

Am I a *Barbie* girl?

Mattel's fight for Barbie's reputation

TEACHING NOTES

The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

Teaching Notes

Case Synopsis

Mattel's Barbie is a brand with a long tradition and has always been top of mind when it comes to girls' favourite dolls. Lately however, this changed and for three consecutive years now Mattel experiences drastic sales drop for Barbie. Main reasons for this are the rise in competition and substitutes and the constantly arising political criticisms the brand has to face due to promoting a wrong role model. Furthermore, Barbie still mainly relies on traditional media and did not fully react to the latest digitalisation. Perception and reputation of the brand is low due to all stated above and the constant struggle between a sophisticated, strong, educated career Barbie and a sexy, leisure, party and fashion Barbie. Mattel now sees itself in the position to react and decides to change communication, adapt to digitalisation and implement new technologies. The new communication is targeted at parents and makes them believe that Barbie dolls are good role models for their daughters as they enhance their imagination and their ability to believe that they can do anything they want in life. Mattel launched a new Barbie doll called "Hello Barbie" that is equipped with latest technology and that is able to understand and respond to what she hears. In terms of digitalisation Barbie now created partnership with famous bloggers and YouTube stars to promote their dolls.

Learning Objectives

This case demonstrates how corporate brands take advantage of corporate communication in order to foster and influence their external reputation (Roper & Fill, 2012). Not only does corporate communication help to change the way customers and other stakeholders perceive the organisation, but it also helps to monitor the change of their corporate strategy (Roper & Fill, 2012). One possible tool to detect alterations when it comes to the external reputation of a company is the Corporate Brand Identity Reputation Matrix (CBIRM) model (Urde, 2015). In the case of Barbie, this model displays a recognizable shift in reputation before and after the new communication campaign (see Exhibits 1, 2 & 3). Whereas the Brand Identity Matrix (CBIM) remained the same, the new direction of corporate communication had a significant impact on the reputation and delivered new perspectives to stakeholders. Through the new message that emphasizes, "you can be anything", aimed at girls to make them believe they can achieve anything they desire, the reputation of Barbie changed in a positive manner. The four most prominent reputational elements for this case, trustworthiness, credibility, relationship and willingness to support, managed to alternate the perception towards Barbie.

The answers to the question "how dependable are their [Barbie's] words and deeds?" (Urde 2015), focusing on the reputational element of *trustworthiness*, reveals a positive shift. Before the change in communication, stakeholders had "low trust in

Barbie” as they had not perceived the message as intended by the company, causing a significant default in communication between the two parties. However, the new campaign was able to generate buzz and create a positive and trustful image of Barbie.

Additionally, Barbie was able to change her previously low *credibility*, caused by strategic mistakes and controversial messages (e.g. Barbie placed on Sports Illustrated Cover) to high credibility due to the campaign that managed to promote a trustful image of Barbie.

The company also achieved to enhance its external perception with regards to *responsibility* as the campaign made it appear to outsiders that the company is more committed and accountable for its actions. Stakeholders now observe that the corporate brand (Mattel) better understands its impact on children’s education and its commitment to promote an appropriate image of Barbie. Before the campaign, stakeholders witnessed low social responsibility, as the dolls were supporting stereotypes and transmitting wrong role models. With the newly attained image of Barbie, the company has witnessed more support from the parent’s side.

This *willingness to support* stems from the new engagement of parents who have understood that Barbie’s message is aimed at encouraging their children to follow their dreams. The utilization of the CBIRM clearly shows, how helpful it is to detect the perception of external stakeholders, through answering the guiding question to each reputational element.

Another important factor in the success of the campaign “Imagine the possibilities” is the art of how the commercial is constructed. The used tool of *storytelling*, not only supports to build a relation between the organisation and the stakeholder, but also helps to understand the company’s values and direction (Roper & Fill, 2012). The suggested emotional associations provide the customer with the opportunity to be part of the corporate brand (Roper & Fill, 2012).

This emotional approach can also be seen in the theoretical background of rhetoric and adds the pathos perspective to the brand’s communication (Urde, 2015). Before the new campaign, Mattel expressed their brand Barbie mainly from the viewpoint of “reasoning and understanding (logos)” and through “character and personality (ethos)” (Urde, 2015). With the new campaign now, the missing emotional perspective (pathos) is added.

Another great learning from the case is the importance of adapting and continuously changing management of corporate brands. However, at the same time, the identity of the brand’s core should remain the same. As seen in this case external factors such

as political, socio-cultural, technological and environmental elements influence a corporate brand's reputation tremendously. It is essential to constantly track whether the internal perception still mirrors external perception of the brand.

Teaching Notes

Emphasizing verbs

- *Understanding* Mattel's issues with the brand Barbie
- *Applying* these issues to today's market situation in terms of society, retailing and Multi-Channel Marketing
- *Analysing* the chances Barbie has for a "Come-Back"
- *Creating* a strategic plan how to save Barbie

Opening questions

- Main question: *"Would you keep Barbie? If yes, how?"*
- *What do you as External Consultants of Barbie think our main challenges are with the Brand Barbie today? Write down stated challenges on the board.*
- *What do you suggest are alternatives or different ways to go in terms of strategy for Barbie? Note stated alternatives on the board and find consensus in class with which decision to go.*
- *With what actions could we achieve our goal? Write down stated actions on the board.*

Teaching suggestions

- Address the class and assign them to their position: *External Consultants of Barbie*
- Use "challenges, alternatives, actions" structure on the board in order to create a structured view
- Make sure students do not talk at the same time
- Students should have name signs
- Students should put up their hand and wait until it's their turn to answer the question
- Guide the class through the challenges, alternatives and actions in case they struggle to answer the question
- Remind class of their role

- Every important point said should be noted directly on the board. Make sure to note not everything that is relevant but not necessarily everything that is said.

Time plan

- Presentation (approx. 15 min)
- Discussion (approx. 20 min)
- Managerial decisions (approx. 5 min)
- End discussion (approx. 5 min)

Board Plan

Board 1: Main challenges

- Rising competition, children have a large choice to choose from (e.g. Disney Frozen)
- Political issues e.g. sexism and feminism
- Shrinking target group through new market “tweens” that is not attracted by Barbie
- Focus on traditional media
- Wrong strategic decisions: not taking the new target group seriously, not fully reacting on digitalisation, not reacting on demand for diversity, making political incorrect statements, therefore external perception low
- Technological progress - children preferring digital games over traditional dolls
- Constant struggle between sophisticated/educated career-Barbies and sexy/leisure/party/fashion Barbies -> external audience does not perceive this as trustworthy deeds
- Lack of storytelling
- Radical sales drop
- It will be hard to change Barbie without losing its authenticity

Board 2: Alternatives

- Drop Barbie instead of rejuvenating? How old can she become?
- Renaming? Radical changes - looks and appearance?
- Change communication?

Board 3: Actions

- Go back to Barbies’ roots and her core values
- Make long term rather than short term investments in Barbie's image
- Improve understanding and addressing of target group
- Target parents with new communication in order to regain trustworthiness and credibility of Barbie brand
- Modernize brand but take an eye on the paradox between continuity and change
- Become an inspiring character that supports girls dreams & ambitions
- Create more diverse product portfolio
- Make use of digital sources e.g. collaboration with famous bloggers and YouTube stars
- Strengthen innovation e.g. in terms of use of technology

Reflection

Case decision

As part of the master level course "BUSN35 – Corporate Brand Management and Reputation" students were assigned to create a real life case in groups of three or four. This particular case investigates how Barbie is in need of reshaping its corporate communication to rebuild its reputation after several years of bad performance and negative perceptions. In 2015 a new CEO was assigned and this was the beginning of Barbie’s comeback plan, towards a drastic shift in the brand’s strategy. The kick-off for the new strategic orientation was the new communication campaign "You can be anything" and the digital commercial "Imagine the possibilities" which changed the target group focus and shifted the brand to a different and more emotional direction.

Our first step when deciding for a case was to look at corporations that suffered from managerial or branding issues. After evaluating other alternative cases, the Barbie case was considered to be most interesting and up to date.

After the decision had been made, we had the opportunity to talk and discuss with other students of the course and the professor. This made us pay attention to the following:

- Keep the question of discussion simple and make sure it will not reveal the direction of the management’s decisions

- Do not use a title that is too revealing
- Assign students a role prior to discussion
- Use the whiteboard to emphasize *Key issues, Alternatives* and *Actions*
- Use the CBIRM for Barbie in order to show the change in reputation

The professor suggested the following question as useful for the case discussion: “*Should we stop or continue with the brand Barbie? If continue, how?*” This question was to be tested during a test run with another group.

Challenges

One of the main challenges we faced was the struggle to keep the long history of the brand Barbie short and interesting, without too much repetition over the decades. At first we decided to make a timeline of the different events during every decade from the 1950s until today. However later on we realised that the background was packed with a lot of information that was not always relevant to the case. In consequence we decided to focus on key events representing the decades.

Another main challenge that we faced was the fact that this was a fairly recent case and we could not foresee the long-term results and consequences of Barbie’s new way of communicating. We can see the first reactions of the campaign as being successful. However, we cannot predict if the overall campaign will have a positive effect in terms of sales and reputation.

The test run

The test run was conducted with other students from the course Corporate Brand Management and Reputation at Lund University and turned out to be very helpful and productive. It enabled us to identify possible improvements before the case presentation. We started with presenting the case and tested how the discussion question, “*Should we stop or continue with the brand Barbie? If continue, how?*” would be able to divide the audience.

Furthermore, we received some feedback regarding which role we should have. We came to the conclusion that we should be the brand management team of Barbie and the audience would take the role of external consultants. In addition, we elaborated on how the discussion would turn out if people would advice to take away Barbie from Mattel’s portfolio. If this will be the case, we will argue why we as brand managers see the necessity to continue with Barbie. Our reasoning will focus on the

fact that we believe on Barbie’s roots, its strong heritage and brand record. Moreover, we will argue that by changing the way we communicate the brand could bring positive results and steadily bring Barbie back to its original position.

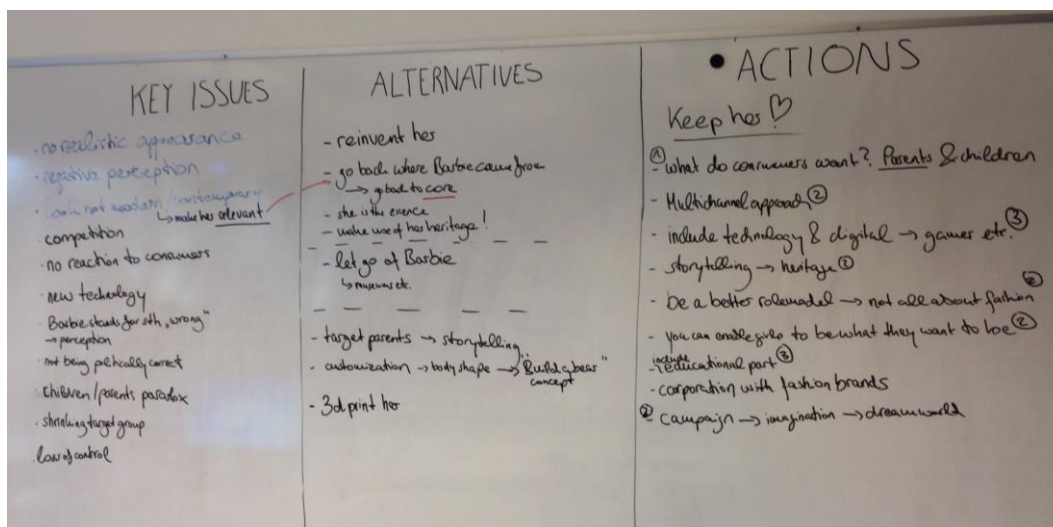
In conclusion, we believe that the test run went quite well and it was really positive to notice that one person actually gave the same suggestions on managerial decisions as the real managers of Barbie decided to do in order to change its reputation.

What happened during the case discussion?

Reflecting in the case discussion, an overall comment is that the discussion process went really well. The team had to project two videos and phased some minor technical issues that were solved immediately. The group's dynamics showed that we had rehearsed the presentation both individually but also with another group during the test round. Our presentation had a good flow and managed to keep the conversation within the time limits. Even though a general comment was that we went through detailed background information, we agreed in class that for our case was definitely necessary in order to lead the listeners through the history of Barbie and thus for the audience to be able to see the development over time and identify possible issues. The case topic managed to divide the class discussion into two opponent parties, which created a vivid and great discussion that included most of the students. In the end, the majority of class decided to keep Barbie.

In the following part there is a picture of the board plan that we developed during the case discussion that depicts depicts the final outcome of the issues, alternatives and actions that were identified in class.

Figure A Board Plan



References

Roper, S., Fill, C. (2012). Corporate Reputation. Brand and Communication, England: Harlow

Urde, M. (2015). The brand core and its management over time, Lund University

Appendix

Exhibit 1 CBIM Barbie – Status quo before new CEO

Barbie CBIM- before new CEO

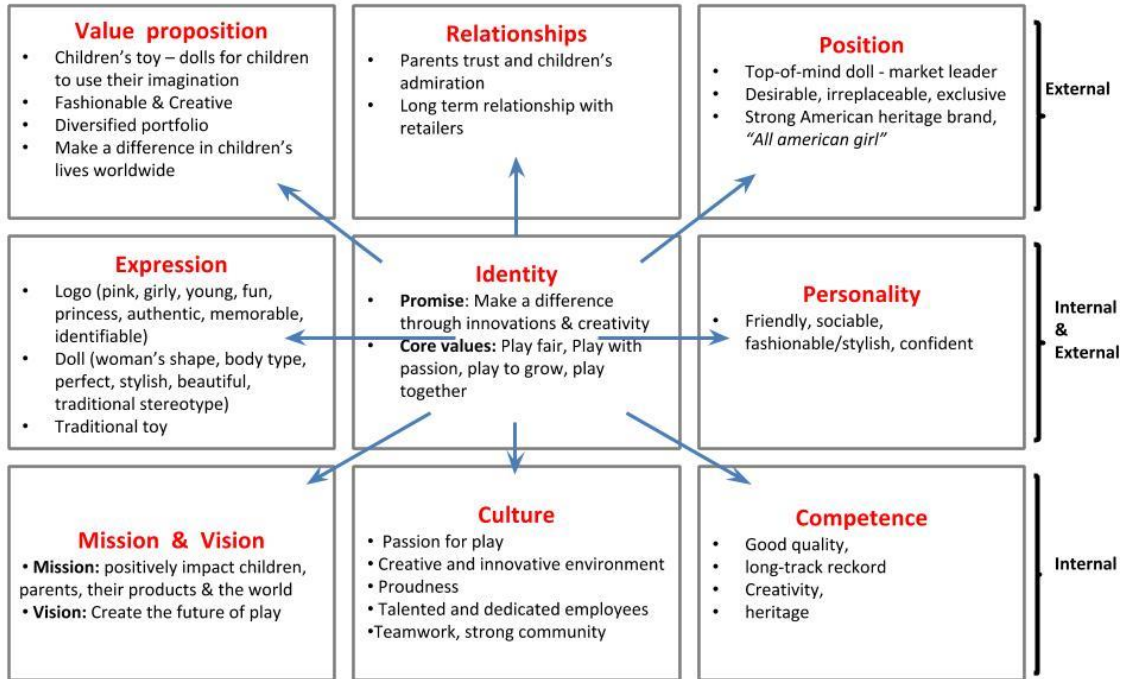


Exhibit 2 CBIRM Barbie – Status quo before new CEO

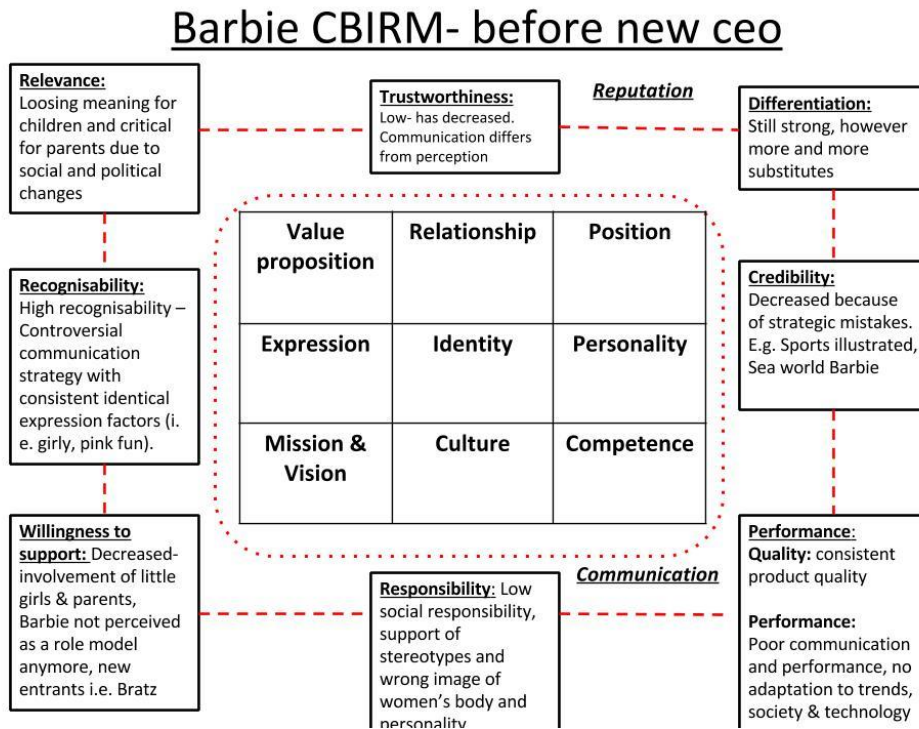


Exhibit 3 CBIRM Barbie – Status quo after new CEO

