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### **3.1 Encountering Sustainable Communication and Greenwashing: Environmental Values in Organizational Communication**

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### **Abstract**

In this study we examine how different organizations communicate their commitments to sustainability and corporate social responsibility on their websites, and the different ways stakeholders could interpret this communication. We do this by examining several case studies and reflecting on those cases with the help of a theoretical framework. Our main findings are that there is a growing concern amongst stakeholders regarding environmental values and that unsubstantiated sustainability claims issued in corporate publicity can be interpreted as greenwashing. We identify a conflict between goals of growth versus environmental sustainability in some of the cases. We also discover that organizations appear to be more transparent with their intentions by communicating their environmental values based on firm-serving motives rather than public-serving ones.

*Keywords:* Sustainability, organizational communication, environmental communication, greenwashing, corporate social responsibility, aviation, food industry, fashion industry, sustainability

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In this research paper we aim to examine how different organizations communicate sustainability and corporate social responsibility on their websites and the different ways stakeholders could interpret this communication. We also aim to investigate what makes claims of sustainability believable. We chose to examine five organizations from several fields of business, that play a significant role in the everyday life of western consumers, while also being some of the greatest global contributors of carbon emissions and greenhouse gases.

In this text we refer to terms related to both communicative methods and sustainability questions. We discuss the terms greenness and corporate social responsibility. The concept of greenness and green is usually used when referring to products or production that takes environmental aspects into account. "Green" is associated with closeness to nature and environmental characteristics (Polonsky, 1994). Corporate social responsibility (CSR) is referred to in many parts of our research and can be interpreted in various ways depending on the case. Kotler and Lee describe CSR as "a business' commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life." (2005, p. 3)

There are many reasons for why recognizing environmental aspects and reporting CSR is now more important to organizations than ever. Noticing the limits of the globe's carrying capacity and the more rapid spread of information through traditional media, as well as new social media channels, are among these reasons. We begin this research paper by examining two organizations from the textile industry, Hennes & Mauritz and Patagonia. Then we examine two organizations from the food industry, Valio and Oatly. In the last section we examine air traffic through looking at Finnair. Finally, we present our findings and conclusions.

### **The textile industry**

Today's textile industry is based on an enormously polluting model of fast fashion: the clothes are bought, used a couple of times and then thrown away. The British Ellen McArthur Foundation (2017) has calculated that 73 per cent of the clothes produced globally end up burned or in a landfill, instead of the materials being reused.

According to the foundation's research paper, today's textile industry is dominated by and optimized for cotton and polyester. Currently, polyester makes up 55 percent and cotton 27 percent of total textile fiber production. The global fashion and design company Hennes & Mauritz features prominently in the Ellen McArthur Foundation's research.

### **H&M**

The purpose of this case study is to find out how global fashion and design company Hennes & Mauritz's (H&M's) marketing portrays responsibility and compare it to existing research on organizations' environmental and sustainability discourse. How

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does the company portray environmental values in their online communication to consumers? I will focus on examining the communication and marketing messages on the company's website and in its 2018 Sustainability Report. Additionally, I ask what the organization actually does to fulfil its environmental promises.

I chose to look at H&M because they have been accused of greenwashing by the media and environmentalists several times. H&M is and has been a part of several sustainability projects and has made promises to improve their sustainability practices. The purpose of this case study is to find out how H&M portrays sustainability on its website, and whether one can find instances of greenwashing in H&M's sustainability marketing.

The H&M Group is the second-largest global clothing retailer after Inditex. H&M Group owns the brands H&M, Cos, Monki, Weekday, Cheap Monday and & Other Stories. Net sales of the group were SEK 210 billion in 2018. According to their website, H&M has approximately 4900 stores in 73 markets and 50 markets with online shopping.

### **Corporate social responsibility as a concept**

Corporate social responsibility, or CSR, is "a commitment to improve community well-being through discretionary business practices and contributions of corporate resources" (Kotler & Lee 2005, p. 3). This means that an organization's actions can be classified as responsible if the organization has committed to operating on behalf of the environment.

Stakeholders are actors that the organization interacts with and is dependent on (Juholin 2017, 142). In the eyes of the stakeholders, CSR is more and more strongly associated with the organization's legitimacy (Pollach, Johansen, Nielsen, ja Thomsen, 2012, p. 205). Especially for big organizations, corporate social responsibility is now a critical part of their strategy. However, besides just communicating commitment, the organization needs to actually be responsible, as well.

### **Criticism**

H&M has failed to deliver on its corporate social responsibility related promises before. In 2013, the company announced that all "H&M's strategic suppliers should have pay structures in place to pay a fair living wage by 2018. By then, this will reach around 850,000 textile workers" (Washington Post 26.11.2013). The deadline of 2018 passed and no information was shared on whether or not the company actually succeeded in delivering the promise. In May 2018, the international campaign #TurnAroundHM was started. The campaign criticised H&M's unfulfilled promise and demanded that the company publishes a clear plan of action, making sure that the sewers get fair living wages.

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H&M has also received criticism on the way it collects used clothes. This can be interpreted as greenwashing, because the consumer may think it is okay to buy new clothes now that they have returned the old ones.

### **H&M on sustainability on their website and the 2018 Sustainability report**

H&M states that in 2018 the company's customers handed in 20,649 tonnes of old textiles as part of the company's program for reuse or recycling. The company also says that they used 96 percent renewable electricity in their own operations in 2018. However, there is no mention of how many clothes the organization produces in a year.

On the company's "About Us" page the first headline states that H&M is committed to Ethical and Sustainable AI. They also have a "Sustainability" headline that has subtitles called "People", "Planet" and "Sustainability Reporting". Because the purpose of this text is to examine the sustainability reporting through environmental glasses, the section under "Planet" is what I examined.

Under the subtitle there are six articles: materials, recycling, climate, circularity, chemicals and water. In total, H&M offers a lot of information on what ways it plans to be or already is sustainable. Key notions include that according to H&M's Annual report 2017, H&M Group has a commitment to use 100 per cent renewable energy in its own operations. The share was 96 per cent in year 2017. According to the report, H&M Group has also committed to becoming climate positive throughout its entire value chain by 2040 at the latest.

On H&M's website, we also find the company's 2018 sustainability report. It is a 208-page-long report that has some figures and strategy explained. However, a great deal of the report is "vision" and "innovation" rather than actual numbers.

### **Greenwashing as a concept vs. H&M on sustainability**

Pollach, Johansen, Nielsen and Thomsen have argued (2012, p. 207) that corporate social responsibility can both be seen as contributing to reputation and stakeholder relationships, and the organization's actual operation. If the CSR is only a contributor to reputation and not an actual part of the company's operations, or if the company exaggerates its green intentions, this action may be interpreted as greenwashing. Greenwashing means "misleading consumers about their environmental performance or the environmental benefits of a product or service" (Delmas & Burbano, 2011).

The importance of reputation has grown. Juholin (2017, p. 49) presents concepts of image and reputation. The concept of image was generated in the beginning of the 1900's and it means creating desirable mental images through communicative ways. Reputation is a newer concept and it is based on actions rather than mental images.

One fact that supports the claim that H&M greenwashes its operations is that the company switches its clothes collections every season. On their website, the company claims to aim for a circular business model wherein "resources stay in use

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for as long as possible before being regenerated into new products and materials, resulting in a reduction in waste and negative impacts”. Yet at the same time the company replaces an old collection with a new one every season. The goal is to sell as many clothes as possible.

Another contradiction related to the recycling service is how H&M states in the sustainability report that “all Monki customers are rewarded with a “10% off your next purchase” voucher when they bring a bag of unwanted textiles for the garment recycling service.” The same kind of offer (a discount or a free voucher) is used in the H&M Group’s other stores. The purpose is to get the customer to come to the store again to buy more products but H&M describes it as “a reward for sustainable behavior” (H&M Sustainability report 2018, 29).

### **Conclusion**

Corporate social responsibility is quite a new trend among organizations and reporting it has become more popular in recent years (Mäkelä and Kujala 2017). The research on transparency is also more public than before. Seventy-five percent of consumers have said that their purchasing decisions are influenced by a company’s reputation with respect to the environment, and eight in ten have said they would pay more for products that are environmentally friendly (Klein 1990). This means that some organizations may claim to be responsible because they actually want to be, whereas others might just do it for the profit and for gaining a good reputation.

## **Patagonia**

The California-based company Patagonia makes clothing and equipment for the outdoors. With a strong focus on sustainability and corporate responsibility, they are often cited as a leading company when it comes to sustainability issues. Having based much of their communication on these matters, Patagonia is a good example for this study. In the following text I aim to map out what kinds of sustainability communication strategies Patagonia uses and how the consumer might react or respond to these. My main argument is that a company that has sustainability at its core can successfully and believably communicate and place arguments about its products’ “greenness” to consumers. There is, of course, a paradox in Patagonia’s communication. While Patagonia might represent “greenness” and eco-friendliness to many, people are also consuming and “buying into” the process of the fast-growing clothing industry while making these purchase decisions.

### **Theoretical Framework**

In order to understand and interpret communication by Patagonia, it is necessary to apply communication theory. Godemann and Michelsen (2011) outline what could be seen as communication about sustainability. They point out that there are often certain methods that are used to influence and manage the process of

communication (2011, p. 9). These methods include social marketing, empowerment, instruments of participation and planning or education (2011, p. 9). Through examining Patagonia's website and social media channels, the easiest and most accessible sources of information, all of these methods can be identified.

Godemann and Michelsen (2011) point out the practice of orienting communication to a specific audience or people with certain lifestyles about social issues such as sustainability. The social marketing approach is, according to Godemann and Michelsen, a vital communicative method today, because word-of-mouth communication and the web have increased their meaning (2011, p. 9). This method has proven to be effective when campaigning for voluntary actions and supporting behavioral changes (2011, p. 9). Patagonia shows signs of these kind of strategies in their campaign "The New Localism". "The New Localism" is a campaign consisting of different places that need protection and attention. Patagonia phrases this inclusive campaign through wording like "We are all locals" and "we all have a chance to make a difference" (a. patagonia.com "New Localism", accessed 16.10.19). Patagonia also emphasizes the importance of in- and out-groups in their stakeholder communication. Michael Polonsky points out in his article how companies are beginning to realize their position as members of a wider community when it comes to sustainability and responsibility. Polonsky states how this shift often results in a corporate culture that integrates these values (2005, 5). When examining Patagonia's corporate culture and the communication related to this, it is very clear that sustainability is at the core of corporate culture and that this culture is heavily built around a framework of sustainability and "teamwork" in the fight against global warming (b. Patagonia.com, Employee activism, accessed 16.10).

Another strategy for sustainability communication is empowerment. Godemann and Michelsen describe this strategy as an enabling process where participation is key and self-assessment plays a vital role (2011, 9). According to Godemann and Michelsen this happens in practice through workshops and other participative methods (2011, p. 9). When it comes to self-reflection, Patagonia seems to be very thorough. A big part of their corporate communication consists of self-reflective analysis (c. Patagonia.com "The Responsible Company", accessed 16.10.19). They openly speak of their early setbacks and mention what still needs to be done in order to become a fully responsible company. Patagonia admits to the "twin conundrums" as they call it (d. patagonia.com "the Shell Game in the Dark", accessed 27.10) when campaigning for new products in a market where growth is the main focus.

The last method of sustainability communication that Godemann and Michelsen mention is examining educational processes (2011, p. 10). Through learning processes that create autonomous action instead of just trained behavior, real behavioral changes can be made. Godemann and Michelsen mention how processes in education for sustainable development can be sparked by both formal and informal educational actors (2011, p. 10).

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Patagonia does not emphasize its role as an educator in sustainability issues, although they provide a vast amount of information for consumers on their website. The company speaks openly of possible challenges and success stories, painting a picture of an active learning process. “We need everyone in the fight, so we share proprietary information and best practices with other businesses, including direct competitors. Our business is a tiny fraction of the global apparel industry, and we know we can’t solve the climate crisis alone. We also know we don’t have all the answers.” (e. patagonia.com “Activism”, accessed 27.10.19). The tone of voice in Patagonia’s communication can be seen as humble but determined as well as encouraging (Fowler and Hope, 2007, p. 32). Many of Patagonia’s posts on social media channels encourage followers to take action. These encouragements include getting in touch with congress, taking part in climate strikes and urges for consumers to learn more. This gives the reader a possibility to study multiple themes and aspects concerning materials, factories and corporate social responsibility.

Fowler and Hope point out in their in-depth study how Patagonia, in a pioneering project of using new materials, withdrew from the project at the last minute (2007, p. 33). The company devoted two pages of their catalogue and large billboards to explain this turn of events to their stakeholders (2007, p. 33). It is interesting to view this openness in decision making as an open learning process in which all stakeholders can feel included. Being sincere about both success as well as challenges and concerns may provide extra value in communication for the consumer. Peter Dauvergne and Jane Lister point out in their book, “Eco-Business: A Big-Brand Takeover of Sustainability,” how consumers have become increasingly suspicious and less trusting. According to Dauvergne and Lister, consumers want to gain more influence and feel more involved in what they buy and what products they are offered (2013, p. 131).

Dauvergne and Lister mention how companies are embracing corporate sustainability and how they can maximize profits through this “strategic CSR” (2013, p. 4). This “eco-Business” as they call it, is an example of how business advantages can be made through environmental efforts (2013, p. 4). Dauvergne and Lister mention how communicating sustainability issues can be interpreted as added value by the potential customer. Sustainability communication is, according to Dauvergne and Lister, a way to differentiate products and a way to drive increased sales (2013, p. 122).

### **Conclusion**

All this leaves us with the dilemma of “complicated greenness” presented by Sharon Hepburn (2015). Patagonia’s marketing strategies and business ideas revolve around sustainability and encouraging people to appreciate and preserve the Earth. By doing this the company also encourages consumption over the actual needs of their customer (Hepburn, 2015). Patagonia has tried to distance themselves from the world of fashion through “minimalist style” and through enhancing “simplicity and utility”

(f. Patagonia.com, “Mission statement” accessed 28.10). This holistic approach to sustainability issues combined with the encouraging and informative communication flow creates a trustworthy and wholesome communicative environment.

### **The food industry**

The food industry has a significant impact on our environment through, among other things, greenhouse gas emissions, the use of land and water resources, pollution and the impact of chemical products. Studies show that the food industry is responsible for 20-30% of the environmental impact of private consumption. Within the industry, meat and meat products have the greatest environmental impact. The second greatest impact is created by dairy products, followed by a variety of others, such as plant-based food products, soft drinks and alcoholic drinks. (EIPRO 2006.)

Many organizations ranging from The United Nations (2018) to Greenpeace (greenpeace.org, “#Food” accessed 27.10.2019) have called for a rethinking of dairy and meat production and a decrease in consumption in order to tackle climate change.

#### **Valio**

More milk is consumed in Finland than in any other nation in the world: 361 kilograms per person a year. Milk production is the main source of income in rural areas of the country. Eighty-five percent of Finnish beef is sourced as a byproduct of milk production. (The Natural Resources Institute Finland, 2019).

In this research paper I examine how Finnish milk and dairy producer Valio Oy communicates sustainability and corporate social responsibility on its website. I will begin by giving a brief introduction of Valio. Then, I will present some of the key ideas and concepts related to this section. Next, I’ll take a look at Valio’s website and dissect the ways in which accountability and corporate responsibility are present. Finally, I will reflect on my findings.

Valio Oy is the largest producer of milk and dairy products in Finland. It has a dominant position in the industry, and it exports its products to over 60 countries. On its website the company reported a turnover of 1,734 million euros in 2018. Valio is owned by Finnish milk producers through cooperatives.

I chose to explore Valio as a case study in part because in recent years the company has faced some less than positive publicity. In 2018 Valio had to pay small dairy producers 8 million euros in fines, after it was caught pushing its pricing under the market value (Yle 18.6.2019). In 2019 the Finnish corporate responsibility organization Finnwatch revealed several human rights violations in Valio’s supply chain in Thailand (Yle 26.3.2019). Valio has also been in the headlines recently, when Helsingin Sanomat criticized Valio for claiming its milk comes from free range cows — even though one third of those cows still live chained up in cowsheds (Helsingin Sanomat 6.9.2019).

### **Sustainability communication, green marketing and greenwashing**

Sustainability communication is found throughout the public sphere. Its goal is to tackle sustainability issues such as climate change, the shrinking of biodiversity and consumption. (Godemann and Michelsen 2011, 10). It is beneficial for a corporation to communicate sustainability and green values to consumers and stakeholders because of the growing concerns over climate change. This is where green marketing comes in. Peattie and Charter define green marketing as a holistic approach that is both sustainable and profitable. It highlights global concerns and does not treat the environment as a means to an end (Peattie and Charter 2003, p. 727). According to Tinne (2013, p. 1), green marketing is the marketing of products that a consumer can assume are environmentally safe. By definition, green marketing has to be backed up by the organization's sustainable acts. If no such acts are present, the organization may be guilty of greenwashing. According to Jenner, "greenwashing consists of any advertising, marketing or public relations actions by corporations to project an image of being an environmentally-minded organizations, even when their business practices are destructive" (2009, p. 9). Greenwashing is not a new issue, and the term has been used since the 1980's to describe false claims of sustainability (Dahl 2010, p. 247). Green marketing and signaling sustainable values can be perceived as greenwashing by consumers if they feel there is a discrepancy between the organization's words and its actions.

### **Sustainability and corporate social responsibility on Valio's website**

Valio highlights corporate social responsibility and sustainability on its website. The first picture on the website is a large banner for Valio's promise to reduce its carbon footprint to zero by 2035. Images of nature, happy looking cows ranging on sun-dappled fields and smiling farmers are frequent.

There are several links to articles about sustainability on the front page. All of the articles state the same core mission of reducing the company's carbon footprint to zero. In these articles Valio states that it is going to give up fossil fuels step by step, replace its plastic packaging with recycled plastic and convert fully to using soy-free cow fodder. They also name "accountability" as one of their core values.

Valio's website has a whole section for accountability and corporate social responsibility. This section covers several topics ranging from animal welfare and sustainable milk production to transparency and wellness innovations. There is also an "Accountability Report" for the year 2018. This report states the goals mentioned earlier, and includes numbers and graphs containing information about Valio's emissions and energy consumption at the end. However, the report contains very little concrete evidence of actions Valio has already taken in order to become more sustainable.

## **Conclusion**

Milk and dairy production, and meat as its byproduct, are amongst the biggest contributors to greenhouse emissions in Finland, causing 12% of the country's greenhouse emissions (Statistics Finland 2018, p. 12). Valio likes to highlight its greenness and accountability. On its website the company covers all the topics that are usually brought up when discussing sustainability of the dairy industry: animal welfare, use of soy in fodder and carbon and methane emissions.

Valio acknowledges the issues the industry faces on its website. Based on its sustainability goals, it seems that the company's claims of accountability are somewhat backed up by its actions: giving up soy fodder is one example of those actions. On the other hand, it is important to take note of the fact that much of the company's sustainability is still in the policy phase. Thus, for example Valio's goal of being carbon neutral by 2035 is not yet backed up by any proof. It is beneficial for corporations to publish environmental policies, because they can have a positive influence on public opinion, market share and stakeholder relations (Ramus & Montiel 2005, p. 378). However, if these policies aren't realized, this type of green marketing can also be perceived as greenwashing, as there is no evidence backing the claims of sustainability.

If we follow the definition of greenwashing by Jenner (2009), presented earlier in this research paper, it is necessary to wonder whether a company like Valio can ever communicate its greenness without being guilty of greenwashing. When we consider the effects of dairy and meat production and consumption on global climate change, it seems like the only sustainable option is to scale back on both. As a business, Valio's goal is growth. As long as this is the case, it does seem like the company's claims of sustainability are just a Band-Aid on a bullet hole.

De Vries, Terwel, Ellemers and Dancker (2013, p. 143) state that, "regardless of the company's intentions, in the end it is all about whether or not people perceive corporate greenwashing". I believe this to be very important in the case of Valio. Even though most of the company's sustainability goals haven't yet been realized, the Finnish public seems to believe in the company's accountability: Valio has won the Sustainable Brand Index B2C Finland six times in a row, most recently in 2019 (Sustainable Brand Index Official Report, 2019). It appears that the public does not see a conflict between Valio's brand, actions and sustainability policy. It will be interesting to see if the recent negative media coverage has any impact on the company's reputation and the public's perception of its sustainability and accountability.

## **Oatly**

In the following section I focus on a Swedish company called Oatly. I analyze the marketing communication on their website and focus on how they talk about sustainability and green values in their communication.

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Oatly produces oat-based products. The company's patented enzyme technology copies nature's own process. It turns oats into nutritional liquid food and offers an alternative for dairy based products. Oatly values sustainability as their goal is to offer plant-based drinks that are in tune with the needs of both humans and the planet (Oatly 2019a.). By offering an alternative for dairy products, Oatly also offers an alternative for the dairy industry, which can impact the environment in various ways, the scale of that impact depending on the practices of the dairy farmers and feed growers (WWF 2019).

### **Key concepts**

With the planet facing increasingly serious environmental problems, green consumption and sustainability have been gaining more attention by consumers and companies alike. Companies develop their green marketing strategies to show their customers social responsibility and their good corporate image (Zhang, Li, Cao, Huang 2018). However, sustainability is not only related to the environment. Rather it is about finding some sort of balance so that Earth can support the human population and economic growth without ultimately threatening the health of humans, animals and plants. The elements that form the basis for sustainability are environment, economy and equality. It is argued that sustainability can be achieved by simultaneously protecting the environment, preserving economic growth and development, and promoting equality (Portney 2015).

Jacob Vos (2009, p. 681) introduces some of the most common forms of corporate greenwashing. He names environmental policy statements as a usual form of greenwashing. With a broad, high-minded statement proclaiming a corporation's commitment to preserving the environment, the statements often make an impression of an environmentally friendly company. The picture the statements paint is often highly idealistic. The policy statements rarely include any specifics regarding the implementation of the policy. Without specific commitments, the statement is not bound to any benchmarks which might be used to measure its progress toward its goal.

Generally speaking, people suspect less strategic behavior when a company communicates an economic motive for investing in environmental measures. Studies also show that companies that express firm-serving (economic) motives are seen as relatively trustworthy (Zhang et al. 2018). Research has also shown that organizations that communicate public-serving motives are considered less honest. That in turn provokes less trust towards the company than towards organizations that communicate organization-serving motives (Terwel, Harinck, Ellemers, Daamen 2009).

### **Sustainability and environmental marketing on Oatly's website**

Oatly claims to be "not just another company" that only sells products. Rather they frame the company as one with an ideology based on sustainability, health and

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transparency (Oatly 2019a). Oatly's marketing communication on their website is open-hearted, approachable and simplified. Their aim is to show their social responsibility by saying things as they are and by being transparent in their marketing communication. They showcase their products with lists of the origin of all the ingredients as well as links to the supplier websites. The product pages also include a description of their product and what is environmentally good and not so good about them. By showing the customers the company's commitment to social responsibility, they also assess their work and what could be done more sustainably.

Oatly promises to be a good company (Oatly 2019), but they do acknowledge that it is impossible to be completely good. "We are not a perfect company, not even close, but our intentions are true. We would like to be judged by the good we do and not just the pretty words we say" (Oatly 2019). This exemplifies the transparency in Oatly's marketing communication. They acknowledge that green values are an integral part of the company and not only a marketing tool they use. But the company's positions of being "green", and the environmental measures they take serves their economic goals as they are a company producing plant-based goods.

Environmental sustainability is not only about reducing carbon emissions and reliance on fossil fuels. It is also about other natural resources: most notably water and land. (Portney 2015). Oatly highlights the carbon emissions of their products but doesn't forget these other aspects of sustainability. Ways to make land usage more sustainable are especially discussed in their sustainability report.

In their marketing communication, Oatly mainly uses firm-serving rather than public-serving motivations. Oatly's whole business is centered around plant-based products. In the recent years the global need for climate-friendly products has been growing rapidly (Oatly 2019b). Oatly however was founded back in the 1990s and has been offering these climate friendly products well before they became a global trend. By positioning themselves as an environmentally friendly company and endorsing green values, Oatly expresses firm-serving motivations as their business is based on offering an alternative for dairy products.

### **Oatly's sustainability report**

A closer look at Oatly's sustainability report shows that there are concrete goals that the company has set for themselves. In addition to introducing these goals, the sustainability report also shows how the company plans to achieve them, what risks are involved, what their current status is in achieving each goal and where the reader can get further information about the subject (Oatly 2019b). By setting the goals as well as showing the reader what is being done to achieve those goals, Oatly emphasizes their commitment to their environmental policy and underlines the fact that the company is not only "talking the talk, but also walking the walk".

Perhaps the most challenging aspect of sustainability is the "equality" element. The importance of equality seems to lean on the fundamental assumption that an unequal world is an unsustainable world. Moreover, conceptual work on sustainability

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hasn't made entirely clear how equality relates to the economic and environmental elements of sustainability (Portney 2015). In their sustainability report, Oatly mainly treats the subject of equality as a gender related question rather than taking a wider view of the subject.

### **Conclusion**

Environmental values and sustainability are a core part of Oatly's operations. The marketing communication on their website reflects their sustainable values by being transparent. Oatly heavily communicates firm-based motivations. Environment issues and sustainable values are an integral part of their company's values.

Considering that environmental motives are probably not the only reason for companies to invest in environmental measures, it seems advisable from a strategic perspective to be reticent in claiming purely selfless motives in public communications in order to avoid being perceived as greenwashing (Vries, Terwel, Ellemers & Daamen 2015). If a company wants to market environmental values, they should also show what being environmentally friendly brings to the company, to appear more honest. Oatly's transparency makes their marketing communication appear more honest. Environmental values and sustainability are not only framed as a central part of the company's marketing communication but also appear integrated as inseparable parts of Oatly's business model.

## **Aviation**

Aviation contributes to around 2% of the world's global carbon emissions. An economy-class return flight from London to New York emits an estimated 0.67 tonnes of CO<sub>2</sub> per passenger, according to the International Civil Aviation Organization (ICAO, 2019). Flights burn fuel and produce greenhouse gases, which in turn contribute to global warming by releasing carbon dioxide into the atmosphere. As flying is becoming more and more frequent, the carbon footprint of the airline industry has been under tight scrutiny.

### **Finnair**

Global passenger numbers have been predicted to double to 8.2 billion by 2037 (ICAO, 2019), which would mean a rapid increase in air emissions. As environmental problems have entered public discussions, airline companies have been forced to rethink their corporate social and environmental responsibility. In this paper I focus on one airline company, Finnish government-controlled Finnair.

### **Key concept**

As Lynes and Andrachuk state in their research "Motivations for corporate social and environmental responsibility: A case study of Scandinavian Airlines", the driving force of what makes companies commit to social and environmental issues can be

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unpacked into internal, sector-specific and external influences (Lynes & Andrachuk, 2008, p. 378). Catalysts help shape influences by acting as a medium for encouraging or discouraging corporate social and environmental responsibility. These catalysts could be for example the financial position of the firm, internal leadership within the firm as well as the culture the firm operates in. From an environmental point of view, strongly influential catalysts seem to be the culture the firm operates in (Lynes & Andrachuk, 2008, p. 380).

### **Sustainability and the aviation industry**

The air travel industry has been moving towards a highly competitive phase, wherein market pressure has been lowering prices and promoting the introduction of more efficient and competitive products aimed to serve consumers from all economic backgrounds (Pilling, 2004, p. 46).

Airline flights within Europe are covered by the EU's emissions trading system (ETS), which provides the worst emitters with an incentive to reduce their carbon pollution. (European union emissions trading system, 2019). Each year airline companies have to surrender a number of permits equivalent to the amount of carbon dioxide they emitted in the preceding year. Permits are acquired through an annual allocation system and some are issued for members for free. If polluters don't have enough allowances to acquit their previous year's emissions, they can buy additional permits at auctions or from other companies. The EU has put a maximum cap on the CO<sub>2</sub> emissions that can be emitted by restricting the number of permits available. Emitters are thus provided with an incentive to reduce their emissions, because this is cheaper than buying scarce permits (European union emissions trading system, 2019).

The negative image associated with the environmental impacts of air travel also pushes airline companies to be more socially and environmentally responsible corporations. Airline companies also represent their home countries, and as flag carriers of the country, national airline companies have a certain responsibility to uphold a positive image of their country of origin (Clancy, 2001).

### **Findings on Finnair's sustainability report**

I examined Finnair's sustainability reports, which state their motivations in corporate social and environmental responsibility. Finnair proclaims on its website that it is committed to building a more sustainable aviation industry with its stakeholders. It has a dedicated page dedicated to corporate responsibility, where consumers can use an emission calculator and get to know the company's environmental values. It is also possible to offset the CO<sub>2</sub> emissions of one's flights or reduce them by buying biofuel for the aircraft.

In 2018 Finnair paid 11 million euros for the EU's emissions trading system permits, when the company's whole revenue was almost 3 billion euros (Yle, 8.4.2019). At the same time Finnair was given a not-so-flattering ranking as being one of the biggest emissions growing airline companies in Europe. Finnair's emissions