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# Corporate social responsibility communication - a case study of Oatly

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# Corporate Social Responsibility Communication – a case study of Oatly

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Alexandra Mendebaba



# Abstract

The concept of corporate social responsibility (CSR) offers a solution for businesses to identify their roles in society in order to maintain corporate legitimacy in cooperation with the communities they exist. Even though companies started to work with CSR as part of their business, CSR communication remained overlooked, and the literature is scattered around various disciplines. Therefore, this study intends to gain insight into the role of CSR communication between businesses and their multiple stakeholders. By connecting CSR with the corporate marketing philosophy, this study aims to identify key factors that promote CSR communication. At the same time, the study aspires to show the interlinkages between sustainability, corporate responsibility, and corporate marketing practices with attempts to better understand the communicative perspectives on CSR through a case from the food industry. The empirical analysis is structured in accordance with the pillars of corporate social responsibility: stakeholder theory, corporate marketing philosophy and the shared-understanding communication model. A qualitative method is applied to study the phenomenon of CSR communication through a single-case using Oatly AB as an empirical case. Besides, the focus group technique is included to explain how consumers perceive corporate communication intents. During the project, empirical data was collected from multiple sources, such as corporate sustainability report, code of conduct, semi-structured interview, available online materials and focus groups were organized.

Findings of the study justify that communication has the value to foster sustainability and CSR in society through a dynamic interplay between the corporation and its constituencies. Proactive two-way dialogues, including and connecting diverse actors in decision-making, are key to produce, reproduce meaning and create reality. The empirical case illustrates that the combination of the political-normative and communicative aspects of CSR and constant negotiations have the potential to attain shared meanings and value. Moreover, openness and transparency perceived to be crucial factors in communication to promote sustainability in the food industry; complemented with authentic messages, consumers are likely to obtain clear meanings of communicational intents. However, the current marketing channels are not the most optimal; thus, new alternatives are needed to avoid communication gaps.

# Sammanfattning

Begreppet sociala ansvar i företagsvärlden benämns ofta med ”Corporate Social Responsibility”, CSR. Det innebär att företag tar ett etiskt ansvar för hur verksamheten påverkar samhället i stort lokalt, regionalt och globalt. Etiskt ansvarstagande blir ett sätt att etablera och bibehålla legitimitet. Även om företagsetik är ett väl etablerat koncept är kommunikationen om etiska aspekter av företagande ett splittrat forskningsfält. Den här studien bidrar till att öka förståelsen förutsättningar för dialog om etiskt företagande mellan företag och andra intressenter i samhället. Syftet med den föreliggande studien är att identifiera faktorer som utgör förutsättningar för kommunikation av företags etiska ansvarstagande. Av speciellt intresse blir uppfattningar om kommunikationsstrategier för hållbar utveckling, företagsansvar och marknadsföring.

Empiriskt fokus i studien är lagt på en fallstudie inom livsmedelsindustrin, Oatly AB. Viktigt empiriskt material utgörs av strategiska dokument som speglar företagets CSR-strategier, en intervju med en väl insatt företagsrepresentant och fokusgruppstudier för att få en känsla för hur Oatly ABs kommunikation uppfattas från konsumenthåll. Resultaten i studien är strukturerade i enighet med utpekade grundvalar för CSR: intressentteori, marknadsföringsfilosofi och marknadsföringsdialog.

Fallstudien pekar på den centrala rollen för kommunikation för att fostra hållbar utveckling och ansvarstagande i dialog mellan företag och samhällsaktörer. Dialogen karaktäriseras av det som kallas politisk CSR som innebär kontinuerliga förhandlingar för att skapa delad förståelse och insikt om värderingar. Den pro-aktiva dialogen utgör i sin tur en förutsättning för väl grundade CSR beslut. Öppenhet och transparens i dialog skapar förutsättningar för konsumentupplevda värden. Studien pekar på att marknadsföringskanalerna för kommunikation och dialog dock inte är idealiska i ögonen på ett ungt konsumentsegment i fokusgrupperna.

# Abbreviations

CoC	Code of Conducts
CSR	Corporate Social Responsibility
GHG	Greenhouse gas emissions
SD	Sustainable Development
SDGs	Sustainable Development Goals
SR	Sustainability Report
SLU	The Swedish University of Agricultural Sciences
TBL	Triple Bottom Line
UN	The United Nations
WCED	The World Commission on Environment and Development



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# 1 Introduction

*This chapter gives an introduction to the project. Starting with the background from a broader global perspective, followed by formulating the problem on the corporate level and identifying the theoretical gap. After that, the aim of the study, the research questions, delimitations, and the structure of the project are presented.*

## 1.1 Background

Human beings and their activities place growing pressure on and have become the main drivers of transitions to the Earth System that trigger irreversible environmental changes and threaten planetary thresholds (Rockström *et al.* 2009). Increasing ecological problems and the burdens placed on the natural system have led to expanded public concerns and are ringing the alarm bell for businesses as they belong to the main actors accused of causing environmental, social and economic problems (Belz & Peattie 2012; Shrivastava & Hart 1995; Porter & Kramer 2011). As a consequence, business legitimacy is challenged (Porter & Kramer 2011). The bases of legitimacy were described by Weber (1978) as an agreement between belief in legality, emotional faith, traditions, and social values. Therefore, legitimacy is essential for corporations working with sustainable development to form their behaviour in a way, that is consistent with moral rules, regulations, societal context, and cultural alignment (Czinkota *et al.* 2014).

One big step towards sustainable development was, when The World Commission on Environment and Development (**WCED**) in the Brundtland report, defined sustainable development as a pathway towards sustainability (WCED 1987). With the primary purpose “to meet the needs of the present without compromising the ability of the future generations to meet their needs” (WCED 1987, p.7). In other words, the concept entails the right direction for businesses towards sustainable improvement is to take the present as well as future perspectives into consideration when it comes to prioritization and decision-making. This is further amplified by Elkington’s triple bottom line (**TBL**) concept. The aforementioned concept seeks to resonate business activities with social and economic aspects to accomplish real environmental progress and form the future of businesses as a way to enact corporate sustainable development (Elkington 1997; 2017). Moreover, the United Nations (**UN**) Summit in 2015 developed the understanding of the urgency for transformative changes, resulting in setting seventeen Sustainable Development Goals (**SDGs**) (UN SDG 2019). The Agenda 2030 for Sustainable Development calls for universal actions to address challenges associated with inequalities, climate change, and poverty (*ibid.*).

Corporate activities have both negative and positive effects on the environment and society in which they operate (Porter & Kramer 2006). Short-term business thinking, focusing on the financial bottom line, might be less costly, but in the long run, it may be socially detrimental and lead to environmentally recklessness (*ibid.*). Additionally, Porter and Kramer (2006; 2011) state that businesses and society are interdependent, and healthy communities are pivotal for the existence of competitive businesses. Hence, to effectively mitigate challenges caused by human activities and incorporate new criteria, the value of the natural environment as a system of relationships should be understood by the public and influence economic decisions (Steffen *et al.* 2015; UNEP 2018). Results from 2015 show that corporations represented 69 % of the largest 100 economic entities, which gives them an essential role as social actors in the society (Mark-Herbert & von Schantz 2007; The World Bank 2016). This calls for extended corporate responsibility for the environment and society (Mark-Herbert & von Schantz 2007). Marketers are in the position to mitigate challenges caused by economic growth and democratization of consumption; given their power to influence political, social arenas and invest in resources in a way that contributes to establishing favourable social and institutional

context (Belz & Peattie 2012; Czinkota 2012; Gold & Heikkurinnen 2017). Thus, their proactive involvement is crucial to safeguard the allocation of the resources, in a way that prioritizes sustainability and strives to meet the SDGs by taking the three aspects of the triple bottom line into consideration when operating (Belz & Peattie 2012; Elkington 2017). The demand for businesses to integrate sustainability, suggests taking responsible actions along entire value chains to maintain long-term stability while balancing between the interests of the business and communities (Kitchin 2003; Thomas *et al.* 2009; Stuart 2011). The aforementioned reasons necessitate alternative views of extended corporate responsibility aiming to meet the needs of businesses and society, such as what the Corporate Social Responsibility (CSR) epistemology offers. The approach has evolved to showcase the engagement of an organization in “*actions that appear to further some social good, beyond the interests of the firm and that which is required by the law*” (McWilliams *et al.* 2006, p.1.). In other words, businesses can do something more on a voluntarily, and there is an increasing pressure on them to act in a way that benefits the society in which they exist. Corporate responsibility, taking environmental, social, and financial governance practices into account should no longer be seen as add-ons or investments (Kell 2014; ICC 2019).

Due to the increased awareness of sustainability, the traditional marketing disciplines had to evolve and accept the responsibility for the caused problems in the past and make up for those by applying marketing capacities in order to enhance individuals and societies’ well-being on a global level (Belz & Peattie 2012; Czinkota 2012). In the body of marketing literature, new approaches have emerged, such as sustainability and corporate marketing (Balmer 1998; Belz & Peattie 2012). In comparison to the traditional marketing mainstream, which emphasizes products, services and their related brands, the new marketing concepts prioritize omnitemporality, mutually beneficial exchange relationships and ethical solutions focusing on the objectives of the sustainable development agenda (Balmer & Greyser 2006; Balmer 2017; Belz & Peattie 2012). Furthermore, among changing circumstances and market situations, corporations face multiple challenges (Polonsky & Jevons 2009). First of all, to successfully incorporate sustainability into a “corporate story” all members have to speak the “sustainability language” (Stuart 2011). This calls for sustainability to be communicated and demonstrated authentically towards stakeholders (*ibid.*). As a mediator, communication has a fundamental role in informing a broad set of stakeholders about corporate principles as well as facilitates the exchange of information among them (Mark-Herbert & von Schantz 2007).

## 1.2 Problem

Elving *et al.* (2015) highlight that companies increasingly understand CSR and sustainability as part of their businesses. Subsequently, CSR communication has gained importance as a mean to enhance organizational efforts to practice CSR (*ibid.*). However, CSR communication is overlooked and remains an elusive phenomenon (Ziek 2009). Already in 1999, Charter and Polonsky pointed out, that using environmental issues in communication requires the sender to command an extraordinary level of credibility. Communicating corporate responsibility in an effective way, compels clear and tailored messages to comply with different stakeholder groups’ requirements (Dawkins 2005). According to Christensen *et al.* (2013), consistency in practising and communicating CSR is a pivotal prescription since discrepancies between CSR talk and action threaten corporate credibility and legitimacy. To meet higher stakeholder expectations for corporate responsibility, corporations might portray themselves more positively through various forms of communication, such as reporting or marketing communication (Elving *et al.* 2015). While discrepancies between talk and action, *green washing*, are sources of stakeholder distrust and scepticism (Christensen *et al.* 2013; Elving *et al.* 2015).

Scholars report that each industry has different supply chains, distinct stakeholder relationships, and diverse CSR issues (Kim 2017; Maloni & Brown 2006). The food industry is under growing pressure, and food companies often exposed to public concern in terms of perceived CSR deficiencies (*ibid.*). Researchers state that current food systems including activities of food production and consumption profoundly shape the health of the planet and people, accounting for about one-quarter of the greenhouse gas emissions globally (Röös 2017; Röös *et al.* 2018; Willett & Rockström *et al.* 2019). Needs for transformative changes are recognized (Röös *et al.* 2018). These changes pertain to what is being produced, how it is produced, and how it is consumed. Subsequently, sustainable diets are increasingly acquiring attention. In particular, there is a growing interest and demand for plant-based dairy alternatives on the market (*ibid.*). In Sweden, dairy products are historically rooted in food culture (Rundgren 2019). However, since the 1990s, a growing number of alternative milk-like products have been developed (*ibid.*). Such an initiative started at Lund University in the 1990s (Rundgren 2019; Oatly 2017a). Researchers invented a technology that transforms the natural enzymes of fiber-rich oats into nutritious liquid foods and founded Ceba Foods AB company, later the name has been changed to Oatly AB (Oatly 2017a).

As the food industry is in the spotlight, the urgency of corporate responsibility is unquestionable to respond to challenges and achieve the SDGs. According to Kim (2017), industry members have started to work with environmental CSR programs, but there is a concern regarding what extent commit or show environmentally proactive CSR practices. Moreover, Leitch (2017) confirms that further research is needed within corporate marketing in terms of the ethical fit between organisations and their stakeholders. Emerging new demands and actors on the food market can enrich understanding CSR and marketing approach from new perspectives.

From the theoretical point of view, CSR is widely discussed, but CSR communication is a rather scarce area (Golob *et al.* 2013; Høvring 2017). The literature on CSR communication shows that diverse communication disciplines exist (Crane & Glozer 2016; Golob *et al.* 2013; Høvring 2017). Research mainly discusses the functionalistic perspective, characterized by one-way CSR communication tools aiming to influence stakeholders' perceptions of the company's CSR activities. This has recently been challenged by the communicative CSR, two-way communication approach, meaning that CSR is a continuously negotiated between the organization and its stakeholder to create shared meanings (*ibid.*). Elving *et al.* (2015) point out the concern regarding the role of communication in fostering the strategic and transformational role of CSR communication in societies. Meanwhile, Hildebrand *et al.* (2011) state that analysis of formulation, implementation, and evaluation of CSR practices from corporate marketing point of view could support understanding how CSR can contribute as a strategic lever for corporate marketing. Moreover, Golob *et al.* (2013) call for future research to analyse CSR from diverse perspectives, as a communication strategy, or a consequence of communication. The authors recognize needs for complex and combined analysis, as content analysis to explain CSR communication between organisations, new media, and stakeholders in their complexity (*ibid.*). Similarly, Crane and Glozer (2016) call for theoretical and empirical advances to better understand the communicative dimensions while bridging social and economic logic amongst organizational constituents. Kim (2019) urges future studies to explain the role of stakeholder specific factors, as stakeholder scepticism and involvement in social issues to better understand CSR communication. Christensen *et al.* (2013) argue that there is a need for case studies to test how perceptions of words and actions impact perceived balances of words and actions in reality. Høvring (2017) encourages future studies to empirically explain how shared value can be created for businesses and their multiple stakeholders through interaction and dialogues. By connecting CSR with the corporate marketing philosophy, this study intends to contribute to developing the knowledge on the communicative approach of CSR communication. Besides, the study aims to advance the empirical understanding of CSR communication, as a continuum formed by interaction with stakeholders in attempts to create shared value.

## 1.3 Aim

The aim of the project is to identify factors that promote corporate social responsibility communication. The study aspires to explain the interrelatedness of sustainability, corporate responsibility, and corporate marketing practices at a corporate level.

To reach the aim of the study the following research questions have been formulated; focusing on the case study, Oatly's CSR communication:

1. In what ways is corporate social responsibility aligned with corporate marketing practices?
2. What are the ways in which Oatly strives to communicate sustainability?
3. How do consumers perceive Oatly's marketing activities?

## 1.4 Delimitations

The current study is limited to qualitative methods of collecting and analyzing primary and secondary data. Firstly, empirical evidence is based on what is being communicated in corporate documents and by key informants. These sources represent the corporate perspective and might strive to portray corporate actions in a way that strengthens corporate reputation. Secondly, stakeholders' perceptions include only a group of consumers from the young generation. Additionally, the study does not include all type of data on corporate communication channels and practices. Moreover, the project does not intend to explain the process of implementing sustainability into marketing practices through an extended period. In contrary, it takes into consideration a snapshot, by studying corporate communication practices and how consumers perceive it at one point in time.

Regarding theoretical delimitations, the study is dominated by the communicative approach of CSR based on the stakeholder theory and the corporate marketing philosophy. As the aim is to identify fostering factors that enhance CSR communication and contribute to enriching the academic field of new aspects of CSR communication. According to Crane and Glozer (2016), there is no clear theoretical base of CSR communication, but the usual conceptual toolkit includes legitimacy theory, organizational identification, communication, and stakeholder theory. However, the objective of this study is not to explain legitimacy through CSR communication to be socially accountable, neither to analyse how communication can inspire stakeholders to identify with the company nor to uncover stakeholders' attitudes (*ibid.*). The purpose is to capture how do corporate marketing dovetails with CSR from the communicative perspective, in the interaction between stakeholders and the corporation to achieve mutual benefits and enhance sustainability.

This project studies empirical evidence through one single case from the Swedish food industry. The choice of the empirical case and its context imply delimitations and have twofold consequences on the results. Firstly, Sweden has been top ranked among countries making systematic efforts for environmental, social, and sustainability issues (Strand *et al.* 2015; SolAbility 2017). Furthermore, the selected private company communicates a pivotal engagement to sustainability. Both have relatively strong effects and might impact the results of the study positively. Although, as suggested by Robson (2011), the purpose of a case study is to gain in-depth insight into the phenomenon. Thus, the choice of an exclusive empirical case, who actively emphasizes sustainability, has the potential to support obtaining valuable evidence and serve the interest of the study. This way facilitates to enriching the literature of empirical studies, benefits practitioners, and can also be adapted to further research. Secondly, the

selection of the industry and case company limit the relevance of the results mainly for businesses in the same industry. Moreover, due to the characteristics of the Swedish food market among different circumstances or in other countries, similar research could show diverse findings.

## 1.5 Structure of the report

The following figure seeks to illustrate the structure of this project, divided into seven chapters (Figure 1):



Figure 1. Structure of the project

The thesis project begins with an *Introduction* (**Chapter 1**) and describes the background of the problem from a broader global perspective, narrowed down to the corporate level while formulating the problem. At the end of *Chapter 1*, the aim of the study is identified and underpinned by research questions to guide the research process as well as to determine the scope and limitations of the study. In **Chapter 2** (*Method*), the research design and all the methodological choices are clarified. Advantages and implications associated with them are highlighted. Moreover, details about data collection, actions related to validity, reliability, ethical consideration are provided to assure transparency and quality of the research. Thereafter, **Chapter 3** includes a literature review incorporated into the *Theoretical framework* to evolve a multidisciplinary perspective on corporate social responsibility, corporate marketing and communication models. At the end of the chapter, a *Theoretical synthesis* (**Chapter 3.5**) is formulated to support the analysis of the phenomenon by unifying the elements of Balmer's two corporate marketing mix, underpinned by the stakeholder and CSR theories. After, **Chapter 4** presents the *Empirical data*, including background information of the Swedish food industry, previous studies, and the empirical case. Followed by **Chapter 5** (*Analysis*), where data gathered from multiple sources are analysed based on the theories and conceptual framework. **Chapter 6** includes a *Discussion* to showcase how the results of the current study relate to other research projects. Finally, in **Chapter 7** (*Conclusions*), the key findings of the study are presented by reconnecting those to the aim, including practical and academic implications as well as recommendations for future research.

## 2 Method

*Chapter two begins with a presentation of the research design and methodological approach, followed by accounting for choices made in the literature review and the empirical study, including implications of those choices. Thereafter, data analysis techniques, ethical considerations, and explanation of quality assessment are illustrated.*

### 2.1 Research design

As suggested by scholars, qualitative method emphasizes the importance of the phenomenon as it occurs in its natural context and aims to describe, learn the meaning of the issues from the perspective of those included (Bryman & Bell 2015; Carter & Little 2007; Creswell 2007; Robson 2011). According to Robson (2011), this approach enables to gain an in-depth understanding of phenomena in their real-world settings by focusing on social constructions and meanings created by human beings. Creswell (2007) argues that qualitative design is preferable to explore the meanings that individuals or groups ascribe to a phenomenon, where rendering the complexity of a situation is significant. Besides, Robson (2011) refers to flexible research as an unstructured “do-it-yourself” design, and it is the researcher’s task to find a strategy for the study that supports achieving the aim of the project.

Since the purpose of the study is not to generate statistically generalizable data; instead, to acquire an in-depth understanding of CSR communication and the relation between CSR, sustainability and corporate marketing practices, a qualitative research strategy was chosen. This method was preferred as corporations meet a complex set of issues when identifying their CSR orientation (Polonsky & Jevons 2009). Moreover, CSR is a participatory social process that acknowledges the connection between society, business and the context in which it is embedded. Therefore, it is crucial to consider the importance and effects of contextual characteristics and individuals’ meanings. Besides, Robson’s (2011) flexible approach was applied since it allows the research design to evolve, the framework and tools used to be revised as the research proceeds. The flexible design was particularly useful in this project due to the inclusion of multiple sources of data; the research design was developed through interaction with the study.

This study adopted an abductive research strategy since according to Bryman and Bell (2015) and Creswell (2007) this logic assures making sense of the information collected by tracking back and forth between theory, empirics, and data during the research process and enables deriving a comprehensive understanding. This reasoning was preferable in this study due to the complexity of CSR communication and the inclusion of diverse perspectives. The context of the case, secondary data, empirical findings, and meanings of actors included in the study were continuously connected back to the appointed theoretical grounds during the interpretation of data. This technique supported to ensure that substantial insight into the problem is grasped as well as findings are more comprehensive and trustworthy.

Lastly, when conducting social research, questions of ontological assumptions emerge, whether social phenomena can be considered as objective entities or social constructions since these effects how the study is carried out (Bryman 2012). Constructionism is an ontological position that claims social actors create social phenomena and their meanings, and reality is in a constant state of revision (*ibid.*). This study built on the constructionism ontological standpoint since reality, and shared value for business and society is assumed to be continuously created by interactions and communication. As Porter and Kramer (2006; 2011) argue, shared value creation should be the principle for companies engaged in CSR.

## 2.2 Literature review

According to Yin (1994) and Robson (2011), reviewing the literature, previous works, what is already known and written down relevant to the research project is pivotal to gain precision in formulating insightful questions about the studied topic in preparation to the research. In addition, a systematic review is a way of identifying general patterns, defining terminology, and research methodologies as well as exposing gaps in knowledge or areas of uncertainty while designing an adequate framework for the study (Robson 2011).

At the beginning stage of the research project, a literature review was conducted to develop understanding, grasp definitions, compare different perspectives and identify gaps of academic knowledge, followed by reviewing recent empirical studies to identify undiscovered areas. Part of the secondary data used along the thesis project constituted a literature review of peer-reviewed journal articles to grant trustworthiness and high quality of the research. The inspection of previous literature was conducted in the databases; Primo (SLU's online library), Web of Knowledge, Web of Science and Google Scholar, around the critical themes of modern marketing views, corporate marketing, corporate and CSR communication, corporate sustainability, and CSR. With ambitions to find the most relevant literature consistent with the purpose of the study the following keywords and their combinations were used in the literature search: "corporate sustainability", "corporate social responsibility", "corporate responsibility", "corporate marketing", "corporate communication", "sustainability reporting", "code of conducts", "corporate brand/branding", "CSR/corporate communication and marketing" and "stakeholder theory". Time frames for the search were not specified to avoid restrictions. Yet, recent research was prioritized, particularly regarding CSR and previous empirical studies within the field of CSR communication, corporate marketing, and communication to assure recent findings to be considered. The literature review enabled to identify additional articles and key books relevant to the studied topic. Besides, theses and data produced outside of academic publication "grey literature", such as websites, reports on sustainability, brand perception issued by organizations, and company documents were included in the project.

## 2.3 Unit of analysis

The unit of analysis in this project refers to CSR communication practices that aim to promote the societal value of corporate activities by making sense of those with the involvement of stakeholders, further explained in Chapter 3. The choice of the unit of analysis has twofold implications on the results. Firstly, the phenomenon is studied through one empirical case from the Swedish food industry, that actively works with CSR and sustainability. These corporate values strongly influence corporate behaviour and communication practices. The case corporation's sustainability report, code of conduct, online sources, and interviews grant insight to one particular corporate perspective, and how sustainability and CSR are integrated into their actions and enacted in corporate marketing communication. Secondly, since values and meanings are created in interaction with stakeholders, CSR communication as the unit of analysis, allowed external stakeholders' perspectives to be included in the study. Therefore, to gain a more in-depth understanding of the phenomenon, consumers' perceptions were included. Data collection is further described in the following parts of the chapter.

## 2.4 Case study

In order to meet the aim of the study and gain a contextual understanding of the phenomenon case study design was chosen. Creswell (2007) recommends this design to assist the research of current context bound phenomenon in empirical inquiry. Case study approach facilitates

studying real-world settings in detail, where the lines between the phenomenon and context might not be obvious (Creswell 2007; Yin 2014). Case studies are not only limited to individuals, institutions but can be conducted, for instance, on decisions and constructs (Creswell 2007; Robson 2011). Yin (2014) suggests using a single-case study to test theories, capture circumstances and conditions of a situation via an unusual case deviating from everyday occurrences. Flyvbjerg (2006) mentions misunderstandings regarding single case studies, as one cannot generalize based on one single case and case studies cannot contribute to scientific development. However, the author states that finding a “black swan”, a unique case, can help to learn from the example (*ibid.*).

This project applied a descriptive single-case study design to accomplish the aim and conduct an in-depth study on the phenomenon of CSR communication in its natural settings. The phenomenon was studied through a bounded context, the case of Oatly. The inclusion of contextual circumstances, corporate and target groups’ perspectives allowed to gain a detailed understanding of how business and society construct reality by the support of corporate communication. A descriptive case study was preferred to study the phenomenon in its real-world context, reveal interlinkages, explain how specific factors foster constructing corporate communication and lead to shared understanding and enhanced sustainability. However, single-case studies call for attentive rigour, to avoid misrepresentation and to maximize the access to compile enough evidence for the case study (Yin 2014). Focusing only on gathering specific data and circumstances increase the probability of errors, as displaced precision or trade-offs between looseness and selectivity (Robson 2011). Therefore, to minimize concerns and bias, multiple sources of evidence are used during the study, and validation is done at more stages.

Picking the empirical case to explain the phenomenon is based on research findings indicating what might be the study forefront in CSR communication. The first criterion for the selection of the case study is related to its context, the strong stand of Scandinavian corporations in CSR and sustainability (Strand *et al.* 2015). Since current global food production systems are seen as primary contributors to environmental degradation and compromise planetary boundaries (Willet, Rockström *et al.* 2019), an empirical case from the Swedish food industry was selected for this project. Secondly, the criterion within the Swedish food industry was that the case company should have strong sustainability-driven values. Thus, the official results of Sustainable Brand Index ranking, based on Swedish consumers perceptions regarding the sustainability of brands, were used while selecting empirical case (SB-Insight 2018). The choice of analysing the case of a sustainability-oriented Swedish company was made to enrich the field of empirical studies on CSR communication and marketing practices. Oatly AB expresses aims to build up a transparent, responsible and local supply chain (Oatly 2017a); thus, it could serve the purpose of the study. According to Eisenhardt (1989), choosing an extreme sample for the case study, in which the desired phenomenon can be transparently studied, supports proper evidence to be obtained and are likely to replicate or extend the selected theories.

## 2.5 Data collection

This study built on collecting data from multiple sources, including secondary data, semi-structured interview, and focus groups. As suggested by Yin (2014), convincing and accurate information can be obtained through multiple sources of information. Besides, Yin (2014) urges triangulation to organize multiple evidence, find “intersection” across the collected data from different sources, maximise their benefit, and grant constructing validity and reliability. In this study, information was purposefully collected from various sources to gain a deeper understanding of CSR communication from diverse perspectives, reveal and develop converging lines of inquiry between businesses and society, as well as enable triangulation.

### 2.5.1 Secondary data collection

According to Yin (2014), *documents* and *secondary data* are elements of explicit data collection during a case study that enable to attain specific details, uncover assumptions, communication, and networking practices within an organization. Moreover, these support further questions to arise and corroborate information from diverse sources (*ibid.*). This study is based on empirical data, which included secondary sources; such as the corporate sustainability report, code of conduct, and the company's website. The corporate sustainability report and the code of conduct were observed before the primary data collection in order to attain overview on corporate vision, CSR practices and serve as a ground for formulating questions for the interview guides. The sustainability report was publicly available on the company's official website; however, the code of conduct was provided after requesting the document during a previous course in the autumn semester. Besides, an earlier recorded interview with a corporate representative facilitated another key informant's perspective to be analysed. Nevertheless, it is important to note that this video might be a way for the company to market themselves. Therefore, concerns regarding trustworthiness emerge, but parts of the interview are still used in this study since important marketing activities and motivations behind communication practices are explained. Moreover, available online articles are included to add recent corporate activities pertinent to the study outside of what is being stated in corporate documents. In addition, documents produced outside of academic publication, such as external, independent reports on sustainability, brand perception issued by organizations are involved in verifying sources of information by diverse, relevant perspectives. Lastly, previous studies and theses are used to complement the empirical background and add speaking partners.

### 2.5.2 Interview

A *semi-structured interview* was conducted in this study, in accordance with method recommendations by Bryman and Bell (2015) to acquire specific information and valuable insights. Yin (2014) states that this source of evidence provides access to the interviewee's explanations, motives and meanings related to the phenomenon. Robson (2011) argues that this type of interview gives flexibility and freedom for the interviewer, but it is advisable to have a preliminary interview guide, which serves as a helpful tool to include specific themes. Therefore, in this project an interview guide was prepared beforehand (see in *Appendix I*), to serve as a guideline for the conversation and build a logical structure as well as to connect themes, questions to the theories. Besides, during the interaction, further unplanned questions aroused based on what the interviewee stated. The online face-to-face semi-structured interview with Carina Tollmar (Sustainability Manager at Oatly) enabled to gain internal insight into the corporate perspectives and understanding of corporate motivations. The sustainability manager was deliberately chosen as she is actively involved in managing corporate sustainability activities and has great knowledge related to the phenomenon of the study. Yin (2014) refers to an interviewee, who assist in this manner as a key informant and is critical to grant the success of the case study. The distance was the reason for having an online interview; however, the interview was arranged in advance, and the interviewee invited the interviewer to her online meeting room. This solution facilitated to avoid distraction and to have a face-to-face dialogue to understand the non-verbal cues and face expressions during the conversation.

### 2.5.3 Focus group

In order to explain how consumers perceive the phenomenon of CSR communication, focus group investigation was conducted (Table 1). According to Bryman and Bell (2015) and Yin (2014), the focus group technique is suitable to explore recruited individuals' views in detail and how the members jointly build up a meaning via a moderated dialogue by the interviewer regarding specific aspects of the case study. This technique was preferable for the current case,

to reveal how the members perceive Oatly's marketing efforts and to allow respondents to discuss the topics jointly, bring in fore issues and probe each other's views.

Table 1. Interviews in the case study

Interviewee	Title/ Appellation	Type of interview	Interview date	Validation
<b>Carina Tollmar</b>	Sustainability Manager, Oatly	Semi-structured, online face-to-face	2019.03.13.	Transcript 2019.03.27.
<b>Focus group 1:</b> Sofia	Student, SLU	Focus group	2019.04.08.	Direct oral
Rebecca	Student, SLU	Focus group	2019.04.08.	Direct oral
Linn	Student, SLU	Focus group	2019.04.08.	Direct oral
Julia	Student, SLU	Focus group	2019.04.08.	Direct oral
<b>Focus group 2:</b> Lena	Student, SLU	Focus group	2019.04.08.	Direct oral
Denisa	Student, SLU	Focus group	2019.04.08.	Direct oral
Chara	Student, SLU	Focus group	2019.04.08.	Direct oral
Female participant	Student, SLU	Focus group	2019.04.08.	Direct oral
<b>Focus group 3:</b> Nora	Uppsala resident	Focus group	2019.04.10.	Direct oral
Mina	Uppsala resident	Focus group	2019.04.10.	Direct oral
Olga	Uppsala resident	Focus group	2019.04.10.	Direct oral
<b>Focus group 4:</b> Victor	Uppsala resident	Focus group	2019.04.14.	Direct oral
Gabriel	Uppsala resident	Focus group	2019.04.14.	Direct oral
Simon	Uppsala resident	Focus group	2019.04.14.	Direct oral
Ludvig	Uppsala resident	Focus group	2019.04.14.	Direct oral
Joel	Uppsala resident	Focus group	2019.04.14.	Direct oral
Olof	Uppsala resident	Focus group	2019.04.14.	Direct oral

Table 1 presents the interviewee, clarifies the attendees of each focus group, type and date of the interviews, and how the attained information was validated. To summarize, one semi-structured interview was conducted with a key informant, the Sustainability manager at Oatly. Besides, four focus group dialogues with a total of 17 respondents were conducted to understand how consumers perceive corporate communication intents, and how individuals create meaning together by letting more in-depth conversations unfold regarding the phenomenon. Focus group 3 was initially organized with four members; however, one participant could not attend to the dialogue. Respondents were selected from the young generation at SLU's campus, while other group dialogues were preorganized on a voluntary basis with the following criteria: i) members to be between their age of 20-35 ii) knowing about Oatly's products, marketing and iii) willingness to participate in the dialogues for the purpose of this thesis project. These criteria assure to get fruitful answers and achieve the aim of the project from respondents related to the phenomenon of the study. Owing to the fact that the company focuses on the young generation, participants were selected from this target group. During the focus groups, moderating questions were posed to participants by the interviewee (see in *Appendix 2*), while the dialogues were also flexible in letting the conversation flow and participants to create meanings in interaction. This approach granted to be closely located in the real world, gain insight into individuals' perceptions, and after collecting information from the natural settings of the case ensured detailed comprehension of the data. Although, Robson (2011) mentions problematic methodological issues, such as the lack of interaction between participants. In this study, this problem did not emerge; focus groups members actively participated in the dialogues. Moreover, Robson (2011) highlights that focus groups show a different angle of reality compared to one-to-one interviews or questionnaires. The study intentionally included focus groups due to the importance of dialogues in the CSR perspective.

In order to grant the quality of the research and establish trust with the interview participants, the purpose of the study and the ways the information is used were introduced to the respondents as well as their willingness to participate was questioned. In the case of the semi-structured

interview, informed consent form and the interview themes were sent to the interviewee beforehand. Focus groups respondents also signed the informed consent form and agreed that the dialogues could be recorded, but the questions were not introduced to them before the conversation. The interview guide and questions used during the interviews were prepared in advance. Data acquired during the interviews were validated in different ways to avoid missing important details. With focus group participants, direct oral verification was used by continuously requiring clarification from the participants. Whereas the semi-structured interview was recorded, fully transcribed and validated by the interviewee.

## 2.6 Data analysis

After the data collection, qualitative content analysis was applied in this study. According to Bryman and Bell (2015), content analysis ensures the researcher to examine the collected materials including searching-out of underlying themes by moving back and forth between data collection, analysis, and interpretation of the findings. A qualitative content analysis consists of three stages; preparation, organization and reporting information, as Elo *et al.* (2014) argue.

The preparation stage of this study included a literature review, forming the research questions, deciding on sampling, identifying the unit of analysis, followed by collecting data. Using flexible design allowed to refine the specific tools, the framework of the study as the research developed. The second organization phase in this project entailed thematic coding, as suggested by Robson (2011). The aforementioned refers to coding and labelling information based on common themes and patterns (*ibid.*). This technique was utilized to organize the data from the semi-structured interview, focus groups, and documents. During the analysis, the revision of the previously set themes was required. The last reporting phase entailed the translation of the gathered data related to the phenomenon based on the content of categorized themes by abductive approach; empirics were fed back to the theories and previous empirical studies.

## 2.7 Ethical considerations

During a research project, ethical issues might arise; hence, openness and honesty should be considered by the researcher (Bryman & Bell 2015). The research ethics principle means that participants in the study must be given as much information as needed to make an informed decision if they wish to take part in the project or not (Bryman 2012). While obtaining consent, it should be explained to participants what the study includes via providing them with a consent form, it is important to justify that they understand the research, their role and its implications (Robson 2011).

To ensure the ethical consideration of the study, it has been clarified for the interviewees what kind of data and how information is used during the thesis project in the form of an informed consent document (documents are kept). Moreover, the interviewee and focus group participants agreed to be interviewed and recorded for the study. Accounts are taken based on the first names of the focus group members upon a common agreement made with them before the dialogue. One participant requested not using her name in the study, and this wish has been respected. Contact details of focus group members are kept with their consent, to allow verifying quality and transparency, if needed.

## 2.8 Quality assurance

Robson (2011) refers to the research worker as an instrument while conducting flexible research. Hence, the quality of the study is highly reliant upon his or her prior knowledge, skills, and calls for a rigorous approach regarding data collection, analysis and report writing to justify

the accuracy, accountability, and trustworthiness of the results (*ibid.*). In this study, to establish validity, reliability and strengthen the quality, the four design tests (illustrated in Table 2) of construct validity, internal validity, external validity, and reliability were applied, based on what Riege (2003) and Yin (1994; 2014) suggest.

Table 2. Case study design tactics and tests to ensure validity and reliability (based on Yin 1994, p.33., Yin 2014 p.158., Riege 2003, p.78-79. modified by the author)

Tests of case study design	Illustrations of relevant case study tactics	Applied in this research
<b>Construct validity/ Confirmability</b>	Use multiple sources of data evidences	Triangulation: different type of interviews, multiple sources of secondary data
	Establish chain of evidences	Interviews are transcribed, secondary data usage documented
	Key informant to review the evidence	Interview transcript sent for validation to the interviewee, oral validation during focus group dialogues
<b>Internal validity/ Credibility</b>	Do explanation building - illustrations serve to underpin the analysis	Pattern matching, graphic models used in the theories applied during data analysis
	Ensure concepts, theories to be systematically connected to findings	Same theories, models, themes used for analysing different sources of data
<b>External validity/ Transferability</b>	Determine scope and boundaries of the study	Clarified in chapter 2.
	Use theory in single-case study, compare evidences with existing literature	Analysis established on theoretical, conceptual framework; connecting back and forth
<b>Reliability/ Dependability</b>	Give full account for the theories, ideas applied	Explained in chapter 1,2,3.
	Ensure coherence between the problems appointed and the design of the research	Clarified in chapter 2.
	Apply case study database	Done for structuring data
	Record data as concrete as possible	Interview, focus group dialogues are recorded
	Grant meaningful linkages across findings from different sources of data	Same logic, themes, framework applied during interviews, analysing documents
	Apply peer-review and examination	Proposal, seminars with supervisor, peers and opposition performed

*Construct validity* is essential when doing case studies; thus, data was collected from multiple sources of secondary and primary data, including corporate and members of corporate target groups perspectives to let converging lines unfold. This study purposefully included multiple sources of evidence from diverse actors affected by corporate communication in order to double-check findings and attain an understanding of the phenomenon with greater confidence. Multiple sources of data collection enabled results to be cross-checked, in other words, triangulation to be performed. Triangulation assures stronger substantiation of the constructs and grants validation and reliability of the study (Bryman & Bell 2015; Eisenhardt 1989). Moreover, the chain of evidence was documented, and interviews were validated. *Internal validity* for case studies is mainly concerned with making inferences (Yin 2014). To ensure credibility, pattern matching was applied while analysing different sources of data. Besides, the theories and models introduced in the theoretical chapter were used for the analysis of findings. *External validity* strives to safeguard the overestimation of the particular findings beyond the current form of inquiry (Riege 2003; Yin 2014); hence, empirics were fed back to the theories. In addition, the scope and boundaries of the study are clearly stated in Chapter 2. The objective of *reliability* is to minimize bias and errors (Yin 2014). Therefore, procedures of the study were documented, focus groups and the semi-structured interview were recorded, the latter is fully transcribed, and after the former memos were taken. Moreover, audits performed in the form of continuous feedback from the supervisor and peers.

### 3 Theoretical framework

*This chapter starts with introducing the need and important steps towards corporate sustainability that led to the emergence of corporate social responsibility concept. Followed by aspects that are vital when formulating CSR; stakeholder theory, CSR direction approach and complexities associated with taking a CSR position. After that, the corporate marketing philosophy and corporate communication are introduced. All of these concepts and theories contribute to building a conceptual framework for the current research project.*

#### 3.1 Towards Corporate Sustainability

As humankind has developed, its relationship with the planet has reformed; subsequently, the twentieth century witnessed more intense social and environmental challenges caused by economic activities, consumption and production systems (Belz & Peattie 2012). As a result, new principles emerged; the widely approved definition of sustainable development (**SD**) is a starting point that acknowledges that the natural environment, human social welfare, and economic activities are interrelated (Belz & Peattie 2012; WCED 1987). However, it is criticized for being hard to operationalize in practice; hence, it commenced new approaches to mitigate sustainability concerns (Franca *et al.* 2016). For instance, the concept of the triple bottom line (**TBL**) emphasizes that companies have to go further and beyond the financial bottom line and simultaneously balance environmental quality, social equity, and economic prosperity on a long-term perspective (Elkington 1997; Ottman 2011). This model recognizes economic values as tools for managing sustainable conduct with ambitions to consider environmental, economic, and social aspects when creating values (Mark-Herbert *et al.* 2010). According to Elkington (2018), the TBL concept is not an accounting tool, neither a balancing act to enhance trade-off mentality, but its primary goal is to push businesses towards a breakthrough, a systematic change, that provokes capitalism and its future. Later, a subsegment initiative was launched by the UN in the form of the seventeen Sustainable Development Goals (**SDGs**) of the 2030 Agenda to enforce that ceasing poverty has to go hand-in-hand with establishing strategies built on economic growth and considering social needs (UN SDG 2019).

The rising ecological and social concerns created pressure and increasing interest in changing businesses towards corporate sustainability (**CS**) (Engert, Rauter & Baumgartner 2016 a, b; Lozano *et al.* 2015; Vildåsen *et al.* 2017). Dyllick and Hockerts (2002, p.131) define corporate sustainability as “*meeting the needs of a firm’s direct and indirect stakeholders without compromising its ability to meet the needs of future stakeholders*”. In other words, the concept emphasizes the connection between companies, their broad stakeholders, and communities considering present and future perspectives. Sustainability practices are vital to the survival of the corporations (Engert, Rauter & Baumgartner 2016 a,b; Lloret 2016). However, a genuine engagement to corporate sustainability requires sustainability to be implemented into the core business strategy as one of the priorities of the company, holistically, including all activities of the business (*ibid.*). Besides CS several similar concepts have been developed, such as corporate responsibility (**CR**) and corporate social responsibility (**CSR**), these are often used interchangeably (Lozano *et al.* 2015; Steuer *et al.* 2005; Strand *et al.* 2015). According to Steuer *et al.* (2005), CS is a corporate concept, and CSR is a management approach. While Strand *et al.* (2015) apply the “*umbrella construct*” for the expressions of sustainability and CSR, meaning that these two concepts are loosely used to account for a broad set of distinct phenomena. In this project, the aforementioned umbrella construct is followed to treat the terms of CS and CSR since the aim is not to clarify or differentiate these terms, instead to use them as starting points for deliberation.

## 3.2 Corporate Social Responsibility (CSR)

The concept of CSR has been widely criticized, mainly due to its inconsistency with the traditional economic view of Friedman (1970), who identified the central role of businesses is to earn profit for their shareholders (Carroll & Shabana 2010). However, society as a whole and stakeholders demanded corporations to fulfil economic and legal obligations, including ethical and philanthropic responsibilities when operating (*ibid.*). During the years due to the pressure of social, environmental concerns, growing business complexity and globalization, enlarged attention has been placed on businesses and called for transparency regarding their activities (Jamali & Mirshak 2007). As a result, Corporate Social Responsibility (CSR) has been increasingly considered as a necessity for corporations and became a widely accepted and preferable way to identify corporate roles in the society (Golob *et al.* 2013; Lindgreen & Swaen 2004; Luo & Bhattacharya 2006; Maon *et al.* 2009; Matten & Moon 2008; Schultz *et al.* 2013; Strand *et al.* 2015). To comply with social, ethical standards, tackle problems, take responsibility for their impacts in the society as well as maintain legitimacy and market value (*ibid.*). Likewise, Porter and Kramer (2006) identified that business and society are interdependent, and they need each other. In addition, the authors propose that the connection between businesses and society should not be considered as a “zero-sum game between corporate success and social welfare” (Porter & Kramer 2006. p.2.). In line with the aforementioned, CSR can be perceived as a way that allows companies to implement social and environmental concern into their activities, go beyond compliance and engage in sustainable economic development while cooperating with employees, communities and the society as a whole in which they are embedded (Jamali & Mirshak 2007; McWilliams *et al.* 2006; Strand *et al.* 2015). However, Porter and Kramer (2011) argue that CSR is commonly reputation-driven; thus, there is a need to move beyond CSR approaches and create shared value. The authors state that shared value is key to use business skills, resources, and management capacities towards advancing economic, social conditions, and corporate competitiveness in the communities (*ibid.*). Meanwhile, Schultz and Wehmeier (2010) recognize needs to connect institutional, sensemaking and communication perspectives to institutionalize CSR on the societal and corporate level. Referring to the translation of expectations, definitions of CSR and constructions of corporate norms, by negotiating the meaning of CSR, and showing flexibility between talk, decisions and actions (*ibid.*). Golob *et al.* (2013) also argue that CSR leans on the idea of a participatory social process, where communication has a substantial function. Moreover, the core initiative is amplified by the fact that corporations cannot allow being alienated from their stakeholders and society (*ibid.*).

### 3.2.1 Stakeholder theory - the heart of the CSR concept

Several stakeholders have a predominant role in the concept of corporate social responsibility; their contribution is crucial to facilitate building a congruent and consistent corporate identity as well as enduring relationships (Hildebrand *et al.* 2011; Polonsky & Jevons 2009). Stakeholders have been initially defined by Freeman (1984, p.46) as “*group of individuals who can affect or be affected by the achievement of the organization’s objective*”. The aforementioned refers to a broad range of individuals, who can either influence corporate activities or be influenced by those or have an interest in accomplishing corporate objectives. Hartman *et al.* (1999) also argue that it is fundamental to consider a broad range of stakeholders, who have essential information, motives, influence, control or expertise that may facilitate or hinder the corporation to accomplish its goals. Such as the local communities, regulators and policy-makers, the media, shareholders, investors, employees, the academic/scientific community, trade, and industry. Awareness of their stakes as well as perceptions of corporate activities when developing bridging strategies is crucial (*ibid.*). Likewise, Roberts (2003) urges the importance of knowing who the stakeholders of a corporation are, to have an understanding of the demands of numerous stakeholders and keep a balance between various trade-offs

(Roberts 2003). The author divides corporate stakeholders into four main roles; namely *authorisers*, *business partners*, *customer groups* and *external influencers* (illustrated in Figure 2), where the company stands in the centre and is surrounded by diverse stakeholders (Roberts 2003, p. 162).

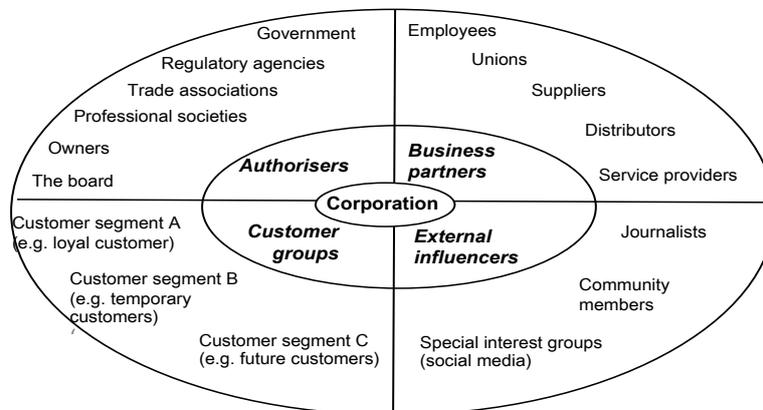


Figure 2. A modified stakeholder model based on Sarah Robert's model (Roberts 2003, p. 162)

*Authorisers* are, for instance, regulators and shareholders, who grant authority for the corporation to operate as well as audit its performance (Roberts 2003). These groups have an interest in CSR; thus, they set laws, promote voluntary improvements to control the attitude of CSR. While, *business partners* enable the corporation to function and act, including major groups, as employees and suppliers. Showcasing CSR credentials towards employees and supply contacts has the potential to result in high engagement level, attract and motivate the adequate employees and suppliers. Roberts (2003) divided the *customer groups* into different segments, based on their interests and ways of perceptions. Customers undoubtedly have an interest in CSR activities of a corporation, and those activities might also influence their consuming behaviour as well as how they see the corporation. Community groups, the media, and non-governmental organizations (NGO) belong to *external influencers*, who are interested in corporate behaviour since they consider businesses as pedals of the change (*ibid.*).

The stakeholder-oriented perspective emphasizes that the mission of a corporation “*should be the flourishing of the corporation and all its primary stakeholders*” and underlie the development of CSR in order to parallelly create social and business value in a sustainable manner (Lindgreen & Swaen. 2010; Werhane & Freeman 1999 p. 8.). Consequently, there is a demand for corporations to maintain continuous and mutually beneficial relationships with their stakeholders (Lindgreen & Swaen. 2010). In accordance, Miles *et al.* (2006 p.199.) highlighted the significance of stakeholders, who “*contribute to the organization's resource base, shape the structure of the industry in which the firm operates*”, referring to their power in creating the social and political arena and granting the company to exist in society. All of these groups have an interest in CSR issues; therefore, their inclusion and effective management of social and environmental issues are indispensable to build up CSR (Lindgreen & Swaen 2010; Roberts 2003).

### 3.2.2 Choosing directions – CSR perspectives

Previous researches on CSR have addressed the question of the relationship between society and businesses, showing two mainstream theoretical CSR approaches; the *instrumental* and *political-normative* approach (Kim 2019; Schultz *et al.* 2013). However, Schultz *et al.* (2013) challenge the mainstream views and introduce a third one, the *constructivist* or *communicative* view on CSR. The three CSR views are illustrated (Table 3) and described in the following.

Table 3. Characteristics of the instrumental, political-normative, and communicative view on CSR (based on Schultz et al. 2013, p.686. with minor modifications)

	<b>Instrumental view</b>	<b>Political-normative view</b>	<b>Communicative view</b>
<b>Institutional characteristics</b>	Corporations and stakeholders are rational actors <ul style="list-style-type: none"> <li>Principal-agent social relations</li> </ul>	Corporations are political-moral actors and norm-setters <ul style="list-style-type: none"> <li>Social relations based on moral contract, deliberative processes</li> </ul>	Actors are individuals in fluid networks <ul style="list-style-type: none"> <li>Social relations build on symbolically mediated interaction</li> </ul>
<b>Moral communication</b>	Control-oriented: aims to persuade stakeholders, create reputation and improve financial performance	Consensus-oriented: ethical, dialogic deliberative communication to build legitimacy and consistency between words and actions	Conflictive: aspirational and co-constructed communication, mediated responsibility
<b>Foundations of CSR</b>	Organization-centred and organization-oriented	Organization-centred and society-oriented	Network-oriented

The *instrumental perspective* interprets CSR as an instrument and a strategic tool for value creation that has the potential to become a competitive success and achieve financial benefits for businesses (Schultz et al. 2013). According to Schultz et al. (2013, p.682.) this view is built on three main assumptions: (1) businesses are perceived as a “nexus of contracts” situated in a system of principal-agent relations, (2) businesses have to be driven by profit maximization and managers are responsible to guarding financial premises to shareholders, (3) the public and the private sphere is separated. In other words, CSR is treated as an operational and manageable asset, that can lead to a positive reputation or increased financial performance (Schultz et al. 2013). Here, communication is a persuasive tool to present CSR as an attractive feature and create a better reputation (*ibid.*). Hence, CSR and “doing good” is perceived as a business case and stakeholder persuasion (Bhattacharya & Sen 2004; Kim, 2019; Schultz et al. 2013).

Meanwhile, an alternative “postpositivist” CSR angle has emerged, namely the *political-normative approach* (Scherer & Palazzo 2007; Schultz et al. 2013). According to this view, businesses have a political responsibility to develop, create, and implement new forms of democratic will, values, and norms in society (Schultz et al. 2013). The shift in controlling regulations, from state institutions to corporations stems from globalization and led to the growth of complexities and challenges in maintaining corporate legitimacy (*ibid.*). Legitimacy refers to a framework, that is consistent with social norms, values and expectations (Scherer & Palazzo 2006). It is a vital prerequisite for corporations to operate in a continuous flow of resources and maintain the support of their constituents. To avoid conflicts and legitimacy to be challenged, establishing a clear corporate CSR identity stand is pivotal (*ibid.*). The above-mentioned reasons stress needs to achieve moral legitimacy (Schultz et al. 2013). Hence, deliberative communication plays a vital role to engage in moral reasoning with stakeholders. Dialogues between corporations and stakeholders mediate social expectations and are means to maintain legitimacy while it is unclear if social or corporate expectations will dominate the decisions (*ibid.*).

However, Schultz et al. (2013) argue that the two mainstream views are limited; thus, a third approach has been developed, the *communicative perspective* on CSR. This view emphasizes the importance of constitutive communication dynamics. According to the authors, reality is being constructed via communication by which “meanings, knowledge, identities, social structures, and various practices and means of the contact of the organization with the environment are produced, reproduced and changed” (Schultz et al. 2013, p. 684.). In other words, communication facilitates connotations, understanding, mechanisms and practices to be established between the corporation and its numerous stakeholders as well as reality to be created. The new communication technologies further amplify the urgency of constitutive

communication since legitimacy is co-constructed in networked society beyond the company's domain of influence (Schultz *et al.* 2013). The communicative perspective perceives CSR as a portrayal of the dynamic continuum of diverse interpretations and narrations regarding the corporate roles in the society, where CSR is a communicative event and a symbolic resource. Thus, CSR is interactively constituted through communication while making sense and giving sense to actors in complex and dynamic networks. In this sense, the communicative view is more open, reflexive and builds on a consensus-based dialogue between the organization, media and stakeholders for constructing CSR, while challenging organizational and social values (*ibid.*). This way CSR messages and CSR activities through continuous communication facilitate the interactive creation of corporate legitimacy among a variety of stakeholders, while CSR talk also impacts how CSR is practised in action (Golob *et al.* 2013; Schultz *et al.* 2013).

### 3.2.3 Taking a CSR position - three types of complexity

Corporations face a complex set of issues both on local and global levels (Roberts 2003; Polonsky & Jevons 2009). Du *et al.* (2010) explain CSR positioning as the scope to which a corporation determines to engage with CSR activities to position itself corresponding to other competitors in the mind of stakeholders. In pursuit of real balance creation while coping with multiple challenges Polonsky and Jevons (2009) identify three types of complexity (shortly illustrated in Table 4, broader illustration in *Appendix 3*) that businesses should take into consideration when formulating their CSR position:

Table 4. Three types of complexity (based on Polonsky & Jevons 2009, pp.327- 344.)

Three types of complexity	Complexity - examples
<b>Issue complexity</b>	Needs to clarify the domain of CSR activities to be addressed, including the scope and breadth of CSR activities to be commenced and to mitigate transformative changes as well as communication, to be meaningful. <ul style="list-style-type: none"> <li>• Four aspects need to be considered: issue identification, heterogeneity, measurement, interpretation</li> </ul>
<b>Organizational complexity</b>	This complexity concerns if CSR activities can be commenced effectively across internal and external activities on a global level or not. Needs are recognized to shape a CSR approach in line with the structure of the organization, its responsibilities and social issues to position a global organization or brand. <ul style="list-style-type: none"> <li>• Four types of complexity to be considered when positioning the organization or brand as socially responsible: corporate brand, multiple products and brands, site and functional activities, supply chain issues</li> </ul>
<b>Communication complexity</b>	Refers to issues concerning the ways how and what kind of information on CSR activities should be communicated towards external and internal stakeholders. Challenges are associated with communicating meaningful information relevant to stakeholders' interests. <ul style="list-style-type: none"> <li>• Four broad issues to be contemplated when developing CSR communication strategies: intensity of positioning, communicating action, types of programs utilized, integration issues</li> </ul>

The three types of complexity have been divided into the *issue, organizational and communication complexity* by Polonsky & Jevons (2009). According to the authors, understanding and considering these three areas of complexity can ensure that implemented corporate actions are genuinely and justifiable socially responsible. *Issue complexity* sheds light on needs to clarify the domain, scope, and breadth of CSR activities the corporation aims to address among a broad range of issues. This is a crucial step to overcome the heterogeneity of stakeholder perspectives and contextual conditions while seeking to achieve the highest overall social impact and consistent interpretation of CSR efforts. Secondly, *organizational complexity* entails forming CSR in accordance with corporate structure, societal features, and requires system-wide integration of CSR strategy. The aforementioned is fundamental to grant the brand promise, transparency, and highest quality of responsibility across functional areas and along the entire supply chain on a global level. The third area is associated with decisions regarding

how and what kind of CSR activities to be communicated to external and internal stakeholders to assure the mediation of relevant information in a transparent, most effective way. Scrutinizing these can help the process of developing a clear CSR identity, policies as well as to leverage CSR activities, avoid risks and tackle challenges (*ibid.*). Similarly, Du *et al.* (2010) state that CSR positioning has the potential to exaggerate the effectiveness of CSR communication. According to the authors, positioning a corporation on CSR instead of superficially being committed to CSR, attracts stakeholders' attention to CSR messages and likely to results in higher beliefs in the authenticity of CSR efforts (*ibid.*).

Regarding CSR communication, Elving *et al.* (2015) highlight that there are different types of framings. According to the first framing, businesses seek to institutionalize CSR and sustainability via one-way communication based on Habermas' idea to influence others, their decisions aiming to pursue CSR solely as a business case for gaining instrumental benefits (Caroll & Shabama 2010; Elving *et al.* 2015). Whereas, the second framing of CSR challenges the business discourse and relies on two-way communication with attempts to establish a shared understanding, balance interests via promoting cooperation, where meanings and agreement are created through interventions of actors (Elving *et al.* 2015; Jonker & Nijhof 2006). Here, CSR is a medium of communication that facilitates understanding of environmental and social concerns to be negotiated with attempts to find ways to address them and achieve mutual benefits (Elving *et al.* 2015). According to the authors, both framings exist, and they are interdependent; thus, CSR communication should not be criticized as a mean to gain business interests, neither to be idealized through the dialogic lenses. Instead, the realities of the two frames have to be acknowledged (*ibid.*).

### 3.3 Sustainability-driven corporate marketing

This section first introduces the corporate marketing philosophy (3.3.1.), including Balmer's two marketing mix models that support identifying the focus of corporate marketing. After that, 3.3.2 section describes corporate communication and different communication platforms.

#### 3.3.1 Corporate marketing

In the twentieth century, due to the globalization of markets, pressure has been placed on marketing and necessitated mainstream marketing views to be broadened and recognize the interrelatedness of business and society (Belz & Peattie 2012; Powell 2011). Demanding for alternative approaches built on long-term relationships, considering ecological and social goals, and embedding sustainability, responsibility and marketing ethics into the core (*ibid.*). As a consequence, systematically-driven marketing approaches, that acknowledge the connection between marketing systems and society, including the impacts of marketing activities on social welfare and environmental quality have evolved (Belz & Peattie 2012).

Among the modern marketing logics focusing on product level marketing and consumers, Balmer's philosophy of corporate marketing places emphasis on corporate level marketing and prioritize corporate - stakeholder relationships (Balmer 2006; 2011). Corporate marketing is a strategic perspective that guides the company's actions, thoughts, and refers to an orientation towards relationship marketing (Hildebrand *et al.* 2011). Balmer, who coined up the concept of corporate marketing places the following question in the centre: "*Can we, as an institution, have meaningful, positive and profitable bilateral on-going (long-term) relationships with customers, and other stakeholder groups and communities?*" (Balmer & Greyser 2006. p.732.; Hildebrand *et al.* 2011). The aforementioned, besides earning profits, recognize the importance of long-term relationships with wide stakeholders and society. Balmer further explained the corporate marketing philosophy as:

“Corporate marketing is a customer, stakeholder societal and CSR/ethical focused philosophy enacted via an organisational-wide orientation and culture. A corporate marketing rational complements the goods and services logic. It is informed by identity-based views of the firm: a perspective, which accords importance to corporate identities and corporate brands. The latter provide distinctive platforms from which multi-lateral, organisational and stakeholder/societal relationships are fostered to all-round advantage. The primary focus is on mutually advantageous multi-lateral organisation and customer/stakeholder partnerships of the present and future” (Balmer 2011, p.1350).

In other words, corporate marketing is grounded in societal, CSR, and ethical values executed through an organization-wide culture, where all employees take their part of the responsibility (Balmer 2011). The perspective gives importance to corporate identities and corporate brands. Besides, corporate marketing philosophy emphasizes mutually beneficial societal, stakeholder, and organizational relationships, showing loyalty towards the past, present, and anticipated future relationships considering the context of the organization while fulfilling the business objectives (*ibid.*). In summary, corporate marketing has a similar vision in the landscape of the corporation and its stakeholders, which coincides with the motivations and principles of corporate social responsibility (Hildebrand *et al.* 2011).

Owing to the growing interest in stakeholder theory, focus on corporate rather than marketing communication and the broadening of marketing concept Balmer realized the needs of rethinking the four Ps (Product, Price, Place, Promotion) marketing mix (Balmer 2001). As a departure, Balmer developed a seven dimensions marketing mix referred to as the HE<sup>2</sup>ADS<sup>2</sup> model illustrated by Figure 3 (Balmer 2001; Balmer *et al.*2011).

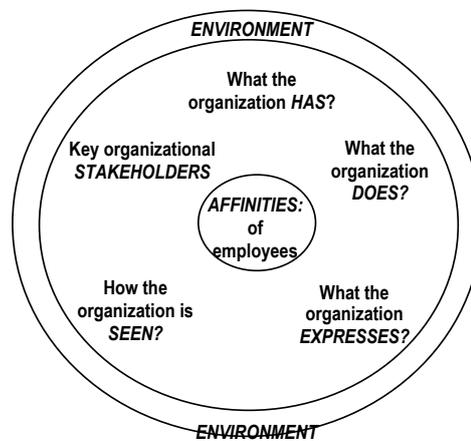


Figure 3. The HE<sup>2</sup>ADS<sup>2</sup> corporate marketing mix according to Balmer (2001, p.284) with minor modifications

The corporate marketing mix is distinct from the traditional one, and shows the interdisciplinary nature of corporate marketing through the elements of the HE<sup>2</sup>ADS<sup>2</sup> model that express the following (Balmer 2001; Balmer *et al.*2011):

- **H:** What an organization *HAS*, includes the organizational history and legacy, structure, equipment and property, reputation, investment interests in other organisations.
- **E:** What the organization *EXPRESSES* via primary communication (product, services, performance), secondary (formal communication policies), and other ways of communication (media, competitor communication and word of mouths).
- **E:** the context of the *ENVIRONMENT* refers to political, economic, environmental, ethical, social and technological environment and the impacts of those on corporate marketing activities and philosophy.

- **A:** the *AFFINITIES* of employees, meaning the degree of positive and negative associations with employees to various subcultural groups.
- **D:** What the organization *DOES*, embraces three elements of the traditional marketing mix: product, price, place.
- **S:** How the organization is *SEEN*, referring to the perceptions of corporate reputation, image, organizational awareness and profile, beliefs, expectations as well as the salience of brand covenant.
- **S:** The key *STAKEHOLDER* groups and networks. In other words, noting and prioritizing key individuals, groups, and networks in the context of shaping corporate strategy as well as in the context of different markets and situations (Balmer 2011, p.1340.; Balmer *et al.* 2011, p. 12).

Later, to simplify the earlier marketing mix, a six partite star model was developed by Balmer (Balmer 2006). The six elements (6Cs: *Character, Culture, Conceptualisation, Covenant, Constituencies, and Communication*) seek to penetrate the way organisational members behave and think on its behalf (Balmer & Greyser 2006). To elucidate the critical nature of each element, they are ascribed with a key question that underpin the facets of the “six Cs” and utter the saliency and focus of the corporate marketing concept (Balmer & Greyser 2006; Balmer 2009; Balmer *et al.* 2011). Three components (*covenant, constituencies, communication*) have been chosen for the study since they are in high relevance with the aim of the study owing to the specific aspects they focus on:

- ***Covenant*** “*What are the distinct components that underpin our corporate brand covenant (corporate brand promise)?*”  
This component specifies what the corporation promises and expects (Balmer & Greyser 2006; Balmer 2009; 2011). Including the key elements that genuinely underpin the *corporate brand* promise that a brand name evokes. It represents the ground of the contract between the corporation and its stakeholders as well as the base of the loyalty and the emotional ownership associated with the corporate brand (*ibid.*).
- ***Constituencies*** *Which stakeholders are of critical importance, and why?*  
Emphasizes the importance of determining whom the corporation seeks to serve, specifically questions which stakeholders are of critical importance to the corporation and why (Balmer & Greyser 2006; Balmer 2009; 2011). Without the support (identification) of such groups, the corporation might lose its license to operate on the marketplace. This element highlights that the success of corporate marketing is dependent on meeting the wants and needs of broad stakeholders, concerning past as well as future constituencies within the social context of the corporation (*ibid.*).
- ***Communication*** *Who do we say we are and to whom do we say this?*  
Corporate communication refers to what the corporation mediates towards its stakeholders and constituencies through diverse communication channels (Balmer & Grayser 2006). It entails, what the corporation states about who they are and towards whom (customers, employees, stakeholders) the controlled corporate messages are communicated (Balmer 2009).

According to Hildebrand *et al.* (2011), the “Cs” intend to explain better the interactions between the corporation’s view of itself and its stakeholders from the perspective of the corporation, where identities and stakeholders have a central role. What is more, Balmer & Greyser (2006) argue that the elements of the mix serve as the foundation of an organisational-wide philosophy, instead of guiding only particular departments. Balmer (2009) highlights that the elements are always in the making and are never finally made.

The three appointed components of Balmer's marketing mix were selected to support explaining the focus of corporate marketing and the aim of the study. First of all, to construct corporate social responsibility, *corporate communication* has a decisive mediator role in constituting dynamic dialogues with stakeholders aiming to create mutually beneficial practices that are seen as resources of reality. Secondly, the existence of diverse stakeholder expectations has to be acknowledged that requires corporate *constituencies and covenant* to be synchronized. These jointly impact the scope and breadth of corporate marketing and CSR activities. They are in pivotal importance of the corporation to justifiably support corporate premises and facilitate expectations to be fulfilled. Thirdly, due to the variety of stakeholders, those constituencies, who are in critical importance, have to be identified, prioritized, served and guided by considering the past, present and future perspectives to assure consistent corporate behavior. Although, it is important to note, that using only the aforementioned three elements of the marketing mix has implications on the results. Meaning that the findings did not cover the complete corporate marketing picture, but represent only the specific elements, brand promise, key stakeholders, and communication.

### 3.3.2 Corporate communication

Communication is a crucial to assure the future of businesses, especially if it comes to communicating holistically about corporate sustainability and responsibility performance (Belz & Peattie 2012; Charter & Polonsky 1999). The question nowadays is not whether to communicate or not, but how to communicate (Mark-Herbert & von Schantz 2007). Belz and Peattie (2012) highlight that anything can communicate, as corporate behaviour, product and packaging, and besides what the marketer intends to mediate, the most important is what the consumer translates as the meaning of the message. van Riel and Fombrun (2007, p.25.) argue that communication on a corporate level is a "*structured way of managing and orchestrating all types of internal and external communication*" to create a foundation between stakeholders and the corporation. This structure serves as a vision during the diffusion of information that safeguards the ability of the corporation to preserve its license to operate (*ibid.*).

However, challenges might emerge originated from a variety of stakeholders' expectations and interests (Mark-Herbert & von Schantz 2007). Kotler *et al.* (2005) point out the need for integrated marketing communication, as a form of targeted marketing, that employs various communication tools to coordinate the delivery of clear, consistent messages about the company and build a strong corporate brand identity. Polonsky and Jevons (2009) also argue for the importance of consistent communication to grant that stakeholders perceive the same meaning as the corporation desires. Consequently, the corporate value of CSR is dependent on the communication methods being used to illustrate corporate responsibility (*ibid.*).

In order to assure the success of communication, shared understanding and the creation of closest meanings between the sender/corporation and its receivers/stakeholders, continuous adjustment and active communication is needed (Fiske 1990; Mark-Herbert & von Schantz 2007). According to the semiotics-based communication model developed by Fiske (1990), communication relies on relationships between the sender and receiver of the message, and both have to take an active role to generate the closest meanings through the flow of information. Pringle and Thompson (1999, p.155) proposed a model as the platform of the communication, where "*territory*" is the desired personality of the corporate image or brand, grounded in and developed by the surrounding elements of the "*product truth, consumer insights, brand character*". *Product truth* means the distinctive traits of the products on which corporate claims can be built, including the experience that consumers obtain related to the product (Mark-Herbert & von Schantz 2007; Pringle & Thompson 1999). *Consumer insights* are constituted during the transfer of information between senders and receivers and are influenced by emotional, ethical aspects of the consumers as well as communication barriers. *Brand character*

is what the corporation states about its values, beliefs, and the position or the image it aims to represent in society. The intersecting area is called “*territory*”, where the perceptions of values between the corporation and stakeholders coincide, meaning that the communication between the sender and the receivers resulted in shared understanding. Creating a common ground for the perceptions of corporate communication is a critical success factor (*ibid.*).

Scholars recognize needs for active two-way communication (sensemaking and sense giving) and engaging in dialogues with broad stakeholders to enhance understanding of expectations (Lindgreen & Swaen 2010; Mark-Herbert & von Schantz 2007; Morsing 2006; Morsing & Schultz 2006). The aforementioned enables to adapt societal, ethical concerns, and influence corporate activities considering long-term perspectives and provides a decent base for corporate image and brand (*ibid.*). Schultz *et al.* (2005, p.24) explained corporate branding, as a move “*originated from distinct symbols, values, and beliefs that are salient to both the organization and its dynamic relationships with internal and external stakeholders*”. In other words, corporate brands seek to focus on and demonstrate the distinctive features of an organization, while also building trust, mutual dependence and engaging in relationships with relevant internal and external stakeholders (Lindgreen *et al.* 2011; Schultz *et al.* 2005). Likewise, Maio describes brands (2003, p.246) from a CSR mindset as a “*dynamic, vital, living entity, fed by the interaction among its myriad stakeholders*”, referring to the empowering synergy between stakeholder and brands.

Belz and Peattie (2012) emphasize that corporations have to take a holistic marketing communication approach, that combines conventional marketing techniques (i.e. promotional communication), interactive two-way communication as well as open disclosure perspective to illustrate social and environmental performance related to CSR activities (Belz & Peattie 2012). In pursuit of shared understanding corporations have to build bridges with their internal and external stakeholders through dialogues while simultaneously informing, responding to and involving stakeholders in communication (Crane & Glozer 2016; Lindgreen & Swaen 2010; Lindgreen *et al.* 2012).

One way to enact CSR principles within the organization is the implementation of the code of conducts to strategically control and coordinate corporate activities spread over increased constituencies (Kaptan 2004; Mamic 2005, van Tulder *et al.* 2009). Code of conducts is the foundation of formulating preference policy or private regulatory system to amplify social responsibility within a corporation (Egels-Zandén & Lindholm 2015, Overdevest 2004). It serves as an internal guideline for employees and all partners along the supply chain to set targets, safeguard certain beliefs, values, and behaviour within the organizational context (Blok 2017; Kaptein 2004; Overdevest 2004; Pater & Van-Gils 2003).

Towards external stakeholders, a variety of communication tools can be applied, as educational materials, audiovisual materials, speeches, and lobbying (Beltz & Peattie 2012). Another platform to present transparent corporate activities regarding environmental, economic, governance, and social performance is sustainability or CSR reporting (Fernandez-Feijoo *et al.* 2014; GRI 2018). The terms of reporting, such as “sustainability”, “environmental, social and governance” (ESG) or “corporate social responsibility” (CSR) have been used interchangeably (Ioannou & Sarafeim 2017). These reports are organizational initiatives to disclose how ecological and social concerns are addressed and included in business activities in interaction with various stakeholders (Pérez 2015). Publishing reports are part of the dialogue between a corporation and its stakeholders seeking to generate positive corporate reputation, showcase transparency to legitimize corporate behaviour (*ibid.*). Reports can also help to identify risks, opportunities that businesses and stakeholders meet with and lead to collaboration among them to make better decisions and accomplish mutually beneficial results (GRI 2018; Pérez 2015).

### 3.4 Corporate communication gaps

Corporate social responsibility communication can also have backlash effects if the motives of corporate social initiatives are not clear for stakeholders or if they perceive them differently (Du *et al.* 2010). Failing to construct clear messages and corporate transparency of ethical concerns can result in severe damage to the corporate identity or jeopardize the value and the outcomes of CSR communication in the society and marketplace (Coombs & Holladay 2013; Gold & Heikkurinen 2017; Svensson 2009). Furthermore, the growth of accessibility and availability of information raise concerns (Leitch 2017). Sharing information in networked society can become a source of bad news, over-sharing disclosures, or disempower stakeholders (Coombs & Holladay 2013; Leitch 2017). Gold & Heikkurinen (2017) identify this backlash as “*transparency fallacy*”, which means that enlarged stakeholder attention on corporate behaviour and demand for expressing corporate transparency do not always result in increased corporate responsibility along the supply chains. Demands for transparency put pressure on corporations to enhance, repair and defend their self-image, while simultaneously blocks them to reveal imperfections and reduces learning opportunities, that could lead to justifiably responsible actions towards the society and the environment (*ibid.*).

### 3.5 Theoretical synthesis

In this project, key factors of CSR communication and the interlinkages between sustainability, corporate social responsibility, corporate marketing practices are intended to be revealed. With ambitions to meet the objective of the study and support the empirical analysis, the theoretical synthesis is underpinned by the pillars of the triple bottom line, corporate social responsibility, stakeholder theory, corporate marketing philosophy, and the shared-understanding communication model. The theoretical framework applies the elements of Balmer’s (2001; 2011) *HE<sup>2</sup>ADS<sup>2</sup>* marketing mix and unifies those into the three components of the *corporate covenant, constituencies, and communication* attempting to explain the interconnectedness of corporate marketing and analyse how CSR is aligned with corporate communication in interaction with stakeholders. Figure 4 illustrates how the introduced concepts and theories are connected and serve as a theoretical framework for this study:

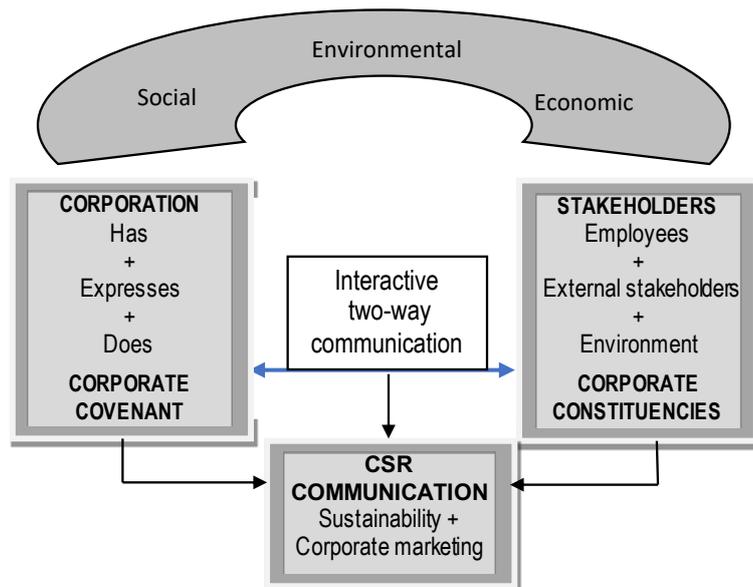


Figure 4. Illustration of theoretical framework

The concept of *Corporate Social Responsibility (CSR)* acknowledges the interdependence of business and society; thus, attempts to identify the role of the business in compliance with environmental, economic and social responsibility (Golob *et al.* 2013; Maon *et al.* 2009; Lindgreen & Swaen 2004; Luo & Bhattacharya 2006; Matten & Moon 2008; Porter & Kramer 2006; Schultz *et al.* 2013). Identifying a role in accordance with corporate competencies and resources is crucial to achieve the greatest benefits and set a clear CSR position (Polonsky & Jevons 2009). A genuine *corporate covenant* assumed to be formed based on what the corporation has as a ground (product), mission, and sustainability values. However, it has to be linked to what the corporation expresses and does in alignment with the organizational reality in order to maintain corporate legitimacy. Moreover, CSR relies on a participatory social process and long-term relationships with stakeholders, who can be influenced by or influence corporate activities (Golob *et al.* 2013; Freeman 1984). In this project, stakeholders refer to all actors in the social context in which the corporation is embedded, such as employees, external stakeholders (as authorisers, business partners, external influencers and consumers explained in Chapter 3.2.1) and the environment. *Stakeholder theory* recognizes the interdependence of various actors in and around the corporation and its environment (Hartman *et al.* 1999; Miles *et al.* 2006; Roberts 2003; Werhane & Freeman 1999). Therefore, among these actors, the corporation has to determine the *corporate constituencies*, in other words, the stakeholder groups, which are in critical importance (Balmer & Greyser 2006; Balmer 2009; 2011). In the process, *communication* has a mediator role; hence, continuous two-way dialogue is a prerequisite to ensure cocreation of understanding and values between the corporation and its stakeholders. As a result of the dynamic interplay between corporate marketing efforts and stakeholders, mediated by two-way communication, a common ground for CSR communication is expected to be shaped. Whereby, sustainability is strengthened, meeting business and societal expectations and create a mutually beneficial situation.

## 4 Empirical data

*This chapter is divided into two main parts. The first (4.1) provides background information about the food industry in Sweden, including previous studies. The second (4.2) begins with introducing the corporation used as an empirical illustration for studying the phenomenon. Thereafter, the findings based on the semi-structured interview and what the company expresses in the sustainability report, code of conduct and online available sources are presented. Lastly, young citizens' perceptions of Oatly and its marketing activities are portrayed.*

### 4.1 Empirical background

The food sector is the fourth largest industry in Sweden, during the last decade, the productivity of the Swedish food industry has intensified, but not its competitiveness (Eriksson *et al.* 2016, p.11). The dynamic changes and successes of the industry have unintendedly resulted in threats and sustainability issues. Needs to make the food supply chain more efficient have been recognized, which, besides product innovation, calls for organizational innovation (*ibid.*). Owing to the fact that the evolvement could not maintain competitiveness either the Swedish sustainability goals, there was a demand for additional controlling initiatives in the industry (*ibid.*; Government Offices of Sweden 2017a). In 2015, Sweden started to develop future politics and a new food strategy (*ibid.*; Government Offices of Sweden 2017a). The long-term food strategy for Sweden strives to establish sustainable growth and values for the society as a whole by aiming to benefit all stakeholders along the food supply chain (Government Offices of Sweden 2017a). The strategy is a platform of food policy, that sets objectives, measurements and invites actors of the food supply chain, as companies, organisations to participate in dialogue (Government Offices of Sweden 2017a; 2017b). Besides, it serves as a common direction towards they should work to achieve the goals for 2030 (*ibid.*).

Needs for meeting consumers' increased demand for traceability, more information regarding environmental and ethical aspects of food supply chain activities have been pointed out and necessitate more communication (Lindh & Olsson 2010). Yet, several challenges exist related to the quality and content of the messages in terms of communication (Lovstedt 2006; Wognum *et al.* 2011). Wognum *et al.* (2011) argue that the exchange of information, efficient communication, cooperation between supply chain actors, and governments are needed to assure standardisation, sharing of costs and benefits. While Høvring *et al.* (2018) question the transparency of CSR dialogues with multiple stakeholders and state that these dialogues do not grant easy access to creating shared value since individual motivations, expectations still exist.

Previous studies, theses started to study CSR, social responsibility, sustainable development and communication within the Swedish food industry, illustrated in *Appendix 4*. Results indicate that consumers cannot be considered as controllable target groups (Johnsson 2014). In particular, CSR communication requires specific, easily accessible details and two-way dialogues, and interaction with broader stakeholder groups, as consumers, to co-create development (Frostenson *et al.* 2011; Johnsson 2014; Taha 2017). Other studies argue that uncertainties around CSR can be abolished with the support of honest and trustworthy communication (Johnsson 2014, Jonsson 2017). Stendbom and Högström (2015) identify that transparency and social character of messages form consumers' opinion. However, Jonsson's (2017) study argue that the usage of measurements has the potential to assure justifiable communication. In addition, a code of conduct is demanded to satisfy stakeholders' growing needs for sustainability information and grant shaping sustainability-oriented programmes (*ibid.*). Similarly, Nguyen and Tognetti (2018) found that the integration of sustainability into business strategy and practices can lead to higher stakeholder engagement. Another mean that can reduce the lack of clarity around CSR interpretations is the sustainability language of the

2030 Agenda (Kardell & Wallén 2018). The SDGs have potentials in communication with stakeholders to frame the sustainability work as well as serve as sources of evidence and can initiate collaborations. However, findings show that organisations communicate, but fail to implement SDGs internally (*ibid.*). Demands for a broader approach aiming to achieve improvement processes across all knowledge bases in order to result in long-term, sustainable development of the food sector are highlighted in Zukauskaitė and Moodysson's project (2016). The authors argue, that high value-added innovation in the food sector, besides promotion, requires collaboration among companies and willingness to support consumer behaviour changes (*ibid.*).

## 4.2 Empirical results

The empirical results are presented first from the corporate perspective through categorizing the results into the three elements of Balmer's marketing mix: corporate covenant, constituencies and communication. It is followed by illustrating consumers' perceptions based on focus group members understanding.

### 4.2.1 The Oatly brand promise

#### ***What the corporation HAS (as a product, base)?***

Oatly AB was founded in the 1990s by Swedish researchers at Lund University driven by desires to develop products in line with the needs of humans and the planet (Oatly 2017a; 2019b). Besides, their objective was to launch products with a well-balanced combination of proteins, carbohydrates and fat without concerning allergies, health, animal ethics or overuse of planetary resources (Oatly 2017a; b). This invention has become a basis of a whole range of almost 40 different oat-based products, which is continually developing and expanding on the markets in Europe, North America and Asia (Oatly 2017a, p.9.; 2019a). The company has its headquarters in Malmö, its production, development site in Landskrona (*ibid.*).

#### ***Corporate position and mission = ground values***

As a food producer, corporate documents indicate that the company's sustainability task is to make the food industry a more honest place by producing the cleanest, most responsible healthy, vegetable products with maximum nutritional value and minimal environmental impact (Oatly 2017 a, b; 2019b). Oatly's sustainability report expresses motives to take part in mitigating challenges by offering oat products and making it easier for people to switch to climate-smart diet (Oatly 2017a). The intention is to provide new choices, advocate a shift to plant-based food production and consumption in order to enable healthier lifestyle for people without "recklessly taxing the planet's resources" (Oatly 2017a; 2017b, p.1). In the sustainability report, the CEO points out the problem of current "broken food systems", that cannot be fixed. It has been recognized that Oatly is part of this system that has to be changed; thus, the mission is "*to help people upgrade their everyday lives and the health of the planet by making tasteful oat -based products*" (Oatly 2017a, p.13). The CEO explains desires to contribute to this change for the sake of future generations, which requires transparent actions across the entire chain (Oatly 2017a). This statement is underpinned in the sustainability report:

*"We want to make the world a better place, primarily by contributing something to society and then making money. But sustainability - that's what our business is."* Toni Petersson, CEO (Oatly 2017a, p.6).

In other words, the main driver of the company is to support people upgrading their lives, and this should come first, instead of the pursuit of profit (Oatly 2017a, b; 2019b). Corporate documents state the company's promise is to be good at what they do and continuously look for development opportunities to make products better (*ibid.*). These objectives are safeguarded by being transparent and honest in terms of what is good and what is less good

with what they do (Oatly 2017a). Moreover, the corporate mission is supported by three central values; sustainability, health and trust are stated to serve as guiding principles for corporate activities (*ibid.*).

***Expressed corporate sustainability vision***

Sustainability has been identified as one of the three core values of the company, which in deeds entail granting the company’s products have as little impact on the planet’s resources as possible (Oatly 2017a). The following is stated in the sustainability report:

*“sustainability to permeate our entire organization and constantly be present in the work of all employees. Sustainability issues should be included in all our decision-making processes. We are not there yet. But we are working on getting there as fast as we can.” (Oatly 2017a, p.20).*

The aforementioned refers to desires to have sustainability as an organizational-wide vision that drives decisions and actions over time. Talking about framing sustainability, Carina Tollmar, the Sustainability Manager highlights *“the company always strives to look at a bigger perspective, while identifying sustainability objectives...it is really to make everyday business as sustainable as possible”* (Pers.com., Tollmar, 2019). In other words, the company representative expresses motives to have sustainability present in the company’s everyday life and overall impact to be considered when determining corporate sustainability goals. Besides the sustainability report illustrate corporate intents to integrate sustainability holistically across Oatly’s value chain, these corporate actions are represented in Table 5.

*Table 5. Expressed sustainability actions and motivations behind (Oatly 2017a; Pers.com., Tollmar, 2019)*

<b>Sustainability-driven activities</b>	<b>Motivations behind</b>
<b>Strengthened Sustainability Department</b>	Resources invested to the department to drive the sustainability work forward
<b>First corporate Sustainability Report</b>	Mediate corporate sustainability vision, actions how Oatly tries to work with global goals aiming to maximize their benefit to the planet and humanity
<b>Embracing SDGs</b>	Shows interest in addressing challenges on a global scale and support corporate improvements over time. Goal thirteen appointed as the main focus, where Oatly can contribute the most, achieve the greatest benefits and embrace other challenges. Besides, the company works with other subgoals linked to specific areas aiming to mitigate all corporate impacts.
<b>Sustainability Analysis</b>	Review corporate processes with external consultants along the entire value chain to explore the biggest impacts, identify risks and areas, where improvements are needed.

Activities, such as strengthening the Sustainability Department with new members and issuing the first sustainability report verifies motivations to enhance sustainability while the company grows (Oatly 2017a). The corporate sustainability report presents sustainability efforts, challenges and less successful areas besides the good actions to strengthen corporate transparency (*ibid.*). Tollmar says that various steps are taken in order to grant the quality of the report (pers.com., Tollmar, 2019). For instance, she points out some of them: *“the company had a comprehensive dialogue with stakeholders to find out what are they interested in getting out of the report. Besides, we did an analysis to explore where our biggest impacts are since we also want to report those facts.” (ibid.)*. These show efforts to include interest groups’ perspectives and desires to mitigate challenges those groups identify. Moreover, external consultants’ support is used, as Tollmar explains *“sometimes it is quite difficult when we are in the middle of everything, so it is very important for me to include external perspectives. It helps us to look at what we need to do as well as validates the content”* with attempts to have independent external verification and validation on the corporate activities

and the content of the report (pers.com., Tollmar, 2019). In addition, the sustainability vision embraces the global goals for sustainable development, aiming to look beyond national borders and grant sustainability improvement (Oatly 2017a.). However, challenges are associated with measuring the success of the goals, such as: *“it is evident for us to work with the goals - but how is less obvious”*; *“the goals may seem in surmount-able and a challenge to measure”* (Oatly 2017a, p.22). To overcome on these, corporate activities and risks were mapped and goal thirteen, climate action, was pointed out as the one closest to Oatly’s heart, where the company can have the greatest positive impact (Oatly 2017a). The sustainability manager clarifies the company’s standpoint:

*“First of all, we are addressing climate change, it is our major focus and to reduce our carbon-dioxide footprint. While tackling climate change, other aspects have to be addressed, such as environmental and social aspects. At the moment, we have a bigger impact on the environmental aspects, we mainly use Swedish oats, rapeseed oil and the production also take places in Sweden. Social responsibility is still very important in the food industry since there are lots of small-sized family farms, attention has to be paid to working conditions, use of pesticides.”* (Pers.com., Tollmar, 2019).

Tollmar refers to primarily addressing climate change in pursuit of mitigating the most relevant challenges considering corporate activities efficiently. She also highlights the significance of social issues within the industry (*ibid.*). Besides, corporate activities from the production of raw materials until the stage of the delivery of finished products were reviewed with external consultants to explore the most significant social and environmental risks (Oatly 2017a). As a result, a sustainability strategy has been formulated to commence beneficial changes, focusing on four main areas; resource efficiency, super suppliers, committed co-workers and upgraded society (*ibid.*).

The sustainability manager clarifies the predominant goal behind corporate actions is *“to make voice, raise awareness in the society”* striving to *“lead the way towards a more sustainable plant-based diet”* (Pers.com., Tollmar, 2019). Tollmar explains that by showing different ways, the motivation is to create new values, norms in the society and make aware of other companies and the society that there is a business value in this. Instead of just selling a product, the company representative indicates wishes to sell the value they want to represent and initiate changes in consumers’ lifestyle. Tollmar adds: *“It is possible to have a good, healthy business, while also taking care of environmental issues. It is essential to show real interest and engagement in all the emerging concerns, that is what we actually do. People who buy our products simultaneously buy our values.”* She adds that these come with additional corporate responsibilities: *“by having those values, we as a company owe our consumers to make a difference. We cannot just talk; we have to do quite a lot of work”* (Pers.com., Tollmar, 2019), accounting for recognizing the connection between society and businesses and expressing motives to talk and act consistently(*ibid.*).

Yet, increasing consumer demand for plant-based food products come with challenges (Oatly 2017a). Balancing between emerging issues and being honest to Oatly’s values is a sensitive topic (Oatly 2017a; Pers. com, Tollmar, 2019). Tollmar says that they try to make decisions considering what would make the greatest difference from a sustainability point of view (Pers. com, Tollmar, 2019). Currently, the biggest sustainability challenge for Oatly is to keep the phase of the growth with the level of producing enough products (*ibid.*). Sustainability concerns sometimes cannot be adequately evaluated and might not result in the most sustainable options (Oatly 2017a; pers.com, Tollmar, 2019). The corporate representative states: *“even though, we cannot always manage in time we seek to focus on ensuring that we keep going according to what we promise in our communication.”*, referring to wishes to continue making

improvements even during the growing period, to safeguard that the company’s sustainability objectives will be fulfilled (pers.com, Tollmar, 2019)

## 4.2.2 Corporate constituencies

### *Stakeholder’s role*

Tollmar (pers.com., 2019) describes that the aim of the company is to act in accordance with stakeholders’ needs and wants: “we like to get valuable inputs; however, it is impossible to do what everyone wants us to do. We have to find the line where stakeholders interests are coherent with what we actually need to do considering the impact perspective. This is where prioritizing has a crucial role”, referring to the significance of prioritizing activities that make difference from the sustainability point of view and are in line with the company’s vision. She explains that ongoing dialogues with stakeholders support the understanding of issues from their perspectives (*ibid.*). Moreover, dialogues safeguard that priorities are at the right place in corporate strategy and are beneficial both for the company and stakeholders (Oatly 2017a; pers.com., Tollmar, 2019). For instance, Oatly turned to several groups, such as their suppliers, retailers, non-governmental organizations, co-workers, consumers, and young individuals aiming to gather advice, opinions about what their sustainability strategy should focus on (Oatly 2017a). These identified issues raise expectations towards the company, while also help to determine what to work with (*ibid.*; pers.com., Tollmar, 2019). Tollmar expresses desires to be a part of the development of society and by engaging in dialogues with stakeholders find ways to develop a sustainable world together (pers.com., Tollmar, 2019). Such an example is the sustainability strategy, that points out four areas as prioritized stakeholders in order to shape corporate activities in the most beneficial way for people and planet (Oatly 2017a).

### *Resource efficiency*

Resource efficiency is the first area in the sustainability report that entails working towards circular systems in a resource efficient manner aiming to leave a positive impact on the planet (Oatly 2017a). The sustainability report illustrates the following corporate efforts to address resource consumption, shown in Table 6.

Table 6. Actions taken towards achieving circular systems in a more resource efficient way (Oatly 2017a)

Area	Aim	Future goal
<b>GHG emissions</b>	Reducing GHG emission is extremely important	Reduce the total GHG emissions by 25% per liter of manufactured products by 2020 compared to the results of 2016
<b>Climate footprint</b>	To measure climate footprint and identify critical areas, needs for development	Continue reducing total carbon footprint. Improve transportation, cultivation
<b>Life cycle analysis</b>	To understand the environmental impact of the products, measure their footprints. Compare impact of oat and cow milk-based products.	Not stated.
<b>Production plant</b>	To increase production capacity through an expansion project in Landskrona aiming to bring back external production.	Double Landskrona’s current production capacity to 100 million liters of finished product by 2020.
<b>Renewable energy</b>	Continue reducing overall energy use	Include collaboration partners to use renewable energy sources.
<b>Water management</b>	To cope with increased volumes of wastewater and circulate the water use in cooperation with the municipal wastewater treatment plant	Action plan is set by 2018, aiming to encourage partners in reducing water consumption. Build wastewater treatment process by 2018.
<b>Waste management</b>	Recycle, ideally reuse waste, minimize combustible waste and turn organic waste into biogas and feed.	Establish a structure by 2018 to follow waste statistics and set key ratios. Nutritious residues to be used for making food.

The table presents the activities taken on different levels of production to contribute to resource efficiency both on corporate and product level. Reducing the company’s overall climate impact and greenhouse gas (GHG) emissions is stated to be crucial for Oatly; thus, ambitious targets are set for the future (Oatly 2017a). Yet, it is expressed that efficiently addressing climate change and finding the optimal processes, while the business grows is not easy. For instance, increased volumes of wastewater cause difficulties for the municipal wastewater treatment plant. To solve this problem, the company introduced a cooperation project with the municipality to turn the challenge into an opportunity of working circularly with residual currents. Besides, the company collaborates with researchers to develop new solutions and reuse waste more ideally or turn nutritious residues to food instead of feed. Efforts are taken to understand better the environmental impacts both on corporate production and product levels, such as measuring carbon footprint and conducting life-cycle analysis. Looking at the production, the plant in Landskrona is entirely fossil fuel-free and runs with eco-labelled electricity and biogas. Thus, an expansion project began to bring back external production and reduce the climate impact this way. Furthermore, sustainability attempts are intensified by the quality and environmental policies to assure quality, continuous improvement, and environmental issues are handled in a way that grants being an industry leader (*ibid.*).

**Super suppliers**

The second focus area identified in the sustainability strategy is “*super suppliers*” (Oatly 2017a). Corporate statements express that suppliers and partners are fundamental parts of achieving the company’s mission (Oatly 2017a; b). These actors contribute to grant high corporate sustainability performance in everything that is delivered to the company and to build a transparent food chain. Therefore, acquainting partners with knowledge and corporate vision is essential to safeguard Oatly’s values, and that all actors work towards social and environmental sustainability across the supply chain. Having close cooperation and dialogues with key suppliers in order to drive improvement and set shared sustainability goals are assumed to be critical success factors (*ibid.*). Corporate documents show systematic actions illustrated in Table 7.

Table 7. Systematic actions toward suppliers and partners (Oatly 2017a, b)

Tools	Activities in practice
<b>Sustainability assessment template</b>	<ul style="list-style-type: none"> <li>• Suppliers are evaluated, reviewed before signing a contract with them</li> </ul>
<b>Sustainability criteria</b>	<ul style="list-style-type: none"> <li>• Area-specific sustainability criteria for suppliers of packaging, external production, transportation</li> <li>• Principles are set to safeguard sustainability in the purchasing process</li> <li>• External partners are obliged to transparent share of sustainability information.</li> </ul>
<b>The sustainable farm project</b>	<ul style="list-style-type: none"> <li>• Collaboration with researchers, farmers to influence improvements in oat cultivation</li> </ul>
<b>Third-party certifications</b>	<ul style="list-style-type: none"> <li>• e.g. UTZ, RSPO to ensure sustainability, respect of environmental and human rights in case of critical raw materials, like cocoa and palm oil.</li> </ul>

The aforementioned efforts present initiatives to implement structured and systematic sustainability work throughout the supply chain, from the cultivation and purchase of ingredients, including transportation, packaging and external production (Oatly 2017a,b). Meanwhile, refers to having a future perspective in mind, such as the cooperation with researchers and farmers as well as shows corporate willingness to improve. Moreover, external certification is used, as in the case of critical procurement areas that fall outside of the company’s influential scope (*ibid.*).

During 2017, Oatly released their code of conduct based on universal, international rights and the UN’s SDGs in order to articulate Oatly’s values and expectations (Oatly 2017b). The

document serves as the ground of accomplishing a common understanding and as a tool that clarifies the ethical principles, that Oatly, as a company wants to represent and stand for. The main intention is to assure that employees, partners and suppliers respect and act in accordance with Oatly’s three fundamental values: health, sustainability and trust. The expressed corporate values and requirements are summarized based on social and environmental responsibility in Figure 5 (*ibid.*).

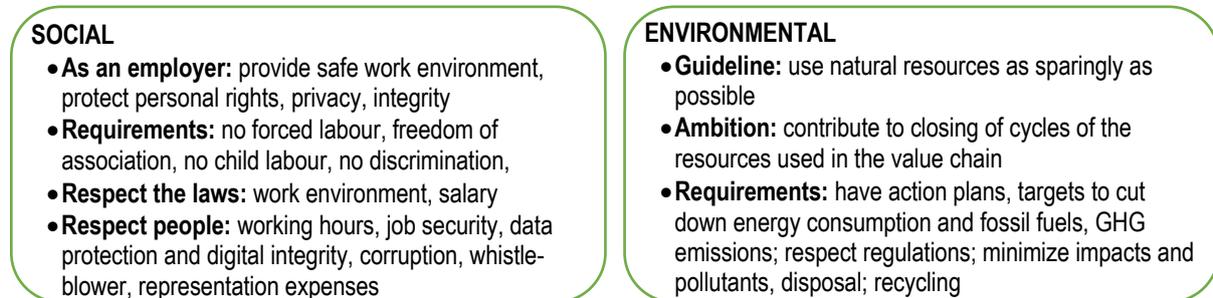


Figure 5. Summarized social and environmental corporate values and requirements (Oatly 2017b)

The code of conduct expresses that suppliers and partners daily work has a significant role in building a healthy, sustainable and transparent food chain together and fulfilling Oatly’s aim (Oatly 2017b). Hence, self-evident corporate standards and beliefs are stated in the document to promote a sustainable, safe and healthy lifestyle as a producer, buyer and employer. In addition, the document shows corporate desires to influence the level of ethics throughout their value chain. For instance, the responsibilities that partners as employers should take to provide decent social conditions, the ways they are expected to respect the nature, handle disposal and emissions meeting legal requirements are emphasized in order to propel the company forward. Everyone across the supply chain is expected to accept, share and act in accordance with Oatly’s view on openness and transparency (*ibid.*). Moreover, trust is an essential component: “*be honest and sincere in both words and deeds*” in order to ensure requirements are put into actions and achieve being the most transparent company in the food industry (Oatly 2017b, p.5.). Similarly, Tollmar explains that the code of conduct is the base of shared understanding “*to state what we expect from ourselves and our partners. Everyone should have read, signed and understood what is in it. But the document itself can never be more than the paper; it is all about actions that actually take place after*” (pers.com., Tollmar, 2019). In other words, real actions are required; thus, follow-ups are done, as Tollmar says: “*For instance, we have questionnaires to suppliers, and we go out for visits in order to audit them.*” (pers.com., 2019). According to the corporate representative, visits and audits are opportunities to reveal what is relevant for suppliers, discuss specific issues and find possible risks. She adds that if risks are identified, they try to work closer to suppliers and avoid problems to happen. Moreover, issues emerging during visits also provide sources for internal discussions with co-workers (*ibid.*).

### **Committed co-workers**

Having committed, motivated and competent employees is a crucial success factor for corporate development (Oatly 2017a). Employees’ engagement to sustainability issues is a priority for Oatly. Therefore, they seek to share knowledge and inspiration to assure employees’ commitment, so that the company can genuinely “walk the talk” (*ibid.*). Corporate motives are expressed in developing and maintaining strong values of sustainability in various ways within the organization to avoid losing the dedication that makes Oatly outstanding (Oatly 2017a; pers.com., Tollmar, 2019). These efforts are illustrated in Table 8 based on information that the sustainability manager and the report state (*ibid.*).

Table 8. Efforts taken to ensure co-workers commitment (Oatly 2017a; pers.com., Tollmar, 2019)

Activities	Aim
Orientation days	Share knowledge, corporate values with newcomers to keep strong sustainability values alive and “to get everyone to the thinking and understanding of our business straight away”
Annual kick-off meetings	Emphasize the importance of sustainability, maintain sustainability dedication within the company
Follow-up sessions	Strengthen sustainability, specify the company’s mission to particular needs of departments, revise sustainability issues.
Sustainability ambassadors	Maintain continuous dialogues, advocate co-worker’s commitment within each internal team.
Measuring sustainability engagement	Reveal if everyone understands how to contribute to Oatly’s sustainability goals in their role, daily work as well as whether they are developing in their commitment or not.
Workshops	Discuss issues together with co-workers with attempts to create organization-wide sustainability conditions, set targets for all departments.
Equal treatment, work environment policy	Ensure safe workplace, equal rights, fair working conditions, equal payments regardless of gender, ethnicity, belief. Anti-harassment and anti-discrimination policies to abolish discrimination. Create a secure work environment, where employees feel safe, motivated and responsible.
Updating travel policy	Keep GHG emissions generated by business trips as low as possible in balance with employee’s wellbeing.

These activities prove corporate motivations to spread knowledge both among new employees, and existing co-workers with ambitions to engage, inspire them and maintain the resistance of sustainability values (Oatly 2017a). The sustainability manager explains ambitions to create an internal culture grounded in sustainability: “we aim to build engagement from all our co-workers so that they understand why and how to contribute to building a sustainable business” (pers.com., Tollmar, 2019). She clarifies that employees understanding of sustainability vision and commitment are especially important when the company is expanding so fast. Thus, she claims desires to ensure that the values are kept in the organization, and new employees understand those. Tollmar states that further steps are done to maintain values internally: “we try to go out to all departments and look at actually what they do in their everyday work and how can we connect that to the company’s sustainability goals. Besides, we have follow-up sessions with each department”. The sustainability manager mentions another example: “at the IT department, it is about how to be resource efficient, how to reduce laptops, phones. Whereas, in the Sales department, it is all about having the right values when communicating with our customers” (*ibid.*) These efforts account for motives to specify the company’s mission according to particular departments’ needs. In the process of sustaining the depth of sustainability commitment communication has a crucial role. Having open dialogues with internal stakeholders enable “to make an understanding, that is indeed a process to get everyone to realize from wherever they stand, what it really means to them and how can they contribute the most to sustainability” - according to Tollmar (*ibid.*).

### **Upgraded society**

The fourth focus area of the sustainability strategy constitutes of “upgraded society” (Oatly 2017a). Corporate intentions are reported to drive a change along the entire food chain and require the company to be visible considering different interest groups and societal members. Although, it has been recognized that the company cannot be active “alone” everywhere at the same time; thus, a clear structure and collaborations are needed. The sustainability report shows evidence of corporate actions with various members in the society, illustrated in Table 9 (*ibid.*).

Table 9. Expressed activities with various members of the society (Oatly 2017a)

Members of the society	Activities
Politicians	Politicians, decision makers have been invited to Oatly's factory in order to raise awareness of the consequences of food production and show new ways through the example of Oatly's operations. Corporate representatives actively participate in discussion in the parliament and in governmental offices.
Researchers, science	Science and academia can support developing new products (e.g. the Oatly Barista edition). Participating in research projects is a way to acquire increased knowledge, new sources of information to be discussed from an outsider perspective.
Academia, universities	Collaborations to work actively with issues related to sustainable food systems increase internal competences, create interest, and open up dialogues about what sustainable food production entails. For instance, collaboration with universities and farmers, as "The sustainable farm project" to find more sustainable methods of growing crops.
Farmers	Through cooperation transform the food production systems, learn and share risks together.

These efforts are taken to influence opinions, develop new sustainable solutions in the social context in which the company operates by engaging in dialogues or collaborations in diverse arenas considering different stages of the production (Oatly 2017a). Similarly, Tollmar confirms that keeping dialogues alive with various actors grants the company to find ways and develop a sustainable world together (Pers.com., Tollmar, 2019). As Tollmar says "*if we want our suppliers to find better solutions and instead of seeing wastewater as a waste, see it as a source then we need facilities and someone to take care of the wastewater*". She adds that ongoing dialogues with decision-makers in the municipality, politicians, and researchers are needed to accomplish sustainability objectives and facilitate value chain member's work (*ibid.*). Likewise, "The sustainable farm" project calls for connecting diverse supply chain actors (Oatly 2017a). Linking specialized professionals' knowledge, such as the academia and farmers, ensure to fundamentally transform the food production and explore more sustainable methods of growing crops. Moreover, this way, risks are shared, and learning is facilitated by working together (*ibid.*). Similarly, the innovation director states the crucial role of science and researchers in the report "*we can never lean back and think we are done. We must constantly be finding new solutions. This is how we contribute to a sustainable future.*" (Oatly 2017a, p. 14) – referring to motives to continually evolve new or refine existing products to strengthen sustainability (Oatly 2017a).

Considering the consumption level, Oatly takes steps to share knowledge with different members of the society from the early ages, cooperates with academia, healthcare professionals and artists (Oatly 2017a). The sustainability report showcases several efforts illustrated in Table 10 (*ibid.*).

Table 10. Corporate activities aiming to share knowledge on consumption level (Oatly 2017a)

Members of society	Activities, aims
Swedish universities	<ul style="list-style-type: none"> <li>• mapping sustainable consumption patterns to reveal impacts, potentials</li> </ul>
Young generation	<ul style="list-style-type: none"> <li>• education about climate, environment and health effects of food production and consumption; school campaign initiative to raise awareness</li> <li>• inspire school kitchens to provide more climate-smart meals "OatAcademy"</li> </ul>
Consumers, healthcare professionals	<ul style="list-style-type: none"> <li>• participation in conferences, fairs, exhibitions to promote the advantages of oat products</li> </ul>
Music, cultural industry	<ul style="list-style-type: none"> <li>• promotion of sustainable lifestyle through the example of artists aiming to influence climate-smart everyday life</li> <li>• open up dialogues on music festivals about sustainability, future and change</li> </ul>

With attempts to support sustainable consumption habits, participation in research facilitates the company to gain knowledge and attain improvement potentials (Oatly 2017a). Besides, young generations are intensively targeted; hence, information is spread via different methods. The motivation behind is to raise awareness about the effects of consumption on the climate and the environment aiming to educate target groups about the differences, advantages of plant-based alternatives. In addition, schools are influenced by training programs, as the so-called “Oat Academy” striving to inspire school kitchens to provide more climate-smart meals. Besides, opportunities have been recognized in the power of the music industry; thus, Oatly’s voice is amplified on music festivals and by fellowships with artists to shape opinions. Such an initiative is the “Sustainable Artist of the Year”, with intentions to promote environmental engagement through and by the example of artists’, both in their climate-smart everyday life and career (*ibid.*).

#### 4.2.3 The Oatly way of corporate communication

As the sustainability manager expresses “*it has been great importance for us to challenge current norms and break new ground in our communication*” (Oatly 2017a, p.63). Referring to communication as a tool that grants creating interest, engagement and new opportunities to change what consumers choose to eat, what is produced, and how (Oatly 2017a, b). Corporate documents express desires to actively build on the power of communication since it is considered to continuously challenge the company itself to become better as well as raises expectations (*ibid.*). Tollmar clarifies the same: “*the way we communicate also forces us to actually do improvements*” (Pers. com., Tollmar, 2019).

##### ***Corporate marketing***

The company does not have a marketing department; instead, a flat hierarchy consisting of communication and creative team, has been established (The Challenger Project 2016a, c; pers.com., Tollmar2019). Oatly’s Creative Director, John Schoolcraft in an interview, declares desires to challenge the norms, show different ways, be distinguishable and stand out among other brands (The Challenger Project 2016a, b). He explains further that the whole idea of Oatly became a bigger multidimensional ambition owing to the benefits of oat products for human health and the planet; thus, the aim is not only to sell the products but change mindsets (*ibid.*). Therefore, Schoolcraft and the CEO decided to create as they call it a “lifestyle brand” that can naturally fit into people’s life (The Challenger Project 2016a, c). Yet, Schoolcraft adds that having the value base of sustainability and nutritional health are essential to do and talk about things honestly and be an authentic brand (*ibid.*). Besides, these values call for openness, involving even those things that the company is not good at, which sometimes might result in strong statements (*ibid.*). Similarly, the company’s website expresses wishes to have a corporate image of an “independent Swede”, who has the right to say what as a corporation they believe in and act in accordance with what is thought to be right (Oatly 2019b.). Even though implications of the communication are recognized (Oatly 2019b., The Challenger 2016a, c). According to Schoolcraft, being an honest, challenger brand comes with many difficulties, personal, and corporate risks: “*it entails constantly being threatened of getting sued, newspapers ringing you, threatening everyone else’s job at the company. Or maybe you are saying something controversial that is working against what your co-workers are doing*” (The Challenger 2016a, c). On the other hand, people appreciate authentic communication, and it can be a way to become friends; otherwise, it is easy to get lost if a company is not willing to stand up and show different ways, says Schoolcraft (*ibid.*). Additionally, it is emphasized that being honest and transparent in everything the company does, assures being judged by real actions not only on words (Oatly 2019b., The Challenger 2016a, c). All of these intensify the CEO’s statement, who points out desires to become “a catalyst company” (The Guardian 2017).

The sustainability manager explains that the creative and sustainability teams closely cooperate in order to ensure that Oatly’s sustainability orientation is emphasized and clear in corporate messages (pers.com., Tollmar, 2019). Therefore, the sustainability department provides background information to responsible people at the creative and communication department, and later “communicable messages” are verified by the sustainability team, showing internal efforts to grant clarity and legitimacy of the messages before publishing them (*ibid.*).

### **Corporate marketing channels**

Among stakeholder groups, communication with consumers is critical in the company’s eyes (pers. com., Tollmar, 2019). Three significant marketing channels targeting consumers are introduced in Figure 6.

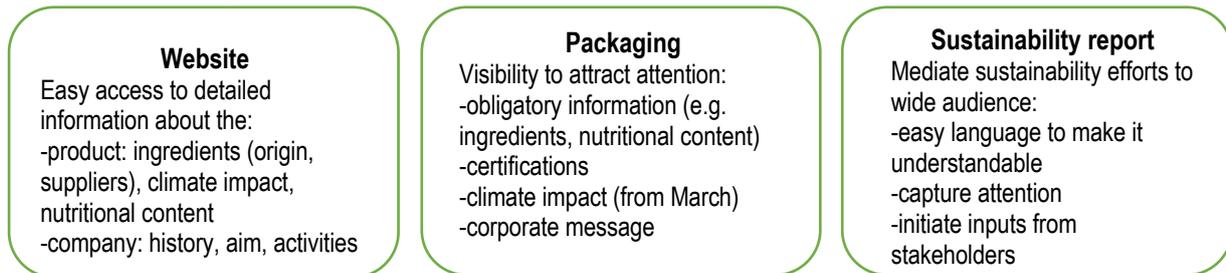


Figure 6. Marketing channels and their role (Oatly 2017a; Oatly 2019; pers.com., Tollmar, 2019)

Firstly, packaging of the products is considered to be the main media towards consumers, according to Schoolcraft (The Challenger Project 2016a, b, c). The corporate representative expresses ambitions to gain attention by being outstanding on the shelves. The motivation behind making products visible, is to convince people to have a closer look on the package out of curiosity, let corporate messages talk and open up for dialogues, as Schoolcraft says (*ibid.*). Recently, Oatly announced a new initiative; from the end of March, the company reports the climate footprint of their products on the packaging (Livsmedelsnyheter.se 2019). The calculations are made by an independent third party and cover the oat-products journey from fields to the store stated in carbon dioxide equivalents (*ibid.*). The idea of adding them to the packages is driven by the aim to make it easy for consumers to see what impact the food product has on climate before purchasing it (*ibid.*; Oatly 2019c.). What is more, corporate statements express believes that reporting climate footprint is as important as the nutritional content and should be required by laws (Oatly 2019c.). The Sustainability manager explains that this step is also a call for the industry: “it is hoped that consumers will demand transparency from more actors and the food industry will generally be interested in showing their figures” (Livsmedelsnyheter.se 2019; Oatly 2019c.).

Secondly, Oatly’s webpage is a platform for communication, from where everyone can easily gain detailed information (pers.com., Tollmar, 2019). Tollmar explains desires to showcase transparency on the webpage, for instance, all the ingredients of their products, including information from which area, supplier do they come from are presented. The company shares information about the climate impact, ingredients, showing that not all things are perfect (i.e. strawberries can come from everywhere), but the intention is to be honest - as Tollmar says. Thirdly, the corporate representative highlights motivations to communicate in the sustainability report in a way that is easy to understand for everyone with attempts to attract extra attention (*ibid.*). Tollmar adds that the report “has a bigger value if more people can read it and enjoy reading it, not just seeing it as a heavy document. Because a sustainability report should actually make some difference, thus, people should be able to understand what is stated in there and put their expectations in it after reading the report.” (pers.com., Tollmar, 2019). In other words, the document intentionally communicates in a way that is understandable for broad audiences to grasp the attention and initiate reactions (*ibid.*).

Tollmar clarifies that Oatly is aware of the significance of how and what they communicate: “if we communicate things that we do not do, we will lose the whole value of the company”, referring to the importance of building communicated intents on credibility and trust (pers.com., Tollmar, 2019). Besides, the corporate representative states: “by being bold and provocative, we also increase the expectations towards ourselves. Once we have said it loud and provocative out there, then for sure people will come back to us and ask what are you actually doing? We are stimulating people to question us, which in turn makes us move faster forward”- says Tollmar. Referring to communication as a supporting tool and by being provocative, telling the truth, even if it might come with risks and criticism, encourage people to react and drive the company’s improvement. The sustainability manager explains motivations to have ongoing dialogues with consumers “when you are so open towards your consumers regarding what you do, then expectations are initiated, too. You have to come back, address or answer those and that is an important driver for continuous improvement”. In other words, discussions create awareness, forces the company to answer and show a willingness to work with those issues, meanwhile facilitate constant corporate development (*ibid.*).

**4.2.4 Consumers’ perceptions**

Oatly considers consumers as a key stakeholder group; in particular, young generations are particularly important for the company (Oatly 2017a). Thus, focus group interviews were conducted to get an insight into how consumers perceive Oatly’s marketing activities. When asking the attendees about their impressions of Oatly and what the Oatly brand evokes in them, all members agreed that they see it as an innovative, sustainability-oriented company. Most of the respondents associate Oatly with a sustainable picture and veganism. International students see Oatly as an honest Swedish oat company that local people are proud of (Focus group 2). Table 11 summarizes some focus group attendees’ answers regarding the general assumptions and what the Oatly brand promise means for them.

*Table 11. Focus group respondents’ perceptions about Oatly and its brand promise*

Categories	Focus group participants’ perceptions
<b>General assumptions</b>	“Swedish oat company”; “funny, innovative company”; “sustainable, plant-based alternative” “Oatly is a culture” (Focus group 1) “Oatly is more of a statement for me” (Sofia) “I associate Oatly with a sustainable picture” (Nora)
<b>Corporate brand promise</b>	“they have a clear statement about what they want to do, and they strive to achieve those” (Linn) “they have an agenda that they try to follow and deliver results” (Focus group 4) “they state what they want to stand for” (Focus group 1)

Strengths of Oatly’s characteristics, such as nutritional content, sustainability, plant-based alternative and respect of animal rights were highlighted (Focus group 1). The same group complement that these specific values and the company’s vision are seen as the ground of the culture Oatly aims to build. According to respondents, those consumers who share the same values are likely to become proud members of the company’s culture (*ibid.*). Others confirm that the company represents a sustainable picture that they feel should support by purchasing their products (Focus group 3). Regarding Oatly’s brand promise, participants agree that Oatly has a clear statement about the corporate standpoint. Moreover, respondents perceive that the company tries to accomplish those promises it states; the products the company offers, what it expresses, and does are seen to be correspondent.

After that, attendees were asked about how they perceive Oatly’s marketing activities and communication style, some responses are summarized in Table 12 to illustrate an overall picture of different perceptions.

Table 12. Focus group respondents’ perceptions about Oatly marketing and communication activities

Categories	Focus group participants’ perceptions
<b>Corporate marketing activities</b>	<p>“progressive, sustainability-driven company, who succeeded with their radical marketing. They are not flawless, but they are still the best on the market” (Rebecca)</p> <p>“Oatly does a lot of very good things, such as that they try to recruit farmers to work together and change production practices to a more environmentally friendly version” (Mina)</p> <p>“clever marketing approach, they used the lawsuit wisely” (Focus group 4)</p>
<b>Corporate communication and its style</b>	<p>“their style is pretty cool and chilled. They brought the veganism trend down to Earth and made it more understandable for people in general” (Nora)</p> <p>“they are very funny, modern and outstanding in their communication and commercials, they promote a new way of thinking.” (Focus group 3)</p> <p>“they strive to put into actions what they communicate” (Focus group 4)</p> <p>“they often use jokes, we see those as kind of a humanizing approach” (Focus group 4)</p> <p>“they want people to believe that Oatly is cool, Oatly is my friend” (Focus group 4)</p> <p>“Oatly tries to niche their products” (Focus group 4)</p> <p>“they want people to know that they are doing something good for the environment if they purchase Oatly instead of cow milk” (Focus group 4)</p> <p>“they state bad and good things, it contributes to make them transparent and builds trustworthiness” (Focus group 1)</p> <p>“they managed to communicate in a way to convince not only vegans, but other consumers to try their products” (Mina)</p> <p>“their aggressive communication is a good way to raise attention, initiate changes” (Rebecca)</p> <p>“I do not really appreciate their aggressive marketing, but anyways I buy their products” (Linn)</p> <p>“aggressive messages raise awareness and go well with veganism, but are also repellent for others” (Lena)</p> <p>“messages promote the picture of a transparent and a super nice company, sometimes it even feels like they are too good and cool. These evoke the question why do they try to push it too hard?” (Focus group 4)</p> <p>“more and more information wakes up skepticism, do they want to fool me?” (Focus group 4)</p> <p>“their communication can be problematic, it creates debates” (Focus group 4)</p> <p>“it is quite manipulative way of communication. They want their consumers to feel like rebels, but probably it is part of their brand building concept.” (Focus group 4)</p>

First of all, there is a concurrence that Oatly’s marketing activities are outstanding on the market, and the company tries to “loudly” communicate its values and believes. However, during the dialogues, controversial opinions emerge. On the one hand, strengths are mentioned, such as the modern marketing approach and that Oatly’s communication promotes a different, new way of thinking (Focus group 3). Others perceive Oatly’s marketing to be clever, successful and honest since they talk about good and bad things at the same time (Rebecca, Focus group 1, 4). For instance, the lawsuit against the Federation of Swedish Dairy Farmers (LRF Mjöljk) was mentioned as an example (Focus group 4). Participants discussed that Oatly managed to benefit from the bad publicity and gain support from the public by using the lawsuit in their campaign (*ibid.*) Moreover, attendees perceive that the way Oatly communicates is “cool”, “funny”, “attractive”, “hype”, and by using jokes in their communication, the company achieved to convince not only vegans but a broader audience to try Oatly’s products (Focus group 3,4). Participants of the focus group 4 agree that the humour and the communication style Oatly uses is kind of a “humanizing approach” that strives to get closer to people and make the “Oatly vision” and the values of their products easily understandable. During the conversation, members conclude that this communication style is probably a promotion trial to convince consumers that by purchasing Oatly’s products instead of cow milk they do something good for the environment (Focus group 4).

On the other hand, concerns regarding the aggressive way of communication are discussed. Participants mention both advantages and threats of this style. Linn expresses dislikes to the aggressive style, and Lena says that the way Oatly communicates might be repellent for some consumers, such as the older generation. Whereas, Rebecca thinks that the aggressive style is a good way to raise attention about sustainability, environmental issues and initiate changes. Respondents point out that Oatly’s communication can lead to debates, be problematic or arise the feeling of being a bad person if one decides not to drink oat milk (Focus group 4). However, members agreed that this manipulative way of communication is probably part of the brand building process that contributes to establishing the “*rebellious*” picture in consumers. Other issues are highlighted regarding the style and intensity of Oatly’s communication. Attendees talked about the controversial effects of stating that Oatly is a “*transparent, super nice company*”, such messages can evoke skepticism and raise questions whether the company fools their consumers or if they want to hide something with promoting something “*too hard*” (*ibid.*).

After, interviewees were asked about the preferred marketing channels from where they usually get information from. Some answers are highlighted in Table 13.

Table 13. Focus group respondents’ information, marketing channel preferences

Categories	Focus group participants’ perceptions
<b>Oatly’s packaging, the main source of information</b>	<p>“they communicate in a funny way on the packaging” (Focus group 2)</p> <p>“attractive, outstanding communication used on Oatly products” (Focus group 2)</p> <p>“the explanation on the package how to use the product is useful” (female participant)</p> <p>“the packaging is so attractive, raises interest about the company itself” (Denisa, Chara)</p>
<b>Other marketing channels</b>	<p>“I was curious how and what they state in their website compared to the messages of the packaging” (Denisa)</p> <p>“they do education on social media and in their posts, I like that” (Rebecca)</p> <p>Participants in general do not have time, efforts to look for more information besides the packaging.</p>

Among the participants, the primary source of information is the packaging of the products. Respondents state that Oatly has a funny, clean, colourful, fresh and attractive style, which is outstanding on the market (Focus group 1,2,3). For instance, students express likes to the packaging and the way Oatly communicates on their products. While most of the members do not visit websites of food producers, because they do not have time, competence to look for more information and they are mainly satisfied with what is stated on the package. The ones who visited Oatly’s website did it because the packaging raised attention and they were keen to get to know more about the company. Others checked the ingredients, production process and carbon emissions of the webpage, but they admit that they are probably biased because of their educational background (Linn, Rebecca, Sofia). Members of the fourth focus group say that they would be interested in the overall impact of the products, the origin of the ingredients, for instance, regarding the sourcing of oats since they are not sure if Oatly is as Swedish as it is stated to be. They also utter that they do not trust the company’s webpage since the company itself is likely to be biased. Thus, they believe in other sources, as reports, journalist or external organizations’ opinion (Focus group 4).

Lastly, participants admit that they do not tend to contact food companies, only in case something is wrong or if they would have problems and negative experience with the product. Those who got in touch with Oatly did it because they had questions related to nutritional content (Linn) or because the company offered promotional products (Rebecca). The members added that they would be more keen to engage in dialogues or contribute with improvement ideas if there is a discount or reward offered as compensation. However, the general experience during all focus group dialogues was that attendants had an opinion about Oatly’s activities and could discuss broadly with others how they perceive the company and its marketing.

## 5 Analysis

*In this chapter, the empirical results are analyzed grounded in the concepts and the theoretical synthesis developed in Chapter 3. The empirical results are interpreted by unifying Balmer's HE<sup>2</sup>ADS<sup>2</sup> corporate marketing mix with the three "Cs" (covenant, constituencies, communication). Building on these pillars, the findings are illustrated to reveal the focus of marketing activities as well as the interrelatedness between sustainability, CSR and marketing communication. Finally, consumers' perceptions are evaluated to interconnect multiple viewpoints and gain an understanding of interactions.*

### 5.1 Corporate Covenant, a brand promise

Corporate covenant entails the synthesis of distinct values that provide the ground of the brand promise (Balmer & Greyser 2006; Balmer 2011). Corporate statements illustrate that the idea of oat products stems from the aim to create products in harmony with the needs of humans and the planet without overusing natural resources (Oatly 2019a). The CEO claims that the main drivers of the company are sustainability "*sustainability – that's what our business is*" and the desire "*to make a world a better place*" (Oatly 2017a, p.6). Moreover, corporate statements mediate objectives to produce the cleanest, most responsible products with maximum nutritional value and minimal environmental impact (Oatly 2017a, b; 2019b). Based on Balmer's (2001), corporate marketing mix, what the company has as a history and legacy and expresses via primary communication (plant-based product) and secondary (formal communication) are essential elements that determine the dimensions of the corporate marketing (Balmer *et al.* 2011).

While, the CSR concept emphasizes the role of businesses in society in alignment with social, ethical responsibility to maintain their market value and legitimacy (Golob *et al.* 2013; Lindgreen & Swaen 2004; Luo & Bhattacharya 2006; Maon *et al.* 2009; Matten & Moon 2008; Schultz *et al.* 2013). Polonsky and Jevons (2009) argue for the importance of defining a CSR position in line with organizational structure, its responsibilities, and social issues in pursuit of creating the highest quality of corporate responsibility. As the CEO's claims, Oatly is as a part of a broken food system that has to be changed entirely, including the entire chain (Oatly 2017a). The corporate mission states motivations to upgrade people's everyday lives and the health of the planet by producing oat-based products mainly from Swedish oats, and this way takes part in mitigating global challenges (*ibid.*). These statements account for acknowledging the features of the social and environmental context in which the company exists and show efforts to shape a correspondent CSR approach. Oatly's corporate promise expresses desires to be good at what they do, guided by the central values of health, sustainability, and trust. With ambitions to initiate more climate-smart habits on the market for the sake of present and future generations' health and environmental reasons (Oatly 2017a). The products Oatly offers, the identified position in the food industry, communicated corporate promise, mission, and sustainability vision jointly build up the corporate covenant salient to both the company and its myriad stakeholders (Schultz *et al.* 2005; Maio 2003), illustrated through Figure 7.



Figure 7. Elements of Oatly's corporate covenant

Findings represent that given the social context and existing challenges in the industry the benefits of oat products for human health and the planet and the corporate sustainability vision became the key traits and serve as the foundation for crafting a brand promise. As the corporate representative calls it a “lifestyle brand” that naturally fits into people life (The Challenger Project 2016a, c). In addition, clarifies the standpoint of the corporation based on corporate values and beliefs, that is aimed to be represented in the community and gives grounds for the *brand character* (Mark-Herbert & von Schantz 2007; Pringle & Thompson 1999). At the same time, the corporate brand provides a contract base salient to the corporation and its relationships with stakeholders as well as broadcasts what the society can expect from the company (Schultz *et al.* 2005).

## 5.2 Corporate Constituencies

Balmer and Greyser (2006) emphasize the importance of determining the constituencies, key stakeholder groups and networks, whom the corporation primarily seeks to serve in accordance with the context of the environment the company operates (Balmer 2001, 2011). Since those jointly affect shaping the corporate marketing strategy and their support is crucial to maintain the corporate legitimacy and value on the market (Balmer & Greyser 2006; Balmer 2009; 2011). Empirical findings show that stakeholders have a significant role in the company’s life. Firstly, corporate claims express wishes to meet the needs and wants of stakeholders, “*we want to do things that stakeholders want*” (Pers.com., Tollmar, 2019). Secondly, stakeholders are considered to be fundamental actors, who contribute to accomplishing the corporate mission (Oatly 2017b).

Besides, the concept of CSR is grounded in the stakeholder-oriented perspective, long-term relationships with stakeholder groups and the society are pivotal since they can influence and be influenced by corporate activities (Freeman 1984; Golob *et al.* 2013; Jamali & Mirshak 2007; McWilliams *et al.* 2006). However, needs to overcome the heterogeneity of stakeholder perspectives and assure the consistent interpretation of CSR efforts, necessitate the domain and scope of CSR activities to be adjusted to specific stakeholders needs as well as system-wide integration (Polonsky & Jevons 2009). Oatly’s sustainability report shows evidence that the environment and human beings belong to their prior stakeholders (Oatly 2017a). Corporate motivations are communicated to create products that meet the needs of humans, and the planet and efforts are taken to formulate a pertinent corporate strategy (Oatly 2017a, b; 2019a, b). Similarly, Roberts (2003) suggests determining who are the company’s critical stakeholders since understanding their demands and interests is a prerequisite to balance between different trade-offs. Oatly’s sustainability strategy is based on a process review of social and environmental risks along their value chain (Oatly 2017a). The identified four focus areas are: *resource efficiency, supper suppliers, committed co-workers and upgraded society* (Oatly 2017a). In other words, the four determined areas and the expressed corporate motives (illustrated through Figure 8) account for pointing out the planet, suppliers and collaboration partners, co-workers and the society as prioritized stakeholders (Oatly 2017a).

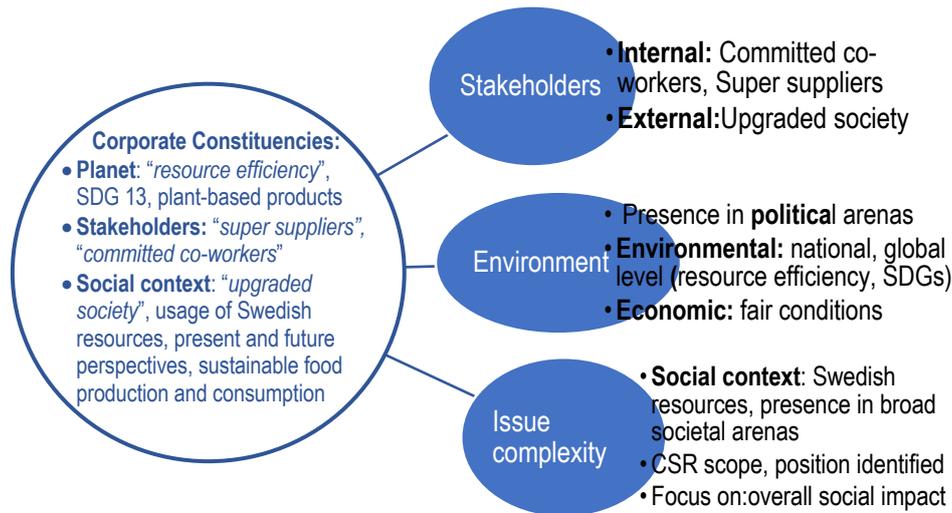


Figure 8. Oatly’s corporate constituencies

In this sense, the social, environmental context in which the corporation is embedded are taken into account when determining how to use corporate competencies and resources (Polonsky & Jevons 2009; Roberts 2003). For instance, the company’s report presents ambitions to work towards circular systems, have minimal impact on the resources of the planet and states that sustainability should always permeate the entire organization’s behaviour (Oatly 2017a). According to corporate statements, environmental issues and climate change are priorities since the company’s operations have the highest impact on the natural resources (Oatly 2017a; Pers.com., Tollmar, 2019). Moreover, potentials of addressing the impacts of climate change entail both environmental and social aspects, explaining why the planet is a key stakeholder of Oatly (*ibid.*). Secondly, corporate wishes to have suppliers, collaboration partners and committed co-workers, who share Oatly’s values and accompany the corporation on the way towards commencing the desired changes are expressed (Oatly 2017a, b; Pers.com., Tollmar, 2019). These groups are seen as success factors to genuinely “walk the talk” and make everyday business as sustainable as possible (*ibid.*). Findings illustrate evidence that internal engagement and positive association aimed to be maintained through the code of conduct and negotiation by creating a corporate culture based on strong sustainability values with ambitions to strengthen the employees’ affinities (Balmer 2011; Oatly 2017a; pers.com., Tollmar, 2019). Oatly’s fourth focus area is called the “upgraded society”; this area focuses on driving transformative changes in the society by reaching out to a broad audience, generations in the context in which Oatly operates (Oatly 2017a).

Meanwhile, the obtained findings illustrate, that key stakeholders are also interconnected and promoting sustainable food production requires intervention between the actors across the supply chain. Such an example is the wastewater management project, ongoing dialogues and interaction with municipalities, decision-makers and recycling industry are needed in order to facilitate the company’s, and suppliers work to meet previously determined sustainability objectives (pers.com., Tollmar, 2019). In this sense, results confirm that broad range of stakeholders have to be considered, who have essential information, motives, influence, control or expertise may facilitate or hinder the corporation to accomplish its goals (Hartman *et al.* 1999).

Oatly’s communicated intents correlate with the stakeholder-oriented perspective and prove that flourishing primary stakeholders underlie the formulation of CSR efforts with attempts to create business and social value at the same time (Lindgreen & Swaen 2010; Roberts 2003;

Werhane & Freeman 1999). Priority is given to the planet, and human beings determine the scope and breadth of Oatly's CSR activities. In other words, resources to be used sparingly impacts how corporate competencies are formed and utilized. Synchronizing corporate competencies in accordance with the needs of stakeholders, specific social and environmental context can result in designing corporate responsibility (Polonsky & Jevons 2009). Likewise, Scherer and Palazzo (2006) suggest corporations to operate in a continuous flow of resources as well as to obtain the support of their constituencies in consistence with social norms, values and expectations since those are critical factors to maintain legitimacy.

### 5.3 Corporate Communication

Corporate communication entails what the corporation mediates towards its constituencies and other stakeholders through diverse marketing channels (Balmer & Grayser 2006). Oatly's example presents that communication is a tool that facilitates the company to become a societal agent, break new grounds, challenge norms in society and share corporate values. Previous literature on corporate communication and CSR argue that communication has a substantial function to assure the mediation of relevant information to stakeholders in the most effective and consistent way (Golob et al. 2013; Kotler et al. 2005; Polonsky & Jevons 2009). Hence, communication channels and strategy suggested being selected carefully (*ibid.*). In Oatly's case, corporate intents express desires to have the right to say what the company believes in, aiming to show different ways and change mindsets in the society (Oatly 2019; The Challenger Project 2016a, b). As Scholcraft says, openness, transparency and an authentic way of communication are required to upgrade the society (The Challenger Project 2016a, c). Likewise, scholars confirm that communication has a fundamental role in positioning and safeguarding the consistent enactment of corporate vision, CSR values; at the same time, serves as a foundation of relationships with variety of stakeholders affecting the license of the corporation (Balmer & Grayser 2006; Balmer 2009; Kotler et al. 2005; Mark-Herbert & von Schanz 2007; Polonsky & Jevons 2009; van Riel & Fombrun 2007).

Besides, CSR literature highlights the importance of building bridges with internal and external stakeholders and creating a favourable long-term foundation with them (Crane & Glozer 2016; Lindgreen & Swaen 2010; Lindgreen et al. 2011). The aforementioned, calls for informing, responding and involving stakeholders in communication, for instance, through two-way dialogues (*ibid.*). The obtained findings illustrate that Oatly relies on participating in dialogues with various external and internal stakeholders (Oatly 2017a, b; Pers.com., Tollmar, 2019). Ongoing dialogues are perceived to be a means to raise awareness of corporate beliefs, develop corporate knowledge. Moreover, interactions facilitate to gain an understanding of stakeholder's needs and expectations. Inputs attained from stakeholders simultaneously drive changes, for instance, dialogues with internal stakeholders contribute to creating a sustainable business together (*ibid.*). What is more, Balmer and Greyser (2006) suggest establishing an organization-wide corporate marketing philosophy, where all employees take their part of the responsibility. Oatly's corporate activities illustrate desires to create an organization-wide culture in interaction through the process of communication, which serves as bonds between co-workers (Oatly 2017b; pers.com., Tollmar, 2019). Corporate documents, such as the code of conduct grant the base of shared corporate values, ethical principles and clarifies what Oatly expects from itself and its partners (Oatly 2017a; b; pers.com., Tollmar, 2019). Moreover, efforts are taken to have continuous dialogues with both suppliers and co-workers in order to assure understanding, reveal specific needs, build shared meanings and find correlating lines between corporate and stakeholder expectations (*ibid.*). These efforts show that CSR principles are amplified and strategically controlled internally through the codes of conduct, attempting to set guidelines along the supply chain (Blok 2017; Egels-Zandén & Limdholm 2015; Kapten 2004; Overdevest 2004). Furthermore, two-way dialogues and treating stakeholder

expectations as inputs correlate with the semiotics-based communication model since active roles are given to actors aiming to attain the closest meanings and create reality through the flow of information (Fiske 1990; Mark-Herbert & von Schanz 2007).

The representative of the company clarifies that communication towards consumers has critical importance in the company's life, communicating in a way that is easy to understand for everyone has a more significant value and more inputs assumed to be gained, such an example is the company's sustainability report (Pers.com., Tollmar, 2019). As suggested by scholars, active inclusion of stakeholders in corporate communication can reduce gaps to emerge between corporate actions and communication (Hatch & Schultz 2008; van Riel & Fombrun 2007). The obtained empirical evidence indicates that through authentic, transparent, communication the company attempts to be honest and distinguishable in order to be judged by real actions and not only by words (Oatly 2019b; The Challenger 2016a, c). The motivation behind this is to parallelly sell the products and values based on corporate beliefs and commence changes in consumer's lifestyle (pers. com., Tollmar, 2019). Likewise, Belz and Peattie (2012) propose the combination of conventional marketing communication techniques and an open disclosure approach that entails interactive two-way communication aiming to align marketing communication and CSR performance. By being provocative and transparent towards consumers, corporate statements express aims to initiate discussions and expectations, that force the company to continuously stand for what is stated as well as lead to improvements (pers. com., Tollmar, 2019; The Challenger 2016a, c). The company's main media towards consumers is product packaging. It is intentionally designed to be outstanding on the shelves and open up a dialogue with a corporate message on the side to let the consumer create a meaning (*ibid.*). Recently, the company even added the climate footprint a corporate message to the packaging to challenge the industry and share their numbers; by this step initiating new norms on the market. These lobbying efforts can be associated with deliberate communication towards stakeholders to gain legitimacy and open up for dialogue. In this sense, it correlates with the characteristics of the political-normative approach on CSR, that gives responsibility for businesses to create new values and norms in the society (Kim 2019, Schultz *et al.* 2013).

However, applying outstanding and provocative communication has twofold consequences (The Challenger Project 2016a, c). On the one hand, it comes with numerous internal and external risks and threats as being sued for the way of communicating whereas openness calls for close dialogues and entails the potential to become friends (*ibid.*). Challenges associated with corporate communication and the way CSR performance is aligned with communication practices stem from the variety of stakeholders and their different expectations (Mark-Herbert & von Schanz 2007; Polonsky & Jevons 2009). Moreover, concerns emerge regarding the method of communication, what kind of corporate actions should be communicated, towards whom, how intensively, and which communication channels to be used (Ginsberg & Bloom 2004, Maio 2003; Polonsky & Jevons 2009).

Focus group members perceive Oatly as a sustainable actor, and they state that what is being communicated is also delivered by the products and actions; providing a clear picture and shared understanding about the company's standpoint. Respondents see the communication style as part of the company's marketing, funny messages as a "humanizing" approach that attracts attention and allows to reach wider audiences as well as makes Oatly's intentions understandable and cool. However, communication gaps exist due to the misuse of marketing channels. Results indicate consumer interests for information regarding the impact of products and the origin of ingredients. For instance, concerns emerge whether the oat products are as Swedish and local as they are stated. Owing to the fact that the origin of ingredients is communicated on the company's website, but participants say that they prefer to gain information from the product package since that is the easiest and most accessible way for them.

Moreover, they do not trust the company's website since it is likely to be biased. These findings point out the presence of communication complexity, such as communicating action, the intensity of positioning, types of programs utilized and integration issues (Polonsky & Jevons 2009). Besides, scholars state that diverse consumer demands for information result in scepticism and failing to use the types of marketing tools that target groups prefer, jeopardize the outcomes of CSR communication (Coombs & Holladay 2013; Polonsky & Jevons 2009; Svensson 2009). Among respondents, the aggressive way of communication raises controversial feelings. Too intense corporate messages evoke dislikes, mistrust and scepticism, while others believe that the provocative style is the right way to raise awareness of societal issues. Findings show that Oatly's intentions express ambitions to have dialogues with stakeholders, but even if focus group members have an opinion and could discuss Oatly's activities, they show low willingness to engage in dialogue with Oatly itself. Gold and Heikkurinnen (2017) talk about the backlash effect of extensive information sharing on corporate transparency since it puts pressure on corporations to defend their image and reduces learning opportunities. Oatly's corporate statements emphasize that showing transparent corporate activities, being open and honest in communication is a way to initiate and set high expectations, as well as stimulate stakeholder reactions which then drives the company to improve (pers.com., Tollmar 2019). Nevertheless, it is essential to acknowledge that the findings are based on what is expressed by the company, such as in the sustainability report, code of conduct or by a key informant corporate representative. While focus groups represent only a specific target groups perception. Therefore, results illustrate only part of a bigger picture, including other stakeholders, as suppliers and co-workers could enhance the understanding of how CSR communication is perceived and affects other supply chain activities.

## 5.4 CSR communication

Based on Pringle and Thomson's (1999) idea of the "territory" through interactive two-way communication between the corporation and its constituencies, a common ground is likely to be constructed, where shared understanding is attained, corporate and stakeholder perceptions are met (Mark-Herbert & von Schantz 2007; Pringle & Thompson 1999). Schultz *et al.* (2013) argue for the importance of communicative dynamics for constructing CSR. Besides, maintaining legitimacy call for dialogues and inviting stakeholders to participate in decision making to co-construct reality (Scherer & Palazzo 2006, 2007; Schultz *et al.* 2013). Oatly's example shows that opening up for dialogues with various target groups and communicating in a provocative, rebellious style initiates the reaction.

However, the function given to dialogues and communication is dependent on the CSR approach a company determines to take and is influenced by how the company identifies its role in the society (Kim 2019). Oatly's communicated intents express motivations to be a societal agent, who shows different ways attempting to create new values and norms in the society (Oatly 2017a; pers.com., Tollmar, 2019). Efforts are taken to have ongoing dialogues with various stakeholders, such as suppliers, co-workers, politicians, consumers, and researchers (*ibid.*). This CSR approach shows similarities to the *political-normative* CSR perspective (Schultz *et al.* 2013). Owing to the power of businesses, responsibility is given to them to developing, integrating new values and norms in the society (Kim 2019, Schultz *et al.* 2013). This view relies on deliberative communication to engage in moral reasoning; thus, dialogues are central to mediate social expectations, invite stakeholders to take part in decision-making and build legitimacy (Scherer & Palazzo 2006; Schultz *et al.* 2013). An example from the findings illustrates that Oatly strives to define sustainability criteria for its partners, aiming to influence them to work towards sustainable development across the supply chain (Oatly 2017a). At the same time through discussions, visits and follow-ups, the company tries to

understand what is relevant for partners, identify possible risks and find solutions together (Oatly 2017a, pers.com., Tollmar, 2019). However, it is unclear whether corporate or constituents' expectations dominate decision-making (Schultz *et al.* 2013).

On the other hand, communicative CSR view emphasizes that two-way communication facilitates knowledge, meanings, understanding and various practices to be produced, reproduced and changed as well as creates reality through interventions (Elving *et al.* 2015; Jonker & Nijhof 2006; Schultz *et al.* 2013). For instance, Oatly asked their stakeholder groups to convey their opinion and help the company's work with identifying areas that their sustainability strategy should focus on in order to implement these feedbacks into practices (Oatly 2017a; pers.com., Tollmar, 2019). This approach refers to the characteristics of a *communicative perspective* on CSR, which leans on the power of constitutive communication dynamics (Schultz *et al.* 2013). Opinions and expectations of stakeholders obtained through dialogues deemed to be inputs for Oatly that grant improvements, help them to determine sustainability priorities and ways to synchronize social and business expectations. In this sense, CSR issues are discussed and negotiated with stakeholders attempting to develop a dynamic interplay of wide actors around the corporation (Golob *et al.* 2013; Schultz & Wehmeier 2010). Another example is the Sustainable Farm project, whereby cooperation with researchers and farmers aims to initiate sustainable transitions in oat cultivation, food production to mitigate challenges and implement new practices (Oatly 2017a). As suggested by Elving *et al.* (2015), CSR is a medium of communication to negotiate social and environmental concerns and achieve mutual benefits. Moreover, this initiative also raises awareness in the food industry, opens up discussions, which provides the opportunity to develop knowledge together in broader arenas. During the process of dynamic communication, responsibility is mediated, corporate legitimacy is being created in interaction, and CSR talk affects CSR practices (Golob *et al.* 2013; Schultz *et al.* 2013).

The empirical results verify that unifying the two perspectives of political-normative and constitutive communicative CSR via interaction shared understanding can be gained and interests of the society and business can be balanced. Furthermore, communication, discussions about CSR related issues and interventions with various stakeholders have the potential to produce, reproduce and change meanings, knowledge and understanding. Meanwhile, the dynamic interplay also facilitates actions to be coordinated and agreements to be made between the corporation and its constituencies. At the same time, via negotiating how to address environmental and social issues, CSR efforts are shaped since talk affects CSR actions, and are consolidated into the participants' reality.

## 6 Discussion

*This chapter aims to connect the empirical findings and the analysis with the research questions raised in Chapter 1. Followed by relating those to previous studies in order to make sense of the obtained results in a broader context.*

### 6.1 Aligning CSR with corporate marketing

This study contributes to enrich CSR communication studies from the communicative approach (Schultz *et al.* 2013). According to Christensen *et al.* (2013), discrepancies between talk and action might lead to scepticism. However, in contrast to conventional logic, the authors argue that CSR as aspirational talk may stimulate expectations, changes in corporate operations and improve CSR efforts (*ibid.*). This study indicates that CSR can be a forum between the corporation and its multiple stakeholders. Having interaction with diverse internal and external actors, connecting them, cooperating with them support safeguarding sustainability holistically along the supply chain; through information flow knowledge and opinions are expected to drive development and create shared value. Golob *et al.* (2013) talk about the dysfunctional effects of CSR communication, when CSR promises produce expectations instead of addressing them. In the contrary, the case company gives the role to communication to initiate expectations, reveal stakeholder wants, needs and address those. However, the findings are obtained from corporate accounts; thus, the challenge of how other stakeholders perceive or tolerate confusion and inconsistency pointed out by Christensen *et al.* (2013) remains questionable. Including more perspectives in the study could provide more confident results and enhance the trustworthiness.

Elving *et al.* (2015) argue that CSR communication is parallelly a strategic and communicative action, and even if two-way communication is applied, actors have individual ends. The results of this case study show that deliberative communication, such as code of conduct and principles are set to influence CSR activities across the supply chain and establish new norms with ambitions to transform food production. This correlates with the *political-normative CSR* since communication is used as a strategic tool, characterized by hierarchical negotiation (Schultz *et al.* 2013). Although, the current case illustrates that besides setting an agenda and expectations, stakeholders' voices also count. Opportunity is given for negotiation with attempts to formulate priorities together and correlate corporate and stakeholders' interests. Thus, the combination of the *political-normative CSR* and the *constitutive CSR* (Schultz *et al.* 2013) perspectives can be effectively aligned with corporate marketing strategies via proactive engagement in stakeholder dialogues. By inviting various actors to interact, social expectations towards the corporation are stimulated and facilitate developing corporate activities and CSR efforts accordingly. At the same time, involving stakeholders in decision-making also allows the corporation to influence values and norms in society. Crane and Glozer (2016) mention backlashes of the co-creative CSR; for instance, it can alienate practitioners and researchers. Empirical evidence, such as "*The sustainable farm project*", verify that active collaboration with farmers and researchers, negotiation about CSR projects facilitate knowledge sharing and understanding. In other words, reality to be co-created and implemented into practices. Meanwhile, Schultz *et al.* (2013) argue that in the communicative CSR view, dissent is vital, but consensus and agreement are not necessarily. This study shows that in some cases, both consensus and dissent are needed to facilitate CSR practices, as political and industrial actors' support is required, too.

Following Hildebrand and Bhattacharya's (2011) call for empirical test on CSR as a strategic lever for corporate marketing. The study indicates that commitment to CSR is aligned with external and internal corporate marketing efforts and fostered by two-way communication and dynamic dialogues. Ambitions to implement and align CSR values in and around the whole

organization demand reflexivity and openness to continuously negotiate and co-create reality with multiple constituents, instead of limiting marketing practices to particular departments. The two-way intervention serves to strengthen co-worker's engagement, reveal different stakeholder specific factors and complexity to be mitigated. Thus, synchronizing corporate marketing and communication efforts with CSR values contribute to shape and enact CSR efforts in accordance with the social and environmental context.

Although it is essential to highlight that two-way communication is part of taking responsibility, that contributes to building a common ground for CSR, but it is a process. Meanwhile, the obtained empirical evidence and the conceptual framework used during the study may not offer understanding the process aspects, but a given point in time. Furthermore, CSR as a mean to gain instrumental benefits is outside of the scope of the study. However, the business case exists in reality, as Elving *et al.* (2015) argue, the instrumental and communicative CSR are interdependent. This limitation hinders to reveal what dominates corporate sustainability efforts; corporate benefits or societal issues and the effect of financial aspects remain uncovered.

## 6.2 Communicating sustainability

Kim (2017) points out uncertainties about the extent of commitment to proactive CSR practices in the food industry. This study indicates that the whole idea of the brand promise is based on sustainability values and gives the distinctive character of the corporate brand. Oatly, striving to be a challenger brand and a catalyst company, shows authentic, “rebellious” and extensive communication. Even if this comes with risks and threats, ambitions are expressed to be transparent, honest and act in line with what is being communicated to safeguard the desired personality of the corporate image. While Frostenson *et al.* (2011) study report that CSR communication prioritizes to talk to professionals, Oatly's example presents that easily understandable language is applied to make messages attractive and clear for a broader audience not just for professionals. Furthermore, active communication on internal, production, and consumption levels, enable reaching broader arenas and deliver messages to specific target groups. Jonsson (2017) states that measurements and a code of conduct are vital when shaping sustainability programmes since CSR is a mere communication tool. Oatly's case shows that besides having codes and measurements, negotiating CSR through various marketing and communication channels are used to raise awareness. For instance, dialogues with politicians, outstanding and provocative messages utilized in lobbying, fellowship with artists ensure interpreting the messages to the specific target groups language. Besides, Kardell and Wallén (2018) argue that even though organizations communicate about SDGs, they often fail to implement the goals internally. The corporate report illustrates that acknowledging corporate impacts and identifying the goals and ways how those can be most efficiently addressed is a way to implement the SDGs to operations. While reflecting on Leitch (2017) concern regarding transparent information sharing and ethical fit between the corporation and its stakeholders. Oatly's expressed motives of showing openness in communication, what is good and what is less good is deliberate to open up for dialogues. Even though it comes with risks, it also grants to be judged on real actions. However, Høvring *et al.* (2018) question the transparency of CSR stakeholder dialogues, stating that a shared understanding of the goal does not grant that individual and shared motives for expected outcomes correlate. Concerns regarding whose power dominates still exist (*ibid.*). The obtained results also demonstrate uncertainties, even though stakeholder and corporate expectations are discussed, and efforts are taken to correlate interest, it is unclear how final decisions are made and how individual interests are balanced.

Findings show that Oatly seeks to communicate sustainability by integrating it into mainstream corporate communication, involving various marketing channels and practices. In other words,

CSR is parallelly used to sell the product and promote CSR values that the corporation believes. At the same time, these values make products distinguishable compared to other similar products on the market. Corporate marketing activities have a mediator, constitutive role and open up for multiple stakeholder dialogues. By being provocative, collaborating and connecting diverse actors on different levels corporate messages are translated, negotiated and enacted CSR to reach broader arenas of specific target groups as well as ensure improvement.

### 6.3 Consumer's perceptions of marketing and communication

Johnsson's (2014) study reveals that consumers are not controllable targets, but co-creators of development; thus, honest, reliable two-way communication is required. Empirical findings support that consumers belong to central stakeholders. Being provocative, "loud", open, and transparent in communication attempts to initiate ongoing dialogues and reactions from them. Focus group participants justify that open and honest communication facilitates to obtain a clear picture of corporate standpoint and brand promise since corporate products and activities are consistent with the messages. However, even if corporate ambitions are expressed to engage in dialogues, consumers in this study admit that they do not tend to have dialogues with food companies. Nguyen and Tognetti (2018) report that the integration of sustainability into business strategy and practices has the potential to result in enhanced customer engagement. Likewise, consumers state that communicating sustainability values enable positioning Oatly as a sustainable actor and creating a culture of the brand promise. Besides, messages combined with "humanizing", humorous and authentic communication style contribute to get closer to people and convince wider consumer groups to try plant-based alternatives. Moreover, the aim is to create the meaning in consumers' mind that they do something right by consuming sustainable products. Meanwhile, Taha (2018) argues that excessive CSR communication mediated by the company itself may lead to consumer scepticism and mistrust of the brand. Similarly, findings in this study reveal that too intensive corporate communication questions information to be biased and evokes scepticism in some respondents. In comparison, results illustrate that since the products are consistent with communicated corporate values, believes and actions; openness and transparency in corporate communication resulted in having clear perceptions about Oatly's brand promise. A previous study on Oatly (Stendbom & Högström 2015), identifies that social character of the communication through social media posts and product packaging lead consumers to perceive Oatly as a transparent company. Besides, trust and relatedness are key factors. In contrary, among respondents of this study, the packaging is the preferred marketing channel. Consumers care about the packaging and are willing to read the content on it. Whereas, other marketing channels are seldom checked. Failing to use the correct marketing channels create communication gaps. For instance, consumer interests are expressed to know the origin of the ingredients, but since those are communicated on the website and consumers do not tend to visit, the value of CSR communication is jeopardized.

Corporations are challenged by how consumers perceive corporate communication; findings indicate that open and honest communication is successful. Consumers see Oatly as a sustainable actor. Communicating sustainability in an authentic way enables creating an outstanding statement around the oat-products and constitute the base of the corporate brand "culture". Whereas, the intensity of messages shows different opinions. Some express dislike and concerns to aggressive communication, while others believe that this communication style has the power to raise awareness and creates a culture, based on the values the corporate brand stands for. Besides, communication gaps exist between the consumers and corporation if the information is not shared via the preferred marketing channels. However, it should be noted that findings show only a snapshot and a representative group of targeted consumers' perceptions.

## 7 Conclusions

*The aim of this project was to identify factors that promote corporate social responsibility communication and to explain the interrelatedness of sustainability, corporate responsibility and corporate marketing practices. In this chapter, key findings are summarized and reconnected to the aim and research questions of the study, followed by concluding the learnings and illustrating the contribution of the results. Lastly, practical implications and suggestions for future research are presented.*

The complexity of sustainability concerns how to approach and communicate CSR; moreover, challenges the functionalistic perspectives of CSR communication as well as demand CSR to be enacted corporate marketing holistically. Hence, this study, besides the mainstream CSR views adopted the *communicative* approach on CSR to enhance the understanding of the communicative perspective on CSR through corporate marketing lenses in the context of the food industry. Firstly, findings indicate that the combination of the *political-normative* and *communicative* CSR views is used to align CSR with corporate marketing practices. Depending on stakeholder groups, in some cases, deliberative communication is applied to break boundaries, and set norms, followed by dialogues, values are formed together. While, with other target groups reality is being created by connecting diverse actors; through the dynamic interchange of meanings and knowledge, allowing CSR talk to impact CSR actions, new mechanisms are established. Secondly, to communicate sustainability efficiently, various marketing campaigns and techniques on several levels are used to raise awareness, educate and reach broader arenas. The example of the case company illustrates that a strong commitment to sustainability, dynamic two-way dialogues and interventions with various stakeholders are essential to deliver messages to constituents and achieve shared understandings. Besides, sustainability is embedded in mainstream marketing seeking to sell value and products at the same time. In addition, an authentic, honest communication style amplifies marketing efforts. Thirdly, even if provocative messages are controversial, outstanding and “humanizing” communication attracts consumers’ attention, openness and transparency are appreciated by respondents, and support mediating a clear picture of the brand promise. However, consumers’ expectations regarding intensity, the content of messages do differ and affect their perceptions.

The study justifies that communication has a crucial mediator role in promoting corporate social responsibility. Openness, honesty and transparency in communication and constant two-way dialogues are key factors that have the potential to foster sustainability in the food industry. Besides, the product, corporate talk and activities have to be consistent; and aligned with authentic, easily understandable messages to ensure consumers understand CSR efforts. The analysis of the case highlights that the convergence of sustainability, corporate responsibility and marketing activities is pivotal to create a genuine brand promise and to bridge social and business expectations in interaction with key stakeholders.

### 7.1 Contribution of the study

Empirical findings of this study show that proactive commitment to sustainability is pivotal in the food industry in order to safeguard the value of CSR communication and carefully form the most suitable marketing toolbox. Therefore, practitioners should consider collaborating, having dialogues, and connecting diverse actors on various stages to facilitate dynamic knowledge flow between constituents. Proactive two-way discussions and including stakeholders in decision-making allow to correlate expectations, produce, reproduce and develop a shared value for business and society. In addition, to meet consumers information demand and preferences, the packaging of the food product is suggested to be used. However, to avoid communication gaps and deliver relevant messages via the right marketing channels, new alternatives are

needed. Accordingly, practitioners should consider using new technologies on product packaging, for instance, QR codes to showcase the origin of food products and provide easily accessible information. Moreover, to overcome on the believes that corporate communication is biased, marketers might incorporate supply chain actors' voices, such as farmers, co-workers and researchers, into corporate communication, to enhance credibility and achieve closest understandings between the corporation and its stakeholders. Besides, consumers in this study express that they do not tend to engage in dialogue with food companies. Meanwhile, during the focus groups, the general experience was that they have opinions, and they could actively discuss with each other how do they see corporate communication intents. Therefore, companies should provide opportunities for student projects to mediate consumer voices and serve as a link between business and society. Results can serve as valuable inputs for companies, who actively work with CSR and the ones, who consider strengthening CSR efforts.

Regarding the theoretical contribution, this study advances the understanding of *communicative* CSR approach. The project sheds light on the value of dynamic two-way communication between the corporation and its constituents. By combining the consensus-oriented deliberative communication to set new norms (political-normative CSR), and network-oriented aspirational talk, reality can be co-constructed in interaction and foster the strategic and transformational impacts of CSR in society. The constant negotiation of CSR issues with constituents grants reflexivity and ethical fit between organization and stakeholders. Besides, dialogues with multiple stakeholders, encompass balancing and coordinating CSR efforts in accordance with societal and stakeholder-specific factors.

## 7.2 Methodological reflection & opportunities for future research

As Elving *et al.* (2015) highlight, different CSR framings exist, and they are interdependent. This study primarily focuses on the communicative aspects of CSR and do not discuss the instrumental benefits of CSR in details. However, the study did not intend to idealize CSR through dialogic lenses and accepts that both the business case and constitutive CSR exist. Using Balmer's corporate marketing mix enables to show the interdisciplinary nature of corporate marketing and to understand the corporation's view of itself and the influence of key stakeholders to form the ground of the corporate marketing philosophy. However, this study applied only three elements of the marketing mix; thus, findings do not provide a complete picture of the focus of corporate marketing efforts.

In this study, conclusions are based on a single case study and represent a point in time, while the reality is in constant change and impacts CSR values and communication practices. Hence, better understanding the whole process of shaping and implementing CSR communication into corporate marketing might require a longitudinal study. While, this project attempted to gain in-depth insight into communicative dimensions of CSR; thus, it can serve as a pilot study and starting point for future research. To advance the findings of the study, a longitudinal study could test how continuous improvement and reflexivity of CSR communication are safeguarded among multiple stakeholders by including internal and external stakeholders' voices too. The aforementioned could reveal ways how trade-offs between societal and business interests can be balanced as well as test whether the business or stakeholders power dominate in decision-making.

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### **Unpublished corporate document**

Oatly. (2017b). Code of Conduct. Malmö: Oatly AB.

### **Interview (Online, face-to-face)**

Tollmar, Carina  
Sustainability Manager at Oatly. Uppsala, Malmö: 2019-03-13.

# Appendix 1

## Interview guide for the semi-structured interview

<b>Corporate sustainability</b>	<ul style="list-style-type: none"> <li>• Which sustainability objectives do you see as most important for you?</li> <li>• How do you safeguard previously set sustainability objectives to be fulfilled?</li> </ul>
<b>Corporate Social Responsibility</b>	<ul style="list-style-type: none"> <li>• What kind of actions do you take that you see as corporate social responsibility?</li> <li>• What are the motivations behind all of these activities?</li> <li>• Is there any particular area/ subject that you feel more responsible for?</li> <li>• How do you try to balance among those emerging complexities and still try to be honest with the company's values, resources?</li> </ul>
<b>Stakeholders</b>	<ul style="list-style-type: none"> <li>• In your communication, which groups (of stakeholders) are most important in your eyes?</li> <li>• Do I perceive it well that you would like to create an internal culture grounded in sustainability that all of the co-workers can engage with?</li> <li>• How do you try to achieve common understanding of the values that Oatly wants to represent internally?</li> <li>• How do you try to safeguard or maintain their commitment?</li> </ul>
<b>Challenges, complexities</b>	<ul style="list-style-type: none"> <li>• Given the actions you take – how do you balance the actions (with regards to resources and aspired objectives)?</li> <li>• What do you perceive currently as a challenge related to sustainability, communication, and transparency?</li> </ul>
<b>Code of conduct</b>	<ul style="list-style-type: none"> <li>• What are your objectives for your code of conduct?</li> <li>• Do you have any kind of follow-ups, monitoring practices along your supply chain to keep track and safeguard consistency with diverse actors (and the best interest of society)?</li> </ul>
<b>Sustainability Report</b>	<ul style="list-style-type: none"> <li>• In communicating your sustainability report who do you see as the reader(s)?</li> <li>• How do you ensure quality in the sustainability report?</li> </ul>
<b>Corporate marketing communication</b>	<ul style="list-style-type: none"> <li>• In what ways your sustainability communication invites stakeholders for dialogues?</li> <li>• How do you see communication, a way of making common sense or developing value together?</li> <li>• Do you see any group of stakeholders that are more important or critical in the company's eyes in regard to communication?</li> <li>• Do you invite your stakeholders for dialogues? What is the motivation behind? How do you use those inputs attained during dialogues?</li> <li>• Does this mean that you perceive consumers' expectations as a way /opportunity that challenge you and make you able to develop?</li> <li>• In what ways do you cooperate with the creative and communication departments?</li> <li>• How do you try to tailor the communicated messages towards diverse stakeholders to safeguard that your communication will be understood in a way that you want it to be understood?</li> <li>• What is the motivation behind communicating also bad things not just good things?</li> <li>• Are there any things that you decide not to communicate?</li> </ul>
<b>Communication transparency</b>	<ul style="list-style-type: none"> <li>• How do you make sure that your communicated intents are put in action?</li> <li>• Are there any things that you choose not to communicate? Why?</li> <li>• In what ways do you try to safeguard it all the time with all actions? What are the extra efforts that you do for that?</li> </ul>

# Appendix 2

## Moderating questions for the focus groups

<b>General question</b>	<ul style="list-style-type: none"><li>• How would you describe transparency in case of a food product?</li></ul>
<b>Brand promise</b>	<ul style="list-style-type: none"><li>• What was your first impression of Oatly?</li><li>• What kind of values do you associate Oatly with?</li><li>• What does the Oatly brand evokes in you?</li></ul>
<b>Oatly's marketing activities</b>	<ul style="list-style-type: none"><li>• How do you perceive Oatly's marketing activities?</li><li>• Which are the preferred marketing channels that you find prefer, use?</li><li>• Would you visit their webpage for more information or are there any other channels that you prioritize?</li></ul>
<b>Oatly's communication style</b>	<ul style="list-style-type: none"><li>• How do you perceive Oatly's communication style?</li><li>• In what case would you contact Oatly, participate in a dialogue with the company?</li></ul>

# Appendix 3

## Three types of complexity that corporations must consider when identifying CSR position and genuine CSR actions proposed by Polonsky and Jevons (2009)

Three types of complexity	Complexity - examples
<p style="text-align: center;"><b>Issue complexity</b></p> <p>Polonsky &amp; Jevons (2009)</p>	<ul style="list-style-type: none"> <li>• Needs to clarify the domain of the organization, including the scope and breadth of CSR activities in order to mitigate meaningful transformative changes</li> <li>• Corporate responsibility to be designed in accordance with the viewpoint of stakeholders, specific social and environmental context</li> <li>• Four aspects to be considered:               <ul style="list-style-type: none"> <li>○ <u>Issue identification</u>: determining the scope of issues that form the CSR policy and the corporate principles since stakeholders view issues differently</li> <li>○ <u>Heterogeneity</u>: CSR activities have multitude sub-areas, that vary in importance, thus, identifying the breadth is crucial to present adequate CSR activities on all fronts. Heterogeneous stakeholder perceptions exist.</li> <li>○ <u>Measurement</u>: measures of CSR performance have to consider the criteria and the processes by which criteria are measured. Needs for standardization of subjective evaluations, for instance, by external accreditors.</li> <li>○ <u>Interpretation</u>: Concerns regarding the perceived level of appropriateness of CSR performance. Overall social impact to be considered to advance the society as a whole.</li> </ul> </li> </ul>
<p style="text-align: center;"><b>Organizational complexity</b></p> <p>Polonsky &amp; Jevons (2009)</p>	<ul style="list-style-type: none"> <li>• Shaping CSR approach in line with the structure of the organization, its responsibilities and social issues</li> <li>• Four types of organizational complexity:               <ul style="list-style-type: none"> <li>○ <u>Corporate brand</u>: the integration of strategic CSR principles should be safeguarded at the highest corporate level; responsibility to become a distinct characteristic of the corporation and drive actions while evaluating present and future aspects.</li> <li>○ <u>Multiple products and brands</u>: CSR to be effectively integrated to all products and brands.</li> <li>○ <u>Site and functional activities</u>: Maintaining control, transparency and quality of responsibility by centrally coordinated, system-wide management plans and cooperation to assure consistent corporate behaviour across functional areas</li> <li>○ <u>Supply chain issues</u>: Needs to control system wide brand issues, for instance by utilizing international environmental standards, acceptability of standards within supply systems are critical.</li> </ul> </li> </ul>
<p style="text-align: center;"><b>Communication complexity</b></p> <p>Morsing (2006) Polonsky &amp; Jevons (2009) Ginsberg &amp; Bloom 2004) Maio (2003) Lewis (2003)</p>	<ul style="list-style-type: none"> <li>• Determining the ways how and what kind of information on CSR to be communicated towards external and internal stakeholders</li> <li>• Positioning, broadcasting the CSR approach the company aims to represent is pivotal</li> <li>• Showcasing how the corporation as a whole is connected to CSR via transparent communication</li> <li>• Four broad issues to be contemplated when developing CSR communication strategies:               <ul style="list-style-type: none"> <li>○ <u>intensity of positioning</u>: How strongly CSR should be integrated into all actions to genuinely represent corporate philosophy? What is the aim of the corporation? Is CSR a strategic element of corporate behaviour?</li> <li>○ <u>communicating action</u>: How much information regarding CSR should be communicated to fulfil different demands of stakeholders, while avoiding risks and scepticism?</li> <li>○ <u>types of programs utilized</u>: For whom what is preferable and what is not? How to showcase via marketing tools the direct link between CSR and corporate activities?</li> <li>○ <u>integration issues</u>: What is acceptable and what is not for different stakeholders? How to underpin CSR promotion in a meaningful way to ensure CSR claims to succeed and engage stakeholders in participating, raising expectations?</li> </ul> </li> </ul>

## Appendix 4

### Previous theses, studies focusing on CSR, sustainability, communication in the food industry

Reference	Study object	Findings
Frostenson <i>et al.</i> (2011)	CSR communication of Swedish retailers reports	CSR communication prioritizes to talk to professionals. Proactive stance requires having dialogues with other groups, as consumers to broaden arenas for communication.
Høvring <i>et al.</i> (2018)	Assumptions and principles behind CSR dialogue with multiple stakeholders in empirical setting	CSR stakeholder dialogue cannot be considered as an idealized, easy access to create shared value. Critical and open discussion about individual motivations to engage in dialogues are needed to ensure transparency and legitimacy.
Johnsson (2014)	Corporate communication in the Swedish meat industry	Consumers are no longer controllable targets, but cocreators of development. Honest, trustworthy two-way communication and interaction are needed with consumers.
Jonsson (2017)	Sustainable entrepreneurship, how a sustainable business can be presented in practice in the Swedish food industry	Along the process of shaping specific sustainability-oriented programmes CSR becomes a mere communication tool, measurements and code of conduct are needed.
Kardell & Wallén (2018)	Development of the Swedish food industry, relation between knowledge base and institutional characteristics	CSR interpretations can be solved through the more concrete sustainability language of the Agenda and frame the sustainability work. Instead of the fact that organisations communicate the SDGs they fail to implement those internally.
Nguyen & Tognetti (2018)	Sustainable business practices, customer's engagement in the Swedish coffee industry	Successful integration of sustainability into business strategy and implementing sustainability thinking into business practices result in higher engagement of customers and stakeholders.
Stendbom & Högström (2015)	Oatly's level of transparency perceived by the audience, key factors of transparency	Oatly's level of transparency considered to be high, key factors are trust, relatedness. Social media feeds and product packaging led the participants to these perceptions. Findings show that interactive and social character of the communication formed the respondents' opinion, but the authors believe that sentiments and benevolence are crucial, too.
Taha (2017)	Consumers reaction towards CSR information communicated on websites through the example of Fazer	Consumers are sceptical towards excessive CSR communication provided by the company itself, it leads to suspicion and mistrust of the brand. People are more interested in concrete issues, straight forward facts in easily accessible form.
Zukauskaitė & Moodysson (2016)	Sustainable development, innovation in the Swedish food sector	Not only promotion, but broader approach is needed to accomplish improvements in the food sector. Collaboration among companies and supporting consumer behaviour changes is required.

# Appendix 5

## **Additional details about the empirics**

The biggest part of Oatly's sales with 47% happens in Sweden, followed by the sales with 18% in the UK and on the third place with 16% of the sales is Finland (Oatly 2017a, p.9.) Currently, Oatly AB is a subsidiary of Cereal Base Ceba AB, which in turn has Havre Global AB as a parent company. Moreover, Oatly is jointly owned by Industrifonden, Österjöstiftelsen, Verlinvest, China Resources, the founders of the company, private individuals and employees (Oatly 2017a). The company has its headquarters in Malmö, its production site and development center are located in Landskrona (*ibid.*).