

**The Crossroad**  
**How to get a company in the same lane**

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**TEACHING NOTES**

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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 Plan

This is a guide that has been conducted in order to prepare the teacher before presenting this case to class. It involves a short summary of the case that describes the situation. This is followed by the learning objectives that explains the theoretical areas that are addressed in this case by connecting the case to the different areas in a clear manner. These are then summed up in a brief overview of the key learnings. Furthermore, there are a few examples of discussion questions that could be of interest to ask to class in order to reach a higher knowledge and understanding about the case. This is followed by the time plan and the board plan that works as practical guidelines for the teacher on how to structure the case in regard to time management as well as on how to use the board in order to summon up the students' thoughts and reflections. In the end there is an epilogue that sums up the teaching plan in regard to what has been taught, what the key points of the case is and the different areas that the case covers.

## Case Synopsis

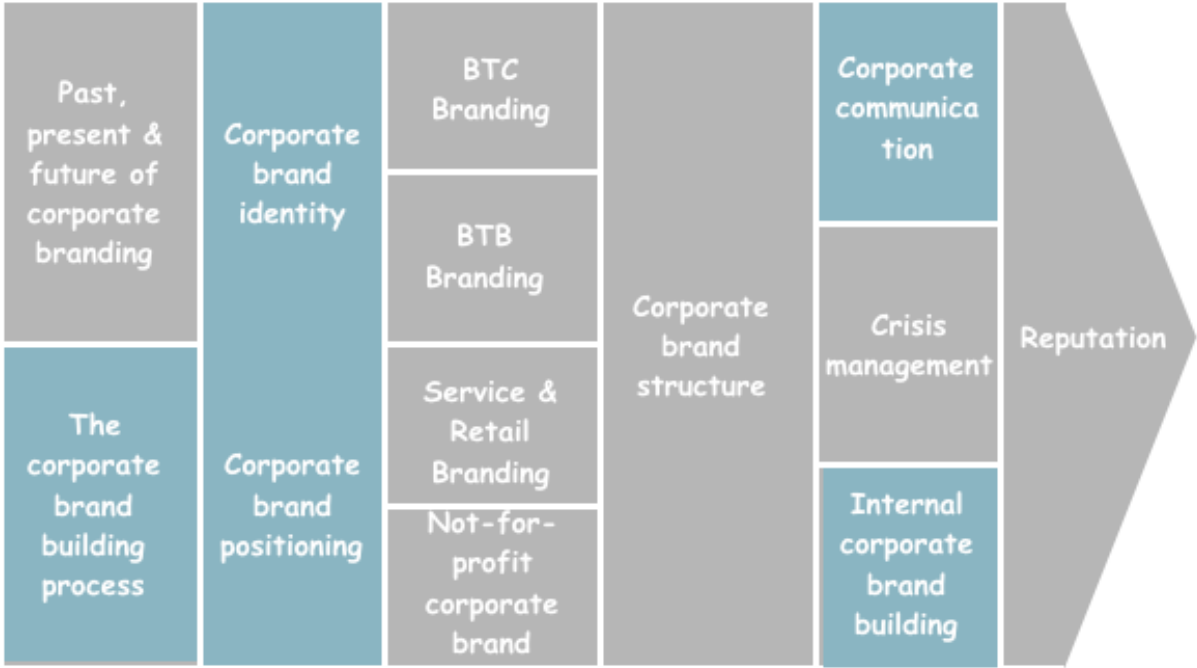
In 2013, Oatly found itself at a crossroad, where the marketing department and top management were torn between two options regarding the future of the company. A new CEO and creative director had recently been appointed, and they proposed a new vision where the company would transition from being a product company to a corporate brand that promoted a sustainable lifestyle using an innovative and provocative graphic profile. This vision was not shared by parts of the marketing department, who argued that there was no need for such a radical change since the company already was flourishing financially and both consumers and distributors were satisfied with the products. Additionally, the radical change contradicted the identity of Oatly, since the reason for its foundation was the founder's allergy research that the new vision ignored. The two polarized views on Oatly's strategy created a dilemma for top management. They now had to choose between taking the path they deemed most suitable and deal with internal conflict, or they could listen to the arguments made by parts of the existing staff and wait with implementing their bold vision. The management decision was two-fold, since they both had to decide upon Oatly's strategy and decide on how to deal with the implications of it internally.

## Learning Objectives

This section illustrates how versatile this case is in terms of the theoretical and practical implications. Exhibit 1, shows how many different areas of Corporate Brand Management that this case entail. The areas that is colored blue represent the different learning outcomes that this case contains. The prime practical implication of this case is that it can be considered a "evergreen", since it captures the possible dilemmas and issues that might arise when an organization needs to change. In this case the change is in regard to changing the brand, which is a challenge that numeral organizations have endured in the past and will face in the future. In this case the "evergreen" is twofold since it both concerns a common change (changing the brand position) as well

as common challenges (division within the organization). The indications from this case can be used to understand other similar cases and can work as a framework on how to teach organizational and brand change to master students. Since the case is not directly linked to anything particular during a specific period of time, it can be used in years to come which from a learning perspective is another strength. Furthermore, it is a case that describes multiple different areas within brand and corporate reputation as shown in the learning objectives below.

**Exhibit 1:** Overview of the theoretical areas in Corporate Brand Management that the Oatly Case contains



*The Corporate Brand Building Process*

Corporate brand can be defined as when a brand is enhanced by the company behind it, instead of merely the product that they offer. A corporate brand’s product is often easier to differentiate from other products in their product category since it incorporates other values such as the company's culture, mission and vision as well as its people. A corporate brand should reflect the vision and values of the company (Roper & Fill, 2012). Oatly’s competitors are other dairy companies, the majority of these dairy companies are defined by their products and are therefore product brands. This makes Oatly stand out from their competitors since the customers knows about their values and vision, that they stand for being a sustainable and healthy alternative. This case is a good example that shows that by redirecting your brand so that you stand out from your competitors is a good way of gaining a higher profit and more brand awareness. The increase in brand awareness is highlighted in the most recent annual report of Oatly as one of their greatest accomplishments.

*The Corporate Brand Identity and Corporate Brand Positioning*

The first step towards a strong corporate brand is to create an identity of the organization. The most essential part when building a brand identity is that it is based upon values that are shared by the employees of the organization. It is therefore of high importance that the top management communicate what the identity stands for to the employees and take into account their viewpoints. The brand identity will only succeed if the employees embrace it (Roper & Fill, 2012). The Oatly case illustrates the challenges that top management can face when they want to change the direction of the brand identity. When you have employees that do not embrace the new identity, it becomes crucial to actively work internally to overcome these obstacles. The actions Oatly did internally can act as inspiration when faced with similar situation in the future. One can argue that if Oatly did not work as hard as they did to make this transition in identity for its employees as smoothly as possible, they would not have been as successful.

When the environment changes, a repositioning can become necessary. The purpose of a brand positioning is to enable stakeholders to comprehend what the brand stands for and how they should relate to it. A strong positioning can help the organization to stand out from the competition (Roper & Fill, 2012). The Oatly case is a great example of this. The transformation entitled them a new position in the marketplace, from being perceived as specialist to generalist. The new approach and the new design that communicated this new position helped Oatly to stand out from the otherwise homogeneous shelf.

### *The Communication*

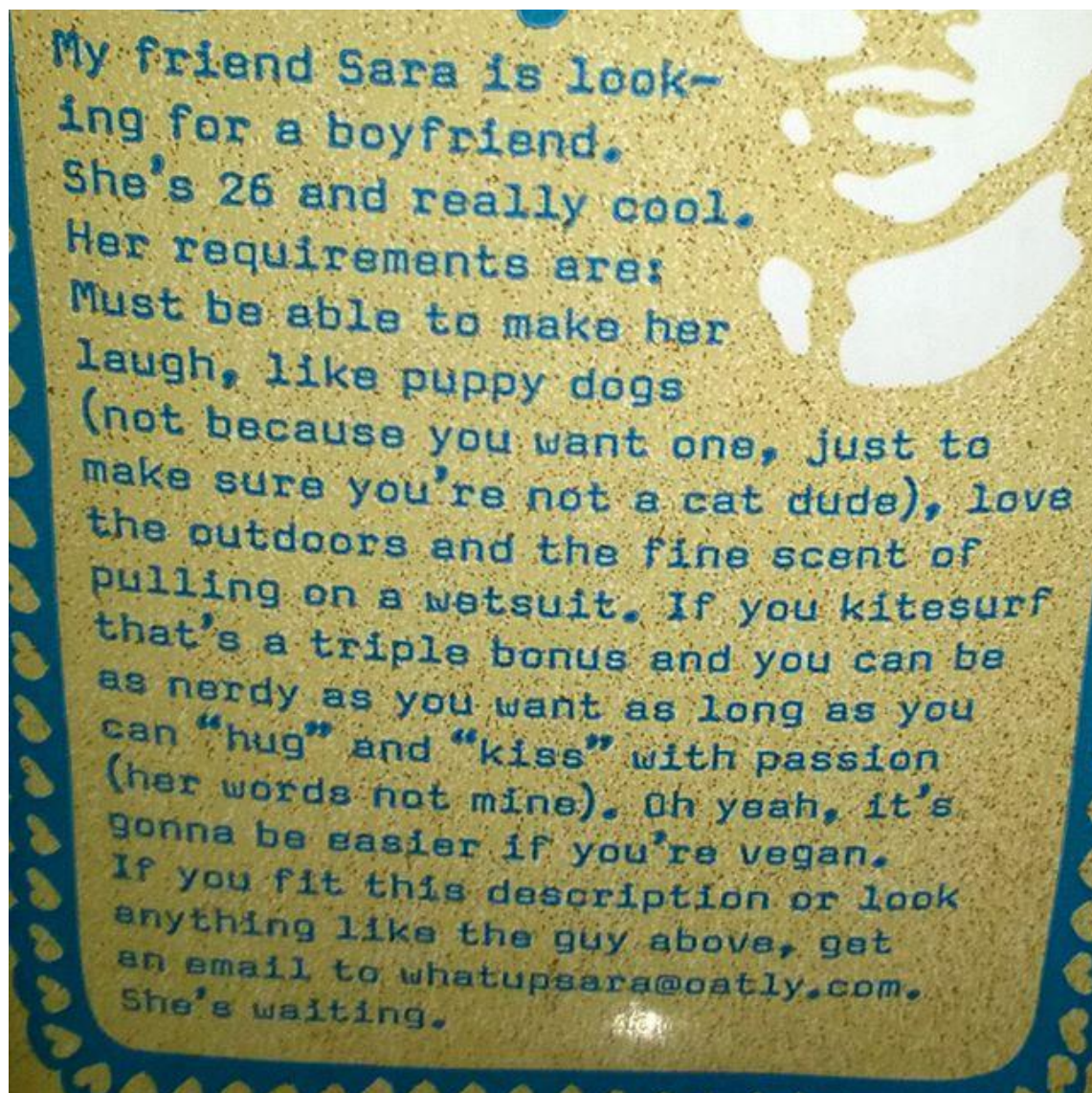
The core responsibility within corporate communication is for the company to manage how stakeholders perceive them. There is a strong link between the corporate strategy and the corporate communication (Roper & Fill, 2012). In this case the overall strategy of the company needed to change, as well as the corporate communication. In the change within Oatly the corporate communication was at the front, leading the change with its new direction and the new creative profile. This case indicates the importance of aligning the corporate strategy with the corporate communication in order for a change to be successful.

### *Internal Corporate Brand Building and Change*

It is rather common for corporate brands to undergo change at some point, and changes can range from being evolutionary to revolutionary (Roper & Fill, 2012). Oatly is an example of a revolutionary change since the company reformulated the corporate identity in several aspects. In order to carry out the change, Oatly worked with internal brand building and the creation of a culture that supported the change and embodied the new vision. Changing culture takes time as it is a complex process that requires the translation of values into artifacts that slowly seeps into the deeper layers of a corporate culture (Roper & Fill, 2012). Furthermore, cultural change requires appropriate actions by top management and coherent corporate communication in order for employees to perceive the change as credible and sincere (Roper & Fill, 2012).

It can be argued that Oatly kept the cultural change process going for a longer time since the Oatly of today demonstrates a strong culture, meaning that most members of the organization unite around the same strongly-held values (Roper & Fill, 2012). Oatly seems to leverage their strong culture externally as well. For instance, the packaging of some products has been used as a contact ad (see Exhibit 2) from employee Sara who looked for a boyfriend while casually addressing the importance of veganism and thus reinforcing values held by many employees of Oatly. Thus, the corporate culture is used as a branding tool both internally and externally, as Roper and Fill (2012) argue it can be. The Oatly case can be analyzed via Kotter's (1995) eight steps of organizational transformation, as the leaders created a strong vision they communicated in order to build a powerful coalition and hired new employees that could further carry the change while letting go of "obstacles" in the form of skeptic employees. The interviews upon which we based this case indicates that Oatly successfully implemented the change and built a culture around strong values that continuously are being reinforced. Thus, Oatly managed to overcome what Kotter (1995) classifies as error number eight, they anchored the change into the culture.

*Exhibit 2: Employee ad on product packaging*



## Overview of Key Learnings

The aim of this case is to highlight the challenges that can occur in an organization during a big change. First, during the initial decision process when the top management needs to decide which strategy that is best suited for the organization, and second how an organization can work internally to overcome internal barriers and resistance. The key learning that this case aims to deliver is further summarized in Exhibit 3, here below.

**Exhibit 3:** The key learning objectives of the Oatly Case

Key Learning Objectives		
Remember...	...the courage it takes to implement a change even if it feels scary	Here: "Only the wisest and the stupidest of men never change" - Confucius
Understand...	...not everyone in your organization is always open for a change, can create a division	Here: "The crossroad" that occurred in the marketing department
Apply...	...corporate communication to contribute to internal symbiosis	Here: Internal activities brought the team back together
Analyze...	...different arguments and perspectives held by organizational members during change	Here: Risks and opportunities brought up by the two teams
Evaluate...	...how you choose the right direction for your company	Here: What happened after the change?
Create...	...a corporate culture based on strong values that aids the repositioning of the brand	Here: The management team emphasized the internal activities and values in order to get everybody on board

## Discussion Questions

As a tool to help start the discussion in class, some questions are being provided. The questions are divided into three categories, main questions, assisting questions during class discussion and assisting questions after the management decision has been revealed. The main questions capture the essence of the case and works as an indicator of the most important parts to be discussed during class. The assisting questions is a help to the teacher in order to start class discussion in a constructive manner. If class starts to discuss by themselves it is not necessary for the teacher to ask all the questions below, instead if this would be the case then the questions can work

as a checklist in order to easier follow class discussion and tick of the boxes of the different areas that class is discussing.

### *Main Questions – Capture the essence of the case*

- What advantages and disadvantages do you as manager see with the two different options?
- After making the decision, how would you deal with the implications it will have on the internal climate?
- Question before final vote: What option would you as brand manager recommend the company to take?

### *Assisting Questions – During the class discussion to build arguments*

- To both teams: What are your main concern with the change/if a change does not happen?
- To product-team: What do you think the loyal target group would say about the new graphic profile?
- To product-team: How do you think the distributors would respond to the new graphic profile?
- To product-team: Why should the product be in focus?
- To brand-team: What positive outcomes can a new graphic profile generate?
- To brand-team: Why should the brand be in focus?

### *Assisting Questions – After management decision has been revealed*

- Does the revelation that the case is about Oatly change your mind when it comes to the different paths they faced, the option that they chose and how they managed the internal implications?
- Could there be a third option on how to solve an issue like this?
- Are there any other risks with a change like this that class has not discussed so far?

## **Teaching Suggestions**

The case begins with the introduction of the situation, presented via a PowerPoint that outlines the background and the state of the anonymized company, ending with

a presentation of the two options available for the company. In order to maximize the learning process for the students, this case centers around engagement via role play. Therefore, the presentation is followed by the case leaders dividing the class into two groups. The first group will advocate for option 1 - positioning Oatly as a lifestyle brand. The second group will represent the part of the marketing department that preferred to keep managing Oatly as a product brand. The class then proceeds to present their best arguments, spurring a discussion that lets students reflect about advantages and disadvantages. The arguments for each option are noted by the case leaders on a whiteboard (see Exhibit 5). The whiteboard functions as a support for the students, but it is the role play activity that is the center of the case. Thus, the case leaders assist the discussion by asking questions, when needed, to spur discussion (see Discussion Questions) and writing down the advantages on the board. When the class is satisfied with their arguments, the role play activity is finished. The class is then asked to vote for the option they prefer, letting go of the roles they were assigned and voting from their own personal perspective. This way, the case lets students both find new arguments by taking on different perspectives, while still leaving room for reflection from their personal standpoint. The vote is conducted via a raise of hands.

After the vote, the company name is revealed. The case leaders present the company and the management decision. Here, the PowerPoint is once again used to provide visuals. If the case leaders have sufficient time, they open up for a second discussion. Here, the students are invited to reflect upon the management decision and how management best could deal with the implications of it (see Discussion Questions). This part of the case is different from the role play discussion, as the students are invited to reflect freely upon the decisions and how to handle a change process, thus reaching the learning objectives of *Internal Corporate Brand Building* via an engaging discussion rather than only listening to the case leaders' presentation. Note that this part of reflection is much shorter than the role play activity, due to the role play being the central part of the case. After the discussion, the case leaders proceed with presenting the internal work of the company as well as the outcomes of the management decision. The case closes with the leaders asking if the class have any questions or reflections they like to raise.

We recommend that the case has multiple case leaders. The case leaders can take turns presenting the information (background, management decision and outcome presentation) and assist with the PowerPoint. For the role play activity, it is preferable if one case leader focuses on the students, assigning their roles and assisting the discussion with follow-up questions. In the meantime, the other case leader(s) can take notes on the board, providing a seamless experience where the students role play is in focus. The case leaders should think of themselves as guides, not imposing their opinions but rather help generate discussions where the students are invited to share their thoughts in a safe environment.

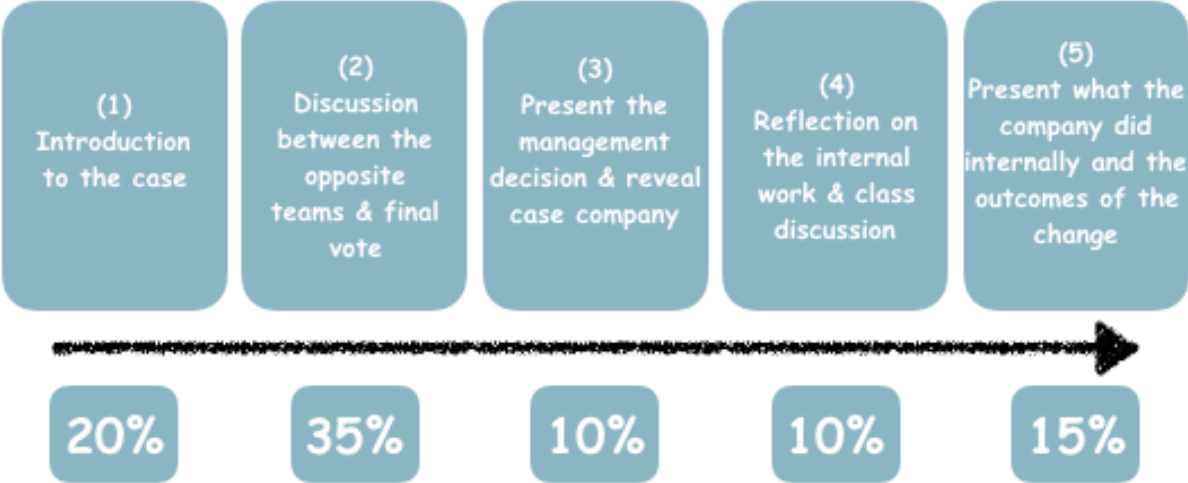
## Time Plan

In order to structure the case, a time plan has been developed (Exhibit 4). The ambition with the time plan is to provide a framework for the teacher that guarantees that each part of the case gets appropriate attention. This is important since all parts

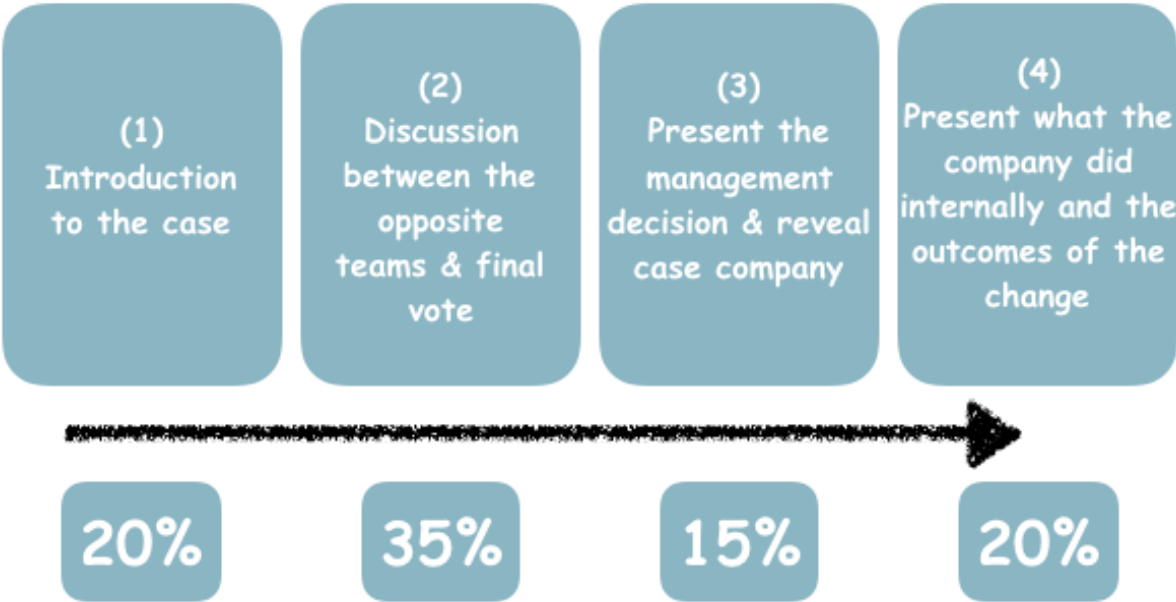


are needed in order to achieve the main key learnings that the case is developed to gather. The estimation is presented in percentage since the presentation time can differ from time to time. Due to this case rich content an additional time plan has also been constructed (Exhibit 5). The second version is suitable when the time limit for presentation is less than 45 minutes. For these situation, we recommend that the presenter skip the reflection part of the case, since the main focus should be the discussion.

**Exhibit 4:** Time plan - Version 1 (>/=45 min)



**Exhibit 5:** Time plan - Version 2 (<45 min)



**Board Plan**

We suggest that the presenter of the case uses a whiteboard during the role play, and that he or she structures his or her note as the picture below illustrates (Exhibit 6). The exhibit shows potential factors that could be mentioned by group participants. The main focus should be the role play between the participants, but the board can be

helpful in order to pinpoint keywords that is being used as arguments in the class discussion. The notes on the board can thereby help the participants to remember the different advantages with the opposite teams when they later on are supposed to vote on their preferred choice. The structure should therefore be as simple as possible and focus on the advantages of each option.

*Exhibit 6: Board plan of the Oatly Case*

Option 1: "Lifestyle Brand"	Option 2: "Product Brand"
Differentiation	R&D
Generalists	Specialists/Competence
Reach the many people	Stay loyal to consumers
Change = new strategy	Customers are already happy
CEO has most power	Stay true to heritage
Brand Communities	Cheaper to keep strategy + profile
Good way to increase profit	Minimize risk
Brand awareness	Its hard to rebrand/reposition
Added value	Experience
Gives brand a personality	

**Epilogue**

This case contains versatile implications, from both a practical and theoretical level. Not only, does it illustrate how you successfully can manage a big, almost radical, change in an organization, it also challenges the participants to argue for different paths. This exercise is constructed to be as close to the reality as possible, where everybody does not share the same opinion and you therefore need to argument for your cause. The theoretical implications consist of Corporate Brand Building Process, Corporate Brand Identity and Positioning, Corporate Communication and Internal Corporate Brand Building. As stated previously, this case main advantage is that it can be described as an evergreen. That is true not only for corporate brand studies. The rich content of this case makes it applicable for more general management studies as well, such as human resource management and organizational communication.

**Reflection**

During the course in Corporate Brand Management and Reputation (BUSN35), one part of the course was to write and present a management decision case. The task involved choosing a suitable live case, re-write it into an academic case, conduct a teaching plan as well as planning a presentation.

The task started by choosing a case. Our group was interested in how a change in the brand strategy could affect a company internally. What kind of challenges could a management team meet when wanting to change a brand from a product brand to a corporate brand? The challenge with taking this perspective was that internal issues are not always seen by the public, as compared to the case of a corporate crisis. We started to think about different companies and then Oatly came to mind. Oatly went through a challenge in 2013 that from an academic perspective is clear since they truly went from a product brand to a corporate brand. Having a contact at Oatly also made them a suitable option since that provided us with internal insights that otherwise would have been difficult to get. After having talked to our contact at Oatly it was clear that not everyone was on-board this change. Our contact also helped us arrange an interview with a previous employee at Oatly (now retired) that had been a part of Oatly both before, during and after the change. The interview as well as reading articles, looking at different video clips and other graphic material about Oatly provided insights into the change process, which was the starting point of the case.

Furthermore, the first step was gathering knowledge and information about Oatly and their change. After this was clear to everyone in the group we started to write the first part which was the written case. In order to make it more exciting as well as opening up to a broader discussion we decided not to reveal the company of the case in this part, but instead in the management decision part. We believe that if the students would know from the beginning that it was Oatly, they would know that the change was a success and would then be biased in the discussion. The next part in the process was to write the management decision part, which we divided into Internal work and the Outcomes in order to keep the focus of internal implementation.

The next part was to write the teaching plan. During the course we have had numerous different cases that has been presented to us during class. After every lecture we wrote down what we thought worked well as well as what did not work equally as well, in order to use this knowledge when writing our own teaching plan. It was useful to have been presented different cases during the period of the course since that made it easier to shift from a student perspective to a teacher perspective.

We realized when writing the teaching plan that in order to start class discussion the students could use a bit of help to start talking, thus we decided to use role play as a method of starting class discussion. We believe that if the students could focus on one option instead of both it could be easier to think of pros and cons. Furthermore, we also wanted to somehow use the whiteboard to make it a bit more active during class and to use it as a tool for keeping track of the different opinions.

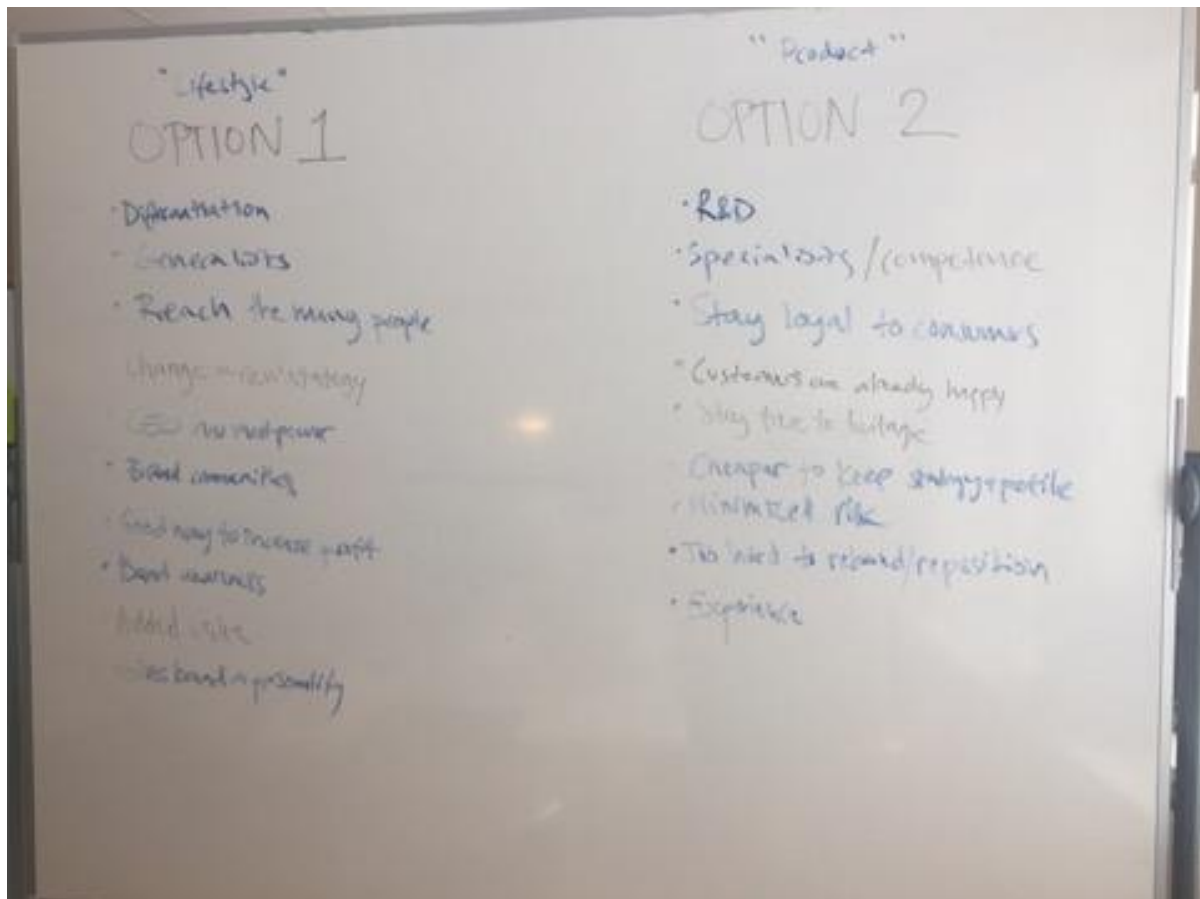
Before the presentation in the end of the course we wanted to do a test run of the case. ~~We gathered a group of students that are not taking the same course and~~

presented the case to them. The case was presented, the students were divided into two different teams and the discussion started. Our first realization was that when presenting the two different options we provided too much information about the options, leaving quite little to add for the students. After the test run we decided that when presenting at the final seminar we should just briefly describe the different options so that the students themselves can think of pros and cons with their alternatives. Since we do not want to present the company name at first, we do not have as much graphic material to present in the beginning which otherwise is nice

when doing a presentation. This is a down side to the case presentation. We tried to think of other alternatives but realized that this is not possible to change since we want to keep the company name anonymous. Instead we decided to show how the graphic profile has changed after the management decision and company name has been presented.

Another change that was made after the test run was in regard to how to use the whiteboard during class. At the test run we had divided the whiteboard into pros and cons for the different options. This made it unclear since then the product team wrote cons on the brand team and the brand team wrote cons on the product team. The input from the test group was that this structure made it more difficult to get an overview of the different options, with this in mind we decided to change it and instead only write the pros for the different alternatives. We briefly tested this with the group (see Exhibit 7). The feedback from the test-group was that this structure works better in this case since the whiteboard only is used as a tool to keep track of opinions and the emphasis in class is the role play.

*Exhibit 7: Board trial from test run*



To lead a class discussion is a difficult task that requires a lot of practice. It was helpful to be able to do it one time before the final seminar, but there is always room for improvement and changes can still be made after every presentation. We gave each other individual feedback after the test-run in order to try to improve the presentation even more before the final seminar.

The biggest learning outcomes for us in the group was how to actually write a case so that it connects well with theory as well as being interesting to an audience. Writing this case provided us with knowledge in regard to internal challenges and how these can be solved. The case also taught us that when standing in front of an issue, sometimes it is best to go with your gut feeling and change even if not everyone in the company is on-board. The practical implications that were provided to us during this period is that a case can be used later on when working at a company to explain and start discussions in regard to different challenges. It is a pedagogical way to start discussion and to enlighten people on how to overcome challenges in a company.



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