more socially responsible brand. Louis Vuitton enables this association to take place by playing on the emotions that arise from the beautiful images.

5.0 DISCUSSION

I have until now analyzed and identified the strategies that the luxury companies Tiffany & Co and Louis Vuitton use in order to communicate their CSR. By mapping out the CSR communication strategies that Tiffany & Co have used over the years, which amongst others include the use of company website, flagship store windows and socio-sponsorship, I concluded that the company is trying to position itself as a CSR leader in the jewelry industry. In the case of Louis Vuitton, I analyzed their Journeys-campaign, which is a cause promotion campaign. With the use of visual, celebrity-brand and cause-brand rhetorical analysis, I concluded that the company is trying to shape its brand identity, and hopefully brand image, into a more CSR susceptible identity in the expectation that there will be more extensive CSR communication to come in the future from the brand.

Furthermore, I have identified how the two brands' CSR communication bridge the contradictions between CSR and luxury that were identified in part 2.3.1. In the upcoming discussion I will repeat these findings and thereafter compare the two brands and their CSR communication strategy. It is important to have in mind that in this comparison I will not include the discussion of what CSR strategy the two cases are engaged in, namely socially responsible business practice and cause promotion. I will merely look at the CSR communication of the brands, and identify guidelines that can be used by other luxury brands.

Based on this comparison I will answer my main research question:

How can luxury brands communicate their corporate social responsibility?

5.1 Integration with Brand and Brand Alliances - *When the Twain Met*

As a basis for comparison, the following table summarizes what the two brands do in their respective CSR communication in relation to the contradictions between CSR and luxury.

Table 7: Comparison of bridge strategy for the two cases

	Emotions vs. Rationality	Excess vs. Frugality	Social Dist. vs. Equality	Self-enhan. vs. Self-transc.	Dream vs. Reality	Bridge Strategy
T & CO	<i>Keeping the emotions while adding the facts</i>	<i>Endangered species as brand symbols</i>	<i>Rarity as an excuse for social distinction</i>	<i>Giving as a core brand value</i>	<i>Keeping the dream alive</i>	Integration with brand
LV	<i>The use of beautiful imagery</i>	<i>Louis Vuitton as a lifelong companion</i>	<i>Stripped for luxury</i>	<i>Finding oneself on a personal journey</i>	<i>Facing the facts</i>	Brand Alliances

By comparing the two brands one can see that they are pretty different in terms balancing the contradictions. They both avoid getting more rational in their language, but rather play on the emotional side of CSR communication. This might be because the traditional brand communication is emotional in both cases, and the brands want the CSR communication to be similar to that. Furthermore, they both avoid the association luxury brands have to excess, and rather try to focus on the element of frugality. In the case of social distinction vs. equality however, the two brands go in different directions. Here, Tiffany & Co uses the excuse of rarity in order to defend the social distinction their products represent, while Louis Vuitton tries to undermine the element of luxury and thereby arise equalitarian values. The brands also differ in terms of consumer values, where Tiffany & Co has a brand concept based on self-transcendence with the idea of giving, while Louis Vuitton has a brand concept based on self-enhancement with finding oneself. Tiffany & Co plays on the dream aspect familiar to luxury branding, while Louis Vuitton is more reality oriented in their CSR communication.

The bridge strategy of Tiffany & Co is to completely integrate CSR communication into their brand communication. This integration strategy with CSR and brand appears in their product design, leadership strategy, and communication channels and implies that the company wants to communicate CSR and brand simultaneously. CSR is a part of who they are as a brand.

In the case of Louis Vuitton the bridge strategy is to engage in brand alliances with both celebrities and causes. Louis Vuitton uses the alliance with celebrities in order to imply that they too have a dual role that is more socially engaged. Moreover, they use the causes to increase the association to a more socially responsible brand. Louis Vuitton enables this association to take place by playing on the emotions that arise from the beautiful images.

If we start comparing the two cases, the element of brand concept appears as a determining factor. One might argue that the reason for Tiffany & Co to be able to shape the CSR communication more into their own brand communication than vice versa is because of the fact that their brand concept is based on self-transcendence values. A brand concept based on the idea of giving makes it easier for consumers to connect it to the idea of giving *back*.

Louis Vuitton however, seem to have a brand concept based on self-enhancement that is not compatible to CSR communication. Therefore it appears that the brand is not trying to incorporate CSR into their exciting brand identity, but rather trying to shape their own brand identity into something more CSR susceptible with the use of brand alliances. The brand concept thereby seems to be the Achilles' heel of CSR communication for luxury brands.

Another observation is the importance of brand identity. According to Corbellini & Saviolo (2009) brand identity is the critical factor in luxury brand building. In Tiffany & Co's case it is by altering the CSR into their own brand identity. In Louis Vuitton's case it is by altering their brand identity into a more CSR friendly one. This poses another guideline for luxury brands, namely to create a CSR communication strategy that fits with its brand identity.

Both initiatives represent a high degree of dedication from the brands. With high dedication comes high risk. If we look closer at the different bridge strategies the brand uses, to integrate CSR completely with your brand poses a higher risk than to merely borrow some CSR associations from an alliance. One might consider integration a strategy where the brand ties itself to the mast. However, in the case of integration the credibility of the CSR communication would assume to be significantly higher than in the case of brand alliances. This I believe enables Tiffany & Co to take the CSR leadership that they have taken. One might assume that in the case of alliances, the CSR associations only last as long as the campaign last. Louis Vuitton thereby might have difficulties keeping these associations attached to the brand in the long-term.

The observations of brand concept and brand identity have one obvious common denominator, namely the element of brand. If I was to identify one main guideline from this thesis, it is that a company can do whatever they want with CSR, but a brand may not. A brand has to take its brand, and all aspects of it, into consideration when communicating CSR. This is what these two cases illustrate in different ways, and what thereby makes them good examples of how luxury companies can communicate their corporate social responsibility.

6.0 CONCLUSION

The main research question of this master thesis is as follows:

How can luxury brands communicate their corporate social responsibility?

With the additional research questions:

RQ₁: How can a luxury brand that is engaged in a socially responsible business practice bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

RQ₂: How can a luxury brand that is engaged in cause promotion bridge the contradictions between the core values of CSR and the core values of luxury in its CSR communication strategies?

The thesis rests upon the assumption that the communication of corporate social responsibility is more challenging in the luxury industry compared to other industries, as the core values of CSR and luxury are conflicting.

As the field of study does not contain an extensive amount of research, the main goal is to identify the CSR communication practice done by two different luxury brands, namely Tiffany & Co and Louis Vuitton, in order to recognize how these two brands are able to bridge the contradictions between CSR and luxury. These findings may in turn give other luxury brands guidelines in the context of CSR communication.

By mapping out the CSR communication strategies that Tiffany & Co have used over the years, which amongst others include the use of company website, flagship store windows and socio-sponsorship, it seems that the company is trying to position itself as a CSR leader in the jewelry industry. In the case of Louis Vuitton, I analyzed their Journeys-campaign, which is a cause promotion campaign. With the use of visual, celebrity-brand and cause-brand rhetorical analysis, it appears that the company is trying to shape its brand identity, and hopefully brand image, into a more CSR susceptible image in the expectation that there will be more extensive CSR communication to come in the future from the brand.

In regards to the strategies the two brands use in order to bridge the contradictions between CSR and luxury, Tiffany & Co appears to integrate CSR completely with the brand, which was indicated by how their CSR communication is very similar to their traditional brand

communication. Louis Vuitton uses the strategy of brand alliances in order to transfer CSR associations over to their brand identity and make it more CSR susceptible.

By comparing the two cases, the element of branding seems to play a critical role in CSR communication. This finding appears both in how the brand identity seems to be a determining factor on how the two brands relate to the CSR communication, and also in their brand concept which is identified as an Achilles heel in terms of luxury CSR communication.

6.1 Limitations and further research

The conclusion in this study seems credible in the context of the two cases of Tiffany & Co and Louis Vuitton. However, the picture may have been different if more cases were included in the research, or if the research was built upon different cases. More cases could have increased the number of findings in the discussion. Furthermore, these two cases are both luxury companies with strong brand equity, which may question the transferability of the study, to smaller less-developed luxury brands. The conclusion may also have been different if other luxury product categories were included, such as high-end cars. It would also have been interesting to look at the luxury service industry.

Consequently, this research does not represent a complete presentation of all the elements luxury brands should have in mind when communicating CSR.

Another limitation relates to the fact that significant parts of the analysis, discussion and conclusion are based on the researchers own interpretations of the two companies' CSR communication.

As the field of study is based on a relatively new field within luxury branding, the thesis has posed a lot of interesting questions to be answered in the future. Are the contradictions that the thesis rests upon as evident in consumers' minds as assumed in this context? If so, will these contradictions between CSR and luxury pose less of a threat if all luxury brands increases their CSR communication and thereby make ethical luxury a more household term as in the case of fair trade? These questions and many more will be interesting to look closer at in future research.

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8.0 APPENDIX

Appendix 1: Interview with Rosella Ravagli, head of CSR in Gucci (transcript)

X: Rosella Ravagli

Y: MAFED team member

X: 3 years ago when I started to start with Gucci, 2008, the proposal was to create a CSR dept in Gucci.

X: Before, there was a certification and commitment, but they wanted to establish a real strategy dedicated to the topic.

My department has fortunately increased in terms of numbers, last year I was alone - but now I have 3-4 persons working with me, and probably 2 more persons will be joining the team.

We have many projects in place in both the social and environmental fields. About our specific project w Bocconi there is more focus on environmental and bio-diversity.

So we decided to coop w Bocconi for many reasons, in our strategy..blabla relationship with Uni and students.

Sometimes it is not so easy to combine Luxury and CSR, it is a challenge but I would say that in our company it is a reality. Because we spend a lot of time, not money, but resources to implement the strategy in the company.

- 1st aspect is strategy: Not so common for companies to have it in place. Some other companies might have a project in place: A specific bag, dress, jewelry.. a product dedicated to CSR, but to have strategy for example:

We decided to create a new store or to reconstruct a store. Now that we have a CSR strategy in place it changes everything. If we decide to cooperate with a new supplier the first aspect that we are going to ask, is the condition in terms of labor rights, human rights, environmental topics etc.

In July I will be organizing a training, specifically dedicated to the creative department in Rome for alternative materials, what does bio-degradable materials mean? Or what materials can we use as alternatives to other ones etc.

Y: So you are knowledge-pooling within the company continuously?

We don't do small random products related to CSR. Armani have that one green-carpet dress and they launched it on the website, but it is just 1 product, but it is quite different from having a CSR strategy in place.

Sustainability Targets, by the end of 2016 our CO2 needs to decrease by up to 25%. PWC will be eliminated, in terms of traceability our sourcing of raw-materials come only from sustainable materials.

PPR is our mother-company, PPR also has a sustainability department consisting of 17 people that we are also working with. But Gucci's strategy was already in place then, but now we share CSR targets to be in line.

We have targets for each topic: Humanity, Ecology, Leadership and Creativity.

Y: One thing is targets and another thing is conduct? What do you do to ensure that targets are reached?

We have absolutely a conduct of conduct, and also the sustainability supplier conduct. For each supplier we ask a side commitment. We will supply you with that.

Y: How do you set the targets?

We have a policy, and the setting of the target was a consequence of the collab with PPR. The topic was absolutely between PPR and us, so I think that it is important to share our practices with the group.

We have a number of certifications obtained, the number of inspections that we conduct in our supply chain.. I think it actions in place, targets reached and targets to reach in the future.

- I was in RIO last week for the COP 16, Gucci, Pirelli - very few italian companies were taking part. But we will get the link for

Now we also have a communication agency in place.

Y: Why doesn't Gucci communicate anything??

X: Our communication until now was a very low profile communication. To be honest, now it is absolutely necessary to do it, not just to increase our reputation, but because people really needs to know.

Y: What have been the reasoning behind keeping it low profile so far?

I think that at the beginning the company really wanted to be working on the substance of the topic, and not be perceived as green-washers. I started to work in CSR in 1998, so I know and recognize when someone is greenwashing and when a company is working in the roots of the problem.

...presentation of the team...

Y: Let's talk about the targets and goals of the project

Are we just looking at the Italian market, or also international market? I

X: We have a very Italian base, but our company is really a global company. 8000 people around the world, 390 stores etc.

Y: and for example the communication agency, is it a global campaign? Katchum.

Yes, we needed to enforce our strategy and start communicating it. This communication will be spread around the world. So we are working with the communication strategy to increase our possibilities in terms of CSR and sustainability around the world, not just in Italy. About the presence in other countries, we have offices in China, Dubai, Russia, Americas, Brazil and Mexico.

Switzerland holds the logistics platform. 90 percent of the production is in Italy, but the watches are made in Switzerland. And there are then some products under license, sunglasses and perfumes.

Made In Italy, means MANUFACTURED in Italy, because most of the raw materials come from abroad. Traceability is a topic strictly connected to the raw-materials and something we can share with WWF.

X: Yes, but the difference in terms of action is interconnected. About manufacturing supplier we have a code of conduct already signed, we have carried out all the audits, requirements signed by the suppliers. We have an actual plan, and improvement plan. We have also carried out many hours in terms of, with the scope to train all our suppliers and sub supplier. And the number of our suppliers and sub suppliers are very high, around 3000. So, we are working a lot.

About the raw material supplier, now, we are going to complete the map in terms of the regions of our raw material and the name of our suppliers. Because sometimes the first supplier is a bit in trouble to give the name of the suppliers that they use to buy the material. Because it is a bit confidential information. So, it's a cultural problem that we need to put in place. Because we need this information for an ethical decision, but we need to trace and to know because our consumers want to know more and more information of the region of our material, and also our customer need to be sure that or guarantee that the region of the raw material is a sustainable region and under our control.

Collection the data and map the suppliers. We know some already, especially for the leather supplier, bovine leather. But again, this is a huge challenge for us. Because these suppliers are in the critical countries. Critical in terms for the environmental and social impact. More challenging, but we absolutely need to do this, map our suppliers to understand.

Y: We will define the concept of traceability and the communication to the consumers. Internal traceability and how to reach this to the consumers. Interview of auditors, and what consumers expect from luxury consumers of sustainability. But also as a company make a demand for sustainability from the customers.

How should we bring it to the consumers? Or in the store etc.?

X: I think it would be useful to investigate the level of awareness in the CSR and sustainability topic for the luxury customer. If the customer is interested to be given more and more information. Any suggestion of the expectation of the customers. Social information? Environmental? Etc.

Not more than 3-4 subjects. Presented by a representative number, and preferably from different cultures. To see the sensitivity in the CSR demand. Would be interesting to define the different profiles of the customers. It will be useful for us, because one of the biggest challenges for us is to develop a strategy in line with the CSR strategy, but a strategy customized for the different regions. The framework the same, but priority may be different.

Y: We should select the main markets, or else it's too big.

X: About the population. We have a list of our customers, but I am not sure. I have to check quickly if I can give access.

Y: We could pick maybe 2-3 countries, and focus the attention on those countries. Good with Italy, can go to La Rinascente and give questionnaires over there. Or outside or inside the Gucci store. Otherwise Facebook, but problem with FB not real clients only people who like. Not in line.

X: If not client base, then plan B. But it would be interesting to have 30 customers from China etc. 30 because it's the magic number. I think the most effective solution is to use the client base, I can check and ask my colleague to choose some customers. I think it would be important to have an interview or an email. I don't know. Maybe phone.

Y: It's good with qualitative and quantitative.

Y: I think it would be good to have a qualitative first, to see which questions to include in the quantitative. But what if we have main markets with questionnaire and have a focus group in Italy?

Y: Yes, I think she is very busy, so we will talk about this later. More structure with questionnaire.

X: But it's sensitive. I can maybe ask the store manager to distribute questionnaires.

Y: But you can approve the questionnaire first.

X: This is very delicate. Another thing to investigate is how to spread the sustainability work, and customize for each country. And third, our costumers. I am not so confident to move in this field.

Y: we will try to do this, or then we change the strategy from A to B.

...

X: We should go on to speak about the deadline, because I have a strong month in july, and I have not enough time to dedicate.

Y: We where thinking to go to Florence. So you do not have to come to Milan.

X: Yes, but I need to share with the other colleagues, because July is a terrible months because in August the company close. We need to spend our vacation, so August could be a good month for us for collection of information.

Y: Intermediate solution should be in July.

X: July is for benchmark etc.

Y: End of July is best.

...

Y: Have you ever collaborated with other luxury companies?

X: On the traceability, there is a lot of cooperation. We are part of the group: SLWG. Also other luxury companies are part of this group. But in this group we started to speak about python skin. We started talking about python because of a Swiss documentary about slaughter of python. Show a very critical situation of python. There is no type of farm, python is only taking from nature → biodiversity problem and the slaughter of the animal is very brutal. So the first topic was related to python, but now it also includes other material. For example Louis Viutton, Richemond etc are part of this group. But we want to go on independently. We have a shared policy in this group.

Paula can help you with information, She is dedicated to communication.

Its important, because now we have the list of documents giving to you.

We will use this to go deeper.

Y: In order to make a gap analysis, we need some documents from you.

X: We don't have any other documents on other, because we are working with it now. But I can give you a website.

It would be interesting to see what other luxury companies is doing.

Y: Is there any critical raw material?

X: Yes, exotic skin, like python, and.. but I think this question is to ask WWF and also other organizations like Greenpeace, Human Society and Animal Welfare.

But the confidentiality?

Y: Yes, we will sign it.

X: Its very important, because we are discussing with all these NGO, and the relationship is very good. I can introduce you to them. I think it's better if I introduce, because I have a good relationship with Greenpeace and Human Society.

...

Y: Do you want us to contact the Bolzano University about retailing?

X: Yes, because one of our target is increase communication that is one of our targets. So, absolutely yes.

Y: So when we look at best practice we can look at different industries connected to your targets?

X: Yes, find a good channel to find various information is absolutely important. Find lead certification is important, according to Life Cycle Analysis. So any good updated information is useful.

...

END

Appendix 2: Overview of the six methods to integrate CSR

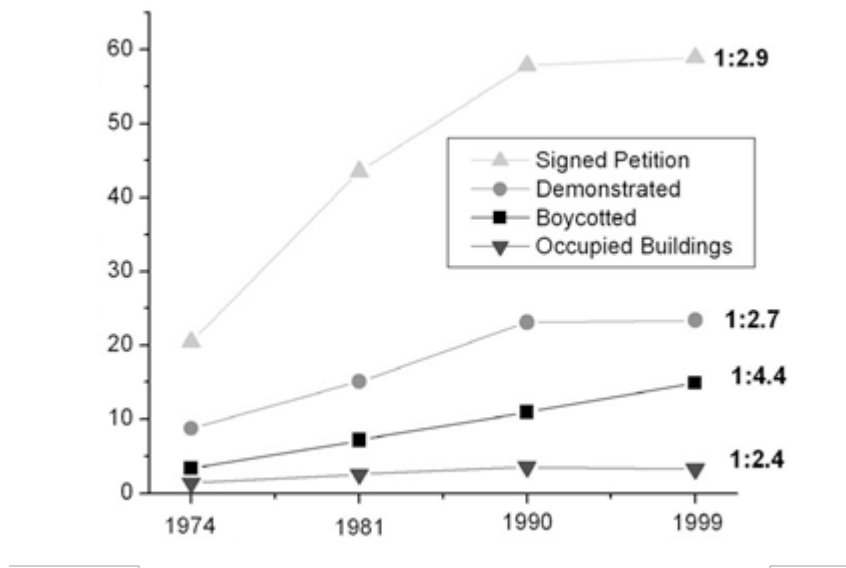
CSR initiative:	What it is:	Examples:
<i>1. Cause Promotion</i>	A corporation provides funds, in-kind contributions, or other corporate resources to increase awareness or concern about a social cause.	<i>Nordstrom</i> : Increased awareness around diversity with art shows in selected stores and public relations in collaboration with

in a company with examples

		professional black photographers.
<i>2. Cause-related Marketing (CRM)</i>	A corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product sales.	<i>Gucci</i> : A certain percentage of sales of the special edition Gucci for UNICEF bags donated to “Schools for Africa” in collaboration with UNICEF.
<i>3. Corporate Social Marketing</i>	A corporation supports the development and/or implementation of a behavior change campaign intended to improve public health, safety, the environment or community well being.	<i>Levi’s</i> : The “Go Water<LESS” campaign, encouraging people to reduce water consumption in collaboration with Water.org.
<i>4. Corporate Philanthropy</i>	A corporation makes a direct contribution to a charity or cause, most often in the form of cash grants, donations, and/or in-kind services.	<i>Rolex</i> : Support individuals who are innovators and contribute to the betterment of humankind through the Rolex Awards for Enterprise.
<i>5. Community Volunteering</i>	A corporation supports and encourages employees, retail partners, and/or franchise members to volunteer their time to support local community organizations and causes.	<i>Timberland</i> : The “Path of Service” program that gives full-time employees 40 hours of paid community-service time per year.
<i>6. Socially Responsible Business Practices</i>	A corporation adopts and conducts discretionary business practices and investments that support social causes to improve community well being and protect the environment.	<i>Patagonia</i> : Dedicated to the preservation of the planet with initiatives such as “1% for the Planet” and “Common Threads”.

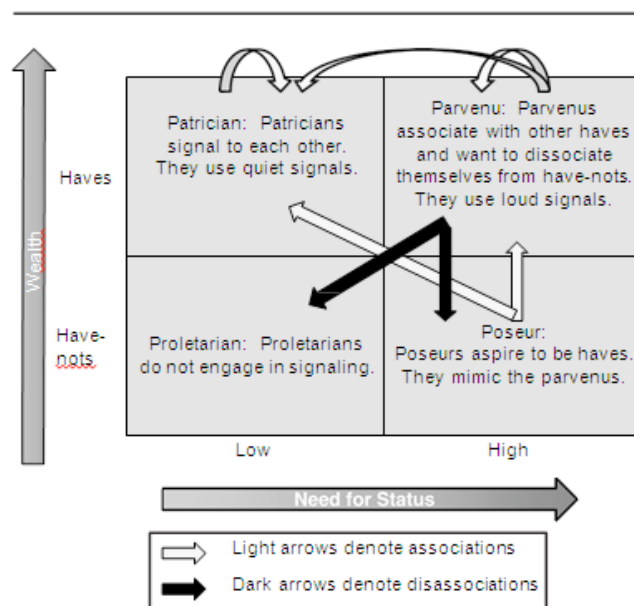
(Kotler & Lee, 2005)

Appendix 3: The Rise of New Forms of Political Participation



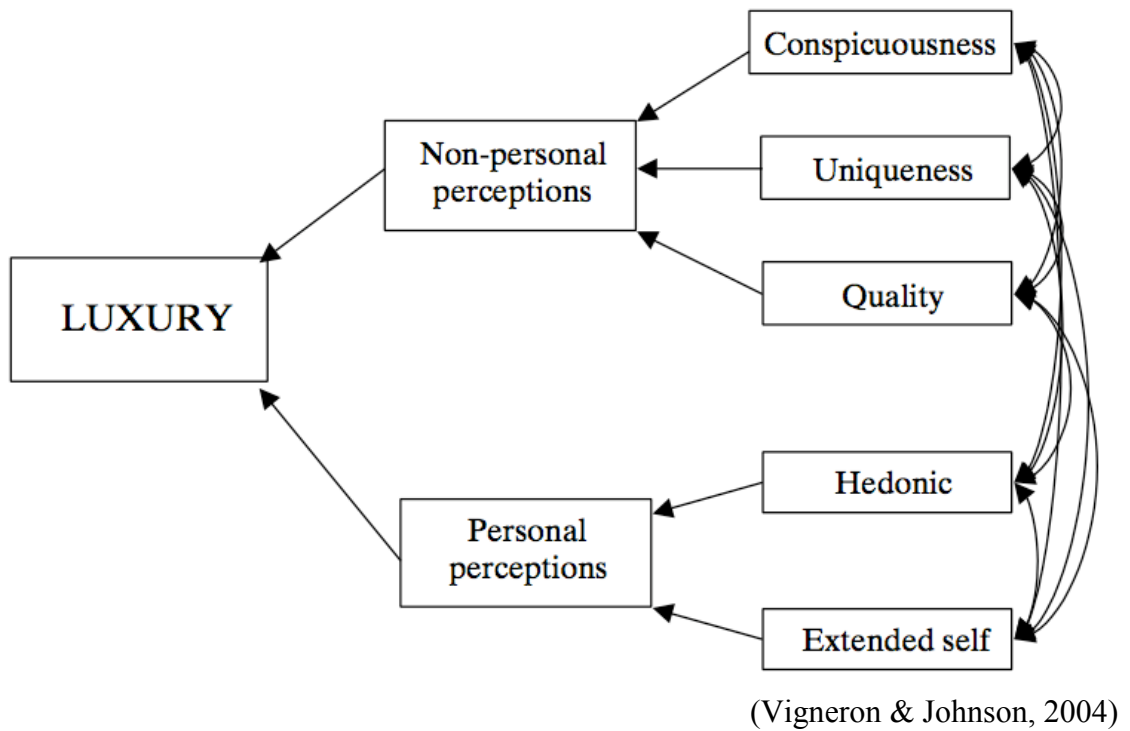
(Micheletti, Stolle & Hooghe, 2005)

Appendix 4: Signal Preferences and Taxonomy based on Wealth and Need for Status

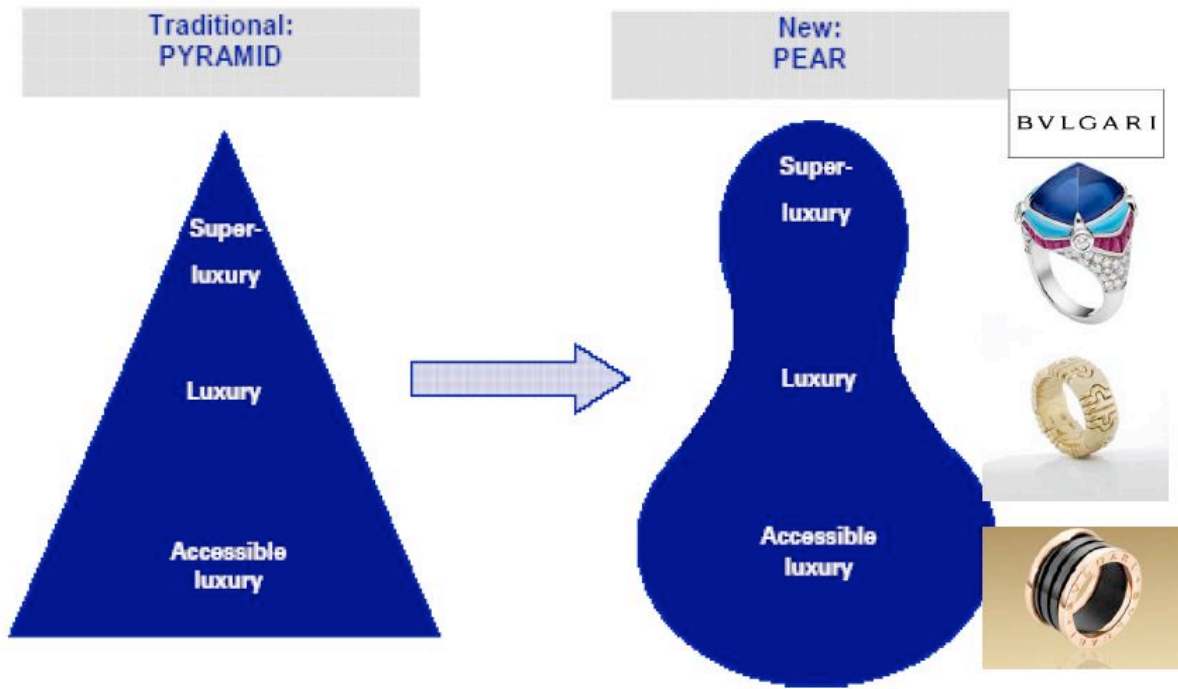


(Han, Nunes & Drèze, 2010)

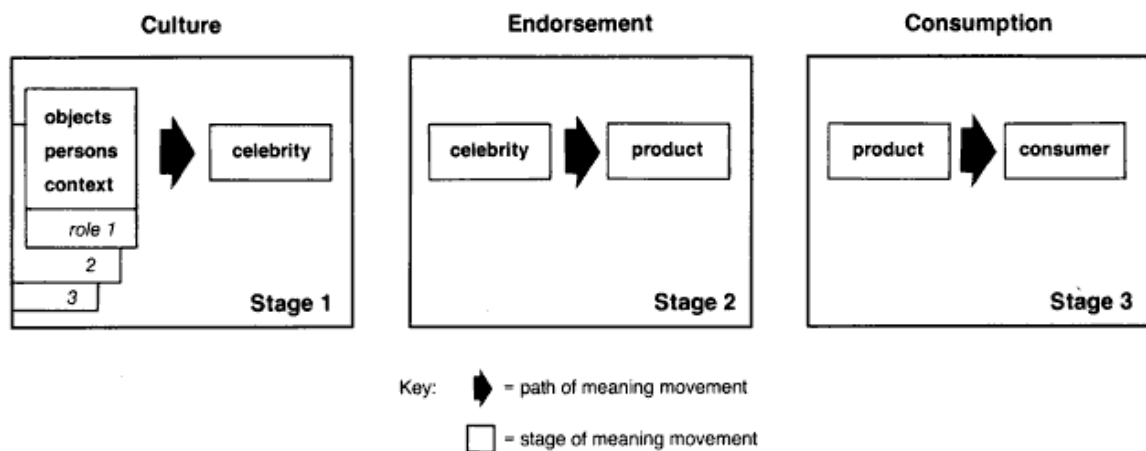
Appendix 5: The Five Key Luxury Dimensions



Appendix 6: The Vertical Diversification Processes of Luxury

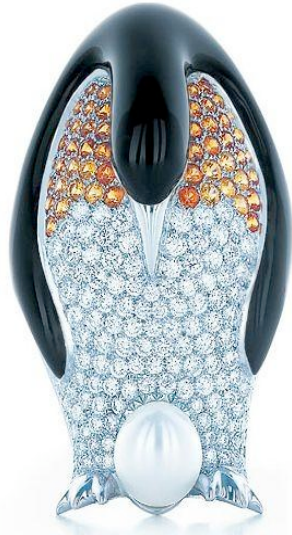


Appendix 7: The Meaning-Transfer Model



(McCracken, 1989)

Appendix 8: Product Designs by Tiffany & Co



(Facebook.com/Tiffany&Co, 2012)

Appendix 9: “Under the Sea” Tiffany & Co Shop Windows



Appendix 10: The Open Letter in the Washington Post

DAILY 03-24-04 MD RE A11 CMYK

THE WASHINGTON POST

NATIONAL NEWS

WEDNESDAY, MARCH 24, 2004 A11

NATION IN BRIEF

Ore. County Backs Off On Same-Sex Marriage

FORTLAND, Ore.—Faced with the threat of a lawsuit, an Oregon county that had been poised to become the state's second to issue marriage licenses to gays has now backed off until courts intervene.

Commissioners in Benton County, home to Oregon State University and the liberal city of Corvallis, decided on Monday to stop issuing all marriage licenses until a court rules on whether gay marriage is legal in Oregon.

Attorney General Hardy Myers sent Benton County commissioners a letter stating that the state is "unopinionated to initiate a lawsuit were they to proceed as proposed," said Kevin Neely, Myers's spokesman.

Benton County commissioners later said they were "respecting the attorney general's request" by postponing the issuing of licenses for same-sex marriages.

The county had been poised to follow Multnomah County, the state's most populous, which has issued more than 2,400 licenses to gay couples since March 3.

■ **ALREAD, Ark.**—Law enforcement officers concentrated on 50 acres in the Ozark National Forest in search of two men wanted for wounding a state trooper who was trying to serve warrants on them. Convicted felon Mark Holcomb, 49, and William J. Frazier, 26, who lived in a makeshift cabin off a dirt road, became the target of the search after a shot fired from their hut Monday morning hit Trooper Charles Edmonson in the arm. Officers initially believed they had the men isolated in their 100-square-foot hut in the Ozark Mountains of north central Arkansas. The men's disappearance went undetected for 10 hours after shots were exchanged.

■ **BOWLING GREEN, Ky.**—One of two men charged in a fatal dorm room attack on a Western Kentucky University freshman pleaded guilty to murder and rape and will testify against his co-defendant. In exchange for Stephen Soules's guilty plea, he is to be sentenced to life in prison without possibility of parole, said Warren County Assistant Commonwealth Attorney Chris Cochran. Soules agreed to testify against Lucas Goodrum, Cochran said. Goodrum has pleaded not guilty and is being held without bail on charges of murder, rape, sodomy and arson. Soules and Goodrum, both of Scottsville, were charged with raping and killing Katie Autry, a freshman from Pulville, in May.

■ **SAN DIEGO**—The Coast Guard said it seized more than 14 1/2 tons of cocaine from fishing boats off the coasts of Mexico and Ecuador, the most ever found by a cutter during a single patrol. Twenty-four people were arrested in three separate seizures during the Midgitt's two-month deployment. All have been turned over to federal authorities for prosecution. The largest bust occurred Feb. 21 about 325 miles south of Acapulco, Mexico, when the Coast Guard found 214 bales of cocaine weighing about 10,700 pounds. The cutter's crew of 167 stopped in downtown San Diego to unload the drugs on the way to Seattle, where the vessel is based.

—Compiled from reports by the Associated Press

TIFFANY & CO.

To: Dale Bosworth
Chief, U.S. Forest Service

Re: Preserving the Cabinet Mountains Wilderness

Dear Mr. Bosworth:

Given your previous assignment as Regional Forester in northern Montana, you know well the stark beauty of the Cabinet Mountains Wilderness area, a distinctive precinct of the Kootenai National Forest. You are also familiar with the dispute over a plan to allow construction of a mine that would dig three miles of tunnels under those mountains so that copper and silver could be extracted over three decades.

Forest Service officials in the region have approved the Rock Creek project in concept despite vehement opposition by a coalition of local, regional and national conservation groups, along with local business representatives, public officials and ordinary citizens. The opponents' fears are justified.

This huge mine would discharge millions of gallons of waste water per day conveying pollutants to the Clark Fork River and ultimately into Lake Pend Oreille in Idaho, a national treasure in its own right. Vast quantities of mine tailings—a polite term for toxic sludge—would be stored in a holding facility of questionable durability. Wildlife already struggling to survive would face new perils.

Other disputes of this nature, involving public lands administered by the Forest Service or the Bureau of Land Management, are too often settled in favor of developers because statutes and departmental regulations tilt that way. The 1872 General Mining Act is a particularly egregious example. Enacted to encourage rapid development of sparsely settled regions at a very different stage in American history, this obsolete law virtually gives away public lands and the minerals under them to private interests. It remains a perverse incentive for mining in wilderness areas, near scenic watersheds, around important cold water fisheries, and in other fragile ecosystems—all of which are inappropriate for mineral development.

The Rock Creek proposal still faces some regulatory hurdles, as well as legal challenges in both state and federal courts. As the process unfolds, Rock Creek may well become an important icon in what I hope will be a growing national debate over responsible mining policies. That debate must take into account the reality that public land has multiple uses, and some of our most significant land should be protected from mining. This precious real estate should be available to Americans with diverse interests including hunting, fishing and hiking in unspoiled areas.

We at Tiffany & Co. understand that mining must remain an important industry. But like some other businesses benefiting from trade in precious metals, we also believe that reforms are urgently needed. Minerals should—and can—be extracted, processed and used in ways that are environmentally and socially responsible. Government and industry each has a role to play in shaping sensible measures to achieve this goal.

As this effort goes forward, I hope that we can look to the Forest Service and its sister Federal agencies for cooperation. Three years ago, you told the House subcommittee, "The Forest Service should be judged by how we leave the land..." All of us who have any influence on how public lands are used should be judged by the same criterion.

Michael J. Kowalski
Chairman of the Board and
Chief Executive Officer
March 24, 2004

Lose your suit, not your status.



Fly with Ted™ and get Mileage Plus® miles, as well as extra legroom when you're seated in Economy Plus®. It's all the perks and a great price. Book now for flights that start April 7. Ted. Part of United.

flyted.com

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(The Washington Post, 2004)

Appendix 11: Advertisement in National Geographic

© 2012 TIFFANY & CO.

TIFFANY & CO. CELEBRATES
BRISTOL BAY, ALASKA
ONE OF AMERICA'S
PRICELESS TREASURES

The Bristol Bay watershed is the spectacular home of America's greatest wild salmon fishery and one of the most beautiful and pristine places on earth.

This is why Tiffany & Co. is so concerned about the proposal to locate an enormous gold and copper mine in the very heart of this watershed.

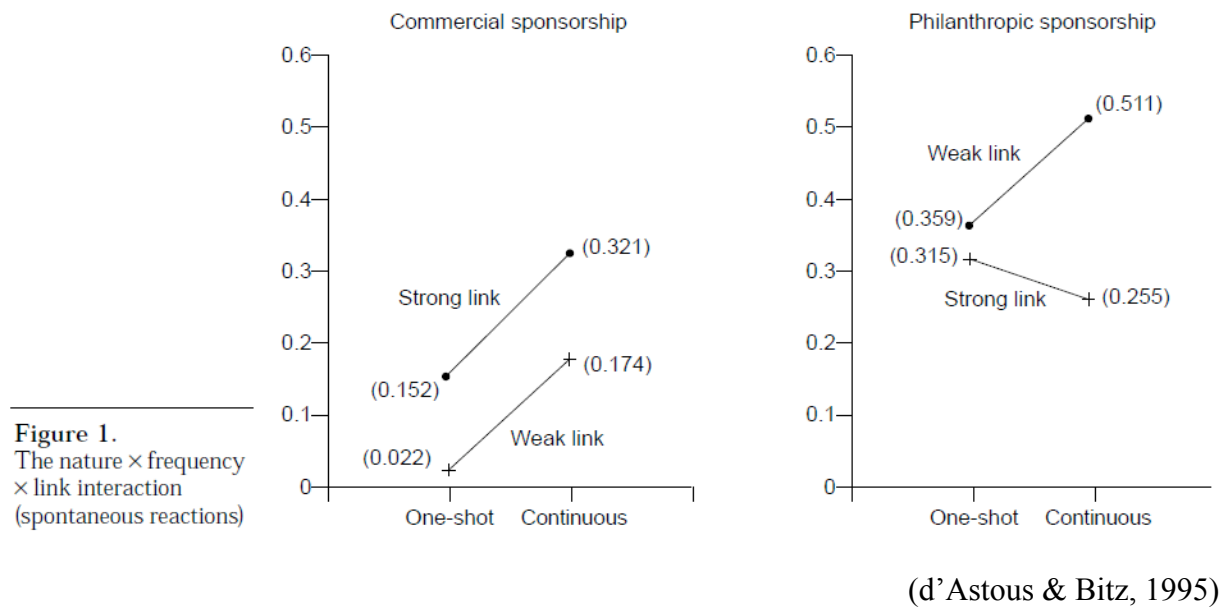
Tiffany & Co. and other jewelers have publicly announced that we will not use gold from the proposed Pebble Mine. Tiffany's experience in over 173 years of sourcing gemstones and precious metals tells us that there are certain places where mining cannot be done without damaging the landscape, wildlife and communities.

Bristol Bay is one such place.

As we weigh the inevitable risks against the promised reward of the Pebble Mine, we know there will be other gold and copper mines to develop. But we will never find a more majestic and productive place than Bristol Bay.

(Tiffany, 2012a)

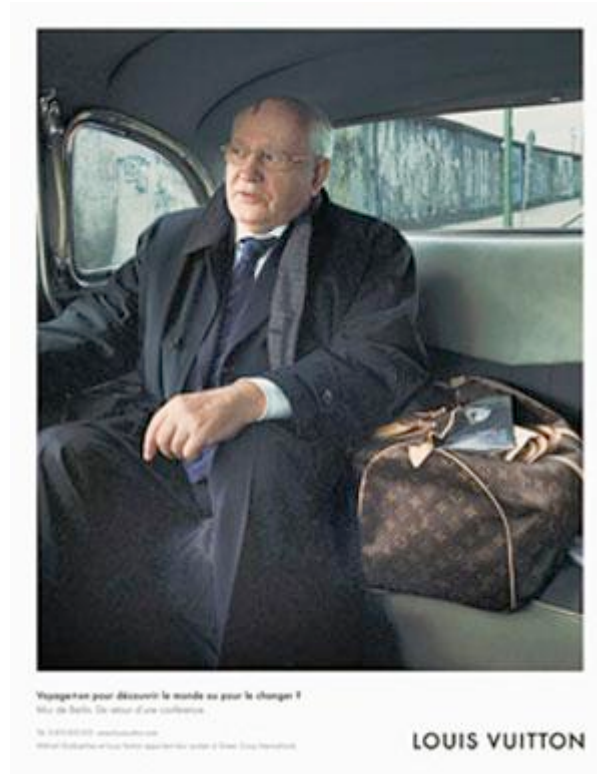
Appendix 12: Consumer Evaluation of Sponsorship Fit



Appendix 13: Traditional Tiffany & Co advertisement images



Appendix 14: Mikhail Gorbatsjov for Louis Vuitton



Appendix 15: Examples of the “Journeys” campaign photos



Every journey began in Africa. Ali and Beno wear Eden, Ali carries the Louis Vuitton/Eden collaborative bag. Profits from the bag as well as Ali and Beno's fee, benefit Conservation Cotton Initiative Uganda.

Follow Eden with Ali and Beno on <https://www.instagram.com/loisvuitton>

LOUIS VUITTON



Some journeys cannot be put into words. New York. 3 a.m. Blues in C. Keith Richards and Louis Vuitton are proud to support The Climate Project.

Tel. 020 7399 4030 www.louisvuitton.com

LOUIS VUITTON



Celebrate their odyssey into space at louisvuittonjourneys.com

Some journeys change mankind forever. Sally Ride, first American woman in space. Buzz Aldrin, Apollo 11, first steps on the moon in 1969. Jim Lovell, Apollo 13, commander.

Louis Vuitton is proud to support The Climate Project.

LOUIS VUITTON



Être chez soi ce n'est pas un endroit, c'est un sentiment. Troisième prise, dernier jour de tournage, Paris.

Catherine Deneuve et Louis Vuitton appuient leur soutien à The Climate Project.

Tel. 0 810 810 010 www.louisvuitton.com

LOUIS VUITTON

© Louis Vuitton



Trois parcours exceptionnels pour un match de légende. Café Maravillas, Madrid.
Retrouvez Maradona, Zidane et Zidane sur louisvuittonjourneys.com

Scène fictionnelle inspirée par Zidane & The Chinese Project

LOUIS VUITTON



A single journey can change the course of a life. Cambodia, May 2011.
Follow Angelina Jolie on louisvuittonjourneys.com

LOUIS VUITTON

Appendix 16: Bono and Ali Hewson ad busting



Every journey begins in Africa. And ended in New York, Paris, London, and Milan.
Ali Hewson and Bono's inspiration: the 1950s road-trip culture. At center the Louis Vuitton Eton-Industrie bag.
and the spirit of the classic LV travel bag.
Profits from the bag go to the Ali and Bono's fund, the Commission for Africa which helps create the life of children.

Follow Ali and Bono at www.alibono.com
Follow @alibono on Twitter and Instagram.

LOUIS VUITTON