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Changing brand perceptions: Nespresso's efforts to be perceived as a sustainable coffee brand

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Fifth Edition

Student Papers

2019
September - October

Strategic Brand Management: Master Papers

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Abstract

Purpose: The purpose of this paper is to analyse the misalignment between brand vision and brand image. Particular emphasis is placed upon the role of customers' perceptions when it comes to shaping the brand image.

Literature review: The analysis of the misalignment between brand vision and brand image was based on the theories of brand perception and on the vision-image gap as well as on cognitive psychology factors. Furthermore, the communication process model was applied.

Methodology: A mixed approach is used, where the main focus lies on qualitative data with quantitative elements to strengthen the arguments. A case study of Nespresso's sustainability communication is presented to investigate the misalignment between the brand vision and the brand image.

Findings: The findings of this paper show that the misalignment between brand vision and brand image can have several reasons. Cognitive psychological factors play an important role in the communication process and need to be considered by brand managers when developing communication.

Research limitations: The research paper is based on only one company and the survey was based on a fairly homogenous group.

Paper type: Research paper

Original/value: The originality of the paper derives from the analysis of how cognitive psychology affects brand communication.

Keywords: Brand perception, brand image, brand vision, communication, cognitive psychology, sustainability, Nespresso.

Introduction

Sustainability is a major concern among consumers and is affecting the management of today's brands. In this article sustainability mainly refers to environmental aspects of corporate social responsibility. If brands are perceived as unsustainable or do not contribute to sustainability issues, customers may develop unfavourable attitudes towards the brand (Erdil, 2013). This implies that the communication of a company's sustainability work becomes more important to continue to compete on the market (Genç, 2017). Depending on the type of industry the trend towards sustainability is more or less visible. An industry where sustainability concerns are very evident is the coffee industry, where demand is increasing for sustainable coffee alternatives and companies want to be more sustainable (Bradley & Botchway, 2018). However, companies find it challenging to communicate their sustainability efforts and to be perceived as sustainable by the consumers (Peloza, Loock, Cerruti & Muyot, 2012). As a result, there may be a misalignment between the internal brand vision and the external brand image.

The aim of this paper is to analyse the misalignment between brand vision and brand image. Particular emphasis is placed upon the role of customers' perceptions when it comes to shaping the brand image. As Kapferer (2012) suggests, an important thing to consider in marketing is that perception is reality. In other words, if there is a misalignment between a firm's internal vision and the external perceptions, the latter will dominate. Alternatively stated: "perceived reality is reality". This makes it clear why brand managers have to focus on perceptions, as they will eventually constitute the brand image. According to Hatch and Schultz (2001) it is crucial to address the gap between internal vision and external image. Changing perceptions is a difficult and time-consuming process, that is furtherly complicated due to cognitive psychological factors (Hernandez & Preston, 2013).

To get a better understanding of how brands communicate sustainability the case of Nespresso is analysed. The starting point is a consumer survey regarding sustainability perceptions of Nespresso. It has been shown that consumers highly value sustainability when choosing a coffee brand, however they do not perceive Nespresso as very sustainable despite Nespresso's many efforts to act in a sustainable way and communicate this.

The first section of this research article provides a literature review with the central concepts that have an influence on brand perception. Furthermore, factors causing and increasing the misalignment between vision and image are highlighted. In the second section of the article the case of Nespresso will be presented and analysed in order to provide a more practical understanding of how perceptions influence the image of a brand. Apart from a survey, two interviews have also been conducted; one with the Nordic Brand and Communication manager of Nespresso, Gitte Sarlvit and one with the Nordic Corporate Communication Manager of Nestlé, Cathrine Suter-Ossborn. Finally, reflections are made upon what needs to be considered in order to communicate sustainability in an efficient way.

Literature review

Brand perception

Perception is the way something is understood or interpreted (Lexico, n.d.). According to Kapferer (2012) a brand is a set of added perceptions. In other words, consumers' perception of a brand is the way they interpret and understand the brand. However, Hatch and Schultz (2001) state

that this external perception may not be consistent with the management's vision of the brand. For example, brands that act sustainable may not be perceived as sustainable by the consumers.

Brand vision and brand image
The identity of a brand is what makes the brand unique (Hatch & Schultz, 2001), it is the core of the brand and describes, among other characteristics, the vision and values of the brand (Kapferer, 2012). According to Hatch and Schultz (2001) the vision of a brand refers to the top management aspirations for the company in question. Furthermore, vision is a set of goals which indicates in which direction the management wants to take the brand as well as the company. Hatch and Schultz (2001) present three different gaps: vision-culture gap, image-vision gap and image-culture gap. In this research paper the main focus lies on the vision-image gap.

Companies communicate with customers and other stakeholders in order to create awareness and convey their message (Ghauri & Cateora, 2014). According to Hatch and Schultz (2001) the brand identity is created by the sender, communicated through products, people, places or other communication means and finally interpreted by the receiver. In addition, the receiver forms an opinion which results in the image of the brand. Moreover, the authors refer to image in terms of the outside world's overall impression of the brand. Brand image is the gathered opinion about the brand among all stakeholders, including customers, the media, shareholders and the public in general (Hatch & Schultz, 2001).

Misalignment between the brand vision and brand image
In order to maximize the corporate branding strategy, it is important that the vision and the image of the brand are aligned, which namely implies that the top management and the stakeholders have the same idea about the company and that the management is taking the company in a direction which the stakeholders support (Hatch & Schultz, 2001). Furthermore, the authors argue that the most well composed strategic vision will fail if it is not aligned with the consumers' wants and needs. A misalignment can result in the brand reaching another market than the targeted one and thereby focusing their communication in the wrong direction as well as missing out on important markets (Hatch & Schultz, 2001). A misalignment can also, according to the authors, turn the stakeholders against them due to dissatisfaction.

Hatch and Schultz (2001) recommend brand managers to ask themselves who their stakeholders are, what the stakeholders want from the company and how effectively they are communicating their vision to their stakeholders in order to detect a misalignment. The authors claim that many companies underestimate the importance of communicating their vision to their stakeholders. According to Roy and Banerjee (2014) detecting a gap between the brand vision and brand image will favour brand managers, as it allows to improve market performance. Furthermore, the authors argue that it gives brand managers the opportunity to influence the communication in the right direction, deliver the right message and come across as they please. In addition, they claim that two important components to achieve an alignment are consistent communication and high brand knowledge. The authors argue that brand knowledge plays a crucial role in order to achieve consistency between the brand image and the brand vision. Overall, both Hatch and Schultz (2001) and Roy and Banerjee (2014) argue that minimising misalignments between brand vision and brand image is a key activity for brand managers.

The role of communication for building sustainability perceptions

In order to align the vision and the image of the brand, communication is crucial (Hatch & Schultz, 2001). Since sustainability efforts can help build a brand, communicating those efforts plays an important role in building brands (Peloza et al., 2012). However, in order to benefit from the brand-building potential of sustainability, it is not enough to operate in a sustainable way, the company also has to be perceived as sustainable (Peloza et al., 2012). Consequently, in a brand-building perspective it does not matter if the company is sustainable if this is not communicated. Therefore, in order to create perceived sustainability, the company has to create effective communication that reaches the intended consumer (Ghauri & Cateora, 2014). Some companies have difficulties reaching the consumers with their communication which decreases the ability to create perceived sustainability of the brand (Peloza et al., 2012).

Communication Process Model

According to Kapferer (2012, p. 220) "Communication is the brand's weapon". Communication can be used to highlight the intangible and invisible values that make the brand different from competitors (Kapferer, 2012). However, companies can have difficulties reaching their consumers with their communication and the reality of their sustainability efforts may not meet the consumers' perception of the brand (Peloza et al., 2012). Brands may not have been able to properly communicate which in turn may lead to a misalignment between the vision and the image of the brand (Hatch & Schultz, 2001). Therefore, when creating communication, it is important that the brand managers have an understanding of how receivers will decode and interpret the communication (Peloza et al., 2012). The message from the brand also has to be communicated and received by the intended consumer (Ghauri & Cateora, 2014). The effectiveness of the communication is affected by seven factors: *information source, encoding, message channel, decoding, receivers, feedback* and *noise* (Ghauri & Cateora, 2014).

1. *Information source*

The information source comes from a sender that has information to communicate to a receiver (Ghauri & Cateora, 2014). For example, when a company communicates its sustainability efforts to customers and other consumers to affect their perception, the company acts as an information source.

2. *Encoding*

The encoding refers to the process by which information from the source is translated and developed into a message with an appropriate meaning (Ghauri & Cateora, 2014). For instance, the company creates an effective message from the information that they believe will reach the intended receiver.

3. *Message channel*

The message channel is used to deliver the message (Ghauri & Cateora, 2014). For example, the message may be communicated through social media, TV, radio or the company's own website (Ghauri & Cateora, 2014). According to Peloza et al. (2012), in order to create an effective message, companies have to match the media channel with the content of the message. Moreover, companies will benefit from using different message channels to send their message. The authors exemplify this by stating that information about sustainability efforts can be printed on product packaging, so that consumers are reminded about this every time they use the product. In addition, companies can also benefit from embedding sustainability messages as part of their overall marketing communications (Peloza et al., 2012).

4. *Decoding*

Decoding is the process when the message is interpreted by a receiver. However, the message does not have to be interpreted as the sender intended it to be (Ghauri & Cateora, 2014). The receiver also has to

have the motivation to process the message (Peloza et al., 2012). For example, if the consumer does not have the motivation to process the message, it does not matter how effective the message is.

5. *Receivers*

Receivers are the stakeholders targeted to take action and respond to the decoded message (Ghauri & Cateora, 2014). These stakeholders can, for example, be customers, consumers, competitors and suppliers.

6. *Feedback*

Feedback is given from the receiver to the sender (Ghauri & Cateora, 2014). This information can be evaluated by the sender in order to understand the effectiveness of the message (Ghauri & Cateora, 2014). This feedback may be used to assess if the communication was successful and if the receiver interpreted the message as intended.

7. *Noise*

Noise includes uncontrollable and unpredictable influences that can impact the other steps and mainly the receiver (Ghauri & Cateora, 2014). Noise can come from external influences such as communication from competitors (Ghauri & Cateora, 2014). According to Peloza et al. (2012) it can confuse, distract and overwhelm the receivers and affect their ability to interpret the message. In addition, noise can take the form of negative media coverage that twists the consumers' interpretation of the message. For example, if the media report that a company is making a profit at the expense of the environment, this noise can affect the company's ability to reach the consumer with its sustainability message. Another form of noise mentioned by Peloza et al. (2012) is the legion amount of companies that are trying to send their message and get their communication heard. The authors argue that many companies are struggling to create meaningful and differentiated messages about their sustainability efforts. This creates a numerous amount of similar messages which overwhelm the consumer and it may be problematic to understand the differences between different companies and their sustainability efforts (Peloza et al., 2012).

Peloza et al. (2012) claim that even though sustainability efforts are becoming increasingly important for companies, it is not given that companies market their sustainability efforts. Furthermore, they argue that this depends on the fact that some companies are concerned that stakeholders might misunderstand or perceive sustainability communication as self-promoting, or even as greenwashing. The practice of greenwashing is defined as "[a] play on the word whitewashing indicating that an organization is outwardly trying to exhibit a value for green activities without truly embracing their underlying values." (Dutch, 2014, p. 33). This may damage the consumers' perception of the brand (Peloza et al., 2012). Furthermore, Peloza et al. (2012) argue that companies may also worry that communicating sustainability efforts will only cause stakeholders to further examine the company's sustainability efforts.
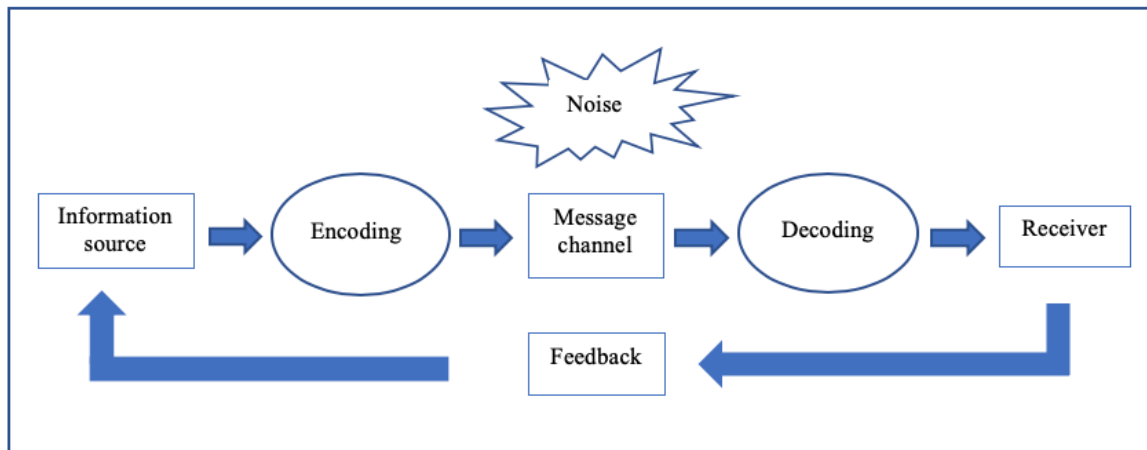
Figure 1. The communication process model from Ghauri and Cateora (2014), adapted by the authors.

Cognitive psychology theories

Cognitive psychology explains how people think and form categories (Kapferer, 2012). Cognitive dissonance, cognitive consonance and confirmation bias are three psychological theories that may explain the reasons behind individuals' perceptions.

Individuals tend to prefer information that is consistent with their initial attitude (Becker, Becker, Franzmann & Hagenah, 2016). They strive for consistency within themselves (Kassarjian & Cohen, 1965). Attitudes, values and beliefs are thus organized into clusters that are internally consistent and also consistent with their behaviour (Kassarjian & Cohen, 1965). Therefore, Becker et al. (2016) state that consumers prefer exposure to communication that agrees with their already existing opinions. In addition, consumers actively seek material that supports their opinions and actively avoid material that challenges their opinions. Acharya, Blackwell and Sen (2018) mean that when changing consumer's behaviour, the consumer might have to change his or her values or attitudes about the product or company. Therefore, brands can have more difficulties reaching and convincing consumers who are not using the company's products, than those who are already customers (Kassarjian & Cohen, 1965).

The strive of individuals for consistency is related to the psychological terms cognitive consonance and cognitive dissonance. Cognitive consonance refers to the strive for consistency in an individual's attitudes, beliefs and behaviour (Becker et al., 2016). In addition, cognitive consonance causes individuals to avoid dissonant information, namely information that contradicts already existing opinions. Cognitive dissonance occurs when an individual feels a mental discomfort due to inconsistent thoughts, beliefs or attitudes (DeWitt, 2019). This is especially related to behavioural decisions and attitude change (DeWitt, 2019). Individuals experience a mental discomfort when they behave in a way that they believe is in conflict with their own preferences (Acharya, Blackwell & Sen, 2018). Individuals strive for consistency and therefore tend to interpret information in a way that reduces uncertainty (Kassarjian & Cohen, 1965). According to Acharya, Blackwell and Sen (2018) successfully changing consumers' behaviour leads to an alteration in their preferences. Furthermore, the alteration of these thoughts, beliefs and attitudes will reduce the mental discomfort and restore balance. Consequently, people tend to change their attitudes and beliefs to align them with their behaviour and thus to minimize mental discomfort. However, changing consumers' perceptions is time-consuming and complicated due to

cognitive psychological factors (Hernandez & Preston, 2013).

Closely related to the cognitive dissonance theory is the confirmation bias (Pearson & Knobloch-Westerwick, 2019). According to the confirmation bias theory, when searching for information, one tends to be resistant to information that challenges and is in conflict with existing beliefs. This results in accepting only information which confirms existing beliefs (Lee & Clark, 2018; Nelson, 2014).

Methodology

Research Design

Research can either take a qualitative, quantitative or mixed approach. Qualitative research method focuses on words whereas a quantitative approach emphasizes numbers and can through a large sample size quantify the data (Bryman & Bell, 2015). The mixed method implies a mix of both qualitative and quantitative approach where the main focus of research is either equal, or more focused on qualitative or quantitative data (Bryman & Bell, 2015). The aim of this paper is to examine why organisations may face a misalignment between external brand image and internal brand vision and the study mainly has a qualitative approach with quantitative elements to strengthen the arguments presented. Yin (2009) suggests that a case study can be used when the research question answers a "how" or "why" question. Therefore, the paper is based on a qualitative case study, semi-structured interviews and a brief quantitative survey.

Data collection method

The data in this study have been collected through multiple methods and consist of primary and secondary sources. Primary data refer to the data which the researchers has collected first-hand in contrast to secondary data which refer to data collected by others (Lundahl & Skärvad, 2009). Furthermore, the primary data have been collected both through two semi-structured interviews and through an online survey, while the secondary data contain previous academic articles within the research topic and background information about the chosen case company.

The data collection was conducted in three stages. Firstly, the previous literature on the subject was examined and a shortage of studies regarding the misalignment between external brand image and internal brand vision concerning sustainability was discovered. The literature review was based on articles from Google Scholar and Lund University database.

Secondly, the primary data were collected through two semi-structured interviews via Skype, which lasted approximately between 30 to 45 minutes each, with the Head of Communications at Nestlé Nordics and the Nordic Brand and Communication manager at Nespresso Denmark. Since the interviewees both have prominent positions within their companies it is important, according to Bryman and Bell (2015), to consider the chance of biases in their given answers. Semi-structured interviews give the interviewee a chance to elaborate his or her answers and the interviewer is able to ask follow-up questions (Saunders, Lewis & Thornhill, 2009). An interview guide was designed with open questions to ensure all relevant topics were covered during the interviews (See Appendix A). The interview guide provides assurance that all relevant themes are touched upon during the interview (Bryman & Bell, 2015). Both interviews were recorded and later transcribed to be able to analyse the collected data. By recording the interview, the interviewer gets more chance to give all its attention to the interviewee and is less likely to miss important information (Bryman & Bell, 2015).

Thirdly, the survey was composed of closed questions and sent out through social media platforms (See Appendix B). The survey contained yes and no questions and two questions measuring answers on a 10-point scale (1=Low, 10=High). Online surveys have several advantages over paper surveys - they are less time consuming and can be automatically downloaded to a database which eliminates coding (Bryman & Bell, 2015).

Respondents	Name	Title	Company	Interview date
Manager 1	Gitte Sarlvit	Nordic Brand and Communication Manager	Nespresso Denmark	8 October 2019
Manager 2	Cathrine Suter-Ossborn	Head of Communications	Nestlé Nordics	9 October 2019

Figure 2. Table of interviewee

Sample selection and sample size
Due to accessibility we have chosen a convenience sampling method for both the qualitative and quantitative parts of the research. Convenience sampling is the most accessible method for researchers and often has a high response frequency (Bryman & Bell, 2015). However, it is argued that sample selection is less generalizable because of non-representative respondents (Bryman & Bell, 2015). Since the survey for the research did not target specific genders or age, this sampling was still seen as suitable. The survey has a majority of respondents from Scandinavia and Europe, but also from other countries (Appendix B). Since the demographic spread of respondents is relatively wide, it can be argued that the survey is not geographically limited. The interviewees were also chosen by convenience and were contacted through Lund University due to previous contact.

Data analysis
To be able to analyse the collected data, the interviews were transcribed, and the findings were put in a document to be able to be reviewed through a thematic analysis. Furthermore, themes were identified and matched to chosen theories and framework in order to draw conclusions about the result. The thematic analysis enables the author to interpret the data to find patterns that are relevant for the study (Rennstam & Wästerfors, 2015).

The survey was conducted using Google Forms, which provided a systematic representation of the collected data in the form of charts. Given that the aim of the collected data was to highlight the overall sustainability perception of Nespresso held by consumers no further quantitative evaluation has been carried out.

The Case of Nespresso

Company background
Nespresso started with a very simple yet revolutionary idea: "enable anyone to create the perfect cup of coffee at home - just like skilled baristas", as stated by Manager 1. In order to achieve this, Nespresso has developed a unique technique of single portioned aluminium coffee cups, commonly known as capsules, which are crucial to guarantee high quality. Nespresso is a global, premium brand that was founded in 1986 and is fully owned by Nestlé S.A. but enjoys high levels of autonomy when it

comes to decision making (Nestlé-Nespresso, 2015).

Sustainability efforts
Sustainability has, according to Manager 1, been a central theme throughout Nespresso's existence and grown particularly important in recent years. Furthermore, Nespresso has a clear brand vision of what the Nespresso brand wants to achieve regarding sustainability and their aspiration is to incorporate sustainability in every aspect of the company. For instance, Manager 1 states that Nespresso uses recyclable aluminium capsules, as aluminium is one of the few materials which is infinitely recyclable. However, she also states that some consumers are concerned about aluminium and do not perceive it as sustainable. Both managers provide an example of the recyclability of the capsules by referring to the recent collaboration with Vélosophy, a premium bike manufacturer located in Stockholm. Together they have launched the "re:cycle" campaign. As the word suggests, recyclability is the core message of the campaign. The fact that Nespresso capsules are recyclable is highlighted through a bicycle that is produced in limited amount, made of used aluminium coffee capsules and sold at a relatively high price (Nespresso, 2019b). Since 2003, Nespresso operates the so called "Nespresso AAA Sustainable Quality™ Program", a collaboration with the Rainforest Alliance based on shared goals which may be described by a triple focus on quality, sustainability and productivity (Nestlé-Nespresso, n.d.).

According to Manager 1 sustainability is inherited in the way Nespresso works and can be seen throughout the whole value chain, from bean to cup. This means that from the sourcing to the final product and its disposal sustainability plays an important role. Moreover, to ensure recyclability, adjustments had to be made also from a legal perspective: As stated by Manager 1, in Denmark it was necessary to work out a new legislation, known as Lex Nespresso, that made it possible to recycle aluminium capsules with coffee inside. Country specificities play an important role and it is necessary to assess these factors before claiming recyclability, as this could otherwise lead to the accusation of greenwashing practices, which, as has been highlighted in the literature section, can damage the consumers' perception of the brand. However, during the interview Manager 1 has stated that in the past greenwashing has not been an issue for Nespresso, while Manager 2 has highlighted that opponents make accusations of greenwashing, which need to be counterbalanced by facts and concrete examples.

Misalignment between Nespresso's brand vision and brand image
Taking into account the numerous sustainability commitments and communication efforts that have been made so far, one might expect that Nespresso is perceived as a sustainable coffee brand. A survey has been carried out to analyse how sustainable Nespresso is perceived by consumers and how important sustainability is for them when choosing a coffee brand. Comparing Figure 3 and Figure 4 it is observable that although sustainability plays an important role when buying coffee, confirming the claim that it has become a prerequisite within the coffee industry, Nespresso is not perceived as very sustainable. This was also confirmed by both managers who stated to be aware of the need to align the perception between vision and image.
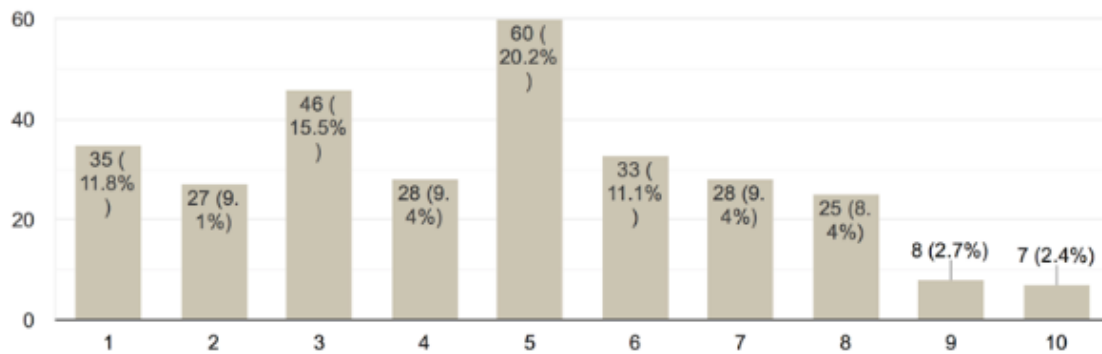
How sustainable do you perceive Nespresso?

297 responses

Figure 3. Results from consumer survey

How important is sustainability for you when choosing a coffee brand?
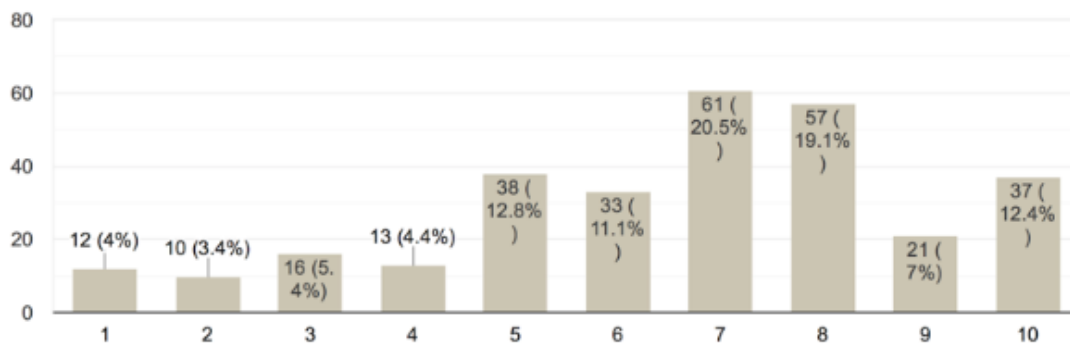
298 responses

Figure 4. Results from consumer survey

What is emerging from the data from the interviews and the consumers survey is that there is a gap between Nespresso's vision, which clearly is to be sustainable, and Nespresso's brand image. Applying the theory of Hatch and Schultz (2001) there appears to be a misalignment between Nespresso's brand vision and the consumer's image of the brand, which is made up by the perceptions and ideas consumers have about the brand. Moreover, Nespresso is a well-known brand, as has also been confirmed by 97% of respondents In the survey who said to be familiar with the brand. Nevertheless, the contrast between the external image and internal vision poses a managerial challenge to brand management, which is to reduce the misalignment between brand vision and brand image and utilise sustainability as a brand building pillar for Nespresso.

Communication Process Model applied to Nespresso
The following section aims to analyse Nespresso's sustainability communication by applying the communication process model. Nespresso is in control of the

encoding and of the message channel, while the decoding, the receivers, the feedback and the noise are factors out of the company's control.

1. Information source

Nespresso is the source of information in communicating sustainability to consumers. According to Ghauri and Cateora (2014), the information source is the company who wants to send a message.

2. Encoding

The information from Nespresso should, according to Ghauri and Cateora (2014), be translated and developed into a message about their sustainability efforts. Manager 2 has claimed that their sustainability efforts have to be integrated in their brand communication. For example, Manager 1 has referred to the Vélosophy campaign where Nespresso's sustainability efforts have been translated into a campaign where the aluminium capsules are recycled and used to produce a bike. The message behind the campaign is that Nespresso's capsules are recyclable and can be reused to, for example, produce a bike. Manager 1 refers to it as a second-life story that is conveyed, namely that aluminium capsules can have a second life in the form of a bike.

3. Message channel

The main message channels used by Nespresso to communicate their sustainability work are, according to Manager 1, email and their own website. Through these channels the company mainly reaches current customers. In order to reach a wider audience Nespresso also collaborates with National Geographic who conveys their message through social media platforms such as Instagram. Furthermore, Manager 1 stated that the company collaborates with influencers to communicate their message and emphasised the importance of choosing an influencer who is relevant for the particular campaign. Additionally, Manager 1 illustrated this by explaining that the influencers communicating the Vélosophy campaign have to be relevant and in line

with the topic of sustainability, in order to effectively communicate sustainability. Manager 2 also stressed the importance of having a holistic and coherent approach when communicating. The opinions of both managers are coherent with the theory of Peloza et al. (2012) about message channel stating that in order to create an effective message the content of the message has to match the used media channel.

4. Decoding

According to Manager 1, Nespresso is operating in several sustainability areas which are communicated to consumers. However, Manager 2 stated that although Nespresso communicates its sustainability efforts, the message may not be interpreted the way it is intended. Furthermore, she stated that the perception of many consumers is not fact-based, meaning that consumers have a perception that is built on false beliefs and prejudice. This can be linked to what Peloza et al. (2012) state about companies having difficulties reaching consumers with their communication, as Nespresso's sustainability efforts may not be consistent with the consumers' perceptions of the brand. This is problematic, since Peloza et al. (2012) argue that it is not enough to operate in a sustainable way. In fact, Nespresso also has to be perceived as sustainable. One of the reasons for this problem is, according to Becker et al. (2016), that individuals tend to prefer information that is consistent with their initial attitude, hence cognitive consonance. Becker et al. (2016) argue that if consumers experience cognitive dissonance in Nespresso's communication, the consumers will have difficulties perceiving the message as intended by Nespresso.

For example, some consumers have a negative perception of the use of aluminium, which may negatively affect their perception of Nespresso as being sustainable. Both managers stated that this is problematic for Nespresso. Additionally,

Manager 2 claimed that it is time-consuming and challenging to change a perception that is not fact-based. This is also confirmed by Hernandez and Preston (2013), who argue that changing the perceptions is time-consuming. Furthermore, Acharya et al. (2018) argue that decision-making which is in conflict with an individual's beliefs causes mental discomfort. This is due to the consumers' belief that the aluminium capsules are not sustainable even though Nespresso is communicating that aluminium is sustainable. This information is hence inconsistent with already existing beliefs and causes the mental discomfort. Consequently, according to Becker et al. (2016), cognitive consonance will cause consumers to avoid the dissonant information that contradicts their existing beliefs about aluminium not being sustainable. In addition, this can according to Nelson (2014), also be seen as confirmation bias, since the consumer seems to be resistant to Nespresso's sustainability communication as it challenges and conflicts the consumer's existing beliefs about aluminium.

In addition, Peloza et al. (2012) argue that the receiver needs to be motivated to process the message. In the case of Nespresso, it is possible to argue that consumers may not be motivated, since the message does not confirm their existing beliefs about Nespresso. However, according to Acharya et al. (2018), preferences, which in turn are influenced by perceptions, can be altered. This favours Nespresso, since this implies that Nespresso can change the perception of the consumers. For example, changing the consumer behaviour may change the consumers' attitudes towards Nespresso, since the consumers want the behaviour and attitude to be aligned to avoid cognitive dissonance. In conclusion, the decoding of Nespresso's message is affected by several factors outside of Nespresso's influence.

5. Receivers

As stated by Ghauri and Cateora (2014) receivers are the stakeholders targeted to take action and respond to the decoded message. As Manager 1 pointed out during the interview, Nespresso's communication on sustainability is targeted to both its existing customers as well as to new and potential Nespresso customers. According to the channel that is chosen, either new or existing customers may be reached: for instance, working together with National Geographic allows to communicate with a new audience, while using channels owned by Nespresso such as the company's Instagram account allows to communicate with existing clients.

Moreover, Manager 2 has highlighted that communicating sustainability internally plays an important role, as employees are the key ambassadors to communicate sustainability with the outside world.

6. Feedback

The Vélosophy campaign can state an example of measuring feedback from the consumers, which, in this case, are the receivers of information. Manager 1 stated that Nespresso receives feedback from various key performance indicators. Furthermore, even if the numbers by the campaign are not yet compiled the campaign shows positive indications. According to Ghauri and Cateora (2014) in this stage Nespresso processes the information to assess if the message has been received correctly. However, the conducted survey shows that the majority of consumers neither interpret Nespresso as sustainable nor that they are aware of Nespresso's sustainability efforts (see Appendix B). This may be linked to the fact that changing perceptions takes time.

7. Noise

According to Ghauri and Cateora (2014) noise may be defined as uncontrollable and unpredictable influences that can impact other communication steps and mainly the receiver. In the case of Nespresso, noise

may come from different sources. First, competitors may cause noise, confirmed by Manager 2 who stated that all actors within the coffee industry aim to be perceived as sustainable and communicate this in similar ways. In fact, Peloza et al. (2012) are stating that many companies are struggling to create differentiated messages about their sustainability efforts. Second, negative media coverage, which may be further aggravated by the confirmation bias, causes noise: for instance, if a consumer is already critical towards the usage of aluminium, sceptical or even negative publicity about aluminium may strengthen his or her negative opinion about Nespresso. This may for instance have an impact on the effectiveness of the re:cycle campaign, as people may be unable to decode the message about recyclability. Furthermore, certain message channels may, due to intrinsic reasons, face a lot of noise. For instance, sending newsletters via email may be inefficient due to the enormous amount of emails people are receiving. Manager 2 has also pointed out that being part of Nestlé may affect the successful conveyance of sustainability messages if consumers have a negative opinion about Nestlé. This may be explained by cognitive dissonance which according to DeWitt (2019) arises when individuals feel discomfort due to inconsistent information.

Discussion

Interestingly, it appears that the capsule system, which makes Nespresso successful and unique, may be a major threat for Nespresso when it comes to being perceived as a sustainable player within the coffee industry. In a sense, one may claim that the aluminium capsules are both a source of competitive advantage as well as a challenger when Nespresso is communicating its sustainability efforts. In fact, if customers have a bad perception about aluminium, this may affect the decoding of sustainability messages. As has

been mentioned in the literature review, sustainability efforts can help build a brand. Sustainability is an important brand-building pillar for Nespresso both in terms of ethical sourcing procedures and in terms of recycling. The analysis has shown that although Nespresso has undertaken several actions to communicate its sustainability work, some consumers are not perceiving it, which results in a misalignment between Nespresso's brand vision and brand image. The question arises what the underlying reasons for this misalignment are.

Looking at the communication model, there could be several reasons behind the misalignment. Nespresso may be sending out the wrong message in the first place and may use the wrong channels to communicate it. However, the decoding and the noise seem to be the main reasons for the misalignment.

As has been shown, cognitive psychological factors, especially cognitive dissonance and confirmation bias, have an important influence on the receiver of communication messages while decoding them. Cognitive psychological factors may lead to different interpretations of the message. For instance, if consumers already have a negative image of Nespresso they may interpret a campaign such as re:cycle as greenwashing.

In terms of noise, the main problem is linked to the fact that sustainability, especially within the coffee market, is becoming an industry standard, leading to difficulty in differentiating and effectively communicating one's message. Furthermore, it seems that Nespresso enjoys high brand awareness, confirmed by 97% of survey respondents who stated to know the brand. However, being aware of the Nespresso brand may not automatically imply that people are aware of their sustainability efforts. In other words, brand knowledge about Nespresso may not include the sustainability efforts made by the company. This is problematic, as high

brand knowledge and consistent communication are two important elements to achieve alignment according to Roy and Banerjee (2014).

Another critical aspect to consider is the fact that Nespresso is part of Nestlé. This may also affect how consumers perceive Nespresso as they consider them to be the same entity. In countries where Nestlé may be struggling with reputational problems this may have spill-over effects on Nespresso, which may be aggravated due to cognitive dissonance. For instance, if a consumer has a negative opinion about Nestlé, he or she may not be receptive to Nespresso's sustainability communication. This is due to cognitive psychology factors and individuals' desire for consistency in their thoughts and beliefs.

The previous literature has underlined that consistency in communication plays a crucial role in aligning the gap between brand vision and brand image. In fact, since Nespresso is a premium brand, collaborating with a high-quality brand manufacturer and producing a limited number of bikes sold at a relatively high price, is consistent with the overall Nespresso brand. There is consistency and perceptual fit between the Nespresso brand and the Vélosophy brand. Partnering with a low-quality bike manufacturer would not reflect the brand vision of Nespresso and thus result in inconsistent communication. Moreover, as has been pointed out by Manager 2, facts and concrete examples are important to communicate sustainability. Developing a bike made of recycled aluminium capsules is a concrete example of recyclability and may be very efficient in conveying the sustainability message. However, if aluminium is not perceived as a sustainable material, the message of recyclability may not be received by the consumer due to cognitive dissonance.

Kapferer (2012) argues that communication is the brand's weapon. By looking at the case of Nespresso, one may observe that communication has the potential to alter consumers' perception. While cognitive consonance and dissonance may disturb the communication process, they may also represent an opportunity to strategically influence consumers' perception, if brand managers are aware of their implications. Cognitive consonance and dissonance are reasons why consumers may not perceive Nespresso as sustainable. However, if Nespresso manages to change the consumer's behaviour, they may also be able to change their attitudes towards Nespresso. For example, if a consumer wants to buy a highly sustainable coffee brand and if Nespresso manages to get the consumer to start buying Nespresso, the consumer will alter his or her perceptions to be aligned with the new behaviour. Hence, the consumer will perceive the Nespresso brand as more sustainable due to the change in behaviour.

Overall, the effectiveness of the communications may be limited due to several factors including noise and cognitive psychological factors. This implies that although communication may be a powerful tool for brands, it is crucial to have an analytical understanding of the communication process and of what affects it.

Limitations and further research

When analysing the gap between brand image and brand vision the paper has only focused on one company. Comparing different companies within the same industry or across industries could have strengthened the analysis. Moreover, since changing perceptions is an ongoing process, which takes time, results may be hard to measure. For instance, the re:cycle campaign is still ongoing, which is why the paper has not provided final results. Temporary results would have distorted the

overall effectiveness of the campaign and lead to a premature judgment.

Potentially, the fact that both interviewees have prominent positions within their companies, it is important to be aware of the chance of bias in their answers. This may have influenced the results of this study and therefore it may not be seen as generalisable. Another limitation regards the survey, which, despite being representative, included a fairly homogeneous group of 303 people coming mainly from Europe, particularly Scandinavia.

Furthermore, the analysis has only focused on three psychological biases, when in reality there are several others which may affect perceptions about brands. In addition, the paper concentrated on the gap between vision and image, while culture also plays a critical role in building strong brands. The role of culture may be investigated in further research on the topic of changing brand perceptions. Additionally, further research could investigate how the misalignment between external brand image and internal brand vision can be managed, since the focus of this paper was why the misalignment exists. Finally, the paper has studied the role of communication in changing brand perception regarding sustainability, while further research may be necessary to understand how brand management can alter perceptions.

Conclusion

When faced with the problem of misalignment between brand vision and brand image and when using communication to reduce this gap, brand managers have to be aware of the factors influencing the communication process. Brands may be perceived differently by consumers than intended by the brand managers, thus the brand image may not reflect the brand vision. Brand managers may use communication as a weapon to influence how the brand is perceived. However, from the conducted analysis and discussion it is clear that the communication process is complex, and all its steps need to be carefully considered. The information source, the encoding and the choice of message channel are controlled by the brand, while the decoding process, the receiver, the given feedback and the noise are not within the brand's control. This is an important aspect for brand managers to consider when designing and developing brand communication. Nevertheless, the analysis indicates that problems during the decoding process and noise can disturb the effectiveness of communication. Hence, even if the controllable steps of the communication process have been carefully planned, brand managers may still face the problem of ineffective communication. This may be due to cognitive dissonance, cognitive consonance and confirmation bias.

An important finding of this paper is that the communication process, specifically the uncontrollable steps, are affected by cognitive psychological factors. Brand managers can use cognitive psychological factors to strategically influence consumers' behaviours and thereby change perceptions to align the brand vision and the brand image. In the case of Nespresso this means that if the company manages to change consumers' perceptions concerning their sustainability efforts, they will be able to align their vision and their image. The reason for this is that perceived reality is reality.

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Appendix A

Interview questions Manager 1:
- When did you start working on sustainability?
- What made you realise it is important?
- Is repositioning Nespresso as sustainable a hot topic for Nespresso worldwide?
- How does it work internally and externally?
- Do you feel there is a risk of greenwashing and how do you avoid that?
- How do you communicate your sustainability work?
- Apart from the bike and recyclable capsules, what other sustainability initiatives has Nespresso pursued?
- How do you make sure people not just like what you do, but actually buy your products?
- How does it affect Nespresso, that you are a part of Nestle? Is it an advantage/disadvantage when it comes to sustainability?
- Advantages and disadvantages of working with influencers when communicating sustainability?
- What are the challenges of changing brand perception using sustainability as a key concept?
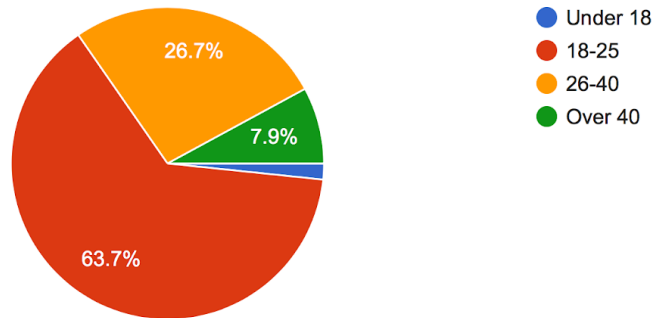
Interview questions Manager 2:
- When did you start working on sustainability?
- Was there any specific issue that made you realise that it's important or has Nestlé always been aware of the issue?
- How do you communicate your sustainability work?
- What is the main target of your sustainability communication efforts?
- How do you work with sustainability internally and externally?
- Do you feel there's a risk of greenwashing when working with sustainability questions as a big company? How can you avoid that?
- Do you think Nestlé's perceived image by the consumers are affecting how consumers view other brands within the Nestlé family?
- How do you think Nespresso is affected by being a part of Nestlé? Does it help or is a disadvantage when it comes to being perceived as sustainable?
- How independent is Nespresso from Nestlé when it comes to the sustainability work?
- What are the challenges of changing brand perception using sustainability as a key concept?
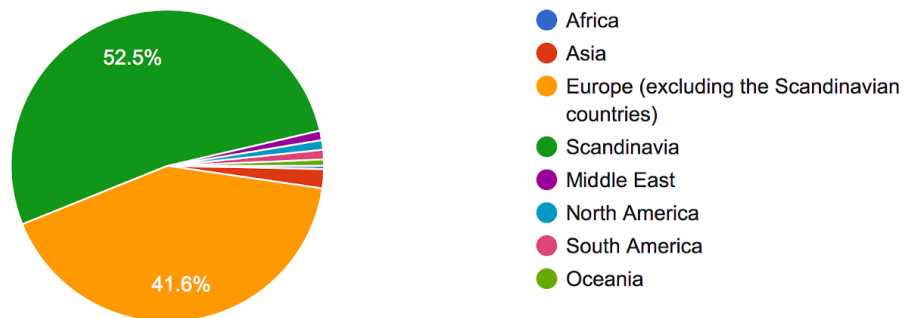
Appendix B
Nespresso Survey
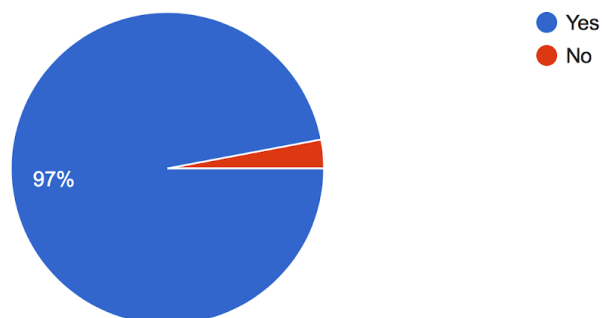
How old are you?
303 responses

Legend:
- Under 18
- 18-25
- 26-40
- Over 40

26.7%
7.9%
63.7%

Where do you come from?
303 responses

Legend:
- Africa
- Asia
- Europe (excluding the Scandinavian countries)
- Scandinavia
- Middle East
- North America
- South America
- Oceania

52.5%
41.6%

Do you know Nespresso?
303 responses

Legend:
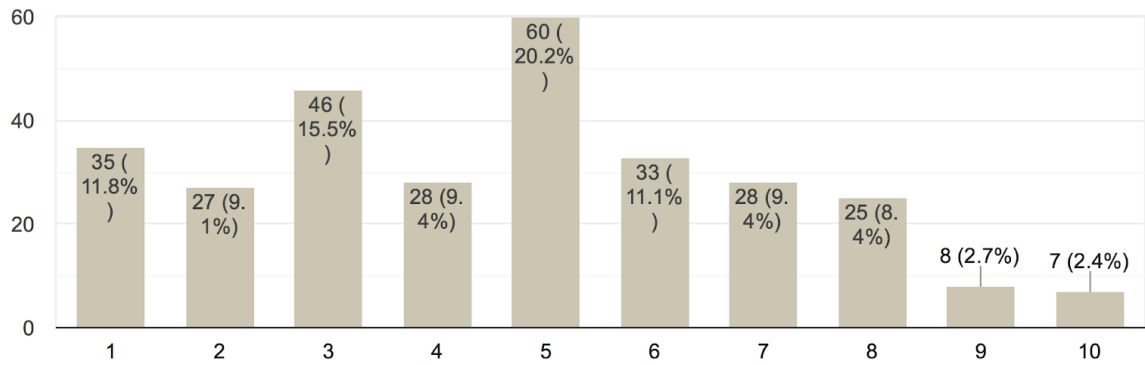- Yes
- No

97%

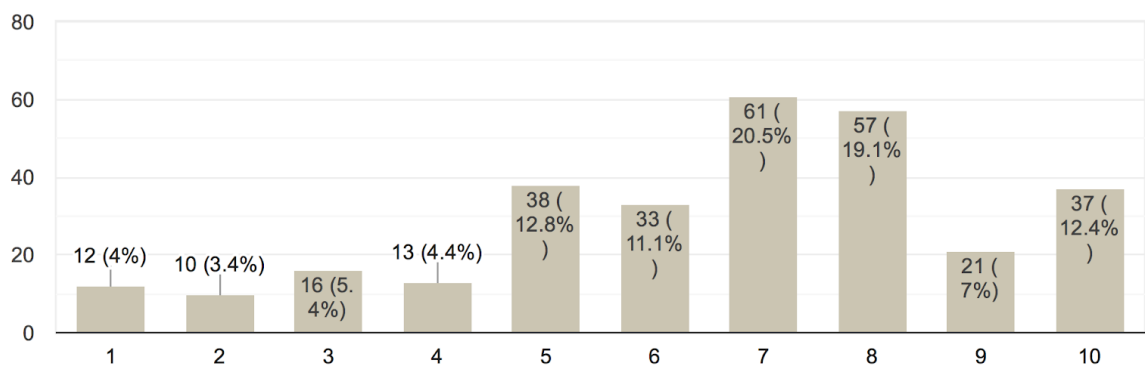## How sustainable do you perceive Nespresso?

297 responses

How important is sustainability for you when choosing a coffee brand?

298 responses

Have you noticed any communication from Nespresso regarding sustainability?

303 responses

- Yes
- No
- Not familiar with Nespresso

66.7%

29.4%