# (Un)coolest Monkey in The Jungle -When Ads Turn Against Their Creators **MANAGEMENT DECISIONS**

The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

## How H&M responded to the incident

The H&M CEO Karl-Johan Persson had a wide array of options at hand that he presented to the H&M board and in the end, H&M pursued several intertwining strategies. In addition to linking HR, PR and social media marketing activities, they implemented both immediate and long-term actions to mitigate the crisis their controversial advertisement had evoked and to avoid similar future mistakes.

### **Short-term Actions**

H&M responded to the event within the same day by removing the controversial piece from both their online and offline sales (to be recycled). Additionally, the company made a public apology on both Facebook and Instagram. The long version of their "unequivocal apology for poorly judged product and image" was posted one day after the incident as a press release on their website. In the press release, H&M alluded to their otherwise very high standards in terms of corporate social responsibility and especially in regards to diversity and admit repeatedly that they "have not lived up to this responsibility this time".

In the wake of protesters vandalising H&M stores in South Africa, the fashion retailer closed all its eight South African stores for "the safety of our staff and customers" as they explained in a one-liner that was published as their second press release related to the incident: "We strongly believe that racism and bias in any shape or form, deliberate or accidental, are simply unacceptable. We stress that our wonderful store staff had nothing to do with our poorly judged product and image."<sup>2</sup>

In addition, H&M made use of third parties for positive PR. In particular, they published a statement featuring the parents of the child that had modelled the ad. In social media posts and TV interviews the mother and father of the 5-year old Mango repeatedly emphasised that they did not believe the ad was meant to be racist and had not taken any offence: "I'm the mum and this is one of hundreds of outfits my son has modelled... stop crying wolf all the time, unnecessary issue here... get over it."<sup>3</sup>. Furthermore, celebrity and English TV-presenter Saira Khan also defended H&M, saying she would buy the hoodie for her own son.

 $<sup>^{\</sup>rm 1}$  http://about.hm.com/en/media/news/general-news-2018/h-m-issues-unequivocal-apology-for-poorly-judged-product-and-ima.html

 $<sup>^2\</sup> http://about.hm.com/en/media/news/general-news-2018/update-on-the-current-situation-in-our-stores-in-south-africa.html$ 

<sup>&</sup>lt;sup>3</sup> https://www.dailywire.com/news/25746/mother-kenyan-boy-who-modeled-racist-hm-hoodie-amanda-prestigiacomo#exit-modal

### **Long-term Actions**

As a HR related response, the Swedish fashion brand created a new position for a diversity leader, appointing Annie Wu as Global Leader for Diversity and Inclusiveness. The American lawyer with Chinese background has worked in HR at H&M since 2012 and is to take over this new responsibility in addition to her current tasks. Additionally, H&M's recently made the decision to send their marketing team to South Africa where they will work together with a South African marketing agency in order to raise awareness about cultural issues to avoid similar future mistakes. Due to the recency of the event, no further long-term actions have been identified so far, and is consequently to be continued...

# How H&M's response to the incident was perceived by external stakeholders

The company received a severe backlash on social media, especially on Twitter as both prominent and non-prominent customers vehemently discussed the advertisement, pointing out that 'monkey' had long been used as a metaphor to demean people of African descent. One of the most widely shared tweets was published by Labour MP Kate Osamor (Foreign and Commonwealth Office, UK): "I was totally shocked, dismayed to say the very least to find this online imagine. @hm do you think this imagery is an appropriate representation of a young black boy?"4. Another user commented the possibility that the company was willing to use any kind of publicity to get into the media spotlight: "Is this part of a publicity stunt? Do some brands want to be dragged on Twitter in order to gain more visibility?"4. The campaign group 'Models Of Diversity', which promotes diversification across the modelling industry, said that H&M should be "ashamed"4.

Even those who defended the company bringing forward that it had not acted in a racist way on purpose demanded that the brand should have been more aware of potential misinterpretations. In South Africa, the Economic Freedom Fighters, a left-wing South African party, called for demonstrations and was involved in ransacking several H&M stores. The political party also urged shopping malls not to collaborate with the Swedish fashion retail brand anymore.

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<sup>&</sup>lt;sup>4</sup> http://www.dailymail.co.uk/news/article-5245887/Critics-call-boycott-H-M-racist-advert.html

H&M's response to the major criticism that the piece had evoked was partly inspired by how other clothing companies had coped with similar crises in the past.

Table 1Table of Action

Company/ Year	Scandal/Issue	Action
Mango <sup>2014</sup>	Political connotation and anti-Semitism: "SS" Blouse	Mango representatives responded to the accusations via Twitter in Germany, saying that it "regrets the unfortunate association which was caused by the design of the blouse." 7
H&M 2014	Political connotation & capitalising from ethical minority: Female model wearing a military-green jumpsuit, titled the Peshmerga Combat Outfit (Kurdish female fighters)	Immediate apology in the form of a press release: "The last season we have seen an increasing demand on jumpsuits and therefore we currently offer a selection of jumpsuits in different colours and materials. The jumpsuit in question is part of a larger collection consisting of many garments in khaki green, which also is one of the trendiest colours this season."  "The opinions of our customers are very important to us and we will keep this feedback in mind for future collections."  → H&M did not withdraw the piece from sales
Zara 2014	Political connotation & anti-Semitism: Concentration camp shirt for toddlers	Public apology online for causing any offense, official statement:  "The garment was inspired by the classic Western films, but we now recognize that the design could be seen as insensitive and apologize sincerely for any offense caused to our customers."  Stopped selling the shirt right away
Zara 2007	Political connotation & anti-Semitism: Swastika bag	Public apology, claiming that they had not approved the design, placing the responsibility to their manufacturers  → Withdraw the bag from sales

 $<sup>^7\,</sup>https://www.telegraph.co.uk/news/worldnews/europe/germany/11169633/From-Zarasholocaust-pyjamas-to-Mangos-SS-blouse.html$ 

<sup>&</sup>lt;sup>8</sup> https://www.racked.com/2014/10/7/7574105/hm-kurdish-fighters

 $<sup>^{9}\</sup> http://www.nydailynews.com/life-style/fashion/h-m-denies-jumpsuit-inspired-kurdish-fighter-uniforms-article-1.1966181$ 

<sup>&</sup>lt;sup>10</sup> http://www.newsweek.com/spanish-chain-zara-forced-apologise-childrens-holocaust-shirt-267022