

How Dolce & Gabbana Returned to the World of Fashion: A Global Perspective

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WRITER'S COMMENT: When tasked with writing a paper on either a public relations campaign or a crisis, I was immediately drawn to an incident involving Dolce and Gabanna in 2018. The incident in question involved a series of racially offensive videos released to promote their next fashion show. As someone who was born in Hawaii, grew up in Hong Kong, attended a British international school, and now lives in California, I often find myself struggling to connect with my Asian identity and heritage. Consequently, the crisis surrounding D&G piqued my interest, as I wanted to explore the reactions of people who identify in a similar way to myself. In turn, writing this paper allowed me to gain a better understanding of and deeper connection to my Asian identity and heritage. The subsequent paper analyzes this public relations crisis through the lens of communication theories along with a cross-cultural analysis to help the reader understand the practical implications of the crisis.

INSTRUCTOR'S COMMENT: Joelle's assignment from CMN 131 is a public relations case study examining a contemporary issue with the theories and concepts learned in class. For an introductory public relations course, this assignment can be challenging because students have to identify a worthwhile case and illustrate what we can learn from it through a theoretical analysis. Joelle's paper is impressive because she applies multiple theoretical frameworks successfully to analyze the outcomes of this issue. Not only does she examine the crisis communication strategies of Dolce & Gabbana, but she also conducts a cross-cultural comparison. The global perspective that Joelle brings to

this work enriches her analysis and is a wonderful reflection of the global learning environment of UC Davis. Joelle's analysis is sophisticated and a pleasure to read. Congratulations to Joelle on her accomplishment!

—Heather Hether, Department of Communication

Introduction

In November of 2018, Italian luxury fashion house Dolce & Gabbana (D&G) was caught in a public relations crisis due to a series of racially offensive promotional videos that were released in anticipation of D&G's largest fashion show in Shanghai, "*The Great Show*." The company faced large amounts of criticism and backlash on social media networks such as Instagram, Twitter, and Weibo from users worldwide. The public reaction to this crisis resulted in the cancellation of *The Great Show*, and significant damage to D&G's global reputation. Following this, D&G implemented various crisis management strategies in China and the West, which have generated different outcomes and reactions from key publics. The different crisis management strategies used by D&G can be examined using Situational Crisis Communication Theory (SCCT; Coombs, 2007), while the differences in tactics chosen and key public reactions in China and the West can be examined using Hofstede's cultural dimensions (Hofstede, 1995).

Literary Review

A crisis is "a sudden and unexpected event which threatens to disrupt an organization's operations and poses both a financial and a reputational threat" (Coombs, 2007, 164). Inspired by Attribution Theory (Weiner, 1985), Coombs (2007) developed SCCT to guide organizations in their crisis management based on stakeholder perception of responsibility. According to the scholar, stakeholders include any group which affect, or are affected by, the behavior of an organization and determine the level of organizational responsibility. SCCT argues that the more

responsible an organization is deemed to be for a crisis, the more responsibility that organization needs to accept for the crisis in their management response.

To determine an organization's level of responsibility for a crisis, Coombs (2007) categorizes crises into three types: victim crises, accidental crises, and intentional crises. The author explains that victim crises, such as natural disasters, attribute the least crisis responsibility to an organization; it is regarded as a victim in such situations. Accidental crises - those that arise from unintentional or uncontrollable incidents such as technical errors - attribute minimal, albeit slightly greater, crisis responsibility. Conversely, an intentional crisis has the greatest attribution of crisis responsibility. Coombs (2007) claims that such crises are often due to organizational misdeed or human error. Thus, they are preventable, so the organization is to blame. The scholar notes that an intensifying factor that increases the level of responsibility is an organization's history of crises and prior reputation. Organizations with a favorable prior reputation will suffer less and rebound quickly from a crisis because they have more reputational capital to spend than an organization with an unfavorable or neutral prior reputation. Once the organization's level of responsibility in a crisis has been determined, organizations can use the framework provided by SCCT to select an appropriate crisis response strategy.

SCCT has identified three categories of primary crisis response strategies: deny, diminish, and rebuild (Coombs, 2007). Coombs has identified three different deny strategies: attacking the accuser, denial, and scapegoating. These strategies attempt to establish a crisis frame and aim to remove any link between the organization and the crisis, thus eliminating any reputational harm to the organization. Diminish strategies aim to convince stakeholders that a crisis is less severe than it is thought to be, and that the organization lacks control over the crisis. These strategies include making excuses to minimize organizational responsibility and justification to minimize the perceived damage caused by the crisis. Diminish strategies are used to reduce the organization's

connection to the crisis and are typically more effective in the case of an accidental crisis than an intentional crisis.

While deny and diminish strategies aim to reframe a crisis and reduce the level of responsibility attributed to an organization, rebuild strategies aim to improve the organization's reputation and generate new reputational assets. To rebuild, organizations may offer compensation to those affected by the crisis or issue an apology to stakeholders and accept full responsibility. These strategies are positive reputational actions and are used when a crisis presents a serious reputational threat to an organization, such as in the case of intentional crises. When selecting a crisis management strategy, organizations must review the crisis type to predict stakeholder reactions and select the most appropriate strategy that protects the stakeholders.

Differences in culture mean that publics across the world react differently to crises and the resulting corrective actions. The Hofstede model distinguishes cultures according to five dimensions: power distance, uncertainty avoidance, masculinity/femininity, long/short term orientation, and individualism/collectivism (Hofstede, 1995 as cited in de Mooji & Hofstede, 2015). The model ranks countries on a scale from 0 to 100 for each dimension, and every country has a position on each scale relative to other countries (de Mooji & Hofstede, 2015).

Firstly, power distance is the extent to which the less powerful members of society accept and expect the unequal distribution of power (Hofstede, 2011). People in large power distance countries, such as East European, Asian, or African countries, believe that people have their rightful place in a social hierarchy (Hofstede, 2011; de Mooji & Hofstede, 2015). Hofstede (2011) explains that uncertainty avoidance is the extent to which people in a culture are comfortable with unstructured situations; high uncertainty avoiding cultures like East and Central European countries may have more strict behavioral codes than low uncertainty avoiding cultures to minimize such situations. China and the United States both score relatively low on the uncertainty avoidance scale (Barnum, 2011).

Additionally, the masculinity/femininity dimension places a large emphasis on role differentiation in cultures; feminine societies have small amounts of emotional and social role differentiation, while masculine societies have large amounts (de Mooji & Hofstede, 2015).

De Mooji and Hofstede (2015) further explain that long/short term orientation is the extent to which people in a society have a future-oriented perspective, rather than a perspective that is stuck in the past and present. This dimension is influenced by Confucian philosophy, which defines the relation of people within social hierarchies and places a large emphasis on hard work, patience, and perseverance in waiting for rewards (Barnum, 2011). The scholar finds that China is the highest scoring country for long/short term orientation, while the United States scores low on the scale. These dimensions act as a guide for public relations practitioners when dealing with global crises. However, the final cultural dimension of individualism/collectivism has the largest implications for public relations practitioners dealing with global crisis management.

Collectivism is the degree to which people in a culture value individual achievement compared to group welfare and affiliation (Barnum, 2011). Individualistic societies, like the United States, are “I”-conscious and value self-actualization, while collectivistic societies, like China, are “we”-conscious and value harmony and a sense of belonging (de Mooji & Hofstede, 2015). The authors mention that a collectivist’s identity is based on the social system to which they belong, and that saving face is a collectivistic norm that motivates individuals to act accordingly to their social position. The importance of saving face means that public apologies are rarely used as a crisis management tactic in China, as the admission of guilt leads to a loss of face in the public eye (Zhu et al., 2017). Additionally, Wang and Laufer (2020) found that developing a strong *Guan Xi* – a type of social capital developed between two parties through reciprocal exchange (Standifird, 2006) – with the Chinese government, avoiding public apologies, and diverting

attention from the crisis were successful crisis management tactics that have previously been used in China.

Analysis

The case of D&G's 2018 crisis can be explored using the theories and frameworks discussed above. The racially offensive videos that were released to promote *The Great Show* involved a female Chinese model being told how to eat Italian food with chopsticks, utensils traditionally used to eat foods from Asia. The narrator then made sexually misleading remarks to the model. The video was swiftly removed from D&G's social networks due to public backlash, but not before the videos were reposted onto a fashion watchdog Instagram account, @diet_prada, where many flocked to attack the brand and its behaviors. The next day, a series of direct messages between namesake designer Stefano Gabbana and a follower of @diet_prada surfaced on the watchdog Instagram account where Mr. Gabbana was exposed for making racist remarks about Chinese people and their country. The videos and the leaked messages contributed to the global crisis D&G soon found itself in. Under SCCT, this crisis was due to human error and organizational misdeed, and as such would likely be categorized as an intentional crisis. Moreover, had the company had thought about the implications of their advert, the crisis could easily have been prevented.

As such, D&G had to select appropriate crisis management strategies to deal with this incident. The company initially adopted a deny strategy. Following the backlash, D&G issued a statement on their Instagram account claiming that both the brands and Mr. Gabbana's personal Instagram account had been hacked, arguably to avoid taking responsibility for the advert and Mr. Gabbana's offensive remarks. In the same post, D&G apologized for "any distress caused by these unauthorized posts" rather than apologizing for the videos or racist remarks, claiming they "have nothing but respect for China and the people of China". It appears that the brand

attempted to alleviate some of the responsibility attributed to them for the crisis through scapegoating and victimizing themselves. Unsurprisingly, the public did not respond well to D&G's deny strategy, refusing to believe that hackers were to blame for the crisis.

Soon thereafter, the brand released an apology video online. In the video, the two named designers discussed their love and respect for China and its culture, with both even apologizing in Mandarin Chinese. Despite this, netizens felt that the apology was ingenuine and continued to voice their outrage with their brand and attack the duo in the comments section. After releasing their apology video, D&G posted one final apology on Instagram, claiming that their "dream was to bring to Shanghai a tribute event dedicated to China which tells [D&G's] history and vision" with *The Great Show*, claiming that the show was created with "love and passion for China and all the people around the world" who love D&G. This tactic – trying to boil the entire situation down to a mere misunderstanding – was part of D&G's strategy aimed at diminishing the crisis and the organization's connection to the crisis. However, it was ineffective; diminish strategies are typically unsuited to intentional crisis.

The tactics used by D&G to implement their deny and diminish strategies targeted publics in both the West and in China in similar ways. However, their rebuilding strategies differed. To rebuild their image in the West, D&G tried to stay under the radar online for nearly a year, after which they launched various philanthropic efforts to generate positive earned and shared media online. In 2020, the brand pledged a "significant", albeit undisclosed, donation to the National Association for the Advancement of Colored People, and partnered with the Trevor Project, an LGBTQ+ suicide and crisis intervention organization. Additionally, the brand partnered with Humanitas University to fund COVID-19 research and launched their "Amore for Scientific Research" campaign with Sofia Vergara, where the brand donated a portion of proceeds from sales of its "Devotion" bag (McCall, 2021). D&G also tried to rebuild their image by shifting the spotlight off

the two named designers, and redirected attention to the artisans who help them bring their creations to life. In 2020, D&G's runway presentations highlighted the skillset of the behind-the-scenes team and drew media attention to other important individuals within the company. These rebuilding tactics targeted consumers and the public, as the brand had to improve their image and social media presence. These strategies have proven to be effective, given that the brand slowly made a comeback in traditional media and social media; influencers and celebrities were seen wearing D&G garments on the red carpet and in daily life. Despite increases in “cancel culture” in recent years and the increased power netizens have over the reputations of large organizations, D&G's presence in the fashion world has steadily increased in the years since the crisis.

The public reaction to the crisis in China was extreme compared to the West. The phrase “Boycott Dolce” had been used over 180,000 times on Weibo within a day of the ads being posted, and the social media platform was flooded with videos of users destroying D&G products. Chinese celebrities terminated their contracts with D&G and issued public statements disavowing the brand, which had a large impact on the public perception of D&G in China. Additionally, retailers in China were quick to remove D&G products from popular e-commerce sites such as Net-A-Porter, Alibaba, and JD.com (Nanda & O'Connor, 2021).

This adverse reaction led the company to employ more intense rebuilding strategies in China than the West. Due to China's collectivistic society and the importance attributed to saving face, D&G could not continue to use apology as a suitable crisis management strategy. The strong government presence in China makes it a key public for D&G, especially since the government controls the media in the country. In attempts to remedy the situation, D&G tried to rebuild their *Guan Xi* with the Chinese government, a strategy that has proven to work previously in China. The company's new Asia Pacific CEO, Carlo Gariglio, pioneered these efforts by ensuring D&G were present at the China Import

and Export Expo, a highly important event in Beijing attended by Xi Jinping, China's president, in 2019 and 2020. This strategy has proven to be successful in the context of this case; D&G began reappearing in Chinese fashion media such as Elle China and Vogue China and celebrities in Hong Kong were seen wearing D&G garments. This was a huge step forward for the brand; many news outlets had previously refused to accept paid partnerships with D&G due to the crisis. Crucially, this resulted in the brand gaining shared and earned media from surprised Weibo users reposting and discussing the ads.

It can be seen from the above that D&G has recovered its reputation with many publics. However, despite D&G's efforts to manage their 2018 crisis, many critics feel that there is still a disconnect between the actions of the brand and its historic public presence (McCall, 2021). Aside from the initial apologies that were issued by the brand, there has been no further official statement regarding the entire crisis. The actions of D&G seem performative to many users on Weibo, and their actions have centered around shifting public perception of the brand in both the West and in China. While the brand targeted consumers as a key public in the West, their efforts in China were much more government focused. This key difference in D&G's tactics can be attributed to the collectivist mindset and high power distance of China, in comparison to the individualist mindset and low power distance of many countries in the West. While the company has adopted all three strategies outlined in SCCT, no strategy seems to have been particularly effective in all jurisdictions. As such, this case highlights the importance of taking geopolitical factors and cultural dimensions into account when responding to a global crisis. The success of crisis management strategies will therefore depend on the ability of organizations to accurately identify these factors – and respond accordingly.

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