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Can a Legitimacy Crisis Ruin Brand Authenticity?

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Can a Legitimacy Crisis Ruin Brand Authenticity?

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Abstract

Purpose: The aim of this study is to explore the effect of changes within traditional production methods, caused by legitimacy crises, on brand authenticity.

Design/Methodology/Approach: This research is based on a multi-case study within the leather, ivory and fine wine industry. To evaluate the purpose of this study, literature as same as primary data, in form of a qualitative research, was used.

Findings: Within this study we found out that a legitimacy crisis can have effects on brand authenticity, if it eliminates important values of the core values. Key findings were similar within all industries. Therefore heritage, quality commitment, craftsmanship and consistency can be named as important factors with the highest influence of a brand's authenticity.

Research Limitations: The results of this research are difficult to generalize, due to the small sample size.

Originality/Value: This research paper creates a connection between brand authenticity and legitimacy, with focus on legitimacy crisis. It provides new findings about the consumers perception of changes within traditional production methods and materials on the brand authenticity.

Keywords: Brand Authenticity, Legitimacy, Legitimacy Crisis, Fine Wine, Lead, Leather, Ivory, Piano Keys

Type of Paper: Research Paper

Introduction

Nowadays, customers are increasingly looking for genuine and authentic brands. Hence, authenticity has become one of the most important purchasing criteria (Gilmore & Pine, 2007 cited in Morhart, Malär, Guèvremont, Girardin & Grohmann, 2015). Beverland (2009) says that by holding on to traditions, authentic brands show their commitment to their origins. However, sometimes these traditions may have to be altered due to shifts in societal norms and values as well as regulations and laws issued by the government. Brands need to meet the society's expectations and standards.

By not doing so, a legitimacy crisis occurs. This implies that sometimes pressure from the

society forces a brand to change their traditional production process. The piano and fine wine industries have experienced legitimacy crises and they had to change their traditional production because the use of ivory and lead was banned due to governmental regulatory changes. Similar phenomenon is happening in the leather industry, where the social acceptance of the handling process of leather is still under discussion. The change of traditional production and materials may ruin brand authenticity, since these traditions are commonly associated with quality, heritage and sincerity of brands (Napoli et al. forthcoming cited in Beverland, 2009) and they are part of the craftsmanship process.

The purpose of the study is to create a connection between brand authenticity and legitimacy, with focus on legitimacy crises. This relationship has not yet been explored by other researchers and thus, can be very valuable for upcoming studies and managers experiencing a legitimacy crisis.

This study provides a literature review on brand authenticity and legitimacy, to gain deeper knowledge on how the change of production in regard to legitimacy crisis affect brand authenticity. The leather, ivory and wine industries have been discussed and analyzed. This is followed by the research findings. Finally, a concluding framework is introduced by the authors, which shows the relationship of legitimacy and brand authenticity. The paper is finalized by valuable conclusions and managerial implications.

Literature Review

The following literature review highlights relevant research on brand authenticity and organizational legitimacy.

Brand Authenticity

Brand authenticity is a concept often discussed in brand literature. Already Keller (1993) pointed out the importance of authenticity for building a unique identity of a brand. However, the concept of authenticity comes with a paradox meaning. Brands need to stay relevant but at the same time there is the need to stay true to their core (Aaker, 1996; Kapferer, 2001; Keller, 2003 cited in Beverland, 2005a). According to Morhart et al. (2015), authenticity is highly relevant for consumer behavior and it is linked with genuineness, truthfulness and communicating meaning to consumers. Despite of this, a universally accepted definition of brand authenticity is still missing within the field of brand literature (Morhart et al., 2015). Researchers have their own diverse approaches to look at the concept of brand authenticity. Hence, this creates challenges

and some authors even describe this issue as problematic (Beverland, 2005a).

According to Beverland (2009) and Fine (2003), brand authenticity is seen as one of the main pillars of marketing and helps customers on their search for the real and genuine. Some consumers even perceive the brands as “*loyal friends*” (Beverland, 2005b, p. 461). Moreover, consumers aim to create an authentic self through the usage of authentic brands (Napoli, Dickinson, Beverland & Farrelly, 2014). Purchasing a brand means being part of a community, through which consumers want to express their identity and true, inner personality (Beverland, 2005b; 2009).

Napoli et al. (2014) identify the main characteristics for the brands authenticity, such as “*quality commitment, sincerity and heritage*” (p. 1090). Interrelated to these, craftsmanship, design consistency and nostalgia can also be captured (Napoli et al., 2014). Quality commitment, also called quality leadership, leads to the continuous process of an excellent quality. This is linked to craftsmanship. The quality of products is achieved through the use of the finest ingredients and materials by master craftsmen (Napoli et al., 2014; Beverland, 2009). To create authenticity in the long term, it is important to keep craftsmanship and protect the traditional production processes (Hitzler & Müller-Stewens, 2017). Sincerity describes the belief of a brand living up to its sustained commitments and values (Beverland, 2009). It also implicates the confession of “*commitments to traditions, passion for craft and production excellence and the public disavowal of the role of modern industrial attributes and commercial motivation*” (Beverland, 2005a, p. 1025). The heritage refers to the connection of place, time and culture, while it also believes into the living of tradition. It also indicates a long existing history of a company, as well as consistency, referred to a high level of quality (Beverland, 2006; 2009). The method of production plays also an important role. Consumers want to know what ingredients or materials are used in

the final product. Authenticity therefore is built “by providing a link between the final product and the creative process” (Beverland, 2006, p. 256). Another attribute of authenticity is “downplaying commercial motives” (Beverland, 2006, p. 256). A brand cannot be seen as authentic, if it displays its activities for commercial reasons (Beverland, 2006). Overall, these criteria are relevant drivers for the organizational as well as the consumers’ perspective (Napoli et al., 2014).

Identity Based Brand Authenticity

Another concept of brand authenticity is described by Burmann, Halaszovich, Schade and Piehler (2018). Accordingly, brand authenticity has an increasing importance, caused by the customer’s lack of trust in many companies and brands. Brand authenticity is influenced by four determinants: consistency, continuity, individuality and liability. Firstly, continuity implies being consistent over a long period of time. Secondly, individuality is the uniqueness of your brand compared to other competitors. Lastly, the brands liability refers to a socially responsible behavior (Burmann et al., 2018; Schallehn, 2012; Schallehn, Burmann & Riley 2014). As seen in Figure 1 brand authenticity results in trust. Brand trust has the function as a risk and uncertainty reducer and offers assets for buying behavior and a brand’s success (Bruhn & Eichen, 2007; Plötner 1995; Kenning, 2003 cited in Burmann et al., 2018).

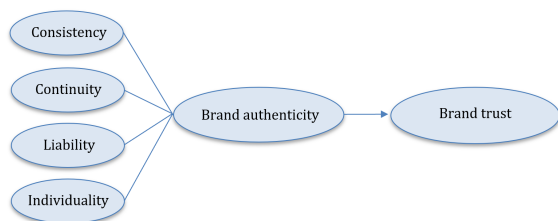


Figure 1 Authenticity Model (Burmann et al., 2018, p. 59 following Schallehn 2012, p. 168; Burmann & Riley 2014)

Legitimacy

This section aims to introduce the essence of legitimacy and its correlated theories and constructs. The concept organizational legitimacy originates from the reconceptualization of the view of an organization. From a more rationalized perception of an organization, the theories have evolved to a more open system. Instead of technological and material requisites, researchers have argued that an organization is defined by its culture and society (Suchman, 1995). The essence of this open system lies in organizational legitimacy. Legitimacy refers to “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman, 1995, p. 574). Organizational legitimacy exemplifies the relationship between a firm and its environment (Patel, Xavier, & Broom, 2005). A more recent definition from Kates (2004, p. 455) describes legitimacy as “a social fit with society’s or a community’s shared norms.” Summarized, legitimization can be described in a way that social and constitutional stakeholders shape the organizational structure and behavior. Legitimacy researchers have focused on different levels of analysis, which range from the individual perspective to the organizational level. In this paper, the focus will be on the organizational level. In this regard, a conceptual model has been defined which illustrates the theoretical positioning of organizational legitimacy (Patel et al., 2005).

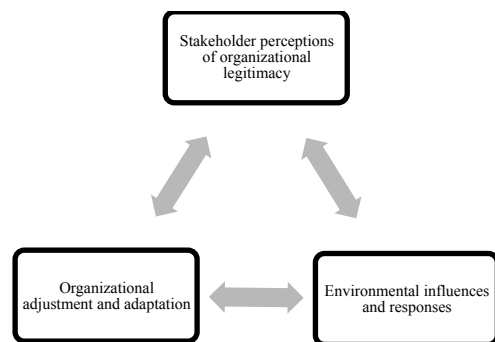


Figure 2 Theoretical positioning of organizational legitimacy (Reproduced from Patel et al., 2005, p. 6)

Legitimacy Pressure Sources

DiMaggio and Powell (1991) have developed an analytical framework identifying three pressure sources of change in organization, namely coercive, mimetic, and normative isomorphism. The coercive isomorphism relates to the external pressure from stakeholders, such as customers and other social actors, upon which the organization depends. These pressures can come from the government in terms of regulations and laws but can also originate from informal cultural expectations. Here, the latter one refers to the “*public opinion regarding what is socially acceptable or ethically appropriate behavior*” (Laine, 2009, p. 4). The mimetic isomorphism is related to an organization’s uncertainty in a market. If a firm is uncertain about which actions to take, it imitates other organizations, which seem to be legitimate. The third form of institutional pressure is the normative isomorphism, which originates from professionalization. This may include the formal education system but also the professional networks.

Legitimacy Crisis

According to Warren (1999, p. 214), “*a legitimacy crisis arises when the power of an institution is challenged, or when it comes into conflict with other groups who ask questions about the authority and scope of the institution.*” This implies that actions, activities and decisions of an organization should align with the interest, expectations and norms of all internal and external stakeholders to avoid such legitimacy crises (Warren, 1999).

Social System: Norms and Values

Firms do not solely require material resources and technical information to thrive for success, but organizations are also in need for social acceptability and credibility (Patel et al., 2005). Hence, closely related to legitimacy are societal norms and values. As defined by Dowling and Pfeffer (1975), organizational

legitimacy commences a coherence of the social norms and values associated with or implied by a firm’s actions and activities. Thus, legitimacy does not only refer to what is legal, and illegal decided by a country’s regulation and laws, but it is also linked to societal norms and values (Dowling & Pfeffer, 1975). When discussing norms and values, one should be aware that there are three aspects of the self: private, public and collective. Norms and values relate to the concept of collectivity and they exist in every society. Norms can be defined as the value system shared by the majority of a society. This is also referred to as a cultural system. In fact, norms build rules that indicate how people within a society should act and behave. Values can indicate what is right or wrong. Hence, they are defined as the ideas held by a group or individuals about what is proper, good or bad. Norms and values can change over time (Patel et al., 2005). Hofstede (1981) argues that a shift in ecological conditions, such as technological, economic and hygienic, can further commence norm changes.

Organizational adjustments

Within the context of legitimacy crises, a company’s ultimate goal is to survive in its environment. In order to survive, companies must adapt to the environment to meet the expectations of internal and external stakeholders. As argued by Meyer, Brooks and Goes (1990, p. 95), firms “*track their environments more or less continuously and adjust to them purposively*”. The level of adaptation is influenced by a number of factors, such as resources, environmental predictability and a firm’s management styles. The perspective of the firm itself on its environment also influences the level of adaptation. Crombie (2001) argues that companies use a selective approach of identifying and responding to the most powerful stakeholders and their expectations and issues (cited in Patel et al., 2005).

Methodology

The methodology outlines how research objectives have been achieved and the methods used to achieve these objectives are justified (Saunders, Lewis & Thornhill, 2009). This study has the purpose to investigate how a brand's authenticity is influenced by a legitimacy crisis, which has led to a change in the production process of an organization. The relationship of these two concepts has not been studied before. In reference to the aim of the study, this research has an exploratory nature. It aims to understand the consumer behavior and perceptions and is thus focused on the human factor of the study. This further indicates that this study is based on the interpretivism philosophy as well as it is based on the inductive approach (Saunders et al., 2009).

In this study, a qualitative, multi-case study design, also known as a "*multiple embedded case study*" (Yin, 1994, p. 39) has been employed to investigate the effect of legitimacy crises and organizational adaptations on brand authenticity. The multi-case method provides triangulation of evidence, which increases the reliability and validity of the results. Case studies provide answers to 'why?', 'what?' and 'how?' questions, which aligns with the main research question that is focused on how the consumer perception of brand authenticity is affected by a legitimacy crisis (Saunders et al., 2009). In total, three different industries have been investigated, namely leather, ivory and fine wine. Within each case study, the consumer perception of brand authenticity has been analyzed by qualitative means of research. Semi-structured interviews have been conducted with three consumers of each industry. Semi-structured interviews have the advantage that key questions and topics can be discussed but meanwhile, the interviewer is not limited to a set of questions and can ask follow-up questions (Saunders et al., 2009). The questions were adapted to each industry, but all were focused on the following topics: demographics, brand authenticity, industry details, legitimacy crisis, connection between

brand authenticity and industry. The interviews have been conducted personally, on the phone as well as via video calling methods. The interviewees were purposely chosen, thus, a judgmental or also known as purposive sampling method was applied. This indicates that the researchers relied on their judgments when choosing participants (Saunders et al., 2009). The researchers needed to choose interviewees, who are consumers within the three given industries and also have enough expertise to provide valuable insights. An overview of the interviewees can be found in Appendix A.

As a result of the qualitative research in combination with the secondary research, a framework has been developed, which can be a basis for further research and also be applied by managers.

Industry Case Studies

To find out how the consumers' perception of brand authenticity is affected by a legitimacy crisis in regard to the production process, the researchers decided to conduct a multi-case study within three different industries, namely leather, ivory, and fine wine. Each of the industries have undergone or still experience a change within their production process due to the influence of external stakeholders, such as customer expectations regarding environmental issues or laws and regulations issued from the government.

Leather Industry

According to PETA (2018), leather can be made from a number of animals such as cows, pigs, goats, sheep, alligators, ostriches, kangaroos, dogs and cats. Leather is used in a number of different industries, but is especially relevant for the fashion, furniture, and automotive sector (Cotance, 2012). Leather has been used for clothing and shelter way before the prehistoric time. Craftsmen and professional tanners have always played an increasingly important role in the leather industry.

However, the leather industry has undergone enormous changes during the past years. Eurofound (2004) has identified key drivers of change in the textiles and leather sector. Firstly, the abolition of quotas has an effect on the industry. It increases competition. Especially third countries, which are not applicable to internationally agreed standards of social rights and environmental protection, experience increasing outsourced production from EU countries. This also aligns with other drivers of change such as the EU enlargement, globalization and stricter environmental regulations. Due to these trends, more production facilities are moved to countries with lower production and labor costs and less regulated laws. Moreover, new innovations in the production process enable mass-customization. This implies that craftsmanship itself becomes irrelevant and tailor-made products can be produced in mass-factories for a cheap price (Eurofound, 2004). As summarized by Eurofound, the leather *“industry has therefore undergone considerable restructuring in terms of technological processes, changes in the location of production facilities, and the quality of products produced.”* (2004, p. 1).

The leather industry often arises in discussions about environmental issues. Tanning is heavily criticized for its waste of water and energy. Another key criticism involves the usage of chemicals for the tanning process, which has an effect on the health and safety of the workforce as well as on the natural environment (Cotance, 2012). The leather industry is further criticized for its usage of animals as raw materials (PETA, 2018). In alignment with these criticisms, new alternatives have been brought to the market. The global faux leather market is expected to increase up to \$85 billion in 2025 (MarketWatch, 2017). The increasing importance of the global faux leather industry originates in the change of norms and values in the society. Especially in North America and Europe, cruelty-free products and animal right laws have gained an increasing awareness and attention from the society as

well as from the government. Also, non-governmental players such as PETA, PAWS and WWF have played an important role in the increasing demand for leather alternatives (Monelle, 2017).

These ongoing changes in the leather industry derive from legitimacy crises. The outsourcing of production to third countries has been driven by stricter regulations within Europe as well as increasingly cheaper competition. Concerned companies in the leather industry have been under pressure in terms of the coercive isomorphism, which relates to the external pressure of stakeholders. Moreover, the societal norms and values have had an impact on the leather industry. Increasing awareness of animal-cruelty, environmental pollution and waste management within the leather industry has increased the pressure on firms. Indeed, this is also why an increasing number of companies start to introduce faux leather alternatives.

Ivory Industry

Ivory is found in the tusks of elephants. Humans have had a long relationship with it since ancient times and this relationship is still present today because ivory is regarded as a luxury material in many countries (Hornbeck, 2015). It is well known for its durability as well as its workability (Shayt, 1993; Hornbeck, 2015) and it was used for many items such as jewelry, billiard balls, musical instruments and carvings (Shayt, 1993; National Geographic, 2015).

Nevertheless, people's attitudes towards ivory started to change when it was noticed that the population of African elephants was decreasing on an alarming scale in the 1970s and 1980s due to poaching for ivory (Stiles, 2004) and along with this concern the ethical question of its usage was also brought up in a discussion. This created a legitimacy crisis within the ivory industry because the public did not consider the use of ivory socially acceptable anymore and thus, more pressure was gradually built up to change the industry.

Thereby, the international commercial ivory trade was banned in many countries by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 1989 (Stiles, 2004; Geo & Clark, 2014). However, despite the ban, poaching of ivory has continued which indicates that market demands for ivory are still existing. In fact, different studies show that illegal international ivory trade has tripled after the ban (CITES Secretariat, 2014 cited in National Geographic, 2015).

This study will focus on ivory piano keys. Originally ivory was used as thin veneer layers covering the wood pieces made from ebony (Shayt, 1993). This technique can be considered to be the traditional way of producing piano keys. Due to the legitimacy crisis the industry needed to invent new alternative materials. Celluloid was the first ivory replacement material tested in piano keys in the late 1870s (Shayt, 1993). Some piano makers replaced ivory by that time; however, ivory was still dominating the piano industry since ivory keys were highly favored by many concert pianists due to the fact that ivory absorbed moisture from fingers and felt smooth but slightly tacky when played (Shayt, 1993). Yet, all piano makers were forced to replace ivory parts with its substitutes after the ban. Nowadays, better plastics are used in piano keys.

Fine Wine Industry

The production of wine includes many different steps and factors. The focus for this research is the wrapping around the wine bottles neck, the capsule of the cork. Many years ago, the corks of fine wines used to be wrapped by a capsule made out of lead (Neue Züricher Zeitung AG, 2016). This wrapping technique was already used by the Romans. So long time ago the main reason for this was a reaction between acetic acid from the wine and the lead, which gave the wine a specific sweet taste (Toland, 2013). Meaning, this was the traditional way of production. More recently the function of the cork changed to

simple protection from the ingress of oxygen and dirt. Moreover, the capsule can also be used as a branding and design element of the wine bottle. Nevertheless, there is a dispute going on, whether the capsule around the cork is needed or not (McKetta & Weismantel, 1997; Resnick, 2008).

With time it was discovered, that lead, a heavy metal, can cause immense environmental and health issues. Possible environmental issues can occur through the non-degradable properties of lead and the health issues through contact with the wine by drinking it (De Vries, Römken & Schütze, 2007). The environmental and social concerns led to a legitimacy crisis. Customers were most concerned about lead poisoning through the closure of the lead around the cork. However, different studies showed that the lead itself can barely go through the cork, even when stored for a long period of time. But, when removing the lead capsule from the cork, traces of lead stay at the bottles neck and can get into the glass by pouring (Sherlock, Pickford & White, 1986; Kaufmann, 1997). Therefore, it was finally banned to use lead in wine capsules in 1996 (Schmidt & Rodrick, 2003). This can be described as coercive isomorphism as a reaction of the legitimacy crisis. Today the capsules of fine wines are often made of materials such as tin. More favorable capsules can be composed of PVC, PET or do not have any wrapping (Delinat, n.d.).

Analysis

The analysis of three different industries has made it possible to highlight the effect of a current or past legitimacy crisis on the consumer perception of a brand's authenticity. In this section, each of the industries have been first analyzed based on the primary and secondary data. Then the findings have been combined.

Leather Industry

Considering the consumer's definition of brand authenticity, in regard to the leather

industry, all three interviewees agree that brand authenticity derives from quality commitment. Interviewee A3 stated that she defines brand authenticity as “a brand that does something they believe in and try to make a product that is as good as possible.” Other characteristics of brand authenticity in regard to leather fashion products include consistency of values, owned manufacturing process and the targeting of a niche market. Two interviewees have further argued that craftsmanship is considered as part of authenticity. As interviewee A2 indicated “Especially for leather products, craftsmanship is quite important”. This aligns with the brand authenticity definition provided by Beverland, which was discussed in the literature review (2005a).

Further, it was interesting to see that not all interviewees take brand authenticity into consideration when purchasing a leather product. One interviewee has indicated that it depends on the product. He sees higher value in shoes made out of leather and, thus, takes the brand authenticity into account. Another interviewee indicated that due to the complexity of and differences in the treatment of leather, she takes the authenticity into account in any purchase. However, the third interviewee argued that brand authenticity does not play a role. This discrepancy shows that the purchase is not only driven by brand authenticity and many other factors must be considered to identify the consumer purchase behavior in the leather industry.

Characteristics and values that play an important role when purchasing leather fashion products are design, appearance, quality, tradition, quality, durability, country of origin, environmental aspects, and the production process. Here, interviewee A3 further added that leather should not be considered as fast fashion, it is something that a person can use for a very long time and is more valuable. Another interesting finding was that the majority of the interviewees do not necessarily take the brand into account when they purchase leather fashion products. They are more concerned about the product

itself in terms of quality and appearance, but less about the actual brand. As interviewee A1 said: “If it happens to be leather, then let it be.”

Similarly, all three interviewees see values in leather fashion alternatives. They argue that an increasing trend for leather fashion alternatives is arising, which is also partly driven by the shift in consumers’ minds. This aligns with the theory on legitimacy. Norms and values are dynamic and change over time (Patel et al., 2005). The current change involves customers becoming more conscious about the environment and waste management. Respectively, interviewee A3 stated that although leather alternatives possess value, facts and information must be correctly communicated to utilize that value. She explained:

“I really want to know how they are making that leather, what are they using (...). So, I think the processes are much more important than the final product (...). You also need to have the facts on how the leather is produced.” (Interviewee A3, 2018)

In terms of quality differences, it was stated that cheap alternatives such as PVC do not last as long as real leather products. Nonetheless, all interviewees stated they would purchase faux leather products if the value of the product is as good or even better than a real leather fashion product.

Finally, the interviewees indicated that when a company changes its product component from real leather to a leather alternative it has an effect the opinion of the brand, but it strongly depends on how the companies communicate this change. Interviewee A2 stated that if the quality level could be maintained and the production process is better in regard to the environmental and moral perspective, he would certainly favor such a brand. Aligning with this statement, interviewee A3 indicated that it depends on the product as well as to which faux leather type the company is

switching to. She stated that if a brand continues with the craftsmanship in for instance a third country, it would still be

authentic. However, switching to mass production would not be authentic. Interviewee A1 argues that the homemade feeling would be lost and that the brand would be perceived as less authentic. He also considers outsourcing as a factor that makes a brand less authentic.

Overall, the analysis of the leather industry has shown that a change in the production process or in the choice of components certainly affects the brand authenticity of a brand. Especially when desired values and characteristics of the brand are altered or eliminated, it can have a negative effect on a leather brand's authenticity. Main values associated to a brand's authenticity within the leather industry are quality, craftsmanship, heritage, durability, consistency and appearance. Finally, it can be said that leather alternatives are not necessarily seen as less authentic. However, this strongly depends on which faux leather material is used and how the company communicates it to the customer.

Ivory Industry

General questions regarding brand authenticity were asked first. Interviewee B1 was not able to link authenticity with marketing. For him brands are not authentic, and he views authenticity as a human habit. For interviewee B2, an authentic brand means transparency, honesty, comprehensibility and fulfillment of advertising promises. Interviewee B3 sees an authentic brand as a promise of a good quality and that the brand well respected.

All three interviewees considered a piano's craftsmanship as a very important factor of its authenticity. Interviewees B1 and B3 also mentioned the importance of workmanship. Interviewee B2 said can be heard in pianos' sound when the craftsmanship is good. For interviewee B3 the materials used, especially wood, and the handcrafting are associated with a piano's authenticity. When asked about whether the interviewees take the brand into consideration when they purchase a piano, the answers varied. For interviewees B2 and B3, the brand is an important factor. The brand is a

promise said interviewee B2 and thus, she wants to buy a piano from a specific brand. She prefers old brands because of their history and materials. Nevertheless, interviewee B1 said he pays more attention to the sound of a piano. He thinks that brands have changed very much during the last years, regarding factors such as the place of production and what wood is used. Sound was a characteristic, which all interviewees considered important when purchasing a piano. Interviewee B2 also added the look of a piano because it has a decorative function. Whereas interviewee B3 focused on materials that are used and values associated to a piano, such as its history, quality, aesthetics and emotions. When asked if the ivory keys are valuable for pianos, interviewee B1 did not see much value in them but he mentioned that they still look nice on pianos since they change color with time and thus, make the piano look nice and old. Interviewee B2 had a stronger opinion and said that she would condemn pianos with ivory keys. For interviewee B3, ivory keys have value and she would never buy a piano without ivory keys.

All interviewees understood the reason behind the ivory ban. Interviewees B1 and B2 saw it as a positive change that it was banned, and the material was changed. However, interviewee B3 mentioned the fact that the ban has not stopped ivory poaching. She proposed alternative methods how to make illegal ivory harvesting to stop. She summarized her answer with the following words: *"They should be penalized, but why should the artist be penalized?"*.

Opinions on whether the authenticity of piano brands has changed due to the material change were quite different. Interviewee B1 stated that it does not have an effect. Whereas, interviewee B2 argued that the material of keys affects the authenticity. However, she said that this effect has not been negative. She said it is good that people are more aware of the environmental protection. Interviewee B3 also said that the change has certainly changed the authenticity of piano brands for her. She did not perceive the change as positively as

interviewee B2 did. For her ivory is an important component of a piano. However, she understood that probably not everybody thinks that the material change had a huge impact on the authenticity of piano brands.

The question about the quality difference between ivory and alternative materials used in piano keys resulted interesting findings. For interviewee B1, there is no difference. Since the piano keys are not inside the piano, it does not have an effect on sound. However, he said the only difference he sees in ivory is its look. Interviewee B3 had a similar view about the aesthetics of ivory. According to her, ivory does not look plasticky. She compares the difference between ivory and other materials as “wearing a diamond necklace or cubic zirconia”. Interviewee B3 also said she definitely sees other differences too regarding the material of piano keys, such as quality differences. However, she mentioned that she also understands that not everybody may experience the difference because they do not care too much of the material or they are not used to play with ivory keys. The latter reason applies to interviewee B2 since she has never played a piano with ivory keys. She was able to tell that her mom, who has played with ivory keys, thinks that ivory made the keys slightly smoother. Interviewee B3 had a similar experience. She said ivory keys have a better grip and their natural grain makes it easier to play compared to plastic keys that make fingers sweaty and slippery.

Overall, the craftsmanship is an important part of pianos’ authenticity. The material change can have an effect on the authenticity. However, it can be argued how significant the change is. For some it decreased the authenticity because they see ivory keys are strongly associated to pianos’ authenticity whereas, for some it was not a significant change as they value other characteristics more important factors of authenticity and they saw the change positive. Hence, it comes down to people’s personal preference how important factor ivory keys play in defining whether pianos can be seen that authentic anymore.

Fine Wine Industry

The first question was about authentic brands in general. Interviewee C1 mentioned that an authentic brand has to be recognizable, through an appearance, which is always the same. This is also shown within the identity-based authenticity approach from Burmann et al. (2018). In addition to this, interviewee C3 is talking about the manufacturing process and states an authentic brand should be produced and marketed by the owner. Interviewee C2 underlined the importance of expectations are met by reality.

Referred to a wine being authentic, the interviewees also think that the taste one is looking for should be fulfilled by the fine wines actual taste. Recognizability of taste and design of the bottle as same as commitment to a high quality, are important. Talking about production, interviewee C3 mentioned the importance of an original way of producing the wine, the correct terrain and no falsified authenticity.

All interviewees are consumers of fine wine and were therefore able to give more insights about their buying behavior and decision-making process. The majority of the interviewees said that they sometimes take the authenticity of a wine brand into account. Interviewee C2 narrowed this statement to situations, where he is purchasing a wine he does not know. He stated that the authenticity “can be a support” to choose the wine. In his point of view, an authentic brand indicates a good and authentic quality. He also pointed out the importance of craftsmanship for fine wines. A fine wine for him needs to have a story and a certain background concerning the production process. Craftsmanship therefore indicates for him a positive way of caring for the product and the brand itself. In contrast to this, two other interviewees do not care about a wine brand being authentic. The reason for this is that they are staying loyal to a favorite taste of grape instead of a brand. Also, the quality is more important. Only one interviewee, C3, takes the brand quite often into account. For him the brand delivers a certain promise of the perceived quality.

While interviewee C2 uses the label of the bottle as information source, which also has an aesthetic function for him. Werdelmann (2014) also stated the informative value of the label and the customers link between label and the wines reputation and price.

When it comes to the value of fine wine, interviewees C1 and C3 associated good taste and high quality with it. For interviewee C2 *“some sort of value has been created within the production process”*. In his opinion, fine wine stands out because of the craftsmanship and the uniqueness of every bottle. Further the design is decisive for him. *“If I can’t enjoy looking at a bottle, I probably can’t enjoy drinking it”*.

Since our research question deals with the capsules of the cork, we asked the people if they know the value of the cork being wrapped. The majority of the interviewees were aware of its function. Whereas interviewee C3 linked the cork wrapping to tradition, original way of production, quality and passion for detail. Connected to this, interviewee C1 also referred to the capsule as a design and advertisement element. All interviewees were aware of the traditional material of the capsule being lead and also about the toxic effects of it. One interviewee explained this change being environmentally friendly.

The next step was finding out if the changes had any effect on a fine wines brand. All interviewees agreed that it does not have an effect on the brand, as long as the quality does not suffer. The majority of the interviewees think the same about the effect on brands authenticity. Interviewee C1 justified this answer with the fact that when you buy the bottle you are not able to see which material the capsule is made of, just when you open it at home. That means it is not relevant for the buying decision. Interviewee C2 also thinks it does not make any change for the authenticity of a fine wine brand, since today there are a lot of ways to produce capsules with a similar

quality and haptic. Just one of the interviewees thinks that the capsule is not authentic anymore, because *“it used to be so”*. So, he refers to the change of traditional production. In contrast to this, one of the interviewees does not see any urgent reason in the cork and capsule. In his opinion a screw cap is an alternative, since capsules in general are not really environmentally friendly.

Also, secondary data defined authenticity as an important value, in the wine industry (Werdelmann, 2014). As described in the literature and found in the interviews, an important part of a brands’ authenticity, is the commitment of quality. According to Vrontis and Pappasolomou (2007), the consistency of the wines flavor and quality are indispensable. Referred to quality, consumers are looking for consistency (Charters & Pettigrew, 2006; Werdelmann, 2014).

Overall, one can conclude that an authentic wine brand is not identified through the capsule of the cork. Even if the traditional material has changed, the most important point is the quality commitment. Other points of major importance are the procedures of the fine wines production itself. A high value can hereby be perceived through craftsmanship, communicated history and a maintaining high quality. This means consistency, referred to taste, quality and appearance.

Framework

Illustrated in figure 3, the analyses in combination with the literature review have shown that environmental influences and responses and the failure of a firm to meet consumers’ expectations can lead to a legitimacy crisis. Accordingly, the organization adjusts and adapts its strategies to become more legitimate. This change can however affect brand authenticity if core values such as craftsmanship, quality commitment, consistency or heritage is altered or eliminated.

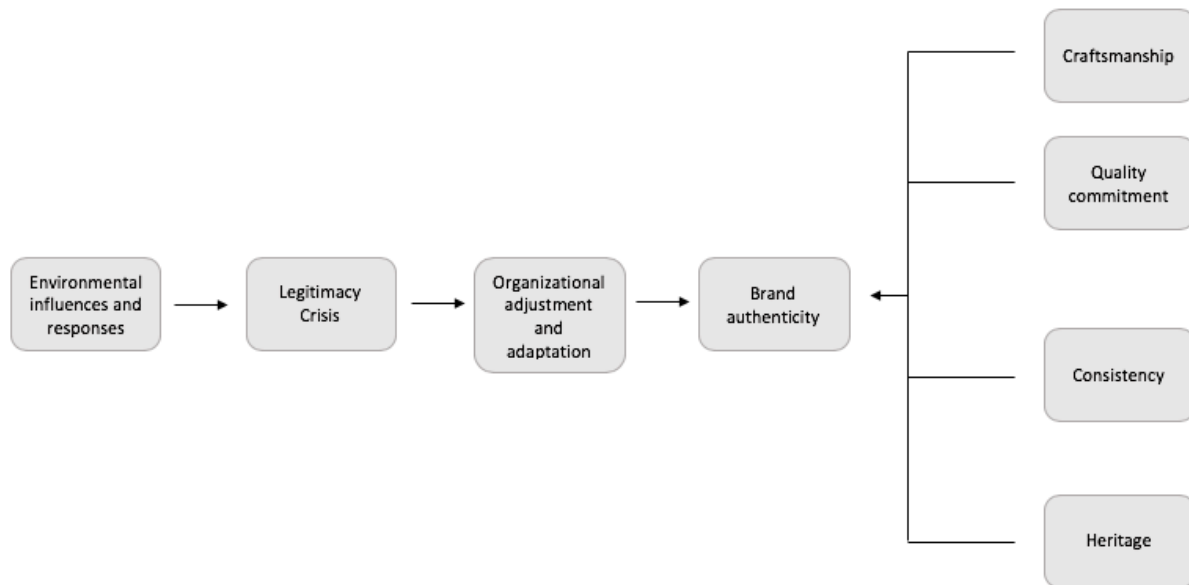


Figure 3 New developed framework: Effect of legitimacy crises on brand authenticity

Conclusion

The relationship of brand authenticity and the effect of legitimacy crises has not been explored in previous literature. Thus, this study has investigated whether a legitimacy crisis, which involved an organizational adjustment in the production, has an effect on a brand's authenticity. For that purpose, three different industries have been considered.

Previous research has shown that brand authenticity can be defined in many different ways. This also aligns with the findings of the qualitative research. In fact, brand authenticity was associated with transparency, honesty, comprehensibility, good quality, tradition, craftsmanship, owned manufacturing process, consistency, appearance and experience. Although the perception of brand authenticity was defined by a broad number of terms, the key roots of brand authenticity come from heritage, quality commitment and sincerity as suggested in the conceptual framework. But additionally, this research has proven that also consistency is a key factor to a brand's authenticity and should be added into the framework.

Regarding the effect of legitimacy crises and the adapted organizational changes on a brand's authenticity, key findings among the

three industries could be derived. Overall, it can be said that legitimacy crises have an effect on brand authenticity if the change alters or eliminates important values of a brand. As for pianos, ivory keys were related to the heritage and quality of pianos, replacing those with plastic has decreased a brand's authenticity. In contrast, the lead cork capsule did not have any specific values and did not influence the purchase decision. Therefore, the change has not negatively impacted the brand authenticity. Indeed, the opposite has happened. The authenticity of wine brands increased as a harmful part of the product was eliminated. The leather industry is driven by tradition and thus, a change from real leather to plastic options and a change from craftsmanship to mass-production would certainly have an effect on a brand's authenticity. However, if reasonable alternatives with the same values can be offered, customers would be willing to change. This is mostly driven by the pressure of environmental-consciousness.

These findings have a great impact on research conducted on this topic. It adds valuable insights into the effect of legitimacy crises on a brand's authenticity and provides important managerial implications for firms in different industries.

Managerial Implications

Brand managers should be aware of how a change from a traditional material to alternative affects the brand authenticity. The findings of this study suggest that in most of the cases there can be an effect, nevertheless, how strong this effect is and whether it is positive or negative depends on the industry as well as the craftsmanship involvement. If the craftsmanship is considered to be part of the products' core and identity, the material change might have a stronger effect on a brand's authenticity. Managers should consider this when reacting to legitimacy crisis.

Limitations and Further Research

Within the literature review it might have been helpful to also provide deeper knowledge about a brand's identity and core values. Due to the limitation of words, the researchers decided to focus prioritized on other constructs and theories in depth, because they were the base for the framework of this research. Coming to the research methods, another limitation can be caused by the chosen sampling method. Qualitative research can lead to biased findings, through the means of interpretation. Moreover, the sample size within this research was very small and can cause difficulties for the generalization of the findings. Regarding the interview questions a better structure could have been more efficient. Due to time issues there was no pre-test taking place. Further, questions about legitimacy could have been part of the questionnaires as well. To make the results generalizable the findings, a quantitative research for this topic could be conducted. Further, one could research this topic in regard to other industries, where legitimacy crises also lead to changes within the traditional production process. This can also give significant insights in other areas as same as contributing to the generalization of results.

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Appendix A

Table 1 Overview of interviewees

Leather Industry	
Interviewee A1	<ul style="list-style-type: none">● Male, 29 years old● Studied textile management● Interested in fashion
Interviewee A2	<ul style="list-style-type: none">● Male, 23 years old● Interested in fashion
Interviewee A3	<ul style="list-style-type: none">● Female, 27 years old● Salesman on a tannery● Expert in the leather industry
Ivory Industry	
Interviewee B1	<ul style="list-style-type: none">● Male, 64 years old● Music school (piano) teacher● Studied piano
Interviewee B2	<ul style="list-style-type: none">● Female, 24 years old● Student and part-time employee in a bank● Plays piano regularly
Interviewee B3	<ul style="list-style-type: none">● Female, n.a.● Singer and piano teacher● Studied piano/opera● Very much involved in the industry
Fine Wine Industry	
Interviewee C1	<ul style="list-style-type: none">● Male, 78 years old● Retired diploma engineer● Wine connoisseur
Interviewee C2	<ul style="list-style-type: none">● Male, 32 years old● Entrepreneur in the wine sector● Provided insights on customers and own perceptions
Interviewee C3	<ul style="list-style-type: none">● Male, 56 years old● Business development manager● Wine connoisseur