

Zimmermann Crisis Campaign



Zimmermann was accused of racial bias and white supremacy by the public for its Spring RTW 2024 promotional video, which damaged its brand image.

November 14, 2023

PRESENTED TO
Zimmermann

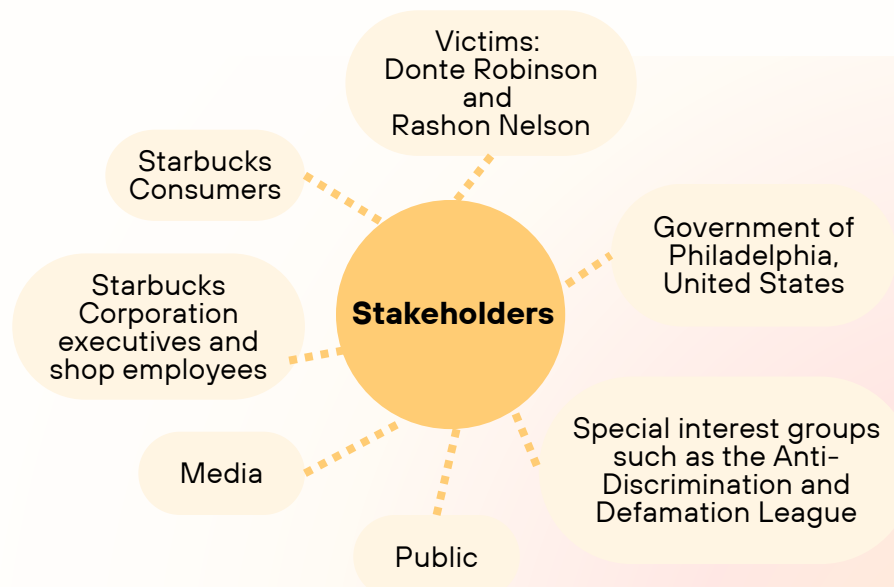
PRESENTED BY
Yulia Qin

Case Study 1



Starbucks Racial Discrimination Crisis — 12 April 2018

On 12 April, two African Americans went to a Starbucks shop in Philadelphia, Pennsylvania to wait for friends. During that time, they wanted to use the restroom, but unfortunately, they were refused, and the reason for the refusal was that they had not made a purchase at the shop. Moreover, the shop's manager called the police after they sat down, and the police arrested the two men for trespassing. Although the two men were later released due to lack of evidence, they caused an uproar when a customer in the shop uploaded a video of the event to the internet.



PR Strategies

- On 14 April 2018, Starbucks posted a brief apology on its official social media accounts.
- On 15 April 2018, Starbucks CEO Kevin Johnson posted an apology video on the official Starbucks website.
- On 16 April 2018, Starbucks CEO Kevin Johnson linked up with Good Morning America and apologised again to the public, acknowledging the mistake and promising to make amends.
- On 17 April 2018, Starbucks issued a statement on its website reiterating the CEO's commitment to anti-racial bias training for employees.
- On 29 May 2018, Starbucks closed its more than 8,000 company-owned shops in the United States on the afternoon of 29 May to conduct racial bias education aimed at preventing discrimination.

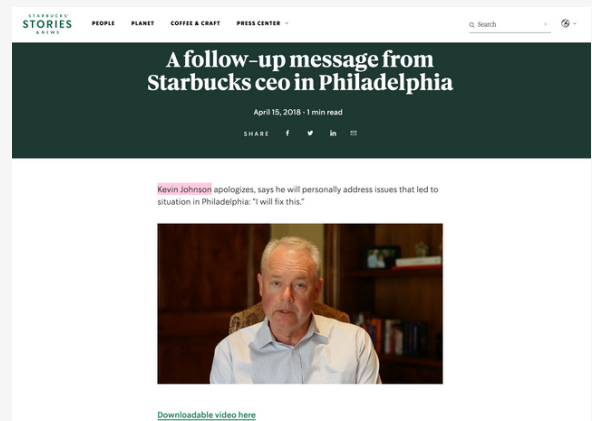
Activity Evaluation

Timeliness:

Starbucks' handling of the incident lacked timeliness, with no response given within 24 hours of the incident and only a short apology sent within 48 hours. Starbucks underestimated the seriousness and societal implications of the incident, the company failed to realise that the incident was defined as a discriminatory, racial profiling societal incident. This letter of apology, which was only a light apology, could not satisfy the public's need for information and anger, thus intensifying the public discontent and negative public opinion. Timely, transparent and in-depth response and communication strategies are critical when facing a PR crisis involving sensitive social issues.

Unified spokesperson and multimedia channels:

The apology was made in the form of a video apology, news link and other intensive statements by the ceo himself, which fully expressed Starbucks' integrity, authority and sincerity in admitting its mistakes. Starbucks' crisis communication media channels included mainstream social media platforms and traditional media, ensuring that the public of all ages and backgrounds were able to receive their messages. This not only helped to control the direction of public opinion, but also demonstrated the company's openness and transparency.



Effective action and follow-up to action:

- Starbucks CEO Kevin Johnson personally apologised to both victims. In addition, Starbucks offered victims compensation in the form of a free undergraduate degree from Arizona State University, which Starbucks partnered with.
- Starbucks closed its more than 8,000 shops in the U.S. on the afternoon of 29 May to conduct employee anti-racial bias training. The shutdown resulted in a loss of \$16.7 million. To ensure the training was effective, the company hired a collaboration of the former U.S. Attorney General, the National Association for the Advancement of Colored People, and the Anti-Discrimination and Defamation League.
- Starbucks continues to follow and report on the process, results and future of anti-bias training on its official website.



Zimmermann: Racial Sensitivity

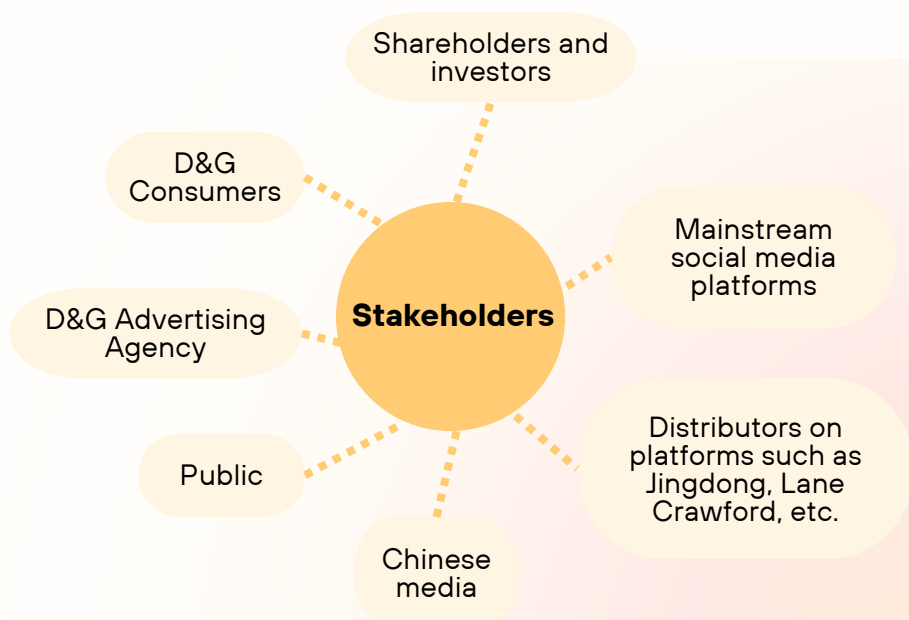
Both Zimmermann and Starbucks are facing brand image crises due to issues of racial sensitivity. The relevance of the two events is that negative public opinion about racial prejudice was fuelled by the Internet. Through Fink's four stages of crisis, Starbucks' strategies and PR actions in the chronic reaction and resolution stages of the crisis and its aftermath provide a valuable reference for Zimmermann. Similarly to a social crisis, Zimmermann will follow the example of Starbucks by using only the same spokesperson in crisis management and conducting crisis communications in both online and traditional media. In addition, Zimmermann would hold similar employee training events and similarly invite experts to participate and evaluate.

Case Study 2

Dolce & Gabbana Chinese Humiliation - 17 November 2018

On 17 November 2018 Dolce & Dabbana (D&G) released a short advertisement on Weibo, Instagram, Facebook and other official accounts. The film's Chinese pronunciation, twisted tone, arrogant remarks and the scene of an Asian model rustily using chopsticks to eat a pizza were accused by netizens of stereotyping China and discriminating against traditional Chinese culture.

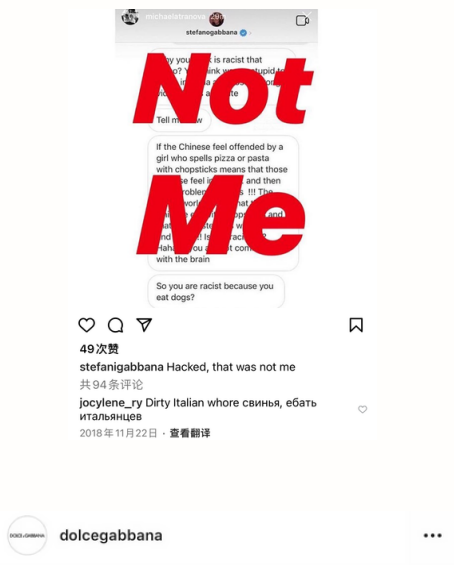
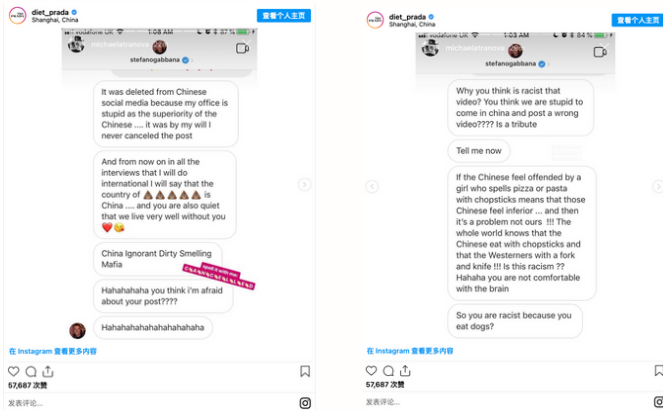
D&G did not make any response to the incident. Until 21 November, a netizen sent out screenshots of his private instagram chat with Stefano Gabbana, the designer and co-founder of D&G. A large amount of the D&G designer's hate speech spread rapidly on Chinese social media platforms, further fermenting online public opinion. China's mainstream media and opinion leaders have joined forces to boycott D&G.



PR Strategies

- On 18 November 2018, D&G deleted the relevant video on Chinese social media.
- On 21 November 2018, Stefano Gabbana, the designer and founder of D&G, issued a statement on instagram that his number had been stolen, denying his previous comments. the official account of D&G also issued an apology, saying that both accounts had been hacked and that "we have nothing but respect for China and the Chinese people".
- On the afternoon of 21 November 2018, D&G announced the cancellation of its 21 November fashion show.
- On 23 November 2018, two of the brand's founders, Domenico Dolce and Stefano Gabbana, released a video expressing their love for China and saying "sorry" in Mandarin.

Activity Evaluation



Our dream was to bring to Shanghai a tribute event dedicated to China which tells our history and vision.

It was not simply a fashion show, but something that we created especially with love and passion for China and all the people around the world who loves Dolce & Gabbana.

What happened today was very unfortunate not only for us, but also for all the people who worked day and night to bring this event to life.

From the bottom of our hearts, we would like to express our gratitude to our friends and guests.

Domenico Dolce and Stefano Gabbana

Wrong Spokespersons:

The two founders have made a series of shocking statements including calling babies conceived through in vitro fertilisation "synthetic", describing gladiator sandals as "slave sandals" and calling Selena Gomez "ugly" and called the Kardashians "Cheapest people in the world." When a negative crisis of suspected racial bias occurs, it seriously undermines the sincerity and credibility of the apology to have two shoddy founders with a history of racial bias come out and apologise. Even in the early days of the crisis, Stefano Gabbana, the spokesperson, did not apologise first but made hateful comments abusing China.

Inappropriate Justification:

D&G simply tried to use the reason of stolen accounts to erase the fact that it insulted China, and because of the spokesperson's racist antecedents, it made the reason very credible and further caused anger and boycotts from Chinese consumers. Furthermore, Stefano Gabbana did not apologise for his re-statement on instagram. It was just a condescending gesture to simply explain that he did not discriminate against any race. These statements still do not get to the heart of the crisis, nor do they satisfy netizens' need for an apology.

Stakeholders and media channels

D&G did not identify the stakeholders that the brand needed to apologise to. As seen in their media releases, not only did they blur the focus of public opinion on racism, but they only apologised to friends and guests of D&G. In addition, most of D&G's media releases are centred on instagram and are in English. This is a reflection of the fact that the brand only takes into account the public opinion of the English-speaking West in apologising, and does not respect the claims of the Chinese, a group that is discriminated against.

Zimmermann: Learning from D&G's Failure

What Zimmermann and D&G have in common is that the crisis arose in brand image and marketing strategy. Both involved disrespect or misunderstanding of a particular culture or ethnicity. The stakeholders involved in the crisis are also roughly the same. The message content handling of D&G's crisis focused on denial, finding scapegoats and apologies. This failed crisis communication provides a good cautionary tale for Zimmermann. When selecting spokespersons, Zimmermann investigates and considers whether they have a positive image. And, Zimmermann's crisis management will emphasise the timeliness of the campaign.

Zimmermann: Crisis Management of 'White Supremacy' Incident

Crisis:

Zimmermann, a renowned fashion brand from Australia, released its Spring RTW 2024 promotional video on 14 November 2023 at 20:00 PM. The collection was inspired by the French Renaissance, showcasing the aesthetics of this era. However, the models in this runway show were all white. In today's global context of multiculturalism and anti-discrimination, this choice quickly caused public discontent and heated debate.

Challenges:

After the incident, Zimmermann's sales were greatly affected. And the day after the incident, on 15 November 2023, the stock price dropped by 70% compared to the past. Many consumers boycotted the brand and expressed their dissatisfaction.

Zimmermann's brand image was tarnished, and it was doubly controversial on social media platforms. Hashtags like #ZimmermannDiversityFail and #ZimmermannWhiteWashControversy appeared on Twitter and Instagram, and the discussion heated up.



Objectives

- Within **two weeks**, issue a formal apology and explanation of the brand's respect and values for multiculturalism across all major social media platforms and traditional media channels, with the goal of reaching at least **90%** of the audience to see and understand Zimmermann's position and apology.

90%

100%

- Over a **three-month period**, work with community leaders and influencers from multicultural and multi-ethnic backgrounds to organise an internal online and offline employee multicultural education campaign to deepen mutual understanding and respect. The goal is to reach **100%** online participation and physical attendance for all Zimmermann employees.

- Within **one year**, introduce designers, models and staff from multi-ethnic backgrounds to the brand, increase the diversity of the workforce by at least **20 %**, and publicly display the data and results on the official website.

20%

Stakeholders

- **The Zimmermann brand and its employees:**

The image of the brand, the financial benefits and the job stability of its employees will be directly affected.

- **Zimmermann's consumers:**

They may be sceptical or disappointed with the brand's image and behaviour.

- **Multicultural and multi-ethnic communities in Australia and worldwide:**

Members of these communities may be directly offended by this incident and develop a strong dislike or distrust of the Brand.

- **Brand distributors and co-operative platforms:**

They may re-evaluate their relationship with Zimmermann and consider whether there will be a collateral impact on their brand image.

- **Media and opinion leaders:**

They will comment and criticise Zimmermann's behaviour on public platforms, which may further amplify or quell the crisis.

- **Social media platforms and users:**

They play a key role in spreading the word about the incident, allowing it to spread quickly.

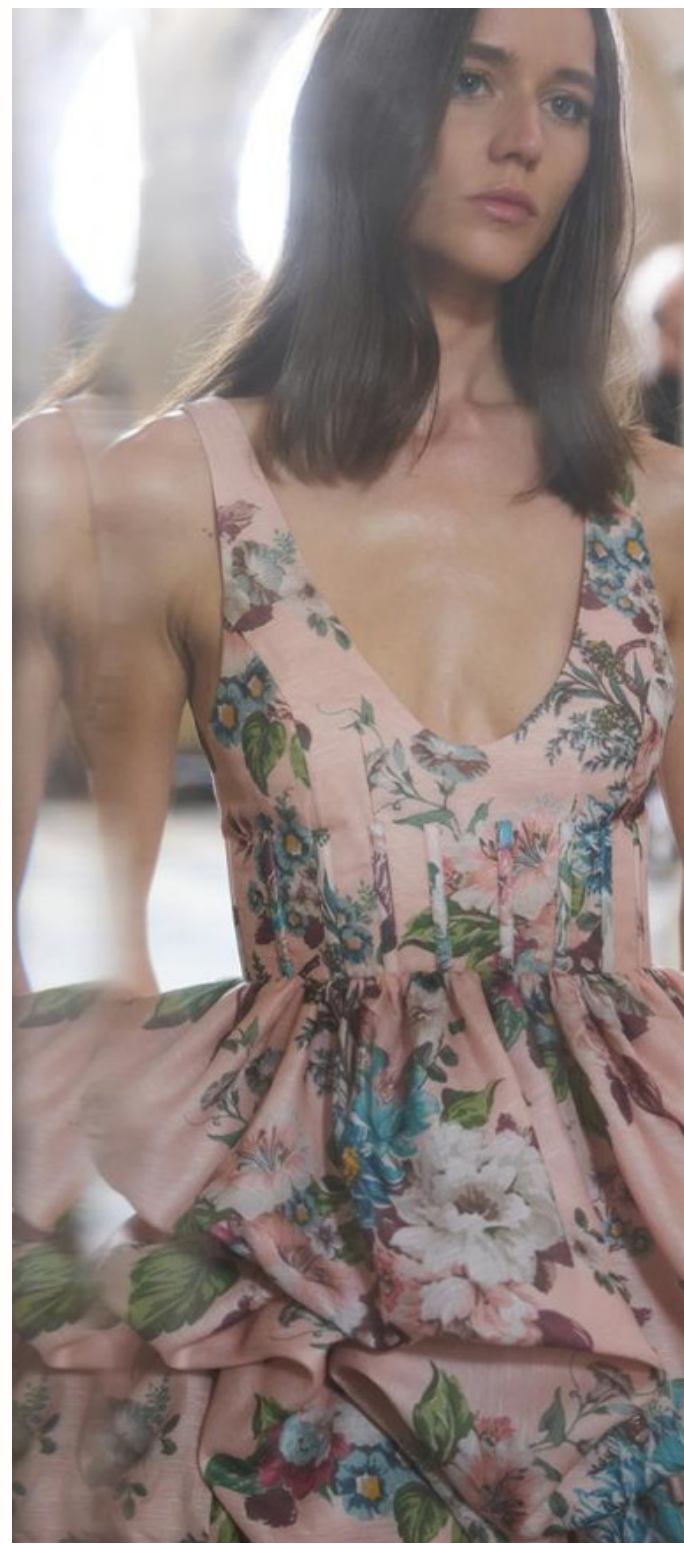
- **Shareholders and investors:**

They care about the brand's economic performance and market value, and this crisis may affect Zimmermann's market capitalisation and return on investment.

- **Cultural and racial affirmative action organisations:**

These organisations may take action against Zimmermann or issue statements demanding that the brand take concrete steps to resolve the issue. And will be invited by Zimmermann to assist in resolving the crisis.

ZIMMERMANN



Key Message

- Zimmermann deeply apologises for the inappropriate choice of its runway blockbuster.
- Zimmermann respects every culture and race and is committed to diversity and inclusion.
- Zimmermann is committed to advancing multiculturalism and inclusiveness in our company through practical actions. and to review and expand over time to move us forward.

Zimmermann Crisis Campaign Plan

The following table divides this incident at Zimmermann into four stages based on Fink's four stages of crisis and details the plan for each stage.

Phrase 1	Prodromal (14-15 November 2023)
11.15 13:00pm	Zimmermann will take down the controversial product and videos.
11.15 13:00pm Apology video release channel: Zimmermann's official website Instagram Facebook Twitter YouTube Weibo	Simone Zimmermann , the brand's founder and COO, will deliver a formal apology video in which she admits that the planning and execution of the launch was culturally inaccurate and negligent. Denying that the show was white supremacist. The reason for this will be attributed to the selection of models that were caught up in the cultural misconceptions of the French Renaissance and the neglect of its complex multiracial and multiculturalist social context. The COO will then disclose some real data to show that Zimmermann is committed to building a socially responsible brand. Once again, the COO will express her apologies to consumers and the public and will accept responsibility for the misconduct.



Phrase 2

Crisis Breakout (16-17 November 2023)

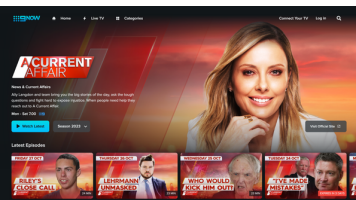
11.16 7:00am

Other television and print media:

"ABC News," "9News," "Vogue," "The Age," "The Australian Financial Review"

Online media:

Facebook, Twitter, YouTube, Weibo.



Simone Zimmermann will be linking up with the Australian news channel nine network's program A current affair to issue another formal apology and announce a series of follow up activities: disclosure of the composition of the corporate and retail workforce, staff training on diversity and inclusive culture.

11.16 15:00pm

Data will be posted on the Zimmermann website and media posts with links to the data reports and key messages will be published on the main social media platforms

Zimmermann is calling on employees at corporate offices and retail shops around the world to participate in the Employee Composition Resource Survey on the 15th. The survey will include data on gender, age, race and ethnicity. The count will be completed on the 16th and all data will be made available to the public to demonstrate that the company has a diverse workforce and maintains respect for multiculturalism and communities over time. This incident is simply a misuse of and insufficient understanding of French Renaissance culture and has no bearing on the company's position.

This statistic will be monitored and assisted by the Diversity Council Australia (DCA), a non-profit organisation.

11.17

Media channels:
Zimmermann Official Website; Facebook; Twitter; 9news

Simone Zimmermann will issue a media release disclosing that the company's current percentage of diverse employees is 15% and committing to hiring diversity in the future. The company plans to exceed 30% by 2024. The COO will promise that brand events such as the new collection shows will showcase broader racial and cultural representation. Meanwhile, the company will launch employee diversity and inclusion training. Eventually, Simone Zimmermann will apologise again and incorporate diversity and inclusion into the new brand philosophy.

Phrase 3

Chronic (18-22 November 2023)

11.18

Media channels:

Zimmermann Official
Website
Facebook
Twitter

Zimmermann's official media account publishes that the company will partner with **Global Diversity Practice (GDP), Diversity Council Australia (DCA) and Catalyst, all non-profit organisations**, to publish the training content and schedule. Staff from the organisations will be assigned to evaluate the results of the training. The progress and results of the training will be followed in real time on the Zimmermann website.

Media post

11.19

Media channels:

Instagram
Facebook
Twitter
Weibo

Copy: Embracing diversity and facing up to mistakes! Simone and the operations team are delving into multiculturalism, while Nikki and the design team are reviewing the Renaissance. Lesson learnt: always keep learning! 📖

Photos:

1. COO Simone Zimmermann leads her operations planning team who are sitting in rows and reading books on multiculturalism.
2. Creative Director Nicky Zimmermann leads her team of designers who are sitting in rows and reading books on the history of the French Renaissance.



An AI-generated matching photo

Phrase 4

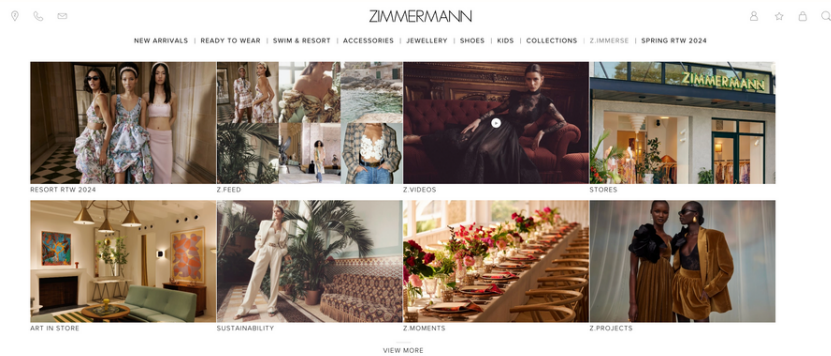
Resolution

(24 November 2023 - 24 February 2024)

On the 24th of every month

Zimmermann Official Website

Add **Z. MULTICULTURALISM & INCLUSION** to the Z. IMMERSE section of Zimmermann's website, where **the results and feedback** from the implementation of employee training are regularly and transparently presented to the public, in order to give stakeholders a sense of quantifiable change at Zimmermann.



February 2024

Media channels:
Zimmermann's official website
Instagram
Facebook
Twitter
YouTube
Weibo

The **new season's design theme** will be announced on social media platforms. Announced by **Creative Director Nicky Zimmermann**, the theme for the upcoming season will be **"Cultural Tapestry"**.

The theme is to show the charm and uniqueness of the global multiculturalism, and each design is a tribute to a particular culture. "Cultural Tapestry" hopes to weave the cultural textures, colours and traditions of each race and community into ready-to-wear garments, so that every consumer can find their own cultural shadow and sense of belonging in them.





Measuring the success of the crisis management

- **Sales Data:** Compare shop sales data for three time periods: pre-crisis, crisis and post-crisis, to see how much Zimmermann sales rebounded after the crisis was managed.
- **Social Media Metrics:** Track likes, shares, comments and other interaction metrics on major social media platforms. Use analytics tools to compare trends and peaks in topic discussion increases and decreases across campaign phases.
- **Monitoring Team:** A company-wide monitoring team comprised of senior leaders from diverse racial and ethnic backgrounds, roles, experiences, and locations. Members of the group meet bi-monthly to review progress on established commitments and explore new opportunities to build a fairer organisation. External experts and public observers are also engaged to ensure transparency and fairness.
- **Brand Awareness and Reputation Analytics:** Use tools such as Brandwatch or Mention to track online mentions of brands and sentiment analysis.



www.zimmermann.com

www.**agency.com

yuyqin@student.unimelb.edu.au