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Mythical Branding and Crisis Management - The case  
of Santa Claus Village

*By:*

*Michelle Volbeda, Michèle Schiermann,  
Frederique Krop*

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Lund School of Economics and Management

# SBM

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# Mythical Branding and Crisis Management - The case of Santa Claus Village

*Frederique Krop, Michèle Schiermann & Michelle Volbeda*

## Abstract

**Purpose:** This research intends to give insights in whether or not the Santa Claus brand can be damaged by a crisis of a destination that uses Santa Claus in their branding.

**Design/methodology/approach:** First, a literature review has been done, which addresses related existing findings about Santa Claus, Rovaniemi and Santa Claus, iconic brands, iconic branding for destinations, crisis management and corporate brand management as the brand is used as a metaphor to be similar to a corporate brand. Second, the issue is compared to several cases relevant for this study as they involve an iconic person or brand who/which have had a crisis or image problems. Last, interviews have been conducted to identify the importance of the myth of Santa Claus in consumers' minds and to gain insights on their thoughts and feelings towards Santa Claus.

**Findings:** Santa Claus can be seen as one of the strongest brands in the world and therefore it is hard to see how bankruptcy of Santa Claus Village can influence its image. The cases showed that when the myth has not changed, it will not affect the brand image tremendously and when an icon or legend status is so strong, it cannot easily be taken down. Next to this, the interviewees mentioned that Santa Claus and Santa Claus Village are seen as separate entities, therefore the image of Santa Claus will not be harmed directly. The literature review revealed that the real challenges for cities that utilize Santa Claus and Christmas as branding for their cities are commodification and perceived authenticity. Those cities should focus on the actual experience that people expect, and fulfil that expectation in order to protect their image.

**Research limitations/implications:** First limitation of this study is that the comparison of the cases to a myth can be seen as inadequate. Second, only three interviewees have been surrogated. The reliability of this study is therefore not high.

**Practical implications:** Santa Claus' image cannot easily be harmed. The myth will remain the same, as it is such a strong myth. Cities which utilize Santa Claus and Christmas in their branding should therefore focus on the perceived authenticity and maintain the myth.

**Originality/value:** This report offers a valuable insight into mythical branding as there has been little research in this context conducted before.

Keywords: Mythical Branding, Santa Claus, Icon, Iconic Branding, Santa Claus Village, Crisis Management

**Paper type:** Research Paper

## Introduction

Santa Village in Rovaniemi, located in Finnish Lapland, attracts annually 300.000 tourists from more than 100 nationalities. Besides unique landscapes and Christmas

feeling 364 days a year, the chance to see and talk to the iconic figure Santa Claus constitutes the most popular attraction. However, by the end of August 2015, several news agencies announced

bankruptcy of Santa Village, as they failed to pay a tax bill over 200.000 euros. These debts were mainly caused by economic struggles the world is going through – hence, between December 2013 and December 2014, Santa Village recorded a drastic drop of 33% in visitors, especially among Greece, Spain, Italy and Portugal. Also the neighbouring country Russia, which sends most visitors, is hit by an economic downturn. The managing director does not intend to give up, he wants to keep Santa Village alive. However, to what extent might media have harmed the mystical image of Santa Claus? Catch lines such as “Father Christmas is officially broke” or “Father Christmas could soon be unemployed” (Dailymail, 2015) might strike some people – how can *Santa* be bankrupt? It is of interest what effect these rather rational, organizational news have on the fairy tale myth of Santa Claus. The family-owned business has to investigate the standing of the brand and keep the myth alive (they did so by publishing a magical video, in which Santa himself states that he has nothing to do with finance and ensures that next Christmas is coming). Due to the recentness of the issue and no further statements across media, one can only speculate about future developments:

- What impact could these recent news of bankruptcy have on Santa Village in terms of visitor numbers and reputation?
- How can the light be ‘switched off’ again, returning to the fairy tale myth without any distracting news in the back of one’s mind?

The problem is that Santa Claus village is bankrupt and needs financial support, however, the news about bankruptcy might be damaging for the brand image of Santa Claus and therefore Santa Claus Village. The aim of this report is to find out what impact the Santa Claus Village’s bankruptcy has on Santa Claus himself. This is done through multiple stages to find an analytical depth. First a literature review

will be conducted. Second, specific cases relevant to this problem are discussed and compared. And third, interviews are conducted. Specifically, in the literature review the following constructs are being discussed and explained: Santa Claus, Santa Claus and Rovaniemi, Iconic Brands, Iconic branding for destinations, Crisis Management and Santa Claus as Corporate Master Brand. The case section contains case-studies about Snapple, Tiger Woods and Michael Jackson, which are all relevant for this study as they involve an iconic person or brand who had a crisis or image problems. In the cases the consequences of these crises are being analysed. The interviews are done to identify the importance of the myth of Santa Claus in consumers’ minds and to view potential consequences the news can have on their thoughts and feelings towards Santa Claus. Moreover, three individuals were interviewed and had to respond to six pre-defined questions. In the end, the literature review, the case studies and the interviews are analysed and compared to Santa Claus Village in order to make possible conclusions for the effect that the bankruptcy of Santa Claus Village has on consumers.

## **Literature review**

### *Santa Claus*

Santa Claus has been described as one of the ‘world’s best brands’ (Arudra, 2003). Santa Claus (or Pere Noel, Father Christmas, Saint Nick) is known as a “jolly fat old” white-bearded man in a red suit with the typical white collar and cuffs, red trousers, black leather belt and boots, who is delivering presents on a sleigh to children (McCann, 2001). Since the 20th century, Santa Claus has been popularized and the myth has been renewed. Santa Claus makes a list of children throughout the world on which he categorizes them according to their behaviour and hands out presents to all the well-behaving children in the world. He accomplishes this task

with help from his elves, who make toys in the factory, and the flying reindeers, who pull his sleigh. Many times Santa Claus is associated with saying “Ho Ho Ho (Merry Christmas)” and he is imagined living at the North Pole.

Santa Claus as a brand has an incredible recognition, awareness, emotional connection and consistency. The position of Santa Claus’ brand is a desire and example for every brand. Everybody is aware of Santa Claus’ consistent image, he seems omnipresent. You can find him in many stores, merchandized on a range of articles and in many commercials all pronouncing the same message. Everybody knows what to expect from Santa Claus as he is consistent every time. His core values are: goodness, jolliness, generosity, hard-working, collaborative, giving and fair. While Santa Claus is a seasonal brand (only before and during winter), during the time it operates, it even beats the other well-known red and white image and world’s strongest brand: “Coca Cola”.

#### *Santa Claus and Rovaniemi*

Rovaniemi is one of the many places, which branded themselves with Christmas and Santa Claus. Other places constitute for example Christmas markets in Germany (e.g. Düsseldorf, Munich) or the famous Stockholm’s Christmas Market, Tall as “The Nordic Christmas Capital” and Parnu in Estonia and Riga in Latvia, which have given themselves the name of “Baltic Christmas City” (Hall, 2008). This is not so odd, given the fact that Santa Claus and Christmas have a very strong influence on consumer spending and holiday decisions.

An essential element of the Rovaniemi strategy was ‘convincing the rest of the world that Finland was the real home of Santa Claus’ – against rival claimants in Alaska, Sweden, Norway and Greenland (Hall, 2008). But, Santa Claus does not belong to anyone. The trademark has become generic. Except from the

competition about the ‘real home of Santa Claus’, there haven’t been discussion of the various uses of Santa Claus as a part of branding.

Hall (2008) describes Rovaniemi and Lapland as the number one of Santa related place branding. Snellmann (2006b) stated that Lapland had the ‘Santa Tourism Superpower’ as Lapland has the first mover advantage within Santa Claus related tourism at an international level. Rovaniemi is clearly the market leader with the greatest concentration of Santa and Christmas. Their theme parks and activities result in the most overt use of Santa in branding. However, Hall (2008) notes that other locations are seeking to utilise Santa and Christmas as well. Emerging challenges of such cities are commodification (i.e. to treat something that cannot be owned or that everyone has a right to as if it can be acquired or marketed like other commodities) and perceived authenticity (i.e. truthfulness of origins, attributes, commitments, sincerity, devotion, and intentions) of the Santa experience (Hall, 2008). Hall (2007, p. 1140) emphasised that “replication is not intrinsically bad, what is important is the different experiential depth (i.e. historical depth, spatial depth, cultural depth, environmental depth, educational depth) between the original and the replication”. Ramkisson and Uysal (2011) agree and argue that the notion of authenticity offers the basis for successful consumption of cultural offerings. The challenge for Santa Claus Village is thus to make people believe that Rovaniemi is the real home of Santa Claus, while others attempt to do the same. Thereby should the authenticity of the real Santa Claus experience be guaranteed to succeed.

As Santa Claus embodies a very old myth originated in the 19th century, the myth and the Santa Claus experience have experienced adaptation throughout the years. For example, from the 20th century onwards Santa Claus found help from

elves and reindeers to produce and deliver presents to the children. Rovaniemi is based on this myth, seen the fact that you can visit the 'Elves' Toy Factory'. The story is thus adapted successfully as this version is the one, which is currently adopted in the minds of the consumers. The essence of the Santa Claus myth (jolly, giving) has not changed. However, when Santa Claus goes bankrupt, it can change the myth of Santa Claus and confuse the consumer. If Santa Claus Village has to adapt its experience towards one that saves costs, the authenticity can be harmed and it can be that people will not experience the real Santa Claus feeling.

### *Iconic Brands*

Iconic brands are brands which are valued because they address acute contradictions, desires and anxieties in a society by creating imaginary worlds (Hollis, 2007). Holt (2003, p. 44) describes an iconic brand to be "encapsulated by myths". When people buy the product, they can consume the myth and create a relationship with the brand. In essence, they compete for culture share (Holt & Cameron, 2012). Icons are valued because through them, people get to experience powerful myths. They are powerful because they deliver myths to us in a tangible form, thereby making them more accessible. This way people can interpret the world. People (and other cultural 'actors' such as brands) that perform the myth that society most "needs" at a particular historical moment become icons (Holt & Cameron, 2012). Iconic brands can play such an important role for consumers, that consumers become very loyal. Iconic brands therefore most loved and respected brands and enjoy strong brand loyalty (Holt, 2003). The fact with iconic brands is that it contradicts the 'mind-share' branding model, which believes that for a brand to succeed, it should own a simple, focused position in the consumers' minds. The essence of the brand is the strength of associations between the product and its benefits,

personality and user imagery. The problem with this model is that it is a one-size-fits-all solution (Holt, 2003).

Santa Claus Village is a brand based on a myth which addresses acute contradictions, desires and anxieties in society by creating imaginary worlds. Santa Claus is a myth full of goodness and joy and about a man who is very generous, in contrast to the individualistic society. People feel desired to believe in such a generous person as it makes them escape from the real world. While iconic brands are primary based on products, this study suggests that Santa Claus (who is not per se a product brand) can be seen as an iconic brand, and Santa Claus Village makes the myth tangible as one can visit Santa Claus.

Holt (2003) recommends to take the following steps building an iconic brand:

1. Target national contradictions
2. Create myths that lead culture
3. Speak with a rebel's voice
4. Draw on political authority to rebuild myth
5. Draw on cultural knowledge

However, these steps are based on building a product into an icon.

### *Building a Destination into an Icon*

Woodside, Cruickshank and Duhuang (2007) describe the need for an understanding about how consumers implicitly and explicitly enact brand myths. As destinations provide visitors the opportunity to enact iconic myths, Borgerson and Schroder (2003) investigated holiday vacation destinations and found that the merchandizing of Hawai'i with visions of exotic young females on for example books or record labels, made Hawai'i more attractive to visit as it provides an opportunity to experience that myth. Comparatively, the merchandizing of Santa Claus can also have an effect on the attractiveness of Santa Claus Village. Santa Claus Village is a destination based

on the experience of the myth of Santa Claus. This myth is not created by Santa Claus Village itself, but is originated in the 18<sup>th</sup> century. A good example of the merchandize of Santa Claus is through “Coca Cola” since 1920. Actually, Coca-Cola helped to shape the image of Santa as it is now. Additional to Borgerson and Schroder’s (2003) research, Woodside et al. (2007) decided to research the effect of visitors’ storytelling about their experiences (which often describe myths about a destination) on future visits and attractiveness of cities. They found associations between these two factors and recreated the steps of Holt (2003) for building a destination into a brand icon. They emphasize on:

1. “Reach consensus” - listen to the needs of the consumer. They want to become or meet the icon out of the myth and experience that in your destination.
2. Collect first-person stories of visitors who have visited your destination and experienced the myth.
3. Build authentic brand attachments to your destination, so that new visitors evoke core symbols automatically.
4. Create sponsorships with myth-brand communities where your destination can be used (for example John Grisham’s book “The Broker” facilitating Italian cities).
5. Keep the myth alive and keep it updated.  
(Woodside et al., 2007, p. 169-170).

### *Crisis Management*

A reputational crisis can occur in many forms. An example of causes of crises are: product failure, social responsibility gap, corporate misbehaviour, death of symbol of company, poor business results, spokesperson misbehaviour, loss of public

support or controversial ownership. Crisis can be life-threatening for a brand. Greyser (2009) argues that a crisis is most destructive on the reputation when the essence of the brand (i.e. the DNA of the brand) is affected. The crisis is less intense if the brand essence is not harmed. He describes four key areas to examine emerging/or already emerged issues:

1. The brand elements (market share, brand strength, essence of brand’s meaning)
2. The crisis situation (seriousness of the situation, threat to brand’s position)
3. Company initiatives (communications, behaviour, actions and their impact)
4. Results (effectiveness of actions) (Greyser, 2009)

When a crisis occurs, Greyser (2009) states that corporate communication can be seen as a key role to overcome such a crisis. However, corporate authenticity should be made priority. The brand should conform to fact and be therefore worthy of trust, reliance and/or belief. Effective communication should be built on trust and include three components: integrity, goodwill and competence. Trust in an organisation is a foundation of authenticity and reputation. As mentioned in the previous section Hall (2003) also puts a lot of emphasis on perceived authenticity when approaching a city as a brand. The myth of the city and the expectations of the consumer according that myth, should be experienced while visiting the city. Greyser (2009) notes four contexts of authenticity: talking authentic, being authentic, staying authentic and defending authenticity. A credible response of a company is the most meaningful aspect in a crisis situation to prevent a company from reputational problems.

*Santa Claus as a Corporate Master Brand Strategy*

When Santa Claus Village received the notification that their bankruptcy was in the news, they emergently responded by a video saying that Santa Claus is not bankrupt. They communicated a message as they were Santa Claus (and Santa Claus, the myth, cannot go bankrupt), but not as Santa Claus Village (they can go bankrupt, their income is decreasing). However, the bankruptcy of Santa Claus Village does not have to influence the myth of Santa Claus and the way people think about Santa Claus. As Santa Claus cannot be owned by anyone (because it is genericized) and many brands, cities and products utilize Santa Claus in their brand essence, we should look at it differently.

Therefore, this study proposes to view Santa Claus and Santa Claus Village as a metaphor as such as they are operating in a brand architecture where Santa Claus represents the master brand and Santa Claus Village represents the sub-brand. They use a corporate master brand

strategy. The decisions are made downstream in contact with the market (Kapferer, 2012). The sub-brands are decentralized and can therefore make their own decisions in how they operate. Their objectives are linked to their specific market needs, without coherence-seeking with other brands, products or cities that utilize Santa Claus in their branding. Santa Claus is a very strong myth, because it is very consistent. To keep this consistency and the value of the brand, people using the Santa Claus brand should therefore always operate within the boundaries of the brand identity. The sub-brands should use a brand-oriented approach (Urde, 2014, p. 482) in positioning themselves: “satisfy the needs and wants of the customer and non-customer stakeholders within the boundaries of brand’s identity”. To identify the characteristics and brand identity of the master brand Santa Claus we propose the following Corporate Brand Identity Matrix (Urde, 2013) (see figure 1). Because this master brand cannot be owned by anyone, every sub-brand can communicate as if they represent the

<p><b><u>Value Proposition</u></b>          - Make people happy          - Spread joy          - Experience Christmas</p>	<p><b><u>Relationships</u></b>          - Connected to everyone who wants to be connected          - Trust</p>	<p><b><u>Position</u></b>          Be the leader of Christmas and happiness</p>	External
<p><b><u>Expression</u></b>          Big, fat, old, white-bearded man in a red suit with white cuffs and a black belt, reindeers, elves, a sleigh and snow</p>	<p><b><u>Core</u></b>          Spread Christmas &amp; joy, make the world a little happier          Make children believe in happiness</p>	<p><b><u>Personality</u></b>          Generous, happy, jolly, collaborative, giving &amp; nice</p>	
<p><b><u>Mission &amp; Vision</u></b>          - Give people the ultimate Christmas feeling          - Spread happiness          - Make children believe in the good</p>	<p><b><u>Culture</u></b>          Fantasy, reliability, consistency</p>	<p><b><u>Competences</u></b>          - Fantasy, escape from the real world          - Stimuli for purchases (gifts)</p>	Internal

Figure 1. Corporate Brand Identity Matrix of Santa Claus



master brand (Santa Claus) to prevent reputational damage. Throughout the years Santa Claus has developed such a strong and consistent image among thousands of sub-brands that the widely accepted image of Santa Claus cannot so easily be harmed. Every sub-brand knows what the brand identity of Santa Claus is and operates within the boundaries.

## Method

In this study the following three cases will be analysed: Snapple, Tiger Woods and Michael Jackson. It is uncommon to find cases with a crisis situation that represent an actual myth or mythical figure as this is the case of Santa Claus and Santa Claus Village. Since there is a lack of material about the subject more nonfictional cases are used. Here assumptions and insights can be gathered for iconic branding into mythical branding. The cases are considered to be relevant for this study as all three represent people and brands which are seen as icons and all three of these icons cases faced a crisis. During the case study we analysed the circumstances before the crisis, during the crisis and after the crisis (i.e. the results of the crisis). In the discussion section the outcomes of the certain cases are noted and compared to the Santa Claus Village case.

To gain a better understanding of the individual's mind and opinion regarding the idea of Santa Claus and the impact of the bankruptcy news on such image, we conducted three interviews (2 men, 27 and 33 years old, France and Germany; 1 woman, 45 years old, US). The results of the interviews are presented.

In the discussion section the literature review, the case studies and the interviews are further analysed and based on that conclusions are drawn upon potential consequences of the bankruptcy news on Santa Claus Village.

## Cases

### *Case 1: Snapple*

Snapple is a good example of an Iconic brand that is destroyed because the myth of the brand changed. It is a company producing juices and teas, which was founded by two entrepreneurs from Brooklyn. The founders created a certain myth that was appreciated by certain parts of the US market. Their myth addressed acute contradictions in society as they created a different kind of company which was joyfully run by amateurs compared to large firms which were manipulatively managed. It was the era of Reagan when companies and elites had major profits and the imbalance with American workers increased. Snapple responded to the dissatisfaction in American society as they attacked big corporations and overpaid elites who ran such and suggested that they were not needed at all. They believed that companies should be run by amateurs who truly cared about having fun.

Rigorously decisions were made about the products, packaging and tastes. The packaging and tastes were so odd that they received attention. Drinking a bottle of Snapple, allowed customers to enact the myth and experience the fantasy as an aid to their severe identity problems. People who felt connected with the myth of the company were very eager to try and buy the products to connect themselves with the myth. The credibility was easily gained as the two entrepreneurs knew nothing about marketing. People loved them, because they ran the company in such a manner, which seemed like the most fun. Between the thousands of fan mails Snapple received each month, they found Wendy and accounted her as the Snapple Lady to return on fan mails. The new slogan '100% Natural' captured not only the product, but also the company itself, as it was very transparent. The company was run by bizarre people who shared the people's enthusiasm for idiot pleasures, not by spreadsheets and marketing research.

Snapple’s sales increased tremendously from under \$50million in 1987 to \$700 million in 1994.

Then, however, Quaker Oats bought Snapple, thinking that it could increase sales by applying the mind-share model of branding. The actions after this purchase (e.g. removing Wendy and the ‘100% natural’- slogan) show that the new managers completely misunderstood the essence of Snapple’s culture share “the myth of anti-corporate amateurism”. While they assumed they could optimize Snapple’s sales by applying general marketing knowledge, they killed its myth and Snapple was no longer treated as an icon in American society and sales crashed down. The new brand owners tried to recover the myth of Snapple, but the magic of the myth has disappeared. The American culture and society had moved on. Currently they perform a version of a story that they peaked 10 years ago and have become a conventional lifestyle brand (Holt, 2003).

*Case 2: Tiger Woods*

Tiger Woods – a worldwide recognized icon representing ambition and athletic success. He belongs to one of the most successful golf players in history, but also

currently in the US and receives a yearly income of 78 million US \$ (Badenhausen, 2013). A major reason for his worldwide recognition and admiration is his multi-cultural background as his ancestors have Afro-American, Indian, Chinese, Thai and Dutch roots. His popularity and success attracted companies (e.g. TAG Heuer, Gillette, Nike, Accenture, Pepsi, Electronic Arts, AT&T), which took him under contract to represent their brands in campaigns, advertisements and as direct sponsor (Kelley, 2015). However, with his minor car accident on November 25<sup>th</sup> 2009 and the fact of not speaking to the public about it right after and denying police interviews, left space for rumours. According to Kevin Sullivan (2009), former communication director of the White House, Woods gave up control of what really happened to on the one side professional news agencies, but on the other to a pool of gossip hunting journalists. From this incident onwards, his private life became spread throughout worldwide media consisting of speculations about sex affairs and his damaged marriage. Two days later, Woods denied all media-circulating rumours and stated that he wants to keep everything private, which in return caused even more

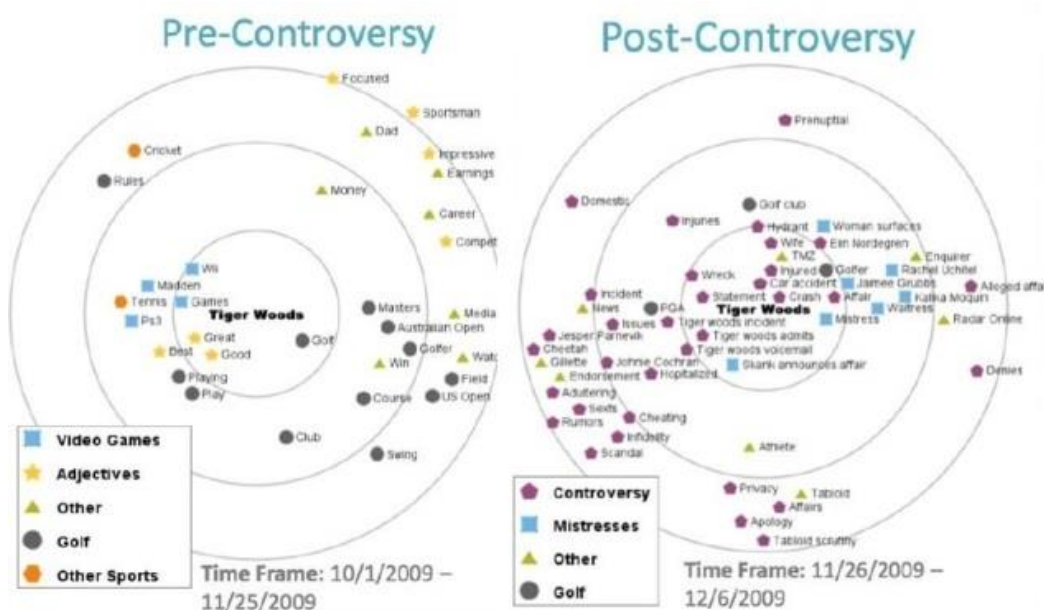


Figure 2 Topics discussed on social media concerning Woods before (l.) and after (r.) the car accident

attention on his private life. December 2<sup>nd</sup> 2009, without providing any details, Woods admitted his unfaithful behavior against his wife on his website and hence, confirmed the speculations. December 11<sup>th</sup> 2009, Woods announced to take a break from golf for an indefinite period to fully focus on his family. By mid of February 2010, he hold an official televised press conference, in which he apologized for his non-acceptable behavior. This was, even though far too late, a move into the right direction, which prevented Woods from a complete image loss. However, the great majority of fans built their own opinion regarding the accusations, mostly on social media (see figure 2, (Zhou, 2012)).

Hence, major companies such as Gillette (“The best a man you can get”), Gaterade (“Is it in you?”), Lasik Vision (“What could you and Tiger Woods have in common?”) and Accentures (“Go on be a Tiger”) who had him under contract, cancelled their partnership. Unlike Nike and Electronic Arts, who continued their cooperation, these companies stayed too close with Wood’s personal image (Zhou, 2012). Nike stated “He is the best golfer in the world and one of the greatest athletes of his era. We look forward to his return to golf. He and his family have Nike’s full support” (Dorman, 2009). Their partnership started in 1997 and Woods assisted Nike to enter the golf equipment business. Even though Nike supported Woods during the crisis, they penalized him with a 50% reduction of his yearly income. Nike has been the first who incorporated Woods in advertisements after the scandal. Another company, which remained on his side was Electronic Arts, who featured Woods in video games since 1997. The sex scandal impacted the sales numbers of the 2010 version tremendously (sales went down by 68%) – in 2012, however, EA broke the first-week-franchise record and sold 225.000 games (Zhou, 2012).

All in all, in regard to Wood’s iconic status and his cooperation with companies, it is of interest that those campaigns, which incorporated his personal image in their brand message had to escape to ensure their sales. This case rises attention to the importance of a strategic and quick reaction in case of sudden news-hitting events of a representing celebrity.

### *Case 3: Michael Jackson*

Michael Jackson is a good example of an icon and legend. He was born in 1958 from African-American family and performed from a young age. After the Jacksons 5, he decided to continue further as a solo performer and grew out to be one of the most internationally recognized solo pop artists – ‘the King of Pop’ (Biography.com, 2015). Michael Jackson was remarkable, in his personal and music life, there was no one like him. There are several factors that contributed to his iconic status such as his young age when he started, his African-American background and his numerous odd characteristics and behaviours. These remarkable characteristics include his drastic nose alteration and his changing skin colour.

At the height of his career, he signed for Pepsi which wanted to look young. As Michael represented the choice of that generation (Herrera, 2009), Michael was the perfect icon for that. In 1980, Michael opened his fantasy retreat ranch called ‘Neverland’, with amusement rides and exotic animals. Michael was very generous and loved children (Biography.com, 2015). But then in 1993, allegations of child molestation against Michael emerged. A 13 year old boy claimed that Michael had fondled him on the Neverland ranch. A year later, numerous other allegations emerged but Michael remained innocent according to court. In 2004, Michael was arrested again for charges related to sexual abuse of a 13-year old boy (Biography.com, 2015). In total, Michael faced 10 charges, which included four

counts of molestation and giving alcohol to a child, which would assist Michael to commit child molestation (Epstein and Steinberg, 2007).

Michael's reputation was destroyed and financially broke. This trial gained a lot of attention from the media because there was a large amount of 'fans' supporting Michael outside the court. His crisis management existed of odd behaviour, which gained a lot of attention from the press (e.g., he danced and waved to his fans on his car outside court). Eventually about 130 people testified, but Michael was acquitted of all charges (Epstein and Steinberg, 2007). Still with a damaged reputation he has been helped out by the Prince of Bahrain, who paid Neverland's utility bills. However in 2008, Michael was in great financial stress again and had to pay 23,5 million for Neverland. Michael sued to block the auction to sell personal items from his home to pay for his debts. Michael was impossible to figure out and showed eccentric behaviour (e.g. his companion the chimp bubbles, black surgical masks) (Fast, 2010). Michael was seen as fragile and unstable, but however, despite all the allegations and odd behaviour, he was still a figure of interest as shown in the sale of his 'This Is It' tour that was sold within only four hours. Michael passed away on June 25, 2009 due to a cardiac arrest and was never able to execute his concerts (Biography.com, 2015).

The news of the death resulted in massive public grieving and sympathy. Memorials to Michael were erected and a television memorial was held with an estimated one billion viewers. Even after his death the brand *Michael Jackson* remains highly lucrative. Even though the singer's reputation was damaged, he remained an icon. Michael's brand essence was sought to be eccentric, either positive (e.g. be the first African-American on MTV video) or negative (loving children but turns out to be child molestation). The impact of the

crisis resulted in declining sales as the first hit came, but as soon as everything was less of attention, he started to slowly recover by doing another tour. It can be argued that his death was 'good' for the 'Michael Jackson Brand', Fast (2010) states that *'for months after his death, the only recordings (...) that made their way into my various players were his'*. In the end, as with the trial, Michaels reputation was damaged however his brand essence wasn't touched upon and the brand/icon was too strong to be destroyed.

## Results

### *Results Interview*

The interview's purpose was to identify the importance of the myth of Santa Claus and potential consequences on such after hearing about the news of him being bankrupt. All three interviewees revealed that Santa Claus has a 'special' standing in their life, especially when referring to childhood times. Obviously, he is associated with Christmas, which again is associated with family time. Interestingly, one interviewee linked Santa Claus immediately to Coca Cola, indicating his commercial background. Furthermore, all interviewees were familiar with Santa Village and would consider visiting – mostly the Lappish landscape as pull factor though. One interviewee, however, referred to Santa Village as a tourist trap. The interviewees have been confronted with the headline "Father Christmas officially broke due to unpaid tax bill" and were asked for their spontaneous reaction. Two reacted amused, not expecting the Santa figure to be broke – he is obviously just a myth. Both identified the operating company as cause. Another interviewee wondered how such a village could even make money with such a brand (same interviewee who associated Santa Claus with Coca Cola). Nevertheless, no one has heard about the bankruptcy news before. After becoming confronted with it, apart from one interviewee, two stated that such news do not have an impact on their

feelings about Santa Claus and hence, their motivation to visit Santa Village remained the same. The other interviewee, however, is negatively surprised by those news as they confirm that Santa Claus is just a brand. According to his idea, Santa Village is a company, which is not per se striving for economic growth, rather, a village where you can send in and send off Christmas letters.

## **Analysis**

### *Analysis Interview*

Due to the fact that Santa Claus is part of all interviewees' childhood memories, the bankruptcy news was not able to tackle these deeply rooted feelings and emotions. Interestingly, none of them has heard about the news before the interview, therefore, it is to assume that most of the people across the world, whether familiar with Santa Village or not, have not heard about it. This raises the question what kind of image-harming news become wide-spread. So far it seems as if only Scandinavian countries are well informed about the economic decrease in Santa Village. However, since it attracts mainly people from Russia, central and southern Europe as well as Asian countries, visitor numbers most likely will not be affected by the news, instead, suffer from general, already ongoing economic regression. Furthermore, the reaction to the headline was rather amused than concerned or even shocked, which obviously would harm Santa Village on the long-term. It is to emphasize that almost all of them stated that they would not intend to travel so far up North to solely see Santa Claus. The village benefits from its strategic geographic location as it is positioned directly on the Arctic Circle and is surrounded by unique landscapes, which constitute major motivations to visit. Santa Village is therefore often only an additional activity.

To sum up, the fact that the news did not seem to spread and that they do not have

an impact on the people's imagination and associations concerning Santa Claus, leads to the assumption that they will not harm the village in the future.

### *Analysis Cases*

The Snapple case revealed that changing a myth can destroy the myth and the sales it attracts. The new owners of Snapple did not understand the magic of Snapple, tried to apply general marketing logic and failed. The Tiger Woods case revealed that companies who had incorporated the personal image of Tiger Woods into their brand message had to escape to ensure their sales. Also here, the brand essence is harmed. The Michael Jackson case shows that when an icon is so strong that when a crisis happens the child molestation was not enough for all the good he has done. However we could argue that if he had found to be guilty of child molestation he might have been more destructive.

### *Analysis Literature Review*

If we look at Greyser (2009), we can say that in case of Snapple the brand essence of Snapple was harmed by the new owners. This made the crisis of such a big influence, that the reputation could not be rebuild. Moreover, also the Tiger Woods case revealed that the brand essence of some companies who used Tiger Woods in their brand messages, resulted in a huge crisis. Their strategic and quick reaction to revise from Tiger Woods was of big influence of their current reputation. If we look at the case of Santa Claus village in combination with the interviews, we must conclude that the bankruptcy of Santa Claus Village does not have such an influence on the myth that it can cause reputation damage as the brand essence of the Santa Claus brand is not hurt. Our interviewees noted that Santa Claus and Santa Claus Village are separate things, and Santa Claus Village is just a company utilizing the myth of Santa Claus. And being bankrupt does not harm the brand

essence of Santa Claus. Essentially because Santa Claus is hooked in the childhood memories of our interviewees, they note that their thoughts and feelings about Santa Claus cannot easily be changed.

As we stated in the literature review, we perceive Santa Claus as a corporate master brand. Santa Claus Village can be seen as one of the thousands companies that are sub-brands to the master brand: Santa Claus. Because Santa Claus is a perfectly established brand which is consistent throughout the world, the corporate master brand identity will remain the same. Even if one of its sub-brands is declared to be bankrupt. Santa Claus is present in so many ways in our life that the image of Santa Claus cannot be easily disrupted.

However, we noted that the sales of Santa Claus Village can decrease if the perceived authenticity is devaluated. Greyser (2009), Ramkisson and Uysal (2011) and Hall (2007) all note that authenticity is a source of successful consumption of cultural offerings, which according to Woodside et al. (2007) will be recommended to others and result in future visits. Therefore, Santa being bankrupt does not have a direct impact on the authenticity of the Santa Claus experience. However, if for example global warming results in the disappearance of snow, this can have an influence on the perceived authenticity. This is a recent problem for Rovaniemi and some competitors promote their destinations by assuring they have snow against Rovaniemi (Hall, 2007). People expect snow during their experience, as Santa Claus is associated with that.

For destination branding Woodside et al. (2007) developed five steps to build a destination into an icon. If we apply these steps to Santa Claus village, this results in the following:

1. "Reach consensus" – respond to the wants of the customers. If the customers are visiting Santa Claus Village, they expect to get the real

Santa Claus experience with elves, reindeers and snow.

2. Collect first person stories – Woodside et al. (2007) found that reviews of previous visitors explaining their experience of the myth, is very promising for future visits
3. Build authentic brand attachments – while Santa Claus is already a much known symbol, people are not so much aware of Santa Claus Village. As Santa Claus Village wants to provoke that they are the home of the real Santa Claus, it should immediately come in consumers' minds. Create awareness.
4. Create myth-brand communities – make the brand more well-known by for example sponsoring a book about the real home of Santa Claus in Rovaniemi.
5. Update stories within the myth – keep the myth alive by having a new theme and story each year. An example is that every year something else goes wrong, and Santa Claus, the elves and the reindeers must solve the problems before Christmas starts.

## Conclusion

In conclusion, as Santa Claus can be seen as one of the strongest brands in the world, it is hard to see how bankruptcy of Santa Claus Village can influence his image. It is further difficult to compare a myth to a product or a brand, as Santa Claus has been genericized and lost its legal status due to becoming generic terms. However, based on previous analyses we have the following conclusions.

When we consider Snapple, the brand essence was changed and this led to the entire brand being erased, however we can make the assumption that this will not be the case for Santa Claus because the myth is not changed, Santa Claus himself is not inflicted in the crisis and as a result the

brand Santa Claus Village will not be harmed for this matter. In the case of Tiger Woods the brands that carried his name were harmed with his crisis and this led to a lowering of the sales, however it was not as bad as for Snapple and the brands survived when they resigned the contract with Woods. This is not case of Santa Claus and Santa Claus Village because it is not actually Santa himself that caused a scandal. But more the Village or the 'sub-brand' that is facing difficulties. So we can assume that they can be seen as separate and Santa will remain untouched until the Village is improving its financial situation. In case of Michael Jackson we can say that his icon or legend status is so strong that with a little dimple you cannot take down an icon. An assumption we can draw from this is that Santa is such a strong and old brand that it needs more than a bankruptcy to destroy the brand.

Furthermore the information that was perceived from the interviewees suggested as well that Santa Claus is such a strong brand that the myth can't be 'broken'. This might suggest that the impact on Santa Claus might be limited and when Santa Claus Village is recovering from there bankruptcy the effects might be limited as well and might continue as usual.

Challenges for cities, which utilize Santa Claus and Christmas as branding for their cities are commodification and perceived authenticity. Perceived authenticity is of big influence of the experience of visiting a city. According to Woodside et al. (2007) this influences first person stories, which in time will influence future visits of the city. Also Greyser (2009) puts emphasis on authenticity and notes that during a crisis the perceived authenticity should conform to fact, be worthy of trust and reliable. Therefore, the actual experience that people expect according the myth of Santa Claus from visiting a city such as Santa Claus village, should be fulfilled.

All in all, the bankruptcy will not harm the perceived authenticity of Santa Claus

Village, unless it must downsize its experience. Yet, the brand Santa Claus is not harmed.

## **Limitations and Future Recommendations**

As there is limited information about mythical branding, this study based its assumptions on literature about iconic branding and comparisons to relevant cases. Primary data was gathered from three interviewees.

First limitation of this study is that the comparison of the cases (i.e., Snapple, Tiger Woods & Michael Jackson) to Santa Claus might be inadequate. The three cases are not based on actual myths like Santa Claus, but on non-fictional iconic brands or people. The question is if it is valid to compare such cases and base assumptions upon them. Since Santa Claus is a myth, and people 'believe' in this myth, future research in the study of mythical branding may benefit from comparing myths, such as Santa Claus, to other 'belief' brands, such as religions. Santa Claus and religions are extraordinary strong brands, and this might offer a closer comparison for future research to make assumptions about mythical branding and the effects of such a brand.

Second limitation of this study is that only three people have been interviewed. In our sample, all interviewees did not hear about the news of Santa Claus Village being bankrupt, which leads to a bias. In order to avoid bias and increase the reliability of this study, the amount of interviewees should be increased. This way the generalizability of the assumptions/theory generated from this study is higher.

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## **Appendix**

*Interviewee 1 – man, 33 years, German*

Start with more general questions:

1. What comes into your head when thinking about Santa Claus (let them mention the main attributes)?

- Coca cola, Christmas, snow, presents
- Santa Claus story present in his family until he was 7
- Nice tradition

2. Have you heard about Santa Village in Finnish Lapland, where you can meet Santa and have a chat in his Christmas office?

- Yes, through TV (focus on post)

2.1 Would you consider visiting Santa Village?

- No, tourist trap
- Only if he would be in the area

if no:

3. What is your reaction when reading the headline “Father Christmas officially broke due to unpaid tax bill”?

- he would wonder, how they could even make money with such brand
- he wasn't aware that this is a brand with which you can earn money, therefore, how can you go bankrupt?

4. Have you heard about the recent news about the village's bankruptcy?

- no

5. Do these news of ‘Santa being bankrupt’ have an impact on your idea of Santa?

- Yes, negatively
- As it implicated that it is only a brand
- He thought Santa Village is a company which is not per se striving for economic growth, rather, a village where you can send in and send off post

6. Can you imagine it holds people back from visiting?

- No, he thinks people who really want to visit this area will still go

*Interviewee 2 – 27 years, man, France*

Start with more general questions:

1. What comes into your head when thinking about Santa Claus (let them mention the main attributes)?

- I have very good memories when thinking of Santa Claus. Back then, in my childhood, he played a big role. My parents acted each Christmas eve very mysteriously, indicating that Santa is coming soon. They imitated noises, placed cookies for Santa which they later took away again and pretended to see him on his sledge with reindeers in the sky or in the neighbour's garden. My and my siblings of course believed it. I remember it was a very exciting time of the year. Therefore, when thinking of Santa Claus, I immediately have to think back.

2. Have you heard about Santa Village in Finnish Lapland, where you can meet Santa and have a chat in his Christmas office?

- Yes I have. Friends of mine have been there some years ago on their Lapland tour.

then more into depth:

2.1 would you consider visiting Santa Village?

- Yes, I would. I know that it is surrounded by very stunning nature. Therefore, I would not solely go up there to only visit Santa Village.

if yes:

3. What is your reaction when reading the headline “Father Christmas officially broke due to unpaid tax bill”?

- On the first sight it sounds funny as I wouldn't associate Santa with tax issues. He is not supposed to pay tax. But of course, it must be the company, which is standing behind the Santa figure in this village.

4. Have you heard about the recent news about the village's bankruptcy (it is interesting how spread it actually is)?

- No, I have not.

5. Would you still consider visiting (finding out whether those news had an impact on the posed attributes of Santa, mentioned above)?

- Yes, as I said, main motivation is the surrounding nature. When I happen to be close to the village, I would have a look. However, if it would be too commercialized I would not recommend it to others.

6. Do these news of ‘Santa being bankrupt’ have an impact on your idea of Santa?

- No, not at all actually. My image is based on my childhood experiences.

*Interviewee 3 - 45 years old, woman, USA*

Start with more general questions:

1. What comes into your head when thinking about Santa Claus (let them mention the main attributes)?

- What first comes to my mind is of course an old white-bearded man with a red costume. He treats the children with presents according to what they deserve based on their behavior the year before Christmas.

2. Have you heard about Santa Village in Finnish Lapland, where you can meet Santa and have a chat in his Christmas office?

- Yes, I have. I have read about it in the internet. I think it was a travel advertisement.

then more into depth:

3. Would you consider visiting Santa Village?

- Absolutely!

· Why?

- I am really into the Christmas spirit. Every year I am so keen for the Christmas time. And I love white winter!

if yes:

4. What is your reaction when reading the headline “Father Christmas officially broke due to unpaid tax bill”?

- How could that happen? I am confused. It is funny that they call Santa being broke instead of the company.

5. Have you heard about the recent news about the village's bankruptcy (it is interesting how spread it actually is)?

- No, I have not.

6. Would you still consider visiting (finding out whether those news had an impact on the posed attributes of Santa, mentioned above)?

- Yes. It does not have an impact on my associations. Santa is a myth, not something commercial in my eyes. However, I don't have a clue how everything is organized over there. Whether it is expensive or not. Whether everything is oriented towards economic growth.

7. Do these news of ‘Santa being bankrupt’ have an impact on your idea of Santa?

- No, they haven't.