

# ***The Research on the Influence of Fast Fashion Brands' Social Responsibility on Consumers' Purchase Intention: Taking H&M as an Example***

**Tian Tian<sup>1,a,\*</sup>**

*<sup>1</sup>Broadcast Announcing School, Communication University of Zhejiang, Hangzhou, Zhejiang, 310018, China*

*a. 1811581217@mail.sit.edu.cn*

*\*corresponding author*

**Abstract:** Fast fashion companies are renowned for offering "affordable, fast, and fashionable" clothing, providing more consumers access to affordable fashion. With the advancement of corporate social responsibility globalization, more and more consumers are also concerned about the corporate social responsibility of fast fashion brands. Taking H&M Group's corporate social responsibility as an example, this paper examined the relationship between Chinese consumers' purchase intention and CSR, discussed the critical considerations for consumers to make purchase decisions for fast fashion products, reviewed the pertinent research on fast fashion, CSR, and elaborated on the interplay between the three and how they affect one another, with the hope of advancing the field of corporate social responsibility research in developing countries. The empirical findings of this study can aid decision makers in comprehending the attitudes of Chinese consumers toward corporate social responsibility, encouraging businesses to actively implement social responsibility strategies and assisting businesses in carrying out corporate social responsibility marketing. The 92 valid questionnaires collected in this study's questionnaire survey yielded the following findings: due to individual variances, the CSR of fast fashion brands affects consumers differently in China. Corporate social responsibility is crucial and can in some cases help to control consumers' intentions to make purchases.

**Keywords:** corporate social responsibility, fast fashion, purchase intention

## **1. Introduction**

Erling Persson established Hennes & Mauritz AB (abbreviated as H&M), a Swedish multinational fashion firm, in 1947 in Vasteras, Sweden. It has numerous branches all around the world and its headquarters are in Stockholm. The fourth quarter and full-year financial reports for H&M Group for 2022 indicate that the company's revenue was roughly US\$21.46 billion. According to the financial report, H&M stores declined by 295 over the same period in 2021, while the number of H&M Group brand stores decreased by 336 in 2022. On November 30, 2022, the H&M group had a total of 4,465 stores and about 155,000 employees, according to the company's official website.

The H&M Group participates in CSR activities in a big way. To support the frontlines in the fight against the Covid-19 epidemic, H&M China stated in January 2020 that it will donate 1 million RMB

to the Wuhan Charity Federation [1]. The Covid-19 Solidarity Response Fund received a half-million-dollar donation from the H&M Foundation in March 2020 [2]. To help with the severe rainstorm disaster in 2021, H&M China sent 1 million RMB in cash and 1 million RMB worth of garments to the Henan Charity Federation [3]. In order to promote sustainable development, H&M introduced the "Garment Collecting Programme" in 2013. This program encourages customers to donate their gently used clothing in exchange for 15% off H&M shop coupons. More than 14,000 tons of worn clothing have reportedly been gathered worldwide thus far, according to the organization's official website. Additionally, H&M releases the Conscious Exclusive Collection each year to showcase its innovation in recycled eco-friendly fabrics and sustainability through high fashion. However, not all customers are aware of this and willing to pay for it. According to a McKinsey analysis, few individuals are still prepared to pay for sustainable products, despite the fact that many people have indicated interest in sustainable fashion. Only 31% of them are Gen Z, and only 12% are Baby Boomers [4]. Regarding worker human rights, H&M has collaborated with groups like the Global Framework Agreement (GFA) and the International Labor Organization (ILO) to support workers' democratic election of representatives, active and equitable participation in dialogue with businesses and governments, coordination of vocational education and skill training, improvement of the physical environment of factories, etc. H&M has provided its factories with a dialogue system with unions and employees by signing agreements and joining associations, providing employees with a channel for appeal and to some extent defending their rights.

Many fast fashion brands are concentrating on their social responsibility initiatives while pursuing commercial goals as consumers' concerns about sustainable development grow. But ultimately, it is the consumers who respond to these activities. Only through comprehending consumer psychology can quick brands create, carry out, and advertise CSR plans and initiatives. With H&M as the focus, this article will examine, through a questionnaire survey, the effects of fast fashion brand CSR behaviors on consumer attitudes and purchase intentions. It will also analyze the process by which consumers' perceptions of fast fashion CSR evolve from perception to psychological changes to influencing purchase intentions.

## 2. Literature Review

Karaosman's team found that because the fast fashion business model pursues shorter delivery times and clothing replacement cycles, fast fashion products are most criticized for their sustainability and social issues for labor [5], corresponding to the environmental responsibility dimension and the social responsibility dimension of CSR [6]. The relationship between corporate social responsibility and consumer purchasing intentions has been the subject of numerous research. For instance, Severino-González has investigated the impact of consumer gender, consumer education, and national or regional mainstream culture on the relationship between corporate social responsibility and purchase intention [7], although fast fashion companies are rarely the subject of these research.

ISO defines social responsibility as "the responsibility of an organization in relation to the impact of its decisions and activities on society and the environment, through transparent and ethical behaviors that contributes to sustainable development; including the health and well-being of the society; takes into account the expectations of stakeholders; complies with applicable law while being consistent with international standards of behaviors; is integrated throughout the organization and implemented in its relationships". Okafor explored how CSR affects the economic benefits of enterprises [8], Adomako studied the relationship between CSR and corporate strategy and competitiveness [9], Paruzel analyzed how CSR can stimulate employee innovation performance [10]. However, there are few empirical studies on how consumer perceptions and corporate social responsibility are related. Such factual information is important for manufacturers to create business plans and for fast fashion decision-makers to organize social responsibility initiatives. The

relationship between brands and consumers plays a key role in contemporary business. Shao and Lassleben believe that consumers' perception of brand social responsibility will affect consumers' brand loyalty and favorability, and morally and socially responsible behaviors may lead to improved business performance [11], but no research has clearly shown that there is a causal inevitability between these factors so far.

From the comments about fast fashion brands on Weibo, Douban Group, Little Red Book and other social media platforms, it is not difficult to find that most consumers in China are not aware of the business models of fast fashion brands and the environmental hazards of their products. A few consumers have reacted to clothing recycling programs of fast fashion brands. Consumers that care about the environment are more likely to participate, according to research by Dong and his team, and the corporate social responsibility initiatives incorporated into these endeavors can enhance consumer perceptions of the brand [12]. Programs for recycling old clothing frequently come with brand discounts, encouraging customers to make impulsive purchases. Beatty discovered that when consumers feel the impulse to make an impulsive purchase, they are less likely to take into account aspects besides the allure of the products. As a result, even environmentally conscious customers are capable of acting on impulse and ignoring the effects on the environment [13]. Whether consumers are aware of the "greenwashing" phenomenon of fast fashion brands, through what channels, and whether they will make purchases with awareness, there is no relevant data or research by now. Research on this issue is of great significance for a better understanding of consumer psychology and the fashion industry and for better publicity of sustainability.

Purchase intention refers to the possibility of consumers purchasing a specific product, which is affected by many factors. A large number of studies in the academic community have shown that factors such as perceived value [14], evaluation value [15], and symbolic value [16] have a significant impact on consumers' purchase intentions. According to the research of Fan and Leng, the evaluation value of consumers on clothing brands is composed of factors such as brand preference, brand awareness, brand loyalty, and brand knowledge [15]. An assumption can be made that the higher the evaluation value consumers place on a brand, the stronger their willingness to buy. Liu pointed out that consumers' willingness to purchase fashion goods comes from the subjectivity of consumers' perceptions and perceptions of value. The value of fashion goods is mainly expressed as symbolic value, and social value has a great influence on the dimensions of symbolic value [16]. Improving brand social responsibility is very beneficial to enhancing social value. According to previous studies, this paper can go deep into whether brand social responsibility will affect consumers' perceptions of various dimensions of the brand and to what extent this will affect purchase intention.

As mentioned above, there are currently few studies on the influence of fast fashion brand social responsibility on consumers' purchase intention, and there is no research on the relationship between H&M brand social responsibility and purchase intention. Taking H&M Group as the main research object, this paper discusses in the context of fast fashion consumption, how fast fashion corporate social responsibility affects consumers' purchase intentions, which will help fast fashion brands solve social responsibility issues, respond to existing doubts, adjust market strategies, and enhance corporate competitiveness. This paper will conduct research on H&M consumers' awareness of the brand's CSR behavior and purchase intentions through a questionnaire.

### 3. Methodology

This paper adopts a quantitative research method, a survey was conducted from 15 to 18 April 2023 by using an anonymous questionnaire through an online platform called Survey Star. Questionnaires were distributed on H&M's official Weibo, Little Red Book and other social media platforms, aiming at the Chinese college student community, which is an important customer group for fast fashion products. One hundred questionnaires have been collected, manual elimination of invalid

questionnaires shall prevail, 92 valid questionnaires, and the valid questionnaire rate is 92%. When designing the questionnaire, this paper adopted the five-degree measurement method to reflect the attitude of the subjects [17], and fill-in-the-blank questions were designed for the subjects to describe their specific ideas.

#### **4. Results**

Regarding the part about the subjects' information, among the 100 questionnaires collected, the ratio of gender is 34% for men and 66% for women, and 66% of the subjects are between the ages of 18 and 30. 52% of the respondents have an average monthly income between 3000 and 8000 RMB, 46% of the respondents are willing to spend 100 to 300 RMB on each item of clothing, and 70% of the respondents mainly buy clothes online. When asked about their needs for clothing, trendy and fashionable (51%), casual and comfortable (62%), affordable (54%) and preferable (58%) are the options most selected.

Among the 79% of the people who bought fast fashion products, the most important reasons for them to purchase were cheap price (56%) and good quality (49%). 50% of the respondents usually pay attention to fashion brand news, and 52% of them are unaware of the environmental pollution hazards of the clothing industry. 65% of the respondents are aware of the disadvantages of the fast fashion business model, but 35% of the respondents are still willing to buy after knowing, 14 people filled in the specific reasons, of which 10 people think that the advantages of the products outweigh the disadvantages, and 4 people think that industrial pollution has nothing to do with them and will not affect their purchases.

For H&M, the main research object of this article, 64% of the respondents are familiar with or have purchased its products. Setting a score of 6 or above is regarded as a good level, 83% gave H&M good marks for product quality, 52% for brand image, and 54% for corporate social responsibility. When asked about the most concerning dimensions of fast fashion brands' corporate social responsibility, 29% and 31% of people chose sustainable development and consumer rights respectively. Most people don't know about H&M's charitable activities and "Garment Collecting Programme", but 68% of the respondents believe that the clothes recycling program is conducive to H&M's fulfillment of social responsibility, and 65% of people are more willing to buy H&M products because of its social responsibility behaviors. When asked about the reasons, 40 people gave effective and specific answers, and 19 people said that a high sense of social responsibility would increase their favorability for the brand and facilitate their purchase decisions. The answers of those who would not buy mostly focused on the fact that social responsibility is not their main reason for purchase, H&M lacks irreplaceability, and the brand image is not good enough for Chinese consumers.

#### **5. Discussion**

This section provides a synthesis and discussion based on the findings of the summary analysis.

##### **5.1. The Level of Concern among Consumers about the Sustainability of the Fast Fashion Industry**

During the empirical investigation, most of the respondents expressed awareness of the disadvantages of the business model of fast fashion brands, while a small number of respondents indicated that they were still willing to buy their products after knowing about them, and 14 respondents gave specific reasons. Among them, 8 people think that the advantages of fast fashion products, such as excellent design and low price, can cover up the shortcomings, and 6 people think that industrial pollution has nothing to do with them. It may indicate that some consumers in China do not care much about the

sustainability of enterprises, and the problems of the fast fashion industry may be too "big" for individuals, who think that they cannot change the industry through their own boycott or stop buying. Most of the respondents said that they are unwilling to buy fast fashion brand products after knowing the problems in the industry. It may be speculated that whether sustainability has an impact on consumers' willingness to purchase may vary from individual to individual, and it's not the main determinant of the purchase decision. It can be seen that most consumers are concerned about the sustainability and environmental protection of companies, which is the epitome of good social values. At the same time, sustainability is an important part of fast fashion brands' CSR. The green products and environment-friendly activities perceived by consumers from brand CSR activities are conducive to promoting consumers' willingness to purchase. Therefore, fast fashion brands should strengthen the promotion of their green products and environmentally friendly activities, and such products and activities should show enough sincerity to improve the sustainability index in consumers' minds.

## **5.2. Consumer Awareness of the H&M Brand and CSR Promotion**

According to the survey data, most consumers are satisfied with the quality of H&M's products, while brand image and CSR scores are not high. The possible reason is that the brand image was discounted by some news outlets, and most consumers are unaware of H&M's charity activities and sustainable initiatives. It can be seen that H&M's CSR publicity is not in place, and H&M's brand image for Chinese consumers needs to be improved. A major factor in helping consumers build trust in fast fashion brands is their perception of CSR. On this basis, consumers are willing to respond to socially responsible brands with purchase intentions. When consumers receive CSR information, they will make rational and emotional judgments through their own cognition and the information provided by the company, and psychologically perceive the brand's ability and sincerity. After this process, it will further affect consumers' willingness to purchase. Therefore, H&M should carry out appropriate CSR publicity and establish good public relations in China in order to build a good brand image.

## **5.3. Influence Level of Fast Fashion Brand CSR on Consumers' Purchase Intention**

According to the poll, Chinese customers mostly evaluate CSR data that directly benefits them when deciding whether or not to buy a product from a business in order to determine the firm's credibility. Most consumers who support companies to fulfill CSR will increase their favorability for fast fashion brands, increase their willingness to purchase, and facilitate purchase decisions due to their CSR behaviors. Consumers who do not care much about CSR think that it is not their main reason for purchasing, but product quality, design, price, brand image, etc. Whether fast fashion brand CSR affects consumers' purchase intentions depends on consumers' emphasis on and perception of CSR. This confirms the point of Sen and Bhattacharya, that is, only consumers who support CSR can see a value orientation that is more consistent with themselves in companies that perform CSR, identify with them and make further positive responses [18]. At the same time, price is also an important factor affecting purchase intentions. In the survey for this article, many respondents expressed their willingness to buy H&M products because of their high quality and low price. Even in the case of a poor brand image, a sufficiently low price can alleviate consumer resistance to a certain extent, but the impact of CSR will not be completely weakened by the price. Even if the CSR performance of fast fashion brands is not the main factor affecting purchase intention, it will still have an impact on consumers' purchase decisions.

## **6. Conclusions**

After collecting questionnaires and analyzing data, this paper finds that consumers are not blunt in their perception of the social responsibility of fast fashion brands. Most consumers today think that

corporate social responsibility is very important. However, the degree of concern of different consumers for CSR will vary due to individual differences. Compared with the design, price, and quality of fast fashion products, the behavior of CSR has little impact on consumers' purchase intentions, but the effect cannot be completely ignored. The publicity surrounding fast fashion brands' CSR has a great impact on consumers' CSR perception. Enterprises active behaviors, like improving the transparency of CSR, publicizing CSR information to consumers through multiple channels, and enhancing consumer perception, are conducive to brand competitiveness. It is also conducive to creating a good social atmosphere and industry atmosphere, and consumers' purchase intentions will also be strengthened accordingly. To sum up, fast fashion brand CSR has different impacts on the purchase intentions of different people, but for fast fashion brands, corporate social responsibility is of vital significance in all aspects. This study reviews relevant research on fast fashion, CSR, consumer purchase intention and expounds on the relationship between the three and their influence on each other. It contributes to research on corporate social responsibility from the standpoint of customers as well as research on corporate social responsibility in developing nations to some extent. There are some restrictions on this article. First off, the use of online questionnaires might result in hasty and false responses. Although the study's sample size is small, it is sufficient to make some generalizations. Second, the majority of the respondents are young Chinese, which has regional and market-representative constraints. Future research, from angles like economics, communication, and sociology, can increase the sample size and enrich the conclusions.

## References

- [1] *The Beijing News*, Shares of many fashion companies fell as H&M, LVMH and others donated money to fight the pandemic, 2020.01.28, retrieved 2023.04.21 from <https://baijiahao.baidu.com/s?id=1656971092423895295&wfr=spider&for=pc>.
- [2] K. Ho, *Fast fashion icon H&M has donated \$500,000 to the COVID-19 Solidarity Emergency Fund established by the World Health Organization*, 2020.3.19, retrieved 2023.04.21 from <https://www.voguehk.com/zh/article/fashion/hm-foundation-donate-500000-usd-to-covid19-response-fund/>.
- [3] Y. J. Wei, *H&M has donated 1 million yuan to the disaster zone in Henan province, and many netizens have expressed their approval*, 2021.07.22, retrieved 2023.04.21 from <http://news.winshang.com/html/068/7965.html>.
- [4] A. Berg, S. Hedrich, P. Ibáñez, S. Kappelmark, K-H. Magnus, *Fashion's new must-have: Sustainable sourcing at scale*, 2019.10.17, retrieved 2023.04.21 from <https://www.mckinsey.com/industries/retail/our-insights/fashions-new-must-have-sustainable-sourcing-at-scale>.
- [5] H. Karaosman, G. Morales-Alonso, M. Grijalvo, *Consumers' responses to CSR in a cross-cultural setting*, *Cogent Business & Management*, 2015.
- [6] Q. Huang, H. Peng, H. Zhong, *Research Report on Corporate Social Responsibility of China*, 2021.
- [7] P. E. Severino-González, J. V. Villalobos-Antunez, J. Matamala-Panes, C. Parada-Oyarce, *Corporate Social Responsibility and consumers in the retail sector in Chile*, *The Journal of Globalization, Competitiveness and Governability*, 2021.
- [8] A. Okafor, B. N. Adeleye, M. Adusei, *Corporate social responsibility and financial performance: Evidence from U.S tech firms*, *Journal of Cleaner Production*, 2021.
- [9] S. Adomako, S. G. Abdelgawad, M. Ahsan, J. Amankwah-Amoah, T. A. Liedong, *Nonmarket strategy in emerging markets: The link between SMEs' corporate political activity, corporate social responsibility, and firm competitiveness*, *Journal of Business Research*, 2023.
- [10] A. Paruzel, L. Schmidt, G. W. Maier, *Corporate social responsibility and employee innovative behaviors: A meta-analysis*, *Journal of Cleaner Production*, 2023.
- [11] P. Shao, H. Lassleben, *Determinants of Consumers' Willingness to Participate in Fast Fashion Brands' Used Clothes Recycling Plans in an Omnichannel Retail Environment*, *Journal of Theoretical and Applied Electronic Commerce Research*, 2021.
- [12] X. Dong, S. Liu, H. Li, Z. Yang, S. Liang, N. Deng, *Love of nature as a mediator between connectedness to nature and sustainable consumption behavior*, *Journal of Cleaner Production*, 2020.
- [13] S. E. Beatty, M. E. Ferrell, *Impulse buying: Modeling its precursors*, *Journal of Retailing*, 1998.
- [14] A. Eggert, W. Ulaga, *Customer-perceived value: a substitute for satisfaction in business markets*, *Journal of Business and Industrial Marketing*, 2002.

- [15] X. Fan, Y. Leng, *Loyalty factor method of brand value evaluation*, *Science Management Research*, 2000.
- [16] Q. Liu, *Research on the Composition and Influence of Symbolic Value in Fashion Consumption*. Beijing Institute of Fashion Technology.2021.
- [17] M. Saunders, P. Lewis, A. Thornhill, *Research Methods for Business Students*, Prentice-Hall: London, UK, 2016.
- [18] S. Sen, C. B. Bhattacharya, *Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility*, *Journal of Marketing Research*, 2001.