## "No Sweat Labor" Labeling: Creating an Image of Social Responsibility

Leslie Davis Burns · Eunyoung Chang\*

Dept. of Design & Human Environment, Oregon State University Dept. of Fashion Design, Yuhan University\*

#### 1. Introduction

In recent years, many multinational corporations have faced the particularly challenging task of having to balance the need to use low cost labor, in order to be competitive on the worldwide market, while maintaining labor conditions that are legal and acceptable to the consumer. The apparel and footwear industry, in particular, has come under attack for the use of sweatshops and other issues associated with workers' human rights (Bonacich & Appelbaum, 2000). Over the past decade, the sweatshop issue has grown in prominence. Manufacturers of labor-intensive, branded consumer goods such as apparel and footwear are facing increasing pressure to provide assurances that their production complies with global labor and environmental standards.

Highly publicized cases associated with factories utilizing sweatshop labor practices have included well-known brands/companies such as Kathie Lee Gifford, Nike, The Gap, and Reebok (Firoz & Ammaturo, 2002). Accusations of using sweatshops gives brands/companies a bad image, a bad image hurts profits, and companies thereby attempt to create a distance between their brand image and the "dirty side" of actual production. At the same time, increasingly aware consumers are demanding information on the products they buy in an effort to avoid sweatshop made products. Therefore, creating an image of socially responsible business practice such as 'no sweat labor' labeling has emerged as means to provide consumers which the information they need about working conditions and companies' business practices (Freeman, 1994).

Korea, one of the leading fashion and textile product producers has become socially and economically mature enough to think over the social responsibility of business practice. In addition, many Korean apparel and footwear companies have involved in manufacturing abroad in which matters of sweatshop are often occurred. These two factors make Korean apparel and footwear industry not able to turn away its face from this sweatshop issues.

The present paper presents the information on the sweatshop issues, one of the most important social responsibility practices of apparel and footwear industry and on consumers of USA and Korea about perception on and attitude toward 'no sweatshop labeling.' This would be a great help for a company seeking and trying to implement a strategy in CSR (Corporate Social Responsibility) marketing.

## What is a sweatshop? Why does it matter in the apparel industry?

According to a working definition developed by the US General Accounting Office, a sweatshop is "an employer that violates more than one federal or state labor, industrial housework, occupational safety and health, workers' compensation, or industry regulation" (Hemphill, 1999, p.21). Sweatshops have also been defined by the International Labor Rights Fund (2000) as "work environments that include some of the following characteristics: pay is less than a living wage, excessively long hours or work are required often without overtime pay, work is done in unsafe or inhumane conditions, and workers are systematically abused by the employer or suffer from sexual harassment, and/or workers have no ability to organize to negotiate better terms of work." Sweatshops are often associated with practices such as sub-minimum wages, no benefits, nonpayment of wages, forced overtime, sexual harassment, verbal abuse, corporal punishment, illegal firings, and child labor (Emmelhainz & Adams, 1999; Firoz & Ammaturo, 2002).

There are a number of reasons for the proliferation of sweatshop conditions in the apparel and footwear industries. Because of the highly competitive and labor intensive nature of the apparel industry, the primary use of contract labor, the increase in international sourcing particularly in developing countries, and the use of immigrant laborers in the United States, the apparel industry is very prone to sweatshop practices (Bonacich & Appelbaum, 2000). United States retailers and brand-name manufacturers of apparel maintain the high-value-added marketing and design stages of production in the United States, while divesting themselves of production facilities and tapping into complex tiered networks of subcontractors in developing regions (Klein, 2000). Profits can be made through downward pressure on wages. Although nearly all industries have seen an increase in international sourcing, the apparel industry has been particularly aggressive in sourcing items overseas (Monczka & Trent, 1991).

Concern of government and consumer groups over the use of sweatshop labor in the production of apparel has been dramatically increased. As a result, apparel manufacturers and retailers face with the need of ensuring that their merchandise is manufactured under humane, equitable conditions, even though contractors are located outside of the corporate umbrella in distance (Emmelhainz & Adams, 1999).

## Global Competition and Socially Responsible Marketing

It is no news that today's business firms are expected to be socially responsible in their marketing and management practice. Consumers, religious leaders, investors, labor, environmental and human rights advocates and others have urged multinational corporations to embrace a triple bottom line - financial, environmental, and social - in both their domestic and overseas operations (Zarsky, 2002). However, unfortunately too frequently business firms still focus mainly on profitability of their products and markets while neglecting the social responsibility of their business practice.

As business firms face fierce competition in both domestic markets and international markets, they have become to rely increasingly on cheaper sourcing as a way to sustain competitiveness (Monczka & Trent, 1991). Although international sourcing is inevitable in order to obtain lower costs, it is also contains many difficulties to be overcome. Vast differences exist from country to country in the economic development, cultural background, legal/political systems, and expectations regarding business conduct (Wotruba, 1997). International business firms must deal with divergent societal and governmental pressures in home versus host countries, and adjust strategies and programs for coping cultural diversity and conflicts (Buller & McEvoy, 1999; Donaldson, 1996).

In their international business practice especially sourcing the labor, universal moral norms including the basic rights of workers have become to concern of consumers, NGOs, government, and international organizations. Attempts in order to achieve more clarity over the concerns have been made (Bowie, 1997; Donaldson, 1989). These attempts have included codes of conduct and social labeling (Sajhau, 1997).

## Anti-sweatshop Movement and Consumer Actions

Today's social contract requires that marketers and retailers provide consumers with competitively priced goods that are manufactured fair and humane conditions (Emmelhainz & Adams, 1999). This demand is becoming difficult to meet in a global environment where brand marketers and retailers are separated from merchandise manufacturers both geographically and structurally. As retailers have increasingly turned to outsourcing as a means of protecting bottom line performance, they have become increasingly vulnerable to attack by sweatshop critics (Adams, 2002).

Over the years, a majority of consumers have realized that their purchasing behavior had a direct impact on many socially responsible and ecological problems (Laroche, Bergeron, & Barbaro-Forleo, 2001). As a result, today there is a more concerted attack from wellorganized activists and protest groups that coordinate their anti-sweatshop activity globally. This globally well-organized and coordinated movement has been helped by development of the Internet. The Internet has opened up a route for international groups of consumers and interested bodies through various Web sites such as the homepage of the Boycott Nike campaign (Carrigan & Attalla, 2001). Therefore, the anti-sweatshop movement has shown a form of transnational advocacy network. Anti-sweatshop movement activists create new frameworks providing the basis for legitimating their action through the mobilizing and dispersing related information all around the world. (DeWinter, 2001). More anti-sweatshop movement groups have formed, and voiced in an effort to stop unethical business practices and the public's acceptance with unconsciousness.

"The anti-sweatshop movement has advanced by fits and starts in recent years. Protesters demanded action. and apparel makers responded with a few steps forward - and a wealth of arguments about why they could not do more. Now the adversaries are starting to find some common ground, and key elements of a credible sweatshop monitoring system are falling into place (Berstein, 1999, p. 104)."

The movement has picked up power of the consumer and is using the potential loss of sales as a weapon against corporations. Through campaigns, protesters raise public's awareness, and take direct actions at flagship stores. They are playing with and subverting corporate images and logos to get across their message against sweatshop labor (DeWinter, 2001).

The compass of this movement includes corporations, entire industries, consumers, and governments at the local, state, national, and international levels. The movement has primarily focused on pushing for the adoption of codes of conduct and the education of consumers. The monitoring of implementation of voluntary codes of conduct had been accomplished mostly by protester groups, but in 1996 White House Apparel Industry Partnership was formed by the United States government to develop an action plan to deal with sweatshops (DeWinter, 2001).

D'Mello (2003) noted that any improvements in the working conditions in the factories of contractors and subcontractors in developing countries are largely because of the anti-sweatshop movement on college campuses in the United States. Many students have opposed their universities entering into contracts with companies involved with sweatshop labor and a number of universities hold "alternative fashion shows" while models showcase clothing, an announcer details the sweatshop conditions in which the clothes were made. Most of cases, high value branded products such as those from Nike, Reebok, the Gap, and Disney, have been targeted (D'Mello, 2003). The sweatshop debates on US campuses was on a peak when the prominent CEO of Nike Inc., Philip Knight, withdrew his promise of a \$30 million gift to his alma mater, the University of Oregon. The reason is that in early 2000 the university had decided to join the Worker Rights Consortium (WRC) rather than the less militant Fair Labor Association (FLA), with which Nike was affiliated. Knight opposed the WRC mainly because it refused to grant industry representation on its board, which would set appropriate labor standards and monitoring methods for the manufacture of goods bought by its university members (Burnett & Mahon, 2001).

There is one thing we have to count when considering the anti-sweatshop movement. The emergence and demands of the anti-sweatshop movement must be understood in the context of significant changes in the global apparel industry. Anti-sweatshop movement activists interpret the impact of the restructuring of the apparel industry using the rhetoric of anti-globalization activism (Gereffi, 2000). U.S. apparel and textile manufacturers have traditionally enjoyed a high level of protection under the Multi-Fiber Agreement (MFA) (Abernathy, Dunlop, Hammond, & Hammond, 1999), in conjunction with the North American Free Trade Association and the Caribbean Basin Initiative. As a result, regional competition have emerged in East Asia, Mexico, and the Caribbean Basin, and governments in those regions encourage foreign investment through the creation of export processing zones offering lax labor and loose environmental standards, and tax exemptions (Gereffi, 2000). This has called for sweatshop labor and, in turn, anti-sweatshop movement as well.

The apparel industry is trying to respond rapidly to changing consumer demands due to its diversified products and shorter product life cycles. It is using information and communication technologies in keeping track consumers' purchasing patterns and reflect the data down in production. The need of quick response to consumer preferences could be a key leverage for the anti-sweatshop movement. By providing concerned consumers with information about manufacturing conditions of products they buy, the movement can influence their purchase (DeWinter, 2001) because the need of assurance that products they buy were not born out of sweatshop labor has been emerged as a new preference of consumers.

Dickson (2001) analyzed whether consumers making apparel purchases would use a label guaranteeing certain proper working conditions during garment production. Of her sample 16 percent were identified as the segment of consumers who would use the "no sweat" label. Although the segment was much smaller than the nonuser segments, this segment was found to utilize the "no sweat" label as more important purchase criteria than quality, color, and fiber content. In this research, unmarried and less educated women were more likely use the label. However, most authors agree

that demographics are less important than knowledge, values and/or attitude in explaining socially responsible purchase behavior (Brooker, 1976; Banerjee & McKeage, 1994; Chan, 1999).

On the contrary, in the research on consumers ethical purchase behavior, Carrigan and Attalla (2001) insisted that consumers ethical purchase behavior is neither simple nor straightforward. In their study, consumers were unwilling to undergo any extra inconvenience in order to purchase ethically, and price, value, trends and brand image remained the dominant influences over purchase choice. An attitude-behavior gap was also found between ethical purchase intention and actual purchase behavior, and consumers were willing to justify and accept the existence of inadequate and unethical employment practices by firms.

### 'No-Sweat Labor' Labeling

Generally, a label provides consumers with basic information such as the size and composition of a product, the name or trademark of the manufacturer or retailer and the country of origin (Hilowitz, 1997). Recently, many national and multinational organizations, as well as NGOs and private associations, have shown an interest in labeling in the hope and expectation that consumer choice can act as a critical lever in improving sweatshop conditions (Bole, 2001; Perez, 1996). Since sweatshop conditions leave no mark on the goods, consumers need some token or proof to be assured (Burnett & Mahon, 2001). The social labels that inform consumers about the working conditions of production have a long history in some countries. The White Label, which was introduced by the National Consumers League of the United States in 1899 and spread to 13 American states. It assured consumers that women's and children's stitched cotton underwear was manufactured under decent working conditions and with no child labor. It was discontinued in 1918, when union labels were attached on virtually all garments sold in the United States (Hilowitz, 1997). Currently, an attempt to create a new label for garments sold in the United States, the "no sweat labor" label, is now being considered by various parties, with the support of some members of the United States Congress (Hilowitz, 1997). Hilowitz suggested the potential effect of this labeling as follows (Hilowitz, 1997, p. 217):

- · Labeled products are those that have been produced under better conditions: therefore the more labeled products purchased, presumably the more people working under better conditions.
- · Some percentage of the money resulting from the sales of labeled products is channeled back into local improvements in the region of production.
- · Producer-country governments and industry associations may respond to labeling initiatives by undertaking substantial improvements themselves.

It is a requirement for all apparel sold within the United States to carry a label providing information such as the fiber content, country of origin, care instructions and company identification (i.e. a company's US registration number). Hilowitz (1997) suggested that a number "grade," as assigned by an outside auditor should be included in this label. This grade should reflect a number on a given scale (i.e. 1-5) through an independent audit. By utilizing the grade in the label. consumers would get an assurance and have access to immediate information about the manufacture of product at the point of purchase (Hilowitz, 1997).

However, the labeling might have some problems to be considered. One of them is that consumers may not be prepared to pay higher prices for a labeled product (Carrigan & Attalla, 2001) even though many studies have shown a certain segment of consumers is willing to pay extra price for the label (Perez, 1996; Dickson, 2001).

Consumers, for the most part, want to purchase goods that have been produced in safe and humane conditions by individuals who are paid a fair or living wage. But how can consumers be assured that their apparel is made under these conditions? One possible method is through social responsibility labeling of goods. Several companies (e.g., Social Awareness, No Sweat) are currently using a "no sweat labor" label on apparel. However, the meanings associated with such a label and the use of this label information is not known. Therefore, the purpose of this study was to examine the meanings associated with a "no sweat labor" label on apparel as a means of creating a socially responsible image. In addition, we wanted to compare meanings associated with the "no sweat labor" label by college students in the United States where media attention and an anti-sweatshop movement among college students has been strong with college students in Korea where there has been less media attention and a less active anti-sweatshop movement.

## 2. Method

Five focus groups were conducted with college students at a university in the western United States and at a college and a university in Korea. Subjects were recruited from introductory, upper division, and graduate level courses at the three institutions. Focus groups in the United States were conducted in English and those in Korea were conducted in Korean. Each focus group ran approximately 1 to 1  $\frac{1}{2}$  hours in length. Focus groups were scheduled and conducted until no new emergent themes were brought out. At the beginning of each focus group, participants were informed of their rights as voluntary participants and that their comments would remain anonymous. Focus groups were audio-taped.

A semi-structured series of questions was used to direct the focus groups. Questions were initially developed in English and then translated into Korean. Students were asked what the "no sweat labor" label on apparel meant to them, their use of such a label in their selection and wearing of apparel, and their current views/understanding of sweatshops. Audio tapes of the focus group conversations were transcribed. Transcriptions of the Korean focus groups were translated into English for interpretation. Emergent themes were identified that brought to light general meanings associated with the "no sweat labor" label and questions for future research. Similarities between the themes that emerged from the focus groups with United States participants and with Korean participants were noted.

## 3. Results and Discussion

Below are the themes that emerged from the focus group discussions in the United States and Korea. Some of the themes emerged in the focus groups held in both countries; whereas others emerged in either one or the other country. Similarities and differences in the themes between the two countries are noted.

#### U.S. and Korea: "No Sweat" Fabric

In both the United States and Korea, a few participants interpreted the "no sweat labor" label as meaning that the fabric would be more comfortable and that you would not sweat when wearing it. For example, one U.S. participant stated, "when I saw the label, I was taking yoga, and you know Nike makes this wicking material, I thought the material was no sweat." Another U.S. participant stated, "I'm thinking it's athletic wear and it's some form of Dri-Fit. That's the first thing a lot of people think." A Korean participant stated, "I thought this is "sweat proof" or "super hydroabsorbent material used."

# U.S. and Korea: The Garment Was Not Made in a Sweatshop.

In both the United States and Korea, participants interpreted the "no sweat labor" label as meaning that the garment was not made in a sweatshop, although this interpretation was more evident among United States participants. In addition, the associations made between the label and the purchase of the apparel were not the same between participants from the two countries.

Most of the U.S. participants interpreted the "no sweat labor" label as meaning that the garment was not made in a sweatshop. This is most likely because of the large amount of media attention paid to the sweatshop issue in recent years. In addition, U.S. participants associated the "no sweatshop" interpretation with

aspects of their purchase behavior. For some participants, the label was associated with positive feelings about the purchase. For example, one U.S. participant stated, "I was thinking no sweatshops... that it wasn't made in a sweatshop... something that has a sign like this on it would make me feel a lot better because a lot of times you don't know if garments were made in a sweatshop." Another U.S. participant stated, "I think it's a good thing as I would prefer to buy clothes with no-sweat labels." For other U.S. participants, although, this would be an added benefit of the apparel, the label or idea would not be the primary reason for purchasing the apparel. One U.S. participant stated, "it depends on what level of price I'm buying at. I do care about sweatshops and everything that goes on in the third world countries, but as a college student, what is my two dollars going to do in the whole grand scheme of things?" Another U.S. participant stated, "it's a good thing that we don't use child labor or anything like that, but it's not something that I would actually go out and search for. I mean, I wouldn't buy the product just because they had the label, but I think it's good that they do." Another U.S. participant stated, "I just tend to go towards things that I like and how they look, so I wouldn't even be looking for this and if it was on it, it would be more like an extra bonus."

Among the United States participants, meanings associated with the term "sweatshop" included: "underage kids that are being forced in this environment with unsanitary conditions."; "shoes and clothes"; "workers getting paid really badly for the work that they are doing"; "poor working conditions"; "unsafe conditions"; "little kids working"; "Third world countries"; and "something that wouldn't happen in the United States."

Korean participants also interpreted the "no sweat labor" label as meaning that the garment was not made in a sweatshop. However, the associations related to the label and their purchase behavior differed from the U.S. participants. For example, some Korean participants believed that purchasing apparel with such a label would lead to a pride in ownership and concern for oth-

ers, particularly Koreans. One Korean participant noted. "people who purchase the product labeled with "no sweat" might feel a kind of pride. Just buying the product could be a behavior of helping others." Another Korean participant noted that the label will "make people take pride in their behavior." Another Korean participant stated, "Koreans seem very generous, but not for people outside their boundaries. I mean Koreans as a group are selfish. Surely, they can sacrifice for others... but for their people or family. They won't pay more money for workers in other countries or foreign workers in Korea. I they think the money goes to Korean workers, they might pay more."

For other Korean participants, purchasing apparel with such a label would let others know that you were concerned about social issues if label was on the outside. One Korean participant stated, "I think where the label is located is very important. If it appears on the outside, it would affect people shopping. But, if it is placed on the inside, its influence would not be as big. Especially, Koreans always consider how others think of them. They might try to use the label in making a good image of themselves."

Similar to U.S. participants, Korean participants believed that the "no sweat labor" label would be an added benefit of the apparel, but the label or idea would not be the primary reason for purchasing the apparel. One Korean participant noted, "if it is not inferior to other products in aspects of aesthetic design and quality, I would buy one even though it a little expensive. I mean, even if some very conscious company makes clothes by no sweat labor... if the products are not very good, I won't buy them." Another Korean participant stated, "if the price of the "no sweat" product does not differ much from the that is unlabeled, I will buy the labeled product."

Among the Korean participants, meanings associated with the term "sweatshop" included: 'cheap production," "exploitation of the weak," 'necessary evil" in our past, "suffering foreign workers," "business outside of Korea," and "products manufactured in China or southeast Asia."

## U.S. and Korea: Appealing to a Particular Target Customer

Both United States and Korean participants associated the "no sweat labor" label with a particular target customer, although the characteristics of the target customers varied. United States participants believed such a label would be attractive and sought out by individuals who were socially conscious. One U.S. participant noted, "I know for a lot of people it's something that they won't go into a store if they know that there's, you know, child labor or whatever, but it's really honestly not something I look at when I pick stores." Another stated, "I just think they're trying to target the people that this might be an issue for." Another noted, "my sister has garbage cans for all her recycling and brown glass and green glass and clear glass. She would go for this in a second....I think a lot of people our age would like it if they knew what it was."

Korean participants also noted that such a label would be attractive and sought out by a particular target customer - specifically, individuals who were younger. They believed that age and income would be important factors, appealing to younger consumers who are less concerned with price of products. One Korean participant stated, "I think older people might not buy clothes labeled "no sweat" if it is little more expensive than products without the label. But I think younger generation and educated people would buy clothing labeled "no sweat" even if it is a little more expensive."

## U.S. and Korea: Higher Price

Participants from both the United States and Korea associated the "no sweat labor" label with higher prices on the apparel, although Korean participants believed that the higher prices would be worth it, if the quality of the merchandise was not compromised. One U.S. participant simply stated, "I would think it would cost more." A Korean participant stated, "I will buy clothes with the "no sweat" label even though it is a little expensive. It is worth it. I don't want to waste my money, but it is really worth it, I think." Another Korean participant stated, "even if the product labeled "no sweat" is more expensive, the price difference is something we had to pay from the first... what I mean is... so far we have enjoyed the exploitation of the weak and we have benefited from that. So, we should not say "we have to pay more" because "we pay the right price." Another Korean participant stated, "the label gives an impression of higher price. Anyway, the company pays more money for their workers, so ... a label for rich people. Because the poor do not care how their clothes are make... they are just concerned about price."

## U.S.: Marketing or Advertising Trick

For several participants in the United States, the "no sweat labor" label was perceived as an advertising trick that could actually tarnish the image of the company. One U.S. participant stated "I don't think they're putting it on there out the goodness of their heart because they actually agree that it's good. I think they're just doing it as a kind of a gimmick to get people to purchase." Another U.S. participant stated, "to me it seems like a really weak attempt at marketing. If it's that big of a deal, then people obviously already know about companies that are pro-no-sweat labor. To me, this seems like they're assuming that people are going to grasp the product more than if it wasn't on there. I don't think it's necessary at all." Another U.S. participant stated, "I think they should be working harder on developing their product ... and making their name well-known, and then we can think about things like social awareness."

## Korea: Reflection of a Developed Country

For several Korean participants, the "no sweat labor" label was a reflection of a developed country in that only developed countries have the luxury of such a label being meaningful to consumers. One Korean participant stated, "I think a sweatshop or sweat labor is a by-product of economic development of developing countries that don't have technique or capital." Another stated, "This is a symbol of developed country and reflects its level of sense regarding human rights. If I

could see this kind of label on products of Korean companies, I might think... oh, Korea finally becomes one of the developed countries. For developing countries, this is too luxurious." Another stated, "The perception of "no sweat labor" depends on how mature the society is economically, politically, and socially. Korea is heading to that level of maturity... I think the sense of human or workers' rights among Koreans is very actively stretching."

### Korea: Positive Public Image

For Korean participants the "no sweat labor" label was associated with a positive public relations for companies; creating a competitive advantage for them. One Korean participant stated, "every company sets some budget for public relations… I mean, this labeling is for their company image or brand image improvement… and I think this will actually help it." Another Korean participant stated, "if a retailer sells "no sweat" labeled products, I likely will have a very good image of the store."

### Korea: Fashion Trend

Korean participants also believed that the "no sweat labor" label was a fashion trend (similar to the anti-fur campaign). One participant stated, "this is similar to the "no animal skin or fur" movement. In several developed countries, like US, France, or Germany, there has been "no fur or leather clothes" movement." Another Korean participant stated, "I would suspect the durability of the campaign or labeling. I think it would disappear sometimes later like a fashion."

## Korea: "Sweatshop" Term Not Well-Known

Unlike U.S., participants, many Koreans participants were not familiar with the term "sweatshops"; and others believed that education would be needed before such a label would be meaningful. One Korean participant stated, "I think most people don't know about sweatshops or sweat labor. So, it needs explanation in detail. What the label means or why the label is needed or why we should purchase "no sweat labor" labeled

products." Another Korean participant stated, "If marketers like to use "no sweat" label, they should inform people of the meaning first." But Korea may be positioned economically for such a label to be effective. One Korean participant stated, "I think Korea is now ready for the label. We can afford it. But it depends on how education and publicity." Another Korean participant stated, "If people become to know about this label and products carrying the label, people might become more sensitive to other social problems as well... such as the environment, education, and/or animal rights."

"I think companies who join the campaign and use the label should apply the label to their store's interior or display. And I also think, if the information on the workers' working conditions such as the workers' age, working environment, working hours per week, wages, and so on were written, the label would be more effective."

The themes that emerged from this exploratory work provide possible avenues for future research. Both United States and Korean participants noted the positive informational benefits of the "no sweat labor" labeling for consumers to be assured that their apparel was not made in a sweatshop, but questioned how important the label would be in their actual purchase decisions. Indeed, Dickson (1999) found over three-quarters of women in her sample indicated interest in labeling that would assure them that the apparel they purchased was not made in a sweatshop; but two-thirds of the sample indicated that price would be a more important purchase criterion. Therefore, future research should explore how important it is to consumers to perceive a brand or company as possessing an image of social responsibility. Also, what role does an image of social responsibility play in the consumer decision making process? Past research has documented that country of origin is less important than other evaluative criteria for consumers when purchasing apparel (Davis, 1987; Eckman, Damhorst, & Kadolph, 1990; Hsu & Burns, 2002). However, questions remain as to whether the image of social responsibility of the brand or company an important evaluative criterion in consumers' purchase decisions. Or is "no sweat labor" labeling just "icing on the cake" for consumers? Also, if some apparel were to carry the "no sweat labor" label, would consumers draw conclusions that other apparel not carrying such a label were produced in sweatshops?

In addition, some participants were skeptical about the authenticity and credibility of the label. One U.S. participant suggested that "the label should be approved by some international trade organization or human rights-related authorities." One Korean participant noted that if there were marketing benefits of such a label and no restrictions on how it might appear, "some fake or 'me-too' labels might appear" and therefore, the label should "be approved by some international trade organization or human rights related authorities." Some U.S. students were aware of the Rugmark label on rugs and carpets that assures consumers that the rugs were not made by child labor. Is a similar type of label appropriate for the Fair Labor Association to create? And, if so, what criteria should be placed on receiving approval for using such a label?

Both United States and Korean participants noted that socially responsible labeling may appeal to a particular target customer: socially conscious, educated, and younger. Indeed, a few apparel companies in the United States who have strived to create a socially responsible image are specifically targeting younger and educated consumers. It appeared that education or knowledge of the participant affected their knowledge and perceptions of the label. Those who had education related to international trade, the apparel industry, or consumer behavior appeared to read more into the label than those with less education or knowledge. However, it is interesting to note that Dickson (2001) found that unmarried, less-educated women were more likely to be users of "no sweat" labeling in purchase decisions; although users of "no sweat" labeling "were more supportive of socially responsible businesses" and "more concerned with sweatshop issues". It may be that attitudes towards and concerns with social responsibility are a better predictor of consumers for whom such a marketing tool would be important. Therefore, questions remain as to the characteristics of target customers for this type of labeling? In addition, what type of education is needed for consumers to understand social responsibility labeling on apparel?

Interestingly, for both U.S. and Korean participants, sweatshops were identified as being "outside" their home market - for U.S. participants, sweatshops meant outside the United States (particularly, developing countries) and for Korean participants, sweatshops meant outside Korea (particularly, China). The belief that unsafe and poor working conditions, low wages, and worker abuses are what happen "over there, by those people" appears to help consumers maintain a positive cultural self-esteem and place responsibility for the abuses outside of their immediate frame of reference. Therefore, questions remain regarding the role of cultural self-esteem as a factor influencing consumer decision making.

Lastly, many students in Korea believed that most Korean consumers did not understand the meaning of sweatshops and that social responsibility was a concern for consumers primarily in developed countries. Is this, in fact, the case? How is social responsibility labeling perceived in a variety of developed and developing countries?

The extent to which a company strives to create a socially responsible image will continue to be an important philosophical and marketing decision for the company. Understanding the meanings consumers associate with a socially responsible image and factors that influence these meanings will play and important role in this decision process. Therefore, these and other research questions will provide scholars and marketers with a better understanding of the strategies for and effectiveness of creating a socially responsible image.

#### References

Abernathy, F. H., Dunlop, J. T., Hammond, J. H., & Hammond, J. (1999). A stitch in time: lean retailing and the transformation of manufacturing: lessons from the apparel and textile industries. New York: Oxford University Press.

- Adams, R. J. (2002). Retail profitability and sweatshops: a global dilemma. Journal of Retailing and Consumer Services, 9 (3), 147-153.
- Banerjee, B., & McKeage, K. (1994). How green is my value: exploring the relationship between environmentalism and materialism. In C. T. Allen and D. R. John (Eds.), Advances in Consumer Research (pp. 147-52), Provo, UT: Association for Consumer Research.
- Berstein, Aaron. "Sweatshop Reform: How to Solve the Standoff." Business Week, 3, May 1999, p. 186+.
- Bole, W. (2001). Anti-sweatshop campaign mixes ethics, economics. National Catholic Reporter, 37 (38), 9.
- Bonacich, E., and Appelbaum, R. P. (2000). Behind the label: Inequality in the Los Angeles apparel industry. Berkeley, CA: University of California Press.
- Bowie, N. E. (1997). The moral obligations of multinational corporations. In N. E. Bowie (Ed.), Ethical Theory and Business, 5th Edition (pp. 522-534). Upper Saddle River, NJ: Prentice Hall.
- Brooker, G. (1976). The self-actualizing socially conscious consumer. Journal of Consumer Research, 3 (9), 107-12.
- Buller, P. F., & McEvoy, G. M. (1999). Creating and sustaining ethical capability in the multi-national corporation. Journal of World Business, 34(4), 326-343.
- Burnett, E. & Mahon, J. (2001). Monitoring compliance with international labor standards. Challenge, 44(2), 51-72.
- Carrigan, M. & Attalla, A. (2001). The myth of the ethical consumer - do ethics matter in purchase behavior? Journal of Consumer Marketing, 18 (7), 560-577.
- Chan, K. (1999). Market segmentation of green consumers in Hong Kong. Journal of International Consumer Marketing, 12 (2), 7-24.
- D' Mello, B. (2003). Reebok and the global footwear sweat-shop. Monthly Review, 54 (9), 26-40.
- Davis, L. L. (1987). Consumer use of label information in ratings of clothing quality and clothing fashionability. Clothing and Textiles Research Journal, 6 (1), 8-14.
- DeWinter, R. (2001). The anti-sweatshop movement: Constructing corporate moral agency in the global apparel industry. Ethics and International Affairs, 15(2), 99-117.
- Dickson, M. A. (1999). U.S. consumers' knowledge of and concern with apparel sweatshops. Journal of Fashion Marketing and Management, 3(January), 44-55.
- Dickson, M. A. (2001). Utility of No Sweat labels for apparel consumers: Profiling label users and predicting their purchases. Journal of Consumer Affairs, 35(1), 96-119.
- Donaldson, T. (1989). The Ethics of International Business. New York: Oxford University Press.
- Donaldson, T. (1996). Values in tension: ethics away from home. Harvard Business Review, 74 (5), 48-59.
- Eckman, M., Damhorst, M. L., & Kadolph, S. J. (1990). Toward a model of the in-store purchase decision

- process: Consumer use of criteria for evaluating women's apparel. Clothing and Textiles Research Journal, 8(2), 13-22.
- Emmelhainz, M. A. & Adams, R. J. (1999). The apparel industry response to "sweatshop" concerns: A review and analysis of codes of conduct. Journal of Supply Chain Management, 35(3), 51-57.
- Firoz, N. M. & Ammaturo, C. R. (2002). Sweatshop labour practices: The bottom line to bring change to the new millennium case of the apparel industry. Humanomics, 18 (1/2), 29-45.
- Freeman, R. (1994). A hard-headed look at labour standards. In W. Sengenberger and D. Campbell (Eds.). International Labour Standards and Economic Independence (pp. 79-92), Geneva: ILO.
- Gereffi, G. (2000). The transformation of the North American apparel industry: Is NAFTA a curse or blessing? Integration and Trade, 4, 46-95.
- Hemphill, T. A. (1999). The White House Apparel Industry Partnership Agreement: Will self-regulation be successful? Business and Society Review, 104 (2), p. 121.
- Hilowitz, J. (1997). Social labelling to combat child labour: Some considerations. International Labour Review, 136 (2), 215-232.
- Hsu, H. & Burns, L. D. (2002). Clothing evaluative criteria: A cross-national comparison of Taiwanese and United States consumers. Clothing and Textiles Research Journal, 20(4), 246-252.
- International Labor Rights Fund. (2000). Definition: sweatshop. Retrieved July 7, 2000 from http://www.laborrights.org.
- Klein, N. (2000). No logo: Taking aim at the brand bullies. New York: Picador, 345.
- Laroche, M., Bergeron, J., & Barbaro-Forleo, G. (2001). Tar-

- geting consumers who are willing to pay more for environmentally friendly products. Journal of Consumer Marketing, 18 (6), 503-520.
- Monczka, R.M. & Trent, R. J. (1991). Global sourcing: A development approach. International Journal of Purchasing and Materials Management, 27(2), 2-8.
- Perez, A. (1996). "No sweat" label headed for apparel. Sporting Good Business, 29 (9), 20.
- Saihau, J. P. (1997). Business ethics in the textile, clothing and footwear (FTC) industries: Codes of conduct. Sectoral Activities Programme (Industrial Activities Branch) Working Paper, SAP 2.60/WP.110. Geneva: ILO.
- Wotruba, T. R. (1997). Industry self-regulation: a review and extension to a global setting. Journal of Public Policy & Marketing, 16 (1), 38-42.
- Zarsky, L. (2002, Summer). Beyond good deeds. Forum, 14-22.

#### Leslie Davis Burns

Washington State University (B.A)

Purdue University (Ph.D)

Oregon State University, Dept. of Design and Human Environement,

Department Head

E-mail: Leslie.Burns@oregonstate.edu

## Eunyoung Chang

Yonsei University (B.S, M.S)

Oregon State University (Ph.D)

Yuhan University, Dept. of Fashion Design, Assistant Professor

Corresponding author E-mail: eunyoung@yuhan.ac.kr