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What It Takes to Become the World's No.1 Retailer and Manufacturer

**An Analysis of UNIQLO's Branding and
Differentiation Strategy**

Supervisor

Ch. Prof. Hirofumi Utsumi

Assistant supervisor

Ch. Prof. Eugenio De Angelis

Graduand

Chiara Ceccanti

Matriculation Number 866623

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*Don't look behind you, fly till you find
Your way towards tomorrow*
Sebastián Yatra – Two Oruguitas
(From "Encanto")

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Abstract

UNIQLO (in Japanese ユニクロ) is a Japanese clothing company, leading business of the Fast Retailing group. In the last decade, UNIQLO has expanded its business overseas, in order to become the world's no.1 casual brand and be the best retailer and manufacturer worldwide. However, UNIQLO is going through a rough competition, especially in the European market, due to the presence of strong competitors such as H&M and ZARA.

To reach its target and become the world's no. 1 manufacturer and retailer, UNIQLO is utilizing different strategies. In my thesis, I analyze how the company utilizes branding and differentiation strategies to gain competitive advantage against its competitors. In particular, I analyze how UNIQLO's original technologies contribute to the creation of competitive advantage, how the company utilizes its online stores and social media for its branding, and how its sustainability approach can contribute to the betterment of the brand's image among clients, making it the best option compared to other casual brands such as ZARA and H&M. I try to identify what makes UNIQLO different compared to its competitors, to finally find an answer to the question "how is UNIQLO acting in order to become the world's no.1 retailer and manufacturer?."

要旨

ユニクロは日本の有名なファッション・ブランドである。近年、ユニクロは海外進出し、ヨーロッパの市場にも参入した。しかし、ヨーロッパの市場には強い競合他社がある。特に、ZARA と H&M はヨーロッパの市場にある一番強い競合他社である。2022 年の製造業者と小売業者のランキングを見ると、ZARA は第一位、H&M は第二位、ユニクロは第三位である。ユニクロの目標は一番になることであるが、どうすればランキングが上がるだろうか。

ランキングを上げるために、ユニクロは売り上げを上げなければならない。売り上げを上げるには、競合他社と比べ競争優位(competitive advantage)を得ることが必要である。競争優位を得るために、ユニクロは差別化戦略とブランディングを使っている。

ユニクロは国によって商品を変えず、世界で同じ商品を販売している。差別化戦略の中心は斬新な、機能性の高い商品を生産することである。競合他社と比べると、ユニクロの商品は独自技術を持っており、競合他社の商品と比べ機能性が高い。さらに、このような機能性の高い商品が日常的に使えることは、差別化に貢献する。ユニクロの商品数は競合他社の商品数より少ないが、独自技術を通じて商品の価値を高めている。

顧客に商品の特徴を見せるために、オンラインストアとソーシャルメディア、つまり、ブランディングが必要になる。ユニクロが進出した国には自社のオンラインストアがある。オンラインストアのデザインはそれぞれ違うが、スタイルは同じである。デザインは多様で、買い物のためのいろいろな機能がある。ほとんどの国のオンラインストアの内容はだいたい同じである。国にとってサイトの言語が違い、ページに商品の順番が違う。国で人気がある商品はページの上に見つける。国にとって人気がある商品は違うから、順番も違う。競合他社のオンラインストアと比べると、ユニクロのオンラインストアはデザインと機能性のバランスを取っている。

オンラインストアに加えて、顧客に商品の特徴を見せるための方法はソーシャルメディアである。ユニクロは主なソーシャルメディアにさまざまなプロフィールがあり、グローバル・プロフィールもローカル・プロフィール、つまり、特定の国のプロフィールも存在している。内容は似ているが、プロフィールによって投稿の言語とスタイルは違う。競合他社のソーシャルメディア・プロフィールと比べると、ユニクロのアプローチはもっと「グローバル」である。ソーシャルメディアの中心は常にユニクロの機能性の高い商品だが、コミュニケーションは国によって異なる。

ユニクロの競合他社と比べて数が少ない商品を「グローバル化」せず、ブランディングだけを「グローバル化」することは、ユニクロのサステナビリティの一つである。ユニクロは環境サステナビリティと社会サステナビリティに集中し、働きかける。競合他社がしているように、ユニクロも SDGs やパリ協定の目標を目指

している。温室効果ガスの排出量をゼロにするために、さまざまな活動している。例えば、ユニクロの店と事務の中で再生可能エネルギーを使っている。さらに、グーグルとの協力を通じて、商品の郵送の効率をもっとよくしている。いろいろな環境サステナビリティへの活動に加えて、社会サステナビリティへの活動もある。難民を助けること、女性労働者をサポートすること、LGBTQ+労働者の権利を応援することはいろいろな社会サステナビリティへの活動の例である。ユニクロはサステナビリティへの活動を通じてブランドのイメージを強化している。

では、ユニクロはどうすれば製造業者と小売業者の最高となりえるだろうか。競争優位を得るために、商品の機能性に投資を続けることは必要である。このようにしたら、ユニクロは差別化を勝ち取れる。顧客は日常的に必ずな機能性がある服を求める時、競合他社の商品の代わりに、ユニクロの商品を選ぶ可能性が高いただろう。製造業者と小売業者の最高となるために、オンラインストアとソーシャルメディアでのブランディングも必要である。オンラインストアでユニクロの店がない場所に住んでいる顧客もユニクロの商品を買えるから、ユニクロは売り上げを高められる。オンラインストアの機能はショッピングをもっと便利にするから、顧客は「ユニクロのオンラインストアでショッピングしたい」という気持ちになるだろう。ソーシャルメディアを通じて、ユニクロはより多くの見込み客と潜在顧客をとつなげることができる。ユニクロは顧客の言語を使って、顧客の注目を集めることができる。最後に、サステナビリティの活動を通じて、ユニクロはブランドのイメージを向上できる。サステナビリティは現在のトレンドなので、ソーシャルメディアにサステナビリティの活動をもっと共有したら、ユニクロブランドにもっと注目を集められると思う。

ユニクロはこのようなアプローチを維持したら、未来に製造業者と小売業者の最高になるだろうと思う。

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1 INTRODUCTION

In 2021, Fast Retailing Co. was the Japanese top selling domestic company in the area of apparel, with sales worth more than three trillion yen.¹ UNIQLO, the leading business of the group, contributed to the total with 1.7727 trillion yen.² With the expansion of the company overseas, the brand is aiming to become the world no.1 casual brand and no.1 retailer and manufacturer.³ However, UNIQLO is facing a rough competition, especially in the European market, due to the presence of strong competitors such as ZARA (brand part of the Inditex Group) and H&M, rooted in the continent. In my thesis I will analyze part of UNIQLO's differentiation strategy and branding, in order to answer the question "how is UNIQLO acting in order to become the world's no.1 retailer and manufacturer?."

To have a base to better understand UNIQLO's presence and choices in the global market, I think it would be useful to keep the company's background in mind; to do so, in this introduction I will make an excursus of UNIQLO's history of expansion and its main campaigns and achievements; I will then illustrate UNIQLO's position in the retailer and manufacturer ranking, which is the reason of this work's main question, to then introduce those aspects of the company's differentiation strategy and branding that I will analyze in the other chapters of my thesis.

1.1 UNIQLO'S HISTORY OF EXPANSION, CAMPAIGNS AND ACHIEVEMENTS

The first UNIQLO shop was founded in 1984 by Yanai Tadashi in Hiroshima. In 1991, Yanai renamed his father's company, Ogori Shoji Co., as Fast Retailing Co.. Fast Retailing is now considered the parent company of UNIQLO. The first UNIQLO office in Tōkyō is opened in 1996 in order to reinforce in-house product planning and development (in other words, to better control and organize its vertical operations). During the late 90's, different shops are opened all over Japan.⁴ In October 1998, UNIQLO reaches a high level of public interest thanks to its 1900 yen fleece campaign; one month later, the first urban UNIQLO store is opened in Harajuku. To further enhance its production management, UNIQLO opens its Shanghai Office in 1999 (the first store in Shanghai will be open only in 2002). In 2001, the first overseas shop is opened in London, first of many steps towards global expansion.⁵ The consumers' interest is sparked in 2003 by the new cashmere campaign, and in October 2004 the first large-format store is opened in Ōsaka (this store has been closed in 2010). 2 months later, at the end of the year, a new UNIQLO Design Studio is created in New York to support the growing brand.⁶ In September 2005, different stores are opened around the world: the first shop in Korea

¹ "Sales value of the leading domestic companies in the apparel industry in Japan as of 2021," Statista, accessed on November 29, 2022, <https://www.statista.com/statistics/655806/japan-leading-domestic-fashion-companies/>.

² "Fast Retailing Integrated Report 2021," Fast Retailing, accessed on November 29, 2022, https://www.fastretailing.com/eng/ir/library/pdf/ar2021_en_02_sp.pdf.

³ Stephen Dacus, "UNIQLO's overseas strategy. To become the world's No.1 casual brand," Fast Retailing, accessed on November 28, 2022. https://www.fastretailing.com/eng/ir/library/pdf/earnings060413_Dacus.pdf.

⁴ "About Us – History," Fast Retailing, accessed on August 08, 2022, <https://www.fastretailing.com/eng/about/history/>.

⁵ Ibid.

⁶ "UNIQLO, Azienda Giapponese che Opera nel Settore dell'Abbigliamento Casual," MAMe, accessed on August 08, 2022, <https://moda.mam-e.it/uniqlo/>.

(Seoul), the first shop in the USA (New Jersey) and the first shop in Hong Kong. The first specialized UNIQLO stores (BODY by UNIQLO, specialized in underwear for women, and UNIQLO KIDS) open during the same year. In November, the company assumes a holding company structure. The following year, in September 2006, UNIQLO creates one of many sustainable initiatives: the All-Product Recycling Initiative, in which UNIQLO collects used clothes and donates them to people in need.⁷ In 2007, different large stores are opened in Japan (Kōbe Harborland store and Setagaya Chitosedo store in Japan, Myeondong store in Korea). During the same year, a specialized store is opened in Harajuku (UT Store, specialized in T-shirts). In October, there is a massive surge in sales thanks to the first UNIQLO HEATTECH campaign; the following month, the second global flagship store is opened in Oxford Street, London. In December, the first French store is opened in Paris. In May 2008, UNIQLO donates clothes to people involved in the Sichuan earthquake. In June, UNIQLO wins the Grand Prix of one of the biggest advertising festivals – the Cannes Lions International Festival of Creativity –⁸ with its UNIQLOCK advertising.⁹ In August, UNIQLO creates a joint venture with Wing Tai Retail Pte Ltd in order to expand its business in Singapore (the first shop in Singapore will open the following year). In March 2009, UNIQLO starts a collaboration with the German stylist Jil Sander, from which the +J collection is born. In October, the third UNIQLO flagship store opens in Paris, and the +J collection starts to be sold worldwide. In March 2010, UNIQLO headquarters are relocated in Roppongi. In the same month, a fully owned subsidiary is opened in Taiwan (the first store is opened in Taipei in October of the same year). In April 2010, the first Russian store is opened in Moscow. In May, the fourth UNIQLO flagship store is opened in Shanghai. In July, UNIQLO establishes a joint venture with GRAMEEN Bank, with the perspective of expansion with a Social Business Initiative in Bangladesh (two stores will open in Dhaka in July 2013). In October, the first Japanese flagship store is opened in Shinsaibashi, Ōsaka. In November, the first Malaysian UNIQLO store is opened in Kuala Lumpur. In February 2011, UNIQLO starts collaborating with the United Nations High Commissioner for Refugees (UNHCR) to improve ecological and social initiatives. In March, after the triple disaster of Fukushima, the company donates clothes to the people affected. In September 2011, the first store in Thailand is opened in the city of Bangkok. Three global flagship stores are opened by the end of the same year in Taiwan, New York and Korea. In March 2012, the ninth global flagship store is opened in Ginza, Tōkyō. During the same month, the UNIQLO X UNDERCOVER collection is launched. In June, the first store in the Philippines is opened in Manila. In September, a collaboration store between UNIQLO and Big Camera is opened in Shinjuku (the shop was closed in June 2022).¹⁰ The following month, the first UNIQLO store of the USA's West Coast is opened in San Francisco. In April 2013, the tenth global flagship store is opened in Hong Kong. In June, the first Indonesian store is opened in Jakarta. In September, a global flagship store opens in Shanghai. In March 2014, a global hotspot store is opened in Ikebukuro, Tōkyō. During

⁷ "Q. About UNIQLO Recycling Program," UNIQLO, accessed on August 08, 2022, https://faq-my.uniqlo.com/articles/en_US/FAQ/About-UNIQLO-Recycling-Program-MY.

⁸ "Group News - UNIQLOCK wins awards at all 3 Intl Advertising Festivals! Grand Prix at the Cannes Lions," Fast Retailing, accessed on August 08, 2022, <https://www.fastretailing.com/eng/group/news/0806231600.html>.

⁹ "UNIQLOCK by Uniqlo," Hypebeast, accessed on August 08, 2022, <https://hypebeast.com/2007/6/uniqlock-uniqlo>.

¹⁰ Imada Kaila, "Tokyo's massive Bicqlo Shinjuku to close this June," Timeout, accessed on August 08, 2022, <https://www.timeout.com/tokyo/news/tokyos-massive-bicqlo-shinjuku-to-close-this-june-052022>.

the same month, a collaboration with the French stylist Ines de la Fressange is launched. In April, the first Australian store (Melbourne) and the first German store (Berlin, global flagship store) are opened. In Tōkyō, Okachimachi Store (April) and Kichijōji Store (October) are opened as global hotspot stores. The Ōsaka global flagship store is opened in October. In August 2015, UNIQLO and Disney launch their collaboration project called “MAGIC FOR ALL”. In October, the first UNIQLO store opens in Belgium (Antwerp) and in the Midwest coast of the USA (Chicago). During the same month, the UNIQLO AND LEMAIRE collaborative collection is launched. In November, UNIQLO and Toray Industries announce their third 5-year plan of partnership to develop new materials useful for the brand. In March 2016, a renovated global flagship store opens in London; in September, the first UNIQLO flagship store of Southeast Asia opens in Singapore and the first Canadian store opens in Toronto. The UNIQLO U Line, by Christofe Lemaire, is launched during the same month. In March 2017, the Japanese UNIQLO Online Store is improved with new services such as “Shop by Look” and the pick up service. In September, the first Spanish store is opened in Barcelona and a new collaborative collection with JW ANDERSON is launched. In July 2018, Fast Retailing and Shima Seiki Mfg, Ltd. form a partnership for the production of garment products. In August, the first Swedish store opens in Stockholm and, in September, the first Dutch store opens in Amsterdam. In October, a new global flagship store opens in Manila, Philippines. During the same month, Fast Retailing and Daifuku Co., Ltd. (a Japanese material-handling equipment company) enter in a partnership. In November, UNIQLO becomes part of the UN Global Compact, the largest global corporate sustainability initiative in the world.¹¹ During 2019, different stores open around the world: the first Danish store is opened in Copenhagen (April), the first Italian store is opened in Milan (September), the first Indian store is opened in New Delhi (October) and the first Vietnamese store is opened in Ho Chi Minh (December). In November of the same year, a new agreement concerning the supply chain is made between Daifuku Co., Ltd, MUJIN, Inc and Exotec Solutions SAS. In March 2020, with the start of the COVID-19 pandemic, the company donates useful items such as medical masks to medical facilities around the world. In April, a new, larger type of store designed for families, called UNIQLO PARK, is opened in Yokohama. In June, two stores are opened in Harajuku (with the largest UT section of all Japan)¹² and Ginza (a global flagship store focused on LifeWear). In September, UNIQLO launches the initiative RE.UNIQLO: a recycling project based on the motto “Recycle, Reuse, Reduce”.¹³ In November, a new +J collection is launched all over the world. In December, Fast Retailing is included in the CDP water security “A list,” a recognition of the efforts of the company towards the environment, in particular water.¹⁴ In April 2021, the reviewing system is improved in order to receive directly in the head office of the company all customer opinions. In September, a new UNIQLO flagship store in Paris – Rue de Rivoli – is opened. In October, a renovated flagship store is opened in Taipei; in November, a global flagship store is opened in

¹¹ “What’s the commitment?,” United Nations Global Compact, accessed on August 08, 2022, <https://www.unglobalcompact.org/participation/join/commitment>.

¹² Sato Kashiwa, “Creative Director Kashiwa Sato on the Highlights of the Harajuku and Tokyo Stores, and Plans for the Future,” UT magazine, August 27, 2020, <https://www.uniqlo.com/jp/en/contents/feature/ut-magazine/s43/>.

¹³ “RE.UNIQLO,” UNIQLO, accessed on August 08, 2022, <https://www.uniqlo.com/uk/en/content/re-uniqlo.html>.

¹⁴ “Fast Retailing Recognized with Prestigious ‘A’ Score for Global Water Security”, Fast Retailing, accessed on August 08, 2022, <https://www.fastretailing.com/eng/sustainability/news/2012101500.html>.

Beijing, China. In April 2022, a UNIQLO x Theory store is opened in London. In May, a joint collection with Marni (an Italian luxury fashion house) is launched.

These are the main points of UNIQLO development and achievements during the past 30 years.

1.2 UNIQLO’S COMPETITIVE ADVANTAGE: FOUR ASPECTS FOR COMPETITIVE DIFFERENTIATION AND BRANDING

The global dimension of UNIQLO has quickly become one of its main driver, considering that in 2019 UNIQLO sales overseas were higher than domestic sales (as reported on the Fast Retailing website).¹⁵ In particular, since 2014, with the opening of stores in different European cities, UNIQLO has focused on its expansion in the European continent. However, as already mentioned, UNIQLO expansion in Europe must deal with big competitors, in particular with ZARA and H&M.¹⁶

Fast Retailing has published on its website the “Major Global apparel Manufacturer and Retailer” ranking (Figure 1). We can see from the chart how UNIQLO occupies the third position of the ranking, behind ZARA (first place) and H&M (second place). I have to specify that the Chinese company SHEIN has gained an important market share, especially in the American market, where it has reportedly become the biggest retailer.¹⁷ However, since the data regarding its sales is not completely clear and it is not reported in this ranking, I have not considered SHEIN in my thesis.

To climb the “Major Global apparel Manufacturer and Retailer” ranking, UNIQLO needs to raise its sales. This is why competitive differentiation and branding are two important tools for UNIQLO to rise its competitive advantage, in order to reach the top and become the world’s no.1 manufacturer and retailer.

Major Global Apparel Manufacturer and Retailer						
Company Name (Flagship Brand)	Country and Region	End of Fiscal Year	Sales (Trillion of yen)	Sales (Billions of dollar)	Change (%) (local base)	
INDITEX (ZARA)	Spain	Jan. 2022	3.58	31.01	+35.8	
Hennes & Mauritz	Sweden	Nov. 2021	2.41	20.83	+6.4	
FAST RETAILING(UNIQLO)	Japan	Aug. 2021	2.13	18.45	+6.2	
Gap	USA	Jan. 2022	1.93	16.67	+20.8	
PVH (Calvin Klein, Tommy Hilfiger)	USA	Jan. 2022	1.06	9.15	+28.4	
NEXT	UK	Jan. 2022	0.72	6.19	+30.9	
AMERICAN EAGLE OUTFITTERS	USA	Jan. 2022	0.58	5.01	+33.3	
Ralph Lauren	USA	Mar. 2021	0.51	4.40	-28.6	
Abercrombie & Fitch	USA	Jan. 2022	0.43	3.71	+18.8	
Esprit	Hong Kong	Jun. 2021	0.12	1.06	+66.5	

Notes: Compiled from the annual reports of the companies listed above.
 *Figures calculated in yen using the end of February 2022 FX rates. (\$1=¥115.59)

Figure 1 Major Global Apparel Manufacturer and Retailer ranking (22.11.2022)

<https://www.fastretailing.com/eng/ir/direction/position.html>

¹⁵ “About Fast Retailing,” Fast Retailing, accessed on November 30, 2022, <https://www.fastretailing.com/employment/en/uniqlo/business.html>.

¹⁶ “Uniqlo steps up Europe push with stores in Berlin and Paris,” Fashion Network, accessed on August 08, 2022, <https://www.fashionnetwork.com/news/-uniqlo-steps-up-europe-push-with-stores-in-berlin-and-paris.398941.html>.

¹⁷ “SHEIN – statistics & facts,” Statista, November 17, 2022, <https://www.statista.com/topics/10113/shein/#dossierKeyfigures>.

I think it is essential to define what we mean with “competitive advantage,” “competitive differentiation,” and “branding.” Competitive advantage is a concept developed by Michael Porter in its book “Competitive Advantage,” where Porter states that “there are two basic types of competitive advantage: cost leadership and differentiation,” and “competitive advantage grows fundamentally out of value a firm is able to create for its buyers that exceeds the firm’s cost of creating it. Value is what buyers are willing to pay, and superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price.”¹⁸ Competitive differentiation is one of the two ways to generate competitive advantage (being the other one “cost leadership”). With competitive differentiation we mean all the ways a company uses to differentiate its products from the ones produced by the competitors;¹⁹ clients are willing to pay more thanks to the different features of the product, which are not offered by the competitors.²⁰ Differentiation can also attract new demand.²¹ David A. Aaker suggests in its work “Managing Brand Equity: Capitalizing of the Value of a Brand Name” another way to further increase the competitive advantage of the brand, which is through its brand equity, that is a set of assets and liabilities composed, among the other things, of name awareness, brand loyalty and perceived qualities.²² Regarding the definition of branding, the Macmillan English Dictionary defines it as “the use of advertising, design, and other methods to make people recognize and remember a particular product.”²³ Geoffrey J. Simons, referring to Aaker, Leslie De Chernatony and Malcolm McDonald, defines branding as “the process of creating value through the provision of a compelling and consistent offer and customer experience that will satisfy customers and keep them coming back.”²⁴ Branding is therefore how the company makes its clients and potential clients perceive the unicity of its products (which is created thanks to the differentiation strategies).

There are four aspects of UNIQLO that I intend to analyze in my work, keeping differentiation and branding in mind: the first one is the application of UNIQLO’s original technologies to create products somehow unique; the second one is UNIQLO’s online stores, and in particular the structure of the Japanese store, the Italian store, the American store and the Indonesian store; the third one is the use of the main social media in these same countries; and the last one is UNIQLO’s approach to sustainability. My choice fell on this elements for different reasons. The invention and application of original technologies is, in my opinion, the core of UNIQLO’s differentiation strategy, since these technologies provide UNIQLO’s articles with exclusive features and overcome at the same time the “problem” of a smaller offer compared to its competitors (this

¹⁸ Michael E. Porter, “Competitive Strategy: The Core Concepts,” in *Competitive Advantage: Creating and Sustaining Superior Performance*, 1st Free Press Edition (New York: The Free Press, 1985), 1-30.

¹⁹ “What is competitive differentiation,” Aha!, accessed on October 13, 2022, <https://www.aha.io/roadmapping/guide/marketing-strategy/what-is-competitive-differentiation#:~:text=Competitive%20differentiation%20is%20how%20a,what%20sets%20an%20offering%20apart.>

²⁰ Matteo Caroli, “La gestione strategica,” in *Economia e gestione delle imprese*, 5th ed. (Milano: McGraw-Hill Education, 2020), 99-143.

²¹ Ibid.

²² David A. Aaker, “Managing Brand Equity: Capitalizing of the Value of a Brand Name,” 1st Free Press Edition (New York: The Free Press, 1991), 27-31.

²³ *Macmillan English Dictionary*, 2nd ed., s.v. “branding.”

²⁴ Geoffrey J. Simons, “i-Branding”: developing the internet as a branding tool,” *Marketing Intelligence & Planning* 25, no. 6 (2007): 544-62, <https://www.emerald.com/insight/content/doi/10.1108/02634500710819932/full/pdf?title=i-branding-developing-the-internet-as-a-branding-tool.>

point will be explained more in detail in the next chapter). Online stores are an important tool of the branding strategy, since it is one of the easier way to show the company's products and their characteristics – and it is also accessible to potential clients who do not have a physical store nearby. Online stores also contain useful functions that client can use during their shopping experience, differentiating the UNIQLO online shopping experience from the others. Social media are the other important tool for the branding strategy, since UNIQLO can reach different target audiences and show its products in various manner. Lastly, I decided to analyze UNIQLO's sustainability approach, even though this topic is not clearly associated to differentiation nor branding. However, I think that in our society the concept of sustainability has become a hot topic and more and more customers are willing to buy from sustainable brands every year. This trend has been confirmed by two reports made by First Insights: First Insights CEO Greg Petro reports on the magazine Forbes that Gen X consumers willing to pay an extra 10% for sustainable products rose from 34% to 90% of the total in two years, in the period from 2020 to 2022.²⁵ Therefore, I decided to analyze UNIQLO's approach to sustainability, in order to understand if the brand is taking action to better fit its customers' needs. Furthermore, I think that UNIQLO's approach to sustainability can positively contribute to its brand equity, and therefore strengthen the brand's competitive advantage.

I found these four aspects particularly relevant since the differences between UNIQLO's and its competitors, ZARA and H&M, are exceptionally strong in these areas. Regarding the products, ZARA do not implement (nor develop) its original technologies, while H&M has only recently started to do so: UNIQLO is the first company, between the three, that gave importance to the creation of original technologies, in order to give its products original features and gain competitive differentiation. The online stores are an important element to consider since they are one of the more easily accessible showcases of the brands, and I think it is important to see what functions the different companies offer to their clients online. The approach to social media, essential to understand part of a company's branding strategy, is another important difference between the three companies: UNIQLO has a more diversified approach, both regarding the content posted on its social media profiles and the localization of its communication, compared to ZARA and H&M. Finally, the approach towards sustainability of the three companies is similar for many aspects, but there are some differences that, in my opinion, are interesting to notice and differentiate UNIQLO from its competitors. I could have chosen to analyze other sides of UNIQLO's business (and of its competitors' business), but these four areas concern aspects of the business that are directly experienced by its clients or, in the case of sustainability, that have a big impact on them. The fact that these aspects strongly differentiate UNIQLO from its competitors reinforced my decision.

²⁵ Greg Petro, "Consumer Demand Sustainable Products And Shopping Formats," Forbes, accessed on December 28, 2022, <https://www.forbes.com/sites/gregpetro/2022/03/11/consumers-demand-sustainable-products-and-shopping-formats/?sh=12ba75a56a06>.

2 UNIQLO'S PRODUCTS AND ORIGINAL TECHNOLOGIES

When a company decides to expand overseas, the concept of localization is one of the many to keep in mind. Following the definition of Cambridge Dictionary, in marketing localization is “the process of making a product or service more suitable for a particular country, area, etc.”²⁶ Localization is linked to the language and culture of a specific market: that is why localization strategies are crucial for every company that wants to be successful in a new market.

One important part of the localization of business operations is the localization of products, which focuses on the modification of products to make them suite best the needs of the target market where they will be sold.²⁷ However, UNIQLO's approach to localization of products is peculiar. UNIQLO's products usually have a simple, essential design, a casual style, and are easy to combine with other clothes. In principle, the same products, designed in one place, are sold worldwide, since the essence of the brand is so versatile that the products do not need many changes to be sold in a different market. This “inside strategy” has many pros, but also its limits. With the expansion in Muslim countries, in 2017, Yanai Tadashi, who at the time was still Fast Retailing CEO, declared during an interview to Nikkei Asia that the company “will increase the variation [of items] to answer our customers' growing need for modest clothing.”²⁸ However, Yanai also declared during the same interview that “we are a global brand. If we localize too much, we will lose our edge,”²⁹ showing that UNIQLO strategy is linked to the global identity of the brand. In a way, trying to adapt too much to the local market can put the business in danger as much as not adapting enough. For example, when UNIQLO first entered the Chinese market, it was decided to adapt products to the target clients, who, compared to Japanese clients, had a lower salary. UNIQLO started to produce cheaper products for its Chinese market, and doing so the quality of products deteriorated. The motto “high quality, affordable prices” was not reflected by the actual products sold in China. UNIQLO had to revise its localization strategy and target: by doing so, the profits started to increase.³⁰

From these examples, we can draw a picture of how UNIQLO is branding its products and we can summarize its strategy with the slogan “just local enough,” an expression used on Nikkei Asia to describe UNIQLO's approach.³¹

²⁶ Cambridge Dictionary, s.v. “Localization,” accessed on August 08, 2022, <https://dictionary.cambridge.org/it/dizionario/inglese/localization>.

²⁷ Simon Collinson, Rajneesh Narula, Alam M. Rugman, *International Business*, 7th ed. (Harlow: Pearson, 2016), 143.

²⁸ Yuda Masayuki, “Uniqlo operator to increase variety of Muslim wear,” Nikkei Asia, accessed on August 08, 2022, <https://asia.nikkei.com/Economy/Uniqlo-operator-to-increase-variety-of-Muslim-wear>.

²⁹ Ibid.

³⁰ “ユニクロの海外進出 | 海外店舗数 / 海外進出の歴史 / 3つのグローバル戦略…ほか,” Digima, accessed on August 08, 2022, <https://www.digima-japan.com/knowhow/world/17793.php>.

³¹ Masayuki Yuda and Shotaro Tani, “Uniqlo aims for just local enough,” Nikkei Asia, November 16, 2017, <https://asia.nikkei.com/Economy/Uniqlo-aims-for-just-local-enough>.

This kind of approach allows UNIQLO to keep a low number of articles compared to its competitors (in 2019, UNIQLO's number of samples was around 1960, compared to ZARA's 6313 and H&M's 17,705).³² If we look at these numbers with the sustainability prospective in mind, the data confirms a positive quality of the brand (I will elaborate on UNIQLO's approach to sustainability later on in this thesis). However, since clients have a narrower choice, UNIQLO must utilize its differentiation strategy to give those products unique features and good quality to attract buyers. UNIQLO's original technologies are one of the tools the company uses to add value to its products and give them a competitive differentiation; those technologies fully embody the concept of LifeWear, in other words, "clothing design to make everyone's life better," as stated on UNIQLO's website.³³

I would like now to describe UNIQLO's most famous technologies, in order to understand how the company is differentiating its products to gain competitive advantage.

2.1 HEATTECH

The first UNIQLO technology we will consider is the HEATTECH technology. HEATTECH is utilized for UNIQLO's thermal clothing collection, launched in 2003. Usually, thermal underwear is made with three layers: one for heat retention, one for transpiration and one for waterproofing. UNIQLO developed its HEATTECH technology adding the "heat of absorption" function: the fibers of the cloth absorb the water vapor released from the body when sweating and convert it into heat energy, therefore, warmth. The heat is kept in thanks to air pockets between the fibers of the cloth. The materials used also help with odor control and moisture wicking.³⁴

UNIQLO has developed the HEATTECH technology to improve a type of clothing – thermal clothing – already existing, adding qualities and functions that lead to a competitive differentiation. Actually, one of UNIQLO's fast fashion competitors, H&M, offers thermal shirts for sport. However, if we take a look at the product page and compare it with a similar product from UNIQLO's HEATTECH collection, we will notice that UNIQLO products offer more – and more innovative – functions compared to its H&M equivalent (Figure 2). The price of the products (if we ignore the discount offered by H&M) is almost the same. However, UNIQLO's T-shirt is made for 52% of cotton – a natural material; H&M's T-shirt is made exclusively with artificial materials (polyester and elastane). Even though cotton is not considered as an eco-friendly material (we will analyze this topic in more detail later on in the chapter dedicated to sustainability), natural materials are considered by many people as materials with a better quality (as we can read in the Fashion Network article "Uniqlo: come si posiziona la sua offerta rispetto a H&M e Zara?"),³⁵ so this UNIQLO's differentiation can

³² Marion Deslandes, "Uniqlo: come si posiziona la sua offerta rispetto a H&M e Zara?," Fashion Network, November 27, 2019, <https://it.fashionnetwork.com/news/Uniqlo-come-si-posiziona-la-sua-offerta-rispetto-a-h-m-e-zara-,1162456.html>.

³³ "About Lifewear," UNIQLO, accessed on October 13, 2022, <https://www.uniqlo.com/us/en/contents/lifewear/#:-:text=LifeWear%20is%20clothing%20designed%20to.in%20mind%2C%20and%20always%20evolving.>

³⁴ "HEATTECH GUIDE," UNIQLO, accessed on October 13, 2022, <https://www.uniqlo.com/us/en/special-feature/heattech/women>.

³⁵ Deslandes, "Uniqlo: come si posiziona la sua offerta rispetto a H&M e Zara?."

be seen as competitive (also knowing that UNIQLO is working on the betterment of its environmental impact). UNIQLO's T-shirt features an "insulating, bio-warming, odor control, shape-retaining, moisture-wicking, and deodorizing" technology, as stated in the description; H&M T-shirt features "fast-drying, functional fabric," has "ventilating mesh sections at sides, reflective details" and is "brushed, thermal inside".

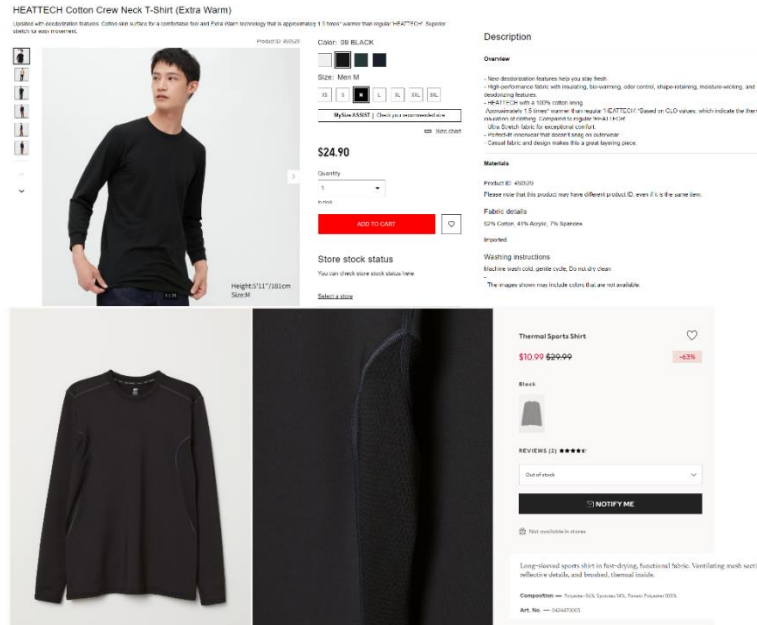


Figure 2 UNIQLO HEATTECH T-shirt VS H&M Thermal T-shirt (14.10.2022)

https://www.uniqlo.com/it/it/product/t-shirt-termica-heattech-extra-caldo-cotone-girocollo-maniche-lunghe-450529.html?dwvar_450529_color=COL09 & https://www2.hm.com/it_it/productpage.0424470005.html

We can conclude that UNIQLO offers more original features at the same price. If we take a look at UNIQLO's other thermal clothes, we will also find a huge variety of products (not only t-shirts, but even socks, tights, leggings, sweatpants, scarfs, caps, gloves...) with different levels of heat retention, in order to have a type of cloth for every temperature condition.

2.2 AIRISM

If HEATTECH is UNIQLO's solution for the Winter cold, AIRism is the one for the Summer heat. AIRism, launched in 2012 (and improved with the 2013 collection), is UNIQLO's exclusive technology made to fight against moisture and bad odor caused by sweating. Actually, AIRism is not the first UNIQLO collection made with this purpose: in fact, AIRism may be considered the legacy of two previous UNIQLO collections, the Sarafine line (for women) and the Silky Dry line (for men).³⁶ The Sarafine line and the Silky Dry line offered moisture wicking, fast-drying, cool feeling and deodorizing features. Some of the articles also had the UV-cut feature. With AIRism, UNIQLO improved these functions, creating products that have eight strong points:³⁷

³⁶ "Newly Refined Sarafine and Silky Dry Lines of Functional Innerwear for Summer On Sale Now," Fast Retailing, accessed on October 16, 2022, <https://www.fastretailing.com/eng/group/news/1102071630.html>.

³⁷ "UNIQLO Launches AIRism as a Strategic Global Brand," Fast Retailing, accessed on October 17, 2022, <https://www.fastretailing.com/eng/group/news/1303191700.html#:~:text=March%2019%2C%202013%2C%20Tokyo%2C,brand%20of%20highly%20functional%20underwear.>

- Moisture absorption and release (the fibers of the cloth capture and quickly release all the moisture);
- Fast drying of perspiration;
- Odor control (the special fabric neutralizes bad odor caused by sweat);
- Cool to the touch;
- Stretch (the fabric is stretchy and does not limit movement);
- Anti-bacterial/odor (the special fabric prevents the growth of bacteria that cause bad odor);
- Texture (soft to the touch);
- Breathability (the fabric helps expelling heat and humidity).

The AIRism collection includes not only innerwear, but also polo shirts, T-shirts and sweatshirts (featuring also the UV cut feature), cardigans, sweatpants and leggings, pajamas and even bed sheets.³⁸

It is difficult to find on the market alternatives to UNIQLO AIRism collection. ZARA does not offer anything similar to AIRism products, while H&M launched in 2020 a similar collection, called “COOLMAX.”³⁹ The COOLMAX technology was designed for everyday clothing, as UNIQLO’s AIRism. However, the variety of products with the COOLMAX technology available today on H&M’s online store is limited. Other than that, H&M has only recently launched, on the 4th of August 2022, its new line, called “H&M Move,” dedicated to activewear.⁴⁰ This line includes products with four different technologies; one of them, called “DryMove,” has characteristics similar to UNIQLO’s AIRism technology.

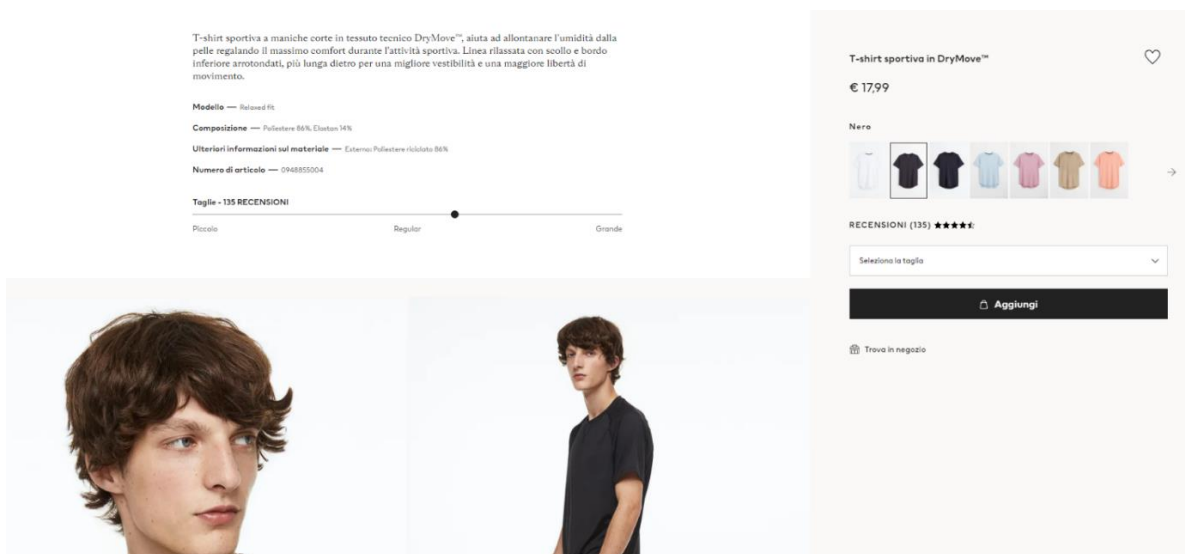


Figure 3 H&M T-shirt sportiva in DryMove (30.12.2022)

https://www2.hm.com/it_it/productpage.0948855004.html

³⁸ “La collezione AIRism,” UNIQLO, accessed on October 17, 2022, <https://www.uniqlo.com/it/it/content/airism.html#men>.

³⁹ “Fashion and Functionality with New Fabric Tech at H&M,” H&M, May 20, 2020, <https://about.hm.com/news/general-news-2020/fashion-and-functionality-with-new-fabric-tech-at-h-m.html>.

⁴⁰ Danielle Wightman-Stone, “H&M launching new activewear line to ‘democratise sportswear,’” FashionUnited, August 03, 2022, <https://fashionunited.uk/news/fashion/h-m-launching-new-activewear-line-to-democratise-sportswear/2022080364452>.

Figure 3 is an example of a product of the H&M Move line, and in particular a H&M DryMove T-shirt. The T-shirt is made with 86% polyester and 16% elastane and the product description states that the DryMove technology helps releasing moisture during physical activities. The price for this T-shirt is €17.99.

I also tried to look for options from other brands. I came across a Reddit post in which a user asked for alternatives for AIRism undershirts.⁴¹ Six people replied, but only two provided alternatives. The first one is from the brand 32 Degrees, an online shop that only ships in the USA (so we cannot consider it as an alternative for the European market).⁴² Actually, we can find some of the products on Amazon Italia too, but the prices are higher and not convenient compared to the ones offered by UNIQLO.⁴³ The second alternative provided in the Reddit post is the UA HeatGear collection from the American brand Under Armour. Under Armour is a sportswear company founded in 1996 and its first ever product was a T-shirt really similar to the AIRism ones: a soft, stretchy T-shirt with high breathability and sweat releasing.⁴⁴ This first prototype has been developed during the years, leading to the birth of UA HeatGear. Figure 4 shows all the details of the HeatGear Armour Fitted T-shirt. The fabric is ultra-light, with mesh inserts to improve air circulation in strategic spots (for example, armpits); the material used (84% polyester, 16% elastane) helps with sweat release and fast drying; the design improves the clothes resistance and facilitate body movement. The price is €30.00.

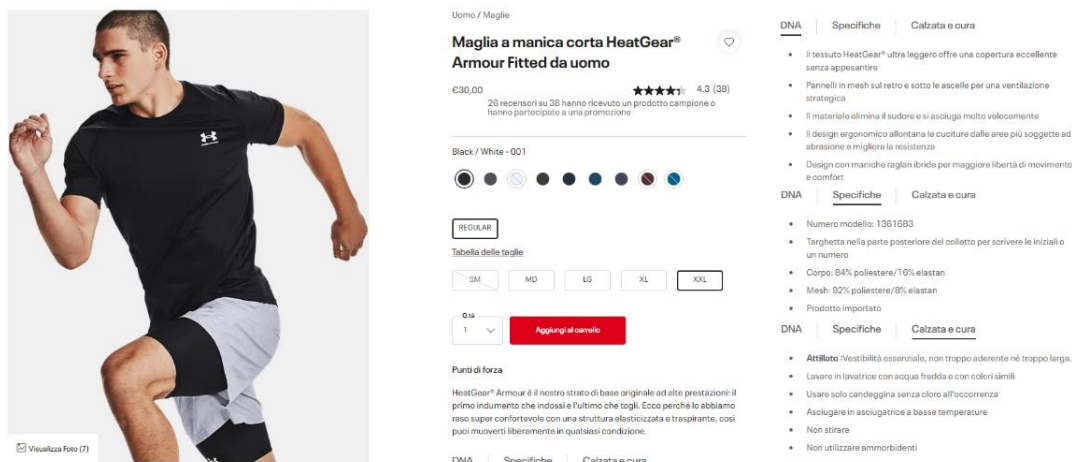


Figure 4 HeatGear Armour Fitted T-shirt (18.10.2022)

https://www.underarmour.it/it/p/maglie/maglia_a_manica_corta_heatgear_armour_fitted_da_uomo/1361683.html?dwvar_1361683_color=001&start=undefined&breadCrumbLast=undefined

Figure 5 shows UNIQLO's alternative. The materials used are the same utilized for the H&M DryMove T-shirt and the HeatGear Armour T-shirt, with similar percentages (88% polyester, 12% elastane). The description of the product states that the AIRism T-shirt guarantees comfort and long-lasting freshness; it

⁴¹ "Undershirt Alternative/Similar to Uniqlo Airism," Reddit, accessed on October 17, 2022,

https://www.reddit.com/r/malefashionadvice/comments/8ih7zp/undershirt_alternativesimilar_to_uniqlo_airism/.

⁴² "About Us," 32 Degrees Webstore, accessed on October 17, 2022, <https://www.32degrees.com/pages/about-us>.

⁴³ "32 Degrees products," Amazon Italia, accessed on October 17, 2022,

https://www.amazon.it/s?rh=n%3A2844433031%2Cp_4%3A32+DEGREES&ref=bl_sl_s_ap_web_2844433031.

⁴⁴ "About Us," Under Armour, accessed on October 18, 2022, <https://www.underarmour.it/it/t/DNA.html>.

features the rapid drying function (DRY); the fabric is soft, stretchy (in order to facilitate movements) and cool to the touch. The features of the AIRism T-shirt are similar to the ones of the other two alternatives; however, in this case the price is €12.90. The affordable price generates an important competitive advantage: the cost leadership allows potential clients to buy the same type of t-shirt, even at less than half of the price if compared to the HeatGear Armour T-shirt.

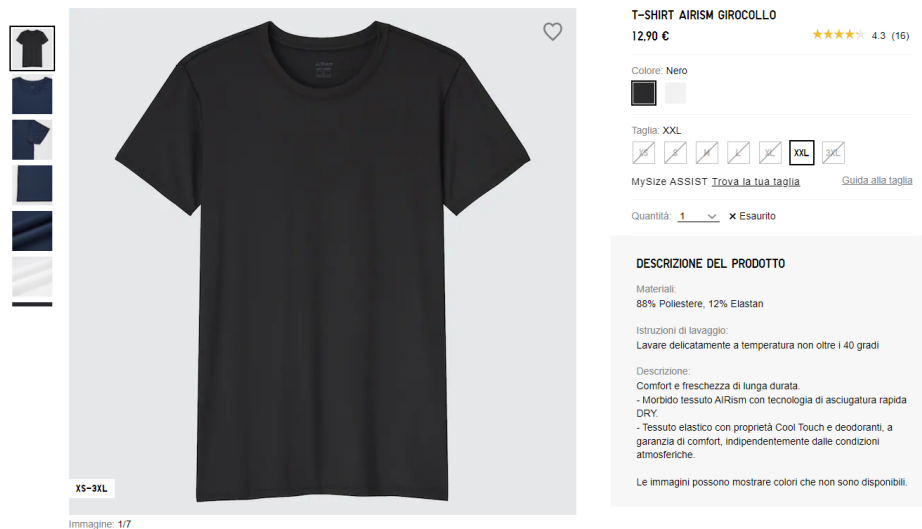


Figure 5 AIRism T-shirt (18.10.2022)

<https://www.uniqlo.com/it/it/product/t-shirt-airism-girocollo-448823.html>

From my understanding, technologies similar to UNIQLO's AIRism are mainly used for sportswear, so this type of T-shirt is available in specialized sportswear stores (other than H&M, which however has only recently launched its technology). The fact that UNIQLO's AIRism collection comprehend not only sportswear, but also pajamas, products for the house (such as bedsheets), and more, may be considered a competitive differentiation against its competitors (since UNIQLO is the only company utilizing this technology for these types of products); this fact also confirms UNIQLO's philosophy of LifeWear as "clothing designed to make everyone's life better," in every aspect of life.⁴⁵

2.3 UV PROTECTION CLOTHING

The UV Protection Clothing collection is another peculiarity of UNIQLO's offer. If brands such as H&M sell swimsuits for kids with UV protection,⁴⁶ UNIQLO has extended the UV cut technology to casual wear, creating an entire collection dedicated to UV protection clothing. The collection includes parkas, hoodies, T-shirts, cardigans and leggings; the UV cutting function is often combined with the AIRism technology, offering products with both features.

UNIQLO utilizes two different types of UV cut technology:

⁴⁵ UNIQLO, "About Lifewear."

⁴⁶ "UPF products," H&M, accessed on October 19, 2022, https://www2.hm.com/it_it/search-results.html?q=UPF.

- UV Reflection (the fabric reflects UV rays, repelling them), with a semi-permanent effect due to the fact that the reflective material is part of the fiber of the cloth itself;
- UV Absorption (the fabric absorbs UV rays, preventing them from reaching the skin), with an effect gradually decreasing during the years/after several washings.

The type of technology used differs based on the specific fabric of the cloth and the protection can vary from UPF 15 to UPF 50+.⁴⁷

Even in this case, ZARA does not sell this type of clothes, while H&M has a similar technology only for children swimsuits. Regarding this type of products, a possible competitor for UNIQLO is DECATHLON, which offers UV protection clothing at competitive prices.⁴⁸ However, Decathlon products are designed for specific sports, such as surf and running; the competitive differentiation of UNIQLO in this case is the fact that its UV protection clothing collection is not specifically designed for a sport, but can be worn in every circumstance and occasion as normal, everyday clothes.

2.4 ULTRA LIGHT DOWN

The Ultra Light Down is another UNIQLO's exclusive product: as the name says, the Ultra Light Down is a collection of lightweight down items (according to UNIQLO's website, the Men's Ultra Light Down Jacket, size L, weighs only 268g).⁴⁹ The padding of the jacket is made with 10% feather and 90% high quality down; the special nylon used for the structure, with its high density, makes the jacket even lighter allowing the creation of a no-pack structure; the Ultra Light Down lining is also water-repellent and anti-static. One of the strongest features of this product though is its portable design: the jacket can be put in a carrying pouch, easy to carry around thanks to its lightness.⁵⁰ There are different types of Ultra Light Down items available, with a slightly different offer in the American market versus the European market and Japanese market (as we can see in Figure 6, 7 and 8): the Ultra Light Down line up, which includes vests, long vests, jackets, parka and hooded coats, has the most "standard" features;⁵¹ the Ultra Light Down Relax line up has a quilted design combined with lightness and softness, so the coats can be worn as cardigans;⁵² the Ultra Light Down Puffer combines the lightweight of the standard line up with a puffer design;⁵³ the Ultra Light Down Compact items, available in the European market and in the Japanese market, are extra thin and do not have a collar, so they can be worn even under clothes.⁵⁴

⁴⁷ "UV Protection Clothing," UNIQLO, accessed on October 19, 2022, <https://www.uniqlo.com/eu/en/content/uv-cut.html>.

⁴⁸ "Maglia anti UV," Decathlon, accessed on October 20, 2022, <https://www.decathlon.it/search?Ntt=maglia%20anti%20uv>.

⁴⁹ "Ultra Light Down Guide," UNIQLO, accessed on November 28, 2022, <https://www.uniqlo.com/us/en/special-feature/ultra-light-down/women>.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ "Piumini Ultra Leggeri," UNIQLO, accessed on November 18, 2022, <https://www.uniqlo.com/it/it/content/uld-women.html>.



Figure 6 UNIQLO US – Ultra Light Down items (18.11.2022)

<https://www.uniqlo.com/us/en/special-feature/ultra-light-down/women>



Figure 7 UNIQLO IT – Ultra Down Light (“Piumini Ultra Leggeri”) items (18.11.2022)

<https://www.uniqlo.com/it/it/content/uld-women.html>



Figure 8 UNIQLO JP – Ultra Light Down items (20.11.2022)

<https://www.uniqlo.com/jp/ja/special-feature/ultra-light-down/women>

UNIQLO’s competitors Zara and H&M both offer down jackets in their collections. They have cheaper options compared to the ones offered by UNIQLO. However, only UNIQLO is differentiating its products offering lightweight down items easy to carry around, or wearable under clothes instead of above them. That is why clients looking for this type of quality, comfort, and features can find in UNIQLO’s Light Down Collection what they need for their everyday life, and will potentially prefer the brand over its competitors.

2.5 BLOCKTECH

BLOCKTECH is another original technology made by UNIQLO; it is utilized in particular for coats and parka. The BLOCKTECH technology is meant to give coats and parka water repellent and windproof features, maintaining the products stretchy and breathable. The coats are realized without seams, making them even more waterproof.⁵⁵

Compared to its competitors’ offer, UNIQLO’s products have a higher price: the cheapest H&M windbreaker is sold at €29.99,⁵⁶ against ZARA’s at €59.95⁵⁷ and UNIQLO’s at €79.90.⁵⁸ However, the fact that UNIQLO has created and refined its original technology even for this type of product reinforces the brand’s ideal of “LifeWear” and strengthen UNIQLO’s differentiation from its competitors; clients who already chose UNIQLO for its other technologies may try the BLOCKTECH technology, too, and may be willing to pay more for UNIQLO’s technology: their loyalty to the brand could reinforce UNIQLO’s brand equity and therefore its competitive advantage.

⁵⁵ “Cos’è la tecnologia BLOCKTECH?,” UNIQLO, accessed on December 22, 2022, <https://www.uniqlo.com/it/it/content/blocktech-men.html>.

⁵⁶ “Giacca a vento in nylon,” H&M, accessed on December 22, 2022, https://www2.hm.com/it_it/productpage.1004532011.html.

⁵⁷ “Giacca tecnica water repellent,” ZARA, accessed on December 22, 2022, <https://www.zara.com/it/it/giacca-tecnica-water-repellent-p01732402.html?v1=227889747&v2=2113014>.

⁵⁸ “Giacca a vento BLOCKTECH 3D con cappuccio,” UNIQLO, accessed on December 22, 2022, https://www.uniqlo.com/it/it/product/giacca-a-vento-blocktech-3d-con-cappuccio-449614.html?dwvar_449614_color=COL27&cgid=IDblocktech2164.

2.6 CONCLUSIONS

The technologies developed and used by UNIQLO are the core of the company's competitive differentiation, and contribute significantly to its competitive advantage. UNIQLO, as a casualwear brand, offers articles that are typically sold in sportswear stores, giving clients the opportunity to find these special products alongside with everyday clothes. The features of these articles, usually utilized only for activewear (even by its competitor H&M), are being translated to everyday clothes, incarnating the idea of "LifeWear." The affordable prices contribute to the appeal of these collections and confirm UNIQLO's philosophy of good quality at an affordable price.

Since UNIQLO offer less products compared to its competitors, these original technologies are even more important: they add value to the articles, and, therefore, rise their appeal. Branding is essential to make these products and their original features more known and memorable for potential clients. In the next chapter I will analyze one of the main windows on UNIQLO's articles, which is its online stores. After that, I will analyze UNIQLO's approach to social media, which are the second big window on the brand's products, and I will try to understand how the company utilizes them to reach its clients and potential clients (and how its communication differs from the one utilized by ZARA and H&M).

3 UNIQLO'S ONLINE STORES: ANALYSIS AND COMPARISON

In today's society, having an online store is one essential step for every business that wants to gain popularity and clients. UNIQLO as well has decided to open its online stores in many countries; one of the reasons behind this decision is in fact the need to gather more clients in order to surpass its competitors H&M and ZARA (as explained in an article published in 2012 on Reuters regarding the opening of the American online store).⁵⁹

On UNIQLO's online stores, clients will find special sizes not available in physical stores (the XS size, and XXL and 3XL sizes);⁶⁰ the number of sizes available on average (3.5) is wider than the one offered by H&M (3.2) and ZARA (2.7). Even the number of colors offered is higher: 3.3 on average for UNIQLO, against 1.9 for H&M and 1.4 for ZARA: UNIQLO compensates with this color variety the limited number of articles compared to its competitors.⁶¹ The online stores also have a wider range of products compared to the one offered in physical stores, as stated on the American website.⁶²

Even though we have seen that the products sold by UNIQLO are "universal" and usually sold in every market the company has entered, it is interesting to notice that online stores have different structures and contents based on the country you are in. I would like to take a look at the different designs and contents of UNIQLO's online stores, to see some of the features the company offers online to its clients – and potential clients – across different markets.

3.1 THE JAPANESE ONLINE STORE

First, I would like to analyze the Japanese online store.

Figure 9 is a screenshot of the homepage of the Japanese online store. We can notice the double logo (in Japanese and English) on the upper left corner of the page. Products are divided by target sections – women, men, kids and baby –, that are indicated in English. The search function, the favorites function and the cart are all indicated in Japanese on the top right corner. In the center of the page, we can see scrolling advertisements of ongoing promotions – in this case a discount on the gathered large pants for women – with indicated the deadline of the discount. If we scroll the mouse on the upper bar, a dropdown menu appears. The right side of this menu stays the same for every target option selected, since it contains general options to navigate in the site, while the left side of the menu changes based on the target selected and let you choose the category of product you are looking for (Figure 10).

⁵⁹ Phil Wahba, "Uniqlo to rev up U.S. expansion with online shopping," Reuters, October 18, 2012,

<https://www.reuters.com/article/us-uniqlo-ecommerce-idUSBRE89H0PH20121018>.

⁶⁰ "Extended Sizes," UNIQLO, accessed on December 06, 2022, <https://www.uniqlo.com/au/en/spl/extended-sizes>.

⁶¹ Deslandes, "Uniqlo: come si posiziona la sua offerta rispetto a H&M e Zara?"

⁶² "Q. Are the same products offered online available in physical stores?," UNIQLO, accessed on December 06, 2022, https://faq-ph.uniqlo.com/articles/en_US/FAQ/Are-the-same-products-offered-online-available-in-physical-stores.

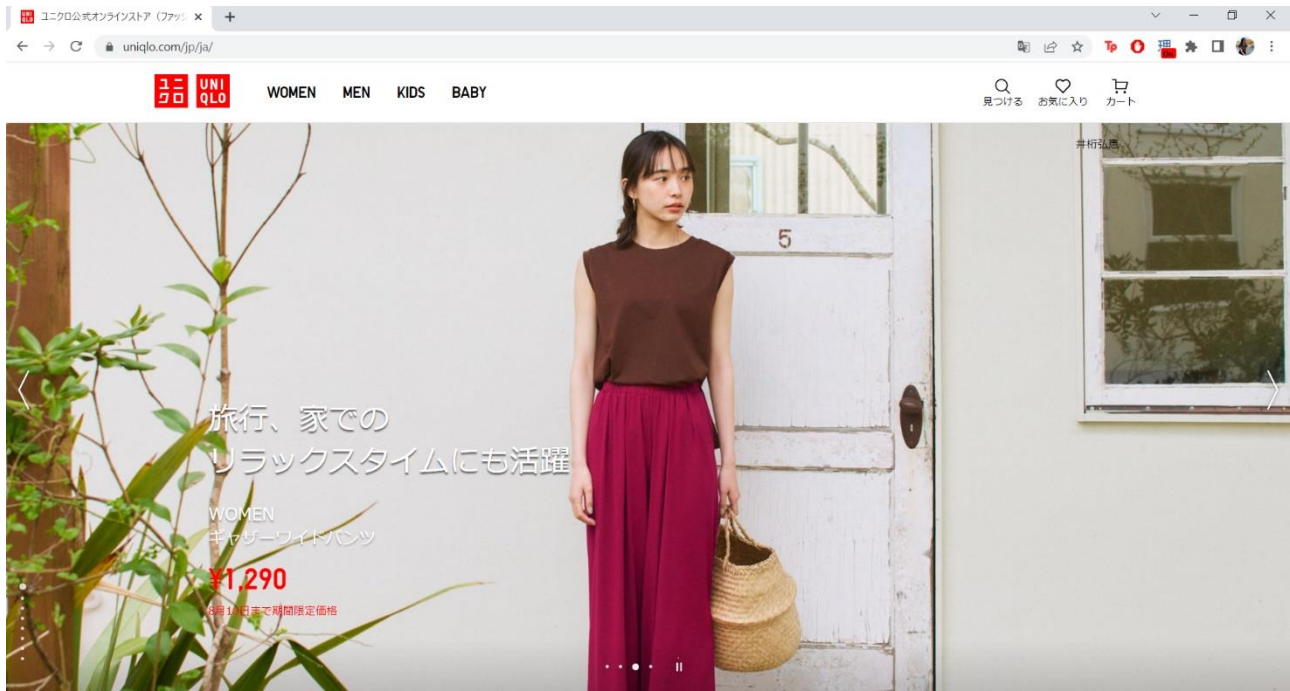


Figure 9 UNIQLO Japan – Online Store website (09.08.2022)

<https://www.uniqlo.com/jp/ja/>

When we open one of the target sections – for example women –, we will see a page like the one of Figure 10. The page has basically the same structure as the homepage of the online store: the menu in the upper part of the page, the scrolling advertisements for the section we opened in the middle of the page. What is different compared to the homepage of the web store is the red icon on the right side of the page. By clicking on it, clients can open a chat bot that will help them with their experience on the UNIQLO online store. The chat bot provides different options: clients can obtain information about searching products, collections, products, orders and cancellations, delivery, returning or replacing goods, and others.



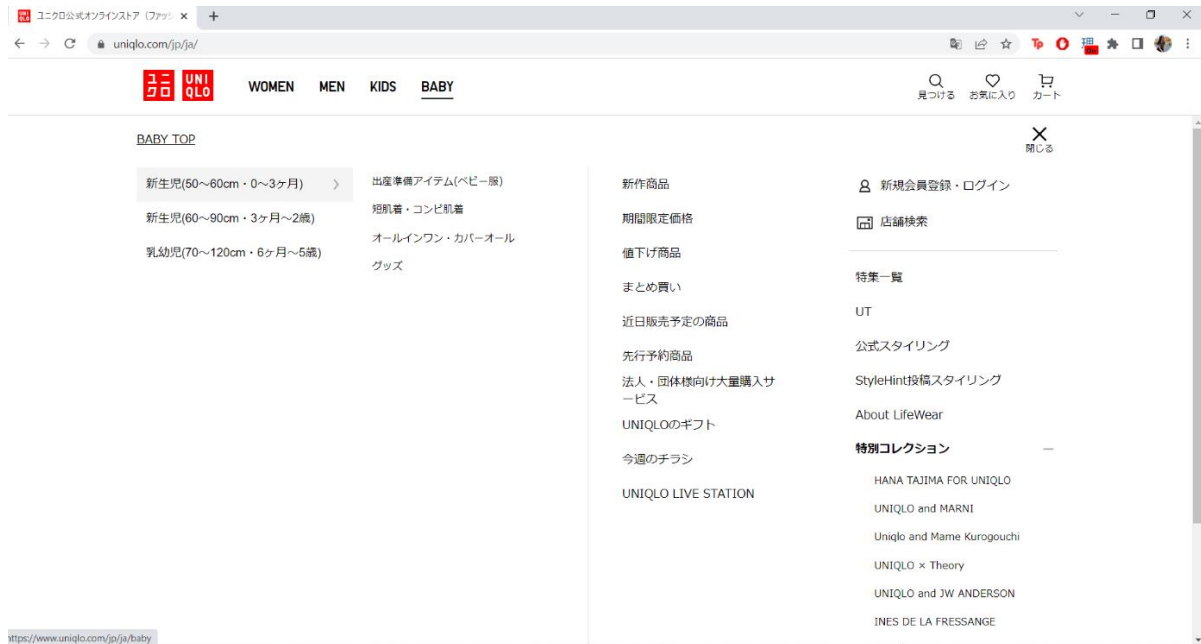


Figure 10 UNIQLO Japan – Online store website, WOMEN and BABY menu (09.08.2022)

<https://www.uniqlo.com/jp/ja/>

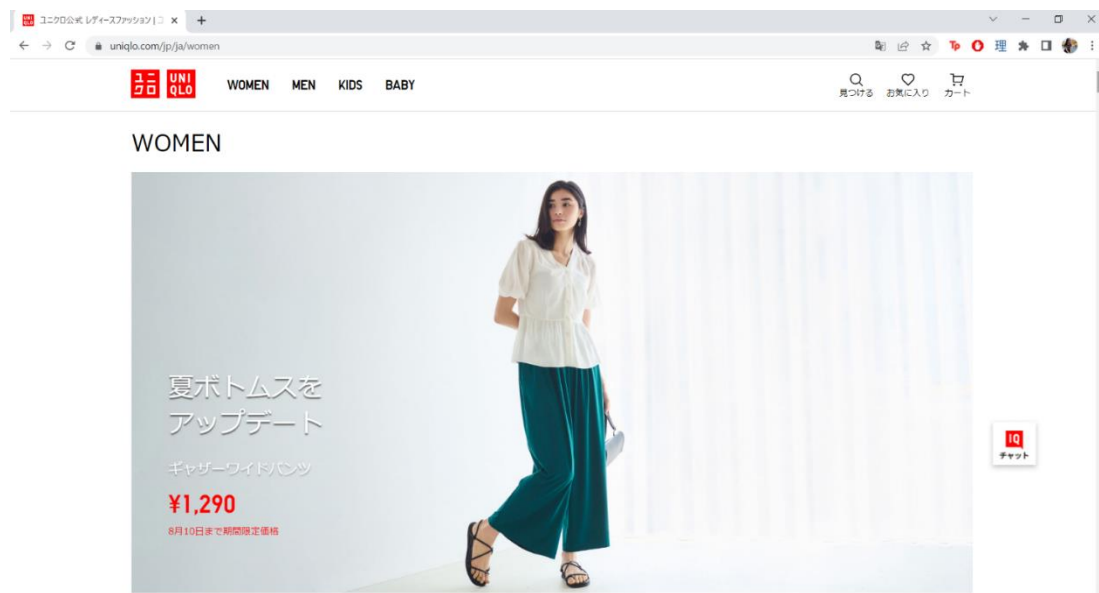


Figure 11 UNIQLO Japan – Online store, women section (10.08.2022)

<https://www.uniqlo.com/jp/ja/women>

Figure 12 is an example of an interaction with the chat bot. Selecting 「商品に関するお問い合わせ」(inquiries about products), different suggestions appear in the chat. Selecting the option 「自分に合うサイズがわからない」(I do not understand my size), the chat bot will reply with four different options that provide explanations of the following functions: サイズチャート(size chart), a function that allows you to check the size chart when purchasing a product; “MySize ASSIST,” a function that helps you understand your size by replying to

questions about your height and weight; 「お客様のレビュー」(clients' reviews), from which you can read if the size purchased by other clients actually fits them as it is supposed to; and “StyleHint,” a function that let you compare your size to people with similar heights and weights.



Figure 12 UNIQLO Japan – Online store chatbot (09.08.2022)

<https://www.uniqlo.com/jp/ja/women>

Scrolling down the target section page, there is a menu that allows clients to search for products by categories (Figure 13). For the women section, there are 12 different categories: 「アウター」(outerwear), 「トップス」(tops), 「パンツ」(pants), 「スカート」(skirts), 「ワンピース」(dresses), 「インナー」(innerwear), 「ルーム」(loungewear), 「グッズ」(accessories), 「UV カット」(products with UV protection), 「スポーツユティリティウェア」(sport utility wear), 「エアリズムインナー」(innerwear with comfort conditioning technology – AIRism), and “UT” (T-shirt collections). By clicking on one of the categories, clients can access the products page, that will

provide a list of all the products sold online and in store. After selecting one of the products, a page like the one in Figure 14 will be shown.

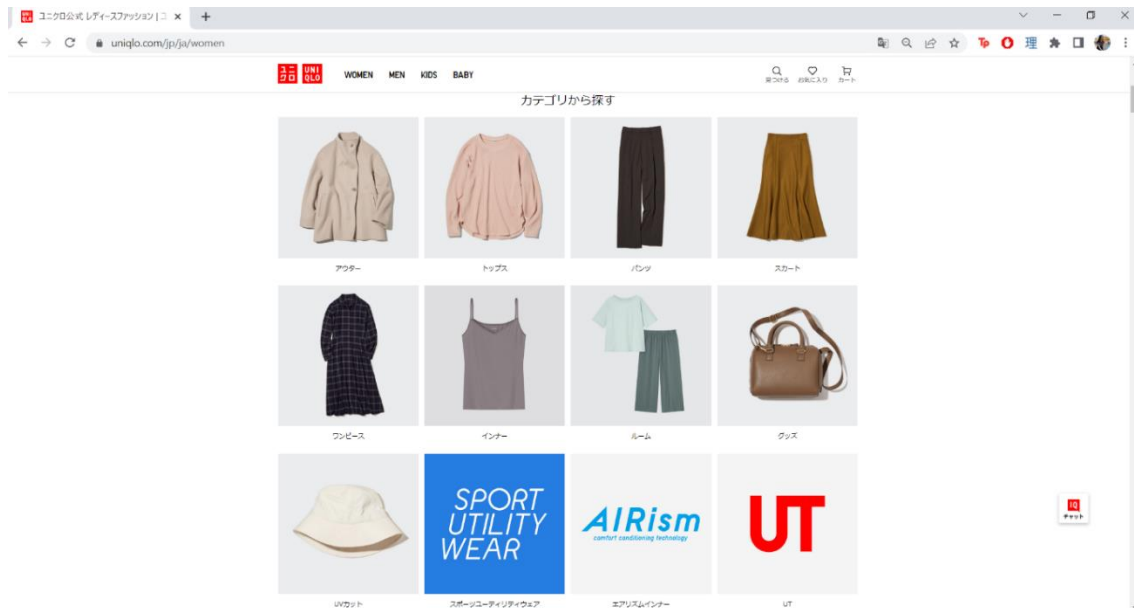


Figure 13 UNIQLO Japan – Online store, women section, search by categories (25.08.2022)

<https://www.uniqlo.com/jp/ja/women>

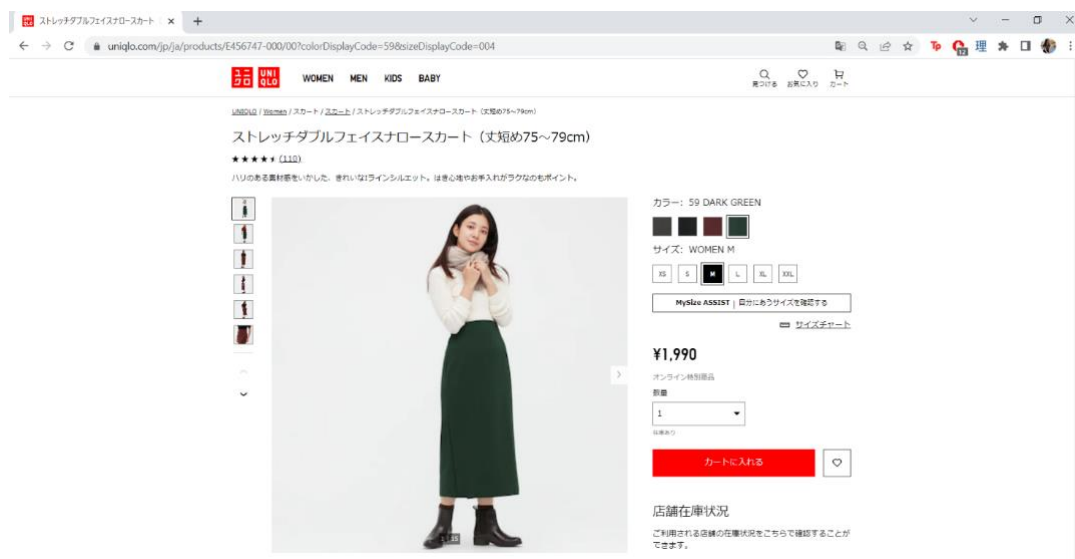


Figure 14 UNIQLO Japan – Online store, page showing a product (13.08.2017)

<https://www.uniqlo.com/jp/ja/products/E456747-000/00?colorDisplayCode=59&sizeDisplayCode=004>

The first information shown is the name of the article, in this case 「ストレッチダブルフェイスナローズカート」 (Stretched double face narrow skirt). Under it, we can find a series of pictures of the product in different colors. On the right side of the page, we can find a little menu that allows clients to select the desired color and size for the product. Under that, there is a button for the MySize ASSIST function and one for the Size Chart function that I have both mentioned before. Under them, we can see the price of the product; below, a menu to select the quantity of the item; in red, a button to add the selected quantity to the cart and, next to it, a button

with a heart to add the product to the favorites. Scrolling the page, we realize that the right side is fixed, while the left side shows new options and functions (Figure 15). We can see the identification number of the article (商品番号) and, by clicking on the buttons below, we can read an overview (概要) and details of the article (商品詳細). Under that, clients can find and use the function StyleHint (that I mentioned above). If we keep scrolling, we will find customer reviews and other products that are often seen after the one we are visualizing.

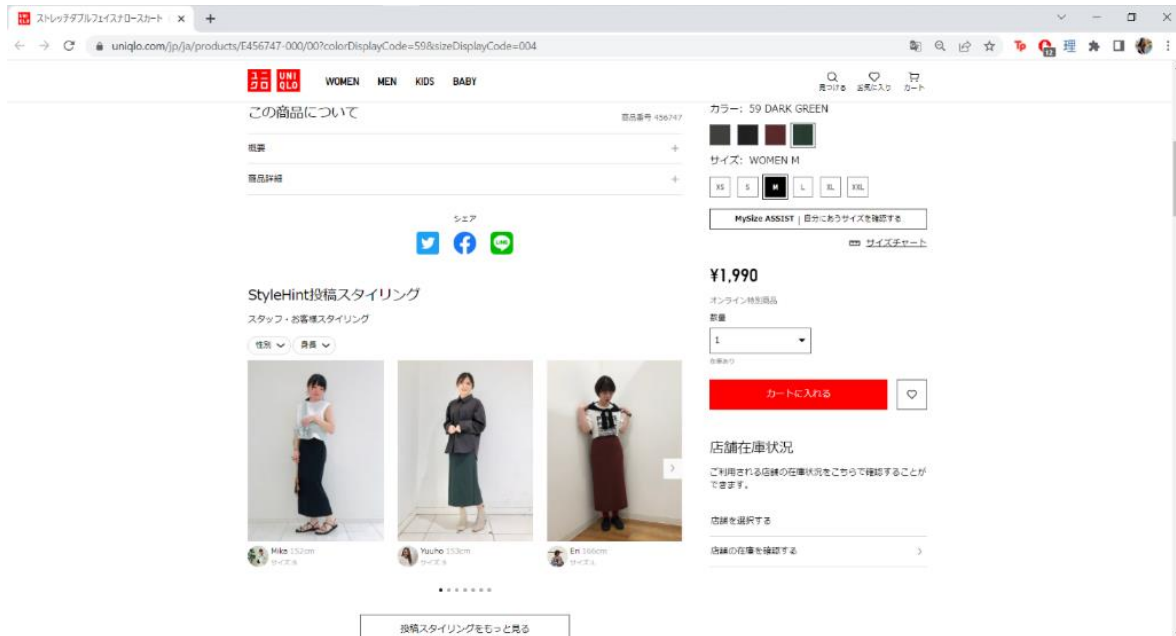


Figure 15 UNIQLO Japan – Online store, page showing a product (Part 2) (20.08.2017)

<https://www.uniqlo.com/jp/ja/products/E456747-000/00?colorDisplayCode=59&sizeDisplayCode=004>

This was a brief analysis of the UNIQLO Japanese Online Store. I will now analyze a representative of each area where UNIQLO operates: the Italian online store for Europe, the American online store for the Americas, the Indonesian store for Asia (and also representative of the Muslim target). I will also compare the four online stores to see how UNIQLO localized them based on the market.

3.2 THE ITALIAN ONLINE STORE

Figure 16 is a screenshot of the homepage of UNIQLO’s Italian online store. At first sight, the homepage looks exactly like the Japanese one: the menu is on the top of the page, divided by targets (that in this case are indicated in the local language, Italian); various advertisements can be found in the middle (this time not automatically scrolling). We can notice some design differences: the cart icon is different (it is not an actual cart, but a bag), there is no icon for the favorite items, the icon for the search function is replaced by a bar and there is an icon to log in our own personal area (in the Japanese store this function is hidden in the dropdown menu).

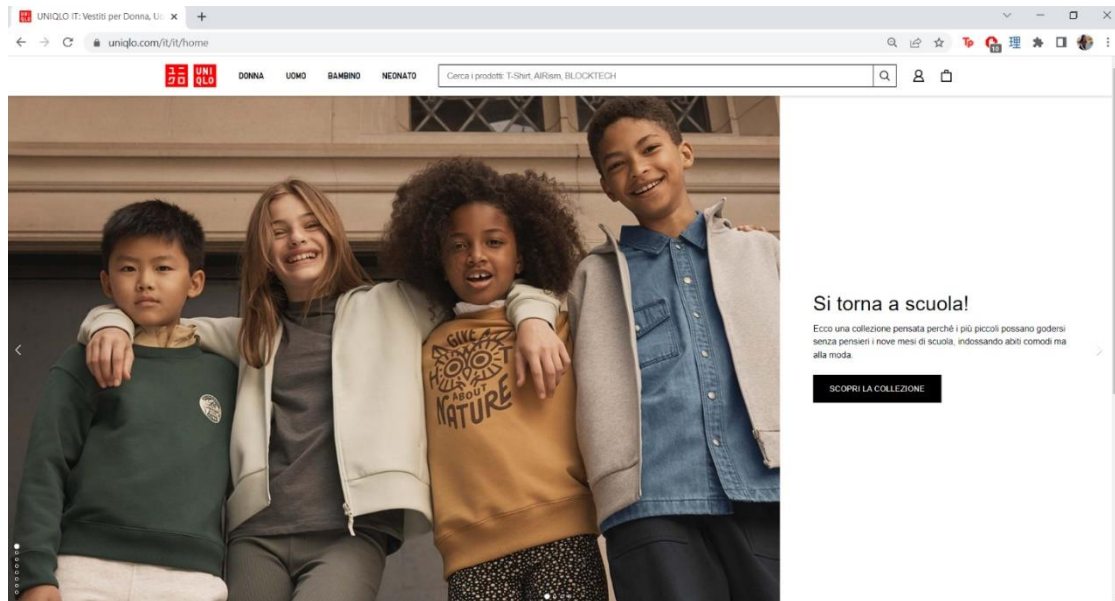


Figure 16 UNIQLO IT – Italian online store (21.08.2022)

<https://www.uniqlo.com/it/it/home>

If we scroll on the upper menu though, we will soon notice that the structure of the menu is different compared to the Japanese online store. Figure 17 shows the dropdown menu when we scroll on “DONNA” (Women). The menu is divided in four different columns; the fourth one is fixed for every target section we scroll on. The first column of the menu, “Acquista per collezione” (buy by collection) allows clients to select a specific collection and look at the articles of that collection. The second column, “Acquista per categoria” (buy by category), allows you to select directly the category of clothes you want to look for. In the third column, we find two different options: “In evidenza” (featured articles) and “Collaborazioni” (collaborations). The last column contains different links to informative pages about UNIQLO and the brand.

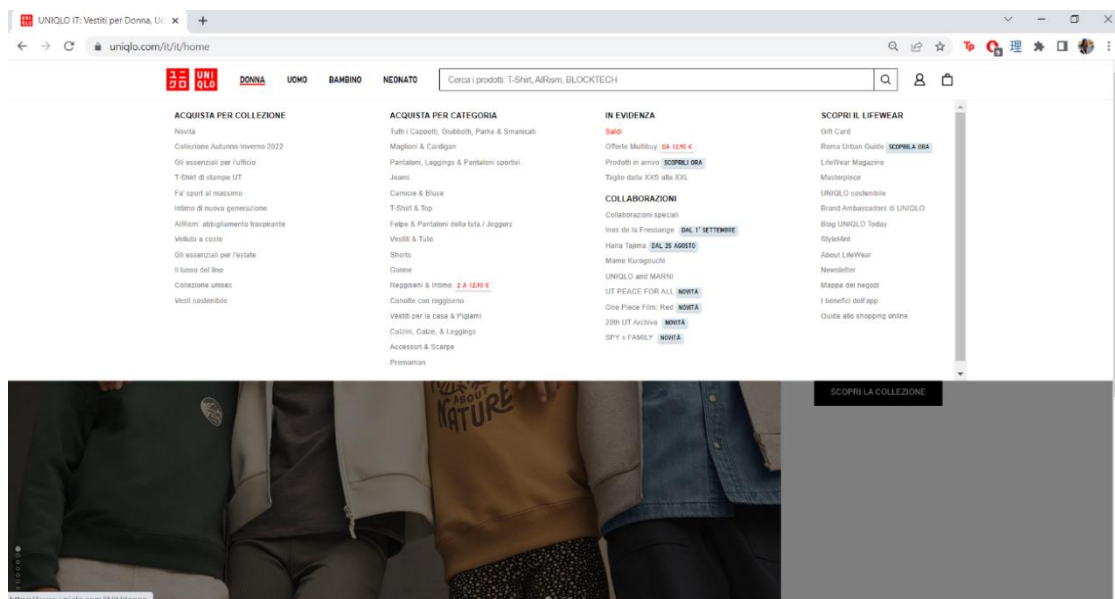


Figure 17 UNIQLO IT – Italian online store website, DONNA menu (21.08.2022)

<https://www.uniqlo.com/it/it/home>

By clicking on the “DONNA” target section, we notice that the page of the target section has a design similar to the Japanese online store, but still with some differences. The chat bot function is not featured in the Italian online store; we still find an advertisement at the top of the page (Figure 18), but not as big as the one in the Japanese store. Scrolling down the page, we still find 12 featured categories (Figure 19), but with some differences compared to the Japanese ones. The Italian categories are more specific and also add some of UNIQLO more noticeable products and technologies to the list. The categories are: “Cappotti, giubbotti & giacche” (coats and jackets), “Maglioni & cardigan” (jumpers and cardigans), “T-shirt & top,” “Pantaloni & Leggings” (trousers and leggings), “Camicie e bluse” (Shirts and blouses), “Jeans,” “Vestiti” (dresses), “Gonne” (skirts), “Intimo” (innerwear), “Piumini ultra leggeri” (Ultra Light Down), “Abbigliamento sportivo” (sport utility wear), and “HEATTECH.”

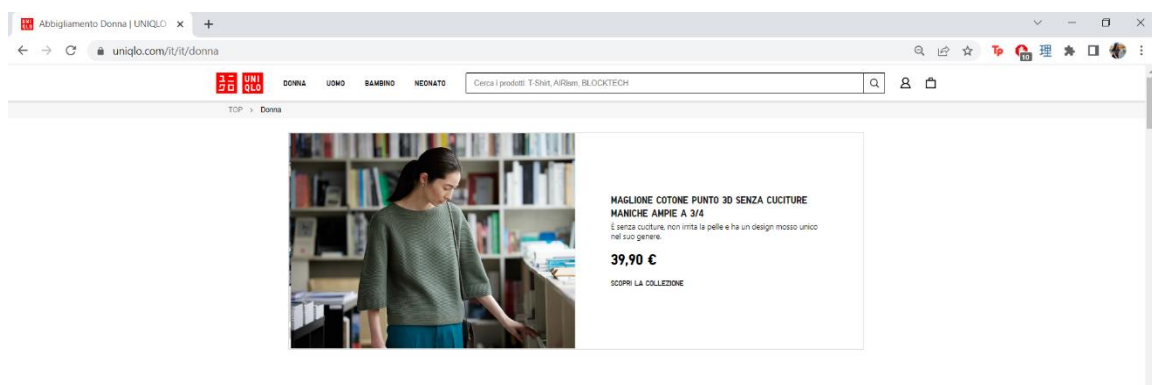


Figure 18 UNIQLO IT – Italian online store website, women section (21.08.2022)

<https://www.uniqlo.com/it/it/donna>

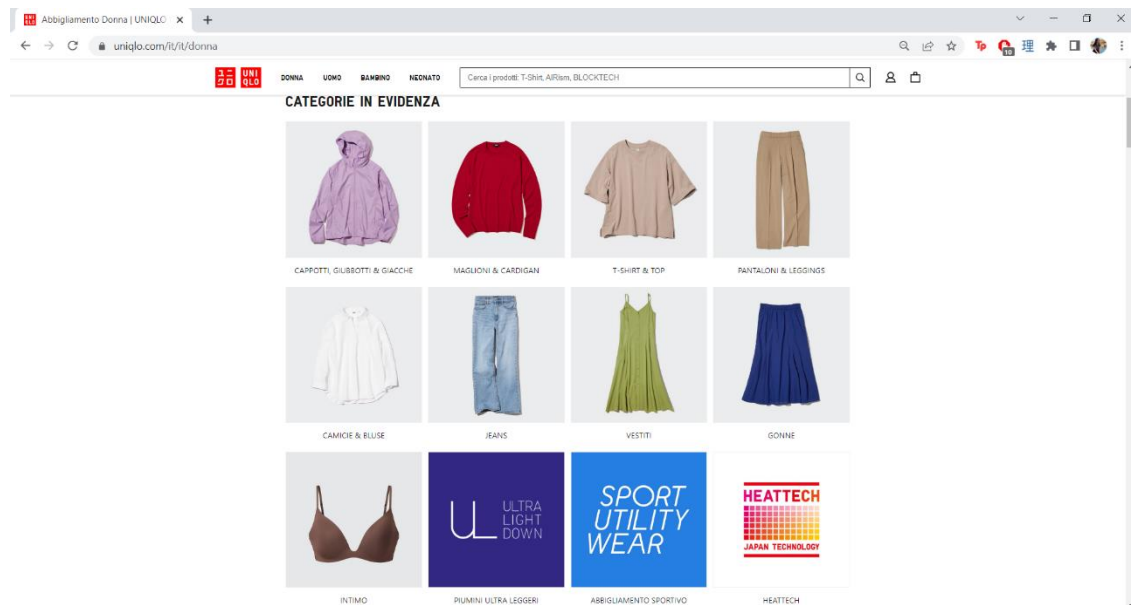


Figure 19 UNIQLO IT – Italian store online website, women section, featured categories (21.08.2022)

<https://www.uniqlo.com/it/it/donna>

If we click on one of the categories, for example “Gonne,” we can then select one of the articles we are interested in. Figure 20 is an example of such page. The design is slightly different compared to the Japanese page, but we can find the same functions: the menu to select color and size of the article on the right; the MySize ASSIST function and the Size Chart function (“Trova la tua taglia”). This time, the price and the name of the product are indicated above these functions. Below, we still find a menu to select the quantity needed and add it to the cart; we do not find the favorites function. Under the “Add to cart” (“Aggiungi al carrello”) button, we can find some information about the delivery of the product, the return policy and the availability in physical stores. On the left side of the page we can see the pictures of the product (as we could do in the Japanese website).

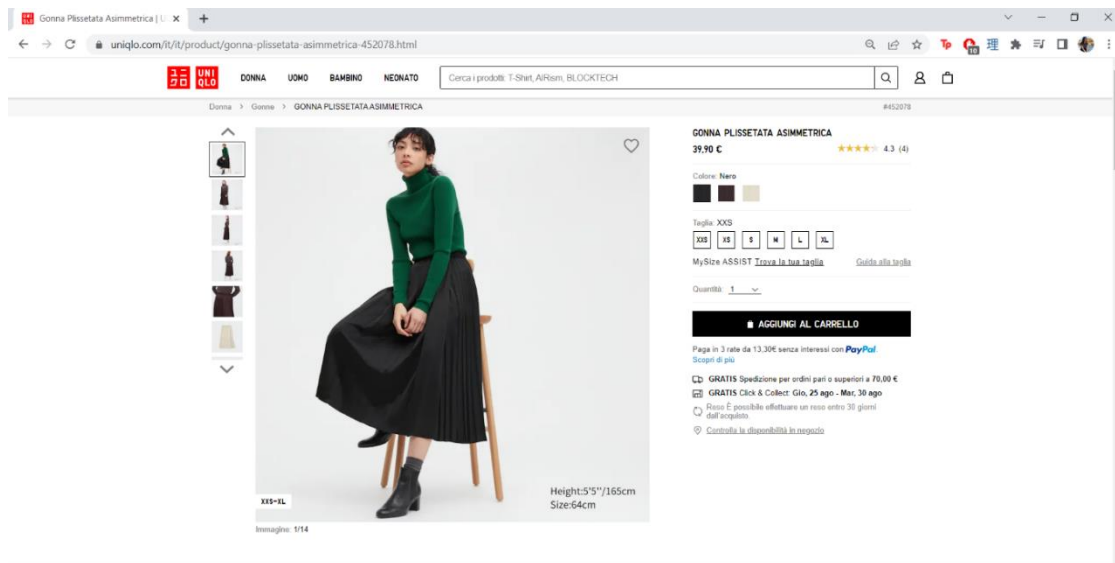


Figure 20 UNIQLO IT – Italian online store, page showing a product (22.08.2022)

<https://www.uniqlo.com/it/it/product/gonna-plissetata-asimmetrica-452078.html>

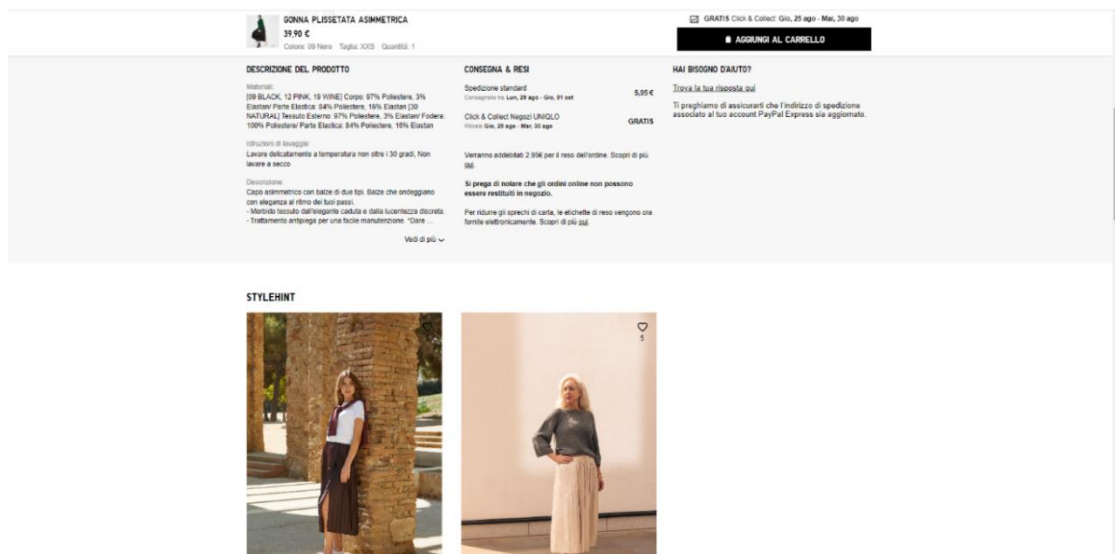


Figure 21 UNIQLO IT – Italian online store, page showing a product (part 2) (22.08.2022)

<https://www.uniqlo.com/it/it/product/gonna-plissetata-asimmetrica-452078.html>

Scrolling down the page (Figure 21), we notice that a fixed bar remains at the top of the page, showing the article’s details. We can notice a gray section showing the product’s characteristics in more detail (under “Descrizione del prodotto”) and the details of the Delivery & return policy (under “Consegna e resi”). Below, we can find the “StyleHint” function as in the Japanese website. If we keep strolling, we can see similar products and read reviews from all over Europe.

Overall, if we compare the Japanese online store and the Italian online store, the main differences are the desing of some of the menus and the choice of language for them (the use of Italian even when in the Japanese website the language used was English). If we compare the skirt category pages (Figure 22 & 23), we can see that the articles shown first are different: for the Japanese website, long, soft skirts; for the Italian website, miniskirts. This is probably due to the fact that during Summer Italian women are used to wear short skirts, while in Japan – from my experience – is more common to see women wearing long skirts (this fashion trend of the last few years is confirmed by the Japanese retailer “Mac House Co.” on its website).⁶³ Scrolling down the pages, we can find the same products sold in both stores, but listed in a different order, following the popularity of the articles in the Country: the products that are more popular are shown first, at the top of the page.

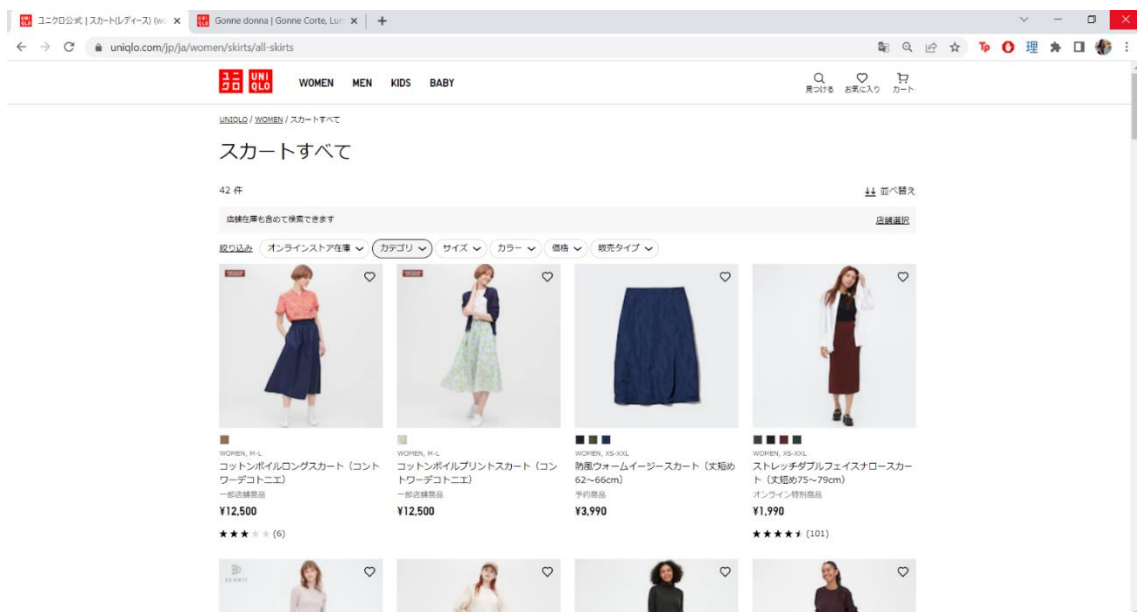


Figure 22 UNIQLO Japan – Skirt category page (12.08.2022)

www.uniqlo.com/jp/ja/women/skirts/all-skirts

⁶³ 「【2022年・種類別】春夏のトレンドスカート徹底研究！最新のレディースコーデ25選」, Mac-House, accessed on December 07, 2022, <https://www.mac-house.co.jp/magazine/staff/skirt-ss21>.

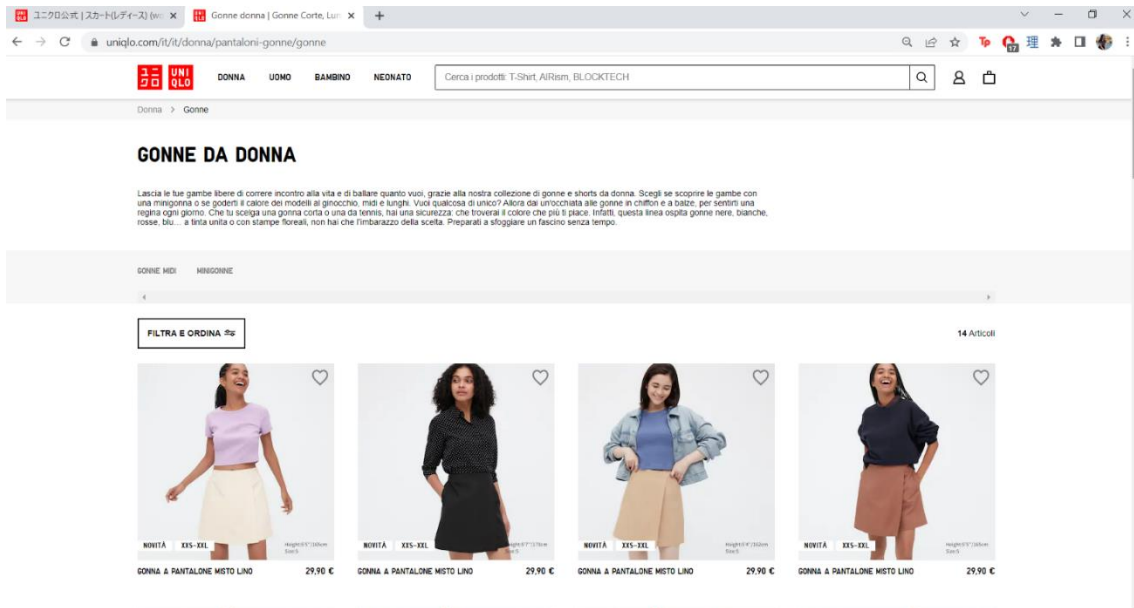


Figure 23 UNIQLO IT – Skirt category page (12.08.2022)

www.uniqlo.com/it/it/donna/pantaloni-gonne/gonne

3.3 THE AMERICAN ONLINE STORE

I would like now to analyze in the same way the American online store. If we look at Figure 24, we can see that the design of the webstore looks almost exactly the same as the Japanese one: the logos on the top left of the page, the menu on their right, the search, wishlist and cart buttons (this time indicated in English) and, below, various advertisements (contrary to the Japanese website, they are not automatically scrolling). If we open the dropdown menu (Figure 25), we notice that it is structured as the one of the Japanese webstore (the menu looks exactly the same, but translated in English).

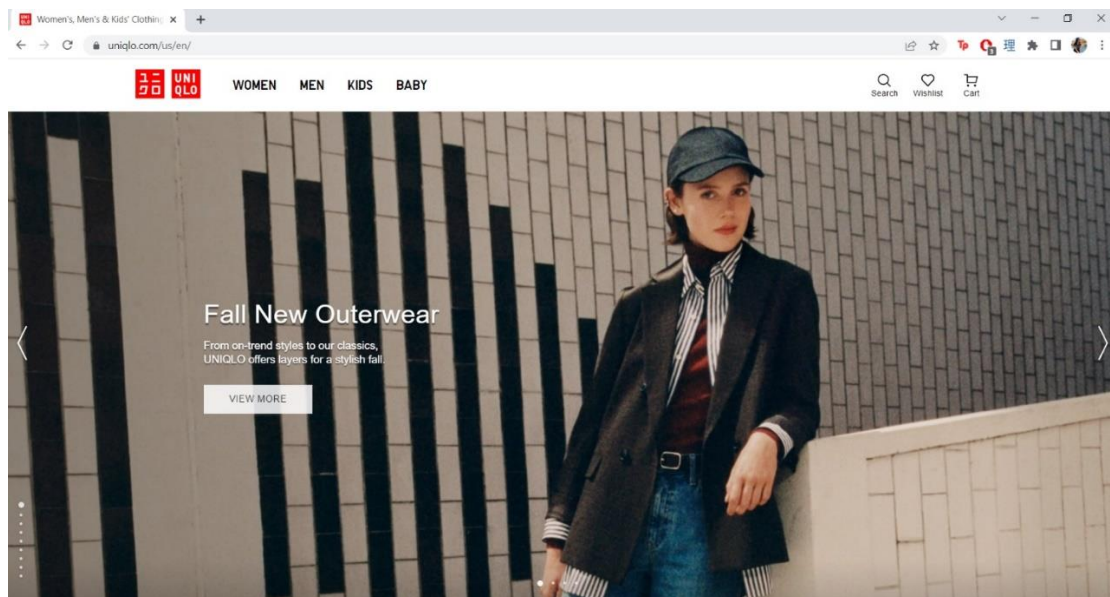


Figure 24 UNIQLO US – American online store (24.08.2022)

<https://www.uniqlo.com/us/en/>

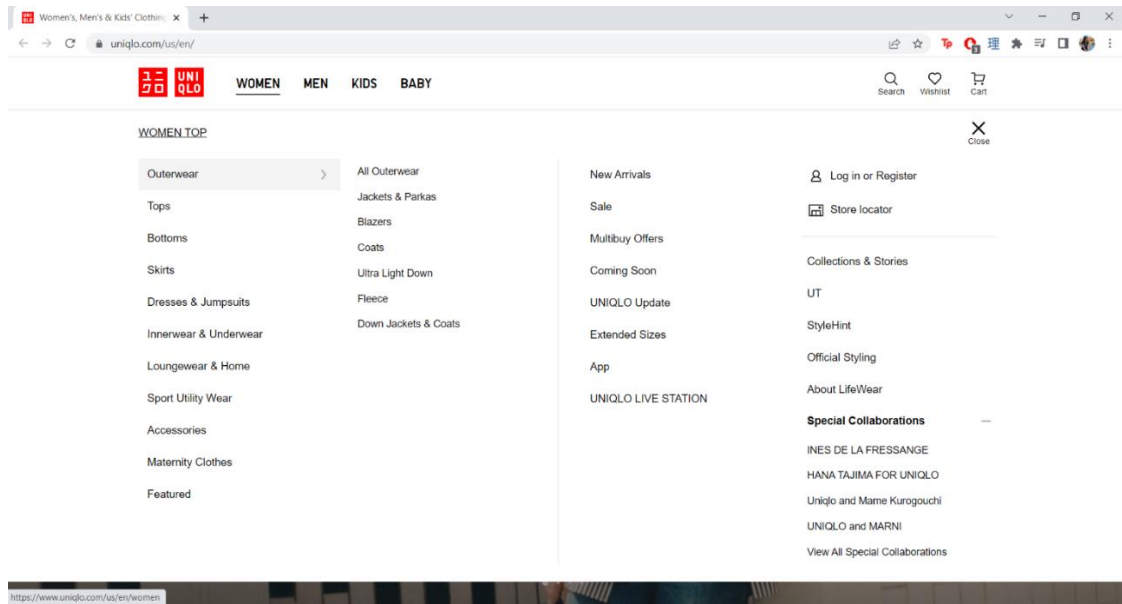


Figure 25 UNIQLO US – American online store, WOMEN menu (24.08.2022)

<https://www.uniqlo.com/us/en/>

If we open the WOMEN section of the webstore, we see the page in Figure 26.

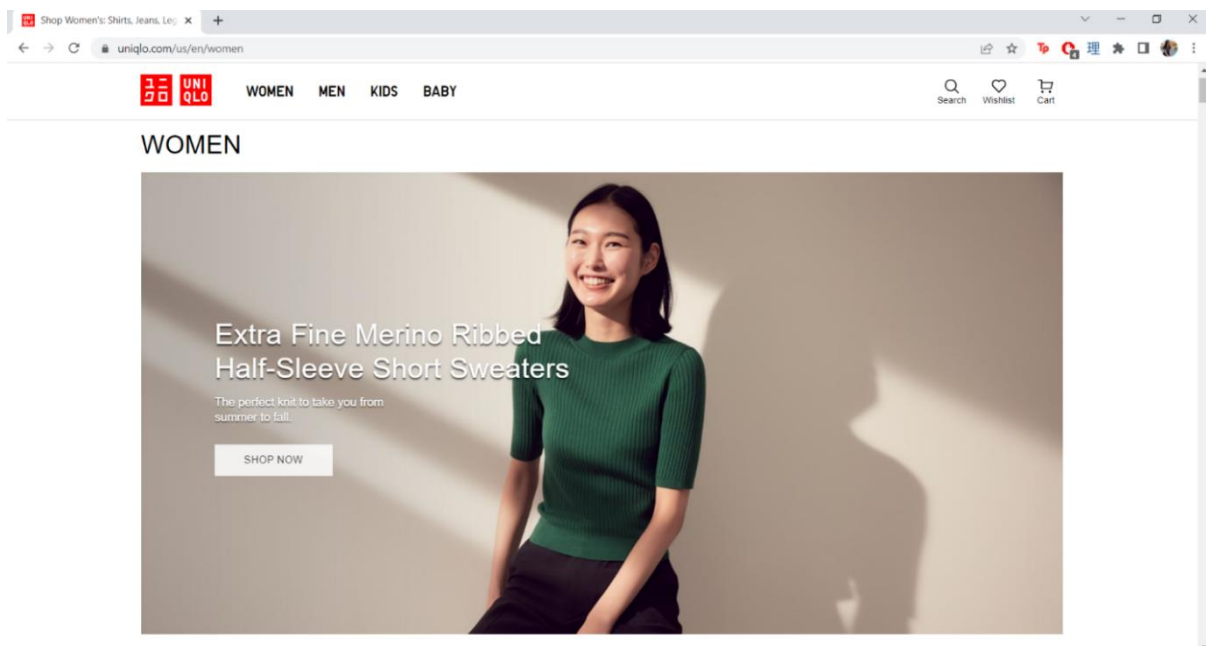


Figure 26 UNIQLO US – American online store, WOMEN section (25.08.2022)

<https://www.uniqlo.com/us/en/women>

Even the design of the section pages resembles the one of the Japanese webstore, with the advertisement occupying all the page. In the American online store, however, we do not find the chat bot assistance: it looks like it is a function available only in the Japanese webstore. To see the categories of clothes, we have to scroll down the page. We will then find 12 categories, as usual. In this case, the categories are: “Outwear,” “Fleece,”

“Sweaters & Cardigans,” “Shirts & Blouses,” “T-shirts,” “Pants,” “Jeans,” “Dresses,” “Innerwear,” “Sport Utility Wear,” “UT Graphic T-shirts,” and “HEATTECH” (Figure 27).

We can notice that the categories featured in every online store are different: probably the categories showed are the ones with more success in the specific country. For example, two of the categories featured in the Japanese online store are “Products with UV Protection” and “AIRism,” both technologies largely used in Japan, where people tend to avoid getting tanned and even with really high temperatures wear long-sleeved clothes/suits. These types of products have a great success in Japan, but are not that common in Western countries such as Italy or the US – where the online stores feature other kinds of categories.

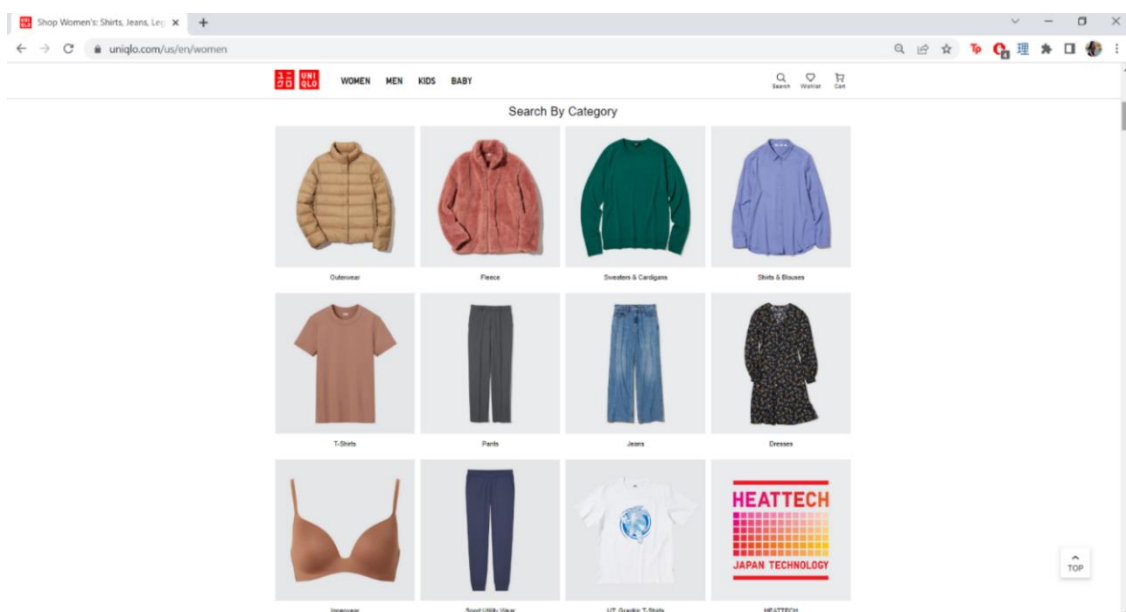


Figure 27 UNIQLO US – American online store, women section, featured categories (25.08.2022)

<https://www.uniqlo.com/us/en/women>

Figure 28 shows what we will see when we open the page of a product (in this case “Satin Pleated Skirt”). The design of the page resembles the one of the other online stores we have already seen: name and description of the product at the top of the page; a menu to select color and size on the right; the My Size ASSIST function and the size chart; prize, quantity, add to cart button and favourites/add to wishlist button; the article’s pictures on the left. We can also notice the function to check the store stock status at the bottom-right side of the page, under the “add to cart” button. The desing used is basically the translated version of the Japanese online store. Even when we scroll down, we cannot notice any unique content (Figure 29). The only function we have not analyzed yet is the “Official Styling” one (this function is featured in all the online stores, but not for all the articles). The “Official Styling” function allows clients to look at different pictures of models wearing the article they are looking at, combined with other UNIQLO’s articles. For some articles, we can also find the “StyleHint” function.

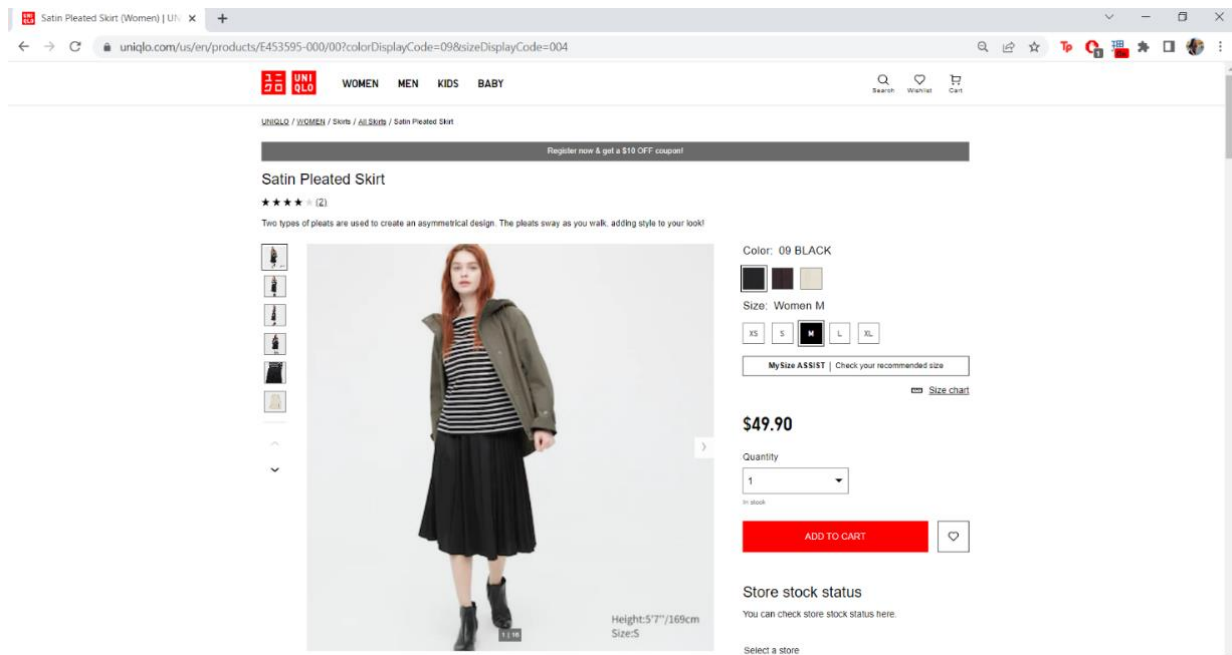


Figure 28 UNIQLO US – American online store, page showing a product (26.08.2022)

<https://www.uniqlo.com/us/en/products/E453595-000/00?colorDisplayCode=09&sizeDisplayCode=004>

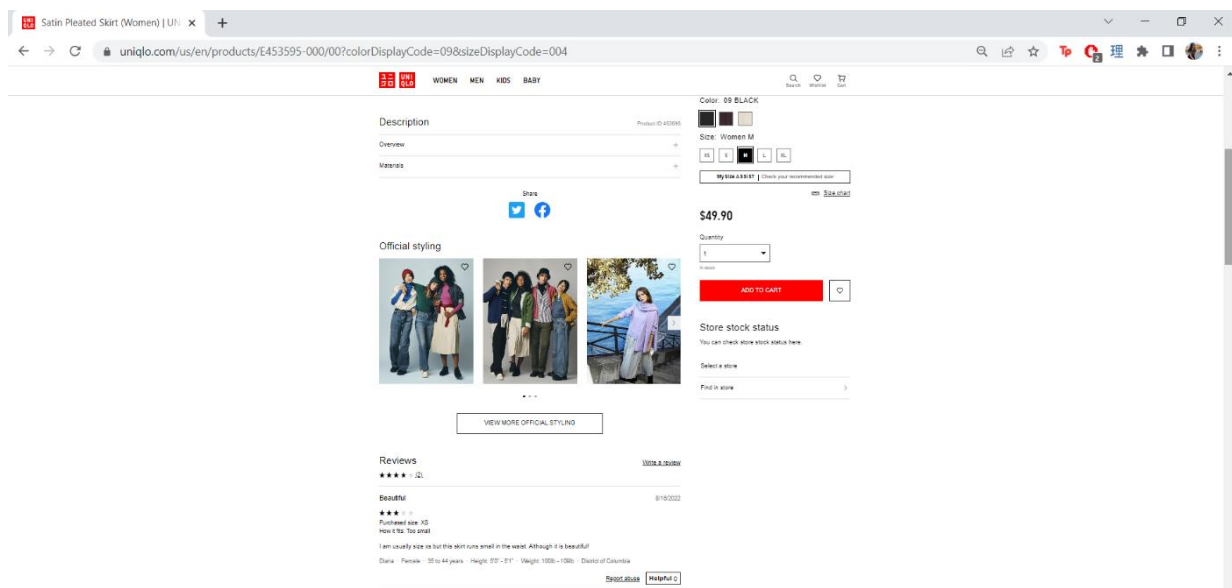


Figure 29 UNIQLO US – American online store, page showing a product (part 2) (26.08.2022)

<https://www.uniqlo.com/us/en/products/E453595-000/00?colorDisplayCode=09&sizeDisplayCode=004>

3.4 THE INDONESIAN ONLINE STORE

As a representative of the Asian area, I chose to analyze the Indonesian online store, since it has the particularity to be also representative of one of the most prominent Muslim markets in the world.

If we look at the homepage of the Indonesian online store (Figure 30), we notice that the design used is slightly different compared to the ones we have already examined. Above the main bar at the top of the page, we can see a smaller, gray bar that allows us to change language from Bahasa Indonesia to English. Every part of the

website will be shown in the selected language: the menu bar, the advertisements, and so on. Another peculiar thing we can notice is the position of the arrows to change the advertisements (they are situated at the bottom-left and bottom-right of the advertisement) and the presence of a written indication (“sebelumnya/previous” and “selanjutnya/next”). The design used also features both the personal profile icon and the wishlist icon in the main bar.

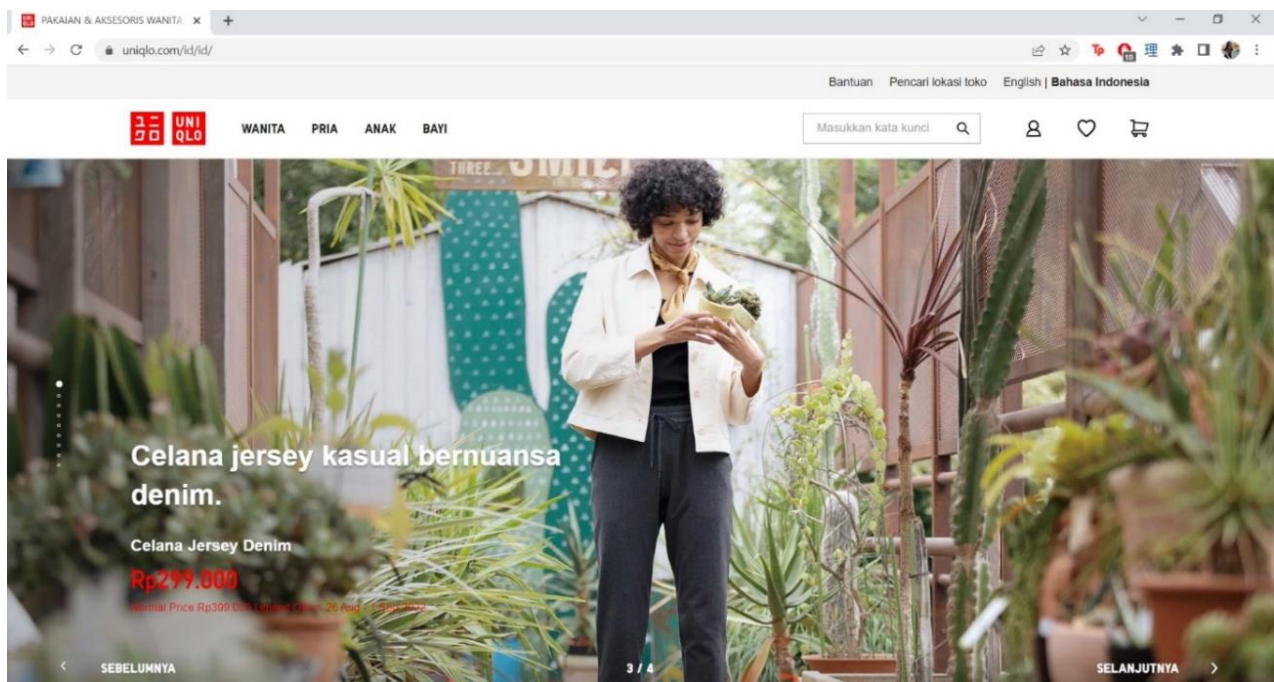


Figure 30 UNIQLO ID – Indonesian online store (30.08.2022)

<https://www.uniqlo.com/id/id/>

If we scroll on the bar and we open the different sections (Figure 31 shows the women section), we will notice that the menu has its own design, structured differently compared to any other online store we have seen. The clothes sub-categories are all indicated directly below their main category. Another thing we can notice is the presence of the “Modest Wear” category: as I have mentioned before, this category of clothes has been included to fill a need of the Indonesian market and its religious women who were looking for affordable, high quality clothes that would follow the religious requirements of modesty. Since around the 87% of the Indonesian population is Muslim, it was essential for UNIQLO to include this kind of clothes in order to have success in the Country.⁶⁴ As we have done for the other online stores, I will now open the women section and see what are the featured categories for Indonesia.

⁶⁴ *Atlante Geopolitico 2014*, s.v. “L’Islam Indonesiano,” accessed on August 30, 2022, https://www.treccani.it/enciclopedia/l-islam-indonesiano_%28Atlante-Geopolitico%29/#:~:text=In%20Indonesia%2C%20il%20pi%C3%B9%20grande,l%27%25%20della%20popolazione.

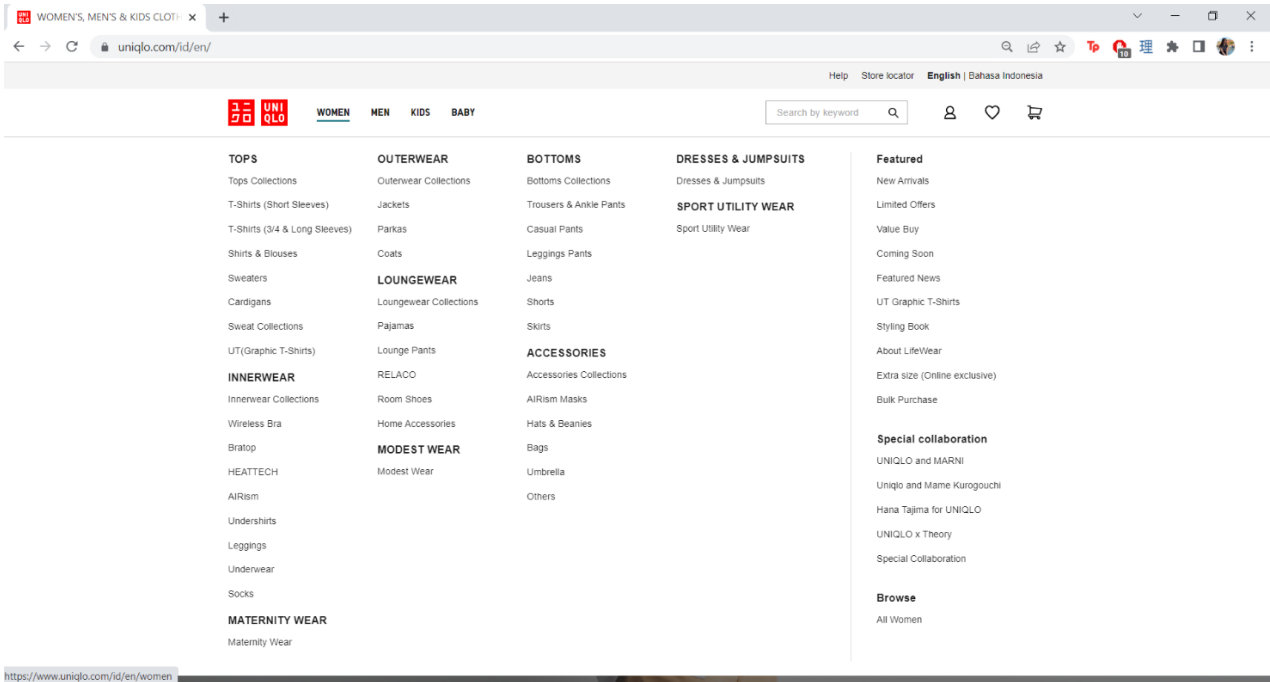


Figure 31 UNIQLO ID - Indonesian online store (30.08.2022)

<https://www.uniqlo.com/id/en/>

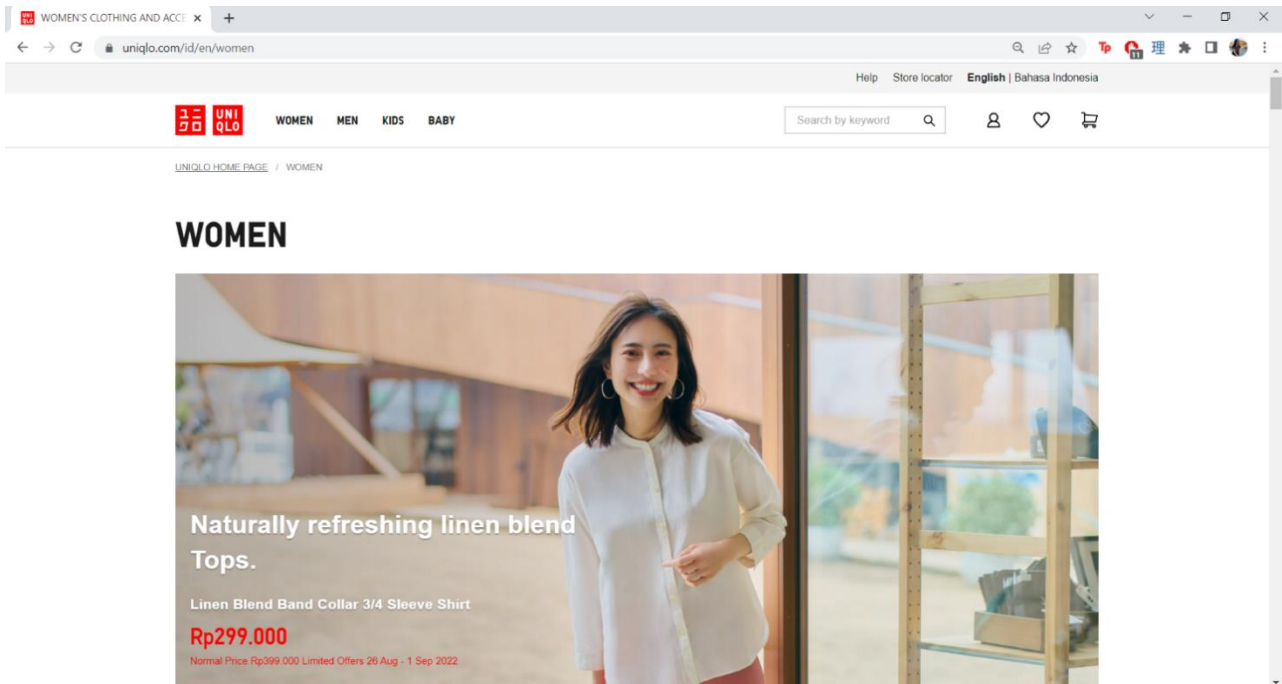


Figure 32 UNIQLO ID – Indonesian online store, women section (31.08.2022)

<https://www.uniqlo.com/id/en/search/?q=uv%20protection&path=15073>

The first thing we notice when we open the women section is that the page is structured as the American and Japanese webstores, with the big advertisement occupying all the page (Figure 32). If we scroll down, we will find the featured categories of this section (Figure 33). The categories featured are: “Outwear,” “Tops,” “Pants,”

“Skirts,” “Dresses and Jumpsuits,” “Innerwear,” “Loungewear,” “Accessories,” “Sport Utility Wear,” “AIRism,” “UT,” and “UV Protection.” Contrary to what I expected, “Modest Wear” is not included in these featured categories.

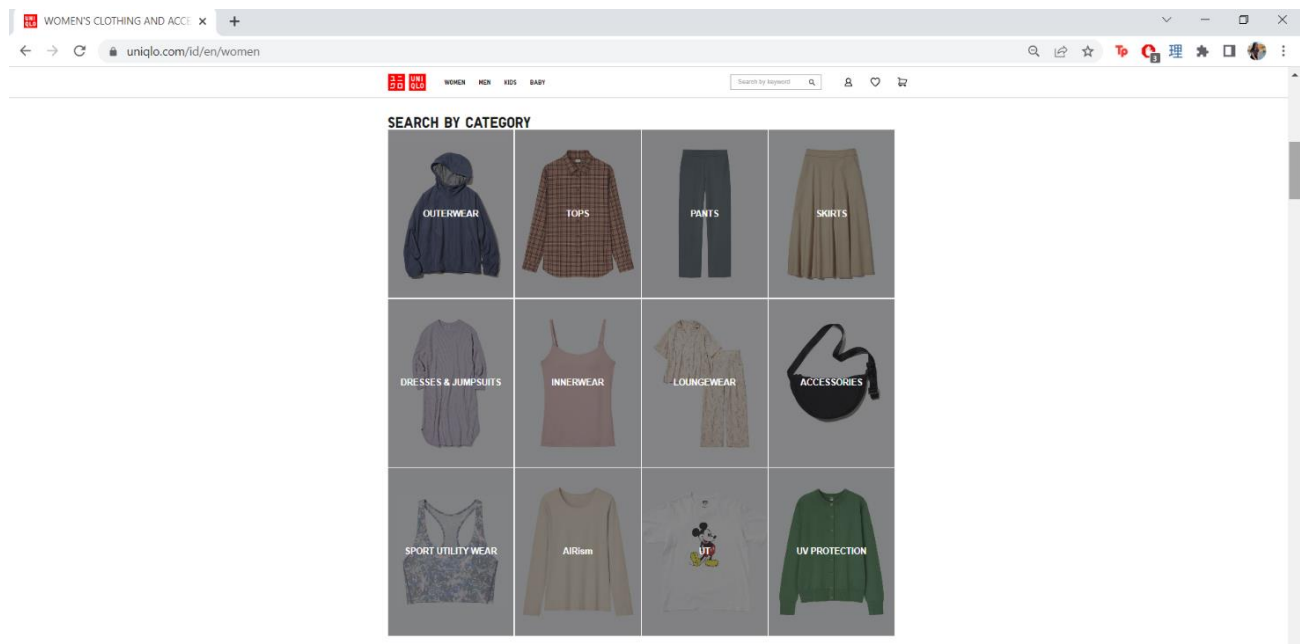


Figure 33 UNIQLO ID – Indonesian online store, women section, featured categories (31.08.2022)

<https://www.uniqlo.com/id/en/search/?q=uv%20protection&path=15073>

As usual, I have opened the skirts category. The first-shown skirts are long skirts (but miniskirts are also available). I then opened the page of a product – the Stretch Cotton Blend Circular Skirt (Figure 34) to analyze the design of the products’ pages. In this case, the design used for the page resembles the one we have seen for the Italian online store, with the name of the product on the right side of the page. However, the font used is different and a lot bigger; another difference is that the description of the article is placed under the name of the article (as in the American online store, even though in that case they both were placed above the pictures of the product). It is interesting to notice that we can find the “add to wish list” function (in this case not represented by a symbol, but spelled out) and the “size chart” function, but not the “MySize Assist” function. If we keep scrolling, we will find the reviews on the left side of the page.

I would like now to take a look at the modest wear section, since it is peculiar of this online store. The first two products shown are the “AIRism Headband” (product ID 447921) and the “AIRism Inner Cap” (product ID 447920).⁶⁵ These two products can both be used under the hijab (the headscarf some Muslim women wear). They are both made with the AIRism technology, so the products are differentiated compared to the others present in the market (meaning that the products have unique qualities and features that make them stand out amongst the other competitors).⁶⁶ In this case, the AIRism technology allows UNIQLO to produce these

⁶⁵ “Modest Wear,” UNIQLO, accessed on September 09, 2022, <https://www.uniqlo.com/id/en/women/modest-wear/modest-wear>.

⁶⁶ Carol M. Kopp, “Product Differentiation,” Investopedia, accessed on September 09, 2022, https://www.investopedia.com/terms/p/product_differentiation.asp.

articles with breathable and cool fabric, that is really suitable in the hot weather of Indonesia and that is convenient compared to under headscarf produced with non-breathable materials. At the moment (early September 2022), these products are not available in the Japanese online store, nor in the Italian and the American online stores. However, considering that UNIQLO usually takes a more “worldwide approach,” it is possible that these products will be launched in other markets too, if there is enough demand.

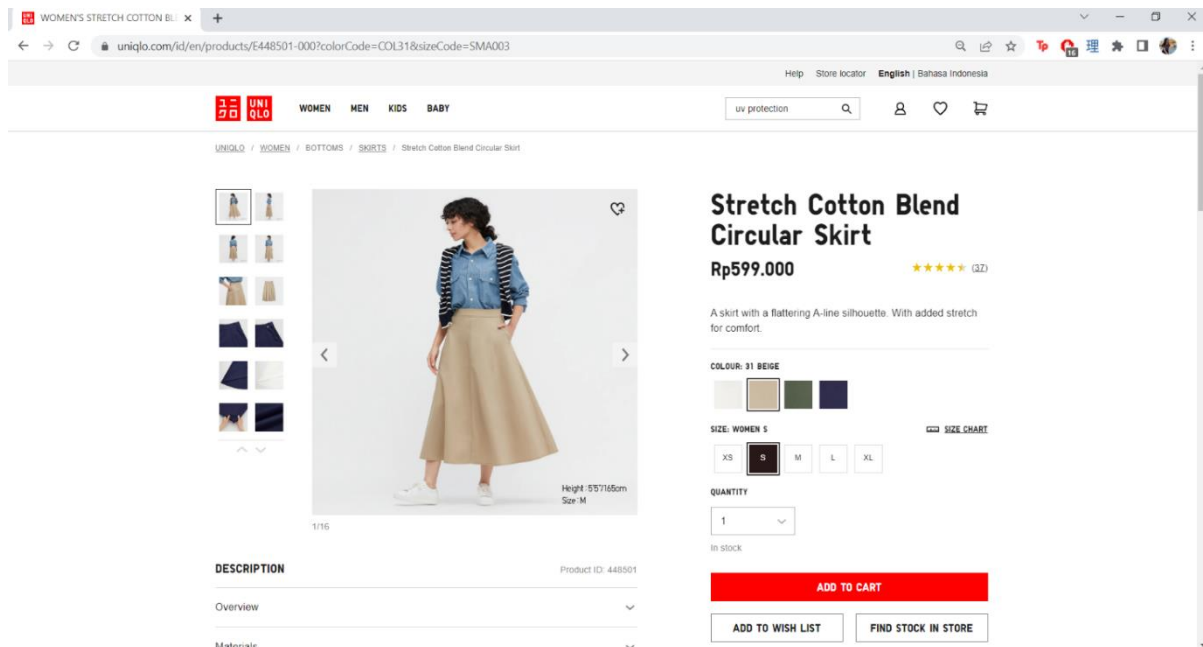


Figure 34 UNIQLO ID – Indonesian online store, page showing a product (02.09.2022)

<https://www.uniqlo.com/id/en/products/E448501-000?colorCode=COL31&sizeCode=SMA003>

3.5 COMPARISON WITH ZARA’S AND H&M’S ONLINE STORES

We have seen how UNIQLO presents its products on its online stores, which have an intuitive, simple design that reflects UNIQLO’s identity as a brand. The webstores are easy to navigate and the online shopping experience is also facilitated through some online functions. In particular, I have mentioned:

- The MySize ASSIST function (Japanese and Italian online stores);
- The Size Chart function (all the online stores considered);
- The Chat Bot function (Japanese online store);
- The StyleHint function (Japanese, Italian and American online stores)
- The Official Styling function (all the online stores considered)

I think it might be interesting to see if UNIQLO’s competitors provide similar functions on their online stores, and if their online stores as easy to navigate.

Regarding ZARA’s online stores, their design is not as intuitive as the ones utilized by UNIQLO. ZARA’s online stores feature a great quantity of videos, both as advertisements and as info of products. Due to the presence of these many videos, the website is slow to load if your internet connection is not fast, and even

though the design is classy and refined the navigation is not as smooth as it should be. Nonetheless, ZARA's webstores offer some of the functions we can find on UNIQLO's webstore, such as the size assist function, the size chart function and the chatbot function, as we can see on the right side of Figure 35.

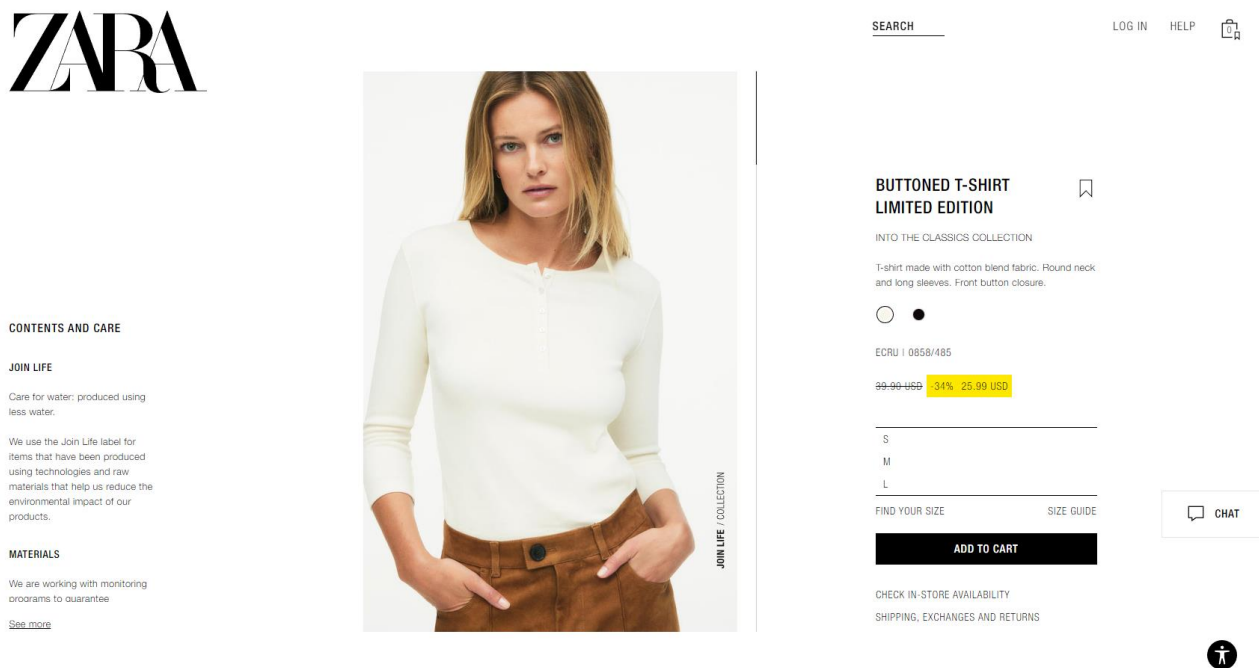


Figure 35 ZARA's product page and its functions (03.01.2023)

<https://www.zara.com/us/en/buttoned-t-shirt-limited-edition-p00858485.html?v1=214531240&v2=2186222>

H&M's online stores design is simpler and more in line with the one utilized by UNIQLO. However, H&M's webstores do not feature any of the helpful functions we have seen for UNIQLO and for ZARA, as we can see in Figure 36.

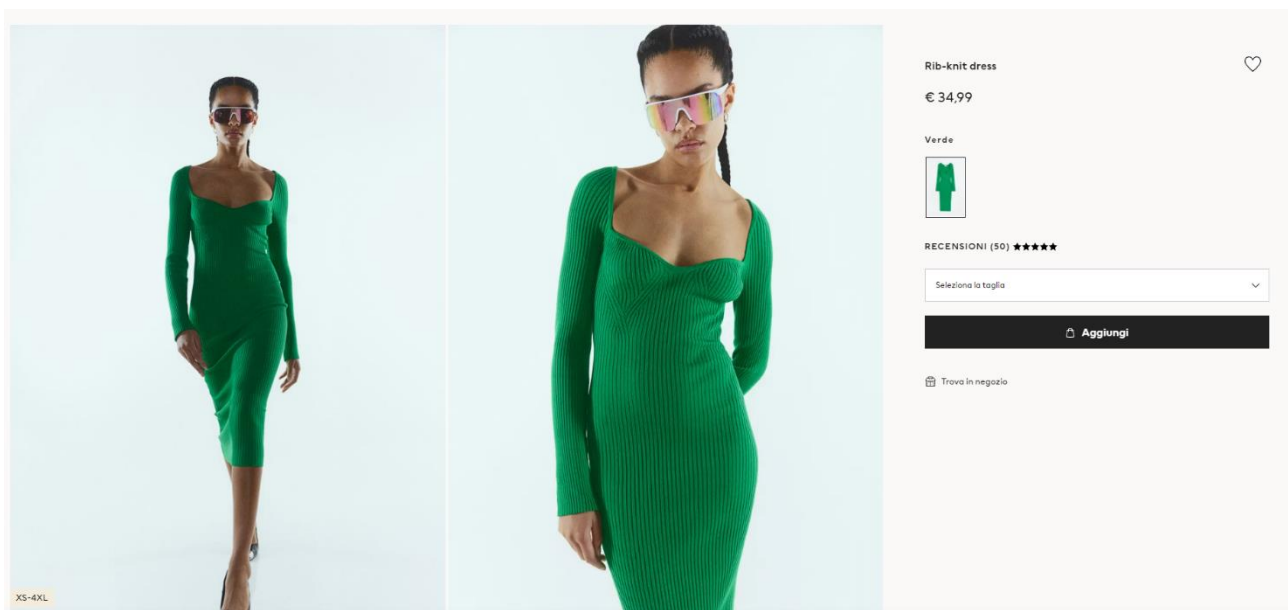


Figure 36 H&M's product page (03.01.2023)

https://www2.hm.com/it_it/productpage.1109917005.html

UNIQLO's online stores are therefore the most balanced ones between the three companies, having a good compromise between ease of navigation and functions offered for the online shopping experience.

3.6 CONCLUSIONS

We understood that, although UNIQLO's strategy is presented as a worldwide approach to the market, the way products are shown on the online stores and, in some cases, the availability of the articles differ from one market to the other. UNIQLO's products have a simple design that can be appreciated in every market, but the company still offers its articles pondering the peculiarities of the market we are considering; the way the articles are shown on the online stores, for example in the featured categories or in a category page, is "glocalized" to adapt the communication to the target.

The online stores feature different functions that contribute to the shopping experience of clients, and offer a broader list of options for what concerns clothes' sizes and colors: this wide set of options supports UNIQLO's philosophy "made for all" and contributes to increasing the number of potential customers.⁶⁷ The design of the online stores facilitate the navigation, and the functions offered create a nice online shopping experience for UNIQLO's clients. Compared to its competitors' online stores, UNIQLO's online stores are the most balanced ones in terms of design and functions, and this balance contributes to strengthen UNIQLO's image as a simple, yet convenient and useful brand.

⁶⁷ "UNIQLO. Made for All," UNIQLO, accessed on December 06, 2022, https://www.uniqlo.com/made_for_all/en/.

4 UNIQLO'S SOCIAL MEDIA

We have seen that, in today's scenario, having an online store is important, since it helps rising brand visibility and therefore widening the customer base of the brand. Social media are another useful tool to let people know about your brand and gain attention from potential clients.

UNIQLO has many profiles on all the main social media platforms. The content of the profiles is differentiated based on the country the profile was created for, and based on the social media platform.

4.1 INSTAGRAM

The first social media that I will consider is Instagram. On Instagram, UNIQLO has different profiles: there is one global profile, "UNIQLO Global" (@uniqlo), which is the profile where all the information about global campaigns and initiatives is posted;⁶⁸ we can also find one profile for many of the countries UNIQLO has stores in. For example, we will find @uniqlo_jp for Japan,⁶⁹ @uniqlousa for the United States of America⁷⁰ – there is also a profile for Hawaii, @uniqlo_hawaii⁷¹ – and @uniqloindonesia for Indonesia.⁷² We will also find profiles for bigger areas, such as @uniqloeurope⁷³ for Europe, and one profile for global ambassadors of the brand (@uniqlo_ambassadors).⁷⁴ We used to have a profile for Italy too, named @uniqlo_it, but it has become unavailable on the 10th of September; the only explanation I found is a video posted on the Italian UNIQLO page on Facebook, "Uniqlo Italy,"⁷⁵ where the company, with a video (Figure 37),⁷⁶ informs its Italian clients that the Italian profile will be merged into the European profile, UNIQLO Europe, with all the other local European profiles.⁷⁷ Since Instagram is part of the Meta Platforms Inc. along with Facebook, it is possible that the Italian UNIQLO account suffered the same fate of its Facebook equivalent.

I would like now to take a look at some of UNIQLO's Instagram profiles.

The global profile @uniqlo (Figure 38) has various stories highlights – a function of Instagram that allows 24 hours stories to remain on the profile until you remove them manually.⁷⁸ Part of the highlights includes advertisements for new collections (for example, the Hana Tajima Fall 2022 collaboration), links to the

⁶⁸ Uniqlo Global, "@uniqlo Profile," Instagram, accessed on October 10, 2022, <https://www.instagram.com/uniqlo/>.

⁶⁹ ユニクロ公式, "@uniqlo_jp Profile," Instagram, accessed on October 10, 2022, https://www.instagram.com/uniqlo_jp/.

⁷⁰ UNIQLO USA, "@uniqlousa Profile," Instagram, accessed on October 10, 2022, <https://www.instagram.com/uniqlousa/>.

⁷¹ UNIQLO Hawaii, "@uniqlo_hawaii Profile," Instagram, accessed on October 10, 2022, https://www.instagram.com/uniqlo_hawaii/.

⁷² UNIQLO Indonesia, "@uniqloindonesia Profile," Instagram, accessed on October 10, 2022, <https://www.instagram.com/uniqloindonesia/>.

⁷³ UNIQLO Europe, "@uniqloeurope Profile," Instagram, accessed on October 10, 2022, <https://www.instagram.com/uniqloeurope/>.

⁷⁴ Uniqlo Global Brand Ambassadors, "@uniqlo_ambassadors Profile," Instagram, accessed on October 10, 2022, https://www.instagram.com/uniqlo_ambassadors/.

⁷⁵ Uniqlo Italy, "Uniqlo Italy Page," Facebook, accessed on October 01, 2022, <https://www.facebook.com/uniqloit/>.

⁷⁶ Uniqlo Italy, "Stiamo per diventare UNIQLO Europe," Facebook, August 26, 2022, <https://fb.watch/hj2uK1NQf9/>.

⁷⁷ UNIQLO Europe, "UNIQLO Europe Page," Facebook, accessed on October 01, 2022, <https://www.facebook.com/uniqloeurope/>.

⁷⁸ "Introducing Stories Highlights and Stories Archive," Instagram, December 05, 2017, <https://about.instagram.com/blog/announcements/introducing-stories-highlights-and-stories-archive>.

UNIQLO UT magazine, available online for free, and outfits' suggestions. We will also find information about UNIQLO sustainability initiatives and UNIQLO's new services (such as the mobile app and its functions). When this profile publishes stories with advertisements of upcoming products, usually we also find a reminder to check the local profile of our own area for details; we can find the list of all the local profiles in the "Regions" highlighted stories. This is due to the fact that, even though UNIQLO usually launches its new collections worldwide, the effective date of availability can change from one area to the other. If we take a look at the feed, we will find photos and videos presenting new products (sometimes along with their code for the webstore) and collections. Even in this case, we will find a reminder to check the local availability of the products.



Figure 37 Uniqlo Italy announcing the merging into UNIQLO Europe (01/10/2022) .

<https://fb.watch/fU31TvtHf5/>

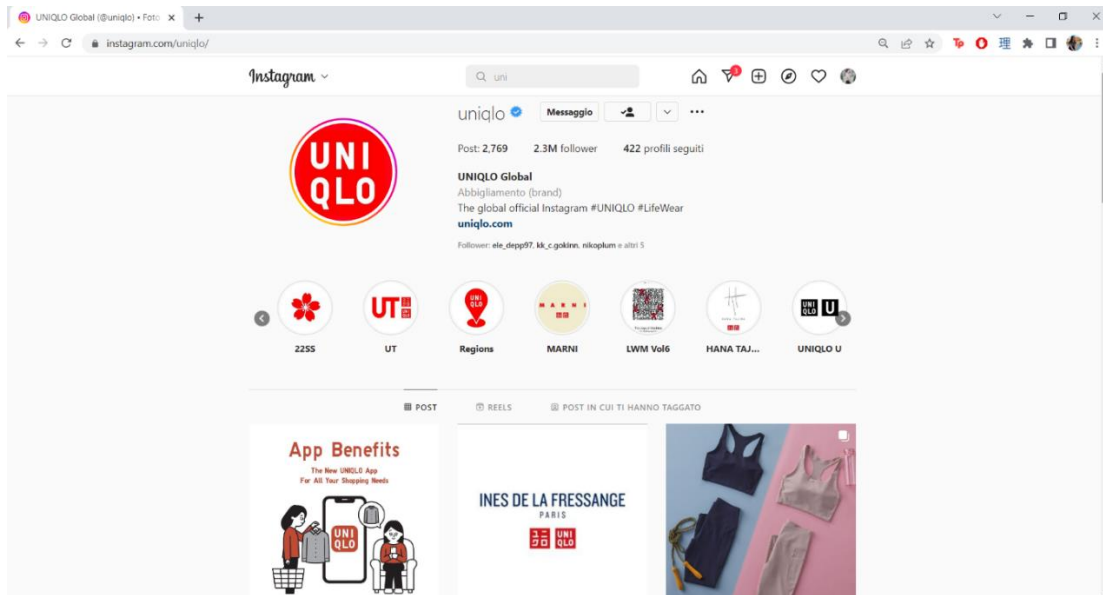


Figure 38 UNIQLO Global Instagram profile (09.09.2022)

<https://www.instagram.com/uniqlo/>

The Japanese profile @uniqlo_jp has similar content. The feed features the top selling products and advertisements for new collections. The graphic of the posts though is different: while the global profile tends to use photos with small or no writing at all, making the picture itself the center of the post, the photos published on the Japanese profile usually have large captions on them (Figure 39). This graphic choice recalls the large subtitles used in Japanese TV programs; however, in other countries this use of subtitles is not as common and may be found disturbing by some people; I think this may be the reason why the graphic choice is different for the other profiles.

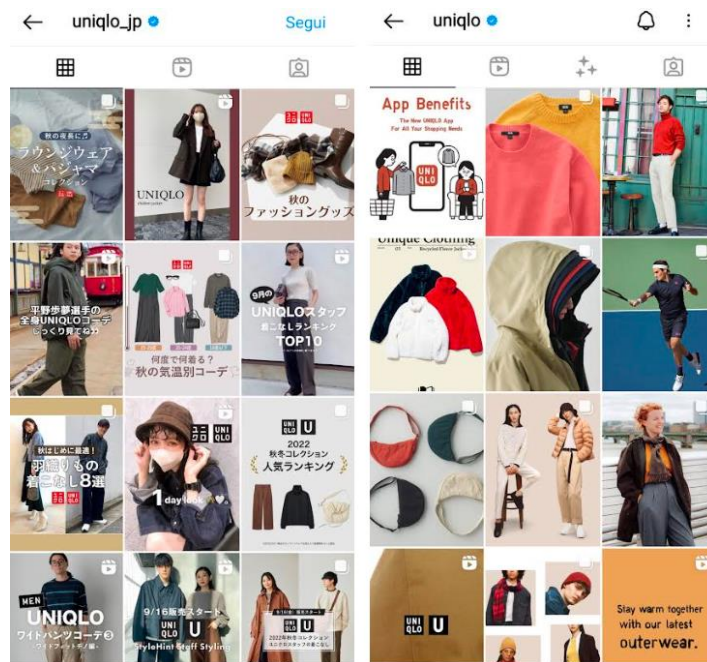


Figure 39 @uniqlo_jp and @uniqlo comparison (10.10.2022)

https://www.instagram.com/uniqlo_jp/ & <https://www.instagram.com/uniqlo/>

If we take a further look at the Japanese profile, we notice a button to access the in-app shop (after selecting a product a link will take the client to the webstore). This function is not available in all the UNIQLO's Instagram profiles. For the profiles I have mentioned before, the function is also available in the @uniqlousa profile, the @uniqloindonesia profile and the @uniqloeuropa profile.

The Indonesian profile @uniqloindonesia posts in English and in Indonesian; the American profile @uniqlousa posts in English. Both profiles' content is similar to the one we have seen for the Global profile, with advertisement for products, collections and events.

The European profile @uniqloeuropa has the same type of content; when publishing content regarding one particular country, the profile utilizes both English and the local language. For example, for the opening of the new Madrid store, a video was published on the 6th of October 2022 with an English and Spanish double description (Figure 40).

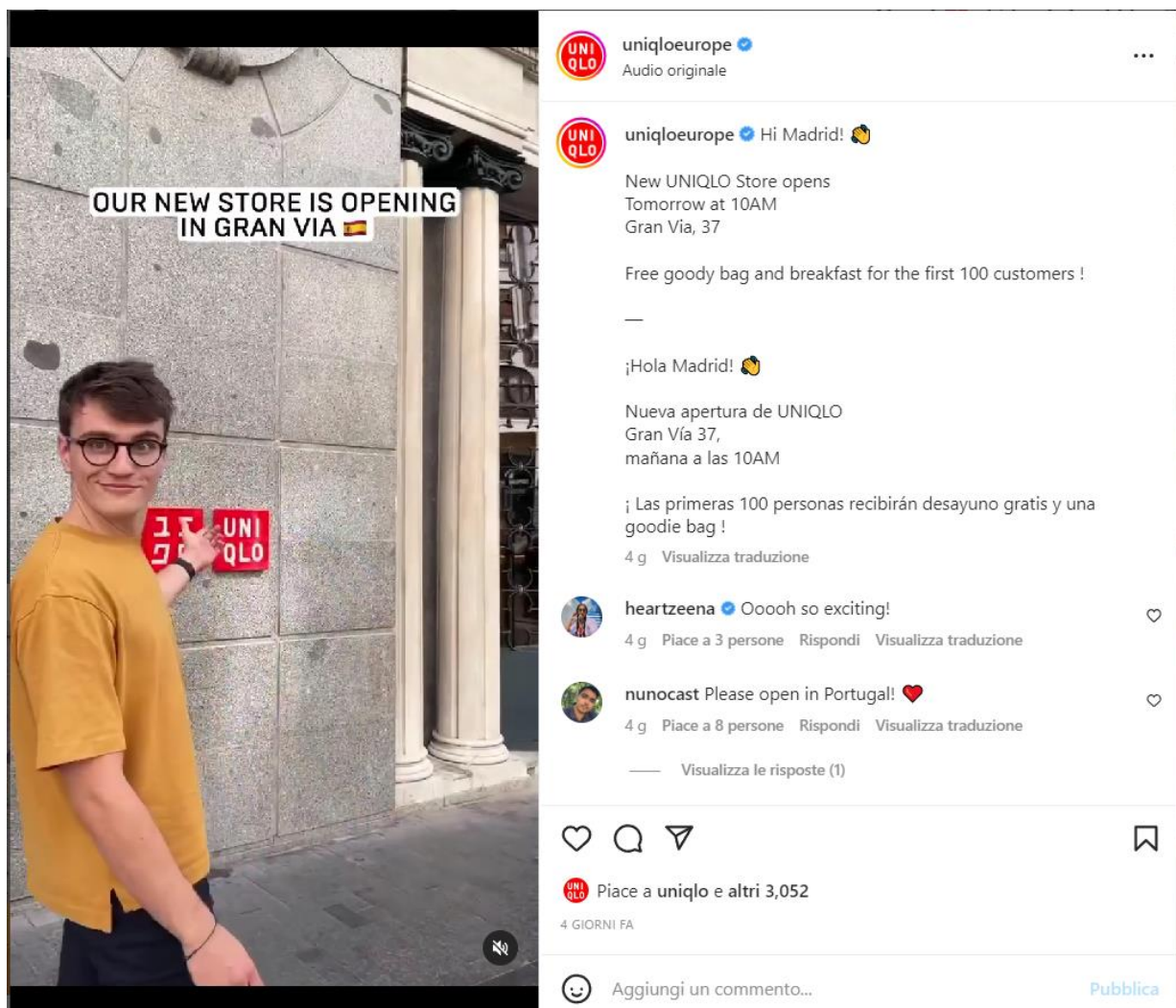


Figure 40 @uniqloeuropa announcing the opening of the new Madrid store (10.10.2022)

<https://www.instagram.com/p/CjVz6QNJxex/>

4.2 FACEBOOK

UNIQLO is also on Facebook, as we have already seen in the section dedicated to UNIQLO’s Instagram profiles. We can easily find the Japanese page, called simply “Uniqlo.”⁷⁹ The content published on this page is similar to the one published on the Japanese Twitter profile – sometimes even the same (as shown in Figure 41). Both posts say: “Which jacket outfit do you like? (Please) comment 1~4! 1. Autumn check overshirt jacket 2. Warm corduroy work shirt 3. Good matching utility jacket 4. Pocketable color-blocked parka with UV cutting technology”. As we can see, in this case there is only a minor difference between the two posts (the Twitter version omitted the *してください*). I will further analyze UNIQLO’s use of Twitter later on this chapter.

If we take a look at the American page “UNIQLO USA” (@uniqlo.us),⁸⁰ we can notice that in this case almost every post is published at the same time on Instagram and on Facebook (as shown in Figure 42). The two Meta socials, Facebook and Instagram, are the most popular social networks in the USA, with 227.94 and 186.47 million of active users each.⁸¹ This may be one of the reasons why these platforms are widely used and both contain the same information – other than the fact that, since they are part of the same corporation, there is a function to connect the two and publish on both of them at the same time.



Figure 41 UNIQLO Japan - Facebook & Twitter (03.10.2022)

<https://www.facebook.com/uniqlo/photos/a.238866942813736/5991887584178281/> &
https://twitter.com/UNIQL0_JP/status/1576489664604782592

⁷⁹ Uniqlo, “Uniqlo Page,” Facebook, accessed on October 03, 2022, <https://www.facebook.com/uniqlo/>.

⁸⁰ UNIQLO USA, “UNIQLO USA Page,” Facebook, accessed on October 04, 2022, <https://www.facebook.com/uniqlo.us>.

⁸¹ “US Social Media Statistics 2022: Most Popular Platform,” The Global Statistics, accessed on October 04, 2022,

<https://www.theglobalstatistics.com/united-states-social-media-statistics/#:~:text=Facebook%20is%20the%20most%20popular,and%20platform%20developed%20by%20Facebook.>

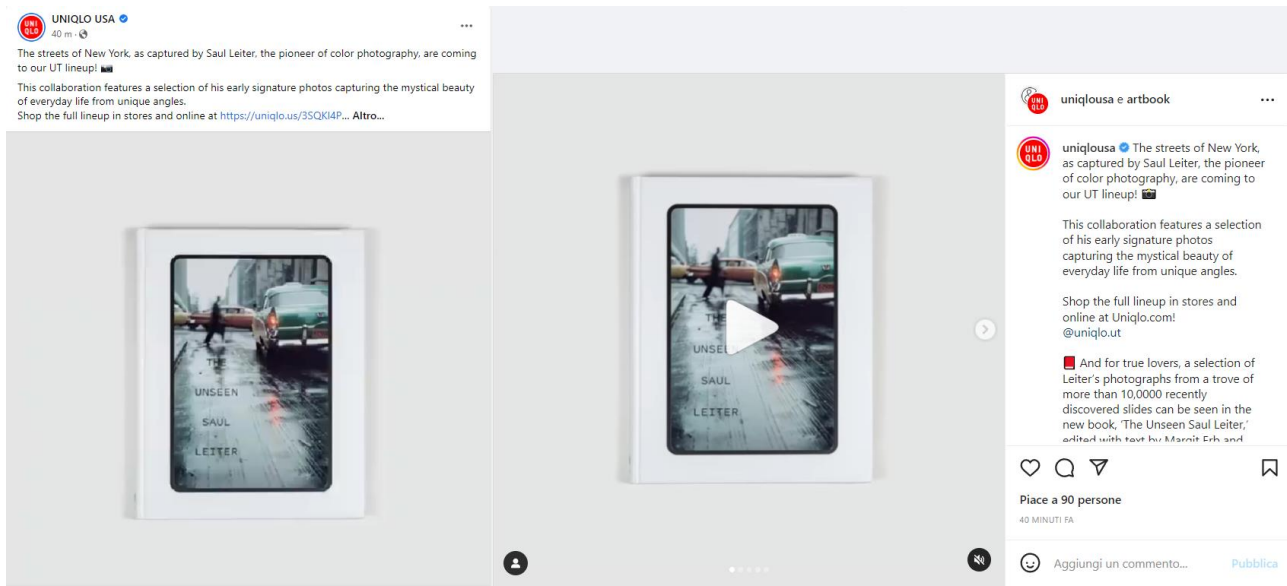


Figure 42 UNIQLO USA - Facebook & Instagram (04.10.2022)

<https://www.facebook.com/uniqlo.us/videos/1488541684948028> & https://www.instagram.com/p/CjSyXv_ugDK/

As we have already seen, the Italian page is now closed and the official reference page for the country has become the European one.⁸² The posts of UNIQLO Europe (@uniqloeuropa) are published in English.⁸³ Even in this case, we can find some of the posts both on Facebook and Instagram, but compared to the US account we will find more variety between the two platforms. A peculiarity of the European profile – both on Facebook and on Instagram – is that it reposts photos of normal people who are wearing UNIQLO clothes. The code of the products is also posted with the photos, so that other people can go on the online store and look at the article if they want to.

For the Indonesian page, called Uniqlo Indonesia (@UniqloIndonesiaOfficial), UNIQLO uses the same method we have seen for the European page: the same posts are published on Facebook and Instagram around the same time; the languages used are English and Indonesian.⁸⁴

Generally speaking, we can notice that the content published on Facebook goes hand in hand with the one published on Instagram. However, this is not entirely true for the Japanese page, the content of which is more similar to the one published on Twitter. This may be due to the fact that, at least for now, in Japan Twitter is more popular than Instagram (to the point that many companies open a Twitter profile before their own website).⁸⁵ Since Facebook is still considered a good platform for business, it is possible that for Japan it was chosen to republish the Twitter content instead of the Instagram content.⁸⁶ For the USA instead, Facebook and Instagram are the most used social media platforms, with 74.2 and 60.7% of users involved compared to the

⁸² Uniqlo Italy, "Uniqlo Italy Page."

⁸³ UNIQLO Europe, "UNIQLO Europe Page."

⁸⁴ Uniqlo Indonesia, "Uniqlo Indonesia Page," Facebook, accessed on October 05, 2022, <https://www.facebook.com/UniqloIndonesiaOfficial>.

⁸⁵ "Japan's Top Social Media Platforms in 2022," BigBeatInc., accessed on October 05, 2022, <https://www.bigbeatinc.com/blog/japan-social-media-2022>.

⁸⁶ Ibid.

41.8% of Twitter;⁸⁷ this may be the reason why UNIQLO chose to differentiate the managing of its social media platforms in Japan.

4.3 TWITTER

Twitter is the next social network we can find UNIQLO on. In this case, we do not find a global profile – as the one we have found, for example, on Instagram –, but simply local accounts. Figure 43 is a screenshot of the Japanese profile, @UNIQLO_JP. The header picture of the profile at the moment of the screenshot (15th September 2022) is an advertisement for one of UNIQLO’s services. We can read 「UNIQLOにあるものぜんぶ、お取り寄せ」 (order everything there is in UNIQLO), which is a slogan describing a service that allows clients to order at the store products that are not in stock, but are available online. Clients can pay in advance and decide whether to pick up the product in store or get it delivered at home or at a convenience store.⁸⁸



Figure 43 UNIQLO JP - Twitter profile (15.09.2022)

https://twitter.com/UNIQLO_JP

We have seen how the content published on the Japanese Twitter profile is similar to the one published on the Japanese Facebook Page. Compared to the content published on the Instagram profile, the interaction with followers is deeper on Twitter. If we take a look at Figure 44, we will find an example of this type of interaction: a tweet that we can translate as “Which day’s outfit do you prefer? Leave a comment! These outfits are okay even for the office! We tried to create beautiful and casual outfits for one week using 9 items of the new UNIQLO collection! The relaxed tailored jacket/double jacket have a special prize until September 22nd! (¥5990)”. This kind of interaction with the followers – asking them to comment their favorite outfits – is proof

⁸⁷ “US Social Media Statistics 2022,” The Global Statistics.

⁸⁸ 「『ユニクロにあるものぜんぶ、お取り寄せ』について」, UNIQLO, accessed on September 15, 2022, <https://faq.uniqlo.com/articles/FAQ/100008167/>.

of UNIQLO's attention to customers' needs and desires and of how the company considers its customers' feedbacks as an essential part of its business model.⁸⁹

If we check the American Twitter profile (@UniqloUSA), we will find a different type of content. The tweets and the Instagram posts (on the account @uniqlousa) are usually the same (we might find some little differences since on Twitter the profile has to respect the 280 characters limit). Figure 45 is an example of this simultaneous social media management system.



Figure 45 One of UNIQLO_JP's tweets (17.09.2022)

https://twitter.com/UNIQLO_JP/status/1571061413522550784



Figure 44 @UniqloUSA - Twitter and Instagram (19.09.2022)

<https://www.instagram.com/p/CilH2eSs3gc/> &
<https://twitter.com/UniqloUSA/status/1570922474727956481>

The Japanese Twitter profile is therefore more engaged with its follower compared to its American counterpart, but what is the reason behind this difference? My hypothesis is that Twitter as a platform is used in different ways in this two Countries. Twitter's marketing expert Morita Kentarō sustains that people in Japan tend to use Twitter as a way to read honest reviews about the products they are interested in. Since Twitter is easier – and free – to use compared to websites, companies often create a Twitter profile before their own company website.⁹⁰ In this scenario, we may suppose that UNIQLO Japan tries to make the most of this platform by interacting directly with the followers. This way of using Twitter is not as common in the USA, and that may be the reason why the two Twitter profiles are used in such a different way. In fact, globally speaking, activities

⁸⁹ "UNIQLO Business Model," Fast Retailing, accessed on September 17, 2022, <https://www.fastretailing.com/eng/group/strategy/uniqlobusiness.html>.

⁹⁰ Joe Wadlington, "What businesses around the world can learn from Japan," accessed on September 19, 2022, <https://business.twitter.com/en/blog/what-businesses-around-the-world-can-learn-from-japan.html>.

connected to shopping and promotion of business are the least common user activities on Twitter, confirming the peculiarities of the use of the platform in Japan.⁹¹ We can find another proof of this theory by looking at the Indonesian profile, @uniqloindonesia: even in this case, the posts are usually the same ones published on the Instagram profile @uniqloindonesia (sometimes the only difference is the language used for the post, as we can see in Figure 46), similarly to what we have seen for the American profiles. The tweet and the Instagram post of Figure 46 were not posted at the same time, but still at just one day apart from each other.



Figure 46 @uniqloindonesia – Twitter and Instagram (20.09.2022)

<https://twitter.com/uniqloindonesia/status/1571720549470179329> & <https://www.instagram.com/p/CiuPzDYJFyG/>

4.4 VIDEO PLATFORMS

I will now take a look at two of the most known video platforms, TikTok and YouTube. Online video advertising has become more and more important during the past few years: in a survey, made by the company HubSpot in 2018, 54% of survey respondents declared that, from a brand they support, they would like to see videos.⁹² From the same survey, we find out that, at the question “if you like a certain brand, how do you prefer

⁹¹ Jay Allan, “Number of Twitter Users 2022/2023: Demographics, Breakdowns & Predictions,” accessed on December 11, 2022, <https://financesonline.com/number-of-twitter-users/>.

⁹² Mimi An, “Content Trends: Preferences Emerge Along Generational Fault Lines,” HubSpot, May 06, 2022, <https://blog.hubspot.com/marketing/content-trends-preferences>.

to engage with and learn more about them?,” “watch their videos” is the second choice (41%), being the first one “go to their website.”⁹³ These are some of the reasons why I think it is important to take a look to UNIQLO’s approach on the main video platforms, to understand up to which point these platforms are used to create a global success and help people getting to know the brand better.

4.4.1 TikTok

UNIQLO has multiple accounts on TikTok. Even in this case, as we have seen on Twitter, there is no global account; however, we can find different local accounts (for example, @uniqlo_jp for Japan, @uniqlousa for the USA and @uniqloindonesia for Indonesia). On TikTok, UNIQLO uses trends and trending songs to promote its articles and collections: the videos posted include outfit suggestions, commercials for new collections and reposts of fans’ videos, in which they show off products.

The most active account (even though not the one with most followers) is the Japanese one, @uniqlo_jp. On this account, we can find short videos starred by one of UNIQLO global ambassadors, Hirano Ayumu, a Japanese snowboarder gold medalist at Beijing 2022.⁹⁴ Hirano is well known by the Japanese public: the account @dysc4tbbk4fz commented 「この方が着るからかっこよくなる」(it looks cool since it’s worn by him); another account, @userzgszx65nck, wrote 「平野歩夢だからカッコエんだよな」(it’s cool since it’s Hirano Ayumu, isn’t it?);⁹⁵ we would not have an effect as strong as this one in other countries, since Hirano is not as well-known as he is in Japan. In fact, the videos starring Hirano Ayumu were not posted on the American account nor on the Indonesian account.

Talking about the Indonesian account (@uniqloindonesia), with 72,000 follower it is the second most followed UNIQLO account on TikTok (the first one is the UNIQLO Philippines account, @uniqlphofficial, with 107,300 followers). If on the Japanese account we found videos starring Hirano Ayumu, on the Indonesian account we find a video⁹⁶ starring the Indonesian TV host and content creator Michelle Hendra.⁹⁷ We can notice that UNIQLO tries to use, for its advertisings, well known people in that specific country. Another interesting factor to notice about the Indonesian profile is the diversity shown in the videos: as we have already said, Indonesian people are largely Muslim, so it is not uncommon to see people dressing modestly and women wearing hijabs. This, in my opinion, helps to strengthen the image of UNIQLO as a brand with a product for everyone.

The American account (@uniqlousa) is not really active at the moment: it only has 4991 followers and 10 videos published (on the 24th September 2022).⁹⁸ If we put this aside, we can notice how even this account

⁹³ An, “Content Trends: Preferences Emerge Along Generational Fault Lines.”

⁹⁴ ユニクロ【公式】, “@uniqlo_jp Account,” TikTok, accessed on September 23, 2022, https://www.tiktok.com/@uniqlo_jp/video/7145383516090518786?is_copy_url=1&is_from_webapp=v1&lang=it-IT.

⁹⁵ Ibid.

⁹⁶ UNIQLO Indonesia, “@uniqloindonesia Account,” TikTok, accessed on September 24, 2022, https://www.tiktok.com/@uniqloindonesia/video/7118990910326672666?is_from_webapp=1&sender_device=pc&web_id=7097526128902915590.

⁹⁷ Michimomo, “@michellehendra Account,” TikTok, accessed on September 24, 2022, <https://www.tiktok.com/@michellehendra>.

⁹⁸ UNIQLO USA, “@uniqlousa Account,” TikTok, accessed on September 24, 2022, <https://www.tiktok.com/@uniqlousa>.

uses the same strategy to advertise UNIQLO's products: one of the most recent videos features people with a large community in the USA, but not known outside of the country:⁹⁹ the artist Daniel Victor¹⁰⁰ and the trainer Traci Copeland.¹⁰¹ Besides that, there is a video starring the worldwide known tennis player Roger Federer. Federer has announced his retirement on the 15th of September 2022;¹⁰² a week later, on the 23rd of September, Federer played his last match and the video with him was posted on UNIQLO's account. The video might be posted to ride the wave of the attention dedicated to the champion after his announcement; however, we must consider the fact that Federer is one of UNIQLO's global ambassadors, so the video was also made to thank him for all his work, combining marketing and pleasantries in one.

4.4.2 YouTube

Even on YouTube UNIQLO has different accounts; this time, we can find one that we could consider a global channel, since it is just named "Uniqlo" and has the verified mark. However, even though this "global" channel was opened on the 22nd of June 2015, it has no video visible on it, so it is difficult to establish the real idea of use of this channel.¹⁰³

The situation is different when we take a look at the Japanese channel, 「UNIQLO ユニクロ」.¹⁰⁴ The channel was opened on the 18th March 2006, has 77,800 followers (on the 26th September 2022) and many videos published on it.¹⁰⁵ The videos on the homepage of the channel are divided in different categories. We find the playlist 「Life と Wear」(Life & Wear), a series of short commercials, usually – but not only – about UNIQLO's technologies (for example AIRism and HEATTECH).¹⁰⁶ The second playlist listed on the homepage is 「あなたと歩く。ユニクロのジーンズ」 (Walk with you. Uniqlo's jeans).¹⁰⁷ This too is a series of commercials centered on UNIQLO's jeans collection, as stated in the title of the playlist. After that, we find a playlist called "NEW", which contains commercials for new UNIQLO articles.¹⁰⁸ Then, we find the playlist "Special Content".¹⁰⁹ This playlist contains different challenges meant to show potential clients how well UNIQLO products work. For example, we can see video challenges showing how AIRism products stop the bad odor of

⁹⁹ UNIQLO USA, "Our LifeWear Ambassadors @Daniel Victor and @Traci Copeland show us their top picks for this fall!," TikTok, accessed on September 24, 2022, <https://www.tiktok.com/@uniqlousa/video/7145952609067601195>.

¹⁰⁰ Daniel Victor, "@iamdanielvictor Account," Instagram, accessed on September 24, 2022, <https://www.instagram.com/iamdanielvictor/>.

¹⁰¹ Traci Copeland, "@traco4 Account," Instagram, accessed on September 24, 2022, <https://www.instagram.com/traco4/>.

¹⁰² Roger Federer, "@rogerfederer Account," Instagram, accessed on September 24, 2022, <https://www.instagram.com/p/Cih1q8prSOE/>.

¹⁰³ Uniqlo, "@uniqlo9520 Channel," YouTube, accessed on September 22, 2022, <https://www.youtube.com/c/Uniqlo/about>.

¹⁰⁴ UNIQLO ユニクロ, "@UNIQLO Channel," YouTube, accessed on September 26, 2022, <https://www.youtube.com/c/UNIQLO%E3%83%A6%E3%83%8B%E3%82%AF%E3%83%AD/about>.

¹⁰⁵ Ibid.

¹⁰⁶ UNIQLO ユニクロ, 「Life と Wear Playlist」, YouTube, accessed on September 26, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaLcQUouaSJ-EjLUWvj8xxlaR7T>.

¹⁰⁷ UNIQLO ユニクロ, 「あなたと歩く。ユニクロのジーンズ Playlist」, YouTube, accessed on September 26, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaLcQWIOWB-2WRnI5mPZ1MKga1r>.

¹⁰⁸ UNIQLO ユニクロ, "NEW Playlist," YouTube, accessed on September 26, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaLcQU7uOLpfhA691B9P4yxUrkl>.

¹⁰⁹ UNIQLO ユニクロ, "Special Content Playlist," YouTube, accessed on September 27, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaLcQVPRWGaz8zK-YSlwnaklvAj>.

the sweat after eating a super spicy dish,¹¹⁰ or how UNIQLO's Sport Utility Wear with IV Cut technology helps working out outside in a comfortable way.¹¹¹ The playlist after "Special Content" is called "UT" and, as the name suggests, it is dedicated to videos regarding UNIQLO's T-shirt collections.¹¹² Then, we can find two playlists dedicated to sustainability: 「UNIQLO のサステナビリティ」 (UNIQLO's Sustainability)¹¹³ and 「#サステナモード」 (Sustainability Mode).¹¹⁴ After these two playlist, we will find the 「服のお手入れ」 (Maintenance of Clothing) playlist: this playlist contains videos with useful information about UNIQLO products (for example, a video that explains the best way to clean certain clothes).¹¹⁵ The next playlist is called "The Story Behind LifeWear."¹¹⁶ This playlist is the only one with a description, which states: 「ユニクロの社員が、ユニクロの定番商品について語るシリーズ — The Story Behind LifeWear — 開発の秘密や商品にかける思いをご紹介します。何気なく着ているあなたの服に、たくさんの技術と思いが込められています。」, which translates to "The Story Behind LifeWear – a series where UNIQLO's employees, talking about staple goods, present the secrets of development and thoughts about the products. Many techniques and ideas are put into the clothes you casually wear."¹¹⁷ Second to last, we find the "LifeWear Music" playlist.¹¹⁸ This playlist contains some videos that are not directly related to clothes. In fact, they are actual music playlists, combined with videos of daily life. The description of this project is written under every video of the playlist, and states: 「『ふだんの生活』を衣替えするように。気分にあわせて、ライフスタイルシーンを選ぶ。音楽 (BGM) と映像 (BGV) との融合からはじまる、あらたなる生活様式。」, which means "As you change clothes in your 'ordinary life'. Choose a lifestyle scene that matches your mood. A new lifestyle begins from the fusion of music and video." These videos can be the soundtrack of everyone's daily life. We can read many positive comments under them: Figure 47 is a screenshot of the comments under the 「LifeWear Music #1 | 放課後に広がる想像の兆し Signs of imagination spreading after school. | Toshiki Hayashi (%C)」 video. As we can see, the reactions of Japanese and international viewers were totally positive and this type of video seems to also have had an effect on the brand visibility. The last playlist featured on the channel is the "English ver."

¹¹⁰ UNIQLO ユニクロ, 「ニューヨークのユニクロ全力試着室 エアリズム編 ~『蒙古タンメン中本』激辛チャレンジ~ Video」, YouTube, accessed on September 27, 2022,

https://www.youtube.com/watch?v=fLDgQT7hyU&list=PLb0U0IkaIcQVPRWGaZ8zK-YSlwnakIvAj&index=2&ab_channel=UNIQLO%E3%83%A6%E3%83%8B%E3%82%AF%E3%83%AD.

¹¹¹ UNIQLO ユニクロ, 「飯豊まりえの UNIQLO スポーツユティリティウェア チャレンジ! /10,000 歩 ウォーキング 篇 Video」, YouTube, accessed on September 27, 2022,

https://www.youtube.com/watch?v=O5DGiHsmfc&list=PLb0U0IkaIcQVPRWGaZ8zK-YSlwnakIvAj&index=5&ab_channel=UNIQLO%E3%83%A6%E3%83%8B%E3%82%AF%E3%83%AD.

¹¹² UNIQLO ユニクロ, "UT Playlist," YouTube, accessed on September 27, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQXsp3In09PCuMUPMOGjku63>.

¹¹³ UNIQLO ユニクロ, 「UNIQLO のサステナビリティ Playlist」, YouTube, accessed on September 28, 2022, https://www.youtube.com/playlist?list=PLb0U0IkaIcQVjXtDZNRzQh4pE_2mq7Xa.

¹¹⁴ UNIQLO ユニクロ, 「#サステナモード Playlist」, YouTube, accessed on September 28, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQUyj7ftdLoR7shENdNKfUa6>.

¹¹⁵ UNIQLO ユニクロ, 「服のお手入れ Playlist」, YouTube, accessed on September 28, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQWI-8IbVmPJcVfJaUwBJDyu>.

¹¹⁶ UNIQLO ユニクロ, "The Story Behind LifeWear Playlist," YouTube, accessed on September 28, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQVkn7pLSPv7vOn4EeRLOTJO>.

¹¹⁷ Ibid.

¹¹⁸ UNIQLO ユニクロ, "LifeWear Music Playlist," YouTube, accessed on September 28, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQUPaB7IBMNgg26t3P-eeg1w>.

Playlist, containing those videos that have English subtitles and those that were made directly in English.¹¹⁹ Even though this account was originally thought to be a Japan-centered channel, it is possible that, with UNIQLO unstoppable expansion overseas, the channel started to be used more as an international channel, with content not only for the Japanese followers, but for the international followers as well.

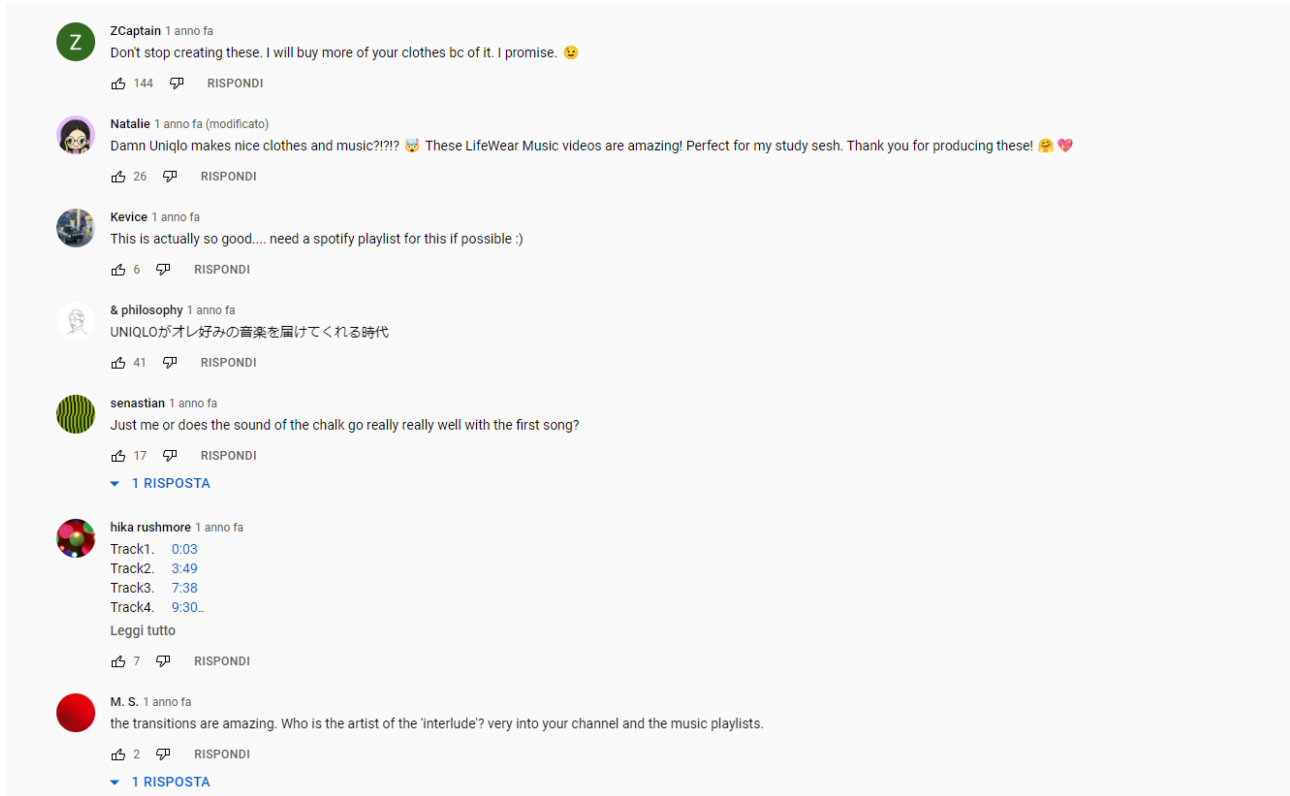


Figure 47 Comments under LifeWear Music #1 (28.09.2022)

<https://youtu.be/K9KW3Fjd6Q>

I will take a look now at the American channel, “UNIQLOUSA” (8710 followers on the 29th September 2022), created on the 14th September 2012.¹²⁰ Even in this case, we find many playlists featured on the homepage of the channel. The first one is called “UNIQLO Campaigns” and contains short commercials for new UNIQLO collections and collaborations.¹²¹ The second playlist is called “UNIQLO Live Station.”¹²² The description of this playlist is the following: “Discover all the details brought to LifeWear when you join our community for a whole new way to shop online. Connect with style influencers, our team members, and fellow UNIQLO fans when you tune in to UNIQLO Live Station.”¹²³ Live Station is a feature of the American UNIQLO online store

¹¹⁹ UNIQLO ユニクロ, “English ver. Playlist,” YouTube, accessed on September 28, 2022, <https://www.youtube.com/playlist?list=PLb0U0IkaIcQWetipvCBf5Hct20kx5agzH>.

¹²⁰ UNIQLOUSA, “@UNIQLOUSA Channel,” Youtube, accessed on December 11, 2022, <https://www.youtube.com/@UNIQLOUSA/about>.

¹²¹ UNIQLOUSA, “UNIQLO Campaigns Playlist,” YouTube, accessed on September 29, 2022, <https://www.youtube.com/playlist?list=PLth8ow3KfOcrteBkOy3dMZv24dHOii8g->.

¹²² UNIQLOUSA, “UNIQLO Live Station Playlist,” YouTube, accessed on September 29, 2022, <https://www.youtube.com/playlist?list=PLth8ow3KfOcpMuAXMXXSv7OJEzJe41lby>.

¹²³ UNIQLOUSA, “UNIQLO Live Station Playlist.”

which allows clients to shop while watching the live conference and to interact with the hosts.¹²⁴ The conferences can be watched later on UNIQLO.com or on YouTube. The next playlist is called “UNIQLO Sustainability & Community” and it contains videos regarding UNIQLO initiatives regarding sustainability, ecology and charity.¹²⁵ Then, we find the playlist dedicated to the new T-shirt collections, “UNIQLO UT.”¹²⁶ After that, we can see a playlist called “UNIQLO: DIY Clothing Repair.”¹²⁷ As stated in the description of this playlist, it contains a series of videos that explains how to make simple repairs of old, damaged items. I think that this series of videos is particularly significant in today’s world, where fast fashion has gotten more and more prominent. Even though UNIQLO is considered a fast fashion brand, it wants to show the world that the company is mindful to the point that it created a series of videos in which clients are encouraged to repair their old clothes instead of buying new ones. It is also important to notice that this kind of series is posted on the American channel: the USA are one country with an important history of social activism. The next playlist is “UNIQLO Behind the LifeWear” which is basically the same playlist we found on the Japanese channel under the name “The Story Behind LifeWear,” but in this case the videos have English subtitles.¹²⁸ The last playlist we can find on the channel is called “UNIQLO Product Technology” and it contains, as the name says, video presentations of UNIQLO’s technologies, such as AIRism, HEATTECH and UV Protection.¹²⁹ At the bottom of the homepage we can also find YouTube Shorts with a series of short videos called “UNIQLO PRESENTS,” presenting articles (Figure 48).

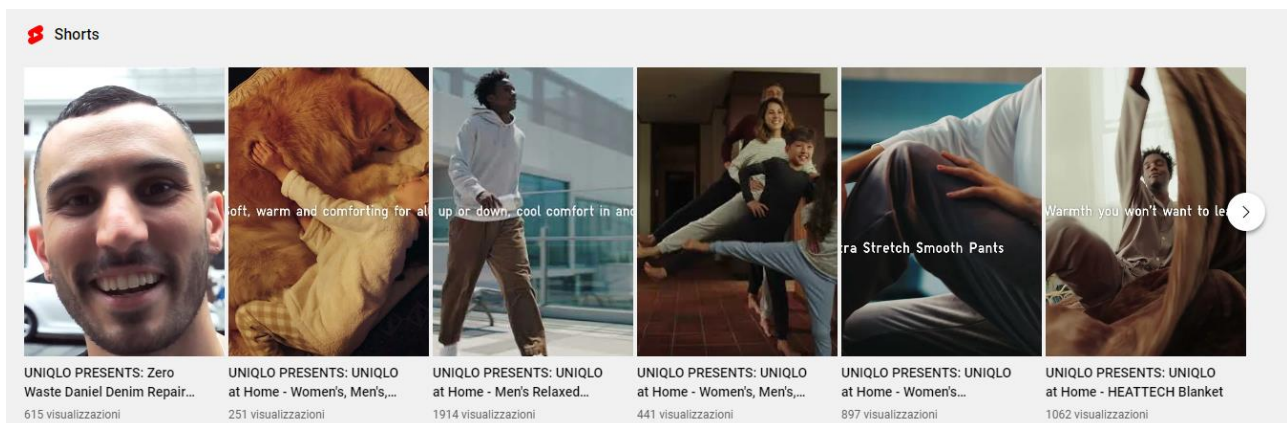


Figure 48 UNIQLOUS Channel – Shorts (29.09.2022)

<https://www.youtube.com/user/UNIQLLOUSA>

¹²⁴ “What is LIVE STATION?,” UNIQLO, accessed on September 29, 2022, <https://www.uniqlo.com/us/en/special-feature/live-station>.

¹²⁵ UNIQLOUSA, “UNIQLO Sustainability & Community Playlist,” YouTube, accessed on September 29, 2022, https://www.youtube.com/playlist?list=PLth8ow3KfOcpVkJ0otJeCjSr_JPxDPKCLY.

¹²⁶ UNIQLOUSA, “UNIQLO UT Playlist,” YouTube, accessed on September 29, 2022, https://www.youtube.com/playlist?list=PLth8ow3KfOcqK5nAaF-oeH_8AQk_CKQFO.

¹²⁷ UNIQLOUSA, “UNIQLO: DIY Clothing Repair Playlist,” YouTube, accessed on September 29, 2022, <https://www.youtube.com/playlist?list=PLth8ow3KfOconrFnYJgZzVgoz7WrTP3HE>.

¹²⁸ UNIQLOUSA, “UNIQLO Behind the LifeWear Playlist,” YouTube, accessed on September 29, 2022, <https://www.youtube.com/playlist?list=PLth8ow3KfOcrQv7qwRegF73JzT7ZF7FFv>.

¹²⁹ UNIQLOUSA, “UNIQLO Product Technology Playlist,” YouTube, accessed on September 29, 2022, https://www.youtube.com/playlist?list=PLth8ow3KfOcopgQDFef0_HkwYR4Qa2n0v.

Compared to the American channel, the Italian one, UNIQLO IT, is rather small. The account was created on the 9th December 2020, a little bit more than a year after the opening of Milan's store, and at the moment (30th September 2022) it has only 37 followers.¹³⁰ The channel contains 14 videos, the majority of which are interviews to people who had some sort of collaboration with the company. For example, we can find an interview to Lawrence Cann, founder of Street Soccer USA,¹³¹ a non-profit organization that helps young people who are living in an environment socially and economically degraded to enjoy sport and to develop skills useful for their future.¹³² Since UNIQLO and Street Soccer USA share similar values of team work, collaboration and accessibility (as stated by Cann in the interview),¹³³ UNIQLO US became a sponsor of the organization and hired some of the youth that took part in Street Soccer USA's program. In my opinion, the video interview posted on the Italian channel may help people getting to know the values of UNIQLO as a company, since it has entered the Italian market only recently.

An Indonesian channel also exists. It is called "UNIQLO INDONESIA," created on the 4th November 2016, with 9060 followers at the moment (30th September 2022).¹³⁴ The videos in this case are not organized in playlists by the channel (we can see the two default playlists of "Updated Videos" and "Popular Videos"). There are many types of videos on the channel: commercials, collaborations with well-known people in the country (for example, the Indonesian actor Reza Rahadian), a series of videos called "Friday Night Live Station" (Live Station is the same function we have seen for the American online store) and videos that presents UNIQLO's technologies. Among the commercials, we can also see one for the Modest Wear collection, one of the peculiarities of the Indonesian market, as we have seen.¹³⁵ The majority of videos published on the channel are in Indonesian, but we can find some of them in English, too.

As we have seen on TikTok, the YouTube channels as well feature people well-known in the country the videos are published for. Even though the content and format of the videos among the different channels are really similar (as we have seen for the Japanese "The Story Behind LifeWear" and the American "UNIQLO Behind the LifeWear" playlists, or for the American "UNIQLO Live Station" playlist and the Indonesian "Friday Night Live Station" videos), UNIQLO still spends time to differentiate the videos enough to have a greater appeal to their different markets – confirming the company's strategy "just local enough". It is also interesting to notice that, by publishing content on both TikTok and YouTube, UNIQLO can reach different targets: in the US, TikTok is mostly used by people below the age of 30 (47,4% of the users), while YouTube

¹³⁰ UNIQLO IT, "@uniqloit2659 Channel," YouTube, accessed on September 30, 2022, https://www.youtube.com/channel/UCYSQXudzNxAeST_OsbeBhdg/about.

¹³¹ "About," Street Soccer USA, accessed on September 30, 2022, <https://www.streetsoccerusa.org/about/>.

¹³² "Street Soccer USA," UNIQLO, accessed on September 30, 2022, <https://www.uniqlo.com/us/en/news/topics/2022072001/>.

¹³³ UNIQLO IT, "LifeWear: Made for All – Lawrence di Street Soccer US Interview Video," YouTube, accessed on September 30, 2022, <https://youtu.be/mepyLQ1EKRo>.

¹³⁴ UNIQLO INDONESIA, "@UNIQLOINDONESIAOFFICIAL Channel," YouTube, accessed on September 30, 2022, <https://www.youtube.com/c/UNIQLOINDONESIAOFFICIAL/about>.

¹³⁵ UNIQLO INDONESIA, "UNIQLO MODEST WEAR Fall/Winter 2022 Video," accessed on September 30, 2022, <https://youtu.be/OBZzDqoifxw>.

is used by a most wide range of users and is the most used video platform among Millennials (67% of their video consumption).¹³⁶

4.5 COMPARISON WITH ZARA'S AND H&M'S SOCIAL MEDIA APPROACH

We understood that UNIQLO is present on every main social network, but has decided to keep multiple accounts for its different markets. This choice allows UNIQLO to publish content adapted for a specific target and to reach more easily potential clients with content in their language. This is a big difference compared to the approach chosen by ZARA and H&M.

4.5.1 ZARA and H&M on Instagram

ZARA and H&M are both on Instagram; however, they do not have multiple profiles for the different markets they are in. Both ZARA and H&M have one, “global” profile dedicated to their clothing brand, with content in English (Figure 49). However, these are not their only profiles on the platform: H&M has different profiles dedicated to its various collections (Man, Kids, Home, Beauty, and Sport), and even one dedicated to H&M careers. Similarly, ZARA has two other profiles dedicated to Man and Kids collections. Both companies mainly post pictures of their newest products.

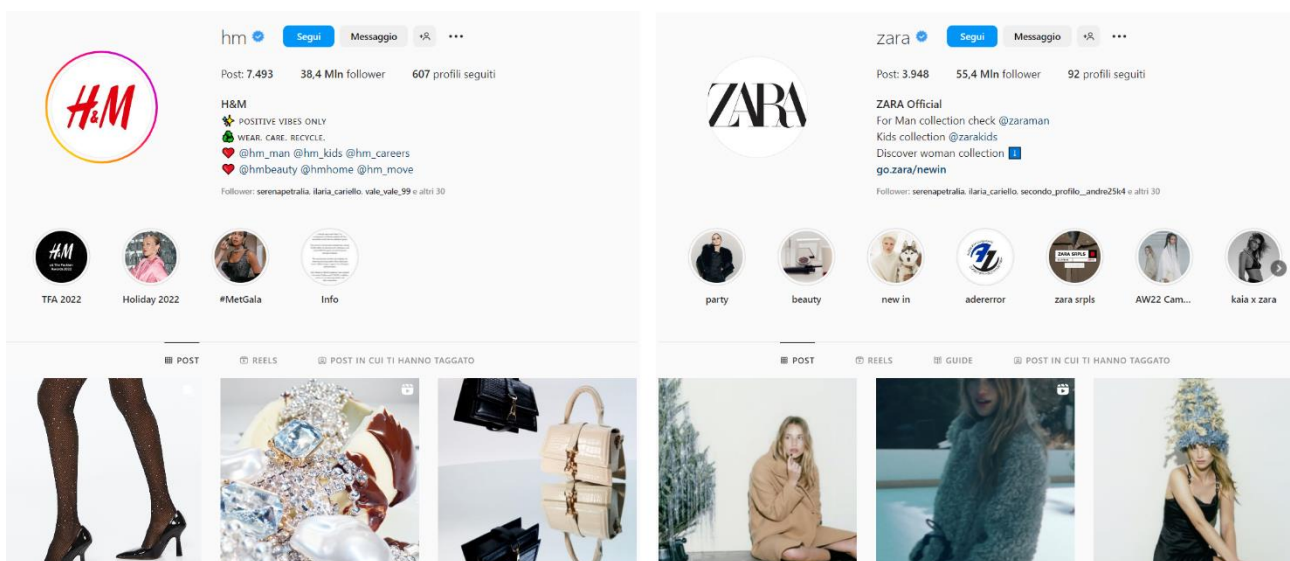


Figure 49 @hm and @zara on Instagram (30.12.2022)

<https://www.instagram.com/hm/> & <https://www.instagram.com/zara/>

The main difference with UNIQLO here is the choice both H&M and ZARA have made to not localize their communication. It is possible that these two companies do not need to differentiate their content based on the language target, since both of them already have a much larger number of followers compared to UNIQLO (38.4 million for H&M and 55.4 million for ZARA, compared to UNIQLO's 2.3 million on the global profile).

¹³⁶ Geri Mileva, “TikTok vs. YouTube: Which Platform Should You Choose?,” Influence Marketing Hub, June 27, 2022, <https://influencermarketinghub.com/tiktok-vs-youtube/>.

However, UNIQLO's strong point is the fact that its communication can be easily understood by everyone, even by people who are not fluent in English.

4.5.2 ZARA and H&M on Facebook

On Facebook, ZARA and H&M have chosen two different approaches.

ZARA has one page, @Zara, on which it posts the same content published on the Instagram profile.¹³⁷ Therefore, even in this case the page is in English, and the same considerations made for ZARA's Instagram profile can apply to its Facebook page, too.

H&M's Facebook page is more complicated to analyze, since it utilizes a function that allows to split the same page in different versions: on each version, shown in a specific country, H&M publishes content in a specific language. This function is an exclusive of Facebook, and businesses that want to do something similar on Instagram have to create separated profiles (as UNIQLO has done). We can understand that the function to split the page has been utilized since the number of followers of both the page in Italian and in English is the same (as we can see in Figure 50). It is possible that H&M decided to utilize the function to better reach the target audience of the platform: in Italy, Facebook is the social media with the highest average age among its users,¹³⁸ and we can suppose that a large part of these users do not speak English (which has become mandatory in school as a subject only in 2003).¹³⁹

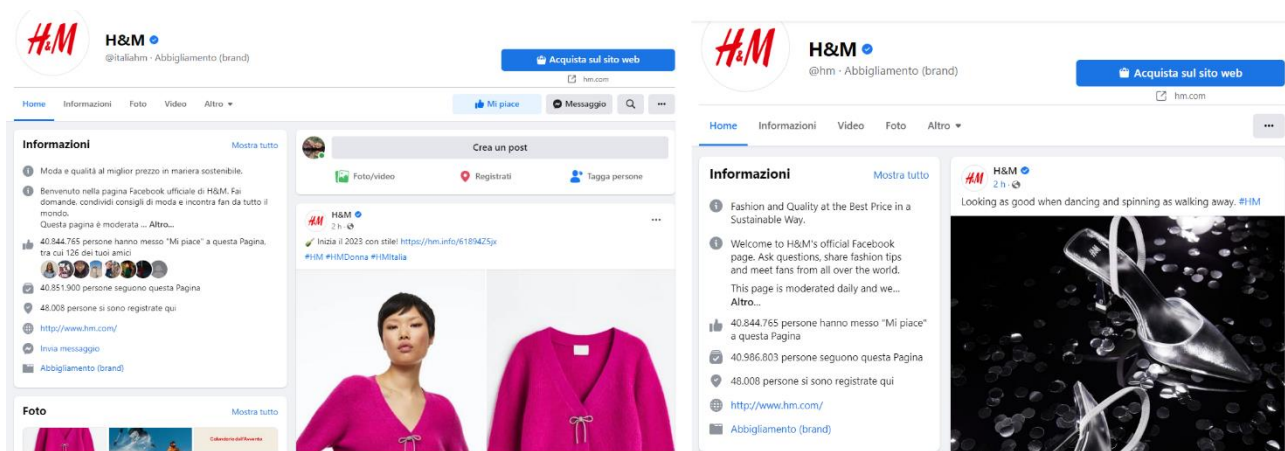


Figure 50 The H&M Facebook Page in Italian and the H&M Facebook Page in English (31.12.2022)

<https://www.facebook.com/italiahm/> & <https://it-it.facebook.com/hm/>

In this case, the main difference between UNIQLO and ZARA is the number of pages, since UNIQLO has local pages on Facebook. UNIQLO's approach is more similar to the one utilized by H&M; however, since

¹³⁷ ZARA, "ZARA Page," Facebook, accessed on December 30, 2022, <https://www.facebook.com/Zara/>.

¹³⁸ Giulia Castagna, "10 Statistiche di Facebook da conoscere per il 2022," Shopify, September 01, 2021, [https://www.shopify.com/it/blog/statistiche-facebook#:~:text=3.-,Et%C3%A0%20media%20degl%20utenti%20su%20Facebook%20in%20Italia,anni%20\(Statista%20C%202021\)](https://www.shopify.com/it/blog/statistiche-facebook#:~:text=3.-,Et%C3%A0%20media%20degl%20utenti%20su%20Facebook%20in%20Italia,anni%20(Statista%20C%202021).).

¹³⁹ "Insegnamento della lingua straniera," Ministero dell'Istruzione, dell'Università e della Ricerca, March 02, 2010, https://archivio.pubblica.istruzione.it/news/2006/ordinamenti/lingua_straniera.shtml.

UNIQLO has merged its local European pages in one page, it has lost some of the communication opportunities H&M has with its split page.

4.5.3 ZARA and H&M on Twitter

ZARA's and H&M's approach on Twitter is different compared to what we have seen on Instagram and, partly, Facebook. Both the companies have multiple accounts on Twitter, dedicated to different markets.

ZARA's global profile, @ZARA, tweets pictures or videos to advertise its new collections; the language used in this global profile is English.¹⁴⁰ The same content is posted on local profiles, in the local language; the local profiles also tweet about discounts available in the local market. We can also find a profile dedicated to customer care, called @ZARA_Care, and used globally to handle clients' inquiries.¹⁴¹

H&M's approach on Twitter is the same utilized by ZARA. We can find a global profile, called simply @hm, where the company tweets in English about its new collections and collaborations.¹⁴² On this profile, H&M occasionally uses memes and references to contemporary pop culture to reach its younger target on the platform (as we can see for example in Figure 51).



Figure 51 H&M using memes on its Twitter profile (02.01.2023)

<https://twitter.com/hm/status/1461681539079680001>

On the local profiles, H&M tweets about local news regarding the business (for example, opening of new stores), discounts and promotions, all in the local language. The H&M Customer Service profile is utilized to reply to clients' inquiries in their language.¹⁴³

On Twitter, ZARA's and H&M's approach is similar to the one utilized by UNIQLO, since all the three companies have multiple, local accounts on the platform. H&M, with its modern, youthful tweets aims to engage with its follower, in a way similar to UNIQLO on its Japanese Twitter profile, even if with some differences (H&M does it on the global profile, while UNIQLO tweets more interactive content on the Japanese profile and does not use memes).

¹⁴⁰ ZARA, "@ZARA Profile," Twitter, accessed on January 02, 2023, <https://twitter.com/ZARA>.

¹⁴¹ ZARA CARE, "@ZARA_Care Profile," Twitter, accessed on January 02, 2023, https://twitter.com/ZARA_Care.

¹⁴² H&M, "@hm Profile," Twitter, accessed on January 02, 2023, <https://twitter.com/hm>.

¹⁴³ H&M Customer Service, "@hm_custserv Profile," Twitter, accessed on January 02, 2023, https://twitter.com/hm_custserv.

4.5.4 ZARA and H&M on video platforms

Zara and H&M utilize, for their advertisements, video platforms as well. They are both on TikTok with one global profile; on YouTube, however, we can only find H&M.

On TikTok, ZARA publishes the same video advertising we can find on its other social media profiles and on its website. Therefore, the profile does not use viral audios or trends of the platform. H&M, on the other hand, publishes original content on TikTok, but still does not use viral audios or trends. The approach is therefore different compared to the one used by UNIQLO on the platform.

On YouTube, H&M has one main channel, called @hennesandmauritz,¹⁴⁴ and two other channels: one dedicated to its H&M Home line, called @HMHome,¹⁴⁵ and one dedicated to the H&M Foundation, called @HMFoundation.¹⁴⁶ On every channel, the company has created different playlists – as we have seen with UNIQLO – containing videos centered on new collections, collaborations, campaigns and tutorials. Since these channels are used globally, the language mainly used is English.

4.6 CONCLUSIONS

As we have seen, UNIQLO is present on every main social network with multiple accounts. However, the content posted on them differs based on the platform and on the account itself. To gain the best profit in every market, UNIQLO features local celebrities for its social media content, attracting in this way the attention of potential clients. Compared to its competitors, UNIQLO's communication is more diversified based on the social platform used, and has a more "glocalized" approach: the products at the core of the advertisements are the same (we may see them as the "global aspect"), but advertisements and communication with clients are localized and diversified based on the specific market. This approach to social media can be useful to reach more potential clients and widen the client base, getting more people to know the brand by publishing content interesting for them. In other words, even though the content posted on the various social media platform is differentiated between countries, the center of UNIQLO's branding is essentially the same: UNIQLO products and their innovative technologies, useful in everyday life (it is also interesting to notice the content related to sustainability, which is the concept we will analyze in the next chapter). Communication through social media content is therefore "glocalized," maintaining a common thread, which is UNIQLO's products and innovations (this approach confirms the idea of "just local enough"). However, social media management is changing (as we have seen with the Italian case of Instagram and Facebook), so we cannot exclude the possibility that, in the future, UNIQLO will merge some of its local profiles in macro-area profiles. This remains a speculation for now, and we will have to wait to see how UNIQLO's social media management strategy will truly evolve.

¹⁴⁴ H&M, "@hennesandmauritz Channel," YouTube, accessed on January 03, 2023, <https://www.youtube.com/@hennesandmauritz>.

¹⁴⁵ H&M Home, "@HMHome Channel," YouTube, accessed on January 03, 2023, <https://www.youtube.com/@HMHome/>.

¹⁴⁶ H&M Foundation, "@HMFoundation Channel," YouTube, accessed on January 03, 2023, <https://www.youtube.com/@HMFoundation/>.

5 UNIQLO'S APPROACH TO SUSTAINABILITY

As we have seen, UNIQLO produces less articles compared to its competitors; these articles gain an added value thanks to UNIQLO's original technologies, which provide them with high functionality. The smaller number of products, produced for all the markets and advertised differently to attract clients of different markets (following the idea of "just local enough") can be seen as a sustainable choice. However, this is not the only approach towards sustainability the company has taken, since the concept of sustainability itself is wide, as we will see in this chapter.

During the last few decades, the concept of sustainability has developed and gained more and more importance. "Sustainable development" has been defined in the conclusion of 1987 United Nations "Report of the World Commission on Environment and Development: Our Common Future" as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."¹⁴⁷ The concept of sustainability contains different aspects and areas. In 2015, the UN defined 17 Sustainable Development Goals (SDGs for short) as part of the 2030 Agenda for Sustainable Development.¹⁴⁸ The 17 SDGs are the following:

1. No poverty;
2. Zero hunger;
3. Good health and well-being;
4. Quality education;
5. Gender equality;
6. Clean water and sanitation;
7. Affordable and clean energy;
8. Decent work and economic growth;
9. Industry, innovation and infrastructure;
10. Reduced inequalities;
11. Sustainable cities and communities;
12. Responsible consumption and production;
13. Climate action;
14. Life below water;
15. Life on land;
16. Peace, justice and strong institutions;
17. Partnership for the goals.

As we can see, these 17 goals cover different areas, proving that sustainability is more than just the fight against pollution and climate change. Many companies have decided to do their part and contribute to reach the goals

¹⁴⁷ Gro Harlem Brundtland, "Report of the World Commission on Environment and Development: Our Common Future," March 20, 1987, <http://www.un-documents.net/our-common-future.pdf>.

¹⁴⁸ "Do you know all 17 SDGs?," United Nations, accessed on October 22, 2022, <https://sdgs.un.org/goals>.

of the 2030 Agenda: UNIQLO is one of these companies. In my opinion, a deep commitment in the sustainability area can generate an important competitive advantage, since every day clients (and potential clients) become more and more aware of the problems concerning sustainability, especially in business considered as fast fashion (such as UNIQLO).

On the company page dedicated to sustainability and SDGs, we can read UNIQLO's statement on the matter: 「服のチカラを、社会のチカラに。よい服をつくり、よい服を売ること、世界をよい方向へ変えていくことができる。私たちは、そう信じています。」, that is “From the power of clothes to the power of society. We can change the world for better by producing and selling good clothes. We believe so.”¹⁴⁹ On the same page, UNIQLO answers some questions regarding SDGs and the company's commitment to the 2030 Agenda goals. In particular, UNIQLO points out on its website 9 of the 17 SDGs: number 3, good health and well-being; number 6, clean water and sanitation; number 7, affordable and clean energy; number 12, responsible consumption and production; number 13, climate action; number 14, life below water; number 15, life on land; and number 17, partnership for the goals.¹⁵⁰ I would like now to see in more details how UNIQLO is doing its part towards these goals.

5.1 ENVIRONMENTAL IMPACT

UNIQLO's mother company, Fast Retailing, is working towards a zero waste management, in order to limit its environmental impact. Since its policies are applied to every company part of the group, I will analyze Fast Retailing's actions and initiatives, considering that everything applies to UNIQLO.

5.1.1 Group Environmental Policy

In its Group Environmental Policy, Fast Retailing analyze its environmental initiatives through 5 areas: Climate Change, Energy Efficiency, Water Stewardship, Waste Management and Resource Efficiency, and Chemical Management.¹⁵¹

In the Climate Change section, Fast Retailing acknowledges the Paris Agreement goals regarding greenhouse gases reduction and declares that the company will measure its emissions and work to reach its reduction target. To reach the target, the company will improve its efficiency, introduce new technologies and improve the design of offices and stores; by doing so, and by favoring less-polluting energy sources, the company will save energy. These measures not only involve the company itself, but also the partners involved in the supply chain. The company plans to contribute even more to saving energy thanks to its products, since warm or fresh clothes may help clients reduce their energy consumption by limiting heaters and air conditioners' usage. Other than that, UNIQLO organized an initiative called RE.UNIQLO, which is a circular sustainability program that allows clients to return used clothes that will be recycled to make new ones (this initiative is ongoing

¹⁴⁹ 「ユニクロとSDGs」, UNIQLO, accessed on October 23, 2022, <https://www.uniqlo.com/jp/ja/contents/sustainability/sdgs/index.html>.

¹⁵⁰ Ibid.

¹⁵¹ “Fast Retailing Group Environmental Policy,” Fast Retailing, accessed on October 25, 2022, https://www.fastretailing.com/eng/sustainability/environment/pdf/FastRetailingEnvironmentalPolicy_eng.pdf.

worldwide) or to produce fuels and materials (this initiative is ongoing only in Japan), or alternatively will be reused as a donation to people in need:¹⁵² this initiative indirectly contributes to the reduction of greenhouse gases emissions since it promotes a better use of resources.¹⁵³

In the Energy Efficiency section, Fast Retailing acknowledge the areas where the company is consuming more energy (production of goods, distribution, and stores), and once more put in writing its intentions of reducing energy consumption through improved operational efficiency, improved stores' design, new technologies, better productivity in the supply chain, and a high-quality thermal clothes' offer for its clients.¹⁵⁴

In the Water Stewardship section, Fast Retailing states its awareness regarding high water consumption due to cotton production, as well as fabric dyeing. Since the problem of water waste and water pollution is impossible to be solved by a single company, Fast Retailing collaborates with its partners in order to reduce both consumption and pollution deriving from production. In particular, the company encourages the use of water recycling and water purification systems in its supply chain; other than that, the company states its preference for water saving materials. Fast Retailing also works to inform clients about water saving measures that they can implement, for example, when they wash Fast Retailing products.¹⁵⁵

In the Waste Management and Resource Efficiency section, Fast Retailing recognizes the value and the importance of dealing with waste. The company not only works towards waste reduction, but also promotes the correct disposal of the waste and, when possible, reuse and recycling of the same – promoting an effective resource efficiency both inside the company and to clients. The company aims to produce high-quality, long-lasting products with a long lasting design (being this one a feature opposed to fast fashion) that would allow clients to use them for a long time, delaying the disposal of the clothes. Other than that, the company promotes the RE.UNIQLO initiative, as we have already seen. The company is also committed to reducing wraps, packaging and shopping bags. In the supply chain, Fast Retailing focuses on waste reduction during the production process, the recycling of waste, the optimization of distribution, reusable packing materials and correct disposal of non-reusable waste.¹⁵⁶

In the Chemical Management section, Fast Retailing admits the problem of emissions of hazardous chemicals during manufacturing processes (for example during the dyeing and washing of products). Reaching a totally clean production is impossible for a single company: this is why Fast Retailing collaborates with its business partners and external organizations to better manage its chemical waste and ensure the safety for its workers and its clients. Fast Retailing also aims to publish its Restricted Substances List and adjust it periodically.¹⁵⁷

¹⁵² "Recycle, Reuse, Reduce – A new life for UNIQLO clothing," UNIQLO, accessed on October 26, 2022, https://www.uniqlo.com/jp/en/contents/sustainability/planet/clothes_recycling/re-uniqlo/.

¹⁵³ Fast Retailing, "Fast Retailing Group Environmental Policy."

¹⁵⁴ Ibid.

¹⁵⁵ Ibid.

¹⁵⁶ Ibid.

¹⁵⁷ Ibid.

From the Fast Retailing Group Environmental Policy, we can clearly see the company's effort concerning a sustainable environmental management.

5.1.2 Fast Retailing Group TCFD Report

In order to improve the efforts towards the environment, in 2021 Fast Retailing has also published on its website a report¹⁵⁸ in line with the recommendations made by the Task Force on Climate-related Financial Information Disclosures (TCFD).¹⁵⁹ I found the first paragraph particularly significant and illustrative of Fast Retailing's idea of sustainability:

“The Fast Retailing Group’s corporate philosophy is: Changing clothes. Changing conventional wisdom. Change the world. We have pursued our business activities based on the conviction that we can help make the world a better place by making and selling good clothes. For us, the definition of “good clothing” is simple, high-quality, long-lasting clothing that can enrich the lives of all people, everywhere. Clothing that is based on a quest to coexist with nature by utilizing innovative technologies across production processes to ensure minimum impact on the planet. Clothing that is made and delivered by a diverse range of people who are able to work enthusiastically in working environments in which health, safety, and human rights are firmly protected. LifeWear is the ultimate concrete representation of this approach.”¹⁶⁰

Reading the document further, we find four commitments that Fast Retailing wants to realize during the next years:

1. Overhaul the supply chain and, by doing so, increase the value of what LifeWear represents;
2. Respect the differences of people globally;
3. Use LifeWear to contribute to a sustainable development and betterment of the world;
4. Create innovative technologies that will extend the usability period of LifeWear clothes.¹⁶¹

From this statements, we once more understand Fast Retailing commitment both in “production sustainability” and in “social sustainability.” In this section of my thesis I will keep the focus on the actions regarding the environmental impact; however, the initiatives regarding environmental sustainability are deeply connected to social sustainability, since every effect on the environment affects our society.

Figure 52 represents the new Fast Retailing Clothing Business Model described in the TCFD Report. As we can see, clients are put at the center of the model: the creative process starts from clients' opinions and ideas (representing in this way the diversity of different groups of people: one example could be the modest wear collection we have already talked about). The supply chain and the production process (from the procurement

¹⁵⁸ “Fast Retailing Group TCFD Report 2021,” Fast Retailing, accessed on November 01, 2022, https://www.fastretailing.com/eng/sustainability/environment/pdf/FastRetailingTCFDReport2021_eng.pdf.

¹⁵⁹ “Environmental Management,” Fast Retailing, accessed on November 01, 2022, <https://www.fastretailing.com/eng/sustainability/environment/management.html>.

¹⁶⁰ Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

¹⁶¹ Ibid.

of raw materials to the transportation of products to the stores) are meant to be sustainable. This first part of the model is focused on the commitment of the company; the second part of the model goes back to clients, putting them once again at the center and giving them the power to make a difference. Clients buy and use the products as much as they can: when the product is no longer useful for them, it can be given to someone else or donated to someone in need (making it reusable), or it can be recycled. Some of the old clothes are recycled directly by Fast Retailing to make new clothes. This type of model creates a “circulating value on a global scale” (as stated as well in Figure 52), helping protecting the environment and local communities in need.¹⁶²

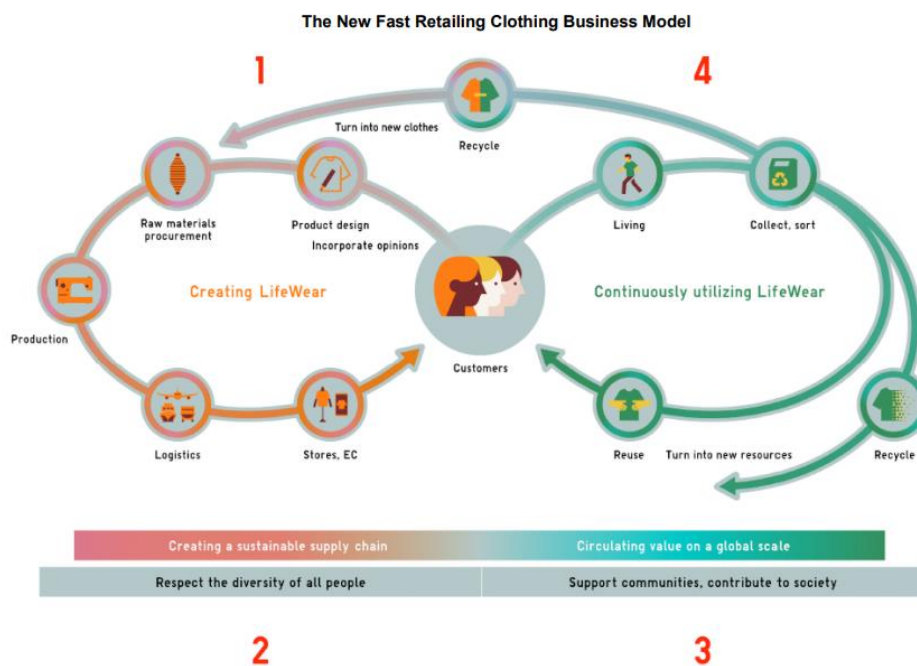


Figure 52 The New Fast Retailing Clothing Business Model (02.11.2022)

https://www.fastretailing.com/eng/sustainability/environment/pdf/FastRetailingTCFDRReport2021_eng.pdf

Right below the scheme of the new business model, Fast Retailing makes explicit its own targets regarding environmental sustainability, targets made in particular to achieve the Paris Agreement goals:

- To reduce greenhouse gases emissions from operations of stores and offices by 90%, compared to fiscal year 2019, within fiscal year 2030;
- To reduce greenhouse gases emissions from raw materials and production (in particular for UNIQLO and GU) by 20%, compared to fiscal year 2019, within fiscal year 2030;
- To source 100% of renewable energy in stores and offices within fiscal year 2030;
- To utilize recycled materials for 50% of the total within fiscal year 2030;
- To reach the zero waste goal for delivery process as soon as possible;

¹⁶² Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

- To complete the Fast Retailing Biodiversity Policy within fiscal year 2022.¹⁶³

Fast Retailing then proceeds to provide a list with an explanation of initiatives that are made to achieve the goals we have just seen.

The first initiative presented is the promotion of the Ariake Project: the project is a collaboration between Fast Retailing and Google, created to better understand, trace and forecast clients' demand and desires (other than making communication between workers and partners easier).¹⁶⁴ The data analyzed allows the company to produce and transport only the needed quantity of products in a certain time.

The original technologies used for the products also help to save energy linked to air conditioning and heating usage. New products are also being developed with innovative solutions to reduce waste (for example, the company uses a new technology to reduce water consumption during the production of Blue Cycle Jeans) and to reuse materials (such as PET bottles for fleece clothes and polo shirts, or down and feathers taken from old jackets to make new ones).¹⁶⁵

To reduce energy consumption – and consequently greenhouse gases emissions – in its own stores and offices, Fast Retailing has been developing new stores' designs that will allow the company to use fewer artificial lights. Other than that, the company is also planning to improve the efficiency of its air conditioning systems. The goal is to reduce energy consumption by 20% as for stores within shopping malls and by 40% as for roadside stores. Fast Retailing has already obtained some results: eight UNIQLO stores located in Japan have earned the Gold Level Leadership in Energy and Environmental Design (LEED) certification concerning Building Operations and Maintenance. Regarding the switch to renewable energy within 2030, Fast Retailing has already reached the goal in all the 64 European UNIQLO stores.¹⁶⁶

Fast Retailing recognizes that to limit its greenhouse gases emissions it is absolutely necessary to collaborate with its partners, especially those factories that are accountable of 90% of total production. Fast Retailing has solid, long-term bonds with its partners, and this relationship is seen by the company as one of its key strengths; this relationship allows a deeper collaboration towards the greenhouse gases emission goals. Fast Retailing intends to ideate and implement concrete measures, and it is also willing to finance its partners in order to achieve the expected targets.¹⁶⁷

Another factor that affects greenhouse gases emissions is the raw materials production. Fast Retailing is already working towards its target of switching 50% of its raw materials to recycled materials within 2030: 15% of polyester fabrics of the latest UNIQLO summer collection was made with recycled polyester from PET bottles; as I have already mentioned, a part of polo shirts and fleece jackets is already made with recycled

¹⁶³ Fast Retailing, "Fast Retailing Group TCFD Report 2021."

¹⁶⁴ Barbara Santamaria, "Fast Retailing teams up with Google to power Ariake project," Fashion Network, accessed on November 02, 2022, <https://uk.fashionnetwork.com/news/Fast-retailing-teams-up-with-google-to-power-ariake-project,1015619.html>.

¹⁶⁵ Fast Retailing, "Fast Retailing Group TCFD Report 2021."

¹⁶⁶ Ibid.

¹⁶⁷ Ibid.

materials. The company is planning to gradually substitute its synthetic materials with recycled ones; it is also taking part in researches regarding possible sustainable substitutes of natural materials such as cotton and wool.¹⁶⁸

Regarding the fight against waste, Fast Retailing recalls once more the RE.UNIQLO initiative, giving more details about it. The first concept behind the initiative is the concept of REUSE: this is the idea behind the All-Product Recycling Campaign that provided clothes for refugees in 2006. The second concept behind the initiative is the concept of RECYCLE: old clothes are utilized by the company as materials to make new products. Fast Retailing recalls as first product made with recycled, used clothes the Recycled Down Jackets (2020). This leads to the last concept of RE.UNIQLO, which is REDUCE: the initiative contributes to the reduction of greenhouse gases emissions, of waste and excessive consumption of resources. If in the past the RE.UNIQLO initiative was linked to physical stores, since the collection boxes for used clothes were only there, recently the company has extended the possibility to donate clothes through the Power of Clothing projects (a project thought for students in collaboration with the United Nations High Commissioner for Refugees) and through the JFA UNIQLO Soccer Kids events made in collaboration with the Japan Football Association.¹⁶⁹

Regarding its circular initiatives, Fast Retailing is planning to extend the recycling process from “clothes-to-clothes” to “clothes-to-materials other than clothes.” To do so, the company is planning to cooperate with specialists in the sector and is considering new collaborations with automobile, construction and manufacturers’ companies.¹⁷⁰

In the final part of the Report, Fast Retailing recognizes attention to the environment and to climate change as a competitive advantage, since products that contribute to the environmental cause – and at the same time has technologies useful for clients – surely expand sales. Fast Retailing also analyzes the future of UNIQLO in two scenarios correlated to climate change, showing how the company could face those different scenarios. I will try to summarize these scenarios and show how the company actions regarding its environmental impact can contribute to its competitive differentiation.

The first scenario is the “Beyond 2°C Scenario” (B2DS), a scenario where the global temperature rises less than 2°C by 2100. The analysis will consider UNIQLO’s operations through the year 2030. The main risks in this first scenario are:

- Risks concerning regulations (such as an increase of carbon tax/prices and tighter regulations) that could lead to higher production costs and higher costs for the stores;
- Risks concerning the market, in particular changes in customer values.¹⁷¹

¹⁶⁸ Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

¹⁶⁹ Ibid.

¹⁷⁰ Ibid.

¹⁷¹ Ibid.

To manage the risk concerning regulations, UNIQLO would have to promote and accelerate the switch to renewable energy (within the company and at its partner factories). UNIQLO would also have to think about concrete actions to make sure that its partners will reduce – as already decided – their greenhouse gases emissions by 20% within 2030. By doing so, UNIQLO would be able to overcome possible problems linked to a change in regulations, such as higher production costs due to increased carbon taxes/prices or tighter regulations. UNIQLO would also have to continue its efforts to make its stores more eco-friendly, through the promotion of renewable energy – the company is already working on adding solar panels to its stores, starting from the Japanese ones – in order to reduce by 90% its emissions from stores and offices. By doing so, UNIQLO would limit extra costs for the stores and would also improve its reputation and image. There is also an actual risk of higher distribution costs correlated to fuel regulations and emissions regulations, both in market locations and in production locations. UNIQLO is already diversifying its types of transportation, in particular switching to hybrid vehicles and water transportation, and improving truck transportation. The volume of transportation is gradually being reduced in order to limit greenhouse gases emissions. UNIQLO is planning to promote the Ariake Project to keep improving its efficiency in the sector of transportation and delivery. The company is also encouraging its clients to choose the “pick up in store” option when they are shopping online.¹⁷²

Regarding risks connected to changes in customer values, UNIQLO should consider that clients may start choosing products with a lower environmental impact, so it is necessary to improve the company’s reputation and offer products in line with clients’ new needs and desires. UNIQLO is already selling products made with recycled materials (and with low greenhouse gases emissions) that are appealing to this type of demand; the company should still work on these products and keep developing those that may be useful to fight climate change such as HEATTECH, AIRism, BLOCKTECH and UV-cut products. This would help improving the company’s reputation among clients and potential clients, while contributing to the fight against climate change. To strengthen even more UNIQLO’s appeal, the company should also improve its sustainability initiatives, such as RE.UNIQLO, encouraging its clients to take part in those initiatives and including in the same initiatives UNIQLO’s various Ambassadors. UNIQLO should also use its magazine (LifeWear Magazine) to inform its readers by publishing Fast Retailing’s sustainability reports.¹⁷³

From this first scenario, we can understand that the areas more at risk in the case of B2DS are the supply chain and the company image. However, as we have seen, UNIQLO has identified the main problems that could arise from this situation and is already on the right path to reduce these risks. It is essential to continue working to become a more and more eco-friendly company, in order to gain competitive advantage against the competitors.

¹⁷² Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

¹⁷³ Ibid.

The second scenario analyzed in the report is the “Representative Concentration Pathway 8.5” (RCP8.5) scenario, a scenario where the global temperature rises more than 4°C by 2100. Even in this case, the analysis will consider UNIQLO’s operations through the year 2030. The main risks in this second scenario are:

- Risks linked to an increase of natural disasters;
- Risks linked to the rising temperatures.¹⁷⁴

In this scenario, the rising of temperatures would cause an increase of natural disasters, that could damage the supply chain (with damages to the materials used for production and to the production facilities themselves) and potentially cause a stop of production. UNIQLO has some advantages to face this eventuality, since the company has total control on the management of the whole clothes-making process and has a strong bond with its business partners: this allows UNIQLO to reduce the risks to a minimum.¹⁷⁵

The company has also thought about various countermeasures to take in different areas of the supply chain.

To manage the risks concerning the supplying of raw materials, the strategy would be to disperse the risks globally by separating production areas of different materials and by sourcing from suppliers located in different places. UNIQLO would also make reserves of materials and always be ready to switch to alternatives if there was a shortage of a certain material.¹⁷⁶

To manage the risks concerning stoppages of factories, UNIQLO would take measures similar to the ones taken to face risks concerning the supplying of raw materials: making reserves to face any emergency, dispersing suppliers and having long-term relationships with its business partners, making sure that different products could be produced in different factories.¹⁷⁷

To manage the risks concerning logistics, UNIQLO plans to multiply the number of bases (ports, warehouses), and to diversify distribution routes, making the choices in accordance to the business continuity planning (a document made by the company to be able to continue operations in case of unplanned events, such as natural disasters) to reduce physical risks.¹⁷⁸ In particular, warehouses would be located on elevate ground to prevent damage due to typhoons and water, and would be made with base-isolation structures for internal protection against strong winds. The means of transport would be diversified in typology (ships, tracks, rail), providing different alternatives in case of natural disasters and, at the same time, maintaining a low-cost management.¹⁷⁹

To manage the risks concerning stores, UNIQLO is planning to open new stores in areas where the hazard risk is minor, featuring in addition measures such as water-stopping plates and sandbags to prevent damage in those stores that are already open in high-risk areas. These measure will be applied first in the Japanese stores located

¹⁷⁴ Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

¹⁷⁵ Ibid.

¹⁷⁶ Ibid.

¹⁷⁷ Ibid.

¹⁷⁸ Vicki-Lynn Brunskill, “Business Continuity Plan (BCP) definition,” TechTarget, accessed on November 05, 2022, <https://www.techtarget.com/searchdisasterrecovery/definition/business-continuity-action-plan>.

¹⁷⁹ Fast Retailing, “Fast Retailing Group TCFD Report 2021.”

in hazard areas, but the company is planning to develop similar measures for stores not situated in hazard areas and for international stores. The company has already conducted disaster drills and made sure that head offices and stores are capable of implementing the disaster-prevention measures.¹⁸⁰

If we look at the risks connected to the rising temperatures, the one considered by UNIQLO is the drop of sales caused by the inefficiency of products, or in other words, products that are not adapted to the new needs of clients in this scenario. To manage this type of risk, UNIQLO would adapt its products and keep developing its technologies to better meet the new needs of clients: for example, since winters are becoming warmer, UNIQLO has changed its offer, limiting the number of heavy winter clothes and increasing the offer of lightweight clothing (for example Ultra Light Down and light fleece jackets), still maintaining a certain diversity of products in order to meet every need (an example might be the HEATTECH collection, with different options of warmth to choose from). Certain products, such as AIRism products and sportswear, would still be available all-year in case of sudden temperature changes.¹⁸¹

From this second scenario, we can understand that the major risks in the RCP8.5 case are linked to an increased number of natural disasters that would damage significantly the supply chain. However, UNIQLO could face these risks through diversification in different areas of its business: diversification of materials, of means of transportation, of partner factories; in addition, reinforcement of long-lasting, strong relationships with partners is essential. Some of the countermeasures in anticipation of the worst scenario are already been taken: UNIQLO has already diversified its offer of products and incorporated the business continuity plan into its activities, especially in logistics (through the diversification of transportation and distribution of bases in different locations).¹⁸²

The next section of the TCFD Report is the Governance section. In this section, Fast Retailing explains how every department of the company is involved in sustainability initiatives. A Sustainability Committee was established in order to better integrate sustainability in the company. The president of the company, representative director, other directors, auditors and external experts all take part in the Committee, which is chaired by the director of the Sustainability Department. During the meetings, that are hold 4-5 times a year, various sustainability policies are discussed and advises are given to the company's departments. Cooperation between the Sustainability Department and other departments is key, to the point that sustainability officers are being assigned to Fast Retailing's main global bases around the world. Weekly meetings and global conferences are hold in order to compare and discuss sustainability initiatives and potential issues of the various market areas involved in the meetings.¹⁸³

The last section of Fast Retailing TCFD Report is dedicated to Risk Management. A Risk Management Committee is been established to look out for potential risks regarding climate change; other than that, the

¹⁸⁰ Fast Retailing, "Fast Retailing Group TCFD Report 2021."

¹⁸¹ Ibid.

¹⁸² Ibid.

¹⁸³ Ibid.

Committee analyzes risks in general and tries to prevent them from actually occurring, giving also support to the departments involved.¹⁸⁴

5.1.3 Biodiversity Risk Assessment

In the analysis of its TCFD Report, we have seen how Fast Retailing, and therefore UNIQLO, is implementing its new sustainable business model and is assessing risks linked to global warming. In 2021, the company has also analyzed its impact and dependency on biodiversity through a biodiversity risks assessment based on the International Union for Conservation of Nature and Natural Resources Guidelines.¹⁸⁵

The factors used to assess the impact on biodiversity are:

- Scope of impact;
- Severity of damage;
- Possibility of control of impacts.¹⁸⁶

The factors used to assess dependency on biodiversity are:

- Scale of business;
- Essentiality of ecosystem services;
- Substitutability of ecosystem and species.¹⁸⁷

Through the assessment, Fast Retailing has realized the effective impact of the company on biodiversity when performing its different processes, such as raw material production, fabric processing, logistics, and product use and disposal. Figure 53 is a chart representing, with different colors, areas with high-risk, medium-risk and low-risk of impact. The areas with highest risk of impact in the raw material production section are those concerning land-use change linked to cotton, cashmere, and rayon production, and those concerning pollution linked to cotton production. Fabric production/processing and product use and disposal have both a high impact on pollution.¹⁸⁸

Figure 54 is the chart representing dependencies on ecosystem services. In this case, production of cotton and rayon are the areas with higher dependency on a specific environment.

From these assessments, Fast Retailing has identified the areas with high biodiversity issues; even though the company has already taken measures to reduce its environmental impact due to raw materials production, the company stated that it is ready to strengthen even more its initiatives to find alternatives with a much lighter impact on biodiversity, and it is working on new policies and strategies to do so.¹⁸⁹

¹⁸⁴ Fast Retailing, "Fast Retailing Group TCFD Report 2021."

¹⁸⁵ Fast Retailing, "Environmental Management," Risk Assessment section.

¹⁸⁶ Ibid.

¹⁸⁷ Ibid.

¹⁸⁸ Ibid.

¹⁸⁹ Ibid.



Figure 53 Biodiversity impact assessment results (07.11.2022)

<https://www.fastretailing.com/eng/sustainability/environment/management.html>

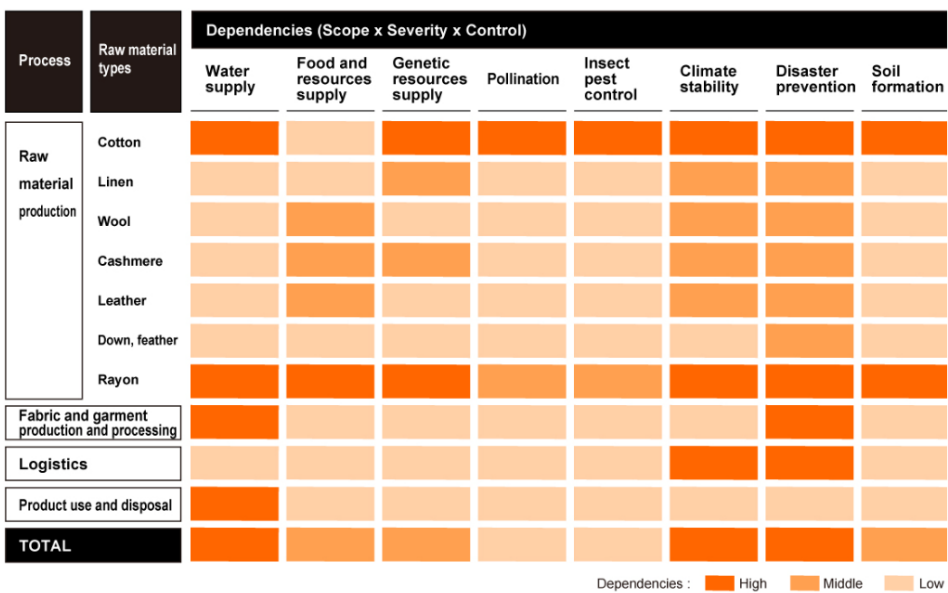


Figure 54 Biodiversity dependencies assessment results (07.11.2022)

<https://www.fastretailing.com/eng/sustainability/environment/management.html>

5.1.4 LEED Certification

To prove its efforts in the fight against environmental problems, UNIQLO’s stores have taken part in the LEED (which stands for “Leadership in Energy and Environmental Design”) rating system, as already briefly mentioned in the section dedicated to the TCFD Report. The LEED rating system has been created by the US Green Building Council in order to value the sustainability of physical stores: by reaching a certain number of

credits – gained in different areas of environmental quality – stores are awarded a certification.¹⁹⁰ The first UNIQLO store to be awarded with a LEED certification was the Kawagoe Store, which received a Gold Level LEED certification in the Building Operation and Maintenance (O+M) sector.¹⁹¹ The Kawagoe store performed particularly well for what concerns energy-saving measures (efficient air-conditioning, LED lights, well-performing operations), conservation measures (waste separation, water-saving toilets) and air quality. The same certification has been awarded to eight stores (including the Kawagoe store) as of the end of fiscal year 2021: a sign that UNIQLO is effectively lowering its environmental impact and is willing to do so in the future.¹⁹²

5.1.5 Initiatives involving the supply chain

As we have seen, Fast Retailing has established internal regulations in order to limit its environmental impact. Since 2020, the company has established a set of standards for its partners too (the so called “Environmental Commitment standard”). This way, the company carries on its business partnership only with partners that are committed to limit their environmental impact. The Environmental Commitment main points are:

1. The company/factory is following local laws and regulations in regard to the environment;
2. The company/factory carries out an environmental impact assessments when required;
3. The company/factory checks the correct functioning of wastewater treatment;
4. The company/factory has established a procedure to handle chemicals and waste products;
5. The company/factory ensures proper training for employees who are handling hazardous, chemical substances, to inform them on what to do in case of emergency or spill;
6. The company/factor’s hazardous waste is collected and treated only by authorized contractors.¹⁹³

In particular, for those factories responsible of core fabric and garment production, Fast Retailing applies the Higg Facility Environmental Module (Higg FEM), an environmental impact assessment that uses 130 questions to identify challenging areas. The areas analyzed with Higg FEM include:

1. Environmental management system;
2. Usage of energy and greenhouse gases emissions;
3. Usage of water;
4. Drainage;
5. Emissions in the atmosphere;
6. Waste;
7. Chemicals management.¹⁹⁴

¹⁹⁰ “LEED Rating System,” United States Green Building Council, accessed on November 07, 2022, <https://www.usgbc.org/leed>.

¹⁹¹ Fast Retailing, “Environmental Management,” Fast Retailing Initiatives section.

¹⁹² Ibid.

¹⁹³ Fast Retailing, “Environmental Management,” Supply Chain Initiatives section.

¹⁹⁴ Ibid.

The company offers training on the Higg Index to the factories to make sure that the personnel is aware of the importance of environmental protection and that is capable to manage chemicals in the right way.¹⁹⁵

To address the problem of fabric mills' high water consumption, in 2017 UNIQLO has launched a program called "UNIQLO Responsible Mill Program." The goals of this initiative were reduction of water usage by 15% and reduction of energy usage by 10% by the end of 2020 (compared to 2016). External experts were called to judge the plans implemented by the factories and to give suggestions in order to better reach the targets. The program worked: the factories that took part in it reduced (in aggregate) water usage by 22.4% and energy usage by 12.1% within 2020.¹⁹⁶

5.1.6 Chemical management

As we have already seen, correct chemical management is essential to limit the impact the company has on the environment. It may be interesting to take a deeper look at Fast Retailing goals and initiatives regarding chemical management.

Fast Retailing's main goal concerning chemical management is to completely eliminate every hazardous chemical waste derived from the company's production processes. The company has already removed APEOs (substances dangerous for water environment and responsible for feminization of male fish)¹⁹⁷ and PFCs (hazardous chemicals that, according to Greenpeace, remain in the environment for many years and can cause tumors, harm to reproduction and to the hormone system).¹⁹⁸ At the end of 2021, Fast Retailing's core fabric mills garment factories reached quote 99.9% of the company's zero wastewater pollution goal; the same goal is aimed to be reached by Fast Retailing's partner factories within 2030. A list of restricted substances is also updated annually, and the partners are asked to follow Fast Retailing indications. The list is made consulting experts of the sector.¹⁹⁹

Fast Retailing is also part of the Zero Discharge of Hazardous Chemicals group (or ZDHC for short). The group aims to innovate the apparel sector through sustainable chemistry; it also promotes some initiatives – for example the ZDHC Manufacturing Restricted Substances List and the ZDHC Gateway – that help companies measuring their improvements compared to the industry standard. The ZDHC group also provides wastewater guidelines for wastewater testing.²⁰⁰

¹⁹⁵ Fast Retailing, "Environmental Management," Supply Chain Initiatives section.

¹⁹⁶ Ibid.

¹⁹⁷ "APEO's investigation report," Confindustria Toscana Nord, accessed on November 10, 2022, https://www.confindustriatoscananord.it/media/DETOX/CTN_APEOS_CaseStudy_2016_DEF.pdf.

¹⁹⁸ Gabriele Salari, "Hazardous chemicals in pristine nature: why don't we get rid of them?," Greenpeace, accessed on November 10, 2022, <https://www.greenpeace.org/international/story/6821/hazardous-chemicals-in-pristine-nature-why-dont-we-get-rid-of-them/>.

¹⁹⁹ "Chemical Management," Fast Retailing, accessed on November 10, 2022, <https://www.fastretailing.com/eng/sustainability/environment/chemical.html>.

²⁰⁰ Ibid.

5.1.7 Initiatives on microplastics

Among its other initiatives, Fast Retailing has been working on the reduction of microplastics derived from production of materials and articles' washing. The company is collaborating with its partners to better understand the impact of its business on environment pollution due to microplastic, in order to find countermeasures to it. Since the issue of microplastics concerns not only Fast Retailing, but many other companies in the sector, Fast Retailing is taking part with some of them in groups such as The Microfibre Consortium (TMC) and Japan Clean Ocean Material Alliance (CLOMA), which has been created to promote research on alternative materials and sustainable usage of plastics.²⁰¹ In September 2021, Fast Retailing has signed "The Microfibre 2030 Commitment," which is TMC commitment to reduce textile fiber fragmentation pollution to zero by 2030):²⁰² by doing so, Fast Retailing has promised to do annual checks of its level of microplastics and update the data on the Microfibre Data Portal.²⁰³

5.1.8 Responsible procurement of materials

As we have already seen, Fast Retailing has analyzed its biodiversity impact and, in particular, has identified those materials the production of which has a bigger impact on the environment. The company has established goals and regulations to make its operations more sustainable and to make sure that the materials used for its production are sourced responsibly.

5.1.8.1 *Responsible procurement of plant-derived materials*

One of the materials with the highest impact on biodiversity, as we have seen, is cotton. Fast Retailing has therefore established that the company will utilize only cotton from sustainable sources within 2025. This involves cotton cultivated with:

- Limited usage of water, chemicals and chemical fertilizers;
- Attention to preservation of soil fertility and biodiversity;
- Attention to the working environment for the farmers.²⁰⁴

In particular, Fast Retailing recognizes as sustainable cotton the cotton from the following six sources:²⁰⁵

1. Cotton certified by the Better Cotton Initiative (a non-government organization which operates to inform farmers on the correct use of water and chemicals and which certifies as Better Cotton producers those farmers who reach the Initiative's standards);
2. Cotton from the United States of America and Australia;
3. Recycled cotton (certified by the Global Recycle Standard);

²⁰¹ "Stakeholder Engagement," Initiatives on Microplastics section, Fast Retailing, accessed on December 12, 2022, <https://www.fastretailing.com/eng/sustainability/environment/stakeholders.html>.

²⁰² "The Microfibre Roadmap," Microfibre Consortium, accessed on November 10, 2022, <https://www.microfibreconsortium.com/roadmap>.

²⁰³ Fast Retailing, "Stakeholder Engagement," Initiatives on Microplastics section.

²⁰⁴ "Responsible Procurement," Procurement of Plant-Derived Materials section, Fast Retailing, accessed on November 08, 2022, <https://www.fastretailing.com/eng/sustainability/products/procurement.html>.

²⁰⁵ Ibid.

4. Organic cotton (certified by the Global Organic Textile Standard or by the Organic Content Standard);
5. Cotton from the Fair Trade;
6. Cotton certified with the Cotton made in Africa (CmiA) standard (which is internationally recognized as the standard for sustainable cotton from Africa).²⁰⁶

Fast Retailing has also established a “Responsible Product Policy” in regard of cellulosic fibers (wood-based materials).²⁰⁷ Materials such as rayon could be potentially sourced unethically in illegal businesses that contributes to the endangerment of habitats and damage of indigenous people (for example in Amazonia). Fast Retailing requires its suppliers to buy only from a list of low-risk manufacturers, evaluated as such from a third-party.²⁰⁸ In the Responsible Product Policy, the company states:

*“Fast Retailing Co., Ltd. and our brands including UNIQLO, Theory, GU, PLST, Helmut Lang, Comptoir des Cottonniers, Princess tam.tam and J Brand are committed to protecting the world’s ancient and endangered forests including efforts toward zero deforestation through our approach to procurement of woodbased fabrics, materials derived from forests, and/or manmade cellulosic fabrics.”*²⁰⁹

Fast Retailing explains how trees are utilized to made the fabric, especially rayon, that is used to produce clothes. The company also states its willingness to fight the unethical source of cellulosic fibers. In particular, the company is committed to:

- Value its sources and eliminate those coming from endangered habitats and forests;
- Eliminate controversial sources and sources that are illegally logging forests and putting habitats and indigenous people at risk;
- Investigate the supply chain if the company finds out that unethical sources has been used, and in the case the suppliers do not change practices, value to end the relationship with them;
- Keep collaborating with the organization “Canopy,” a non-profit organization that works with companies to preserve ancient and endangered forests;²¹⁰
- Make sure that its suppliers respect the legal rights of Indigenous People and local rural communities (the suppliers are required to gain the Free, Prior and Informed Consent from them before starting new loggings or plantations);
- Prefer materials certified with the Forest Stewardship Council (FSC) certification;
- Support initiatives regarding forest conservation, that will help reduce carbon footprint;
- Collaborate with suppliers, partners, customers, non-governmental organizations, peer brands and stakeholders to protect ancient and endangered forests;
- Choose only sources that do not involve ancient and endangered forests from year 2020;

²⁰⁶ “Cotton made in Africa,” Cotton made in Africa, accessed on November 08, 2022, <https://cottonmadeinafrica.org/en/>.

²⁰⁷ “Fast Retailing Responsible Product policy: Wood-based Products and Forest Materials,” Fast Retailing, accessed on November 08, 2022, https://www.fastretailing.com/eng/sustainability/products/pdf/forest_materials_policy_en.pdf.

²⁰⁸ Fast Retailing, “Responsible Procurement,” Procurement of Plant-Derived Materials section.

²⁰⁹ Fast Retailing, “Fast Retailing Responsible Product policy: Wood-based Products and Forest Materials.”

²¹⁰ “About Canopy,” Canopy, accessed on November 08, 2022, <https://canopyplanet.org/about-us/>.

- Trace 100% of forest materials suppliers within year 2020;
- Set targets to increase choice of alternatives (for example, materials coming from agricultural residues and recycling) within 2025.²¹¹

5.1.8.2 *Responsible procurement of animal-derived materials*

Plant-derived materials are not the only materials Fast Retailing has decided to source responsibly: animal-derived materials are sourced responsibly, too. The company sources animal-derived materials from breeders who follow the “Five Freedoms of Animal Welfare,” which are:

1. Freedom from hunger and thirst;
2. Freedom from discomfort;
3. Freedom from pain, injury and diseases;
4. Freedom to express normal behavior;
5. Freedom from fear and distress.²¹²

Fast Retailing has totally eliminated from its production some animal-derived materials, such as:²¹³

- Fur (since the Fall/Winter collection of 2018);
- Angora rabbit hair and angora goat hair (mohair), which were banned after PETA (People for the Ethical Treatment of Animals) exposed the unethical treatment of rabbits²¹⁴ and goats²¹⁵ by the biggest sources of the materials;
- Skins of exotic animals and wildlife, materials from animals on the Red List of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN), and leather from aborted animals;
- Horns, bones and teeth.

Other materials have some sort of limitations.²¹⁶ In particular:

- Merino wool cannot be sourced from suppliers that utilize the practice of mulesing, which consists in cutting a part of the wool-bearing skin from the sheep in order to prevent parasitic infections;
- Cashmere will be sourced only from suppliers who formally commit to a series of animal welfare and responsible land management regulations, and who accept to have auditing visits from Fast Retailing (which provides education on the matter of animal welfare and responsible management);
- Down and feathers cannot be sourced from suppliers that practice live plucking and/or forced feeding, and in addition since 2019 all Fast Retailing’s partner garment factories are certified with the

²¹¹ Fast Retailing, “Fast Retailing Responsible Product policy: Wood-based Products and Forest Materials.”

²¹² Fast Retailing, “Responsible Procurement,” Procurement of Animal-Derived Materials section.

²¹³ Ibid.

²¹⁴ “Some of the 425+ Brands That Have Banned Angora Wool,” PETA, January 27, 2015, last modified August 10, 2022, <https://www.peta.org/living/personal-care-fashion/more-brands-ban-angora/>.

²¹⁵ “UNIQLO and Zappos to Ditch Mohair After PETA Exposé,” PETA, May 24, 2018, <https://www.peta.org/media/news-releases/uniqlo-and-zappos-to-ditch-mohair-after-peta-expose/>.

²¹⁶ Fast Retailing, “Responsible Procurement,” Procurement of Animal-Derived Materials section.

Responsible Down Standard (RDS) certification (which certifies that the animals have been treated humanely until the end).²¹⁷

5.2 SOCIAL SUSTAINABILITY

We have seen in detail Fast Retailing's – and therefore UNIQLO's – approach to environmental sustainability. However, as already mentioned, the concept of sustainability is not only applied to the environment. Social sustainability is another important factor to consider if we want to understand UNIQLO's strong and potentially competitive points on the matter and how the brand is presenting itself. Fast Retailing sees social sustainability as a way “to enrich people's lives through our unique corporate activities, and to seek to grow and develop our company in unity with society,” as stated on the company's website.²¹⁸ Stable social conditions are seen as a precondition for the business success, so it is in the company interest to work towards solutions for social issues. In addition, the social engagement contributes to the improvement of the brand's image among its clients and potential clients.

In order to act on local social issues, Fast Retailing has assigned what the company calls “sustainability personnel” in all the regions the company operates in. Fast Retailing collects opinions of local employees and clients, and then collaborates with local partners to work on solutions for the issues that has been identified.²¹⁹

Fast Retailing is particularly aware of the social issues experienced by refugees. We have already seen how Fast Retailing donates clothes and used clothes to people in need – refugees included; other than that, UNIQLO has been offering jobs to refugees, starting from the stores in Japan and then extending the initiative to stores in other areas. Fast Retailing reports on its website that, at April 2022, the refugees working in UNIQLO stores and subsidiaries are a total of 124 (57 in Japan, 28 in France, 13 in Germany, 7 in Italy, 5 in the Netherlands, 5 in Sweden, 3 in Spain, 3 in the USA, 2 in Denmark and 1 in the UK). It is in UNIQLO's intentions to rise those numbers in the next years.²²⁰

Fast Retailing is not only looking at external social issues: the company also strives to realize inside the company the goals of SDGs such as number 5, “Gender equality.” Fast Retailing recognizes that women empowerment is a social issue of present day Japan, and is working to support women in management positions.²²¹ Fast Retailing has published on its website the percentage of women that hold a management position within the company, which is 43.7% for fiscal year 2022. In Japan, the group is constantly working to support women: Fast Retailing has created a network organization, the “Women's Participation and Advancement Network Organization,” to support the re-entering of employees who had taken maternity

²¹⁷ “Responsible Down Standard,” Textile Exchange, accessed on November 09, 2022, <https://textileexchange.org/standards/responsible-down/>.

²¹⁸ “Community Engagement Policies,” Fast Retailing, accessed on December 23, 2022, <https://www.fastretailing.com/eng/sustainability/community/policy.html>.

²¹⁹ Ibid.

²²⁰ “Supporting Refugees,” Fast Retailing, accessed on December 24, 2022, <https://www.fastretailing.com/eng/sustainability/community/refugees.html>.

²²¹ “Respect for Diversity,” Initiatives on Gender Equality section, Fast Retailing, accessed on December 24, 2022, <https://www.fastretailing.com/eng/sustainability/employee/diversity.html>.

leave.²²² The company has also implemented work-life balance support systems such as maternity and paternity leave, child care leave, flexible working hours, the possibility of work-from-home and a variety of subsidies for employees with children.²²³

Fast Retailing is also taking measures to fight discrimination against people part of the LGBTQ+ community. In 2019, the group gave same-sex partners access to those welfare benefits usually granted to official partnerships, through the introduction of a Partnership Registration System within the company.²²⁴ Fast Retailing also created the “Symphony Network” and the “Symphony Newsletter” to inform people about LGBTQ+ themes.²²⁵

Fast Retailing also hires people with various types of disabilities to work for the company; in Fiscal Year 2022, the company outperformed the Japanese mandatory rate of employment of people with disabilities (2.3% versus Fast Retailing’s 4.92%).²²⁶ In 2021, Fast Retailing took part in “The Valuable 500” initiative,²²⁷ a global business collective of 500 CEOs and companies that works towards disability inclusion.²²⁸

In conclusion, Fast Retailing’s (and therefore UNIQLO’s) initiatives regarding social sustainability contribute to strengthen the image of the brand, since the company takes effective measures to promote diversity and inclusion (which are important values of today’s society) and leave a positive impact on society.

5.3 COMPARISON WITH COMPETITORS

We have seen how Fast Retailing, and therefore UNIQLO, has approached some sustainability matters. To understand if this amount of attention dedicated to people and environment is enough to differentiate the group from its competitors, we have to take a look at how ZARA and H&M approach the same matters.

5.3.1 ZARA

To understand ZARA’s approach to sustainability, I will analyze the Inditex Group Sustainability Policy (with the last update on the 3rd November 2022).²²⁹

The Inditex Group Sustainability Policy has the purpose to integrate the concept of sustainability and sustainable development in every area of Inditex’s business. The main principles of this Sustainability Policy are:²³⁰

1. Consideration of social, environmental and safety variables in both company and partners’ activities;

²²² Fast Retailing, “Respect for Diversity,” Initiatives on Gender Equality section.

²²³ Ibid.

²²⁴ Fast Retailing, “Respect for Diversity,” Respecting Diversity regardless of sexual Orientation and Gender Identity section.

²²⁵ Ibid.

²²⁶ Fast Retailing, “Respect for Diversity,” Hiring People with Disabilities section.

²²⁷ Ibid.

²²⁸ “Disability is Our Business,” The Valuable 500, accessed on December 27, 2022, <https://www.thevaluable500.com/>.

²²⁹ “Sustainability Policy,” Inditex, accessed on November 11, 2022, https://www.inditex.com/itxcomweb/api/media/db9dc1cf-b01a-47c0-afa0-f66aa33361d8/inditex_sustainability_policy.pdf?t=1667565990404.

²³⁰ Ibid.

2. Respect of laws and obligations regarding labor, environment and human rights;
3. Preservation of the environment through the reduction of greenhouse gases emissions, of consumption of natural resources and through the cut of waste and hazardous chemicals;
4. Attention to potential risks for society and environment that could arise from the group's activities;
5. Circulation of the Policy among the group and its employees.

The group's will is to implement the concept of sustainability in its business model (as we have seen for Fast Retailing), since it would help the business gaining long-term value. To do so, Inditex has taken the following steps:²³¹

- It has taken its part to reach the goals of the United Nations 2030 Agenda for Sustainable Development, being more largely committed to SDGs 3 (Good health and well-being), 5 (Gender equality), 8 (Decent work and economic growth), 12 (Responsible consumption and production), 13 (Climate action) and 17 (Partnerships for the goals);
- It is committed to protect human rights in its value chain, and it has therefore drawn up a Policy on Human Rights and created a Committee of Ethics; Inditex also carries out due diligence operations to identify if and what kind of impact the group has on Human Rights across its operations;
- It enforces a zero tolerance policy against discrimination of any kind in the workplace. Inditex believes that a diverse work environment benefits the company, making it possible to better understand different cultural background and, therefore, different markets. A proof for this commitment to diversity is the Diversity and Inclusion Policy of the group;
- It has established three environmental strategies regarding energy, water and biodiversity, at the base of which are the principles of circular economy; the group promotes a more efficient use of resources not only in production operations, but also in its headquarters; to protect biodiversity, the group has also created its Biodiversity Strategy in line with the UN Convention on Biological Diversity. The group is also working to reduce its greenhouse gases emissions and its consumption of resources, to prevent the spill of hazardous chemicals and to minimize its environmental impact;
- It sources animal products only from animals treated according to the "Five Freedoms" for animal welfare and from animals reared in farms for their meat (and not slaughtered exclusively for skin, shells, horns, bones, feathers or down); it also does not sell cosmetics tested on animals;
- It has put in place a strategy to improve quality in the supply chain and has implemented stringent safety standards;
- It follows international tax standards, ensuring transparency; the group has also a Tax Policy and Strategy document where tax commitments of the group are addressed;
- It has established a zero tolerance policy towards corruption, fraud and bribery; the group has two documents at the base of its Compliance System, which are the "Code of Conduct and Responsible Practices" and the "Code of Conduct for Manufacturers and Suppliers," plus other policies to maintain

²³¹ Inditex, "Sustainability Policy."

high standards against bribery and corruption. One of this policies, the “Anti-Money Laundering and Terrorist Financing Policy,” has been developed to prevent money laundering and terrorist financing activities;

- It is willing to provide its customers products made with sustainable materials, in an ethical manner and ensured with exacting safety standards;
- It is promoting stable work alongside with work-family balance for its employees, who are seen as a key to realize a sustainable business: to do so, the group also works to raise its employees’ awareness regarding social and environmental issues;
- It is constantly improving its relationships with other businesses, non-governmental organizations and trade unions in order to better the sustainability of its business;
- It is investing in the community with its resources, in order to contribute to SDGs. In particular, the group is investing in emergency relief, social welfare, and education.

The Inditex Group Sustainability Policy is in line with Fast Retailing’s actions on the same matter. To better compare the two groups, it is useful to take a look at Inditex Sustainability Roadmap of 2021, which contains Inditex’s effective goals regarding sustainability in the next 20 years, and those goals the group has already achieved.²³²

The goals already achieved are:²³³

- 91% of the total energy utilized by the group is renewable energy;
- 47% of Inditex clothes are certified with the Join Life label (which is a standard that indicates that better technologies and greener materials have been used for the production of that article);²³⁴
- 100% of the stores are eco-efficient;
- Plastic bags have been removed from all the stores of the group;
- The clothing collection program has been launched globally;
- Zero Discharge Commitment has been honored;
- 100% of the fibers used have been certified as forest friendly according to the principles of the Canopy Commitment;
- 100% of the designers of the group has been trained on circularity.

The next goals of the group are:²³⁵

- To certify 50% of Inditex clothes with the Join Life label within 2022;

²³² “Sustainability Roadmap 2021,” Inditex, accessed on November 12, 2022, https://www.inditex.com/itxcomweb/api/media/c276901a-46ba-4bd6-b19a-a4b368c94138/Inditex_Commitments_Sustainability.pdf?t=1657362979028.

²³³ Ibid.

²³⁴ “Join Life,” Zara Home, accessed on November 12, 2022, <https://www.zarahome.com/it/+info/join-life-c1020193038.html>.

²³⁵ Inditex, “Sustainability Roadmap 2021.”

- To utilize 100% renewable energy within 2022;
- To source 100% more sustainable cotton (organic cotton, cotton certified with the Better Cotton Initiative, recycled cotton) within 2023;
- To source 100% sustainable viscose within 2023;
- To eliminate 100% of single-use plastic to costumers within 2023;
- To collect and reuse or recycle in the supply chain 100% of packaging within 2023;
- To reach the Zero Waste target within 2023;
- To reduce water usage by 25% within 2025;
- To utilize 100% sustainable linen and polyester within 2025;
- To reduce by 90% (compared to 2018) scope 1 and 2 emissions of greenhouse gases within 2030;
- To reduce by 20% (compared to 2018) greenhouse gases emissions of the supply chain within 2030;
- To reach Net Zero within 2040.

It could be useful to use a chart to confront some of Inditex and Fast Retailing common goals:

	Inditex Group	Fast Retailing
Renewable energy	100% within 2022	100% within 2030 (already achieved for the European stores)
Sustainable cotton	100% within 2023	100% within 2025
GHG emissions	-90% scope1&2, -20% supply chain within 2030	-90% stores&offices, -20% production within 2030

We can see that Inditex and Fast Retailing has similar goals for the environmental impact of their businesses. Fast Retailing goals are therefore in line with those of its competitor.

5.3.2 H&M

I would like now to take a look at the other big competitor we are considering, in other words, H&M. To understand H&M approach to sustainability, we will take a look at the “H&M Group Sustainability Disclosure 2021.”²³⁶

One of the first thing we come across reading the Sustainability Disclosure is H&M’s sustainability strategy. It can be summarized with three slogans:²³⁷

1. Leading the change: this slogan promotes the concepts of innovation, transparency and partnerships for progress.

²³⁶ “Sustainability Disclosure 2021,” H&M Group, March 25, 2022, <https://hmgroupp.com/wp-content/uploads/2022/03/HM-Group-Sustainability-Disclosure-2021.pdf>.

²³⁷ Ibid.

2. Circular and climate positive: this slogan promotes the concepts of circularity, positive impact on biodiversity and climate.
3. Fair and equal: this slogan stands for fair jobs and inclusive work environments.

H&M has different policies regarding sustainability, being the Human Right Policy the top one, followed by policies for every other part of the value chain.²³⁸ The other policies includes policies for H&M Group operations, policies for H&M business partners and policies regarding materials and products (Figure 55 is the complete list of H&M Group sustainability policies).



Figure 55 H&M Group Sustainability Policies (14.11.2022)

<https://hmgroup.com/wp-content/uploads/2022/03/HM-Group-Sustainability-Disclosure-2021.pdf>

H&M sees innovation as one of the keys to transform the fashion industry in a more sustainable one; the group promotes the change with different initiatives.²³⁹ Some examples are:

- The Circular Innovation Lab, which promotes the development of new materials and technologies;
- The H&M CO:LAB, the investment arm of the group, which promotes circularity of technologies and software;
- Teadler, a business-to-business service that gives access to the H&M Group supply chain, in order to promote circular product development;
- Global Change Award, an initiative born in 2015 that rewards innovations in the fashion and textile industry.²⁴⁰

Transparency is another concept the H&M Group sees as a key to improve sustainability, since transparency allows accountability and comparability with other businesses in the industry. Through transparency, H&M promotes informed choices for its customers and sustainable changes for its own business and the whole industry.²⁴¹ H&M launched its Sustainable Apparel Coalition's (SAC) Higg Index Sustainability Profile in

²³⁸ "Human rights policy," H&M Group, accessed on November 14, 2022, <https://hmgroup.com/sustainability/standards-and-policies/human-rights-policy/>.

²³⁹ H&M Group, "Sustainability Disclosure 2021."

²⁴⁰ "Global Change Award," H&M Foundation, accessed on November 14, 2022, <https://hmfoundation.com/gca/>.

²⁴¹ H&M Group, "Sustainability Disclosure 2021."

2021, in order to offer clients transparent information on its products (materials, factories, recycling options...).²⁴² However, H&M and SAC have been notified by the Norwegian Consumer Authority that the LCA data used in the index may be misleading, so the seal and scorecards used in the index have been removed temporarily in order to better assess and align the data (with the collaboration of third party experts).²⁴³ H&M is still using the Higg Facility Environmental Module (FEM) and the Higg Facility Social and Labor Module (FSLM) to assess the performance of the suppliers in the areas of society and environment.²⁴⁴ The H&M Group has also joined the Green Consumption Pledge Initiative (an initiative promoted by the European Commission that asks companies to set targets to reduce their carbon and environmental footprint and to increase circularity in their operations, respecting social sustainability in the supply chain).²⁴⁵ To be able to better trace the materials used by the company through the supply chain, H&M is working at different projects, for example TextileGenesis and eTrackit.

To involve clients in its sustainability efforts, H&M has also created a community program called “MyStore” to inform customers on local sustainability issues (140 stores are taking part in this program so far).²⁴⁶ Another program involving H&M members is the “Conscious Points” initiative, which rewards clients who make sustainable choices, such as using their own bag when shopping or bringing back unwanted clothes to the store. The store makes sure that the clothes will be reworn, reused or recycled through the Garment Collecting Program.²⁴⁷ Both these initiative are collocated by the Group within the initiatives dedicated to Transparency.

I would like now to take a look at sustainability goals and achievements contained in the Sustainability Disclosure 2021.²⁴⁸

- Scope 1&2 greenhouse gases emissions has been reduced of 22% and scope 3 greenhouse gases emissions has been reduced of 9% compared to 2019 (the goal is to reach -56% by 2030);
- The total of recycled materials has increased from 5,8% in 2020 to 17,9% in 2021 (the goal is to reach 30% by 2025);
- Plastic packages have been reduced of 27,8% compared to 2018 (the goal of -25% by 2025 is already been reached);
- 68% of packages are made with recycled or more sustainably sourced materials (the goal is 100% by 2030);
- The energy used within H&M own operations is for the 95% renewable (the goal is 100% by 2030);

²⁴² H&M Group, “Sustainability Disclosure 2021.”

²⁴³ Amina Razvi, “Statement from the SAC Regarding the Norwegian Consumer Authority and Environmental Claims,” Sustainable Apparel Coalition, June 27, 2022, <https://apparelcoalition.org/statement-from-the-sac-regarding-the-norwegian-consumer-authority-and-environmental-claims/>.

²⁴⁴ H&M Group, “Sustainability Disclosure 2021.”

²⁴⁵ “Sustainable Consumption Pledge,” European Commission, accessed on November 15, 2022, https://ec.europa.eu/info/policies/consumers/consumer-protection-policy/sustainable-consumption-pledge_en#what-is-the-pledge.

²⁴⁶ Ibid.

²⁴⁷ “Conscious Points – Get rewarded for more sustainable choices,” H&M, accessed on November 15, 2022, https://www2.hm.com/en_gb/sustainability-at-hm/our-work/conscious-points.html.

²⁴⁸ H&M Group, “Sustainability Disclosure 2021.”

- Water usage has been reduced of 10,3% compared to 2017 (the goal is -25% by 2022, which is unlikely to be achieved due to the effects of the pandemic of COVID19 on the production – with less demand, factories kept using the machines at low production capacity, without achieving water usage reductions);
- Suppliers that follow the ZDHC Manufacturing Restricted Substances List are 95% of the total (the goal was 100% by 2020, but it was not achieved due to the complexity of the supply chain);
- More sustainable cotton is 100% of the total (this goal was achieved in 2020);
- It has been set a goal for recycled materials at 30% of total by 2025 and for recycled materials or more sustainable materials at 100% by 2030 (the Group has currently reached 80%);
- It has been set as a goal to source only responsible viscose within 2025;
- All wood-based materials used for articles and packaging should be certified with the Forest Stewardship Council (FSC) label or come from recycled items by the end of 2025 (in 2021, 78% of the wood used for packages was FSC-certified);
- In 2021, 43.6% of wool utilized for H&M products was certified with the Responsible Wool Standard (in 2020 only 12.1% of wool was certified). The goal is to utilize only wool certified with the standard by the end of 2025;
- In 2021, 95% of cashmere utilized for H&M products was certified with the Good Cashmere Standard (in 2020 only 13% of cashmere was certified). The goal is to utilize only cashmere certified with the standard by the end of 2025;
- 100% of mohair is certified with the Responsible Mohair Standard (as it was in 2020);
- 100% of virgin down is certified with the Responsible Down Standard (as it is since 2016);
- 50.7% of leather products is made without chrome (in 2020 chrome-free leather products were 44% of the total). The goal is to achieve a totally chrome-free production of leather products;
- In 2021, 63.7% of polyester was made from recycled sources. The goal is to reach 100% recycled sources within 2025;
- It has been set a goal to achieve quote zero deforestation within the supply chain by 2025;
- The goal of net-zero has been set for 2040;
- All the products should be designed for circularity by 2025 (in November 2021 H&M launched its prototype called “Circulator,” a tool that helps identifying circular potential of the articles). In H&M’s perspective, design is a way to fight waste and pollution, and a way to improve circularity of products.

As we did for the Inditex Group, here is the chart confronting some of H&M Group and Fast Retailing’s goals.

	H&M Group	Fast Retailing
Renewable energy	100% within 2030 (95% achieved in 2022)	100% within 2030 (already achieved for the European stores)
Sustainable cotton	100% already achieved	100% within 2025
GHG emissions	-56% scope1, 2&3 by 2030	-90% stores&offices, -20% production by 2030
Mohair	100% Responsible Mohair Standard	Use of mohair has been forbidden
Recycled materials	30% by 2025	50% by 2030

In this case, we can see some differences between the goals of the two groups. Regarding renewable energy, the two groups have set the same target and are at similar points of its realization. For what concern sustainable cotton, H&M is ahead; for GHG emissions, Fast Retailing has higher targets. The goal for recycled materials are different, but different is also the deadline to reach it. Regarding mohair, the two groups have taken two different approaches: H&M focused on sourcing only from responsible sources, while Fast Retailing decided to stop using the material in toto. In this case, the differences between the two groups are more evident and the different approach regarding some topics – such as animal-derived materials – could potentially be a competitive differentiation for UNIQLO.

6 CONCLUSIONS

As we have seen, UNIQLO uses a “just local enough” approach to carry its business. UNIQLO’s products are sold globally with basically no adaptation, but the communication is, instead, adapted to every market, in order to better reach every potential client with memorable content. The webstores have almost the same functions (with just slightly different designs), but the products are presented in different ways, based on the popularity of the items in that specific market; the use of social media platforms is differentiated to attract clients in the best way based on the country they are in, but the core content stays the same: UNIQLO’s products and their innovative technologies and features. In this way, UNIQLO maintains a global image, reinforcing its brand awareness: clients from all over the world identify the brand as something “made for all,” with clothes that can be worn by “anybody, everywhere, everyday” (motto made explicit in the 2004 Fast Retailing annual report);²⁴⁹ at the same time, the company is able to reach its target with content interesting for them, in their own language, and can show them the best products based on local needs and taste.

To become the best manufacturer and retailer in the world, UNIQLO has to increase its sales; to do so, the key is to gain competitive advantage to beat its main competitors, ZARA and H&M. Competitive advantage is mainly gained through differentiation. In particular, UNIQLO has created and developed original technologies that give its products unique features that cannot be found among its competitors’ offer. Even when H&M developed DryMove, technology similar to UNIQLO’s AIRism, it limited its application to activewear. Instead, UNIQLO utilizes its technologies for everyday clothes – as we have seen, for example, with the AIRism Inner Cap: UNIQLO’s idea of LifeWear gives to clothes the power to improve people’s everyday life, differentiating the company from its competitors. This competitive differentiation can create new demand and, therefore, increase UNIQLO’s sales.

To advertise its innovative collections, UNIQLO utilizes two important tools: its online stores and its social media profiles. The online stores have a simple, convenient design, and are easy to navigate. Compared to ZARA’s online store, UNIQLO’s online stores have a better balance between design and functions. ZARA’s webstore has a more refined design, but it is inconvenient to navigate with a slow internet connection. H&M’s online store has a simpler design, in line with the one utilized by UNIQLO, but has less functions. UNIQLO’s online stores combine functionality with a design that reinforces the brand image as simple, useful brand, made for all. Online stores are also useful to widen UNIQLO’s range of clients while offering exclusive functions that can improve the shopping experience.

To reach an even wider range of potential clients, UNIQLO is present on every main social media platform. We have seen how UNIQLO, ZARA and H&M have taken different approaches to social media. ZARA and H&M have a more global approach, since they tend to use global profiles (with the exception of Twitter and Facebook). Instead, UNIQLO tends to use multiple accounts on the various social media platforms. It posts content differentiated both by language and by platform (as we have seen, for example, on TikTok, where

²⁴⁹ “2004 Annual Report,” Fast Retailing, November 2004, <https://www.fastretailing.com/eng/ir/library/pdf/annual2004.pdf>.

UNIQLO utilizes trending audios for its content). In this way, UNIQLO can make the most of every social media and reach its potential clients in their language, with appropriate content, meant to advertise and show the brand's products and their original features, reaching different targets. This approach is useful to widen the client base in different markets, especially in those where ZARA and H&M have a wider market share.

The brand image is strengthened thanks to its sustainability initiatives, regarding both environment and society. UNIQLO has taken measures similar to its competitors to limit its impact on the environment while carrying its business. In particular, we have seen how emission goals, energy goals and recycled materials goals are on the same track for UNIQLO, ZARA and H&M. Compared to H&M, UNIQLO has also taken different choices regarding some problematic materials, such as mohair (UNIQLO has stopped utilizing mohair in toto, while H&M has chosen to continue utilizing it but with appropriate standards). UNIQLO is also taking measures to improve local social issues, as we have seen for woman empowerment and LGBTQ+ rights in Japan. This attention to actual problems experienced by people in their life strengthens the image of a brand that wants to contribute to society with its business, further enhancing the brand equity.

We cannot exactly predict when (or whether) UNIQLO will reach the top of the manufacturer and retailer chart. However, UNIQLO is surely acting to carve out a piece of the European market, which, until today, was dominated by ZARA and H&M. The brand is offering something different and refreshing, and its original approach on many areas of its business, if kept up, will help UNIQLO gain attention in this market and rising its sales, taking a step forward towards its goal. In particular, I think that UNIQLO should keep utilizing its social media profiles to gain more attention from the European market (since at the moment UNIQLO's profiles have less followers than ZARA and H&M's profiles); posting more content about UNIQLO's sustainability initiatives may increase the attention towards the brand, since fashion brands' sustainability has become a hot topic. Ultimately, UNIQLO's attention to customers' needs and its will to contribute to solving some of the issues of our society could be what it takes to become the no.1 retailer and manufacturer in the world: only time will confirm if the approach UNIQLO has taken is the right one to reach its goal.

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