BIRKENSTOCK®

Communication Audit Research and Analysis

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JOUR 4460

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Recommendations:

- I would suggest easier navigation on the website and adding all previous year's annual reports.
- Create more appealing press releases to Gen Z audiences because they only have a handful available.
- Create a DEI statement and have it promoted on their About Us section.
- Obtain more collaborations with different brands and influencers.
- Although Birkenstock is a shoe brand, maybe a podcast could be a good addition.

Summary of Insights:

Investor Relations:

• They had no information available online and website was overall hard to navigate.

Media Relations:

• Press releases contained great information and I also liked how they added their unique touch by how they formatted the story and website newsroom.

Community Relations:

• Great community outreach and active on social platforms. They involve cultures from around the world and educate about foot health.

Diversity, Equity & Inclusion:

• They have no DEI statement. They do mention employee care on the hiring website, but I think they need to add a DEI mission statement on their main website.

Corporate Philanthropy/Giving/Social Issues:

• They do offer a gift matching donation, however I had to find it from other sources and not directly from Birkenstock. They should promote this more on their social media platforms, so consumers are aware.

Social Media:

• Great use of photos and models. Capture quality of shoes and promote positivity. Very active on Instagram and Facebook.

Environmental Stability:

• Birkenstock prides themselves on eco-friendly material and they successful communicate that to the public. They have campaigns and entries on their environmental responsibility.

Issues Management:

• Earned media has spread the profit loss that Birkenstock endured. They haven't spoken out themselves personally, but there are articles to prove.

Executive Presence:

• Little to no executive presence. I have found one interview with the CEO and a couple articles. Seems private and reserved.

Influencer:

• They don't use influencers a lot, but they do sometimes. They mostly partner with other big companies when they create a collab. I would recommend partnering with relevant influencers to gain attention from Gen Z.

YouTube:

• Not bad. They do have uploads, but they are not active. Needs to start uploading more videos for the YouTube community.

Gen-Z Communication:

• Great word choices, SEO and hashtag use.

Hybrid:

• Not too traditional. They keep up with current trends.

Investor Relations

1. Birkenstocks does not have a 2022 annual report listed on their website. They only provided in year 2023 and 2024. The link above is for 2023.

2023 Annual Report

Growth, Potential, Adapt

2. List /content on lawsuits or settlements in annual report.

	Notes	Successor			Predecessor
		Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
Revenue	25	1,491,911	1,242,833	462,664	499,347
Cost of sales	12, 26	(566,117)	(493,031)	(311,693)	(213,197
Gross profit		925,793	749,802	150,971	286,150
Operating expenses					
Selling and distribution expenses	26	(455,851)	(347,371)	(123,663)	(111,808
General administration expenses	26	(171,388)	(86,589)	(31,039)	(52,628
Foreign exchange gain (loss)	2, 27	(36,056)	45,516	20,585	(1,523
Other income (expense), net		(1,810)	1,669	(1,673)	1,280
Profit from operations		260,688	363,027	15,181	121,471
Finance cost, net	28	(107,036)	(112,503)	(28,958)	(1,753
Profit (loss) before tax		153,652	250,524	(13,777)	119,718
Income tax expense	19	(78,630)	(63,413)	(3,428)	(20,694
Net profit (loss)		75,022	187,111	(17,205)	99,024
Other comprehensive income (loss)					
Items that may be reclassified to profit (loss) in subsequent periods (net of tax):					
Cumulative translation adjustment gain (loss)	16	(97,301)	106,276	23,736	8,037
Net position of fair value changes of the cash flow hedge	4	(345)	_	_	_
Items that will not be reclassified to profit in subsequent periods:					
Remeasurement of defined benefit plans		_	_	_	22
Other comprehensive income (loss)		(97,646)	106,276	23,736	8,059
Total comprehensive income (loss)		(22,624)	293,387	6,531	107,083
Earnings (loss) per share					
Basic	29	0.41	1.02	(0.09)	
Diluted	29	0.41	1.02	(0.09)	
		F-7			

3. Press releases on quarterly earnings: They have no press releases on quarterly earnings, but they do have a presentation.

Presentation

4. Press releases for 2023 contain material information.

<u>Dr Erik Massmann Appointed As New Group CFO</u>

Birkenstock Appoints New Managing Director For Greater China

5. Three most articles on the financial well-being on a business, finance or trade publication.

Birkenstock Reveals 21% Revenue Jump In Updated Financials Ahead of IPO

The Rise of Birkenstock: The Shoe Brand That Turned An Ugly Hippie Sandal Into

Coveted Fashion Statement

A Key to Birkenstock's Billion Dollar Success? Its Frumpiest Shoe

6. Shareholder meeting announcement.

"The company will host a conference call and live webcast with the investment community at 8:00 a.m. Eastern Time that same day."

7. Investor quarterly call example.

Earnings Call Transcript

Media Relations

8. All 2023 press release and headlines

<u>Birkenstock appoints new managing director for greater China.</u>- Earned media national level, business.

<u>Birkenstock progresses its deleveraging program.</u>- Earned media regional level, financial Konrad Birkenstock: Celebrating the 150th anniversary of the birth of the inventor of the footbed.

<u>The new Birkenstock plant in pasewalk starts operations on schedule.</u>- Earned media national level, business.

Birkenstock group voluntarily prepays USD 50 millions of USD term loan B.

Now exclusively on Birkenstock.com The digital journal for all fans of the global lifestyle brand.

The Birkenstock production site in Pasewalk celebrates the topping-out ceremony.-Earned media regional level, business.

<u>Dr Erik Massmann appointed as new group CFO.</u>- Earned media national level, business. <u>Birkenstock and Fear of God present The Los Feliz.</u>- Earned media regional level, business

Birkenstock entering new chapter in the Netherlands to further increase quality.

Mostly received earned media on big websites as well as small trade websites. Mostly business related.

9. Press release format and tone.

Short, contemporary, sleek

Newsroom is hybrid.

10. Press room.

Bright, organized, easy navigation.

I would say press room is modern.

11. Phone number or way to contact media relations

Email: media@birkenstock.com

No phone number

12. Asses results for 2023 press releases

Birkenstock appoints first-ever managing director for Greater China region

Birkenstock appoints new managing director for greater China: Tiffany Wu to lead and accelerate the company's expansion- 2

New Birkenstock plant in Pasewalk begins operations

Birkenstock's new factory starts up-2

Birkenstock progresses deleveraging program

- 13. No spokesperson located.
- 14. "I believe in creating an environment where each individual's mission is supported by their co-workers', both personally and professionally."

Article here

15. Fact sheet in newsroom

Sustainability

- 16. No b roll or photo link sheet. Images available on Adobe Stock or Getty Images
- 17. Company overview

Fact Sheet

Insight: They don't have many press releases. I think they should start creating more to gain more readers and keep audiences/consumers updated with what they are doing within their company.

Community Relations

- Website Content is easy to navigate and is also very bright and colorful. It has a
 retail front because their brand are shoes and they have to market them in order to
 sell. Shows different shoe styles and also implements stories and photos of
 customers.
- 2. Social media accounts present professionalism, Chic style and organized content. They upload professional and aesthetic photos that catch viewers attention. They are active on all social media platforms.

3. Traditional media

Japan. Tradition. Innovation.

JAPAN - A COUNTRY BETWEEN TRADITION AND INNOVATION Japan is an island country located in East Asia with 126 million people. It is known for its verdant landscapes, beautiful scenery with four seasons and tranquil temples. On the contrary, it is also known for its neon-filled commercial hubs, futuristically designed skyscrapers and populous city lives. It is a country where the tradition meets innovation and its unique mixture of custom and modern fascinates the visitors from all over the world. This mixture is also represented at the fashion scenes in Japan, especially the city TOKYO – a hub for style and culture. The fashion is diverse and inspiring, where you see eclectic anime-inspired outfits to vintage denims to luxurious brand suits. Many Japanese fashion designers have influenced the global fashion industries and it's experimental and constantly evolving TOKYO fashion continues to stimulate the world. 100 STYLES CAMPAIGN 18 Japanese BIRKENSTOCK lovers with different professions participated in this campaign. Some of the BIRKENSTOCK lovers are: Aoi Yamada, Miyako Takayama, Mala Morgan, Rintaro Asari, Daichi Matsuno and Hiroshi Doiji. These BIRKENSTOCK lovers have matched their own clothes with BIRKENSTOCK's fall/winter products such as sandal, clogs and boots. It is interesting to see the variety of styles that can be worn with BIRKENSTOCKS and there are tips and suggestions on how to combine BIRKENSTOCK shoes and sandals well. Click **HERE** for the stylings.

Brand stories are available in the news room website.

Insights: I like how they are involved with countries from around the world and share their story. It is inspiring and provides great community involvement.

Diversity Equity and Inclusion to include Employee Resource Groups/Employee Communication

- "Design icon, lifestyle or health product: No matter how complex, captivating and divisive BIRKENSTOCK might be, it's all really quite simple. We make really good shoes. Shoes based on tradition that are durable, sustainable and perfectly handcrafted. Shoes that are a home for your feet."
- 2. Letter, policy or DEI

N/A

- 3. They have awards for best shoe, but not for employees.
- 4. DEI officer

N/A

5. List resource groups.

Birkenstock doesn't have resource groups. They use raw material such as natural cork to create their products.

Insight: Has great employee recognition and involvement but needs to be more diverse with statements and should have a DEI officer.

PART TWO

- 1. Birkenstock has no donation policy.
 Insight: They should create a donation policy and upload on their website.
- 2. No donation priorities. They do have gift matching priorities:
 - Educational institutions
 - Health and human services
 - Arts and cultural organizations
 - Civic and community organizations
 - Environmental organizations

https://doublethedonation.com/matching-gifts/birkenstock

- Birkenstock has a matching gift program. It involves employees with nonprofit orgs to double gifts and Birkenstock can match their contributions. https://doublethedonation.com/forms/birkenstock-guidelines.pdf.
- 4. Their nonprofit partners depend on the employee's choice of charitable institution. Some charities they have partnered with before is Soles4Souls and LKA (Little Kitchen Academy).

Overall Insight in Philanthropy: Birkenstock has no information over donations/nonprofits on any of their website/social media pages. The information on the gift matching program they have was found on a different website that isn't affiliated with Birkenstock. I think they should create a donation policy and add to their website info.

Social media

- 5. Facebook
 - 1.8 million followers
 - Content: Marketing
 - Tone: Casual and modern
 - Last post: All-new: The Oita Braided. With an oiled leather strap for that well-traveled patina.
- 6. Twitter

- 10k followers
- Content: Marketing
- Tone: Casual and modern
- Last post was in May, 2023 https://twitter.com/BIRKENSTOCKUSA/status/1653430518791262209
- 7. Instagram
 - 1.3 million followers
 - Content: Marketing
 - Tone: Casual and modern
 - Last post: https://www.instagram.com/p/C30Sw77LUtw/?img index=1
- 8. LinkedIn
 - 43k followers
 - Content: Marketing and employee content
 - Tone: Casual and modern
 - Last post 3 days ago: https://www.linkedin.com/company/birkenstock-deutschland/?miniCompanyUrn=urn%3Ali%3Afs miniCompany%3A28056774
- 9. YouTube
 - 14.7k followers
 - Content: Stories around the world
 - Tone: Casual and modern
 - Last post 3 days ago: https://www.youtube.com/watch?v=PiaRD5NsXPg
- 10. Pinterest
 - 47.8k followers
 - Content: Outfits and customer pictures
 - Tone: Colorful and modern
 - Last post, 3 weeks ago: https://www.pinterest.de/birkenstockusa/

Insights: Has great content and is modern with their photography techniques and campaigns. Heavily influenced by the newer generation by trends.

Environmental Sustainability

11. The protection of our natural resources is one of the most pressing issues of our time. We are committed to environmentally friendly operations. For us, this is not a marketing-driven fad, but rather an expression of our corporate ethos. Environmental protection has long been paramount at BIRKENSTOCK. We constantly work to improve production processes, products, packaging and logistics. Thanks to their durability, our products are environmentally friendly by nature. A high proportion of the materials that we use are from natural sources: cork, natural latex, jute, leather, wool felt, copper and brass are among our most important materials.

https://www.birkenstock.com/us/education/our-commitment/

Insight: I like how they are driven by environmental policies and contribute to an eco-friendlier lifestyle.

Issues Management

12. For Individual issues, they have customer service contact through email and phone number. They offer an exchange policy on all orders within 30 days of delivery. Also, they have a return policy on items. Items may be returned in original purchase condition and packaging within 30 days.

https://www.birkenstock.com/us/us-policies-return.html

Executive Presence

- 13. Social media: Looking through all social media pages, the executive has no presence. They focus heavily on shoe photography, models wearing the shoes and partners with artists/consumers. The only time they had executive presence was on "About Us" website: https://www.birkenstock-group.com/de/en/about-us/our-brand-purpose/
- 14. Speeches: No speeches, but has appeared on CNBC.
- 15. Articles:

Birkenstock CEO Oliver Reichert on stock market debut

https://observer.com/2023/10/oliver-reichert-ceo-birkenstock/

Who is Oliver Reichert, CEO of the newly public Birkenstock

https://www.cnbc.com/video/2023/10/11/birkenstock-ceo-oliver-reichert-on-stock-market-

<u>debut.html#:~:text=Birkenstock%20CEO%20Oliver%20Reichert%20joins,the%20brand</u>%20relevant%2C%20and%20more.

- 16. Interview: https://www.cnbc.com/video/2023/10/11/watch-cnbcs-full-interview-with-birkenstock-ceo-oliver-reichert.html
- 17. OpEds: None

Insight: I like their content, but I think they should include employees and CEOs more so the public can be aware of who is in charge. Not a lot of coverage over CEO.

Use of tools

- 18. AI: None found.
- 19. Video: They have videos on website and YouTube channel https://www.youtube.com/birkenstocktv
- 20. Podcast: https://www.reddoor.biz/learn/blogs/podcast-meet-the-marketer-david-kahan-birkenstock/

They don't have a podcast included in their website. This podcast was uploaded by a different website not affiliated with Birkenstock.

Gen Z Reach

I would rate Birkenstock 8.5 out of 10 as appealing to Gen Z. They have great content, a lot of followers and community interaction. However, there are some things that they can improve such as having a podcast, CEO involvement, DEI statements, donations, and nonprofit partners. I also like how they modernized their press releases, but I don't think they post enough.