

# A New Model of Corporate Social Responsibility

## A CASE STUDY OF TOMS SHOES



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*“Toms is going a step further than most in blurring the difference between brand and charity; the brand doesn't exist outside the charitable work” –Wall Street Journal.*

## **Abstract**

TOMS Shoes' has grown to become an estimated \$100 million dollar company in the six years since its inception and has largely swept consumers world-wide with the TOMS cause-marketing campaign. This analysis will determine if this strategic marketing mitigates the need for TOMS to produce their goods in line with the highest standards or perform their charitable efforts in the most effective manner. As a social enterprise, TOMS Shoes was founded with the intention to promote a new solution to a social problem afflicting the poor. An evaluation will be made of the effect TOMS' solution has on the communities they intend to serve, specifically their impact on health and local economic development for the poor. In the eyes of consumers, does TOMS' tactical cause-marketing supersede the knowledge that their charitable efforts may be misguided or workplace conditions are poor? This evaluation will be done by comparing social activities marketed by the firm and actual socially responsibility engagement by the firm, particularly their manufacturing practices and the one-for-one giving model.

## **I. TOMS Shoes Overview**

TOMS Shoes is a for-profit social enterprise attempting to change the cycle of poverty through their unique charitable efforts<sup>1</sup>. For every pair of shoes purchased, TOMS Shoes will donate a pair of shoes to a child in the developing world. This giving model is integral to the firm's ventures and the drives it's operations as the company's social mission. TOMS Shoes was started in 2006 after the founder traveled to Argentina

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<sup>1</sup> TOMS Shoes Blog. Submitted by “admin”. January 4, 2012

and witnessed a social problem, he intended to mend- numerous children without shoes. The social mission of the firm is to “create a better tomorrow by taking compassionate action today” and this represents both the origin of the firm’s name (TOMorrow Shoes) and also the unique “One for One” giving model operated by the firm<sup>2</sup>.

## 1. TOMS Shoes in the Developing World

TOMS Shoes indicates a few key reasons for choosing shoes as their charity of choice, rather than other necessities such as water, food or medicine. TOMS claims that giving shoes improves classroom attendance, by preventing foot-based transmission of soil-borne diseases, which keeps affected children home with symptoms. The prevention of diseases such as hookworm, improves education levels and eventually healthy, educated individuals are enabled to gain increased opportunity. In addition, TOMS argues that their shoes have value beyond basic health benefits. Many schools in developing countries require that their students wear shoes in order to attend. This indicates that if children do not own shoes (or in some countries, the right color shoes), they will be unable to attend school. The reasons discussed here indicate more clearly why TOMS considers their product to be instrumental in challenging the poverty cycle.

## 2. Production

TOMS Shoes are currently produced in China, Argentina and Ethiopia. TOMS ensures on their website that factories operate in line with best manufacturing practices and provide the following statement:

*“We require that the factories operate under sound labor conditions, pay fair wages and follow local labor standards. A code of conduct is signed by all factories. Our production staff routinely visits these factories to make sure they are maintaining these working standards.”*

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<sup>2</sup> One for One Movement. TOMS Shoes Website

<sup>3</sup> TOMS Giving Report. 2011

*We also have third parties audit the factories at least once a year to ensure they adhere to proper labor regulations”.*<sup>4</sup>

Other than the information shared above, TOMS Shoes remains largely private about the details surrounding their production facilities<sup>5</sup>. They ensure that no children are engaged in their manufacturing process, but make no other guarantees regarding production. Their statement that they “follow local labor standards” provides a vague answer to what standards consumers can expect that they follow and does little to ensure the consumer that their workplace conditions are a priority to the firm. Finally, their lack of communication regarding workplace conditions and failure to provide transparency in this area creates added concern from consumers.

In addition, TOMS shares that their products produced in their facilities in both Ethiopia and Argentina are used for donated shoes only while products made in China are the shoes that enter the U.S. market for sales<sup>6</sup>. The donated shoes, produced in Ethiopia and Argentina, have a slightly different build and TOMS claims that they provide a stronger sole in line with the need in the developing world.

## **II. CSR Business Model Structure**

### **1. For-profit Structure**

TOMS Shoes is designed as a privately held for-profit social enterprise. TOMS has no official corporate responsibility division or particular staff members dedicated to this effort alone. Instead the CEO calls himself the Chief Shoe Giver, thereby signaling the prioritization of socially responsibility practices as key to the business model itself.

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<sup>4</sup> TOMS Manufacturing Practices. TOMS Shoes Website.

<sup>5</sup> Watkins, Tate. “A spectrum of social entrepreneurship: TOMS, Indego, and Henry Ford” March 23, 2011

<sup>6</sup> TOMS Manufacturing Practices. TOMS Shoes Website.

However, despite the firm's commitment to their social mission, they have chosen not to register as a benefit corporation or a non-profit organization. Based in Santa Monica, California (but registered in Delaware for tax purposes), TOMS operates with a staff of less than 100 people. TOMS Shoes sell domestically for anywhere between \$44 and \$98, per pair, although cost of goods sold estimates range from about \$2 to \$4, per pair. It is unclear what percentage of each sale goes toward distribution and donation of the second pair.

Given their private incorporation status, financial information such as profit, or staff compensation, is not available to the public. In addition, TOMS board and shareholders are private. This lack of transparency is expected for a private firm, but perhaps adds to the criticism TOMS receives, given their self-professed effort to run their firm in line with a social cause.

## **2. One for One Giving Model**

By 2010, five years after their inception, TOMS Shoes had already distributed one million shoes throughout 23 countries, with the most frequent donations sent to Argentina, Peru, South Africa and Ethiopia<sup>7</sup>. By 2012, it is estimated that TOMS Shoes has sold its two millionth pair, indicating that in the last two years, they have doubled their sales and therefore their number of shoes donated. This unique model, as a social enterprise keenly focused on their charitable mission, has enabled TOMS to gain huge recognition and they even received the Award for Corporate Excellence (ACE) award in 2009 because of their commitment to corporate social responsibility. TOMS Shoes beat out 11 other finalist which included Chevron, Cummins, Inc, Cisco Systems and Intel Corporation to become a recipient of the ACE award in 2009, awarded by Secretary of State Hillary Clinton<sup>8</sup>. This award is meant to honor companies who have made a significant commitment to

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<sup>7</sup> TOMS 2011 Giving Report.

<sup>8</sup> Remarks by Secretary Clinton: Secretary Clinton Presents the 11th Annual Awards for Corporate Excellence, United States Department of State. December 2009

their corporate social responsibility practices and have acted as a role model, to be emulated in the industry<sup>9</sup>.

Distribution of these donated shoes comes in two forms; partnering organizations and TOMS directed “Shoe Drops”. The majority of distribution comes from TOMS strategic partnerships with non-profit organizations with significant on-the-ground capacity. These organizations have been key to the success of the TOMS model. They are responsible for the deciding where TOMS Shoes will be given. TOMS plays a very small role in this decision process, but rather encourages their chosen partner to determine best placement for their donation. Their 2011 Giving Report stated that they utilize their Giving Partner to find “communities that will benefit most from TOMS shoes due to economic, health and educational needs – and where local businesses will not be negatively affected”<sup>10</sup>. Once this location has been chosen, the non-profit partner is responsible for the management of donated shoes, determination of need (amount, sizes, appropriate colors, etc.) and physical distribution of the donated shoes.

To become a distributing partner with TOMS, potential organizations must apply on the TOMS Shoes website. This application states the minimum and most valuable characteristics in a partner are the ability to engage in repeat giving and capacity for high volume distributions (with a minimum preferred order of 17,000 shoes)<sup>11</sup>. Question vetting potential partner organizations include those like the following:

“[Is your organization] willing and able to commit to distributing shoes to children in a respectful, caring and responsible manner”<sup>12</sup>.

TOMS Giving Partners have included organizations like World Vision, Feed the Children, GoodsforGood and smaller, local nonprofits like Hogar de Ninos Emanuel in

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<sup>9</sup> TOMS Corporate Information. TOMS Shoes Website.

<sup>10</sup> TOMS 2011 Giving Report.

<sup>11</sup> TOMS Giving Partner Application.

<sup>12</sup> TOMS Giving Partner Application.

Honduras and the Cambodian Children's fund. It is unclear how many of these partner organizations exist but throughout their TOMS blog many small organizations are mentioned as Giving Partners, over time. TOMS claims that much scrutiny is involved when choosing who TOMS Shoes will partner with in local communities where shoe disbursements occur<sup>13</sup>. However other than access to the Giving Partner application, it is unclear exactly how these partner organizations are vetted or how long these relationships last.

TOMS mentions in the beginning of this potential Giving Partner application that they are a non-political and non-religious, for-profit organization which prohibits "the giving of our shoes from being associated with any religious or political ideology"<sup>14</sup>. However this hasn't stopped TOMS from receiving criticism for partnering with nine evangelical Christian organizations who distribute thousands of TOMS Shoes along with their religious beliefs, all around the world<sup>15</sup>. This accused religious affiliation of the firm became even more prominent when the TOMS founder & Chief Shoe Giver, Blake Mycoskie agreed to speak along side a strong anti-gay and anti-choice, Christian organization called Focus on the Family, in 2010. Following immediate backlash from TOMS consumers, Mycoskie quickly responded ensuring that TOMS was non-religious and pro-equal rights for gays and all others<sup>16</sup>. It perhaps doesn't help that TOMS founder has referred to his customers his "biggest evangelists"<sup>17</sup>.

The alternative method of donation distribution for TOMS is through their trips to deliver donated shoes called "Shoe Drops" are used to engage customers who want to

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<sup>13</sup> Santorelli, Christopher. "Following Media Criticism, TOMS Shoes Founder Apologizes for Speaking at Focus on the Family Event". The Blaze. July 9, 2011.

<sup>14</sup> TOMS Giving Partner Application.

<sup>15</sup> Costello, Amy. "Buy One and Give One, Inside TOMS Shoes". Tiny Spark. Chronicle of Philanthropy. March, 15, 2012

<sup>16</sup> Costello, Amy. "Buy One and Give One, Inside TOMS Shoes". Tiny Spark. Chronicle of Philanthropy. March, 15, 2012

<sup>17</sup> Short, Bradley. "SXSW Interactive 2011: A Responsible Business Recap". Business Earth Profit Responsibly. March 16, 2011



volunteer to place shoes on the feet of children “in need”, which occur several times a year. TOMS began a non-profit subsidiary called Friends of TOMS which manages all of the planning and execution of the Shoe Drops. This nonprofit consists of a one-page website, with an email contact for those interested in participating in a Shoe Drop, and little else. The mission of the non-profit, as registered on their tax documents is the dedication to mobilizing, connecting, and empowering individuals who want to give further aid to communities served by the TOMS Shoes One for One movement<sup>18</sup>. This non-profit does not accept donations but rather fields potential donors to their Giving Partners. The annual expenditure of this non-profit subsidiary was listed as only about \$170,000 in 2009<sup>19</sup>. Given that participants in Shoe Drops are volunteers interested in paying their own way (flight, accommodations, food, etc.) to participate in shoe donations to those “in need”, it seems most of the cost of this distribution method is covered by the volunteers involved.

### III. Cause Marketing

Very few would argue that the success of TOMS’ model is generated from the stylish design, quality or comfort of the shoe they produce. Instead, many attribute the success of the TOMS’ model to their successful cause marketing campaign. Since their inception, TOMS’ advertising has been entirely unconventional. TOMS Shoes claims to have no official advertising department and very little effort toward traditional advertising at all. They have been featured in only one commercial, since their inception, which was an AT&T ad promoting their business clients. Instead they focus on gaining media coverage through their giving actions and creating viral videos, blogs and “facebooking”, thereby creating “a community, not a company”<sup>20</sup>. Despite these unconventional tactics, TOMS has managed to gain a cult-like following over the last six years of the firm’s existence.

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<sup>18</sup> Guidestar Report, Friends of TOMS

<sup>19</sup> Guidestar Report, Friends of TOMS

<sup>20</sup> PBS Interview with Blake Mycoskie. Travis Smiley. September 9, 2011

To exemplify this following, it is important to evaluate the level of engagement by customers and potential customers in the TOMS network. In 2010, the TOMS Founder & Chief Shoe Giver gained the support of 300,000 people to join the One Day Without Shoes movement, which encouraged participants to go shoe-less for 24 hours and spread the TOMS message. Other successful indicators of their cause marketing campaign include participation levels in Shoe Drop trips (paid in full by volunteers) which has engaged thousands of volunteers to distribute TOMS Shoes donations on-the-ground. In addition, thousands of Campus Representatives, act as ambassadors of the TOMS message on college campuses throughout the country. The TOMS founder has engaged in a nation-wide speaker tour where he headlines events to discuss the “One for One” movement.

The high level engagement of TOMS fans as displayed by these figures is important given that these people are easily converted to customers or repeat customers. Customers feel part of the TOMS family rather than participants in a simple business transaction. They are drawn in by the cause rather than the product itself. This indicates that TOMS’ assumed multi-millions in profits are due to their strong ability to market their cause.

However, many wonder if TOMS’ cause-marketing is truly about the cause or simply about differentiating the firm in a much saturated market and improving overall sales. In other words, is the company truly acting socially responsible or simply using the cause as a tool to increase domestic sales, as many of their critics say? Does their tactical cause-marketing supersede the knowledge that their charitable efforts may be misguided, in the eyes of consumers? It seems TOMS customers are simply satisfied with the fact that TOMS supports a cause, but much less interested in how effectively or efficiently this cause is actually supported. The value or specifics of the cause are perhaps not as important as the fact that a cause is simply present and associated with the brand.

In fact, a recent study cited that 83 percent of Americans wish brands would support causes, and 41 percent have bought a product because it was associated with a cause. That figure has doubled since 1993, according to the study<sup>21</sup>. In addition, 94 percent said that given price and quality was the same, they were likely to switch brands to one that represented a cause<sup>22</sup>. TOMS Shoes has shown this to be true even when price and quality are unequal to their competitors, indicating an extreme willingness to pay a price premium among TOMS customers. In many ways, TOMS Shoes represents the “Prius Effect” which indicates that consumers are willing to take costly action to signal their concerns<sup>23</sup>.

This same study mentioned above found that the most effective channels of advertising specifically for CSR messages was media, more so than traditional advertising<sup>24</sup>. Social networking, blogging and product events were also top contenders for effective channels of non-traditional advertising. Together the areas TOMS utilize from these advertising components, compile an impressive 75 percent of the total channels listed.

#### **IV. Impact on Target Community**

##### **1. Economic Impact on Developing World**

Charitable activities like TOMS’ one to one giving model described above of regular shoe donations might not best meet the needs of poor individuals in the long run and may even be harmful, in the long run. In fact, a study from 2008 determined that clothing donations imported to Africa through NGOs and other charitable organizations, was likely responsible for more than a 50 percent fall in domestic employment in that

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<sup>21</sup> Matt Carmichael and Dante Chinni “Trying to Decide on a Cause Marketing Category; Consumer Location is Key, The Biggest Difference Among Community Giving Is Where the Money Goes”. Advertising Age. January 16, 2012

<sup>22</sup> Cone/Echo CR Study, 2011

<sup>23</sup> Steven E. Sexton and Alison L. Sexton. “Conspicuous Conservation: The Prius Effect and Willingness to Pay for Environmental Bona Fides”. April 21, 2011

<sup>24</sup> Cone/Echo CR Study, 2011

sector from 1981 -2000<sup>25</sup>. This study by Oxfam International also found that these same donations have likely hindered the local industry development in places like Senegal and Ghana<sup>26</sup>. This report finds that workers within the textile industry in developing regions are unable to compete with such donated imports and as a result, local businesses collapse leaving thousands of workers unemployed<sup>27</sup>.

Critics have claimed that TOMS Shoes out-competes the local shoe industry in this way and therefore decreases or inhibits local infrastructure and economic development. TOMS seems to create the idea among its customers that there are no existing shoes available in the markets they serve. However, this argument by TOMS is largely unfounded as most of the markets they serve have some existing shoe sales. On TOMS own blog, we see lines of children waiting to receive their shoes - each already wearing a different brand of shoes on their feet. This indicates that TOMS presence has the potential to drive demand away from local shoe makers and decrease or destroy the domestic market. Even if shoes in the local market are hypothetically sold for about \$2, it's easy to see that no local shoe maker would be able to compete with free, donated shoes, as distributed by TOMS.

The TOMS model could be sound, if they were distributing shoes to the poorest individuals who were otherwise entirely unable to purchase shoes themselves, and there were no shoes sold in the domestic market. However, TOMS has been criticized for not being more careful about ensuring that these conditions are met and that those who receive their shoes are the most in need. Particular criticism of TOMS giving actions came following a recent string of donations directed toward private, Christian boarding schools throughout Africa. Critics wonder how this demographic demonstrates the

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<sup>25</sup> Jain, Niharika, S. "Shoes for Business, The unintended consequences of doing good". Harvard Crimson. Harvard University. April 27, 2011

<sup>26</sup> Jain, Niharika, S. 1

<sup>27</sup> Sally Baden and Catherine Barber. "The impact of the second-hand clothing trade in developing countries". Oxfam. September 2005

greatest need compared to those children at public schools or those unable to attend school at all<sup>28</sup>.

As stated by many TOMS critics, if individual consumers want to better support efforts which alleviate poverty in the long run, they do so more effectively by directly supporting local businesses for sustainable economic growth<sup>29</sup>. In place of their charitable model, efforts which promote the long term economic development of infrastructure and human capital in the world's poorest regions would be undoubtedly more effectively and efficiently suited to TOMS targeted population.

## 2. Health Benefits for Donation Recipients

Wearing shoes is one method of intervention in the prevention of worms, as communicated by TOMS marketing campaign. In fact, this aspect is critical to their message and the overall impact of their product. However it is unclear how this correlates to overall long-term health, improved performance in school or other livelihood benefits for the children involved. The wearing of shoes in developing regions where worms are prevalent will prevent hookworm, one form of three major forms of transmittable worms<sup>30</sup>. However, a study conducted by a Dutch nonprofit in Africa found no significant differences across treatment and comparison school pupils in three worm prevention behaviors [including] the proportion of pupils wearing shoes<sup>31</sup>.

However, TOMS continues to claim that shoes “make a huge difference in children’s burden of disease”<sup>32</sup>. If TOMS is unable to prove the health benefits of their products, then they would lose a major component to their marketing campaign. If they

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<sup>28</sup> Costello, Amy. “Buy One and Give One, Inside TOMS Shoes”. Tiny Spark. Chronicle of Philanthropy. March, 15, 2012

<sup>29</sup> Jain, Niharika, S. 1

<sup>30</sup> Miguel, Edward & Kremer, Michael. “Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities”, *Econometrica*, Vol. 72, No. 1, January 2004

<sup>31</sup> Miguel, Edward & Kremer, Michael. 17.

<sup>32</sup> Shortall, J. “Excited About...Parasites”. TOMS Shoes Blog. March, 4, 2010

can prove their impact, it would be wise to include these facts and figures in their marketing so that their shoes produce a more tangible outcome.

### **3. Sustainable Giving for Recipients**

TOMS admits that they learned early on that children outgrew or wore-out shoes quickly and that giving to a community once it's not a sustainable method of charity. In response, TOMS aims to engage in repeat giving to the same target population. TOMS explains that they “don't give once and leave – we keep giving. Kids grow out of shoes. So we strive to set up sustainable giving partnerships that allow us to give repeatedly as children grow”<sup>33</sup>.

This type of continued giving creates dependency on the TOMS one-for-one giving model, particularly since children's feet grow quickly and likely require re-fitting every year or two to remain useful. This model suggests that TOMS must maintain contact with each child that received a pair of shoes the previous year, as well as their gender, age, shoe size and address. Given the number of donated shoes are estimated at more than two million, this seems like a faulty and unsustainable model.

## **V. CSR Compliance**

### **1. Factory Selection Process**

In 2010, TOMS Shoes made the decision to expand their product and their impact by opening factories in both Ethiopia and Argentina. Since the majority of their shoe donations fall to one of these two countries, it made sense to produce their donated version, which is a slightly different shoe, in these two locations. This change seemed to improve distribution efforts of donated shoes by mitigating the distance needed to transport and deliver them to those in need, since both versions (U.S. market and donated shoes) were previously made in China. The founder realized that the company was “making shoes halfway across the world and sending them on a boat, wasting all this

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<sup>33</sup> TOMS 2011 Giving Report.

energy and money, where we could just make them right in Addis Ababa and put them on a truck right to the people who need them”<sup>34</sup>. This has not only decreased their environmental impact but increased their economic impact on the developing regions in which they work. The creation of both factories has provided stable employment for those in the area, which in many ways is much more valuable than TOMS traditional giving model.

## 2. Audit Report Analysis

TOMS engages in annual internal and third-party audits in line with best labor standards in each country. The firm which conducts TOMS’ third party audit is Intertek Group, which offers a multitude of different audit types. It is unclear if Intertek has been hired for a workplace conditions audit (WCA) or a quality audit, or some combination of the two. Since TOMS states that their factories operate in line with best practices, we can assume that some components of a WCA audit are performed by this third party. Intertek promises that their WCA audit will produce measureable results and improved performance by employees<sup>35</sup>. In addition, Intertek’s WCA audits promise to evaluate factory workplace conditions such as hours worked by benchmarking hours against sector, country and global averages<sup>36</sup>. Evaluates factory workplace conditions and puts working hours into perspective by benchmarking against sector, country and global averages

Overall, the information regarding TOMS third party audit is limited and vague. TOMS says they have “learned their lessons” but don’t specify how or what has changed as a result. In addition, it is unclear if these audits are surprise or scheduled. No certifications (fair trade, FLA, WRC, etc) are granted as result of this audit. And finally, findings or results of third party audits are entirely private and TOMS response to audit findings are unknown to the public. Furthermore, Intertek itself has been highly criticized

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<sup>34</sup> Watkins, Tate. “A spectrum of social entrepreneurship: TOMS, Indego, and Henry Ford” March 23, 2011

<sup>35</sup> Workplace Conditions Audit. Intertek Website.

<sup>36</sup> Workplace Conditions Audit. Intertek Website.

for being too focused on product quality rather than workplace quality. In 2010, the author of “Where am I Wearing?” publically asked to see the TOMS Shoes factories himself and thereby put the critics to rest but TOMS has yet to respond to this request<sup>37</sup>.

### **3. Environmental Sustainability**

TOMS’ claim to environmental sustainability falls to their “Vegan Shoe” is an eco-friendly shoe which is made from 70 percent recycled plastic bottles and 30 percent hemp<sup>38</sup>. However, the materials used in this shoe are not certified in any way. TOMS perhaps mitigates some of their carbon footprint by producing shoes they give away in Argentina & Ethiopia. However they have been criticized for creating a large carbon footprint by encouraging fans to join them for their shoe drops abroad.

### **VI. Conclusion**

TOMS Shoes has been the target of much criticism since the company’s inception in 2006. It can be inferred that much of this comes as a response to their specific cause marketing campaign. This type of marketing only amplifies them as a target for scrutiny by claiming to be a socially driven firm.

TOMS Shoes’ customers are largely swept by the cause-marketing campaign strategically executed by TOMS. It seems this marketing mitigates the need for TOMS to produce their goods in line with the highest standards or perform their charitable efforts in the most effective manner. TOMS produces all shoes sold in the U.S. market in China according to the best practices for that country. This remains vague and leaves the avid consumer wanting for additional information regarding the standards utilized in this facility. While they ensure no child labor is used for their production, they make no other guarantees concerning their facilities, such as hours, pay and living conditions. Does the fact that they donate a shoe for every one sold mean they can engage in sub-par

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<sup>37</sup> Timmerman, Kelsey. “The Problem with TOMS and its Critics”. Made in America.

<sup>38</sup> Vegan Shoe, TOMS Shoes Website.



manufacturing practices? Or does this simply mean they are solving one social problem while adding to another?

In addition, it seems clear that TOMS Shoes' donations are not truly aiding the population they attempt to serve. They cannot show that the impacts they claim regarding health and educational improvement have any true standing. In addition, in many ways, their donations create more harm than good for the communities they engage in by mitigating demand from local consumers.

Perhaps it would be best for TOMS supporters to buy a pair of shoes that cost half the price of TOMS and then write a check to a foundation which support enterprise development abroad, in the places TOMS works, until these areas are prioritized by the firm. One impactful competitor of TOMS is Nisolo Shoes which operates out of Peru to bring Peruvian hand-crafted leather shoes to the U.S. market. Rather than bringing goods to the developing market, Nisolo aided in bringing access to markets to poor Peruvian craftsmen and women. If consumers want to support efforts that end the cycle of poverty as TOMS claims, perhaps it makes more sense to support efforts which promote long term economic growth rather than short term charitable efforts which mistreat the social problem.

Overall, TOMS offers a solution to short-term symptoms of poverty but does not address the root cause of poverty<sup>39</sup>. TOMS model would be much more beneficial to the communities it serves if it prioritized the stimulation of the local economies. Doing so would enable individuals in the long-run to buy shoes for themselves and their family members rather than remain dependent on others for this charity.

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<sup>39</sup> Costello, Amy. "Buy One and Give One, Inside TOMS Shoes". Tiny Spark. Chronicle of Philanthropy. March, 15, 2012.

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