Crisis Communication and the Effects of Culture

A Comparative Case Study about H&M and Samsung

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Abstract

This thesis sets out to investigate how two of the biggest organisations in Sweden and South Korea have done their crisis communication in some of their biggest scandals. This thesis will be looking into H&M and their 'coolest monkey in the jungle' crisis, as well as the crisis from Samsung with their launch of the Samsung Galaxy Note 7. This paper uses the epistemological consideration interpretivism and the ontological consideration social constructivism. Millions of people are using social media daily, and always expect rapid responses from the organisations, therefore, the presence of organisations on different social media platforms have become more important in recent years. The cases will be analysed by using a qualitative approach and the apologies from the two organisations will be analysed using the method discourse analysis and critical discourse analysis. These are used to analyse the language used in the apologies, as well as the modes of persuasion. The theories from *The Culture Map* by Meyer, and Hofstede's cultural dimensions will also be applied to the apologies and their crisis communication. The theories will also be applied to the organisations in order to analyse the different cultures within the organisations. Lastly, Coombs and Holladay's perspectives on crisis communication will also be applied to the analysis. The crisis of the two organisations will be compared in the discussion. In conclusion, crisis communication is highly affected by the cultural perspectives of both countries.

Keywords: crisis communication, social media, crisis, culture, H&M, Samsung, risk, reputation, communication

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1.0 Introduction

In today's society, companies face the possibility of being in a crisis almost every single day. This is the side effect of the modern-day phenomenon, social media, where people are free to spread information and share their thoughts and secrets. Social media have in recent years started to affect people's lives more (Johnson, n.d.). It can be argued that most people in the developed part of the world are connected through social media, such as Instagram and Twitter (statistia, 2020). Because of the increase in importance of social media, more organisations have become present on different social media platforms that are available on the internet. Organisations use these social media sites to communicate and interact with shareholders and customers (Johnson, n.d.). This, however, also gives organisations new challenges to face, as customers always expect fast responses because the customers are constantly online. It is of high importance for an organisation to give relevant information on social media and it is even more important with a crisis emerging. Social media in a crisis situation is both a blessing and a curse, as social media enables the organisation to reach stakeholders quickly and share their crisis communication faster (Johnson, n.d.). The crisis will also spread faster and will be harder for the organisation to control, and their crisis communication might be difficult to hear for the stakeholders, as there is so much information on social media. Nevertheless, organisations have gained a new and much more effective opportunity to communicate with stakeholders, through social media (Johnson, n.d.).

This topic is important to investigate further, as the world is becoming more globalised by the day and different organisations from all over the world are moving their stores and productions to various countries. The difference in crisis communication might affect the partnership between organisations, therefore, we have chosen to look into how the Swedish organisation H&M and the South Korean organisation Samsung have previously done their crisis communication during some of their most well-known crises. Within this section the two cases which have been chosen for the thesis will be presented briefly.

1.1 H&M

H&M posted on their webpage a small child of African descent wearing a sweatshirt with the text 'Coolest Monkey in the Jungle' on the chest. Within hours of putting this item on their webshop they started receiving negative criticism. H&M were called out on social media by both celebrities and consumers, who swore to never buy from the brand again. They were quick to remove the sweatshirt

from their webshop, so that the criticism would be reduced. They posted an apology on their Instagram, twice. The first apology was criticised; however, the latter was accepted by the consumers.

1.2 Samsung

Samsung launched their long-awaited Galaxy Note 7, and it was quickly sold out and delivery dates were pushed in all other countries than South Korea. The organisation started receiving negative feedback about two weeks after the launch, as the phones would explode or catch fire. The organisation had to cease all sales of the phone and later recall all phones. However, this was a time-consuming process, therefore, they developed an app which allowed people to charge the phones to only 60%, which stopped the phones from overheating. They held a press conference, apologising for their mistakes and posted a one-page long apologies in three different American newspapers.

Therefore, the problem formulation is as stated:

What are the similarities and differences in the crisis communication of H&M and Samsung, and how can their crisis communication be affected by their countries' cultural perspectives?

1.3 Background information

This section will give an insight into South Korea and Sweden's way of doing crisis communication, which later on will provide the analysis with background theory. First, South Korea will be explained, then Sweden.

The need for crisis communication in organisations in South Korea has been increased due to quick growth in globalisation and political advancement in democracy. "South Korea has been clarified as a society with high power distance, low tolerance of uncertainty, high masculinity, and high Confucianism (Hofstede & Bond, 1987)" (Schwarz, Seeger & Auer, 2016, p. 404). Confucianism originates from the Chinese philosopher Confucius, who became one of the main influencers in Korean culture to explain their crisis communication practices. According to him, South Koreans have a tendency to build personal and emotional relationships with their colleagues (p. 404).

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South Koreans focus mostly on reactive and defensive crisis communication when a crisis appears. Therefore, their way of doing crisis communication is more immediate and directly into the crisis response, rather than focusing on the stages of pre-crisis and post-crisis. However, in the past few years crisis managers have started focusing more on crisis preparedness in South Korea, but rarely on prevention programs. The investigation and research into crisis communication in South Korea are limited, but there are found to be different types of crises in organisations: (1) financial crises, (2) technology/information leaks and rumours, (3) product failure, and (4) workplace violence, including conflicts with labour units (p. 407), where the highest level of crisis preparedness and crisis management was found in (3) product failure, from the organisation's point of view. Conversely, South Korean manager's perception of crisis management rates "(1) crisis preparation and prevention as the most important crisis management areas that should receive organizational support and commitment, followed by (2) crisis detection, (3) crisis containment and damage control, (4) business continuity, and (5) post-crisis organizational learning" (p. 407). The biggest obstacle a South Korean organisation can have is if the CEO lacks the commitment to implement crisis communication and management.

The media in South Korea has a big influence on how organisations deal with their crisis. South Korean agencies fear the backfire all kinds of media may create, due to its enormous power to influence both the situation, the organisation and their audience. It is normally the contingency factors that determine the organisation's crisis management, which includes media coverage. This leads them to often choose the defensive strategy of crisis management, which includes the use of silence, denial of the crisis, and justification no matter what type of crisis. Furthermore, the South Korean organisation's most common crisis response strategy is to stick to "no-comment" or "no-response" answers (p. 408). Denial and excuses come next on their strategy list, where they often try to attack the accuser or simply justify their behaviour by denying any negative feedback associated with their crisis. When the organisation has high responsibility for a crisis, South Koreans still tend to use a more defensive response strategy, because it seems like the easiest response. However, as the crisis develops and grows bigger to the public, they tend to go to confession and apologise.

The public in South Korea that witnessed the crisis from outside the organisation are more likely to prefer the accommodative strategy rather than the defensive. Moreover, the public appreciates and values insight into the crisis more than if they are kept in the dark, regardless of crisis communication strategies. The public assesses denial and silence strategies to be ineffective no matter

what type of crisis and how much responsibility the organisation has, and an apology is often expected regardless of responsibility level (p. 409). The perception of an organisation affects how the audience will think of the crisis.

As already written, the media in South Korea is highly important when organisations go through a crisis. It is found that the media lie their focus mostly on who to blame for the crisis, and then talk about human interest, morale, and then the economic consequences. It is also suggested that South Korean media has a tendency to give simple information about a crisis to the public, instead of reporting the consequences and solutions to a crisis. Furthermore, when an organisation has previously been through a crisis, the media tend to adopt human interest and morality by focusing on the anger and anxiety that the public experience because of the organisation and their ethics (p. 410).

Schwarz, Seeger, and Auer (2016) have also accounted for crisis communication in Northern Europe. This section will contain a more general view of how the Nordic countries work with crisis communication as a starting point, afterwards, it will elaborate on the Swede's way of doing it. The generalisation is possible due to the Nordic countries Sweden, Denmark, Norway, Finland, and Iceland are societies that have "formed a social, economic, political, and last, but not least, a linguistic community (with the exception of Finland)" (p. 513). Moreover, according to Schwarz, Seeger, and Auer (2016), they are some of the richest countries in the world, they are identified as some of the happiest people on earth, and their democracies have developed universal freedom of expression. They also state that the Nordic countries have a highly developed political and economic system and a welfare state, which can only be caused by the enormous social trust and social capital (pp. 512-513). Aside from all of these positive factors in the Nordic countries, they are not free of crises. Especially two crises have been covered both nationally and internationally in the media: cartoons portraying the Islamic prophet Muhammad in 2005 and a mass shooting on a Norwegian Island in 2011.

The knowledge of crisis communication in the Nordic countries is very developed. There are a lot of universities and schools, where both crisis communication and crisis management are particularly popular to include in their studies. Furthermore, the Nordic countries have a close collaboration, where they meet for conferences to discuss crisis communication and how they deal with national emergencies.

Sweden is the country out of the five that has contributed the most to the research of crisis communication. It is important to state that these researches are from a societal perspective, it

has been funded by Swedish agencies, it is conducted by media and communication specialists, and it is preferred that they study previous cases. In one of these studies, it has been found that there are two traditions to crisis communication research. The "traditional" one sees crises as an objective phenomenon, where it is important to follow a more tactical approach with rules and guidelines. In terms of crisis communication, "the emphasis is on the sender (a central spokesperson); the mass media are the preferred communication channel; the receivers are considered rational actors; and the purpose of the communication is to inform" (p. 516). The "late modern" tradition sees crises to be socially constructed. It takes a more strategic approach, where improvisations are trained but it is not directly based on the already established crisis management plans. In terms of crisis communication, the "late modern" tradition is in contrast to the "traditional" one. The emphasis lies on the receiver, there is more than one communicator, the media plays a highly important role, but the interpersonal encounter plays an even bigger one, the receiver is irrational, and the purpose is to "create understanding and to enable the receiver to act on his or her behalf" (p. 516).

2.0 Literature Review

Within this section, we will be giving a review of relevant literature within the chosen subject. The purpose of this section is to be able to evaluate the previous studies that have been written on the chosen subject. We also seek to be able to provide an overview of the literature that is relevant to this thesis. Firstly, we will define what a crisis is. Following this, we will strive to describe how a crisis develops using Wu's (2012) *Research on Product Quality Crisis Management of Multinational Corporations in China*. Lastly, we will look into crisis communication and give a few examples of different crises, which have happened in the previous years in the clothing industry.

2.1 The definitions of a crisis

For this section, we will start out by defining what a crisis is. The word "crisis" is derived from the Greek word "krinein" which means analysing a dangerous situation and making a prompt decision (Slaikeu, 1990, pp. 16-17). Looking at the popular dictionary from Longman Dictionary of Contemporary English they define a crisis as "a situation in which there are a lot of problems that must be dealt with quickly so that the situation does not get worse or more dangerous" (Longman, 2021). Typically, in the eyes of more western scholars, the word crisis holds a negative feel, some other definitions of the word are presented below.

"Crisis is assimilated to phenomena which dissuade the individual, as well as the organization, and is primarily determined by the duration of the inability to make a decision, an interval during which the functioning of the organization is disturbed, sometimes compromised." Written by D'Humiéres (1993, p. 272).

The scholar Dariusz Tworzydlo (2016) who is a Professor at Warsaw University, emphasises the different phases of a crisis when giving his definition. He states that "a crisis consists of a number of adverse events which contribute to becoming a breakthrough between phases of development, turning point or a decision-making problem. It is also every change that causes a rise in tension in the structures of the entity that it concerns." (Tworzydlo, 2016, p. 56).

Following, Laurence Barton (1994) who is a public relations (PR) expert, has linked the word crisis with different unpredictable factors by explaining the word crisis as "a negative event with many uncertainties, which would cause great damage to the organization, employees, product, service and reputation." (Barton, 1994, p. 59).

With the above-mentioned quotes, one could argue that western scholars do find some common ground when defining the word 'crisis'. It can be commonly agreed that 'crisis' means something happens unexpectedly and is typically unpredictable and would cause great damage to an organisation.

2.2 Characteristics of crisis

Wu (2012) argues that there are several defining factors that are present when talking about crisis communication. These have been found by looking into multiple different studies on the characteristics of crisis by scholars from all around the world. The four most typical characteristics are listed below:

2.2.1 Unexpectedness

One could argue that crises usually happen because the managers in an organisation have failed to notice the onset of the crisis. Typically, when talking about a crisis it will have a form of incubation period, which will be the period where there will be subtle signs of how and where the crisis may appear (pp. 3-4). However, a potential crisis is hard to notice, and this is because they usually appear

in the most unprepared places, and the potential crisis can be difficult to identify in the early stages. In addition, the fault of most crisis detecting is that it is people detecting the crises, although most people do not have a sense of crisis and they pay less attention to their surrounding environment. This is why the main factor is that people do not notice that a crisis is on its way (pp. 3-4). Because of this, crises tend to hit people by surprise, which causes panic and anxiety.

2.2.2 Harmfulness

Harmlessness is the distinctive of a crisis because the occurrence of a potential crisis will inevitably lead to serious damage and loss (pp. 2-4). When an organisation goes through a crisis the effects of the crisis will typically not just reach the profit of the organisation. The image and the interest of the shareholders could also be adversely affected, which inevitably lead to a drastic fall in the share price (pp. 2-4).

2.2.3 Fast spreading

There is a Chinese proverb that says, “good news never goes beyond the gate, while bad news spreads far and wide” (p. 3). This proverb can also be explained to describe another significant characteristic of crises. In modern society, crises in organisations spread like wildfire in the media, both online and in newspapers. Television thrives on this news, as it creates headlines and achieves public attention. Also, with the rise of mass media the ‘fast spreading’ characteristics has become much more predominant (p. 4). Social media sites such as Instagram and Twitter have accelerated the spread of corporation news. Under these new conditions, the old golden 24-hour rule that the organisation must take action to handle the situation has become much more obsolete (p. 4). And now a much more prominent rule of the golden four-hour concept has been put forward in an attempt to minimise the damage, however, this requires that the crisis needs to be brought under control within the first four hours at the early stage, otherwise the crisis would deteriorate and be covered by many on social media (pp. 3-4).

2.2.4 Constructiveness

It is easy to say that a crisis can be extremely harmful and will always be seen as a threat for an organisation. It can also be viewed as being beneficial depending on the organisation's capability to be able to address the crisis incidents (p. 5). According to Wu (2012), a crisis can both be seen as a danger and as an opportunity. Depending on the crisis, a crisis can be like a double-edged sword - it

could either benefit the organisation or have severe consequences, however, there are those people who do deal with crisis situations successfully, who will get a chance to build their brand name and image and will thereby win credibility among consumers (p. 5).

2.3 Crisis Management

Throughout the years there have been many crises. These have happened within all fields and they still happen, almost daily. However, over the past few years, everything has become digitalised. This means that more people have become aware of all of these cases which happen all around the world, and they now have a tool called social media, to spread awareness about the cases which they find the most interesting.

The crises can vary in size depending on the situation and they can happen to everyone, to human beings, communities, and organisations (Littlefield, 2015, pp. 1-2). Some of the crises which happen are fully expected, but some will also occur out of nowhere. This also portrays how important good crisis communication strategies are for organisations when crises do occur. An example of a crisis could be a natural disaster, tornados, and floods. This type of crises can rarely be controlled or predicted and will cause harm in the areas where they happened (pp. 1-2). Another type of crisis could relate to human errors such as a car crash, which will have a negative impact on the people who are involved (pp. 1-2). The last type of crisis is intentional crises, these refer to crises that happened where an individual or an organisation have played an active part for it to happen (pp. 1-2).

Research within crisis communication and crisis response started to emerge in literature in the late 1980's. Scholars began to think about how to implement this in different organisations. The scholar James A. Benson argued that organisations needed to know the connection between the crisis type and the crisis response. Benson began looking back at previously made literature from the 1960's, which states that situational factors can influence the outcome of communication (Carroll, 2014, p. 263). Back in the 1960's crisis communication would be described as a corporate apologia. This concept focused on the crisis response strategies, which would set out to protect the organisation's image, brand name or reputation (p. 263). This also means that during the beginning of crisis communication research, the corporate reputation was the most important, and this is still the case today (p. 263).

When looking into crisis communication there are hundreds of different scholars who have written about their ideas and added their strategies to the hundreds of pre-existing possibilities one can choose from when studying crisis communication. However, it was quickly decided that Coombs and Holladay would fit best with the pre-selected research design of this thesis. When researching crisis communication, it is difficult to do so without the name Coombs coming up in one's search engine.

Coming from a more western perspective, using Coombs and Holladay fit better with the researcher's pre-existing ideas about crisis communication, than using Wu (2012) whose perspective mainly focuses on China and Chinese crisis communication. In the following section, two cases will briefly be presented. One case from H&M and one from the high-end brand Gucci. These cases could have also been chosen for this project, as they are also both affected by social media and the fast-spreading news on the internet.

2.3.1 Online firestorms

Gucci launched a sweatshirt during the Black Lives Matter awareness month, which had a black face mask attached to the sweatshirt and big red lips printed on it. This sweatshirt received a lot of backlash from the public, as this shirt was said to resemble 'black face'. The sweatshirt got posted and reposted on multiple platforms on social media and the public were outraged by the mistake made by Gucci, and their slow reaction (Appendix 1). Gucci responded ten hours after the shirt went viral on social media, and this is considered late in this digital age. They commented: "We are fully committed to increasing diversity throughout our organisation and turning this incident into a powerful learning moment for the Gucci team and beyond," (The Guardian, 2019). Gucci ceased all sales of the sweatshirt in their stores and online and, thereby, corrected their mistake.

Once again H&M was under fire for one of their clothing items, this time they had created a sweatshirt with a text which said 'unemployed' (Appendix 2). The sweatshirt was for sale in their stores and on their webshop. The child who wore the shirt was tan-skinned. H&M were quick to respond to this, however, they did not respond on any of their own social media pages, instead, the then global manager Wu apologised in an interview stating "I think for all of us it was more shocking, like everyone else: how could that happen? But then also, how do we then tell the world that this is not who we are, and that it was completely a mistake?" (The Guardian, 2019). They were quick to

cease the sale of the sweatshirt in all stores and online and stopped productions of the sweatshirt immediately.

For this thesis we looked into different cases from H&M and decided that the case regarding the 'Coolest Monkey in the Jungle' sweatshirt was more adequate and more well-known. Therefore, it was more appropriate to research this case. Then it was later decided that it would be interesting to also investigate a different industry, which is why Samsung and the Galaxy Note 7 phone incident was chosen.

3.0 Theory

This section will account for the different theories found relevant to analyse and understand the collected data in this research. Firstly, to get a more fundamental perspective on culture, there will be a definition of culture as how it is understood in this thesis. Secondly, this section will enlighten different kinds of communication across cultures. Lastly, it contains a definition of crisis communication in general.

3.1 The cultural perspective

The term 'culture' can be difficult to give one exact definition because it can have different meanings in different contexts. However, this study will use the definition of culture stated by Edgar and Sedgwick (1999), to understand the core concepts of the term. According to them, culture is identified as the everyday life humans encounter and get confronted with. Culture has its first beginning when humans exceed what they have been given in their natural inheritance. Therefore, human beings live in a world that human beings have created – and in which they find meaning. Edgar and Sedgwick account for the two most important elements of culture in the world, which are "the ability of human beings to construct and to build, and the ability to use language" (Edgar and Sedgwick, 1999, p. 102). This indicates that when humans construct and build, they are at the same time creating a culture for themselves. Furthermore, when constructing and building a large city, diverse cultures meet, which confronts the individual for, perhaps, the first time with different beliefs, values, moralities, and knowledge. It also indicates that communication via language is the main key to understanding each other. However, there are several different languages and societies with different constructions, which

has made it harder to communicate and, thereby, create one specific culture resulting in big cultural differences and multicultural individuals (p. 102).

Culture is not created from only one generation – the constructions and language they build will, however, always be part of that set culture. It does not die along with the individuals that formed the culture, instead, it will evolve over time and become a part of the future. The understanding of time will be transformed, but the understanding of the history behind the culture will be created. Along with time passing by, human beings learn and understand more about themselves as cultural beings. This includes that it is easier to explore and do new things, but also that it is harder to be certain of what is morally right to do, because they learn that cultures are different, and when having different perspectives and cultures, it is easier to fall into conflict with others (p. 103).

With this said, the general definition of culture for this thesis is the cultural perspective presented by Edgar and Sedgwick (1999). To this, the different cultures in work environments will be presented by Meyer's (2014) five communication elements. The cultural differences in countries will be presented by Hofstede (2011) in six cultural dimensions.

3.2 Communicating across cultures

In continuation of language being an important element of culture in the world, it is essential to establish how communication works in South Korea and Sweden in order to compare the two cases in an analysis of the gathered data.

Due to the fact that cultures are different and, thereby, individuals have different perspectives, the communication around the world can be far from similar. To enlighten different communication elements between South Korea and Sweden, this study will use *The Culture Map* by Erin Meyer (2014). Meyer focuses on several main elements of communication across cultures, although this study will enlighten the five most relevant ones, which are: *(1) Communicating, (2) Evaluating, (3) Leading, (4) Trusting,* and *(5) Disagreeing*.

The first element *Communicating* deals with language and how words can be interpreted in different contexts based on how and when they are used. It is the culture and language one speaks that decides whether one is dealing with a *low-context* or *high-context* communication. *Low-context*

identifies good communication as "precise, simple, and clear" (Meyer, 2014, p. 39). Furthermore, if clarification is needed, repetition is very appreciated in order to understand the message. Messages are something to be expressed and understood upfront. The United States and Scandinavian countries especially lie at this end of the communication scale. *High-context* identifies good communication as "sophisticated, nuanced, and layered" (p. 39). Here, messages are more indirect and not clearly expressed, moreover, it is both spoken and read between the lines. South Korea and other Asian countries use this form of communication in their language.

Besides language, the history of a country has a strong impact on its position on communication being either *low-context* or *high-context*. *High-context* cultures tend to have a long-shared history, where the connections and relationships from the past are passed on from generation to generation. This has created a more shared context in their societies, and a way of understanding each other even though the message is not clearly expressed, which is the case in South Korea (p. 40).

When being from a *low-context* culture, one may perceive a person from a *high-context* culture as "secretive, lacking transparency, or unable to communicate effectively" (p. 42), which makes them seem untrustworthy. On the contrary, a person from a *high-context* culture may perceive a person from a *low-context* culture as inappropriate, because they see them as stating the obvious and being condescending. A good communicator is, therefore, highly dependent on what culture and society one lives in. It is, however, worth mentioning that Sweden falls on the *low-context* end just like the United States, but they speak more between the lines and more *high-context* than for example Americans do because they use more irony and sarcasm, which can be hard to understand for a completely *low-context* communicator. Compared to South Korean people, Swedes are nonetheless very *low-context* (pp. 44-45).

The second element of communication across cultures is *Evaluating*. It deals with how direct people from different cultures are when they give negative criticism. On one hand, there are, among others, the Scandinavian countries, Russia, and Israel who give *direct negative feedback*. This indicates that when giving negative feedback to a colleague it can be "provided frankly, bluntly, honestly. Negative messages stand-alone, not softened by positive ones" (p. 69). The feedback is often given to the individual in front of a group. On the other hand, a large number of Asian countries such as Japan, Thailand, and South Korea give *indirect negative feedback*. "Negative feedback to a

colleague is provided softly, subtly, diplomatically. Positive messages are used to wrap negative ones" (p. 69). The feedback is only given in private and to that one receiver.

The third element *Leading* deals with opposite ways of acting and being a manager in different cultures, which is either *egalitarian* or *hierarchical*. The *egalitarian* way of being a manager is especially seen in countries like Denmark, Sweden and the Netherlands. Here, there is a very low distance between a boss and an employee, because the ideal boss is identified as an equal. The organisational structures are flat and communication between the whole organisation does not see hierarchical lines (p. 125). It is possible to move to action without the boss's approval, it is okay to disagree with the boss, and an employee will be spoken to in no specific order when meeting a partner or client (p. 131).

The *hierarchical* way of being a manager has a very high distance between a boss and an employee. The boss is considered a strong individual that stands at the front of the line – their status is highly important. The organisational structures are "multilayered and fixed" (p. 125), and the communication has hierarchical walls. The employee tends to get the boss's approval before moving to action, personal opinions are kept hidden from the boss, and in front of partners or clients one will be spoken to in order of position (p. 131). This type of leadership is seen in countries such as Japan, South Korea and Nigeria. Working across cultures in international organisations can create conflicts and misunderstandings due to the different ways of acting in the workplace.

The fourth element of communicating across cultures is *Trusting*, which deals with how trust is built in the workplace in different cultures. Meyer believes trust in the workplace comes from either the head or the heart. Trust from the head is identified as *task-based*, while trust from the heart is identified as *relationship-based*. The *task-based* culture establishes trust through business-related activities. This means that if the individual consistently does a satisfying job it makes them more reliable, therefore, the individual can be trusted due to their working efforts. "Work relationships are built and dropped easily, based on the practicality of the situation" (p. 171). This culture tends to separate the practical and the emotional because mixing these two can be perceived as unprofessional and risks conflict of interest. In countries like the United States, Switzerland or the Scandinavian countries "business is business" (p. 170).

In contrast, *relationship-based* cultures establish trust in the workplace through spending time outside of work, for instance by eating or having a drink together or simply by small-talk at the coffee machine. Spending personal time with another individual creates a feeling of seeing

that other person on a deeper level, which builds an emotional trust. This is also created when another person that you know well trusts that one individual, therefore, you trust them as well. These work relationships are built up slowly and over a long time. This culture tends to develop personal ties when there is also a business or financial tie. In countries like China, Nigeria and India "business is personal" (p. 170).

In terms of building trust, the fundamental way in global businesses has changed over the last twenty years. The United States has dominated most world markets, which is why many managers in global businesses have felt the need to use the *task-based* culture because it could be one of the keys to international success. However, today more and more businesses come from the BRIC cultures (Brazil, Russia, India and China) and are constantly expanding and rising on the international stage – these are all high on the *relationship-based* culture. On one hand, the *task-based* culture defines relationships by functionality and practicality, and if one party of the business relationship is unsatisfactory to the other party, they can simply break off their agreement. On the other hand, the *relationship-based* culture creates relationships over a long time, which is why they are not dropped easily. If one person gets fired, it can be hard to maintain that relationship to both the one who fired that person, but also to the person that is no longer in the organisation (pp. 172-173).

The fifth and final element of communicating across cultures is *Disagreeing*. It deals with how people react when disagreeing in the workplace, and whether they are disapproving of that set person or just the idea they disagree on. The *confrontational* culture vs the culture of *avoiding confrontation* is the two main contrasts of this element. The *confrontational* culture tends to attack someone's opinion, but not the person, while the *avoid-confrontation* cultures highly connect these to each other (p. 200). The societies using the *confrontational* way believe disagreement and debate can give a positive outcome for the organisation by discussing what they can do better. Direct confrontation will, therefore, not ruin the working relationship or have a negative impact. In contrast, societies avoiding confrontation believe that disagreeing and debates have a negative impact on the team or organisation because an open confrontation can create an intensive and negative atmosphere. The harmony of the group will simply be broken because open confrontation is seen as inappropriate (p. 201).

The cultures that use confrontation in the workplace are mostly European consisting of countries such as Germany, Denmark and France because they are "generally considered to be reserved in their expression of emotions" (p. 201). The other side of the scale is mostly filled with Asian countries such as Indonesia, Japan and Thailand. In the middle of the scale falls the United

States and the United Kingdom.

This fifth element *Disagreeing* has another characteristic that is relevant to enlighten. The emotional expression of a disagreement has an impact because some cultures are more expressive than others. For instance, Mexicans tend to pour out anger in specific situations, but they still fall on the *avoid-confrontation* side of the scale, because the expression may harm the relationship. Another example is South Korea, which is identified as a culture that avoids confrontation but is emotionally unexpressive. That position is what most of the Asian countries have, but very few European countries are there as well, such as Sweden, however, Sweden leans more to the confrontational side than the Asian countries do.

The five elements will be used to analyse the differences in the culture and communication in Sweden and South Korea.

3.3 Cultural Dimensions

In continuation of Meyer's (2014) *The Culture Map*, it is interesting to include the cultural dimensions made by Hofstede (2011) as it gives a deeper insight into the cultures of the two countries Sweden and South Korea. This section will, therefore, first and foremost include a definition of the theory of the six cultural dimensions and then an outline of how both Sweden and South Korea lie on the scale in all six dimensions to be able to do a further analysis of the countries' culture and to do a comparison between those two.

Hofstede's cultural dimensions theory represents a framework for cross-cultural communication and shows the values of a society's culture and how these values are related to behaviour. The dimensions are seen as different universal categories where Hofstede applied and analysed different groups of people and their national culture. He investigated large groups of individuals in each specific culture through surveys, which he then analysed statistically which enabled these to be compared. The six cultural dimensions are briefly outlined as:

> "1. *Power Distance*, related to the different solutions to the basic problem of human inequality;

2. *Uncertainty Avoidance*, related to the level of stress in a society in the face of an unknown future;

3. *Individualism* versus *Collectivism*, related to the integration of individuals into primary groups;

4. *Masculinity* versus *Femininity*, related to the division of emotional roles between women and men;

5. *Long Term* versus *Short Term Orientation*, related to the choice of focus for people's efforts: the future or the present and past.

6. *Indulgence* versus *Restraint*, related to the gratification versus control of basic human desires related to enjoying life" (Hofstede, 2011, p. 8).

These six cultural dimensions have all been analysed in a social and cultural context within all of the countries that participated in the surveys. Since the data is gathered via questionnaires there is a highly generalised perspective in all of the dimensions, because it is the country's social and cultural context that is analysed as a whole. In contrast, Hofstede stresses that it is not possible to define an individual through a national generalisation as personalities are very different within all national groups (p. 8). Therefore, it is not only the quantitative part of the survey that is important, it is also the qualitative part because it allows interpretations of each nation in each dimension (p. 9), which this section will focus on in terms of the two nations Sweden and South Korea.

The data that will be presented in the following will be retrieved from Hofstede's research conducted by Hofstede Insights, which is a website that shows the results of each country's six cultural dimensions and allows the viewer to type in what countries they want to compare, all based on Hofstede's work. To this, we have chosen to insert a figure retrieved from that website showing the differences in South Korea compared to Sweden through the lens of the six-dimensional model and will be elaborated for further analysis and discussion. The six dimensions have been created on the basis of all the joined answers and according to how many times each of the answers have been selected. It is important to underline that the answers do not take a standpoint to each individual's opinion but are grouped into nations. This means that the data is generated from the value of each answer selected and not by the number of people interviewed. The scores are measured from

0 to 100, where 0 is considered low and 100 is considered high, while the score of 50 is the middle and separates whether the nation is scored high or low in their cultural dimension.

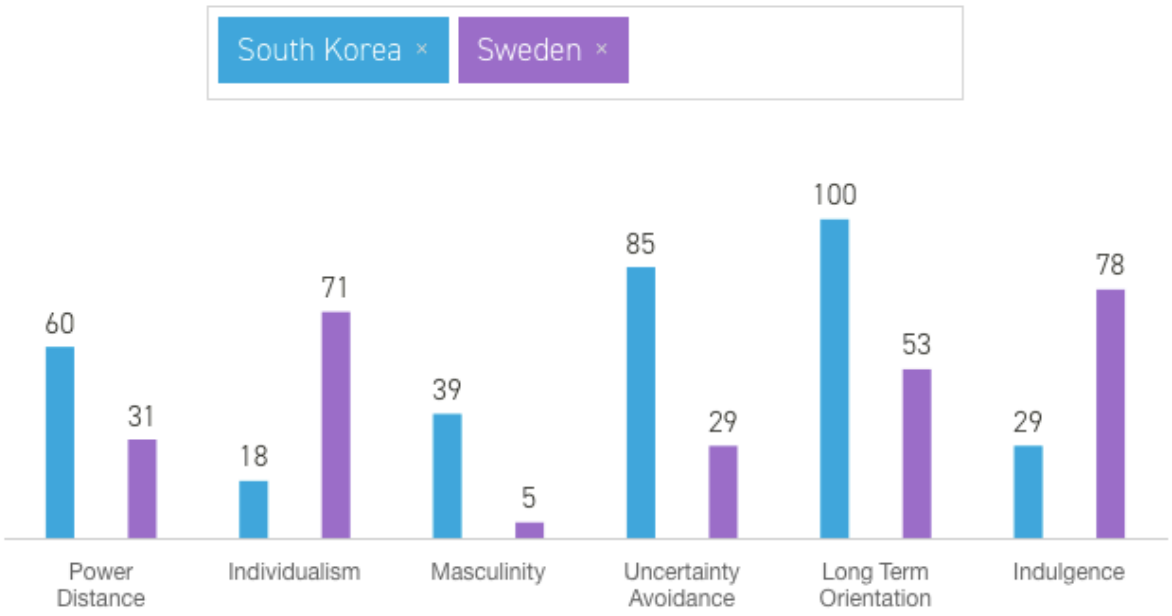


Figure 1: Country comparison: South Korea and Sweden.
Available at: https://www.hofstede-insights.com/country-comparison/south-korea,sweden/

3.3.1 Power Distance

The first dimension accounts for the fact that all individuals in a society are not equal and it gives an insight into the culture's attitude towards inequality in that specific nation. Power distance is the magnitude of the less powerful people in an organisation within their country that both expect and accept that power is distributed unequally (Hofstede Insights, 2021).

On the six dimension scale, South Korea scored 60, which means that they are a hierarchical society, where people expect and accept the hierarchical order with no further discussion. Organisational hierarchy states that the inequality falls naturally and that the less powerful employees are expecting to be told what to do and that their ideal manager wants the best for them and their organisation. Sweden scored 31 on the scale of power distance, which means that Swedish organisations only use hierarchy when needed, the employees have equal rights, and superiors and managers trust their

employees. Control is frowned upon and the relationship to the manager is informal and on a first name basis.

3.3.2 Individualism

The second dimension deals with the extent of interdependence a society maintains among its members, which means that it focuses on how people in a society are integrated into groups. On the one hand, cultures that are individualistic are expected to look after themselves and their nearest family. On the other hand, cultures that are collectivistic are born into close united in-groups, where big extended families are protecting each other in exchange for absolute loyalty (Hofstede, 2011, p. 11).

South Korea scored 18 and is therefore considered as a collectivistic society. The loyalty is predominant and overrides most of the societal rules and regulations. It is a society that takes care of their family and if a member of the group makes a breach of the law it creates great shame to the whole group. In terms of work relationships, it often stays in the in-group when hiring and making promotions.

Sweden scored 71 and is therefore considered as an individualistic society, where the social framework is loose and individuals take care of themselves and their closest family. If an individualist causes an offence it can create guilt and a loss of self-esteem. Work relationships are based on mutual respect and when hiring or making promotions it is based on knowledge and merit.

3.3.3 Masculinity

The third dimension deals with whether the society is seen as masculine or feminine. A high score (masculine) will indicate that the society is "driven by competition, achievement and success, with success being defined by the winner / best in field" (Hofstede Insights, 2021). This kind of thinking starts in school and will follow into one's organisational life. A low score (feminine) will indicate that society cares for others and that quality of life plays a great role and shows signs of success. It is not always praiseworthy when someone stands out from the crowd (Hofstede Insights, 2021).

South Korea scored 39, which puts them on the feminine side of the scale. The focus lies on "working in order to live" (Hofstede Insights, 2021) and people value quality in their working

life and solidarity. A great manager is defined as someone who supports and involves their employees.

Sweden scored 5 on the scale, which makes them a feminine society. The Swedes favour compromise and negotiations and they often have long discussions until they reach an agreement. Furthermore, they value that people are not too much, not too little, and not too noticeable - everything must be moderate. This is called “Jante Law” - a fictional law that Scandinavians use to not raise themselves above other individuals.

3.3.4 Uncertainty Avoidance

The fourth dimension focuses on how society’s deals with the fact that the future is unwritten and not foreseen. It raises questions about whether society should try to control the future, or at least how they will deal with the anxiety of not knowing. Therefore, this dimension deals with how members of a culture feel threatened by unknown situations in the future, and how society tries to avoid them.

South Korea scored 85, which makes them one of the most uncertainty avoiding countries in the world. They have an emotional need for rules because people in these societies have a desire to work hard, be busy, precise, and punctual. Furthermore, they do not tolerate unorthodox behaviour and ideas, therefore, innovation may be resisted, and security is very important.

Sweden scored 29 on this dimension. A low uncertainty avoidance creates a more relaxed attitude towards deviance from the norm, and they believe that they only need the necessary rules. This means that innovation is welcome and does not possess a threat. Precision and punctuality do not come naturally.

3.3.5 Long Term Orientation

The fifth dimension deals with “... how every society has to maintain some links with its own past while dealing with the challenge of the present and future” (Hofstede Insights, 2021). Societies tend to prioritise these goals very differently. Normative societies are the societies that score low on the scale - they honour traditions and look at societal change from a more critical point of view. The societies that score high on the scale have a more pragmatic approach - they are spokesmen for modern education in order to prepare for the future.

South Korea scored 100, which makes them a clear pragmatic society that focuses on the future. The South Koreans tend to work a lot and are guided by practical good examples, which means that they do not only work to make money for themselves but to maintain a strong society to make sure there is a great future for the generations to come.

Sweden scored 53, which makes them somewhat neutral because they do not express a clear preference of being either a normative or more pragmatic society.

3.3.6 Indulgence

The sixth and final dimension deals with how socialised children are because we do not become humans without socialisation. Therefore, this dimension focuses on "... the extent to which people try to control their desires and impulses, based on the way they were raised" (Hofstede Insights, 2021). Indulgence indicates relatively weak control, while restraint indicates relatively strong control.

South Korea scored 29 on the scale, which makes their culture restrained. With a low score in this dimension comes a tendency to cynicism and pessimism, and they do not control their own desires because they believe that they are restrained by the social norms - and they perceive that giving in to their desires are wrong.

Sweden scored 78 on the scale, which makes their culture indulged. A high score in this dimension means that society allows people to realise and act on their impulses and desires to enjoy life. They spend their money as they please and they have a tendency to be optimistic with a positive attitude.

Having gained information, with the help of the five different communication elements by Meyer (2014) and the six cultural dimensions by Hofstede (2011) about South Korea and Sweden, will help to understand and interpret how our two cases acted in terms of their cultural differences. The next part of this section will outline the relevant parts of crisis communication needed to do a further analysis and discussion.

3.4 Crisis communication

This study will enlighten crisis communication and its different aspects from Coombs and Holladay's (2014) point of view. According to them, a crisis is defined as "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes… (Coombs, 2012, p. 2)" (Coombs & Holladay, 2014, p. 497). Crisis communication emphasises and solves the problems organisations meet when they are in a crisis. This part of the theory will describe how managers of organisations deliberately use crisis communication to avoid or to reduce the problems that appear during a crisis, but it will also focus on the crisis response and their strategies. Coombs and Holladay account for a variety of communicative interferences that are all used and employed throughout the three phases of crisis management, which are:

> "1. Pre-crisis (prevention and preparation),
>
> 2. Crisis response, and
>
> 3. Post-crisis (learning and recovering) (Coombs, 2009)." (p. 497).

Crisis communication has adopted some of the same elements from strategic communication. One part of crisis communication is to strategically apply communication that reduces the harm a crisis can inflict on the organisation or partners they have. It is a tool designed to make sure that the organisation stays focused on its mission to evolve. Another part of crisis and strategic communication is to try to influence people's reactions to a certain crisis, but also to make sure their perception of the organisation does not get destroyed or harmed.

In continuation of crisis communication being a part of strategic communication is two folded and will in the following two sections be elaborated on and clarified. The first part will describe the most frequent outcomes of crisis communication, which involves what an organisation hopes to accomplish through their crisis communication. The second part will focus on the common strategies a crisis manager uses, which will give an understanding of what effect they wish it will have on the targeted audience.

After explaining the two parts of crisis communication there will be a short explanation of how apologies can play a role in the victims and audience's perception of an organisation. Furthermore, crisis communication in South Korea and Sweden will be enlightened.

3.4.1 Crisis Communication Outcomes

Crisis communication is used as a tool to minimise backlash or negative effects a crisis can put on an organisation and their stakeholders and protect them from potential damage the crisis brings with it. It is also used to seek specific outcomes from their pre-crisis preparations on crisis communication and how it affects the potential crisis. Coombs and Holladay divide these outcomes into three areas, which are *(1) attitudes and affect, (2) behaviours,* and *(3) media coverage.* These three areas cannot be completely distinguished as they will influence and maybe overlap each other, yet they are still important separately in order to research their impact.

The first outcome *attitudes and affect* deals with reputational assets (*attitude*) and the different emotions that are often connected to a crisis (*affect*) (p. 498). The *attitude* part focuses on reputation and how an organisation is perceived by the audience. A good reputation is essential because it makes sure that they motivate their employees and that they can keep on attracting new customers. Moreover, a good reputation creates positive media coverage that can result in higher interests in investment, therefore, reputation is valuable and something any organisation wants to protect but is also something a potential crisis can damage. Since reputation is so important, a large part of crisis communication is dedicated to trying to protect that reputation or to restore it when a crisis appears because it is a major outcome of a crisis. The use of crisis communication is meant to seriously reduce any form of reputational damage from a potential crisis.

The *affect* part deals with the emotions from stakeholders and customers. “The most common emotions associated with crises are anger, anxiety, and sympathy” (p. 499), where anger and anxiety are identified as the negative responses. Anger can cause a chain of negative word-of-mouth, which may result in a reduction of customers and thereby less profits. The way people react to a crisis is either by acting or by changing their perception of the situation, however, the most common way for the public to respond is by acting, which means showing emotions. The most important thing is that the crisis communication should be coherent with the public’s emotions and with their way of handling the situation. Anxiety often appears in crises because it interferes with the organisation’s daily operations for both the employees, suppliers, and customers. The employees feel anxious about their wages and job security, while suppliers are concerned about getting paid for the products they have already delivered to the organisation. Customers wonder if they will be able to

buy the necessary products they need and if so, how long will the products be unavailable. The use of crisis communication is meant to reduce the outcome of emotions such as anger and anxiety. In contrast, emotional sympathy has a positive effect, because it speaks to the pathos in people, which makes them feel sorry for someone or something. When people feel sympathy for an organisation, they tend to support it in terms of purchasing from it and the organisation will achieve positive word-of-mouth. When the organisation is a victim of a crisis, the outcome of crisis communication is to increase sympathy.

The second outcome *behaviours* deal with two types of behaviours when it comes to crisis outcomes: *public safety* and *potential supportive behaviours* (p. 499). In crises that involve a chemical accident or a product that is harmful, *public safety* is the main priority for any crisis manager and will use communication to protect the public and their safety. First, they tell people that a threat has appeared. Second, the threat and its extensiveness will be explained. Finally, the people are told how to protect themselves or how to avoid the threat. “People are told what specific product could be harmful, why the product presents a danger to them, and what they should do to protect themselves from that harm” (p. 499). For instance, the crisis managers will give careful and detailed instructions on how to decide if the product they have should be returned or if they need to take action themselves and correct the part that makes the product unsafe to use. This part of crisis communication seeks an outcome that makes sure the product is returned or corrected to avoid further harm.

Potential supportive behaviours are when people take action that in any way benefits the organisation, where purchase intentions and customers behaviour in a crisis are the most researched. This outcome seeks to reduce or eliminate the chances of losing purchase intentions. Another *potential supportive behaviour* is word-of-mouth, which may affect the customer’s or stakeholder’s perception of the organisation. Right after physical harm, the next greatest danger of a crisis is that negative word-of-mouth begins because it is related to both purchase intentions and their reputation. Therefore, the outcome of this part of crisis communication is to avoid or eliminate negative word-of-mouth (p. 500).

The third and final crisis communication outcome is *media coverage* and is also considered a part of the second outcome *behaviour*. All kinds of digital and traditional media are drawn to crises because it gives the dramatic effect and attraction that the media seeks to get more readers or viewers. There are three concerns connected to the media coverage of a crisis: the quality, the quantity, and the duration (p. 500). The quality of media coverage depends on how the crisis and

the organisation are portrayed in a negative light or not, however, in most cases, they are portrayed negatively, because crisis often appears due to a negative incident. The quantity is the number of stories about the crisis. If the crisis stories are negative, crisis managers will try to attract as little media coverage as possible. Some crisis response strategies can help with trying to maximise positive media coverage instead, by including positive information into the stories told in the media. The duration is about how long the stories of a crisis will be covered in the media, which ideally will be over a short time so that the discussion of the crisis will be kept at a minimum. This part of crisis communication seeks an outcome that limits the duration and the amount of negative media coverage, but in a few cases, the outcome is to add some positive information to the stories of the crisis (p. 500).

3.4.2 Crisis response strategies

Crisis managers choose their crisis response strategies by how they wish their outcome to be. "Informing this choice are the dynamics that underlie crisis communication" (p. 500). This part of the theory section will include a description of the basic dynamics found in crisis response communication and then it will describe different types of crisis response strategies.

The dynamics in crisis communication involves how people try to make sense of an experience. When a crisis happens, people have a tendency to try to explain why that exact situation happened and if it was created by internal or external factors. It is found that crisis responsibility plays a big role in crisis communication because it decides where to place the responsibility of a certain crisis. Wherever the responsibility is placed, they tend to get bigger reputational damage, more anger, and a reduction in purchase intentions. When considering crisis responsibility in terms of crisis communication, there are three dynamics that "can be identified for understanding how crisis response strategies are related to the desired outcomes" (p. 501). Firstly, if an organisation has no responsibility for the crisis, crisis response strategies are a great tool to separate the organisation from the crisis from harm and damage a crisis can cause. Secondly, if the organisation has little responsibility for the crisis, crisis response strategies can help reduce the harm and damage. Finally, if the organisation takes responsibility, crisis response strategies can help with positive actions and stories to buffer the damage and negativity caused by the crisis.

There are different types of crisis response strategies to use during a crisis, which can be divided into three main categories:

> "1. instructing information,
>
> 2. adjusting information, and
>
> 3. reputation management." (p. 501)

The first category *instructing information* deals with protecting people physically from a crisis and is, therefore, connected to crises that are a danger to public safety. This involves products that are getting recalled, public health warnings, and when people are ordered to evacuate or take shelter. This category includes warning people about the crisis and giving them the fundamental information about what happened during the crisis. Aside from providing public safety, *instructing information* should also help to reduce anxiety among people.

The second category *adjusting information* deals with protecting people and helping them to cope psychologically with a crisis. For those people getting affected by the crisis, it can be very traumatic, but crisis managers will use sympathy to express concern and take action to ease the burden. They will also use corrective actions, which means that the crisis managers will try to prevent a crisis from repeating itself in the future. Using sympathy may reduce the outcome of anger and anxiety among people.

The final category *reputation management* is a more detailed and in-depth strategy. It deals with "the words and actions designed to protect or to repair the reputational damage posed by a crisis" (p. 502). This category can only be used after *instructing* or *adjusting information* is provided, which always should be prioritised first. *Reputation management* is directly linked to the dynamics described previously that explains how crisis communication can help crisis managers achieve their desired outcomes. There are three strategies to the reputation management response strategies: *denial, diminish,* and *repair* (p. 502). The *denial strategies* work by trying to claim that the organisation is not involved, connected, or responsible for the crisis because then the crisis will not harm the organisation's reputation. If the people believe the organisation is not responsible, they will simply not blame the organisation for the crisis. The *diminish strategies* try to reduce the number of responsibilities attributed to the organisation. If the damage is minimal, the responsibilities of that crisis assigned to the organisation will also be minimal. Therefore, when arguing that the organisation

had only limited control over the crisis, crisis managers will try to claim that the organisation should only be confronted with little responsibility because they know that small numbers of responsibilities create fewer negative effects from a crisis. The *repair strategies* accept all of the responsibility for the crisis and try to do positive actions that will help to relieve all the negativity that can be caused by a crisis (pp. 502-503).

The *repair strategy's* main goal is to "reduce the reputational damage, the negative effect on purchase intention, anger, and negative word-of-mouth" (p. 504). All of these four categories will be damaged during the crisis. When using this strategy, one seeks to include positive things that can help with the reputational damage, such as apologies, reminding people what good things they have done in the past, and telling their stories about how they are also a victim of the crisis. The last one may increase the sympathy among people, which can lead to more positive word-of-mouth. An apology may help to limit the big media coverage a crisis causes and is a form of ending to the crisis. In this strategy, the organisation accepts the consequences of the event that caused the crisis and hopes for forgiveness by people, so that the interest in their organisation is still there.

3.4.3 The Apology Perspective

It is interesting to include how an apology can affect the public and the victims of a crisis. An apology can often be connected to crisis response strategies, where denial and excuses are utilised, however, this apology is often not in the favour of victims. In that relation, an apology is seen as an easy way to get out of the negative spotlight, but it leaves the crisis manager's recommendation of an apology to be questionable (Coombs & Holladay, 2008, pp. 252-253).

In order to protect the reputation of an organisation, crisis managers often recommend giving an apology, because it has been considered to be the best crisis response strategy. An apology is related to the organisation accepting the responsibilities for a crisis and asking the public for forgiveness. "A variety of additional components can be added to this definition including expression of remorse/sympathy, expression of regret, preventative measures, and reparation" (p. 253). When organisations accept the responsibility for a crisis and apologise, a lot of effects follow along. There is the financial perspective because it can lead to an expensive lawsuit and financial loss in terms of consumers. Other effects are compensation and sympathy, which in some cases are just as effective as an apology because it considers the victim's needs. It may help to shape the perception of the organisation when they take responsibility. The sympathy response shows concern for the victims,

and the compensation gives something to the victims that will help with the damage it has done – these are considered to be highly accommodative strategies. These are some of the reasons why crisis managers turn to an apology to protect the reputation of the organisation (p. 253).

3.5 Reflections of Theory

This part of the theory will enlighten the critical perspectives on the above-written theories.

Meyer (2014) accounts for how communication within organisations work in different countries. This study takes a standpoint in five of her communication elements in order to apply them in our cases of H&M and Samsung, however, the elements do not portray how every single organisation communicates, and she does not consider the possibility of multiple cultures in an organisation that creates a more diverse and mixed communication approach.

Furthermore, Hofstede (2011) accounts for the different values of a society's culture and shows how these values are related to behaviour. One of the biggest issues of using Hofstede and his six cultural dimensions is that it considers cultures only at a macro level and does not look into the differences between individuals by using a meso- or micro-level. Furthermore, this theory tends to enhance stereotypes about culture and put individuals into boxes that determine how they shall behave due to their culture. Even though the chosen theories of Meyer and Hofstede have limitations, they are important to this thesis as it will study the culture in H&M and Samsung as two separate organisations. This means that it will focus on how H&M acted as one unit, and Samsung as one unit, but it will not focus on the individual's perspective. Therefore, when referencing these two theories in the analysis it will be from a meso level that studies organisations. Furthermore, even though the theory of Hofstede has received some critique, it enlightens the different dimensions of culture well and is strongly connected to what this study wants to research in terms of how culture can play a great role in organisational- and national behaviour.

It is worth bringing these reflections of the theory into light to show the complete understanding of the theory and that it has some critical views. However, we find all the theories necessary to include to fulfil this research and the critique will be taken into consideration throughout the whole thesis.

4.0 Method

This part of the thesis will account for the different methods used to analyse and discuss our two cases. Firstly, the standpoint of philosophy of science will be enlightened. Secondly, there will be a section explaining our methodological considerations that will include a clarification of what analysis level is used in this thesis. Thirdly, we will be looking at discourse analysis, critical discourse analysis, and the modes of persuasion that will be used to analyse the crisis communication and cultural differences found in the cases. Fourthly, the sampling framework will explain how we will be collecting data for the two cases and how it will be used throughout this study. Lastly, it is important to include the limitations to the theories and methods.

4.1 Philosophy of Science

Within this part of the project, we will account for the fundamental approaches to properly fulfil the research. The chosen research approach for this study will be qualitative because it studies human behaviour and words. This approach puts emphasis on understanding and interpreting the social world through experiences (Bryman, 20212, pp. 19-20). This research will be qualitative because it will focus on understanding and interpreting the gathered data from a meso level perspective, which will be elaborated in another section. Even though Hofstede's theory is built on quantitative research, this study will be qualitative because it will use his theory to generalise reality with the use of questionnaires and surveys, which makes it qualitative. Furthermore, it will be qualitative because the data will be gathered from texts and photographs, which is used as a language-based approach to collect data and understand and interpret it through a discourse analysis and a critical discourse analysis.

The goal of this research is to study behaviour and responses when a crisis happens within organisations. In this thesis, we will study the two cases of H&M and Samsung, which both are world famous organisations, but they originated from two different parts of the world: Sweden and South Korea. We will be looking into how these different organisations reacted to the specific crises that happened to each of them and analyse their strategies and responses. To this we will be using discourse analysis and critical discourse analysis that allows us to analyse how the organisations responded and acted before, during, and after the crises, which is why qualitative research is appropriate for this study. In terms of what social research strategies this study will use, will be

explained in relation to epistemological and ontological considerations, which will now be elaborated.

4.1.1 Epistemological considerations

Epistemology studies the possibility of knowing the social and objective world and seeks to understand *how* we know things. Epistemology requires a specific reason and an explanation of why the world or say a phenomenon, is what it is and, thereby, it distances itself from belief (Porta and Keating, 2008, p. 22). Instead, it concerns itself with other issues that question what should be considered as acceptable knowledge and thereby seek to explain whether or not the social world can be studied the same way as natural sciences (Bryman, 2012, p. 27).

Within epistemology, we will take a standpoint in the interpretivist consideration. This science stands in contrast to positivism, as it deals with the understanding of human behaviour rather than the explanation of human behaviour. Interpretivism strives to make sense of different things and phenomenons, because meaning is a fundamental thing in life. Interpretivism studies the meaning of people and what people create. Furthermore, the approach strives to understand and interpret the beliefs and meanings of social actors in order to understand their social reality. This science is oftentimes used when researchers wish to look into fewer cases and thereby it will give a great level of depth when for instance looking into different organisations for further studying the managing of crises or issues (p. 26).

The reason why interpretivism was chosen for this study is first and foremost because of the desire to make it a qualitative research, but also because of the wish to understand how international organisations like H&M and Samsung acts on a crisis that may damage their reputation, and thereby interpret how it can be that they acted that specific way. Furthermore, it is worth studying and interpreting what external factors such as social values and cultures played a role in how different the two organisations responded. Interpretivism studies the social world and therefore tries to create meaning by saying that the social world is only constructed because it makes sense (pp. 28-32). The main reason behind using interpretivism in this study is that the researcher is able to gain an in-depth insight into the affected organisations, which includes their strategies and responses. This enables the researcher to a greater understanding of why the affected of a crisis reacts and acts the way they do.

4.1.2 Ontological considerations

Ontology strives to study the existence of the social and objective world and is about *what* object we study and what exists. Ontology deals with issues about what we know and how it can be that the world appears like it does. There are very few people that disagree on the existence of physical objects; therefore, ontology deals with whether a certain phenomenon or entity exists or not. It also concerns itself with questions about how the world fits together and how to make sense of it (Porta and Keating, 2008, p. 21). The main issues that ontology deals with are the following questions; if social entities should be considered as objectives that have a reality, or if they should be considered a social construction that is built from perceptions and actions of human beings (Bryman, 2012, p. 32).

This study will focus on the second question; therefore, we will be looking at social entities as being social constructions, which deals with phenomenons and their meanings being accomplished by social actors (p. 33). Social constructivism strives to describe the world as a social construction that is built by social actors who are dependent on each other, which means a reality is created among more than one person and not individually. With this it can be stated that social constructivism deals with what is defined by humans and society as reality, and meanings are established in coordination with others, which means that one cannot create meanings alone because the meanings are already established by society. In relation to this, researching from a constructivist's point of view one needs to focus more on the society that created the construction rather than studying what the construction is (pp. 33-34). According to researchers Berger and Luckmann (1966), human beings are dependent on the world they themselves have created. Individuals are to believe that the knowledge human beings have, control their behaviour in their everyday lives, and the behaviour might be repeated continuously which creates a pattern – this is the pattern which will become their socially constructed reality. However, again it is important to note that this does not happen individually but rather in interaction with a larger group of people, such as their society or nation (Berger and Luckmann, 1966, p. 37).

The reason why social constructivism was chosen for this study was that we are striving to research the construction of how two organisations deal with their crises in terms of their own reality as an organisation but also as a representation of their own nation. We do not wish to study the individual's reality and attitude towards the two cases of H&M and Samsung, but we want to study the organisations as entities constructed by society. In relation to this, social constructivism was appropriate to use since the goal is to focus on what the society and culture have created rather

than what the construction is. Furthermore, it will focus on how the organisation as a unit reacted because of their constructed society made by human beings as social actors.

4.2 Methodological considerations

This section will account for the methodological considerations and choices made for this study by explaining how we will be applying the theories to the cases in order to answer our problem formulation. Our study sets out to be a comparable case study between the organisations H&M and Samsung of how they handled their respective scandals using crisis communication. Using a comparative design implies that it will be easier to understand social phenomena when there are two contrasts or situations that can be compared. It calls for at least two cases and is often used when wanting to compare data in organisations or nations (Bryman, 2012, p. 72). Since H&M originated from Sweden and Samsung originated from South Korea, this study will include a comparison between the different work cultures in the two organisations. To do this, discourse analysis will be the applied analysis method to understand and interpret the apologies, while the already outlined theories will be applied to back up and support what is analysed and discussed through data. Since the goal is to focus on the organisations and the different cultures the two countries have, we will be analysing the cases with a meso-level perspective. We wanted to focus on how the organisations reacted during their crisis, not people's reactions. This means that we will not include a micro-level perspective with an analysis of the individual's attitude towards the cases, nor will we include a macro-level perspective that analyses a country's way of handling a crisis. This study will simply focus on H&M's and Samsung's crisis communication in relation to their cultural differences. Therefore, we will be looking at discourse analysis and critical discourse analysis to analyse the statements made by the organisations and to further understand their statements in relation to culture.

4.3 Discourse analysis

In this section of the method, we will be looking into two types of discourse, which are discourse analysis and critical discourse analysis.

Firstly, one must look into what discourse analysis is to properly use the analysis method in this study. Discourse analysis is the study of language, herein people define discourse as a subfield of linguistics, which is also known as the scientific study of language. However, one must

know that discourse analysis is not just the study of language, but also a specific way of looking at language where the focus lies heavily on how people use it in real life.

Discourse analysis studies how different people use language in different settings such as: jokes, how people argue, persuade, flirt, etc. This specific way of studying language is based on four main assumptions which are:

1) Language is ambiguous. This statement means that nothing is completely clear – that communications always involves a certain amount of interpretation, therefore, what the communicator is trying to communicate is not always what the receiver is receiving or understanding.

2) Language is always 'in the world'. When somebody says something the meaning and interpretation of their statement can differ depending on where they are and is influenced by culture and language understanding.

3) The way language is inseparable from who we are and the different social groups we belong to. People who belong to different social groups use different languages – therefore people can also be put into different categories or social groups depending on how they communicate and which words they choose to use.

4) Language is never used all by itself. When one is talking about language it is important to take into consideration that any form of language is always combined with other factors. This can be tone, gestures, and different facial expressions as we speak. Furthermore, one must also take into consideration what when one is writing the fonts, layout, and graphics are also important as these all also play a role when communicating (Jones, 2012, p. 2).

When talking about discourse there are things and instances that almost everyone has experienced, it is the puzzlement over what someone – a salesperson, an organisation or one's boss, - has said or 'really meant' by what they have said. This is because all forms of communication contain some factors of meaning that are not expressed directly or are not expressed by words that are written or spoken but factors such as body language or facial expressions. This can also happen when people

feel like they are expressing themselves directly and clearly – whereas their body language might be saying the opposite of their words which will confuse the receiver.

Therefore, one of the first things one must realise when studying discourse is that people are not always capable of expressing what they really mean, and people do not always mean what they say. Moreover, something else which is also important to note is that this is not because people are purposefully trying to deceive others, at least not always, it is simply because language naturally is ambiguous. For someone to say exactly what they mean is nearly impossible, and there is proof to this statement; firstly, as many poets, lovers, and even most lawyers know, language is an imperfect tool, because to give a clear and precise statement or expression a person both have to think and feel (p. 3).

Moreover, when most people communicate, they have the tendency to always want to communicate more than one thing at a time. A known example of this could be the simple question “do you have a pen”. With this question, the person asking is not only asking if the other person is in possession of a pen but also indirectly asking if it is possible that they can borrow that set pen – and to properly understand this indirect question one must undertake the process of ‘figuring out’ what the other person meant. This is a process which in some cases will happen unconsciously and automatically (p. 3).

This is also known as a process of interpretation. When asking for the pen, what is meant to be communicated is that one needs a pen, but also that the person asking does not want to impose or that the person asking feels shy about asking to borrow a pen, which can be the reason behind asking indirectly.

Discourse is situated by who says or who writes what to whom, as the people, the so called ‘whos’ and ‘whoms’, are the ones to communicate verbally and on text. To explain this, we will look at the statements made by Samsung and H&M, which will demonstrate their true standpoint - “they are enacting their identities" (p. 4).

4.4 Critical discourse analysis

Critical discourse analysis, better known as CDA, is based on the critical theory of language. When looking at Fairclough’s (2010) idea he states that social practices are tied to a specific historical context where existing social relations are reproduced or contested. We will be using critical

discourse in this master thesis, as it helps apply an analytical layer to the discourse and helps study our data and the social perpetuation of dominance and possible appearance of power abuse by text in a more socio-political context, than what discourse analysis can do alone.

The main questions that critical discourse analysis is attempting to answer is such as: how is this text positioned or positioning? Whose interest is being portrayed through this positioning? Whose interest is being negated? What are the possible consequences of this positioning? All of the previous questions relate discourse to power relations. Therefore, critical discourse analysis is where analysis is striving to understand 'how discourse is implicated' in power relations (Fairclough, 2010, pp. 17-21).

Looking at the model made by Fairclough (1989, 1995) for critical discourse analysis, it is made of three interrelated processes of analysis - the three interrelated dimensions of discourse. The first one being the object of analysis, which includes verbal, visual, or verbal and visual texts. The second being the measures the product is made and received from. This can be writing, speaking or designing, and reading, listening or viewing by a human receiver. The third being the socio-historical conditions which are used to guide the different processes (pp. 17-21). Fairclough argues that each of these different dimensions require a different kind of analysis, these consist of:

1) Text analysis (description)
2) Processing analysis (interpretation)
3) Social analysis (explanation)

These three levels are also shown in the model of the three-dimensional model of discourse. Fairclough built this model to portray his view of ideological processes in society and shows both the text, interaction and the context (Simpson & Mayr, 2012, p. 54). The model is seen below, and the three dimensions will be further elaborated.

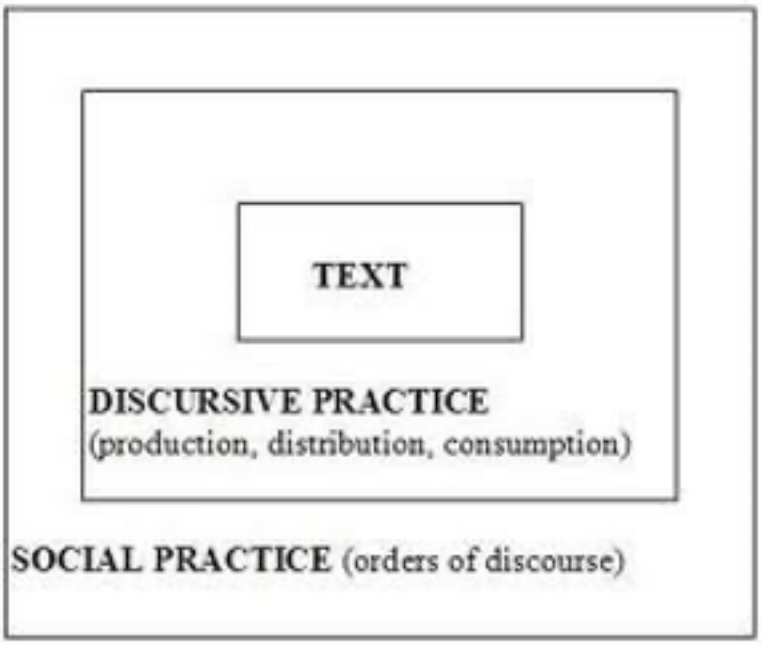


Figure 2: Fairclough's three-dimensional model (Retrieved from Simpson & Mayr in Language and Power, p. 54).

4.4.1 Text as discourse

The first and inner box of the model is called text. This box portrays where discourse is represented as text, and the main focus is placed upon grammatical aspects or facts that can be found directly in texts. This means that this part of critical discourse analysis is used to only describe the observed feature in the texts. The two features that are involved in this dimension are lexical and the grammatical aspects of the texts, therefore, this also includes metaphors, the use or moral verbs, the use of conjunctions, antonyms and synonyms, etc. (p. 55).

4.4.2 Discourse Practice

When one is striving to be able to manufacture a comprehensive analysis of the comments and messages and the social context Fairclough explains in his research that text production and the interpretations was a main and critical binding point of his discourse practice.

According to Fairclough (2010), discourse practice is the production, distribution, and consumption of a text (Fairclough, 2010, pp. 94-95). Following this, the manufacturing of a text is heavily dependent on how the text has been produced, interpreted, and how it has been distributed.

When a researcher is striving to conduct a thorough analysis there has to be layers, one of interpretation and a description of textual features but most importantly the social context must be considered as well. Fairclough argues that the interpretation is highly dependent on the social circumstances that the interpreter has, just like the production and the distribution of the text is affected by the different structures and events that are happening during the production of the texts (p. 95).

Discourse practice can be divided into two separate parts: intertextuality and interdiscursivity. For this study Fairclough's ideas to analyse interdiscursivity in the discourse practice dimensions of his three-dimensional model will be used, as this is the part where texts intertwine with each other as a main point (p. 94). In this part Fairclough defines interdiscursivity as the constitution of texts but it is made from diverse discourse and genres (p. 358). According to Fairclough, intertextuality and interdiscursivity are closely connected. Fairclough explains in his text that interdiscursivity is always intertextual. However, intertextuality is not limited to just interdiscursivity, but the both of them fit under discourse practice.

For us to be able to apply Fairclough's discourse practice dimension to our study we will have to go into the textual features, the discourses, the genres, and the different styles and how these are expressed in the statements made by the two organisations H&M and Samsung. According to Fairclough (2010), a discourse is "…a particular way of representing certain parts or aspects of the world…" (Fairclough, 2010, p. 358), which can be translated to how social groups and relations are being represented, and how they are representing themselves through communication (p. 358). A genre is according to Fairclough a "… particular way of acting socially, which means acting together…" (p. 358). This adds to the understanding that genre can be the setting in which a text takes place. In our cases, it is a press conference or an online statement on social media. According to Fairclough, a style is "…a particular way of being…" (p. 358). Translating this, styles can be described as personal features that distinguish a text or a person.

4.4.3 Social practice

The final level of the three-dimensional model is social practice. Social practice deals mainly with "… issues important for social analysis, such as power relations and ideological struggles that discourses (re)produce, challenge or transform in some way" (Simpson & Mayr, 2010, p. 55). The

social dimension was added by Fairclough as he found that it was of high importance to understand the implications and also the social context of the work that is done in a textual and discursive analysis. In addition to this, there is a 'textual moment' in any social practice, according to Fairclough. In our study this textual moment is the analysis of genre, discourse and style which will be used to interpret the practice (Fairclough, 2010, p. 192). Our final goal when we will be studying the social structures within the texts and comments and where they were produced; we must attempt to try and determine what can be interpreted about a society from a text. Moreover, we will be able to examine what kind of impact the texts can have on different social relations.

We are using these two different ways of analysing discourse. Discourse analysis is very fitting for understanding the contextual level of language and text and is appropriate to use when one is looking only at the text, which is our main data. It also allows us to investigate what lies behind the words, as language is ambiguous, and this is taken into account in both discourse analysis and critical discourse analysis. Critical discourse analysis also allows us to look more into the power dynamics, which are portrayed in our data and enables us to further investigate the possible underlying notions, which are present in the apologies.

4.5 Modes of persuasion

Aristotle was one of the first theorists to speak about persuasion. He proposed that persuasion had three modes: Ethos, Pathos, and Logos, which has been considered three very useful and effective methods to persuade people in different contexts. Ethos represents the credibility of the message, which means that it is a way of convincing the audience that what you as a writer are saying is credible due to education or background. Pathos represents the emotional appeals, which means that humans are much more drawn to emotions such as humour, sympathy, anger, pity, and outrage. Logos represent the logical claims to the message in terms of facts presented during the persuasion (Amos et al, 2021, pp. 3-4).

The three modes of persuasion will be used to analyse the statements from both H&M and Samsung, in terms of understanding how they are using persuasion as a part of their crisis communication strategy.

4.6 Sampling framework

In this master's thesis we will be analysing the following crises from H&M and Samsung. The case from H&M is the scandal that happened on January 8th, 2018 is better known as the 'Coolest Monkey in the Jungle' scandal. The details of this case are described below in the analysis. The other case which will be analysed is the Samsung Galaxy Note 7 scandal from Samsung which happened on August 19th, 2016. We will be looking into how these two cases have been handled by their respective countries. To do this we will be using Meyer's five elements as well as Hofstede's six dimensions. Samsung will in this thesis be used to represent crisis communication in South Korea and H&M will be used to represent crisis communication in Sweden. Hereby, we will be investigating and analysing how these organisations have used their respective crisis communication to de-escalate and/or apologise for the two crises.

These two respective organisations have been chosen as they appear to be fundamentally different in regard to their communication, which will allow for an interesting analysis and comparison. We will be finding our main data from H&M's and Samsung's own websites. These two cases have been chosen because they are the most well-known cases from both organisations. These two cases can also be categorised as crises according to Coombs and Holladay (2014). They both received a lot of attention online and on social media. These two cases have both published apologies in the media; however, they have done so in different ways. H&M posted their two apologies on Instagram, whereas Samsung published their apology in three different American newspapers. We will be analysing these apologies, as well as their crisis communication. Furthermore, we will be finding statements from both organisations on their websites. On their webpages we will also be looking at the published reports, their values, and their visions.

4.7 Limitations

This section will explain the limitations which have emerged when writing this thesis and problems we faced when analysing or investigating these two cases. The first thing, which is important to note, is that to gain information about their internal communication was unreachable for us as we have not been able to get in contact with the respective organisations and, therefore, they did not answer our questions regarding their internal communication during these two crises. We are only able to analyse their external communication, thus meaning that we are only able to analyse what they have wanted to portray to the public. The two cases are a few years old which also means that some of the

information regarding the cases is no longer available. For this master thesis we will only be using the meso level, as it fits with our theories and methods, however, is it important to note that this can create a bias in our analysis, but as we are aware of this bias, we will be able to look for the possible bias before concluding and finalising statements for this thesis.

Furthermore, this thesis sets out to be a comparative case study, which will be using a qualitative research design. Because of this, it is important to note that when doing a qualitative research design, the researcher must be careful about the way data is collected and will have to look further into how to appear unbiased, as qualitative data can easily appear as biased (Bryman, 2016, pp. 374-406).

In this thesis we will be using interpretivism, however, this means that we will not be able to generalise our findings and will not be able to state that this is how all the Swedish or South Korean organisations will be using crisis communication in relation to crises. However, we will be able to generalise how these two specific organisations use their crisis communications and how their cultural perspectives affect this.

Looking into these two cases we will be using their international webpages, which are both written in English and not their original languages. This can affect the outcome, as there might be different information on the sites in their original language, than there are in the English versions - something can be lost in translation. Furthermore, one could argue that these organisations are affected by the fact that they are international organisations. It is a possibility that they have adopted some different values because they have bases in different countries, therefore, this can also affect the outcome of the analysis. The globalisation of these organisations can affect the analysis because we are also analysing their respective cultural perspective.

Since we will take a standpoint in the six cultural dimensions by Hofstede (2011), it is important to add the limitations and critique this theory has gotten. Firstly, the theory has been developed over a long period of time, however, the last dimension scores are from 2001. This creates a bias since the world has evolved over the past 20 years, and thereby also cultures and individuals. Hofstede does not take into account cultural diversity and keeps culture tied to a geographical place, which is not coherent with the globalisation going on to this date. National cultures have become more mixed and blurred. This is something we will attempt to describe and enlighten during the analysis.

regard to the background information provided in the introduction, it is important to mention that Schwarz, Seeger, and Auer (2016) account for how crisis communication is used in South Korea and Sweden. One issue of using their perspective is that they include more specific explanations of crisis communication in the part of South Korea than they do in the part of Sweden. Another issue is that they create a problematic statement by indicating that Sweden, Denmark, Norway, Finland, and Iceland "are quite homogeneous societies" (Schwarz, Seeger & Auer, 2016, p. 513) because they imply that all of these countries can be measured as one whole unit. Since this study will research the different ways of using crisis communication in two different organisations, it will only focus on the two countries Sweden (H&M) and South Korea (Samsung), which is why the statement about the Scandinavian countries being homogeneous will not be further investigated but kept in mind when using this perspective. Furthermore, Schwarz, Seeger and Auer (2016) have investigated the crisis communication of exactly the two countries that will be used in this study, which gives them an important role as they provide background knowledge of how they are doing crisis communication in Sweden and South Korea.

5.0 Analysis

This section will include two analyses. The first one will focus on H&M and their newest crisis from 2018, and the second one will focus on Samsung's crisis from 2016. They both set out to analyse the discourse of the apologies that the respective organisations published connected to each of their crises by using the critical discourse analysis method and modes of persuasion. Furthermore, it will separately analyse how H&M and Samsung are doing their crisis communication, and how it is connected to their origins from Sweden and South Korea by using the five elements from Meyer, and the six cultural dimensions from Hofstede. Firstly, H&M's crisis will be analysed, afterwards it will be Samsung's crisis.

5.1 H&M

H&M is one of the biggest clothing empires in the world and has more than 4700 stores in over 28 countries. H&M was founded in 1973 by Erling Persson in Sweden. The clothing store started out as Hennes store in the 1940's and thereafter expanded into including men's clothing, therefore adding

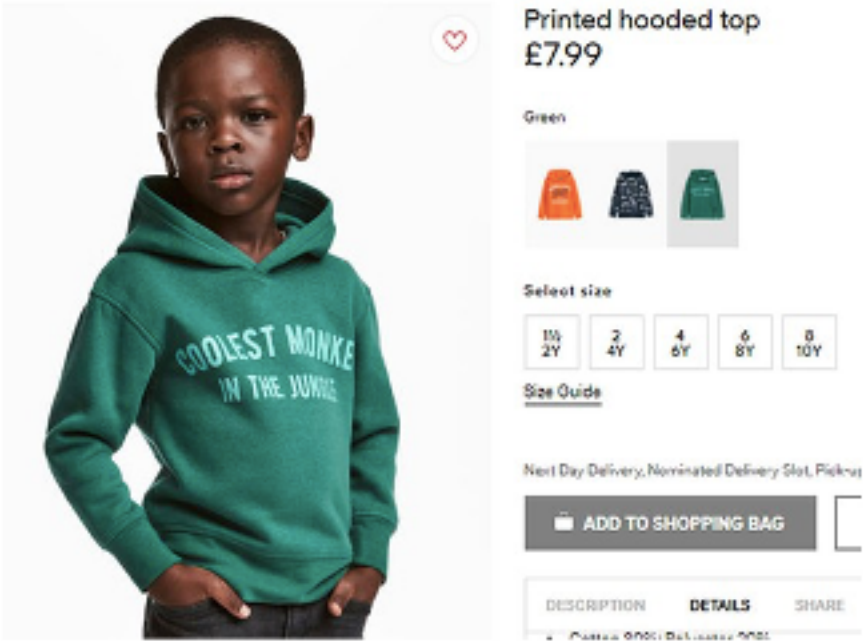
the name Mauritz in the 1970's, which led to the now famous name Hennes & Mauritz (H&M) (Cohen and Stansell, 2009, p. 182). Following this, the company decided to expand their stores outside of Scandinavia and opened their first store in the United Kingdom. The response to this was very mixed, but the company remained strong and thereafter opened their next store in Switzerland and by 1994, the company's revenue reached 13.4 billion (SEK) (Cohen and Stansell, 2009, p. 183). Over time, H&M remained on top and continued to focus on international expansion and, therefore, continued to develop subsidiary brands, and this was done with great success. These following brands all belong to H&M: Monki, &Other Stories, Cos, Cheap Monday, Weekday, AFound, H&M Home, and ARKET. Together they form H&M Group. Additionally, the company has also done several partnerships with many different high-end fashion brands, some of them are the following: Karl Lagerfeld, Jimmy Choo and Stella McCartney (Cohen and Stansell, 2009, p. 184).

However, in 2018, despite of H&M having a yearly revenue of 200 billion Swedish crowns, this was much below the growth expectations of the brand (Ganderup, 2018). The following year H&M saw a highly disappointing development, as the H&M stock value decreased by more than 40% and they had to close more than 170 of their stores, therefore, they have also found it necessary to decrease the opening of new stores by 40% (Ganderup, 2018). H&M has a great impact on the global fashion industry, and this also comes with a great responsibility. During the past few years Corporate Social Responsibility has gained momentum, and because H&M is such a large and global brand, huge amounts of people are looking to H&M for high ethical standards to protect cultural values and protect the environment.

On January 8th, 2018 everybody's eyes were on social media because of H&M, as a picture of an African American boy dressed in a green sweatshirt with the phrase 'Coolest Monkey in the Jungle' printed on the front of the shirt appeared on the H&M's global business to customer (B2C) webshop. Many consumers were angry about the negative cultural connotations this sweatshirt implied and thus demanded that H&M took responsibility for the actions they had committed. It is not known for how long the picture of the Sweatshirt had been on the webshop, but if one is to take into consideration the quick response of the social media it has most likely not been present for long, before consumers started reacting online.

The picture of the boy in the sweatshirt started spreading like wildfire on social media and was shared on Instagram, Twitter, and Facebook. This is most likely because global celebrities

became aware of this incident and have therefore disassociated themselves from H&M. One of the most famous posts was made by the Canadian musician Abel Tesfaya, who is better known as The Weeknd. The Weeknd took to Twitter and there he announced that he would not be working with H&M in the future, whom he had earlier collaborated with (Poulsen, 2018). H&M felt the need to apologise, which they did on their social media platforms to reach out to the public. The picture that caused the outburst can be seen below.



Picture 1: 'Coolest Monkey in the Jungle' (Thomson, 2018).

With this picture of the African American boy and the green sweatshirt, it is first and foremost relevant to define what caused it to be an actual crisis. Coombs and Holladay define a crisis as an unpredictable event that threatens important expectancies of stakeholders and thereby generates negative outcomes (Coombs & Holladay, 2014, p. 497). The existence and relevance of a crisis is defined in the eyes of the perceiver.

The outrage from the public towards H&M was based on one event and was displayed on all of H&M's social media platforms, especially Twitter and Instagram, where stakeholders used their liberty online to speak of division of skin-tones and cultures, and of a racist act. Some people questioned the intentions of the advertisement, which is why they threatened to boycott the organisation for its actions – just like The Weeknd announced. Since the outrage, anger and threats of boycotting H&M is based on an image, and therefore from one single event, this will be defined

as a crisis, according to Coombs and Holladay (2014). Thereby, it is possible to do an analysis of H&M's crisis communication before and during the crisis from 2018.

5.1.1 The apologies

This part of the research is set out to analyse the responses that H&M gave due to the outraged comments and reactions they got from the incident. H&M's response to their crisis took an apologetic approach. They posted two apologies on their social media profile on Instagram. Even though they also posted them on other social media platforms like Facebook and Twitter, this thesis will focus on the ones on Instagram. It is the same apologies on all of their platforms, and since this thesis does not strive to analyse people's reactions, it is not important which platform this study will use. The first apology was posted on January 9th, the day after the crisis appeared. The next apology was posted on January 10th. This part of the analysis will therefore focus on the two apologies and their contextual surroundings by using Fairclough's Critical Discourse analysis method on the first apology and pointing out the differences in the second.

5.1.1.1 The first apology

> "We understand that many people are upset about the image of the children's hoodie. We, who work at H&M, can only agree.
>
> We're deeply sorry that the picture was taken, and we also regret the actual print. Therefore, we've not only removed the image from our channels, but also the garment from our product offering.
>
> It's obvious that our routines haven't been followed properly. This is without any doubt. We'll thoroughly investigate why this happened to prevent this type of mistake from happening again." (Instagram.com/hm/) (Appendix 3).

Since the post is made on the social media platform Instagram, the apology is posted as a picture. This picture has a grey background, and the text is structured as a comment made in note-form because it is short, succinct, and very precise (see appendix 3). This apology is written as if it is a response to a conversation because it starts with the phrase "We understand that…", which indicates that the apology is directed to the receivers who already are a part of the dialogue. They do not introduce the case, instead they assume that the receivers already are aware of it. By the phrase "…

the children's hoodie" they signify by the use of "the" that it is one specific hoodie they refer to and that there already is a discourse about the case.

The text starts off by stating the nature of the case. The first sentence shows that H&M are very much aware of the disappointment and anger they created with this image. The next sentence is followed by a total surrender towards the attitude of the case. The following sentences come with an apology and deep regret, which indicates that this is something that never should have happened. Therefore, they make a statement with a promise of action to make sure the audience knows that they have already removed the image and the possibility to buy the product. The next sentence comes with another apology about how they made a mistake and thereby underline their seriousness with "This is without any doubt.". The last sentence makes another promise of action because they underline that they will investigate deeper into why this happened in order to reassure that the same thing will not happen again. When looking at the text as a whole, it is clear that the discourse is predominantly describing because it is describing the nature of the case, how it should never have happened, and how they will prevent such cases in the future. They do not argue against any of the accusations – they simply describe their own position towards the case at that moment.

The written style and the vocabulary in this text is a little contradictory. The language is used correctly and is structured in a very formal way with only text and does not find the use of emojis necessary. However, this is inconsistent with the large use of abbreviations such as 'it's', 'we're' and 'we've'. Furthermore, the focus being on the green sweatshirt, the writer describes it both as a garment and as a hoodie, which are two very different uses of words about the same piece of clothing. 'Garment' is very formal, while 'hoodie' is mostly considered slang. However, the choice of using both formal words and slang is probably deliberate as the writer has considered who the audience is. This apology is published on Instagram, which is an informal social field and is often used to meet the consumers and react to their comments, to seem closer to their audience. When the writer of this apology is using abbreviations and slang H&M seems closer to the audience and joins the social field that they are in. This is important in order for them to understand their audience and their reactions. Moreover, it seems like the writer finds it necessary to include the formal words because it is such an important and delicate case that can easily escalate more than it already has, which is perhaps why they cannot solely use slang.

As previously written, this text includes a total surrender to the accusations from the audience by apologising for the episode and promises of action. This shows that H&M have chosen to completely tell the truth and be honest about the case. To this, the text is using several grammatical tools. One of the tools is *time* because the writer of the apology assures the audience that what is happening at that moment, will not repeat itself in the future by saying "… prevent this type of mistake from happening again.". Another sentence that is important to focus on is "We, who work at H&M can only agree.". When using the word 'can' it indicates that H&M has no other option than to agree with the reactions to the sweatshirt. At the same time, it indicates that the only right thing to do in this kind of case is to agree with the accusations that in this case is about racism. Yet, another sentence that demonstrates the use of truth is "It's obvious that our routines haven't been followed properly". By using the word 'obvious' it indicates that it is obvious that this is not something that usually happens to them and this does not apply to their standards, instead it is a situation that would never have occurred if they had followed their normal routines. Also, when using 'obvious' in that sentence it helps to support their statement and underline that it is a mistake, and that it should not have happened.

Another perspective on this first apology is to look at the use of passive and active sentence forms, which are two very different types that both have been used in the text. The statement "It's obvious that our routines haven't been followed properly" is written in a passive form. When using passive form in writings, there is a tendency to put the blame on someone or something else and try to shift the attention to another party. The writer of this text does not blame anyone else but the brand, but it still is passive since they try to distance themselves from the situation. However, the rest of the apology uses active form by statements such as "Therefore, we've not only removed the image of our channels, but also the garment from our product offering", which is active due to the promise of action. It is clear that the use of active form is the process H&M is going for, which makes sense when they want to be truthful and apologetic in their statement. Moreover, the previous sentence shows that they have already taken action and done something to prevent more backlash.

The active form is also used when wanting to connect oneself to the situation or to the receivers. In H&M's first attempt to apologise on Instagram, the writer tries to build a bridge between H&M and the readers on their Instagram post, by highlighting that those, "…who work at H&M…" are also just human beings like you and me. In this whole post they use the word "we" six times, which makes one wonder if it is done deliberately to build a bridge to the users of Instagram and

perhaps create some sympathy. Sympathy is created by the use of pathos because this apology tries to appeal to the emotions in people by making the audience feel what H&M feels. This is especially used due to the many 'we' in the apology, because it can create a feeling of being in this crisis together. Also, the total surrender can be considered a part of using pathos as they do not try to blame someone else or explain why it happened. They feel sorry and are using that exact emotion to create sympathy.

Generally, throughout the whole text H&M agrees with the accusations by the public and takes responsibility and actions on the green sweatshirt case. Still, some of the readers had a hard time accepting this apology because they considered it to be a weak and diminishing response from H&M. Quartz Online magazine wrote an article regarding their apology, which accounted for the crisis communication H&M had displayed in this case was purely bad and instead of giving the consumers a sincere apology for creating and, thereafter, promoting an offensive product, H&M instead decided to apologise for offending people with this image. There is a subtle difference between stating that 'I'm sorry for what I did', and 'I am sorry for you are feeling badly' (Fessler, 2018). Here, they refer to the two sentences "We understand that many people are upset…" and "We're deeply sorry that the picture was taken, and we also regret the actual print.". When this first apology did not satisfy their consumers and audience on their social media platforms, they made another one the following day.

5.1.1.2 The second apology

"We would like to put on record our position in relation to the controversial image of our hoodie.

Our position is simple – we have got this wrong and we are deeply sorry.

We have a responsibility to be aware of and attuned to all racial and cultural sensitivities – and we have not lived up to this responsibility this time.

This incident is accidental in nature, but this doesn't mean we don't take it extremely seriously or understand the upset and discomfort it has caused. We have taken down the image and we have

removed the garment. We will now be doing everything we possibly can to prevent this from happening again in future." (Instagram.com/hm/) (Appendix 4).

This second apology is clearly built on the same discourse as the first one and establishes basically an identical message. Both the written style and the vocabulary is the same as in the first one, which supports the previous announcement about posting on Instagram and meeting the audience with informal use of words and slang. They use the same qualities and values because they posted the second apology on the same social media platform.

It also has the same structure of text, which is seen by the fact that it is similarly structured as a comment in note-form and that it is predominantly describing. This text too begins with a total surrender to the accusations they received from the public, by stating "…we have got this wrong and we are deeply sorry.". Afterwards, they take full responsibility and once again surrender to the public "…we have not lived up to this responsibility this time." - Once again, pathos comes into play because they accept all accusations by total surrendering. Just like the first apology, this one ends with a promise of action that they will do everything they possibly can to prevent this from happening again in the future.

They do, however, include something new to the second text by declaring their legitimacy and position towards the whole incident in terms of Corporate Social Responsibility. "We have a responsibility to be aware of and attuned to all racial and cultural sensitivities…" to which they add that they have failed to consider this during the situation, and to live up to all the responsibilities they have. This statement also calls for using pathos as they are using some sort of emotional tone by trying to convince the reader that they know they have a responsibility towards all races and cultures and that they feel sorry that they failed in their position.

The purpose of the second apology is to strengthen the message of the first one, to which they use several modalities. The tool *time* is also used in this text and has become stronger since the first one because this text is more focused on what is happening right now, what they will be changing now and what they will be changing in the future. This indicates that they take it seriously and that they will take action *now*. To underline their seriousness, they use adverbs like 'possibly' when stating that they are doing everything they possibly can. They also use 'would' and 'will' to support the promise of action.

In terms of using passive and active forms in their sentences, this second apology relies heavily on the active form. They completely take responsibility and acknowledge their mistake in every sentence of the text. They take the blame for the image, product, and all the harm that it has created by completely surrendering. Even though they state that "This incident is accidental in nature…", which is passive form, they still take the consequences of the situation by following up with "…but this doesn't mean we don't take it extremely seriously or understand the upset and discomfort it has caused.". The use of 'extremely' is yet another word that underlines their surrender.

In relation to the first text having used the word 'we' six times, the second text uses it no less than ten times, which once again is considered a way to build a bridge to the users of Instagram and readers of this post. Indirectly, this could indicate that they are trying to get sympathy from the readers and the public.

In both of the apologies' H&M shows sympathy and consideration towards the stakeholders they have and who might be affected by the product and the whole situation. Furthermore, they promise to correct the incident and make sure to prevent it from ever happening again. The first apology is using a more passive approach, which could be one of the reasons why the public was not satisfied enough with the first text. The lack of effect has caused H&M to post yet another one, where they are even more clear about how they accept and acknowledge the accusations. It is almost like an apology to the first apology for not being clear enough about their intentions. Furthermore, H&M makes much more use of pathos in the second apology, which also could be a reason why the second apology was more acceptable for the reader because it created an emotion of sympathy instead of a feeling that H&M apologised because they had to, and not because they meant it.

An apology is only one part of a crisis communication strategy; however, it is a really important one when one's reputation is endangered.

5.1.2 Crisis communication

H&M started in the 1970's and has therefore been around for approximately 50 years. A company like that must always keep up with time and expand their knowledge about how the industry and market evolve if they want to avoid confrontations and in the worst case: crises and scandals. The

crisis with the 'Coolest Monkey in the Jungle' is one of the biggest crises that H&M has encountered, and when looking at their website they have a lot of writings that say that they want to avoid operational risks, reputational risks, and financial risks. In their annual report from 2018 they write about the fact that there has been a major shift in the industry.

> "There are risks and uncertainties affecting the H&M group that are related to the shift in the industry, fashion, weather conditions, macro-economics and geopolitical events, sustainability issues, foreign currencies, taxes and various regulations, but also in connection with expansion into new markets, the launch of new concepts and how the brand is managed." (H&M group, Annual Report 2018, 2021).

They are aware of all of these conditions, which makes them a step ahead when running into conflicts because they try to prevent and prepare for crises by doing risk management. However, they do not elaborate on how exactly they intend to prevent crises before they happen, but they are highly developed and have specialists in that field to make sure they know how to manage when in a crisis. In their annual report from 2018, they write that their specialists analyse risks that are both operational and financial as a part of their crisis communication. In the same report, they write that it is important to follow the procedures and guidelines they have, but if H&M fails to do this, there is a risk that the reputation of the brand could be damaged. According to H&M, "accurate, transparent and reliable communication can prevent occurrences of reputational risk" (H&M Group, Annual Report 2018, 2021). Therefore, H&M's strategy is to be transparent about what they do, because they believe that it will help relieve the consequences of any incident. To this they include that working in the fashion industry is a risk in itself because even though shopping online has globally increased the last couple of years, the shopping patterns are very different between markets and sales channels and vary from country to country. The crisis of the green sweatshirt is evidence to what can happen when not following the procedures and guidelines of an organisation. H&M already admitted that they failed to do this, which caused an outrage from the public and reputational damage to their brand.

It can only be assumed that as part of H&M's response to the crisis, they have tried to collect as much information as possible on their social media platforms. This means that they probably researched both Instagram and Twitter comments before posting and reacting to anything in order to shape their responses, so they know what to apologise for and to understand how serious the crisis is.

When being such a large and international organisation as H&M it can be hard to completely avoid any scandals that would damage their reputation no matter how much they work on their 'pre-crisis' phase, due to the many different cultures and societies that they work with. This has resulted in the newest crisis from 2018.

Since H&M are using crisis communication as a tool to prevent and prepare for crises one must assume that they are also working with the outcomes and responses that follow along. The first outcome of Coombs and Holladay's theory of crisis communication is *attitude* and deals with the reputation of a company. During the crisis, H&M suffered from a lot of negativity, which harmed their reputation. The sweatshirt saying 'Coolest Monkey in the Jungle' on the African American boy was seen as highly racist and was criticised worldwide because the reference to a monkey has for a long time been seen as a racial comment and very unethical. This is the major reason why H&M got negative word-of-mouth and great damage to their reputation. In terms of *affect* from Coombs and Holladay's theory, the common emotions associated with a crisis are anger, anxiety and sympathy (Coombs & Holladay, 2014, p. 499). Since anger can cause a chain of negative word-of-mouth this is definitely one of the emotions many people had during the crisis. They got angry that such a big and international brand like H&M could portray racism in that way, which resulted in outbursts on social media that stated they would never be working with or shopping at their stores anymore. This obviously creates fewer profits for H&M and in that way harms the organisation as a whole. This means that now it is not only the emotion anger that is presented, but also anxiety because the employees may fear for their employment, wages, and job security. As the previously analysed apologies' states, H&M completely takes responsibility, which could be a result of both anger and anxiety. They know what they did was wrong, but they also know that they have to apologise in order for their organisation not to be seriously damaged in terms of fewer profits. The most important thing is that crisis communication should be coherent with the public's emotions and with their way of handling the situation, which is represented in the way that H&M knows the public is angry and frustrated and thereby they need to handle the situation by apologising.

H&M tries to reduce the chances of losing purchase intentions by taking action that in any way can benefit their organisation. This relates to *potential supportive behaviour* because they seek to agree with the public's accusations in their apologies to try to reduce the negative word-of-mouth by facing the consequences of their actions.

The media coverage of this crisis has been enormous, not only because H&M themselves have made a lot of statements on their social media platforms, but also because of how it is now possible to react to everything online. People can write comments or react to a post, which then their followers will see, and then suddenly it escalates and goes viral. In this case, a lot of people feel the need to express themselves online because they know it is the best tool to get their opinions out and to create awareness about a major scandal like this one. The quicker the stakeholders and the public learn about the crisis, the quicker the organisation must reply and act. H&M chose to post their apology within 24 hours after the crisis occurred, probably to avoid damaging their reputation and intensifying the crisis.

The quality of the media coverage of this crisis is portrayed in a negative light because of the incident being H&M's fault and not something that happened external or out of their reach. The quantity of media coverage has been, as previously written, enormous. It covers a major number of posts on Twitter, Instagram, Facebook, written articles, YouTube videos, and like this thesis, students write projects about it, which still creates awareness and coverage in the media. It is obvious that H&M does not want to have all this attention, as they quickly apologise twice, which indicates that they want the crisis to disappear as fast as possible. Also, since only they can take the blame, it is hard for them to shift the focus onto someone or something else and thereby make it a positive media coverage. The duration of this crisis is therefore very long because people still talk about it and analyse their actions and responses, even though they have apologised.

In relation to which crisis response strategies H&M uses, is two folded – dynamics and their response strategy. The dynamics of H&M lies within the fact that they wish to take all the responsibility for their actions, which means that they recognise it was created by internal factors and not something that was out of range in terms of stopping the crisis. Furthermore, according to Coombs and Holladay, when H&M as an organisation takes responsibility, it may help with positive actions to buffer the damage and all the negativities. It seemed as though people reacted badly to the first apology, which is why they made another one the day after, where they hoped for a better response and perhaps some sympathy and understanding.

This relates to the crisis response strategy that H&M used, which this thesis will connect to Coombs and Holladay's (2014) three different types of strategies. H&M makes use of both *adjusting information* and *reputation management*. Firstly, H&M uses the part of *adjusting*

information in relation to correcting their actions. This means that in their apologies they mention that they will try to prevent this sort of crisis from repeating itself in the future. Since they take all the responsibility on their shoulders and make a promise of action, they use sympathy to try to reduce anger and anxiety among people but also their employees. When they use this sort of strategy it seems like they try to redeem themselves as fast as possible from all the negativity, so that they are not the focus anymore. Therefore, H&M uses *reputation management* to try to protect or repair their reputational damage that occurred during this crisis. It deals with what words and actions they use when wanting to not harm the organisation further. As already written, they accept the responsibilities for the crisis, which may help to relieve the negative word-of-mouth, anger, and reputational damage and therefore, H&M uses *repair strategies*. The point of using this strategy is to accept all the consequences, apologise, and then hope for forgiveness by people so that they will still have an interest in shopping at H&M's stores.

5.1.3 Elements of Communication

Besides analysing how H&M's reaction to the crisis is portrayed from a crisis communication point of view, it is also interesting to analyse different cultures within H&M as an organisation, in order to understand why they are reacting to the crisis as they do. To this, Meyer's (2014) five elements of communication are relevant.

The element of *Communicating* puts H&M on the *low-context* end, because the communication in their apologies is very simple, clear and precise. Moreover, when being a *low-context* culture there is no shame in repetition in order to make something clear, which relates to H&M giving two apologies on their Instagram, because the public was not satisfied with the first one and in some ways, it sent out a wrong image of what they were really apologising for and were sorry about. Therefore, the second apology was made to clarify what they meant: "We would like to put on record our position in relation to the controversial image of our hoodie." This statement is made to clarify that they truly take the responsibility for the sweatshirt and that there should be no doubt about where they stand in the whole situation. It is made to underline their message so that nothing will be misunderstood. This also relates to the fact that H&M wants to be accurate and transparent about their communication, because having a *low-context* culture indicates that the lack of transparency and being unable to communicate makes an organisation seem untrustworthy. H&M on the other hand values trust, which can be established through clear and simple communication.

In continuation of the previous element, *Evaluating* establishes that Sweden gives *direct negative feedback*. H&M is an organisation that seeks to be very transparent and accurate, which can be reflected in their values of being straightforward and open-minded "… we encourage everyone to give and accept feedback… So be open and honest, yet humble and respectful" (H&M Group, Our Values, 2021). This is very coherent with the fact that H&M gives *direct negative feedback*, because they provide feedback to a colleague honestly and most likely in front of a group, perhaps in a meeting.

The element of *Leading* establishes that H&M is without a doubt *egalitarian*. One of H&M's values is that they keep it simple. "Don't over-analyse, or complicate things with bureaucracy or hierarchy. It will slow down our speed" (H&M Group, Our values, 2021). This indicates that H&M does not believe that hierarchy is a good way to run an organisation, instead they portray it as something very complicated and that it slows down both their work ethics but also the many processes and assignments they are working on. Furthermore, when working *egalitarian* there are no major lines between the boss and the employee – they are ideally seen as equals. This is once again connected to H&M's values stating this: "Trust your colleagues' good judgment." (H&M Group, our values, 2021), which indicates that it is possible to move to action without the boss' approval, because they simply trust each other's good judgement in H&M. Even though all employees in an *egalitarian* work culture is important, it is interesting to look at how the leading positions are managed in H&M. There is a board of directors, which are elected by the shareholders at an annual meeting – this once again makes them *egalitarian* because they meet once a year to discuss and choose new members. It is not only the CEO that makes all the decisions for a long period of time, but several people. The board consists of fourteen members, where eight members of the board are women and six are men. Only six of the members are employed by the company (H&M Group, Board of Directors, 2021). Furthermore, there is one CEO who is appointed by the board of directors and also attends the meetings of the board.

Even though it is clear that H&M work *egalitarian* and not *hierarchical*, it is hard to know as a researcher if the value of a company is being followed as this study is relying on what they themselves write on their webpage. It could be that this is how they ideally wish to work and that this is how they portray themselves. However, when looking at the board of directors and the CEO, all fifteen people have their basis in Sweden and are Swedish of origin. This means that their work ethics and values are from a western point of view. H&M is an international organisation and has a lot of

stores in many countries, and therefore, the board of directors and CEO may not have the same values as the employees in other stores around the world. This creates a bias since it is not possible to know if every single store of both H&M and their subsidiary brands works *egalitarian*. Therefore, this research will have to generalise that H&M Group as one organisation is working *egalitarian*.

The element of *Disagreeing* places H&M on both the *avoid-confrontation* and the *confrontational* end of the scale, according to Meyer. Since the board of directors and the CEO originated from Sweden there will be a tendency to act on the Swedish instinct that may come from external factors that their society has created. Therefore, when disagreeing in the workplace, H&M is, according to Meyer, considered as having an *avoid-confrontational* culture, because Sweden, as the only Scandinavian country, falls on that end of the scale. However, they lean more into the *confrontational* culture than many other countries that have an *avoid-confrontational* culture. This means that H&M are willing to debate and to get into discussions about certain situations, because it can give a positive outcome for the organisation by discussing what they can do better. The board of directors are using this in their meetings "Attendance at the board meetings is very good and the members participate in all discussions" (H&M Group, Board of Directors, 2021). Furthermore, it is stated in their values that people should always speak to each other directly and not behind someone's back. It seems more likely that H&M belongs to the *confrontational* side than the *avoid-confrontation*, because even though H&M has a Swedish origin, the internationalisation of their organisation comes into play. They value discussion and encourage people to make two-way conversation. Therefore, Meyer's theory about disagreement in the workplace is not coherent with how H&M is actually handling their disagreements. It might be because Meyer's theory is from 2014 and H&M are constantly updating their guidelines, values and procedures on their website and in their annual reports.

5.1.4 Cultural Dimensions

This next section is set out to research how the six cultural dimensions by Hofstede can be related to H&M's 'Coolest Monkey in the Jungle' crisis. As enlightened in the theory section, the six cultural dimensions are studied in a social and cultural context and data is gathered via surveys. Thereby, this thesis will be able to do interpretations on the data from Sweden and put the H&M case into perspective in order to make it more qualitative and reflecting. Once again, it is worth underlining that Hofstede's research is establishing a country's social and cultural context as one whole and does

not conclude that every individual is like their country's context. It is a way of framing a culture in a more quantitative way. When using Hofstede's cultural dimensions in this analysis it is possible to try to understand and interpret why Swedish organisations like H&M act the way they do.

The first dimension is *power distance*. Here Sweden scored 31, which means that Swedish organisations are trying to create equality between all employees and hierarchy is only used when needed. Once again, looking at H&M Group's values, they highlight that using hierarchy complicates things and makes one over-analyse. This dimension is highly related to Meyer's element of *Leading*, where it is already analysed how H&M has an *egalitarian* culture. The fact that Hofstede's *power distance* dimension concludes the same thing about Swedish organisations, only supports that H&M definitely does not like to draw a visible line between boss and employee – they want to make room for all sorts of ideas, and the managers trust their employees. It can be assumed that the trusting part can sometimes also have a downside. For instance, in the case of the green sweatshirt, where one manager might have trusted their employees to consider what outcomes it could have to post such an image on their webshop, and thereby, did not think they needed to check if the employees considered a racial or unethical element of that exact image. If it had to go through a lot of people, it can only be assumed that the racial element had been detected. However, it is not known whether managers approved the image or not, although it is interesting to consider the fact that it could have been avoided.

The second dimension is *individualism*, and it is clear that H&M originates from an individualistic society, because Sweden scored 71 on this dimension. When looking at the board of directors, they are hired based on their knowledge and because they do a satisfying job that makes them reliable. It is the work efforts and respect towards one another that establishes trust. "The board members are elected by the shareholders at the annual general meeting…" (H&M Group, Board of Directors, 2021). This indicates that they are not chosen to be directors because they are family or a good friend, but they get chosen by shareholders due to their work efforts in H&M. This is very coherent with Meyer's (2014) fourth element of communication; *Trusting*. It places H&M as a *task-based culture*, because trust and reliability come from work efforts. Therefore, they have a tendency to perceive relationships in any form in the workplace as unprofessional and can cause conflicts of interest.

The third dimension is *Masculinity*. Sweden scored 5 and is, therefore, a clear and highly *feminine* society, where compromise and negotiations are appreciated. This can be connected to H&M's values, where they state that "Conversations lead to great things. That's why we encourage everyone to give and accept feedback, and always speak to each other directly and not behind people's backs" (H&M Group, Our Values, 2021). H&M clearly wants people to talk to each other and come to an agreement by discussing pros and cons. They also underline that every time a board meeting is on, there is a constant ongoing discussion, and all people are included and participating in these discussions until they finally reach an agreement and then they can start to take action on that set agreement. Even though they appreciate negotiations, a *feminine* society does not always like when one person stands out from the crowd and is too noticeable. Like written in the outline of the third dimension, there is something called "Jante Law" in Scandinavia, which is reflected in some of the values that H&M writes on their webpage. Even though they state that "Conversations lead to great things." and "we value diversity in people and ideas…", they still sort of portray that people should not be too much or too little, because "We win as a team, we lose as a team. We have fun as a team. We're on this great shared adventure together" (H&M Group, Our Values, 2021). Individuals are not raised above others, because they are a team, which also supports the fact that H&M does not work hierarchically.

The fourth dimension placed Sweden with a score of 29, and, therefore, with a low *uncertainty avoidance*. The Swedish organisations are, therefore, generalised as having a more relaxed attitude towards control of the future and that everything is not foreseen. H&M is an organisation that concentrates a lot on sustainability, values, diversity, risk management, foundations, expansions and so on, so they do try to avoid unknown situations in the future that can threaten their organisation. This is shown in the many kinds of reports they do every year such as their Corporate Governance Report and their Annual Report, which includes what they have done throughout the year but also how they take action in specific situations. However, they also do not set up exact rules that hinder their development as an organisation. They constantly try to innovate by coming up with new ideas to expand their stores, their subsidiary brands, and their sustainability opportunities.

> "We're extremely proud of what we've accomplished, but we're still far from perfect. We never stop, we never settle, we redefine our limits and stretch our expectations as we do business and interact with the world around us.

> It's the small every day improvements that make the big difference. Great ideas can come from anywhere and we act on the best ones. If there's a better way forward, we will discover it." (H&M Group, Our Values, 2021).

The fact that H&M constantly tries to improve what they already know, makes them prepared for unforeseen situations but does not stop them from always trying to do better and from completely excluding the fact that a crisis can still occur. Therefore, the crisis of the 'Coolest Monkey in the Jungle' could still happen, because it is not possible for them to prevent every single situation that will result in a crisis. Since H&M has a low *uncertainty avoidance*, they do not try to control the future, but they do try to avoid another crisis because they know how much reputational damage it can cause, and thereby also create lower purchase intentions. Instead, they try to deal with how their crisis communication can be improved in order for them to know exactly how to react if they were ever to be in a crisis once again, which can never be foreseen or excluded.

The fifth dimension established that Sweden scored 53 and is, thereby, somewhat neutral to *long term orientation* because they do not express if they prefer being a normative or more pragmatic society, which must indicate that H&M can be on both sides of this dimension. However, this thesis will view H&M as a more pragmatic society because Sweden scored 53 points on the scale, which indicates that they lean a little towards that kind of society. Furthermore, it is also portrayed in how H&M value development and innovation in their organisation. Yet, H&M is still not as pragmatic as South Korea, which was elaborated on in the theory section. It can be assumed that the reason why H&M leans towards the pragmatic society is because they are an international organisation and that they try to focus on the future in terms of preparing for future crises. They are trying to deal with their past of both the 'Coolest Monkey in the Jungle' crisis and other previous crises that they encountered, but at the same time they deal with how they can prevent challenges in the future to maintain or improve H&M's reputation in order to establish good purchase intentions from consumers.

The final dimension establishes that Sweden has a culture that is highly *Indulged* because they got a score of 78, and thereby, people tend to act on their impulses and desires. This relates to the way H&M encourages their employees to innovate, improve, make conversation, and trust each other because when acting on their impulses they may come up with new ideas. This way

of running an organisation is reflected in the Swedish origin from both the board of directors but also the CEO of H&M Group – they probably grew up in an indulged society where it is normal to act on impulses. This has followed them in their organisational life because it has always been a part of them and their societal life, and now they use this way of encouraging people at H&M to act on their impulses and desires. It might be, that due to different societies and cultures around the world this can create a barrier because giving in to one's desires can be seen as taking control, enjoying life, and the right thing to do from an indulged point of view, but if a person is from a restrained culture, giving in to desires are perceived as wrong because they are often bounded by the social norms, which indicates that they have a relatively strong control over desires.

To summarise, this analysis focused on H&M's crisis from 2018 with the green sweatshirt saying, 'Coolest Monkey in the Jungle'. It was identified as a crisis because it is based on one single event and created a major outrage from the public. As part of H&M's crisis communication they made two apologies on Instagram, where the first one was made in a hurry to try to avoid more negative attention, while the second one was made to create more sympathy from the public. It was established that the way H&M is doing their crisis communication is by trying to collect sympathy from the public, reduce negative word-of-mouth, and avoid more media coverage. They take the full responsibility for the crisis and make a promise that they will try to prevent it from happening in the future. Moreover, they use *reputation management* to try to protect their brand from further reputational damage. It was established that the values and work ethics of H&M are highly related to other Swedish originated organisations, which confirmed Meyer's theory of the five elements of communication. Hofstede's six cultural dimensions also fit the values and actions of H&M in terms of Sweden's society and culture.

5.2 Samsung

Samsung is a South Korean company and is known to be one of the largest producers of electronic devices. They have chosen to specialise in the wide variety of different consumer and industry electronics. This includes appliances, digital media devices, semiconductors, memory chips, and integrated systems and they produce about a fifth of South Korea's total exports.

Originally Samsung was founded in 1938, by Lee Brung-Chull in Taegu, Korea. Back then Samsung was a grocery trading store that traded noodles and other Korean goods produced in

and around the city and exported them to China. Later, after the Korean War Lee, the founder of Samsung, expanded his business into different textiles and thereafter opened one of the largest woollen mills in Korea. Lee's main focus was industrialisation with the goal of helping South Korea re-develop itself after the Korean War.

In the 1970's the company once again expanded its production, so its textile-manufacturing processes covered the complete line of the production. They also invested in heavy industries, Samsung shipbuilding, and Samsung precision company (Samsung techwin) was thereby established. The company also started investing in the heavy, chemical, and petrochemical industries – which led the company to a promising growth. Samsung did not enter the electronics industry until 1969 – but they entered with multiple products that were electronics-focused and they produced their first black and white televisions. They once again expanded their productions and began to export home electronics overseas. During this time Samsung was already a huge manufacturer in South Korea and had acquired about a 50 percent stake in South Korea's Semiconductor. And in the late 1970's and early 1980's the consumers were witness to the rapid expansion of Samsung's technology businesses.

Samsung has continued to expand throughout the years and is still to this day expanding. In the 2000's the Samsung Galaxy smartphone series was born and quickly became the company's most popular device and has topped the annual lists of the best-selling smartphones in the world.

On August 19th, 2016 Samsung was faced with a huge threat to its corporate image after multiple global reports appeared revealing complications with one of Samsung's latest products; the Samsung Galaxy Note 7. The Samsung Galaxy Note 7 was predicted to be a promotional airy piece of technology in the cellular industry with the joy of both the institution and the consumers, however, this joy was very short-lived. Two weeks after the release of the device 35 different cases worldwide were reported of malfunctions within the Samsung Galaxy Note 7.

There was a major issue with the lithium battery, which caused the devices to explode unexpectedly and thereby endanger the safety of the consumers (Samsung NewsRoom, 2016). With this, Samsung was forced to issue a global recall of the Samsung Galaxy Note 7 and this entire incident brought much unwanted attention to Samsung's business practises, and consumers, therefore started to question the quality of Samsung products (Reilly, 2016). People reacted quickly to the

explosive device and multiple consumers started to question the quality of the products manufactured by Samsung, regardless of this people still bought more products from Samsung and the company is still expanding to this day.

Samsung released the Samsung Galaxy Note 7 on August 19th, 2016 and was made to be the successor to the previous model Galaxy Note 5 and broke all pre-order records in South Korea, which thereby caused the international release to be delayed due to supply deficiencies. The phone got positive reviews from critics, and they praised the product for its High Dynamic Range support and its streamlined user interface, however, they criticised the product as they believed it was much too expensive (The Telegraph, 2016). However, the short-lived happiness was soon to be over for the company as the Galaxy Note 7 had to be re-called informally just about two weeks after its release. By the 2nd of September 2016 Samsung had suspended all sales of the Galaxy Note 7 and they started to recall some of the devices because of a manufacturing defect in the batteries as they believed that the battery caused excessive heating and fires.

Then two weeks later Samsung issued a formal US recall and switched the products with another phone with a battery from a different supplier (Washington Post, 2016). However, once again these replacement phones also started causing problems, which caused the Galaxy Note 7 to be recalled worldwide and the productions were all permanently stopped. The Galaxy Note 7 only got to be on the market for a little less than two months before the permanent shutdown on October 11th, 2016 (Bai, 2017).

All of the negative feedback towards Samsung was based on an event which spread like wildfire, people started to become scared of all of Samsung's products. Samsung did not use their social media platforms to communicate to their stakeholders about this scandal, however, instead they issued apologies in three different American newspapers to reach their American audience. Samsung was quick to react to the scandal causing minimal damage to their customers and their own products. The Samsung scandal can be defined as a crisis if one looks at the theory from Coombs and Holladay (2014), as the scandal is an unpredictable event, the phones exploding could not have been prevented, as the organisation did test the batteries, however they did not see any defects and it was a crisis which cost Samsung more than six billion dollars to correct.

5.2.1 The apology

Within this section, we will be analysing the apology. This apology made by Samsung was issued in three major US newspapers and took up a full-page in all of them. The apology appeared in the Monday editions of The Wall Street Journal, The New York Times, and The Washington Post, the apologies which appeared in these newspapers were aimed at an English-speaking audience, according to The Korean Herald (2016). The apology letters are all signed by Gregory Lee, who is the President and CEO of Samsung Electronics North America.

The apology will be cut into smaller sections to make it much easier to analyse. Discourse analysis, as well as modes of persuasion, will be applied, and their functions will be explained. Within this section, the element *communicating* from Meyer (2014) will also be applied and explained in relation to the apology. The full printed version of the apology can be found in Appendix 5.

"Samsung

To our valued customers,"

Within this first section, we can see that the Samsung representatives who have written this letter are talking about the consumers as theirs by using 'our'. Samsung is putting their customers into a collective group and also implying that there are multiple people within the company who are affected by this situation and who also truly care. They are also using words such as 'valued', which also amplifies that there are many customers who mean a lot to Samsung and the employees at Samsung are also deeply affected and saddened by the whole situation. The word 'valued' also gives the reader a sense that they are important to the company and when Samsung writes "to our valued customers" it also focuses on the feelings of the readers or customers, implying that this indeed is the beginning of an apology. This can indicate that Samsung is attempting to apply pathos to their open letter. This will be elaborated on later in the apology.

"At Samsung, we innovate to deliver breakthrough technologies that enrich people's lives. An, important tenet of our mission is to offer best-in-class safety and quality. Recently, we fell short on this promise".

Within this section, Samsung is attempting to highlight what their normal standards are and that normally their products are popular and ‘best-in-class’, which means that Samsung is attempting to use ethos to amplify their customers' usual confidence and trust. Once again, they are using ‘our’ which means that they are talking about multiple people who are affected by this situation within the company. Furthermore, in the last part of this section when Samsung writes, ‘we fell short on this promise’ they are saying that they had made a promise to their customers, which makes it more personal. This also means that Samsung once again is using pathos to talk to their customers.

According to Meyer (2014), Samsung as a South Korean based organisation fits under the category high-context communicator. Samsung is categorised as a South Korean organisation because the CEOs and people in higher positions within Samsung are all of South Korean descent. Samsung uses high-context communication in this section mixed with low-context. The fact that Samsung is communicating in long sentences and are focused on explaining everything is high-context communication, they are stating what needs to be stated. But the descriptive and clear communication is low context. This will be elaborated later on in the next section.

“For this we are truly sorry”.

This part stands out and is typically what people expect to find in an apology. Herein, Samsung is taking ownership of the situation and they are apologising without trying to explain anything or distract the reader. This also activates a form of pathos as it is used to speak to the feelings of the reader. Often in apologies people, in this case, the customers, need to see that the company understands they are at fault and are proactively attempting to make up for their mistakes. This gives a good impression of Samsung to the public and also fits well with the way South Korean crisis communication works, where the company is willing to admit and take the blame for their own mistakes, but they also need to evaluate the situation beforehand, which also indicate that the company truly understand the situation and that they are sorry.

Once again, the communication is transparent, it cuts straight to the bone and there are no hidden messages. The reader does not have to guess what the message might be, as it is stated clearly in the apology.

"We take our responsibility seriously to address concerns about safety and quality. In collaboration with government agencies and industry partners, we are taking proactive steps to do better. An update of our actions follows".

Samsung uses ethos and logos to further explain what they are doing for their customers and they are proactive about their decisions. They explain that they are understanding the issue and are now acting on the situation. Samsung uses the word 'responsibility' to explain to the reader that they understand the grand seriousness of the situation. By mentioning government agencies and industry partners they are implying that they have control over the situation, and they know everything that is happening – they are also informing the reader or customer of all of this. In this section they are heavily relying on both ethos and logos.

Furthermore, Samsung also mentions safety as one of their main concerns. Samsung mentions safety many times on their website. It is also one of their keywords in their business philosophy "We comply with international standards concerning safety, related acts and subordinate statute and internal regulations. We obey safety regulations, create a comfortable work environment and prevent negligent accidents" (Samsung, Visions, 2021). This is also a part of their crisis management strategy, to put focus on their customers' safety.

"As you have heard – or experienced personally – we have stopped production and recalled our popular Galaxy Note7 device. We are working swiftly to ensure the remaining Note 7's are safely returned. For those directly affected, we appreciate your patience throughout the exchange process. We know you expect more from Samsung, and that your loyalty is earned, not given".

Samsung is using the word 'you' which makes the letter very personal to the customer or reader. This also shows that Samsung is using pathos again in this section to talk to their customers and are communicating their actions. Also, to explain to the customers that Samsung once again has control over the situation and know exactly what they are doing. In addition to this, they are using words like 'safety', 'popular', and 'swiftly'. These are all very positive words indicating that the readers do not need to worry about anything as Samsung can do everything swiftly and safely. They are stating that their customers are patient people who are able to understand the situation as well. Samsung is in this situation talking directly to the people who have been affected by the situation. They are stating that they are aware that their customers are loyal, and they are sorry that they broke

the trust given to them by making a product that exploded. They indicate that they will try and earn the trust of their customers again and they will work hard to do so.

Herein, they are talking directly to the customer, once again communicating in a low-context fashion.

"A careful Note 7 investigation is underway, and the findings will be shared when the analysis is complete. The process will be thorough and include some of the best independent technical experts in the world to help inform and validate our work. We will re-examine every aspect of the device, including all hardware, software, manufacturing and the overall battery structure. We will move as quickly as possible but will take the time needed to get the right answers".

In this section, Samsung is using logos to explain the steps they are taking to solve the issue and are herein explaining that they will keep no secrets and will be transparent with their findings, thereby, putting trust in their customers. The word-use in this section is very simple and precise and is used to inform and explain rather than educate the customers. They are telling their customers that they are using outside people to investigate where Samsung made a mistake, they are using the "best independent technical experts". Using specialists or people of specific professions in such cases can strengthen the use of ethos and logos. In this part, Samsung is once again talking about themselves as a collective unit, it makes this section more personal and less formal, and it also enables the reader to relate to Samsung. Furthermore, they explain that they will be doing things as quickly as they possibly can, however, they will be much more careful than before and thereby ensure that this kind of incident will not happen again.

"In keeping our commitment to safety, Samsung with the U.S. Consumer Product Safety Commission also just announced a voluntary recall to address a rare issue with our top-load washing machines. From free in-home repair to rebate, Samsung is moving quickly to offer our customers unprecedented remedy options that minimize disruption to their lives. Our service teams are visiting homes this week to help resolve concerns".

Samsung focuses on the fact that they are highly committed to safety and they are enforcing this belief by stating their moves. They have contacted the United State's Consumer

Product Safety Commission and, thereby, they are improving their logos, and this helps prove to the customers and readers that they have control over the situation. They are also taking the time to talk about another product which has also had some issues, and they are presenting the problem with a solution and an offer to the people who have bought this particular product. This enhances their ethos and pathos, as they prove that whatever the problem is they will have a solution, and that they are a trustworthy supplier who helps when their customers need help.

"As committed by our company's leadership, we are taking proactive steps to identify and address what went wrong and how we need to improve our operations. Samsung will revisit every step of our engineering, manufacturing, and quality control processes so we can meet the highest standards of excellence moving forward."

Samsung is within this section using very warm, positive and active words such as 'proactive' and 'committed'. They are stating their mistakes and admitting to everything which makes them appear transparent to the customer and the reader. This makes them much more trustworthy, and also enhances their pathos.

"Most importantly, safety remains our top priority. We will listen to you, learn from this and act in a way that allows us to earn back your trust. On behalf of our 17.000 employees across the country, we are grateful for your ongoing support and again, we are truly sorry."

Here, once again, they are using pathos. In the way it is used here it is clear to see that they are attempting to make it look much more like a real letter to the affected customers. They are once again, stating that they will take all of this as a learning experience, and they will work their hardest for all of this not to happen again.

"Sincerely,

Gregory Lee".

To summarise, the letter from Samsung used a lot of pathos, as it is an apology letter. Apology letters typically require a bit more emotion which is also what they are trying to get from

the public. Because they are very open about what they have done wrong their general way of communicating is very open and very clearly written, there are no hidden messages within the text which makes it much easier for every single person reading this to understand what it says. There are no difficult words, and it is a very simple language which also makes the message seem genuine to more people. They use a lot of 'our' and 'we', which gives the idea that the person writing this letter is talking for the entire organisation they are talking directly to the person reading this or the customer reading this which once again gives the sense that this is a very personal letter and they do mean what they apologise for.

5.2.2 Samsung's Crisis Communication

This part of the analysis is made to examine Samsung's crisis communication and the major strategies they used in addressing the explosion incident. Before analysing what strategies Samsung uses, it is first and foremost worth looking at how they prepare for a crisis and how they try to prevent it before it happens. Their pre-crisis phase is somewhat established in the report: Business Conduct Guidelines, 2016. Here, they write about how they cannot prevent all crises as "… there will inevitably be risks that arise from the ever-changing global society." (Samsung, Guidelines, 2016). They know that the societal and environmental challenges of the world can bring risks to their brand and reputation, however, they still want to do crisis management by preparing for any risks. "Samsung assesses the various factors that may become a risk to the company in an uncertain business environment and establishes countermeasures to manage risks effectively.". To this, Samsung adds that all employees should be prepared to face risks, which indicates that they have rules and guidelines that teach them how to act responsible in such situations. Due to the many preparations, Samsung still was not able to predict the crisis that happened with the Galaxy Note 7.

Samsung first took action by attempting to minimise the damage brought by the crisis before including the public. Afterwards, they made their own strategies in order to deal with the crisis situation and included the public in their affairs. This thesis intends to put the stages of their crisis management into five different strategies made by Samsung, which will all be put into chronological order to easier explain the events that took place and when. Firstly, they held a press conference, pushed a software update, expanded the recall program, ceased all of the sales, and lastly, they released the cause of the investigation. Moving on, this will be related to Coombs and Holladay's (2014) theory of crisis communication.

5.2.2.1 Holding a press conference

More and more media around the world were interested and kept focus on the Galaxy Note 7 exploding incident in South Korea, which put more pressure on Samsung and, therefore, they were forced to hold a press conference on September 2nd to be able to respond to the crisis. The Samsung mobile president Koh Dong-jin was the person presenting the case at the conference (Zhang, 2020, p. 72).

Koh Dong-jin bowed in apology for the entire situation and apologised for the phone exploding incident during the conference. He stated during the conference that Samsung would recall more than 2.5 million Galaxy Note 7 devices that they had sold. They did this to show their goodwill and willingness to correct their mistakes. He also stated that the sales of the Galaxy Note 7 would be temporarily ceased and he promised that the replacement phones that were offered to some of the customers were absolutely safe (p. 72). This press conference is part of their crisis communication because it allowed them to make a deeper explanation of the situation, however, this thesis will not consider it as part of their apology and will therefore not be further analysed.

5.2.2.2 Pushing an App Update

Samsung made the decision to recall more than 2.5 million mobile devices which in itself was a huge task for the organisation and it would take a long time, therefore, Samsung designed and programmed an app update which was programmed to help reduce the risk of overheating and exploding for the users who had not been able to or had not yet returned their mobile devices. This app was designed to limit the maximum battery charge to just about 60% and thereby, they were able to overcome the problem with the overheating of the battery, therefore, the customers were still able to use their mobile devices regardless of the issue. Samsung published the app update in Samsung's home country of South Korea on September 20th (p. 72).

5.2.2.3 Expanding the Recall Program

However, Samsung had to further expand the recall program as several of the replacement phones exploded. Then, Samsung realised that there was not only a problem with the battery. Therefore, Samsung had to start making some adjustments to their recall plan. Samsung then expanded the

product recall to all of the replacement phones and this time they also made a recall of the Chinese version of the Galaxy Note 7 (p. 72).

During this process, Samsung offered two different options to their customers, the first being: get a refund for the mobile device and the second being: receiving another replacement phone of Samsung Galaxy s7 or Samsung Galaxy s7 Edge. Samsung also offered a credit gift to users who chose the second option.

5.2.2.4 Samsung ceasing all the Sales

The Samsung Galaxy Note 7 was soon after the first incidents banned from all flights in America by the Federal Aviation Administration and the four major companies AT&T, Sprint, T-Mobile, and Verizon stopped selling and exchanging the Samsung Galaxy Note 7 (pp. 72-73). After that, Samsung officially confirmed that all of the sales of the Galaxy Note 7 would be permanently ceased and, therefore, decided to end the line of production of the mobile device in order to maintain control of the situation (p. 73).

5.2.2.5 Officially Release information regarding Exploding Incident

Even long after the crisis ended and the Samsung Galaxy Note 7 had been taken off the worldwide market, the public and the customers of Samsung were still waiting to see what the real reason was behind the Samsung Galaxy Note 7 overheating, exploding, and catching on fire. At last, in the beginning of 2017, Samsung revealed the causes of the exploding battery incident from January 22nd, 2016. According to Samsung's announcements, there was a manufacturing defect as well as a battery flaw that contributed to the explosion incidents (pp. 72-73).

5.2.3 Crisis Communication

These five different stages are all part of Samsung's crisis communication and illustrate a chronological order of the way they handled the crisis. Due to the fact that Samsung uses crisis communication it is safe to assume that they are working with crisis outcomes and crisis responses as well. When relating their crisis communication to Coombs and Holladay's theory, it is clear that Samsung uses both *attitude* and *affect* as outcomes. *Attitude* deals with the reputation of an

organisation and *affect* deals with the emotions associated with the crisis. When focusing on the first outcome *attitude*, we will look into the reputation of Samsung. As previously written, they try to prevent reputational damage on their brand in their pre-crisis phase of risk management preparations, which is also seen in this case. Samsung tries to avoid damaging their brand by making a long and thorough apology. Within that apology, they made a detailed description of how they are handling the crisis, which included what they had to do in the future, what they had already done, and how the users of the phone should act. Even though it could be assumed that Samsung would suffer from reputational damage in terms of people not wanting to buy their products again, due to the fear of exploding products, they did not lose purchase intentions from their consumers. This may be explained in the way that Samsung provided a very detailed and in-depth instruction on how to manage the situation, and because Samsung was very structured during the whole incident. Their crisis communication outcome was, therefore, to try to maintain a strong brand that did not suffer too much on the reputational part.

In terms of *affect*, the emotion associated with the exploding Samsung Galaxy Note 7 is primarily anxiety. This emotion lies within the people that bought the phone, due to its tendency to explode – they were anxious that it could seriously be harmful to their safety and health. However, not only the consumers felt anxious, but it can also be assumed that the employees at Samsung felt the same emotion. If they did not act instantly, it could become a serious threat to both public safety but also to their brand. Therefore, they investigated what had happened and quickly they corrected their errors by creating an app update and offering the customers a new mobile device. Afterwards, they apologised as part of their crisis communication and as a way of reducing the feeling of anxiety by ensuring the public that the whole situation is taken care of by professionals.

Since this crisis involves a product that is harmful to the public, Samsung seeks an outcome that makes sure the product is returned or corrected to avoid further harm. The behaviour of Samsung was, therefore, first and foremost to inform people about the harm, then create awareness about its extensiveness, and finally explain the options of either getting a new phone or to use the app they created for the incident. This type of crisis outcome is called *public safety*, according to Coombs and Holladay (2014).

In relation to which crisis response strategies Samsung uses, this analysis will firstly focus on the dynamics and then their response strategy. According to Coombs and Holladay, crisis

responsibility is a big part of an organisation's crisis communication because it decides where to place the responsibility. The dynamics of Samsung lies within the fact that they take all the responsibility for the exploding mobile devices, which means that they recognise it was created by internal factors - it was their mistake, which they take the blame for. When taking the full responsibility as part of their crisis communication, it can be assumed that Samsung hoped for a positive response when publishing the apology because it can be a contributing factor to create sympathy and understanding from the public.

In continuation of the dynamics, the crisis response strategies that Samsung uses is *instructing information* and *reputation management*, which is two of the three different types of strategies that Coombs and Holladay enlighten. Firstly, Samsung uses *instructing information* because they deal with a crisis that is a danger to public safety and because they are trying to protect people from physical harm. They try to warn people about the Galaxy Note 7, and thereby, give the fundamental instructions and information on what happened during the crisis. Besides providing public safety, this strategy is also meant to reduce the anxiety among people, which is very coherent with the apology and actions of Samsung. Lastly, Samsung uses *reputation management* to try to protect their brand and at the same time try to repair the damage that followed this crisis. As already written, they do this by taking the full responsibility and in no way trying to put the blame on an external factor. By doing this, it may help to relieve the negative word-of-mouth and anxiety towards the incident. Thereby, it is clear that Samsung uses the *repair strategies* because they accept the consequences and even paid a lot of money to correct their errors, and they apologised to help relieve the negativity that often comes with a crisis in order to keep a further interest in buying Samsung's products.

5.2.4 Elements of Communication

How Meyer's five elements of communication fit within Samsung will be described in this section. The first element that will be put in relation to Samsung is *Communicating*. Samsung is, as previously written, a South Korean organisation, therefore, it fits well with the fact that they use high-context communication in their apology. This is seen by the way their apology is very sophisticated because of the long paragraphs and the longer sentences. It is also not just an apology that briefly explains the situation and their regret, it is clear that every word is carefully considered and that they believe a longer and more adequate apology will be received the best. This fits well with Meyer's statement

that high-context cultures value a more practical and sophisticated communication because a too simple communication can be seen as inappropriate or condescending. In contrast, Samsung does use small hints of low-context communication as well. This can be explained by looking into where the organisation has some of its headquarters; the main headquarter obviously lies in South Korea, but they also have a lot of headquarters in Europe and the United States, which might be why some of this apology has hints of low-context communication as that is their preferred way of communicating. The apology was meant for people all around the world in different countries and with different cultures, which might be why Samsung chose to use low-context communication mixed with their normal high-context form of communicating. Therefore, it suits the apology that Samsung is using high-context communication, as there is some sincerity in the long paragraphs and the longer sentences, but it also fits well with the informal tone that Samsung is using simple words and simple sentence structures.

The second element from Meyer's theory is *Evaluating* and focuses on how people give negative criticism. In Samsung's Business Conduct Guidelines report from 2016 they have a section called 'Listening to Our Employees', where they describe that they have a communication channel at every operation site (Samsung, Business Conduct Guidelines, 2016). They do not elaborate on what the communication channel includes, but they add that they regularly listen to their employees, and that they have an open communication culture. This relates to Meyer's theory of *indirect negative feedback* because it seems like Samsung is providing feedback more softly and subtly. The fact that they have an open communication culture could indicate that the employees feel free to speak to their employer and give feedback in a more diplomatic way. Furthermore, when we look at the apology and look at the timeline over Samsung's crisis communication, it becomes clearer that Samsung uses *indirect negative feedback*. They are careful about delivering negative feedback, therefore, when giving feedback they always mention something positive as well. In the apology this becomes clear as Samsung tells what is happening and what is wrong, but never mentions something negative without presenting a solution or mentioning something positive.

The third element from Meyer's theory is *Leading*. This element is about how the organisation is being managed, whether it is an *Egalitarian* or a *Hierarchical* organisation. Samsung is a hierarchical organisation. When looking at the presentation of the CEOs on Samsung's webpage and looking at their general organisation management, it becomes clear that Samsung functions with

the hierarchical system. There is a large distance between the CEO and the regular employee in Samsung, and typically there is no communication between these two parts of the organisation. The 'main' CEO of Samsung is Kim Ki Nam, below him is Kim Hyun Suk and last is Koh Dong Jin (Samsung, Get To Know The CEO, 2021), these three are the main people written about on the Samsung webpage and they are all described with previous titles and levels within Samsung. Samsung is a multi-layered organisation, this means that there are typically no conversations between the different levels, if one has a message for the CEO one will have to go through all of the different layers first in order to contact him. The person who apologised at the press conference held on September 2nd, 2016 was CEO Koh Dong Jin, he is also the head of the mobile department, this means, he was the person given most responsibility in the crisis. Therefore, in a hierarchical organisation, he had to be the one apologising and bowing to the public during this crisis.

The fourth element from Meyer's theory is *Trusting,* this element deals with how individuals within the workplace build trust to each other. Samsung as a South Korean organisation has a relationship-based work culture, where they establish trust to their colleagues through respect and recognising each other. "Our objective is to maintain and develop a mutually cooperative and coexisting employer-employee relationship based on faith and trust." (Samsung, Business Conduct Guidelines, 2016). This shows that Samsung builds relationships in their workplace through faith and trust, which is very coherent with the relationship-based culture. It indicates that the people working at Samsung are not only evaluated by their work efforts or practicality - they need to be personally trusted in order to maintain a good working relationship.

The fifth and final element from Meyer is *Disagreeing.* According to Meyer, Samsung should fall under the avoid-confrontation category. In this case Samsung is quick to pause and later cease the sale of the Samsung Galaxy Note 7 to properly investigate what is going on, which makes her statement true. They do not take on a fight, but instead they immediately react and investigate the situation. They do not ignore the situation, but instead choose to inform the people who bought the mobile device about the situation. With this they are attempting to deescalate the situation and in no way disagreeing or being confrontational. Another aspect that leans Samsung to the avoid-confrontation side is the statement "When experiencing discomfort during work, our employees may use the grievance resolution channel provided at each of our sites." (Samsung, Business Conduct Guidelines, 2016). This indicates that Samsung would rather people showing their disagreement in

an anonymous channel, than face-to-face. This is highly avoid-confrontational as it indicates that Samsung believes debates have a negative impact on the team or organisation.

5.2.5 Cultural Dimensions

This next section will research how the six cultural dimensions by Hofstede can be related to Samsung's crisis of their Galaxy Note 7. Just like in the analysis of H&M, we will in this analysis be able to do interpretations on the data gathered from South Korea and put the Samsung case into perspective in order to make it more qualitative and reflective. As previously written: it is worth underlining that Hofstede's research is establishing a country's social and cultural context as one whole and does not conclude that every individual is like their country's context. It is a way of framing a culture in a more quantitative way. When using Hofstede's cultural dimensions in this analysis it is possible to try to understand and interpret why South Korean organisations like Samsung act the way they do.

The first element from Hofstede's theory is *Power Distance*. South Korea placed with a score of 60, which means that South Korean organisations are hierarchical and that inequality in their society falls very naturally. As already established in Meyer's element of *leading*, this thesis views Samsung as having a more hierarchical culture, due to their large distance between CEOs and employees. "Samsung provides equal opportunities to all qualified employees…" (Samsung, Business Conduct Guidelines, 2016). This statement indicates that Samsung wants equality for their employees, but only for the ones who are qualified, which can be assumed to be the managers. The power distance here is very clear as the 'qualified' managers are expected to tell the less powerful employees what to do. In return, the employees expect that their manager wants the best for them, which could explain the much clarified and detailed guidelines in the report from 2016 that focuses on 'Work Environment', 'Employment Conditions', 'Listening to Our Employees', 'Privacy of Our Employees', 'Equality and Diversity', and 'Employee Health and Safety' (Samsung, Business Conduct Guidelines, 2016).

The next element from Hofstede is *Individualism*. This dimension describes how much interdependency a society maintains among its members, this means that it investigates how the people in the South Korean society are integrated into groups. South Korea scored 18 in this dimension, which means that South Korea is considered to be a collectivistic society.

Samsung also works this way, looking at the apology, it becomes clear that Samsung kept writing 'we' and 'our' to show they were a unit or a group writing. This dimension also fits with Meyer's element of *trusting*, where Samsung values a relationship-based work environment, as the individuals in the company prefer to have some personal knowledge on the people they are working with, and they gain this by getting to know them outside of work. As an organisation Samsung states that: "We do not allow any behaviour that could harm healthy peer relationships such as sexual harassment, money transactions or violence. We do not form factions that could cause incompatibility inside the group nor do we organize private groups" (Samsung, Visions, 2021). Samsung works for the greater good of the in-groups and works hard to uphold the peace and good work relationships within the organisation. However, they state that they do not organise private groups, which does not fit with Meyer's theory that argues that a good work relationship in a culture like South Koreas comes from doing things together with colleagues outside of work. This could be affected by the fact that Samsung is an international organisation, and more countries are starting to use a more task-based work environment. "We strictly keep one's private and public life separate from all business activities" (Samsung, Visions, 2021). This is also a sign that Samsung as an organisation is attempting a more task-based approach. However, it is important to note that we are looking at the international Samsung website, which can differ from the South Korean website, as the South Korean website can have a more relationship-based approach. It fits well with the theory, which states that if an international company wanted to break into the U.S market 20 years ago they had to use the task-based approach.

The following is the third dimension from Hofstede, which is *Masculinity*. This dimension looks at a society as either being feminine or masculine. In this section South Korea scored 39, which is a relatively low score and thereby they are put on the feminine side of the spectrum. This means that the South Korean society cares for others and the quality of life plays a great role. This can be applied to Samsung in the way that the company works with their employees and works as a bigger unit. As part of Samsung's values they state "We make efforts for the improvement of the 'quality of life' of our employees." (Samsung, Visions, 2021). This can be related to South Korea being a feminie society because they value quality in their working life. One of the most important things in this dimension is quality of life, which Samsung clearly demonstrates in the statement.

The fourth dimension is *Uncertainty Avoidance*. This dimension focuses on how society deals with the unforeseen and how people feel about not knowing what will happen in the future. In

this dimension South Korea Scored 85, which makes them one of the most uncertainty avoiding cultures in the world. This can be seen in the apology made by Samsung. The company kept focusing on their next moves and kept telling their readers that they had control over the situation and that they knew what they would be doing in the near future. They always presented solutions to every issue. According to Hofstede, South Korean organisations have an emotional need for rules because people that originated in South Korea have a tendency to work hard and be punctual. As an organisation Samsung has a lot of rules on how to act in the workplace, which is coherent with the fact that security is very important to South Koreans.

The fifth dimension is *Long Term Orientation*. This dimension focuses on how a society can deal with the past while dealing with challenges of the present and the future. South Korea as a country scored 100 in this dimension, which makes them a very pragmatic society that wants to prepare for the future. This relates to Samsung because as an organisation they care for modern education "... we set our sights on the future, anticipating market needs and demands so we can steer our company toward long-term success." (Samsung, Vision, 2021). This is very coherent with the pragmatic approach since they prepare for the future and make sure their next generations will have good working conditions and opportunities just like they did.

The sixth and final dimension by Hofstede is *Indulgence*. In this dimension South Korea scored 29, which is a low score and placed the country with a more restrained culture than indulged. This also relates to Samsung having a more restrained culture as an organisation because they show off a relatively strong control. Samsung does not encourage their employees to give in to their desires and impulses when being at work, which means that they do not encourage one to go chasing one's own ideas without the boss' approval. Instead they provide the employees with opportunities that they can use within Samsung. "... We're dedicated to giving our people a wealth of opportunities to reach their full potential." (Samsung, Visions, 2021). Even though the employees have opportunities to use their full potential, they are still restrained to use Samsung's wealth of opportunities and not what they themselves instinctively want. Therefore, Samsung is viewed as a more restrained culture.

To summarise, the South Korean organisation, Samsung, is one of the biggest organisations in South Korea and is responsible for the prospering economy in the country. Throughout the scandal Samsung, have been highly informant about their intentions regarding the 'clean up process'. During the scandal they were quick to hold a press conference in order to inform

stakeholders about their next steps. Samsung chose to apologise for the entire scandal at the press conference, but also apologise to their overseas customers. They issued an apology in three different American newspapers. The apology was filled with long and informing sentences. Samsung also used the modes of persuasion a lot throughout their apology, however, mostly pathos. Meyer's five elements fit well with the South Korean company and does help analyse some of the actions Samsung takes during the crisis, as well as Hofstede's six dimensions, which also enable one to better understand the actions made by the organisation.

6.0 Discussion

This part of the thesis sets out to compare the two cases from H&M and Samsung by looking at the differences and similarities found in the crises. Firstly, the differences of their crisis communication will be enlightened. Afterwards, it will focus on how different H&M and Samsung are in relation to Meyer's elements and Hofstede's cultural dimensions. Lastly, this discussion will include the similarities of the two organisations' crisis communication and two of Hofstede's cultural dimensions.

6.1 Differences

6.1.1 Crisis communication

First and foremost, this discussion will look at H&M and Samsung as having two different types of crises. H&M's crisis with the green sweatshirt is, according to Coombs and Holladay, related to the outcome *potential supportive behaviour*. H&M try to reduce the chances of losing purchase intentions by taking action and hoping that it in any way can benefit their organisation instead of harming it. They agree with the public's accusations, thereby, trying to reduce the negative word-of-mouth by facing the consequences and apologising. On the other hand, Samsung's crisis with the Samsung Galaxy Note 7, is related to the outcome *public safety* by Coombs and Holladay. Samsung's first priority was to ensure that no one got hurt by their products and tried to communicate to the public how to act if they had that set product. They gave careful and detailed instructions on how to return the product or act if they could not do just that. Furthermore, they corrected the parts that made the

product unsafe to avoid further harm. Thereby, H&M and Samsung have different types of crises and outcomes as H&M are more focused on how to not lose customers and to agree with accusations in order to not harm their reputation, while Samsung is more focused on how they can avoid further harm to the people that bought the Galaxy Note 7 and to correct the product.

The fact that it is two such different cases might derive from H&M being a fashion company and Samsung being a technology company. H&M are perhaps more reluctant to get in a crisis that revolves around diversity and ethics, while Samsung might be more reluctant to get in a crisis that revolves around explosions or technical errors. This does not exclude the fact that it could happen the other way around.

When looking at the crisis response strategies that the two organisations use, there is yet another difference. H&M uses Coombs and Holladay's *adjusting information* in relation to correcting their actions. In their apologies, they assure the readers that they will try to prevent this sort of crisis in the future and that they take all the responsibility to create sympathy among the people. In contrast, Samsung uses *instructing information* because they deal with a crisis that is a danger to public safety. They try to warn people about their product and simply give their customers instructions on how to act. H&M tries to create the emotion; *sympathy*, while Samsung tries to reduce the emotion; *anxiety* among people.

This also relates to how different H&M and Samsung are when they apologise for the situations and the problems they have caused. H&M apologises on their social media platforms because that is where they got the biggest outbursts from people. Furthermore, they made two apologies because the first one did not satisfy the readers, which indicates that the apology was not well-considered before they posted it in a hurry to reduce the anger from the public. They both had the same outcome, but the second one used more sympathy and was probably more thought-through. To these apologies they solely used pathos. In contrast, Samsung made one very long and well-considered apology. It was posted in a newspaper and was more considered as a letter. In this apology they recognised that they did not live up to the customer's expectations, they apologised for it, and then they thoroughly went through what actions they had taken to enlighten the public of their situation, and what they have done to correct the damage. They also thank the customers for being patient and ensure the customers that the whole situation is taken care of by professionals. They use both ethos, pathos and logos throughout the whole apology. It is clear that H&M and Samsung use two very different kinds of apologies because it seems like H&M is posting the apology as a sort of

damage control to quickly lose attention to the case, however, this does not make it less sincere, but Samsung is making the apology to enlighten people about the situation and to thank the customers for being patient. Another difference is that H&M is using a more informal way to post their apology and in their use of words, while Samsung is more formal in the way that they made a whole letter and posted it in a newspaper.

6.1.2 Elements of Communication

This part of the discussion will do a comparison of all five elements by Meyer, in relation to where the organisations: H&M and Samsung, stand on each scale.

In the first element, *Communicating*, H&M is placed on the low-context end as their communication about the situation is very simple, clear and precise. As an organisation, H&M wishes to be as transparent and trustworthy as possible, which is why Meyer's placement of Sweden being mostly a low-context culture fits well with H&M. Samsung is more placed on the high-context end of the scale because their communication is more sophisticated by the way they made a whole letter of apology. This also fits well with Meyer's theory, however, even though Samsung is a South Korean originated organisation, they do use some low context. The interesting part of this is that both organisations speak to not only their country of origin but to all the people affected in many countries that most likely have different cultures and different ways of communicating. Another thing they have in common is that they are also both international organisations. Still, they use two different ways to communicate. The reason for this could lie in the fact that it is two very different crises, where one revolves around racism and ethics, while the other one revolves around public safety.

In the second element, *Evaluating*, it was clear that H&M used a more direct negative feedback as they encourage their employees to be honest, and to give and accept feedback from their co-workers. They value that people are very direct and believe that honest feedback is a way to develop. Samsung is considered an organisation that uses indirect negative feedback because they are very careful when they deliver negative feedback, and they always mention something positive every time they have portrayed some negativity in their apology - they always bring up a solution. Since Samsung does not include feedback in their values, this thesis will assume that Meyer's theory of South Korean organisations using indirect negative feedback fits Samsung's visions, which is yet another difference.

In the third element, *Leading*, it became clear that H&M uses a very egalitarian way of working. The organisational structure is flat and there is a low distance between boss and employee. H&M does not believe in hierarchy because they think it will only complicate things and slow down their speed. Furthermore, they have one CEO but fourteen members of the board of directors, which is chosen by shareholders every year. This means that many people have the chance to become part of the board of directors, both women and men. In contrast, Samsung works more hierarchically than H&M. The organisational culture in Samsung is fixed and there is a clear line between boss and employee because status is highly important. Moreover, Samsung has one main CEO and two other CEO's below him. These are the people with the most influence and are considered their leaders. H&M and Samsung are, therefore, running their organisations very differently in terms of hierarchy. This might come from the fact that H&M is originated in Sweden, has Swedish values, and Swedish CEOs and directors. Samsung, on the other hand, originated in South Korea with South Korean CEOs and values. They act on each of their societal instincts, which results in different ways of leading an organisation.

In the fourth element, *Trusting*, H&M is considered having a task-based culture as trust and reliability come from work efforts, and they perceive relationships in any form in the workplace as unprofessional and can cause conflicts of interest. In contrast, Samsung has a relationship-based work culture. This is perceived in the way that Samsung builds trust through faith to their colleagues, and not through practicality or work efforts. Therefore, Samsung cares more for the emotional trust, while H&M cares more for a business-related trust.

In the fifth and final element, *Disagreeing*, it was analysed how H&M leans more to the confrontational side than the usual Swedish organisation does. H&M values discussion in the workplace and they encourage their employees to make two-way conversation. Furthermore, they believe debates can give a positive outcome when discussing what they can do better as an organisation. Samsung has a more avoid-confrontational culture as they do not take up a fight, but instead, they immediately react and investigate the situation. Furthermore, they encourage people to use an anonymous grievance resolution channel instead of talking face-to-face as it results in a negative atmosphere in the workplace. One of the main differences in this element is that H&M wants to be as transparent as possible, which is shown in the values on their website because they clarify

exactly what they mean, and if the reader does not understand, then they can read the many elaborated reports H&M also has on their website. In contrast, Samsung also wishes to be transparent and also have a report with guidelines, but they fail to enlighten the reader on how they plan to encourage their employees to confront each other if they for instance believe something can be done smarter. It can be assumed that because Samsung tries to *avoid confrontation*, they do not encourage their employees to give feedback or make conversation with disagreements, as they do in H&M where confrontation is highly valued. Samsung focuses more on giving the employees 'quality of life' and a wealth of opportunities.

6.1.3 Cultural Dimensions

This part of the discussion sets out to compare H&M and Samsung in relation to Hofstede's cultural dimensions by enlightening the differences among the two countries: Sweden and South Korea.

The first dimension is *Power Distance*, and gives Sweden the low score of 31, and South Korea a high score of 60. Already here, it is clear to see that Swedish organisations and South Korean organisations are on the opposite sides of each other and that they have two very different attitudes towards inequality. This lines up with the fact that H&M does not like to draw a clear line between boss and employee and that managers trust their employees. It also lines up with the fact that Samsung has a more hierarchical work culture, and that inequality falls naturally for them because of their societal frames.

The next dimension is *Individualism*, and places Sweden with the score of 71, and South Korea with the score of 18. Thereby, Sweden is a very individualistic society and South Korea is a very collectivistic society. This is highly reflected in both H&M and Samsung. H&M hires people based on mutual respect and work efforts, while Samsung prefers to have some personal knowledge of the people they work with and to uphold peace and good work relationships within the organisation. Once again, H&M and Samsung are very different in their work relationships because they have different values, which have been established by their two different societies.

The next dimension in this section is *Uncertainty Avoidance* and placed Sweden with a low score of 29, and South Korea with a high score of 85, which created yet another contrast to each other because H&M has a low uncertainty avoidance, while Samsung has a high uncertainty

avoidance. Therefore, H&M has a more relaxed attitude towards control of the future and unforeseen events. Samsung, on the other hand, is constantly preparing for the future and presents solutions to all issues in their apology. Since Samsung is a technological brand, they are expected to be ahead of their time and thinking of the future in terms of digitalisation. On the other hand, a fashion-brand like H&M are also expected to be ahead of their time in relation to clothes and the inclusiveness of all sorts of people, regardless of skin colour and size.

The final cultural dimension that will enlighten the differences between H&M and Samsung is *Indulgence*. Sweden is placed with a score of 78, which makes Sweden's culture indulged. On the other side is South Korea scored at 29, which makes their culture restrained. This fits well with how H&M encourages their employees to follow their impulses and desires when innovating and improving the brand. Samsung is portraying a more restrained culture than H&M by the way that Samsung wants their employees to use their full potential, but only within the structures and rules of Samsung. As the opposite of H&M, Samsung does not encourage their employees to go chasing their own ideas.

6.2 Similarities

6.2.1 Cultural Dimensions

This part will include the last two dimensions by Hofstede that have not yet been discussed. Instead of being opposites of each other, H&M and Samsung are somewhat similar in these two dimensions.

The first dimension is *Masculinity*, where Sweden scored very low on the scale with a score of 5, and South Korea also scored low but with a score of 39. This means that both Swedish and South Korean societies are feminine, however, Sweden more than South Korea. H&M has a feminine working culture because they value compromise, negotiations, and that people do not raise themselves above other individuals. Samsung has a feminine society because they try to improve the quality of life of their employees. Neither H&M nor Samsung is driven by competition within the organisation, neither do any of them connect success with one person being the winner. Instead, both organisations work as teams to try to steer their brands to success.

The final dimension is *Long Term Orientation*. Sweden landed with a score of 53, which made them somewhat neutral because they do not express a clear preference to which side they are

on the scale. South Korea landed with a score of 100, which made them a clear pragmatic society. The reason why H&M and Samsung are similar in this dimension is that H&M leans more to the pragmatic society than the normative. H&M values innovation and development in their organisation and they take a lot of precautions to try to prevent crises and challenges from happening in the future. Therefore, they are constantly improving and preparing for the future. Samsung also values development in their organisation and cares for modern education. They are always striving to evolve the next great thing that the digital world needs and thereby create long-term success for Samsung. Both H&M and Samsung are trying to deal with the past of previous crises, while they are still thinking of the future. It can be assumed that Samsung is more pragmatic than H&M because of their South Korean origins that tells them to care very much for the next generation and that H&M is less pragmatic than Samsung due to the Swedish values of a more indulged society. Nevertheless, they are both considered pragmatic, which could be due to the fact that they are international organisations. They need to always be somewhat prepared for what is going to happen in the future.

6.2.2 Crisis communication

In the way H&M and Samsung are doing their crisis communication, it is already established that they clearly have some differences. However, there are some similarities that are worth enlightening.

Even though H&M uses the crisis response strategy of *adjusting information* and Samsung is using the crisis response strategy of *instructing information*, they are also both using *reputation management*. H&M nor Samsung is trying to deny the fact that their organisation was involved in the episodes - they take full responsibility for their crises. Therefore, they are both using the repair strategy from Coombs and Holladay, which is one of the subcategories of reputation management. Both H&M and Samsung are trying to do positive actions that will help to relieve the negativity that can be caused by a crisis. They are using an apology as part of their crisis communication in order to reduce the reputational damage, the negative effect on purchase intentions, and anger towards their organisation. To this they are both reminding people that they have already taken action in that specific crisis and that they will do what they can to prevent a crisis like that in the future - they include these positive trades to try to create sympathy and understanding from the public. Therefore, H&M and Samsung accept the consequences of the event that caused the crises and hope for forgiveness by people, so that it will not cost them their consumers and interest in the organisation.

Since H&M and Samsung are such big and international organisations it is only fitting that they do a lot of preparation for a crisis so that they know exactly how to handle the situation when it occurs. H&M have their Annual Report and their Corporate Governance Report, where they clarify that they do a lot of risk assessment that will prepare them for a potential crisis in the future. Furthermore, they are constantly trying to follow the shift in the industry and focus a lot on sustainability. Samsung is also very much preparing for potential crises and has a report called Business Conduct Guidelines, 2016, which includes how they will handle conflicts of interest and managing risks. They especially focus on how to avoid harm to their employees, the environment, and their global business (Samsung, Business Conduct Guidelines, 2016). Therefore, both H&M and Samsung are highly developed organisations in terms of doing a lot of crisis communication that will help them manage a crisis in the future and in the present when they are dealing with one.

7.0 Conclusion

In this thesis, the main purpose was to be able to answer the problem formulation: What are the similarities and differences in the crisis communication of H&M and Samsung, and how can their crisis communication be affected by their countries' cultural perspectives?

Firstly, it was relevant to outline the cultural perspective used to fulfil this research, which was based on Edgar and Sedgwick's theory (1999). Culture is understood by the way humans construct the world, and by their ability to use language. Communication via language is the main key to understanding each other, which is why this study focused on cultural differences reflected in language. To this, Meyer (2014) presented the five elements *Communicating, Evaluating, Leading, Trusting,* and *Disagreeing*, which established the different ways to communicate in workplaces across cultures. As a continuation of culture and communication, Hofstede (2011) presented the six cultural dimensions *Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation,* and *Indulgence*. These dimensions gave a deeper insight to the culture of the two countries Sweden and South Korea. Crisis communication was understood from Coombs and Holladay's (2014) perspective, who established that crisis communication emphasises and solves the problems that organisations meet when they are in a crisis. The way an organisation solves their problems, was understood by *crisis communication outcomes* and *crisis response strategies*.

Secondly, the analysis was divided into two cases. The first case was H&M, which was identified as a crisis due to the public's outrage on social media and because crises are defined in the eyes of the perceiver. H&M's crisis strategy was to take all the responsibility by agreeing with the accusations they got and thereby try to reduce the negative word-of-mouth, avoid losing purchase intentions, and try to create some sympathy from people. This strategy was portrayed in the two apologies they posted on Instagram, which was analysed with the use of critical discourse analysis method. The first apology was posted quickly after the outburst on social media to reduce the negative attention. The second apology was posted to create sympathy and to underline their seriousness. It was established that H&M used *reputation management* and *repair strategies* to protect their reputation and brand by taking full responsibility for the crisis. In terms of the five elements of communication and Hofstede's six cultural dimensions, it has been established that the values and work ethics of H&M is highly connected to how Meyer emphasises Scandinavian organisations and how Hofstede emphasises Sweden's culture. Therefore, H&M as an organisation tends to use their originated Swedish values and work methods even though they are an international organisation.

The second case was Samsung, which was identified as a crisis due to the incident being unpredictable and because it was a threat to public safety. Samsung's crisis strategy involved giving the public information and instructions on how to act and giving the affected a compensation in the form of a new phone. They took the full responsibility of the situation by apologising in both a press conference and with a long letter in newspapers. The apology was analysed in terms of critical discourse analysis method. It was established that the apology was made to inform the customer, to create some sympathy by the use of pathos, to reduce the feeling of anxiety, and to minimise the reputational damage to their brand. It was established that Samsung used crisis management in terms of apologising to the public and being fully prepared as to what measures should be taken. Furthermore, it was established that the five elements of communication by Meyer and the six cultural dimensions by Hofstede is mostly coherent with the values and work efforts of Samsung. Therefore, Samsung tends to use their originated South Korean values and efforts when working, however, they also tend to mix them with a more international perspective.

Thirdly, the discussion compared the two cases of H&M and Samsung by focusing on differences and similarities. It was established that H&M used *potential supportive behaviour* as an outcome, and Samsung used *public safety* as an outcome, which portrayed that it is two very different crises. H&M is in the fashion industry, which perhaps makes them more reluctant to get into a crisis from a diversity or ethics perspective. Samsung is in the technology industry, which perhaps makes

them more reluctant to get into a crisis from an explosion or technical error perspective. Therefore, it was established that H&M used *adjusting information* as they tried to create sympathy, while Samsung used *instructing information* to reduce anxiety. The differences were also portrayed in the apologies, as it seems like H&M is posting the apologies as a sort of damage control with an informal use of words, while it seems like Samsung is enlightening people about the situation and thanking the customers for being patient with a more formal use of words. In all five of the communication elements, H&M and Samsung were different, while they were different in only four of the six cultural dimensions. H&M is a Swedish originated organisation, and Samsung is a South Korean originated organisation, therefore, they were on each side of the scale in terms of communicating because they have different views of what good communication is. The differences in the cultural dimensions were clear in terms of *power distance, individualism, uncertainty avoidance,* and *indulgence* as these portrayed the grand differences in the Swedish and South Korean societies.

The similarities of H&M and Samsung were established through the last two dimensions of Hofstede, and through the aspects of responsibility and reputation in their crisis communication. It was established that both H&M and Samsung have a *feminine* society as they are not driven by competition within their organisations, instead they both value working in teams and achieve success as a unit. Furthermore, both organisations are spokesmen for modern education and they need to always be prepared for the future, which makes both H&M and Samsung *long term orientated*. Moreover, it was established that both organisations take the full responsibility for each of their crisis in order to reduce the reputational damage, they both made an apology, and they hoped for forgiveness by people, so that they did not lose purchase intentions. Thereby, it became clear that both organisations are highly developed in terms of doing crisis communication as they prepare for a crisis and try to reduce the possibility of a crisis happening, by having crisis managers and having rules and guidelines on how to act if dealing with one.

Finally, the conclusion is that the differences and similarities in H&M and Samsung's crisis communication are affected by the Swedish and South Korean cultural perspectives. The differences lie within the fact that it is two very different societies, and the similarities come from the fact that they are both international organisations that try to function in a globalised market industry.

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9.0 Appendix

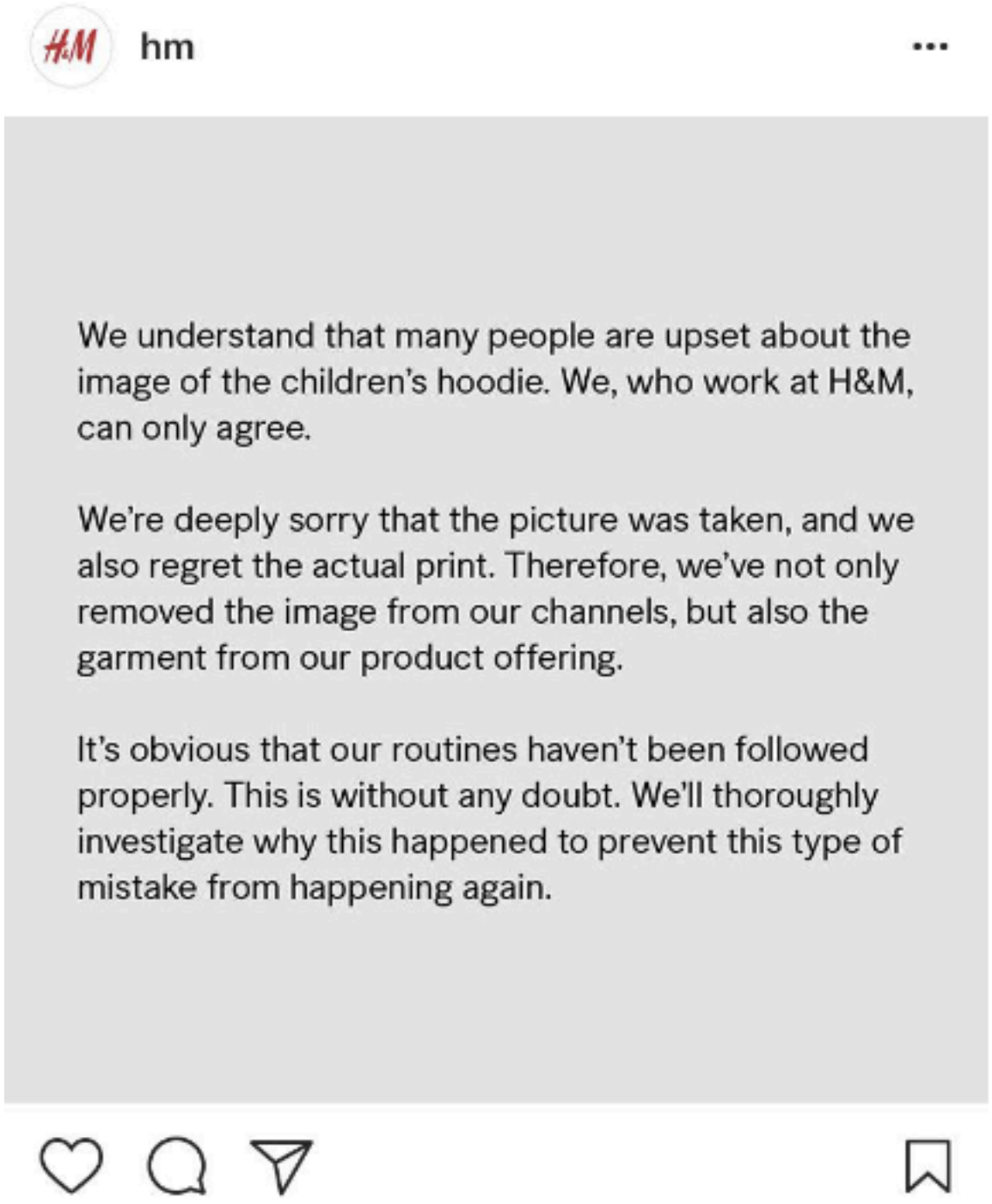
9.1 Appendix 1

(The Guardian, 2019, H&M's Unemployed advert. Photograph: H&M)

9.2 Appendix 2

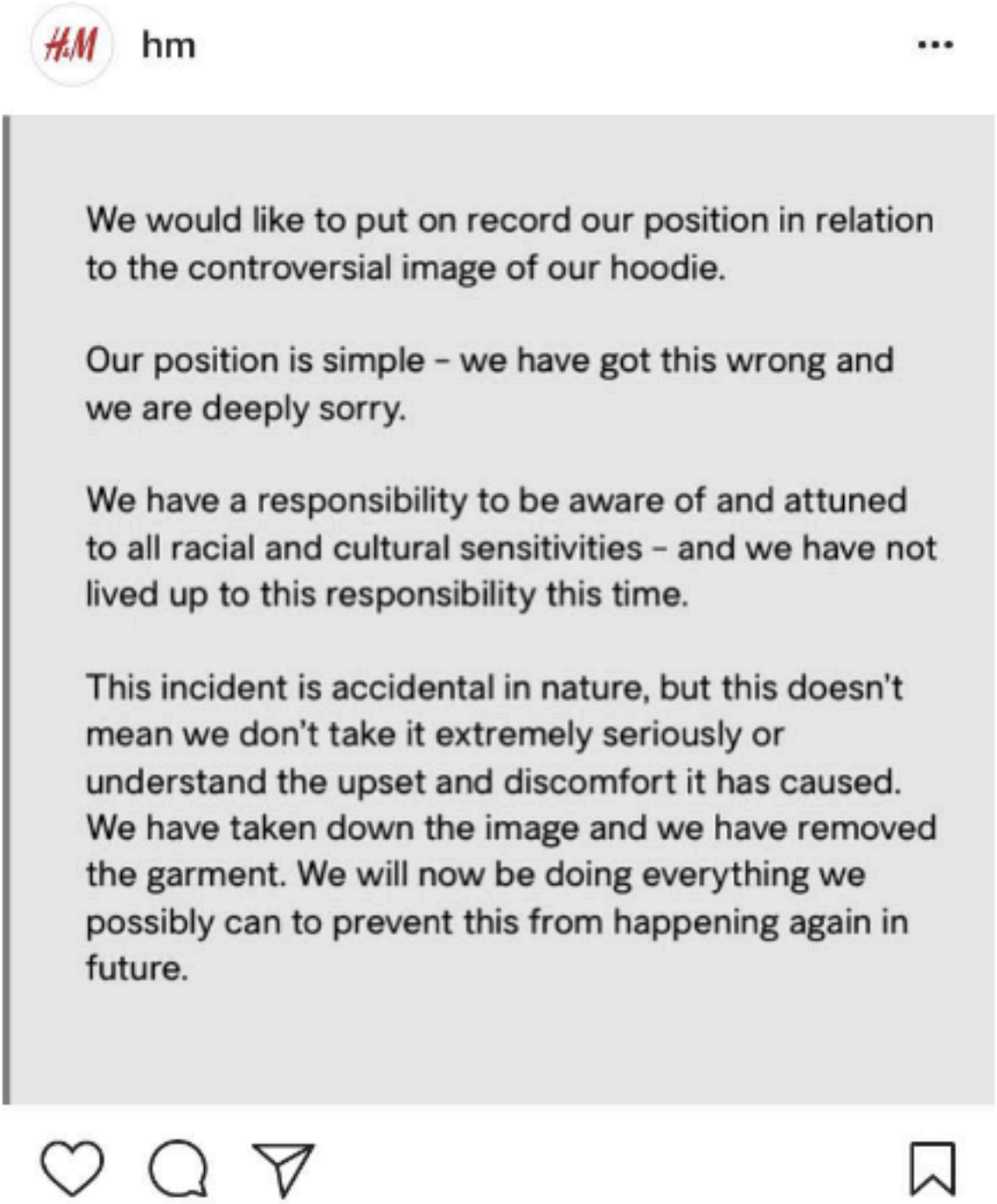
(The Guardian, 2019, Gucci's 'Blackface' polo neck and balaclava combo. Photograph: Gucci)

9.3 Appendix 3



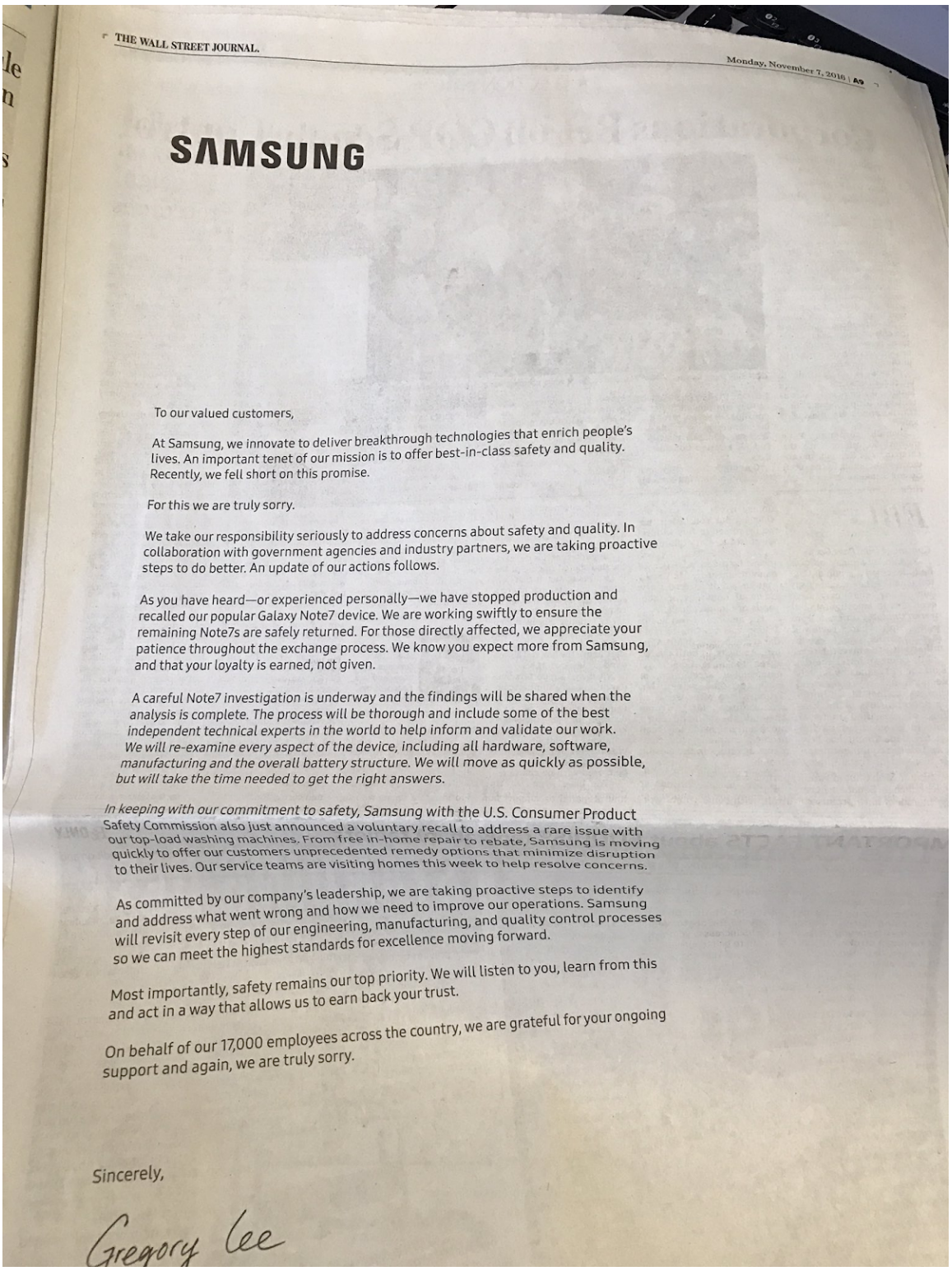
(Instagram, first apology, January 9th, 2018)

9.4 Appendix 4



(Instagram, second apology, January 10th, 2018)

9.5 Appendix 5



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SAMSUNG

To our valued customers,

At Samsung, we innovate to deliver breakthrough technologies that enrich people's lives. An important tenet of our mission is to offer best-in-class safety and quality. Recently, we fell short on this promise.

For this we are truly sorry.

We take our responsibility seriously to address concerns about safety and quality. In collaboration with government agencies and industry partners, we are taking proactive steps to do better. An update of our actions follows.

As you have heard—or experienced personally—we have stopped production and recalled our popular Galaxy Note7 device. We are working swiftly to ensure the remaining Note7s are safely returned. For those directly affected, we appreciate your patience throughout the exchange process. We know you expect more from Samsung, and that your loyalty is earned, not given.

A careful Note7 investigation is underway and the findings will be shared when the analysis is complete. The process will be thorough and include some of the best independent technical experts in the world to help inform and validate our work. We will re-examine every aspect of the device, including all hardware, software, manufacturing and the overall battery structure. We will move as quickly as possible, but will take the time needed to get the right answers.

In keeping with our commitment to safety, Samsung with the U.S. Consumer Product Safety Commission also just announced a voluntary recall to address a rare issue with our top-load washing machines. From free in-home repair to rebate, Samsung is moving quickly to offer our customers unprecedented remedy options that minimize disruption to their lives. Our service teams are visiting homes this week to help resolve concerns.

As committed by our company's leadership, we are taking proactive steps to identify and address what went wrong and how we need to improve our operations. Samsung will revisit every step of our engineering, manufacturing, and quality control processes so we can meet the highest standards for excellence moving forward.

Most importantly, safety remains our top priority. We will listen to you, learn from this and act in a way that allows us to earn back your trust.

On behalf of our 17,000 employees across the country, we are grateful for your ongoing support and again, we are truly sorry.

Sincerely,

Gregory Lee

(Twitter, Samsung apology, 2016)