

# **Corporate sustainability should be core strategy, requires paths unique to each business**

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Prior to the 1990s, there was little concept of corporate sustainability within the textile and apparel industry. However, beginning in the mid-1990s, clothing and apparel corporations began receiving pushback from consumers regarding social, environmental and economic sustainability. In an effort to qualify the process of investing in corporate sustainability, University of Missouri researchers examined two major international apparel brands, Nike and Adidas, to determine the paths taken to reach corporate sustainability. Saheli Goswami, a doctoral student in the MU College of Human Environmental Sciences, says that while both companies are currently models of corporate sustainability, they took very different paths to reach the end goal.

"It is important for apparel companies not to ask 'what can make us sustainable?' but rather to view sustainability as a core business strategy," Goswami said. "In today's social and consumer climate, sustainability is no longer a fad, and can actually lead to improved sales and positive brand image. While companies should customize their own paths to sustainability, it is critical that the end result includes sustainability that is fully engrained in their business models."

For their study, Goswami and Jung Ha-Brookshire, an associate professor of textile and apparel management at MU, examined the strategies used by Nike and Adidas from 1995 to 2012 to improve their environmental impacts, working conditions in their manufacturing

plants, and other factors for sustainability. The researchers found that Adidas seemed to have been proactive early, establishing that they wanted to be a leader in the corporate sustainability movement. The researchers determined that Adidas, being an international and European brand, was motivated to become more sustainable due to opportunity for exposure through FIFA, the international soccer organization that runs the World Cup.

On the other hand, the MU researchers found that Nike initially seemed to have been resistant to the idea of corporate sustainability, actively resisting change and consumer protest in the late 1990s. Nike then appeared to take a reactionary approach until 2004, when the [company](#) decided to become transparent about their production practices. By 2010, Nike fully had transitioned to view sustainability as a driver of growth and a core business strategy. Goswami says this is an important realization for other companies to observe.

"Every company is different, so it is clear that there is no perfect or correct way to become or remain sustainable," Goswami said. "While both companies took different routes, they each have landed on a very positive business model that has built a large amount of brand equity for each company through sustainability efforts. While other apparel companies may not want to mimic Nike or Adidas in their paths to sustainability, it is important for those companies to view the successes and failures and choose a direction that works best for each individual organization."

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