Recommendations to Improve Shein's Corporate Social Responsibility in Handling Diversity & Inclusion Initiatives

CUSE C MM

Kate Berman, kaberman@syr.edu, +1-516-761-0571 Ashley Britton, ambritto@syr.edu, +1-609-937-1466 Grace Gao, ygao49@syr.edu, +86-17801022897 Brianna Kennedy, bakenned@syr.edu, +1-518-590-8388 November 2020

TABLE OF CONTENTS

Executive Summary – p. 3

Problem and Opportunity Statement – p.4

Situation Analysis – p. 5

- A. Internal Factors p. 5
- B. External Factors p. 5
- SWOT Analysis p. 7

Key Publics – p. 10

Research Objectives – p. 19

Research Methodology – p. 20

Research Results and Analysis - p. 24

- A. Focus Group Analysis p. 24
- B. Social Listening: Qualitative p. 26
- C. Social Listening: Quantitative p. 29
- D. Survey Data p. 32

Recommendations – p. 34

Appendices – p. 36

- A. Survey Questionnaire p. 36
- B. Social Listening Posts p. 44
- C. Focus Group Notes p. 47

References – p. 52

I. EXECUTIVE SUMMARY

Shein is a cross-border B2C fast fashion e-commerce platform, covering a wide range of categories from clothing, accessories, shoes, bags, and jewelry, to home furnishing, beauty makeup, home textile, and more. With a large, global consumer market alongside well-known celebrities supporting the brand, Shein has garnered more recognition worldwide over the past few years (Lonser, 2020, para. 6). However, this recognition hasn't been entirely positive or beneficial for the fashion company, as it has recently started to receive criticism for its poor labor and environmental policies, copying designs from independent artists, and selling offensive products on its site (Lonser, 2020, para.13). Shein's most recent and well-known scandal happened in May 2020 when placed a necklace for sale with the Swastika symbol as the pendant, receiving immediate backlash. Yet the company did not remove the necklace from its online store until a few days after it went live, nor did they follow with a sincere apology to those who were potentially offended on its social platforms.

CuseComm utilized and conducted research using various methods, including a focus group, survey, and qualitative and quantitative social listening. From the information we have gathered, we strongly recommend that Shein implement mandatory company-wide Diversity and Inclusion training to have employees further educate themselves on such key issues. We would also recommend that Shein establish a chief diversity officer to handle and overlook situations such as these to ensure the company will not perform actions offending customers in the future. Lastly, we recommend that Shein's communications team strengthen its duties in handling crises and how the company communicates with its customers in order to be as helpful and transparent with customers as possible.

II. PROBLEM AND OPPORTUNITY STATEMENT

Our client, Shein, is a well-known online clothing company targeted towards teenagers and younger adults. Its purpose is to sell fashion clothing, items, and accessories at affordable prices. However, the company has recently faced backlash in the summer of 2020 due to selling a necklace with a swastika as its decorative piece, and in response, the company failed to remove the product and instead claimed it was something different. The pattern and design of the necklace resembled the Nazi symbol, which offended many of the company's customers, especially the Jewish community. As a result, Shein lost a substantial number of customers, garnered a poor reputation, and witnessed a decrease in its sales. By conducting research through analytics and focus groups, our goal is to identify the level of satisfaction or dissatisfaction from its customers and determine if people will or have already stopped shopping from Shein due to this incident.

III. SITUATION ANALYSIS

A. Internal factors

Hostility in the Work Environment

• If Shein does not take the proper measures to make up for its actions, the hostility in the work environment can start affecting productivity. This would be due to employees who feel offended and do not wish to continue showing support for the company, which would have potential impacts on their motivation toward their work.

Undefined Diversity & Inclusion Initiatives

• Shein not only has to apologize to its publics but also to its employees as well. By doing this, as well as implementing new initiatives to educate and train employees on diversity, inclusion, racism, discrimination, etc., Shein can exemplify a stronger and more defined mission, as well as unity within the company.

No Chief of Diversity & Inclusion or Brand Management Positions

Not having these official and dedicated positions are only harmful for Shein and can
ultimately prohibit the company from witnessing improvements. Had it already employed
individuals to fulfill such positions, Shein could have avoided taking its actions of selling
offensive products, which thus would have avoided them from receiving public backlash.

B. External factors

Future & Potential Customers

• Customers identifying as Jewish or those who take strong stances against hate and anti-Semitism may not consider shopping at Shein if their apology is not sincere. Something important that Shein needs to take into consideration is that their apology is not complete until their business practices reflect their sorrows. If Shein wants to ensure they are not losing potential clients, they need to curate an in-depth plan on how they can prove they mean their stance against anti-Semitism.

Risk for Potential Investors

• Because of its numerous scandals, Shein may be looked at as a risky stock to invest in. It is important Shein takes the proper measures to fix and maintain brand reputation if the company ever chooses to go public.

Strong Competition

• Before executing their plan to make up for their actions, Shein should take what their competitors are doing and if they are successful at it into consideration.

Weak Social Media Communication with Audiences

• When Shein was first called out for selling a product that incites anti-Semitism it seemed as if they barely flinched from an online consumer's perspective. SHEIN must find what is holding their communications team back and begin engaging and managing their brand via social media.

IV. SWOT ANALYSIS

A. Strengths (Internal Factors)

Affordability

Shein has very cheap prices compared to other trendy online clothing competitors, such as Nasty Gal or PrettyLittleThing.

Trendy & Up-To-Date Products

There are many different stylish clothes and accessories options on the website. Shein is always keeping up with the latest trends and has a wide variety of options for all types of style.

Wide and Unique Variety of Products

Shein also offers increased amounts of clothing and accessories in comparison to other competing brands, so there is essentially anything for any of its customers to purchase.

Recognition in Fashion Industry

Lastly, Shein has very strong brand awareness. Many well-known celebrities and online influencers have promoted them in the past, so Shein is pretty well-known everywhere. This brand awareness allows Shein to be a major competitor in the online fast fashion industry. The company can also create and design more products attracting all ages and sexes.

B. Weaknesses (Internal Factors)

Poor Reputation

Shein garnered a poor reputation from the summer 2020 scandal due to offending customers.

Lack of Ethical Production and Payment Practices

The company is known for having low ethical/fast-fashion style of clothes that doesn't pay employees well overseas (Lonser, 2020, para. 11).

Weak Communications Initiatives

The company also has poor PR/media relations, which is evident in how they handled this specific incident.

Potential Loss of Important Investors

Its investors involve 8 VCs/hedge funds, meaning many execs on these teams are Jewish and could pull out as a result of these scandals due to feeling offended.

C. Opportunities (External Factors)

Transition of Online Products to New Stores

With retail vacancies at the highest in 50 years, they have leverage with rent price to expand and open a store.

Expansion in Global Market

Especially with online shopping expanding due to technology expanding, Shein could potentially open its online store to different countries overseas.

Continue Researching and Incorporating Current Trends in Products

Another potential benefit could be to continue updating new designs and following fashion trends as customer tastes continue to evolve as well.

D. Threats (External Factors)

Customer Loyalty Shifting to Other Competitors

With the number of competitors, the backlash they received, and their poor handling of the situation(s), the customers could potentially change their preference where they want to shop.

Higher Expectations from Customers and Audiences

Customers could start to expect and strongly value new cultures (ethical and political consumerism, such as expecting improved CSR/diversity initiatives from the companies they're buying from).

Competition

Its products can/have been imitated by other rival online fashion companies and are sold at similar prices (e.g., Romwe, Zaful, etc.).

Company Success in Danger

With previously receiving backlash in clothing quality, labor, etc., the company could face regulatory threats, especially if they're already under the spotlight with the necklace scandal.

V. KEY PUBLICS

INTRODUCTION: We have selected two specific key publics to target, with specific individuals to interview for each. Our first group consists of individuals who love to shop or are passionate about fashion. This group represents females who are either Gen Z or Millennials, since 46% of women shop online for clothing (Ouellette, para. 8), and 89% of Gen Z and 91% of Millennials shop online (McPhee, para. 9) due to already being heavily present on social media platforms. They are located either in the U.S., the U.K., or China, as these three countries are ranked in the top five countries around the world for most online shopping. These individuals most likely shop online at least once a month, due to 62% of regular online shoppers claiming to do this (Mohsin, para. 32). They reflect an interest in fashion and current trends, and a typical want and/or need for average quality clothing for cheaper prices. They are most likely to have high expectations for an online fashion company to have strong CSR morals and initiatives, since the majority of most frequent shoppers (roughly 66%) claim this to be very important (Commisso, para. 8).

Our second group consists of both former or current loyal Shein customers, which represents very similar qualities to our first group's profile. On its website's official FAQ page, Shein claims its target audience to be the "fashion conscious 18-35 women's wear market," (Shein, para. 1). Some countries where a majority of these individuals are located are the U.S., Canada, the U.K., Italy, and France, to name a few (Similar Web, para. 2). This group also closely resembles our first group's description, where both reflect strong interests in fashion and current trends, affordable yet average quality clothing, and strong CSR morals. However, this group is less frequently purchasing clothing from Shein or not purchasing at all, especially after its 2020 necklace scandal and the lack of action taken by the company. According to reviews online from

former customers, they indicate a stronger "want" or expectation for fashion companies to be more educated on important issues, such as cultural appropriation, racism, fast fashion labor malpractice, and so on (TFL, para. 10).

Below we have included specific individual profiles who fit into our key public demographics.



Emily Katsiff, 21

Emily is a 21-year-old white female from Bucks County, Pennsylvania. She is currently a senior at Tulane University studying political science, but also loves fashion, shopping, and staying up to date with the latest trends. While she normally prefers shopping in person, Emily has recently become more used to shopping online due to COVID-19 affecting shopping in person (especially since Louisiana has a higher number of cases). She normally tries to avoid buying clothes from fast fashion companies because she believes they're bad for the environment and often have poor human rights issues. However, as much as Emily values ethical consumption, this can be tough as a college student since the prices are more suitable. But overall, Emily would be deterred from purchasing items from a company if they were involved in scandals because she wouldn't be able to stand morally behind the company.



Noor Dar, 21

Noor is a 21-year-old female college student living in New York City. She is currently a senior at Syracuse pursuing a dual major in public relations and political science. In her free time, however, Noor is all about fashion and trying to find the trendiest clothes she can wear as a way to express this passion of hers. Finding these clothes aren't limited to either only in-person or online for Noor, as she is always trying to find the best item for the best price. Yet although Noor has purchased from fast-fashion companies before, she would strongly boycott remaining as a customer to a company selling products that reflect any form of discrimination, hatred, bigotry, etc. She is a firm believer and fighter for human rights and speaking up on these issues, to which she would not let a company's name or brand affect or alter her own morals if they were to have a scandal.



Collin Sorady, 21

Collin is a key public that participated in our focus group study on online fast-fashion brands. He is a 21-year-old male college student who currently resides in New Jersey. He enjoys fashion and shopping, specifically online shopping. He is interested in both cheap, inexpensive brands and expensive high-end brands. He prefers to mostly shop online because he does not have a car and it is difficult for him to go to stores and malls to shop in person. He is interested in new fashion trends and doesn't mind buying from fast-fashion brands, especially because he is a college student, and these brands are cheap and affordable. However, Collin has strong beliefs and morals, and has expressed the fact that he would not support an online brand involved in racist, homophobic, anti-Semitic, etc. scandals because it goes against his beliefs. If the brand handled the situation well and was truthful and apologetic, however, Collin would think about maybe purchasing from the brand again. He expresses that he takes these concerns and issues into account when purchasing from a clothing brand.



Vicky Kalpaxis, 20

Vicky is a 20-year-old female college student living in New York City. She is currently studying fashion and loves to shop and keep up with the latest fashion trends. Because she is a fashion student, she is always online shopping and looking at clothes. Vicky is on a budget because she is a college student and therefore prefers to shop at inexpensive stores. She has stated that she is willing to shop at fast-fashion brands because her budget can afford it; however, she said that she would absolutely stop shopping at brands that have had ethical and human rights issues in the past or currently.



Guy Vegon, 20

Guy is a 20-year-old senior from Great Neck, NY. Guy is currently a senior at Pace University and keeps busy with campus involvement. Some of his extracurriculars include his board position on the pro-Israel organization, where he fights antisemitism. Being in a big city, Guy loves to shop in-person. When Covid-19 first hit, Guy was upset he couldn't shop in-person, but as soon as stores opened up, Guy was there. Guy is actually interested in going into the fashion industry and wants to create a clothing brand that sells items on the cheaper end. Guy is a big anti-hate activist and would never continue to shop with a brand or company that promotes or incites antisemitism or any form of hate.



Wendy Wang, 21

Wendy is a 21-year-old female college student from China, and she is currently studying in Syracuse, NY. Wendy loves shopping for clothes in her free time, and she would prefer to go to retail stores rather than shopping online since she can try the clothes on to see if the size and style are truly suitable for her. However, Wendy is doing more online shopping and avoids shopping in person because of COVID-19. Wendy stated that she would choose to forgive and accept a brand involved in a scandal like racist and discrimination if the brand made the mistakes accidentally and have a positive attitude to timely apologize for their mistakes.





Jess is a 24-year-old young woman from China who just got her master's degree from a business school in the United Kingdom. She has graduated with an accounting major and found her first job in Beijing. Jess likes shopping both from online and in-person depending on the distance during her free time. She expressed that she would like to shop in person if the retail store or the shopping mall is close to her house so that she can try the clothes on, and she would prefer shopping online if the stores are far away from her and take a long time on the way there. Jess stated she would not buy from a brand involved in racist, discrimination, or other moral issues. However, she would like to re-consider buying its products if the brand has a positive attitude to make up for their mistakes and make her accept its apologies.

VI. RESEARCH OBJECTIVES

- Gain insight on how teenagers, college students and young adults (roughly between the ages of 16-24) perceive Shein as a cloth brand or shopping target through the use of Social Studio in order to understand the current position, how customers evaluate the brand, and determine the future way of Shein to go.
- Identify which social media platforms are the most effective for reaching teenagers as well as college students and young adults in order to find the best-suit platforms to attract key publics and communicate with the key publics efficiently.
- Evaluate which types of content produce the highest levels of interaction and engagement from teenagers, college students and young adults to therefore determine what content can be the most effective and efficient to communicate with the key publics.

VII. RESEARCH METHODOLOGY

To achieve a better understanding from data answering our research objectives, we used a mixture of both qualitative and quantitative research methods to fit the needs of our client, Shein. Through qualitative research, we hosted a focus group of 7 participants to further our conversation on fast-fashion companies and the ethics or values each participant holds in relation to these companies. We then performed qualitative social listening through Social Studio and analyzed responses from users on social platforms by filtering specific platforms, media content, and keywords such as "Shein scandal" and "Shein swastika necklace". For quantitative research, our methods included a Qualtrics survey analyzing 100 respondents' responses to 16 questions assessing attitudes towards online shopping and fast fashion clothing brands. Additionally, another method we used for quantitative social listening was performed through coding public opinion posted and discussed on social platforms.

Research Method 1: Focus Group Data Analysis

<u>Sampling frame</u>: We selected male and female teenagers within the ages of 16 and 24, where we contacted our participants via social media platforms asking to participate in a short survey about online shopping and fast fashion.

<u>Rationale:</u> We decided to include Shein customers as well as Shein's target market, which is young, female and male shoppers from around the world. Through the focus group call, we wanted to achieve a stronger understanding of the behaviors and attitudes shoppers hold when deciding where to purchase clothing from online. We did this by encouraging our participants to elaborate on where they shop online the most, if they are aware of online fast fashion companies, and their perspectives on the ethical practices behind these companies. Thus, we intended to create an open discussion where our participants could share their thoughts on supporting fast fashion companies, as well as further understand their peers' opinions on how they perceive these companies ethically.

Execution:

- **Recruiting Method:** Convenient sampling
- Location: Online Zoom meeting
- Length: 40 minutes
- Incentive: Pay participants through Venmo (\$3 each)
- Number of Participants: 7 respondents

Data Analysis Method: Qualitative content analysis

Research Method 2: Social Listening Quantitative Analysis

<u>Sampling frame:</u> We selected content by filtering which media sources they originated from (i.e., social media and blogs primarily), where the users were located geographically (U.S., China, Canada, etc.), as well as searching using the following keywords: Shein, scandal, controversy, swastika, and summer.

<u>Rationale:</u> We found that the majority of users engaging with Shein on social media are primarily female within the 21-34 age range. The 25-34 age range is the most engaging group on Twitter to talk about Shein, whereas younger age ranges such as 21-24 is the second most engaging, and 18-20 was the sixth most engaging.

Execution:

- Location: Online (Social Studio)
- Number of Social Media Posts: 26,000

Data Analysis Method: Social Studio Data Analysis

Research Method 3: Social Listening Qualitative Analysis

<u>Sampling frame:</u> We selected social posts by filtering the media source type, usage of specific keywords (e.g., "Shein", "Controversy", "Scandal", "Swastika", etc.), and the overall tone of the post in order to collect qualitative data on this topic.

Rationale: While we wanted to discover data on attitudes towards Shein, we also wanted to find information on how users online feel about Shein after selling the necklace with the swastika symbol. We were successful to acquire information on attitudes not only regarding the necklace, but also regarding other controversies Shein has recently been accused of, which also focus on the same themes of appropriating religions and selling products that have offended publics. We found that young females between the ages of 18-28 are users qualitatively engaging with Shein. These specific posts demonstrate a 70.6% negative sentiment from users discussing Shein, mainly deriving from Twitter and directly referencing problems behind the company.

Execution:

- Location: Online (Social Studio)
- Length: 10 minutes analyzing each post
- Number of Social Media Posts: 19

Data Analysis Method: Qualitative Content Analysis - Social Studio

Research Method 4: Survey Data Analysis

<u>Sampling frame</u>: We contacted both men and women between the ages of 17-32, either through personal communication or by promoting the survey on social media.

<u>Rationale:</u> Based on data we found from our focus group study and both quantitative and qualitative content analysis, we found our target audience and the people that engage/shop the most with Shein to be in the age category of mostly 21-30. We also found that both females and

males make up our target audience, so this is why we chose this specific sampling frame for our online survey. We will ask questions at the end of the survey based on demographics to determine that our survey participants are relevant to the sampling frame.

Execution:

- **Recruiting Method:** Amazon Mechanical Turk
- Location: Online
- Length: 16 question survey, approx. 5 minutes long
- Incentive: Paid each participant \$3 through Venmo
- Number of Participants: 100 respondents

Data Analysis: Qualtrics Data Analysis

VIII. RESULTS AND ANALYSIS

| B. No. | Name | Age | Gender |
|--------|----------------|-----|--------|
| 1 | Collin Sorady | 21 | Male |
| 2 | Vicky Kalpaxis | 20 | Female |
| 3 | Emily Katsiff | 21 | Female |
| 4 | Noor Dar | 21 | Female |
| 5 | Guy Vegon | 20 | Male |
| 6 | Wendy Wang | 21 | Female |
| 7 | Jess Liu | 24 | Female |

A. Focus Group Data Analysis

Theme 1: Online Shopping & COVID

During the focus group discussion, when the participants were asked whether they shop online or in-person more, most of the participants said that they shopped mostly online. Many felt that it was easier and more convenient to shop online, especially during the pandemic. Emily, a Tulane student, expressed the fact that the virus has hit her university hard and therefore online shopping is her only option at the moment. Furthermore, another participant named Wendy stated that she hasn't been able to buy stuff that often due to the pandemic, and when she does, she buys it online. Most people do not want to shop in person due to safety concerns during the COVID pandemic. It is interesting to note, however, that most of the participants expressed the fact that they would prefer to shop in person. Although online shopping is easier and more convenient, in-person shopping sometimes has its benefits. Jess expressed to the focus group that she found it hard to find her correct size when shopping online.

Theme 2: The Ethical Issue of Fast Fashion Brands

The issue of whether it is ethical to support fast fashion brands was the highlight of our focus group discussion. All of the participants in the focus group were familiar and have shopped at fast fashion online brands in the past. They were also mostly all aware of the ethical issues that go along with these fast fashion brands. However, the participants expressed the fact that they didn't really have a choice when choosing the brands they shop from. Most of the participants are college aged, which means they are tight on money and have to find the cheapest options. These fast fashion brands sell decent quality clothing items at a cheap price. Collin, a college student living in New York City, stated that "it's tough to avoid fast fashion because it's hard to pass up cheaper prices." Although these companies deal with ethical problems, it's hard to pass these prices up as college students.

Theme 3: Ethics & Attitudes are Important

When the participants were asked if they would shop at a brand again if the brand was involved in a scandal or controversy, many said they would not shop there again. Many believed that these scandals show the true values behind a brand. For example, Emily told the focus group that she would not shop at or support Chanel because the founder, Coco Chanel, was an alleged Nazi. The values of a brand are extremely important. Some participants said that they would maybe be willing to shop at a brand again if the brain sent out a sincere apology and dealt with the issue in an effective, timely and thoughtful manner.

Interesting Case #1: Nowadays, especially because we are currently in a pandemic, most people prefer to shop online. We learned this in the focus group discussion as all participants agreed that it is easier and safer to shop online.

Interesting Case #2: Many people are stuck in the middle about fast fashion online brands. Some participants expressed the fact that ethical consumption is very important to them; however, they are also college students on a budget and are looking for the cheapest and easiest options.

Interesting Case #3: When a fast fashion brand is dealing with a scandal, the brand needs to deal with it immediately and with full transparency. Many participants expressed the fact that if a brand went through some sort of scandal and did not deal with the issue in a good way, then they would not shop from that brand again.

B. Social Listening: Qualitative Analysis

Theme 1: Twitter Threads on Boycotting Shein

When analyzing social posts, we found that some users created threads on Twitter to further elaborate on Shein's controversial past and why others should join in boycotting from purchasing Shein products in the future. An example of this would be creating a thread to introduce Shein's prior scandals or other instances where they have been seen as "problematic" to the public. This is important for Shein to recognize because it amplifies the growing negative attitudes from former customers and how passionate they are about getting others to boycott the company.

Theme 2: Addressing All Problems from the Company's History

Alongside its recent scandals, many online users have also expressed their dislike for Shein due to its other prior issues, such as child labor and fast fashion. Although these issues have been discussed in the media and online before, this is something that Shein needs to pay attention to now more than ever, because it places further emphasis on the company's lack of corporate social responsibility.

Theme 3: Holding Other Shein Shoppers Accountable

Many social media users have directly or indirectly called out others for continuing to shop at Shein, typically using a tone along the lines of "why would you continue to shop here after Shein did _____?" Doing so allows for users to have open discussions on the company's controversial past and is a perfect opportunity for those customers unaware of these issues to learn about them, as well as potentially change their attitudes towards the company. Shein should pay attention to these interactions and develop stronger strategies on communicating with customers frustrated on these issues, as well as rethink and reconfigure its priorities for future customers and the company itself.

Interesting Case #1



of the necklace as evidence.

In the first tweet, the user includes a screenshot from a news article of the swastika necklace sold on Shein's website, as well as a comment on the poor quality of the clothing. The image immediately catches the viewer's attention as the swastika symbol is a commonly known symbol referring to historic events rooted in oppression and anti-Semitism. It is ultimately important to understand more about Shein's most recent scandal by being made aware through seeing a picture

Interesting Case #2



Similarly, the second tweet provides a picture of the necklace to raise awareness on the issue, as well as the company's issues with child labor and fast fashion. An interesting aspect about this post is that the user urges others to speak up, learn more about the issue, and hold Shein accountable for its actions. Ultimately, this post can serve as an educational call to action for other users, but most importantly, for Shein itself. It is important for Shein to see this content, since the aggressive tone and directly holding the company accountable can allow them to better understand how frustrated

people are and how these users are urgently expecting to see changes be made.

Interesting Case #3



As our third tweet demonstrates, utilizing social media to promote petitions is one method for users to learn more about an issue and protest for change in a company. Oftentimes, petition homepages provide a summarized version of the incident, the creator's reasoning on why they're fighting to see changes made, and a list of goals they aim to achieve from the petition.

Not only would other users benefit from seeing this petition by learning basic facts about the issue, but Shein would benefit by understanding how serious others are taking this issue. The company would ultimately be made aware of how far its customers are willing to go, even so far as creating petitions to terminate the company.

Overall, we believe that these posts should be introduced to our client because they each hold the same and overarching strong tone of the company's recent faults in selling products containing offensive material. They highlight that more users and individuals are bringing these situations to light as a way to emphasize what our client is doing is wrong and offensive, as well as to challenge others to boycott purchasing merchandise from the company. If our client is presented these specific posts, they could easily infer that there is a growing negative sentiment towards them not only on the necklace scandal, but also on many other important issues.

C. Social Listening: Quantitative Analysis





This graph shows the overall volume trend of posts created from the end of September to the end of October. We find there are three high peaks of posts created after October 4, October 11, and October 18. There are respectively 3 posts, 2 posts and another 2 posts are created after these three days, and at least 1 post is created before or after, but there are no posts created on October 11, October 18, and October 25. All these three days are Sundays. This tells us that our customers are more likely to pay attention and follow our brand at the beginning of the week on workdays. This implies that the majority of our customers are probably students or employed people who start working and catching up news from Monday. Therefore, the beginning of the

week can be the best time to communicate and engage with our key publics. From another perspective, it is obvious to see from the graph that there was no post created in September, and the posts dramatically increased after October 4. This tells us that our customers rarely create posts in normal situations when following our brand. So, we can manage our social media platforms to make our customers more engaged. Through the quantitative analysis of the volume graph, we are able to draw a conclusion on the time and frequency of our key publics posting things relating to Shein, and thus, we can identify the most effective time and frequency to communicate with our key publics on social media.



During October, there were over 80 people within the 25-34 age range and more than 50 people within the 21-24 age range posted things about Shein. About 20 people within the 35-44 and 45-54 age range posted things about the same topic. Lastly, around 10 people from 55 to 64 posted too, but only a few people older than 65 or younger than 20 posted things about Shein. This graph shows us that the majority--about 45%--of our customers aged from 25 to 34, the second majority--almost 30%--of our customers aged from 21 to 24, and the third majority--around 20%--of our customers aged from 45 to 64. Moreover, young people are more likely to purchase larger amounts of our products since they are working and having a larger capacity to pay. So,

this piece of information is important for telling us to include young people in our key publics, not only college students. We should consider young people as our key publics when we try to reach out and build a connection with our customers. The graph helps us identify our key publics and therefore draw a conclusion on which platforms and what types of content are the best to reach our customers.





This graph shows us customer feedback for either positive or negative on our products. In this case, as large as 86.7% of our customers hold a negative view of the Shein Swastika necklace, whereas only 13.3% of users hold a positive attitude. Therefore, apologizing and recalling the necklace can be the best way to solve this scandal. The graph provides important information for telling us not only the perspective toward the necklace but also how our customers value our brand based on receiving such a product. From the graph, we can know our customers' attitudes timely and analyze the best suitable plan to solve every potential issue regarding our products or services.

Through the quantitative analysis of the volume graph, age and sentiment, we are not only able to identify our key publics but also draw a conclusion on their time, frequency and types of content posting things relating to Shein, and how they evaluate Shein and their attitude toward the new products. Thus, we can identify the most efficient platform and types of content to communicate with our customers and the most effective time, frequency and attitude to communicate with our key publics on social media.

D. Survey Data Analysis

Sample Profile:

A total of 203 people responded to our survey. The ages of people surveyed range from 18 to 35 years of age. 78 respondents identify as male, while 82 identified as female. 11 of our respondents indicated were based in China, and the other 149 are in the United States.

Key Findings:

1. Do you shop from fast fashion brands?

a. We found that most, a majority, of people surveyed shop from fast fashion brands.

2. How often do you shop online?

a. Something expected that we recorded was that every person surveyed shops online. To break that down even further, a majority of people surveyed shop online a few times a week, while a large majority do a few times a month.

3. How did you hear about these fast fashion brands that you shop from?

 Every person surveyed heard about a fast fashion brand via social media. A majority of people surveyed found the fast fashion brands they shop from via Instagram.

4. Rank the following characteristics

a. Something interesting we found about the characteristics was that every single person responded very differently. Overall, the most favored characteristic people chose was a company having strong morals and ethics linked on their website.

5. Indicate your level of agreement with the following statements

a. We found that a majority of people surveyed would not continue to shop from a company that was involved in a scandal. This is expected, but also can be shocking to some considering Shein was not hurt economically after their scandal.

IX. RECOMMENDATIONS

1. Implement mandatory company-wide Diversity and Inclusion training

While online shoppers do prefer cheaper prices from online fashion companies like Shein, they still would not want to support a company with a history of selling offensive merchandise to its customers. Our social listening data through Social Studio showed that people show overall negative sentiment towards Shein due to its necklace scandal in summer 2020. The data from the focus group show that students would not continue to support a company involved in a scandal regardless, especially one that exemplifies discriminatory or offensive behavior from the company.

2. Strengthen the company's handling of crises in how it communicates with its customers and audience across all platforms

While online shoppers do prefer cheaper prices from online fashion companies like Shein, they still want to see improvements in the company's handling of such situations that imply it won't happen again. We found that the data from our social listening through Social Studio showed that people show overall negative sentiment towards Shein due to their necklace scandal in summer 2020 in how the company responded to the issue. The data from the focus group show that students would not continue to support a company involved in a scandal to begin with, but also fails to recognize the central issue.

3. Implement a new diversity position to further ensure that future products or social media posts would not offend customers or publics

Chief Diversity and Inclusion Officers are extremely important roles in executive management teams and are needed to ensure that all diversity and inclusion policies are being followed. Many of the problems and issues that Shein has been dealing with are due to the fact that there is no Chief Diversity and Inclusion Officer in the Shein management team. These issues could have been avoided if a diversity officer oversaw all of the Shein products and social media platforms to ensure that products and social media posts are not offending any group of people. As we found in our research data, many people were disgusted that Shein sold a swastika necklace and a prayer mat, which offended many groups of people.

XI. APPENDIX Survey Questionnaire Questions and Results

| SY RACUSE CULTORES SCIENTIA | UNIVERSIT | Y | | | |
|--|--|--|--|---|---------------|
| attitudes about complete our 5 information wil If you have any Professor Keo | o of Syracuse Unive t online shopping a i-minute survey bel Il be collected durir y questions about tl nyoung Park, at <u>ke</u> p to thank you in adv | nd fast fashion ow. All response ig this survey. his survey, pleas <u>park@syr.edu</u> . | clothing brands. es will be confide se feel free to co | Please help us ential and no iden ntact our instructo | |
| | | | | | \rightarrow |

1. Do you shop online on a regular basis?

- 1. Yes
- 2. No

Results:

| # | Field | Choice C | Count |
|---|-------|----------|-------|
| 1 | Yes | 88.78% | 182 |
| 2 | No | 11.22% | 23 |
| | | | |

2. Do you shop from fast fashion brands?

- a. Yes
- b. No (if you select no, you can exit from this survey.)

Results:

205
| # | Field | Choice C | Count |
|---|---|----------|-------|
| 1 | Yes | 83.41% | 171 |
| 2 | No (if you select no, you can exit from this survey.) | 16.59% | 34 |

3. How often do you shop online?

- a. Once a week
- b. Multiple times a week
- c. Once a month
- d. Multiple times a month

Results:

| ~ | ^ | | : |
|---|-------------------------|----------|-------|
| # | Field | Choice (| Count |
| 1 | Once a week | 23.67% | 40 |
| 2 | Multiple times a week | 25.44% | 43 |
| 3 | Once a month | 33.14% | 56 |
| 4 | Multiple times a month | 17.75% | 30 |
| 5 | Other (please specify): | 0.00% | 0 |
| | | | 169 |

4. Have you heard of any of the following fashion brands? Check all that apply.

- a. Shein
- b. Romwe
- c. Zaful
- d. Missguided
- e. PrettyLittleThing

Results:

| # | Field | Choice C | Count |
|---|-------------------|----------|-------|
| 1 | Shein | 31.52% | 81 |
| 2 | Romwe | 17.51% | 45 |
| 3 | Zaful | 18.29% | 47 |
| 4 | Missguided | 14.40% | 37 |
| 5 | PrettyLittleThing | 18.29% | 47 |
| | | | 257 |

5. Which of these popular online fast fashion brands do you shop from the most?

- a. Zara
- b. Forever21
- c. Shein
- d. Uniqlo
- e. H&M
- f. Other (please specify)

Results:

| # | Field | Choice C | Count |
|---|-------------------------|----------|-------|
| 1 | Zara | 24.70% | 41 |
| 2 | Forever21 | 16.87% | 28 |
| 3 | Shein | 33.73% | 56 |
| 4 | Uniqlo | 7.83% | 13 |
| 5 | H&M | 13.25% | 22 |
| 6 | Other (please specify): | 3.61% | 6 |

6. Do you use social media every day?

- a. Yes
- b. No

Results:

| # | Field | Choice (| Count |
|---|-------|----------|-------|
| 1 | Yes | 95.18% | 158 |
| 2 | No | 4.82% | 8 |

7. Do you follow any of these brands on social media? Please indicate which brand(s).

Results:

There was 34+ pages of results for this question because the participant had to physically type in brands for their answers. The most popular brands for this question included H&M, Zara, Nike, Shein, Forever21, Gucci, Louis Vuitton, and Adidas. Many of the responses also included "no" or "none," meaning many of the participants in the survey do not follow any fashion brands on social media.

8. How did you hear about these fast fashion brands that you shop from?

- a. Instagram
- b. Twitter
- c. Facebook
- d. YouTube
- e. Snapchat
- f. TikTok
- g. Other (please specify:)

Results:

| # | Field | Choice C | Count |
|---|-------------------------|----------|-------|
| 1 | Instagram | 54.82% | 91 |
| 2 | Twitter | 6.63% | 11 |
| 3 | Facebook | 19.28% | 32 |
| 4 | Other (please specify): | 9.64% | 16 |
| 5 | Youtube | 6.02% | 10 |
| 6 | Snapchat | 1.20% | 2 |
| 7 | Тікток | 2.41% | 4 |
| | | | 166 |

9. Please rank the following characteristics of online brands from most important to least important.

- a. Cheap prices
- b. Quality of clothing
- c. Fast shipping time
- d. Strong customer service
- e. Strong morals & ethics listed on website

Results:

| # | Field | 1 | | 2 | | 3 | | 4 | | 5 | | Total |
|---|--|--------|-----|-----------|------|--------|----|--------|----|--------|----|-------|
| 1 | Cheap prices | 24.69% | 40 | 30.86% | 50 | 15.43% | 25 | 14.81% | 24 | 14.20% | 23 | 162 |
| 2 | Quality of clothing | 43.21% | 70 | 23.46% | 38 | 18.52% | 30 | 7.41% | 12 | 7.41% | 12 | 162 |
| 3 | Fast shipping time | 9.88% | 16 | 25.31% | 41 | 24.69% | 40 | 23.46% | 38 | 16.67% | 27 | 162 |
| 4 | Strong customer service | 6.79% | 11 | 15.43% | 25 | 22.22% | 36 | 33.33% | 54 | 22.22% | 36 | 162 |
| 5 | Strong morals and ethics listed on website | 15.43% | 25 | 4.94% | 8 | 19.14% | 31 | 20.99% | 34 | 39.51% | 64 | 162 |
| | | | Cho | uing roug | 1 50 | .f = | | | | | | |

10. Please indicate your level of agreement with the following statements:

a. I would support a fast-fashion brand if they were involved in an ethical scandal.

b. I care about an online company having strong morals or CSR initiatives.

c. I care about an online company having strong morals or CSR initiatives.

Results:

| # | Field | Strongly agree | Agree | Somewhat agree | Neither agree nor disagree | Somewhat disagree | Disagree | Strongly disagree |
|---|---|-------------------|------------------|-------------------|----------------------------------|----------------------|------------------|----------------------|
| 1 | I would support a fast-fashion brand if they were involved in an ethical scandal. | 18.52% 30 | 21.60% 35 | 22.22% 36 | 11.11% 18 | 8.02% 13 | 10.49% 17 | 8.02% 13 |
| 2 | I care about an online company having strong morals or CSR initiatives. | 16.67% 27 | 34.57% 56 | 20.99% 34 | 12.96% 21 | 8.02% 13 | 1.23% 2 | 5.56% 9 |
| 3 | I would stop purchasing items from a brand that was involved in a scandal or controversial incident. | 22.84% 37 | 27.16% 44 | 20.37% 33 | 13.58% 22 | 8.64% 14 | 6.79% 11 | 0.62% 1 |

11. What is your gender?

- a. Female
- b. Male
- c. Other
- d. Prefer not to answer

Results:

| # | Field | Choice C | Count |
|---|----------------------|----------|-------|
| 1 | Male | 48.75% | 78 |
| 2 | Female | 51.25% | 82 |
| 3 | Other | 0.00% | 0 |
| 4 | Prefer not to answer | 0.00% | 0 |
| | | | 160 |

12. Which age group do you fall into?

- a. Under 18 years old
- b. 18-24 years old

c. 25-30 years old

d. 31-35 years old

e. Other

Results:

| # | Field | Choice (| Count |
|---|--------------------|----------|-------|
| 1 | Under 18 years old | 0.63% | 1 |
| 2 | 18-24 years old | 38.13% | 61 |
| 3 | 25-30 years old | 23.13% | 37 |
| 4 | 31-35 years old | 16.25% | 26 |
| 5 | Other | 21.88% | 35 |
| | | | 160 |

13. Where is your location?

- a. United States
- b. China
- c. Europe (please specify where)
- d. Other

Results:

| # | Field | Choice C | Count |
|---|--------------------------------|----------|-------|
| 1 | United States | 93.13% | 149 |
| 2 | China | 6.88% | 11 |
| 3 | Europe (please specify where): | 0.00% | 0 |
| 4 | Other (please specify where): | 0.00% | 0 |
| | | | 160 |

14. What is the highest level of education you have received?

a. Some high school, no degree

b. High school

- c. Some college, no degree
- d. Associate degree
- e. Bachelor's degree
- f. Master's degree
- g. Professional degree
- h. Doctorate degree

Results:

| ~ | ^ | | : |
|---|-----------------------------|----------|-------|
| # | Field | Choice C | Count |
| 1 | Some high school, no degree | 0.63% | 1 |
| 2 | High school | 5.66% | 9 |
| 3 | Some college, no degree | 24.53% | 39 |
| 5 | Associate's degree | 5.03% | 8 |
| 6 | Bachelor's degree | 51.57% | 82 |
| 7 | Master's degree | 11.32% | 18 |
| 8 | Professional degree | 0.63% | 1 |
| 9 | Doctorate degree | 0.63% | 1 |
| | | | 159 |

15. What is your employment status?

- a. Student
- b. Self-employed
- c. Employed
- d. Military
- e. Unemployed

f. Other (please specify)

Results:

| ~ | ^ | | : |
|---|-----------------------------|----------|-------|
| # | Field | Choice (| Count |
| 1 | Some high school, no degree | 0.63% | 1 |
| 2 | High school | 5.66% | 9 |
| 3 | Some college, no degree | 24.53% | 39 |
| 5 | Associate's degree | 5.03% | 8 |
| 6 | Bachelor's degree | 51.57% | 82 |
| 7 | Master's degree | 11.32% | 18 |
| 8 | Professional degree | 0.63% | 1 |
| 9 | Doctorate degree | 0.63% | 1 |
| | | | 159 |

Social Studio Posts







12:46 PM · Oct 23, 2020 · Twitter for iPhone

| | \bigcirc | \uparrow |
|--|------------|------------|
|--|------------|------------|

1 Quote Tweet 1 Like

3:12 PM · Oct 10, 2020 · Twitter Web App

them



Can you swastika profiteers get your poorly directed ads off my timeline?!?

8:35 AM · Oct 6, 2020 · Twitter Web App

| ← Tweet | | | | ← Thread | | | |
|--|----|------------|------------------|----------------------|------------------------|---------------|-----------|
| hannah doughty @_hannahanne_ | | | CB @charlegod | ddess | | 000 | |
| daily reminder to stop buying stuff of shein | | | | y'all still ship a | at SHEIN after | that scandal? | ** |
| 2:53 PM · Oct 15, 2020 · Twitter Web App | | | | 12:28 PM · Oct 6, 20 | 020 · Twitter for iPho | one | |
| \bigtriangledown | 17 | \bigcirc | Ţ | \bigtriangledown | t] | \bigcirc | |

000

←

Tweet 4



my religion is not your aesthetic. first shein tries to sell prayer mats as "carpets" and now rihanna is using a hadith as a song for her fashion show where the models are wearing lingerie??? when will it stop??

12:30 AM · Oct 5, 2020 · Twitter for iPhone

Menachem Silverstein @MenachemSilver

6:49 PM · Nov 1, 2020 · Twitter for iPhone

1J

That company was selling swastika necklaces early this

 \bigcirc

⚠

Replying to @smiley_jayson

year. Full boycott

1 Quote Tweet 3 Likes

 \mathcal{Q}

| 3 Retweets | 38 Likes | | | |
|--------------------|----------|-----|---|--|
| \bigtriangledown | t. | t O | ſ | |



47

000

000

Thread

sha @ir

shaquille o'neal stan account @im_dev_pressed

Replying to @im_dev_pressed

also, i hate being an absolute critic of fast fashion sometimes solely bc its classist but like. shein is trash for various reasons and i'm genuinely confused why people are still supporting them



000

Image: Prud

P 🖬

Tweet

sydtiva @bigpockets3

love how shein sold a whole swastika necklace on their website and no one stopped buying from them

10:59 AM Nov 11 2020 - Twitter for iDhopo





four seasons total landscaping @rjxx7

Replying to @ludaCHRIS_tina and @SHEIN_official

remember when shein was selling appropriated muslim prayer mats and swastika necklaces tho?? :/

The Controversy Surrounding Fast Fashion and Thrifting

By Alexa Berry • American Contributor • Style October 12, 2020 at 11:57am

What is Fast Fashion?

The phrase "fast fashion" was initially coined by the clothing brand Zara in the late 1990s. Fast fashion can be defined as "cheap, trendy clothing, that samples ideas from the catwalk or celebrity culture and turns them into garments in high street stores at breakneck speed to meet consumer demand" (Good on You). The goal of this is to get the latest styles on the market as fast as possible for as cheap as possible. This is why you are able to buy a trendy shirt for \$5,00 or a pair of jeans for \$15,00.

HOME / OPINION / ROMWE AND SHEIN: WHY FAST FASHION NEEDS TO STOP

Fashion Opinion Sustainability

Romwe And Shein: Why Fast Fashion Needs To Stop

🕓 November 1, 2020 Eloisa Sablan

Focus Group Notes

Ashley's Notes:

Participants' Names & Locations:

Emily K - PA

Collin S - NY

Brianna - NY Wendy - China Grace - China Jess - China

<u>Q1: Prefer shopping online vs. store</u>

Grace - Normally both, but I shop online more right now because of COVID-19
Wendy - if I shop online, that means I really like it there, but since the pandemic I haven't bought stuff often
Emily – I prefer in person, but because of COVID-19 and with already many positive cases at

college (Tulane), I shop online

Colin – It's easier to find things I need and to find deals, so online

Jess - If a store isn't near me, I go online, but if it near me I go in person. Except sometimes finding the right size online is tough.

Q2: Last company participants purchased clothing from online

Emily – The last online store was Nordstrom. One thing I don't like is fast fashion because of how bad it is for the environment and its poor HR issues, so I shop at other stores like Nordstrom.

Grace – For me, the last store was Sephora which I love to shop online for because I don't have to worry about buying the wrong products. Plus, it's a big shopping site

Collin – The last store was FarFetch; I like them because they have a bunch of recognizable and trustworthy brands, they often have good sales, and they have good quality clothing.

<u>*Q3: Whether participants support fast fashion clothing companies*</u>

Emily – I try to stay away from fast fashion companies, but it's hard to do as a college student because they are cheaper in prices, so I try to limit how much I buy from them because ethical consumption is very important. I'd be deterred from a company if they were involved in a scandal because I couldn't stand morally behind the company.

Collin – I agree with Emily. It's tough to avoid fast fashion because it's hard to pass up cheaper prices. But I also wouldn't want to be walking around with something from a company that was involved with a scandal because it wouldn't be a strong representation of myself.

Wendy – I wouldn't buy from them in the short time, but I also wouldn't absolutely reject them. I'd overlook price management and see how they fix or handle the situation, as well as if they apologize and if the apology is truly meaningful.

Grace – One example of this is that Dolce and Gabbana is becoming more popular in China, but they recently released a racist ad in China which lost them customers. Because of the ad, I would never buy from them anymore.

Q4: Whether participants would continue to support online fashion company if it were to be involved in a controversy or scandal, and if our discussion has changed their perspective on purchasing clothing from these companies in the future

Emily – I wouldn't continue to shop with Shein nor support them after this scandal. For example, I don't even buy Coco Chanel because she was a Nazi which I find offensive as someone who's Jewish. I know it's a Chinese company and the necklace's pendant was a Buddhist symbol representing peace (the opposite meaning of a swastika) but supporting them is still not something I'd do.

Grace – The attitudes shown by the company are really important; if they apologized in a formal way and asked for forgiveness then I'd try to forgive their mistakes. If not, then it would not be a good look for the company, and I would not support them.

Collin - After this conversation, I'd be more conscious about the companies I purchase from, especially after hearing about the Dolce and Gabbana example. I've never heard about that specific scandal before and it was a company I often bought products from, but after hearing the example mentioned today, that turned me off from continuing to purchase from that brand.

Brianna's Notes:

-A lot of people are shopping online due to COVID

-Most people prefer in store shopping because it's easier to find what they want and try stuff on -It's difficult for college students to shop in person because they don't have transportation so online shopping is easier

-A lot of people are against fast fashion brands because of environmental and human rights issues

-Latest purchases online included Sephora, Nordstrom and FarFetch

-FarFetch is a consignment shop that includes lots of brands for cheap prices, you can find everything you need in one place

-Most participants try to stay away from fast fashion brands due to ethical concerns, but they're super cheap and easy for college students so it's hard to completely stay away from them -Most participants said they would not be able to support or buy from brands involved racist, homophobic, xenophobic, etc. actions because it goes against their beliefs and morals -Chinese participants said that Dolce & Gabanna were involved in a racist scandal against Chinese people, so they said they would never buy from there again -Many said they would think about maybe buying from this fast fashion brands if they handled the crisis well and expressed a real apology, it depends on how the brand deals with this crisis and if it seems like they truly made a mistake and seem like they are truly sorry

XII. REFERENCES

- Cimpanu, C. (2018, September 24). SHEIN fashion retailer announces breach affecting 6.42 million users. Retrieved November 14, 2020, from https://www.zdnet.com/article/shein-fashion-retailer-announces-breach-affecting-6-42-million-users/
- Commisso, D. (2018, June 26). *Despite growing concern over corporate social responsibility, fast fashion lures many*. CivicScience. https://civicscience.com/even-with-growing-concern-over-corporate-social-responsibility-fast-fashion-chains-still-lure-many/.
- Lonser, H. (2020, July 20). *Chronicling SHEIN's problematic history*. 34st.com. https://www.34st.com/article/2020/07/shein-swastika-necklace-controversy-boycott-shein-fast-fashion-upenn-ivy-league.
- McPhee, R. (2020, June 29). Consumer trends report: shopping habits by generation. JungleScout. https://www.junglescout.com/blog/millennial-shopping-habits/.
- Mohsin, M. (2020, March 23). 10 online shopping statistics you need to know in 2020. Oberlo. https://www.oberlo.com/blog/online-shopping-statistics.
- Ouellette, C. (2020, January 3). *Online shopping statistics you need to know in 2020*. OptinMonster. https://optinmonster.com/online-shopping-statistics/.
- Shein. (n.d.) FAQ. https://us.shein.com/FAQ-a-366.html?ref=www&rep=dir&ret=us#:~:text=Our%20target%20audience%20is%20the, worry%20about%20your%20online%20security.
- SimilarWeb. (2020, September). *Shein overview*. https://www.similarweb.com/website/shein.com/.
- TFL. (2020, July 10). Shein, the burgeoning e-commerce company selling cheap dresses & swastika necklaces to millennials across the globe. https://www.thefashionlaw.com/shein-the-burgeoning-e-commece-company-selling-cheap-dresses-swastika-necklaces-to-millennials-across-the-globe/.