

The risk of harnessing the media in communicating sustainable development

**Birgitta Schwartz, PhD, Mälardalens Högskola, EKI, Box 883, 721 23 Västerås, Sweden.
E-mail: birgitta.schwartz@mdh.se**

Paper to be presented at the 10th International Conference of the Greening of Industry Network, 23-26 June 2002 in Göteborg, Sweden.

Introduction

How do companies contribute to the environmental and social responsibility discourse and what must they be careful about in this process? The question will in this paper be discussed with the example of how The Body Shop harnessed the media in its marketing activities and for putting pressure on other actors such as the politicians and the competitors to be more environmentally and socially aware.

The story of The Body Shop is presented as a play, which is divided into three acts. The scenes are characterized at different time periods by different degrees of environmental awareness. The actors are The Body Shop and other companies and organizations that are included in the company's organization field¹, and in each act the company or another actor plays the leading role.

The Body Shop play: The environment as a mission

The company The Body Shop has the leading role in this presentation. The company choose to present itself as an example how to work with environmental issues both internally and externally. The Body Shop focuses on its identity as a missionizing company.

Prologue: A new actor's entrance into the stage

Before the play starts, the cosmetics industry act in an environmentally insensitive scene and they can be characterized as not taking interest or responsibility in environmental or social issues. For example actions such as animal testing in product development is a common and accepted method. Environmental issues are influencing the public debate in the 1970-ies and in 1976 The Body Shop enters the stage and with the company's values regarding the environment, animal treatment and human rights, it questioning the existing values and rules in the branch.

Act 1: The scene adjust to the actor

The Body Shop formulate, manufacture and retail skin- and hair care products that are naturally based and biodegradable. The Body Shop's ideology and its concept of success are characterised by the values of Anita Roddick, the founder and former managing director. In

¹ Organizations are embedded in organization fields (DiMaggio and Powell 1991; DiMaggio 1983) and in this paper politicians, public authorities, environmental organizations, journalists, investors, customers, competitors and suppliers are important actors in The Body Shop's organization field. The organization field is characterized by the institutional life of environmental debate and the organizations' involvement in environmental and social issues. New institutionalism emphasize that organizations in an organization field create institutions when they interact with each other and then they are influenced by these institutions (DiMaggio and Powell, 1991).

this company the leader's identity has been connected with the company's identity and the leader's ideology has become the company's ideology. The Body Shop acts regarding to its values and in the full conviction that it is acting in the right way. The ideology "Profits with principles" stands for honesty, integrity and caring and has become a part of the business activities which has created a strong identity both to the staff and customers to actively engage in environmental issues. This identity is the basis for The Body Shop to influence other actors in its organization field "everyone should be as we" and to change the scene.

The Body Shop acts with the help of employees and customers with campaigns often together with environmental and human rights organizations, uses petitions and demonstrations in order to influence. One example is the campaign 'Against Animal Testing' which was directed to the EU commission and its efforts to introduce animal testing as a quality standard in the cosmetics industry. As part of the campaign The Body Shop collected 2.6 million names from customers in the UK for a petition to the European Parliament against animal testing. The result was that the international regulations, including EC regulations stated that there is no specific requirement for animal testing for cosmetic products put on the market (Body Shop Animal Testing Fact Sheet, June 1990). The campaign changed both the EC proposal for new legislation and the behaviour of an increasing number of other cosmetic companies which no longer use animal testing. The campaign also reflects on The Body Shop's suppliers. The company decided that no supplier's products were welcome if that supplier had used animal testing within the last five years, but they were to be welcomed back if they stopped. Other examples of campaigns run in a similar way are: 'Save the Whale' together with Greenpeace, 'Acid Rain', 'Think Globally, Act Locally', 'Ozone or No Zone', 'Vanishing Countryside', 'Tropical Rainforest' together with Friends of the Earth. The Body Shop has an active policy of 'Trade not Aid', which means that the company has developed projects and is exploring trading links with countries in the third world. The way of influencing public policy and to create pressure on the politicians with the help of campaigns gives The Body Shop a great deal of publicity in the mass media.

In this act The Body Shop does not take any newspaper or television advertising about its products or its campaigns. Instead, it uses the shops, its staff and most important the journalists to spread its message. The written articles and television documentaries about the company and its environmental and social activities and about Anita Roddick herself are more emphasized than the production and the products. The journalists have with their articles helped to create the company's image as an environmentally and socially aware company.

In this first act is The Body Shop the dominating actor and through its actions such as campaigns and developing and producing environmentally aware products it tries to create an environmentally aware scene. This new scene can thus influence other actors in the organization field and make them change their behaviour in accordance with the character of this scene. The Body Shop acts according to its identity and also tries to create a scene, which is consistent with its identity. But, its strong involvement in the environmental debate makes own demands on The Body Shop's business.

Act 2: The audience want more!

In this act an American journalist enters the environmentally aware scene in 1994 and in an article about The Body Shop in the magazine Business Ethics he criticized the company and showed that the identity was not consistent with the company's actions and this created a gap between the company's profile and image. The journalist showed for example that the "Trade

not Aid” projects had a very small amount of The Body Shop’s total turnover but a large part of the ethical marketing activities. He criticized the Against Animal Testing five-year-rule and claimed that it was ineffective though it usually took five year from testing to selling a new product. He criticized the products and the production processes and also how The Body Shop exploited its employees. The image of an ethical and morally company was too strong and this led to an image crisis though The Body Shop could not maintain its image as an environmentally responsible and missionizing company and could not fulfil its own demands which the company puts on itself in the previous act 1.

Those actors, which were mainly influenced by the criticism in the article, were the ethical investment funds in the USA and UK. Some of them sold their The Body Shop shares, which led to a 15% fall of the share price. The ethical investment funds identified The Body Shop as not ethical, which was a hard blow to the company’s identity. Notably, the customers seemed not to come to the same conclusion, they continued to buy the products. Some reactions were that they were of the opinion that The Body Shop was more engaged in ethical issues than the competitors, or that the customers always had been a little sceptical regarding the image. Other reactions were that the customers liked the products and did not care about the image. Another explanation can be that the customers themselves buy an identity, not cosmetics, at The Body Shop and will for that reason maintain the environmentally aware and missionizing image (Schwartz, 1997).

The Body Shops reactions to the massive critique in the article was that the chairman Gordon Roddick sent out a defence report to all Business Ethics 14,000 subscribers before the article was published. In this report he claimed that the journalist was wrong in his critique and explained why. Gordon Roddick claimed for example that,

The Body Shop restates its powerful commitment to charitable endeavours and sets out its efforts to be environmentally responsible, acknowledging that any industrial or commercial activity involves some adverse environmental impact (The Financial Times, 29th of August 1994).

In this act The Body Shop must fulfil its identity as an environmentally aware and missionizing company and is tempted to act directly at the scene. But, the company is not able to influence the audience that The Body Shop is right and not the journalist.

One explanation to the image crisis can be that The Body Shop mainly let the journalists spread its ideology instead of also presenting it for example with the help of advertising. Another explanation can be that The Body Shop’s management was not aware of changes among the actors in the organization field and that the scene had become even more environmentally demanding. Critical persons have also been locked out from the company though to the recruitment policy for new staff and new franchisers. Only those who shared the company’s ideology and values have been recruited. The company protected itself from the critics instead of listen to them.

Act 3: The actor adjust to the scene

Due to the fact that The Body Shop’s defence report did not have any effect on the ethical investment funds the company changed its actions. The Body Shop enlarged the board with two external members, one was the CEO for Coca Cola in the UK and Ireland the other person was a retired American Express director. The company changed its five-year-role against animal testing to a fixed date and will not purchase any product which have been tested on animals since 31/12 1990. The Body Shop changed its former policy of not

marketing the company or the products with the help of traditional advertising. The company started after the image crisis cooperation with a public relation company in order to marketing its products. This can be seen as The Body Shop wants to control how the message about the company, the products and the ideology is spread and not only trust on the journalists as messengers.

In this act The Body Shop tries with its new actions to fulfil the expectations on its environmental missionizing identity from the environmentally demanding scene. But, it still uses campaigns and projects in order to transfer its philosophy to other actors in its organization field regarding the environment, animal treatment and human rights with the help of employees and customers. These actions can be explained with automorphism (Schwartz, 1997), that the company uses the same strategy over and over again, a strategy, which during the company's history has been successful and legitimate in the organization field.

How do companies contribute to the environmental and social responsibility discourse?

It is a complex process the companies face when they must adapt to the surrounding world's growing environmental consciousness and demands. The companies tries at the same time to reach legitimacy through their actions which means that they strive for consistency between themselves, their actions and their surrounding worlds in order to be trustworthy in their organization fields. Most organizations are involved in several organization fields, ruled by different institutions, which means that organizations are often confronted with contradictory demands. For example in one organization field environmental values are important and in another field market values are dominating the institutional life.

Furthermore, the basic assumption of institutional theory is that organizations are both the cause and the effect of what is happening in the whole organization field (Czarniawska-Joerges 1992b). Through their actions, organizations create, recreate and change the institutions in an organization field. This means that in their interactions with each other, they either control or are controlled by the other organizations, which influence the institutional frame in the organization field (Czarniawska-Joerges 1992b; Schwartz, 1997). What then are the effects of the companies' patterns of behaviour on their organization fields? Well, they contribute to the institutionalisation of these patterns of behaviour. Every time the company meets with success when using a certain action or strategy, then this means another step forward in the institutionalisation process, that is, the process in which routine and legitimacy lead to certain strategies and actions becoming self-evident and taken-for-granted.

In the first act The Body Shop created an environmental aware scene through its actions, which were consistent with The Body Shops environmental aware identity. This new scene influenced other actors in the organization field to be more environmental aware. For example other cosmetic companies stopped to use animals for testing new products and natural based products became more popular. Thus, an institutionalisation does not only occur in the organization field, but even in the company itself. Environmental and social values are institutionalised both within and outside of the organization. The Body Shop has for example implemented an environmental management system and the position of an environmental manager, actions which have become more and more institutionalised in the organization field. Another example of this is the refilling system, which was invented for economic reasons, later on was translated by The Body Shop to be an environmental aware action. All these actions gave The Body Shop legitimacy in an organization field characterized by

increased environmental awareness. Thus, it is appropriate to talk of two aspects of the institutionalisation process: the one within the organization field, and the one within the organizations of the organization field. These two aspects of institutionalisation support one another, as that which is legitimate and taken-for-granted out in the organization field becomes legitimate and taken-for-granted in the company and vice versa. In this way it is possible to say that the companies become agents of the institutionalisation process, which occurs in the organization field. They do this by establishing the institutionalisation that occurs on the outside, within their organizations. (Schwartz, 1997)

The Body Shop has originated from its organization field's institutionalisation of environmental values and therefore adopts and uses the environmental wave in its mission statement, which is one of the reasons for the company's successful concept. The Body Shop often takes the role of "good example" in the organization field's institutionalisation process with its campaigns. Thus, The Body Shop has identified itself with environmental organizations and other human rights organizations and has become a part of the environmental and moral opinion as we have seen in the first act. The other actors in the field assume that The Body Shop is always in the frontline of environmental action and they expect The Body Shop to be better than themselves. However, problems can arise when the company's image does not match the profile the company has launched together with the help of journalists. The journalists were more interested of presenting The Body Shop's unique activities such as the trade-not-aid projects instead of more common business activities. This gave the effect that people interpreted these kind of activities as more important for the whole business than they actually were. The Body Shop's identity as an environmentally aware actor proceeded faster than its own actions, which were pointed out by the critical American journalist in the second act. It is therefore important for companies to control their own communication in order to not be harnessed by the mass media. This was a lesson The Body Shop learned by the image crisis and in the third act the company changed its earlier philosophy of only using journalists and their articles as messengers of the ideology. Nowadays even advertising activities are legitimate in The Body Shop, which shows that the company adjust to other institutions, such as more common PR-activities, used in the organization field.

The result of the image crisis was that The Body Shop had to try to slow down the scene changes which were proceeding too quickly and which they themselves have contributed to. The scene became even more environmentally demanding than The Body Shops actions could correspond to. This shows that it is important to fulfil the demands a company can put on itself when it criticize other companies in its organization field, in order to be trustworthy and gain legitimacy from the organization field and to make it possible to put even stronger environmental demands to the actors in the field (Schwartz, 1997). Another paradox is that if all the competitors were to do the same things as The Body Shop (engage themselves in environmental and social activities and contribute to humanising the business society), which is one of the company's messages, then it would not differ from the other companies, which would lead to problems. This is because The Body Shop's success relies on it being different and fighting for values which its competitors have not adopted: the key to The Body Shop's success lies in its uniqueness.

How organization fields' institutionalisation processes develop depends on how all the organizations act in an organization field; this also includes their attempts at controlling and influencing one another. The organizations whose patterns of behaviour become institutionalised, gain an increased legitimacy, which can then be used both inwards and

outwards in the organizations' future control attempts. In these interdependent institutionalisation processes, within the companies and within the companies' organization fields, it is important for each company to find a balance between the institutionalisation process within the organization field and their own acceptance of the process. This is important if the companies are to avoid even higher environmental demands and legitimacy problems. Therefore, companies should act consistently in their plays, if they want to gain their audience's trust.

References:

Czarniawska-Joerges, B., 1992b, *Styrningens paradoxer, scener ur den offentliga verksamheten*. Stockholm: Norstedts Juridikförlag.

DiMaggio, P. J., 1983, 'State expansion in organizational fields' in *Organizational theory and public policy*. R.H. Hall and R. E. Quinn (eds), 147-161. Beverly Hills: SAGE.

DiMaggio, P. J. and W.W. Powell, 1991, 'Introduction' in *The new institutionalism in organizational analysis*. W. W. Powell and P. DiMaggio (eds), 1-38. Chicago: The University of Chicago Press.

DiMaggio, P. and W. W. Powell, 1991, 'The iron cage revisited: institutional isomorphism and collective rationality in organizational fields' in *The new institutionalism in organizational analysis*. W. W. Powell and P. DiMaggio (eds), 63-82. Chicago: The University of Chicago Press.

Schwartz, B., 1997, *Det miljöanpassade företaget: strategiska uppträdanden på den institutionella scenen*. Stockholm: Nerenius & Santérus Förlag.

'The Body Shop document pre-empts expected US attack'. *The Financial Times* 29/8 1994.

The Body Shop International PLC, June 1990, Animal Testing Fact Sheet.