

# **Burberry: Chic or “Chav”? The Murky history of the legendary check**

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## **TEACHING NOTES**

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

# Teaching Plan

The following is a teaching note that is intended to support teachers or presenters to better understand the key points that can be outlined in the Burberry case. These notes are thought to be used as preparation for the teacher and include recommendations on what to think about when discussing the case. The teaching note should provide the teacher with information on how to introduce the case, suggestions on what to think about and what to include when presenting the case as well as things to think about to make the case interesting and unpredictable. The teaching note also contains learning objectives that can be used to support the teacher in learning students the main perspectives of the case. In the end of this teaching note there is a board plan consisting of an example of how to take on the case and what might be the key takeaways that the teacher can have in mind when preparing for the case.

## Case synopsis

Burberry, renowned for its classic tartan print, has been throughout the 20<sup>th</sup> century the quintessential British clothing brand.

Sported by the typical “London gent”, its reputation as a classic manufacturer remained intact until the 1990s, at which point it was assumed by the British football casual cult, leading to its associations with violent, binge-drinking people (defined in the English dictionary as “chavs”) and football hooligans, many of whom could be seen sporting a Burberry check baseball cap.

Association with these people undermined the long-established associations of quality built by the brand throughout its long history, resulting in a negatively affected demand which consequently led to a financial loss.

Furthermore, the company had to face problems associated with inadequate control over products design and distribution, which led to the extent of counterfeit activities, as a result of indiscriminate licensing and distribution agreements.

This leads to two main case questions:

*If you were part of the board management, how would you approach the reputational crisis brought on by the Chav culture?*

*What long-term strategic changes would you implement to restore the brand image and reputation and re-establish Burberry as an iconic luxury fashion brand?*

## Rationale for being an evergreen case

The case encourages one to actively reflect on potential management decisions since it impacts a brand’s identity and its corporate reputation.

The Burberry case can be considered as an evergreen case due to the relevance of rational decision-making accomplished within the business organization.

Therefore, its analysis will be helpful for any company facing negative brand associations – especially for those ones operating in the fashion industry.

## Learning objectives

The analysis of this case provides the reader with a wide array of learning opportunities in the field of corporate brand management, especially in the subjects of corporate brand identity, corporate reputation and heritage brands.

The following paragraph will thus serve as an overview of the learning objectives of the case which will be connected to the relevant literature.

Therefore, while presenting this case, discussing Burberry's reputational crisis situation and evaluating different management decisions, the case audience is supposed to achieve multiple key learnings.

The following will be defined in the upcoming sections.

### Corporate Brand Identity

Corporate brand management implies designing a clear strategy with a unified corporate identity.

In this regard, identity illustrates the fundamental attributes of any company and provides direction and purpose for the organization (Greyser & Urde, 2019). It refers to how an organization presents itself to both internal and external stakeholders and primarily how an organization wants to be perceived (Roper & Fill, 2012).

Therefore, when it comes to define a corporate brand identity, it is crucial to consider multiple elements. According to Urde (2013), these elements can be effectively presented in a form of a 3x3 Matrix built along 3 different dimensions – namely external, external/internal, and internal – with a core at the very center of it (see *Exhibit 1*). The latter represents the most important among these factors, as it expresses the brand's values and promise and help communicating them both externally and internally (Urde, 2013; Roper & Fill, 2012).

The core is the brand's essence and its *raison-d'être*, thus it should remain intact and not change over time (Kapferer, 2021).

In this case, the negative associations with “chavs” as well as the consequent problem related to counterfeit products significantly undermined Burberry's brand core, usually associated with a noble background and aristocratic leisure pursuits.

### Corporate Brand Image

While the internal presentation of a brand is a matter of identity, according to Roper and Fill (2012) the corporate image refers to how a company is being perceived by its surrounding.

Therefore, corporate image can be seen as the result of the audience's interpretation given to the cues that the organization has presented.

In this case, Burberry's brand image did not match its corporate core values.

The aspect of the substantial gap between the image and the identity resulted to be a risk for the corporate brand, whose products failed to be correctly associated with its target consumers.

## Corporate Reputation

Corporate identity and image both affect the corporate reputation, which is a concept described by Roper and Fill (2012) as the joint representation of a company's previous actions and results.

Described by Greyser & Urde (2016) in the extension of the corporate brand identity and reputation matrix as the second outer layer (see *Exhibit 2*), the phenomenon represents the company's capability to provide added value for various stakeholders. The corporate reputation also says something about a company's reactive position internally with their employees, as well as externally with their stakeholders.

The matrix can be used in this case to discuss what parts of the reputation have been affected and influenced by negative associations.

In this regard, many of the Burberry's reputational features have been negatively impacted such as differentiation, trustworthiness and relevance.

## Brands with a history

Considering Burberry's long history being central to its brand identity, it is relevant to back up the case with theory on heritage brands.

In this regard, according to Urde, Greyser & Balmer (2007) a brand's heritage is a dimension of its identity. To be considered a heritage brand, the brand has to actively emphasize it as a key part of its identity and thus use it as a corporate asset.

Therefore, a heritage brand consciously bases its value proposition and positioning on its heritage (Urde, Greyser & Balmer, 2007).

Burberry's history dates back to 1879 when Thomas Burberry invented gabardine – the breathable, waterproof fabric used in trench coats for over 100 years – providing trench coats in a khaki version and lightweight fabric for the British army.

The iconic check print in red and beige, now registered as a trademark, was introduced as a lining to the trench coat in the 1920's. Since then, Burberry is committed to create products using only the highest quality materials.

Therefore, using the brand stewardship prism proposed by Urde, Greyser & Balmer (2007), it is possible to conclude how Burberry indeed is a heritage brand.

The track record and longevity of the brand are visible in the fact that it has been one of the British most popular expression of quality and fashion worldwide.

Burberry's visual identity did not change much throughout its existence: for over 100 years the brand mostly communicated its corporate values through the usage of symbols, such as the equestrian along with his charging horse, expression of the British majesty, which they eventually decided to drop off in 2018.

## Key learning objectives

Table 1 presents an overview of the key learnings the case audience should achieve building on the Revised Bloom's Taxonomy (Anderson & Bloom, 2001).

The table connects measurable action verbs that relate to the audience's level of understanding with key learning objectives and relates them into the context of the Burberry case.

## KEY LEARNING OBJECTIVES

<b>Remembering</b>	Prior and shared knowledge among the participants	Burberry's heritage, expression of the British quality and fashion worldwide
<b>Understanding</b>	Understand the facts	Corporate brand communication strategies
<b>Applying</b>	Solve the case	Corporate brand identity, corporate reputation, brands with a heritage, corporate communication
<b>Analyzing</b>	Compare similar scenarios	Negative associations related to undesired consumers
<b>Evaluating</b>	Evaluate the scenario	Drop of sales and financial loss
<b>Creating</b>	Create an effective action plan	Final decision made considering the knowledge acquired

Table 1 – *Key Learning Objectives*

## Discussion questions

The following main question is proposed to the audience in order to be used as a starting point for the discussion.

The class is expected to reflect upon the main question and therefore be able to provide valuable answers and suggestions for possible case solutions.

Furthermore, in order for the teacher to conduct the discussion towards the intended direction and inspire the audience to actively argue on the arguments carried out by the main question, the teacher is provided with the following assisting questions.

### Main questions

*If you were part of the board management, how would you approach the reputational crisis brought on by the Chav culture?*

*What long-term strategic changes would you implement to restore the brand image and reputation and re-establish Burberry as an iconic luxury fashion brand?*

## Assisting questions

- Do you think the company's choice of dropping the baseball caps off the production was too extreme?
- What international market entry strategy would you have chosen?
- Do you think the board management could have predicted the counterfeit problem when they started licensing and distribution agreements?
- What attitude towards the stakeholders would you have when communicating your decision about the change of the classic tartan check?
- Do you think Burberry should have communicated more on a corporate level during the crisis?

## Teaching suggestions

The following section provides suggestions for both the teacher and the presenter on how to prepare and to present the Burberry case. The aim is to understand the management situation in order to lead a good discussion as well as accomplish the case's goals and learning objectives.

### Pre-presentation phase

The teacher should provide the class with preparation material in advance. For this case, the preparation material consists of the written case containing the background of the company and the description of the crisis situation, which should be provided at least 24 hours before the expected day and should also be distributed at the start of the case presentation, in order to ensure the class has all the necessary information ahead of the case presentation.

The case requires some planning in advance in order to provide a well-organized structure and discussion and it is designed for one teacher to present the case and be the sole responsible for all of its parts. However, if there is more than one teacher, an overview of different responsibilities should be set ahead of the presentation.

The teacher is expected to have a prior knowledge of the case and conduct further investigation by reading and understanding the written case.

The next step consists in reading the management decision in order to have a deeper understanding of the case and collect information for the discussion in class. Furthermore, the teacher is advised to read the teaching notes which are provided to understand the case's purpose and be able to implement the suggestions given by the case writers. After reading the teaching notes the teacher should then make a plan in order to adequately structure the presentation and the discussion.

The plan should contain how to structure the case, what information to include and in what order, how to spend the time provided as well as making a plan for how to lead the discussion.

To enable a good understanding and to support the case, the teacher might also have to prepare some suitable visual presentation, perhaps in the form of PowerPoint presentations, using videos and pictures.

A plan concerning how to structure the answers given in class is also suggested using, for example, a whiteboard.

## **Introduction phase**

“Breaking the ice” before introducing the presentation and the case might be helpful in order to hook the audience.

The teacher can for example ask the audience if anyone went for shopping lately. This is done to break any possible tension that might exist in the room and it helps introducing the topic of the case in a smooth way by creating a relaxed atmosphere.

After a while, the teacher can then ask the class if anyone knows the brand Burberry and recently shopped something from its store or website.

This way allows the teacher to make a smooth transition from casual talk to the real case. By asking this question, the teacher also gains useful insights regarding the prior knowledge of the class in regard to the brand.

After having collected this information, the teacher can proceed accordingly to the prepared presentation plan made in the pre-presentation phase.

## **Discussion phase**

The discussion phase should start with the teacher initiating the class so that now they can take on one of the roles of Burberry’s board members. This will make the presentation more engaging.

The next step is to once again address the main question of the case that can be found in the written case. At this point, the teacher should ensure the class understood the case and the main question and if there is a need for any further clarification before moving on to the discussion.

The teacher should then assume the role of the case mediator who is supposed to facilitate and guide the discussion among the case participants, trying to be as impartial as possible and being open to any opinion. If necessary, the teacher can use the assisting questions mentioned above to enable a free-flowing discussion.

During the discussion, the teacher can either use the whiteboard or other tools decided in the pre-presentation phase, in order to structure the answers given in an organized way. The teacher should also make sure that every group or participant can have their say, this can imply that an agreement is made that participants for example raise their hands before speaking, or by dividing up the room in x number of groups and having one group at a time give their answers.

At the end of the discussion, the teacher can summarize what has been said by indicating the biggest talking points and suggestions made by the participants.

## **Conclusion phase**

When the time planned for the discussion phase is over the teacher should end the discussion and move on to the conclusion phase. In this phase, the teacher should present the management decision made in the real case. The teacher could present the management decision using the same tools as when presenting the case. The teacher could, if possible, refer to similarities and differences between the real case solvers and the discussion in class when presenting the management decision.

After presenting the management decision, the presenter could ask the class for their opinions on it in order to deepen the discussion and to enhance the learning objectives. At the very end of the presentation, the teacher could summarize the biggest key

learnings and discussion points made by the participants. The teacher should then end the presentation by thanking the participants for the insightful discussion.

## Time plan

The following is a suggestion to the presenter on how to divide the time between the different parts (see table 2).

The total time of the case presentation is estimated to last for about 30 minutes. The first 4 minutes should be dedicated to some small talk with the audience and ask, perhaps asking about their buying shopping habits. The instructor should then spend approximately 3 minutes to present the background and history of Burberry.

At this point, it is crucial to make a smooth transition into the presentation of the case. This step should take approximately 4 minutes.

Therefore, the class is expected to go into “*action mode*” and perform the discussion, for about 12 minutes, including some time for clarifications, if necessary.

Hence, after the discussion, for approximately 5 minutes the teacher should finally present the management decision, trying to compare it with the discussion made by the class.

In the end, the last 5 minutes are dedicated to further discussion, additional comments on the management decision and to the conclusion of the case, with a few words spent by the instructor.

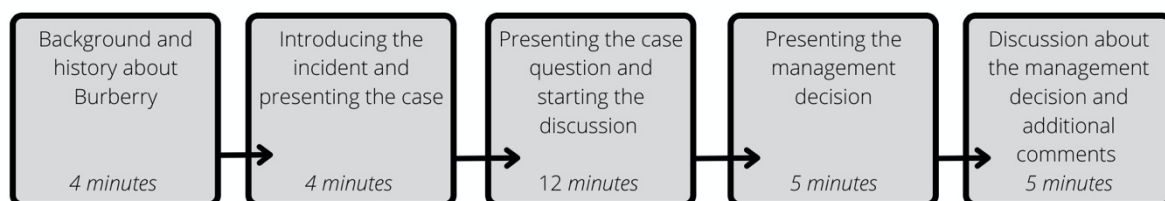


Table 2 – Burberry case time plan



## Reflection

Studying and writing the Burberry case has been a very unique experience. Rarely as a student you get the opportunity to do an assignment such as this and the group wanted to do complete justice to this very interesting case study. Writing about this case also gave us the chance to apply key corporate brand management's concepts learned during the course. Therefore, this led us to think about reputation as a key element to an organization or brand's success and the crisis situation Burberry had to face was the embodiment of this concept.

For these reasons, it was presented to the professor of the Corporate Brand Management and Reputation's course, Mats Urde, for approval.

He resonated with the case and highlighted how it had the potential of being an "evergreen" case study, if done in the right way. His approval and suggestions on how to tackle this case played a very important role in us structuring the case's angle and making sure it had ample value for business students to solve and learn from.

The Burberry case could be seen as having two different levels: on the one hand the issue concerned the brand being adopted by hooligans and chavs with the iconic check design, formerly associated with wealth and status, then, ended up being used by an undesirable audience; on the other hand, the inadequate control over products' design and distribution, which led to the extent of counterfeit activities, as a result of indiscriminate licensing and distribution agreements.

As a consequence, this situation pushed the company to poorly perform, both financially and in terms of reputation, on a much larger scale. The management decisions that were taken to address the surface level issues had initially worked but also backfired and a new more in depth, concrete strategic solution was necessary for the brand to survive.

When writing the paper, the main challenge has been to identify ourselves in the board management while keeping on having a student perspective on the case. That was not easy and although some choices might have been perceived as to be extreme at the beginning (e.g. dropping the check baseball cap off the production), the company eventually managed to achieve their goal and to restore Burberry's reputation.

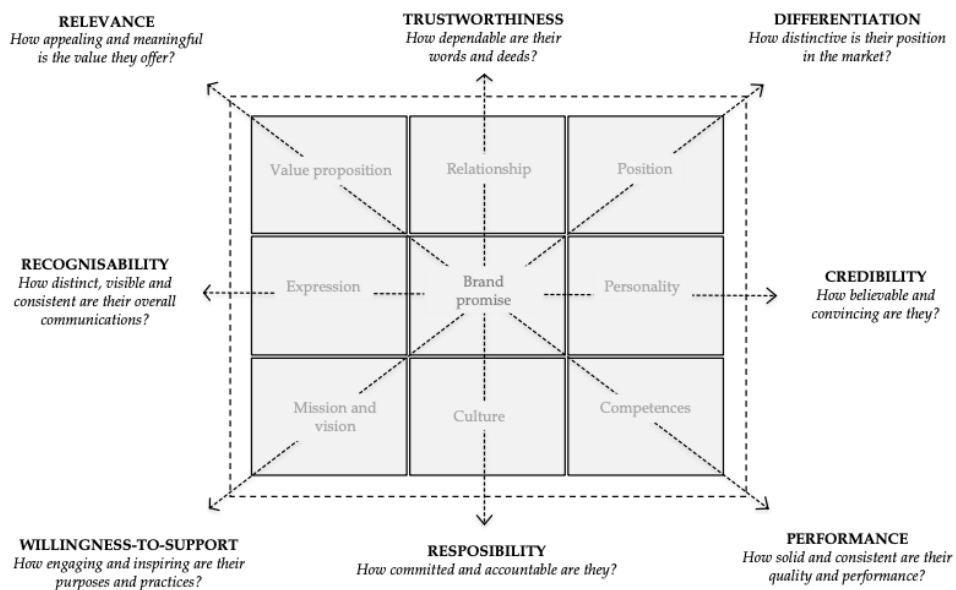
This much larger case is what the writing group decided to focus on as it teaches how the management decisions taken to address problems faced by a brand need to be informed by the core values and identity of the brand and organization.

# Appendix

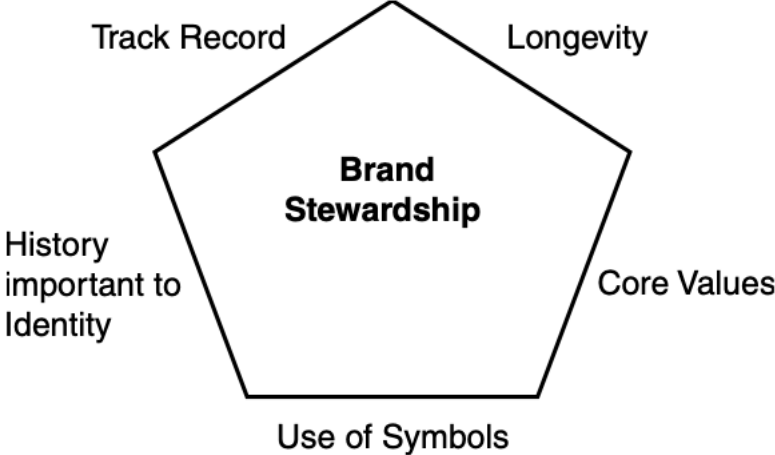
**Exhibit 1: Corporate Brand Identity Matrix (Urde, 2013)**

EXTERNAL	<p><b>VALUE PROPOSITION</b>  <i>What are our key offerings and how do we want them to appeal to customers and non-customer stakeholders?</i></p>	<p><b>RELATIONSHIPS</b>  <i>What should be the nature of our relationships with key customers and non-customer stakeholders?</i></p>	<p><b>POSITION</b>  <i>What is our intended position in the market, and in the heart and minds of key customers and non-customer stakeholders?</i></p>
INTERNAL/ EXTERNAL	<p><b>EXPRESSION</b>  <i>What is distinctive about the way we communicate and express ourselves and makes it possible to recognize us at a distance?</i></p>	<p><b>BRAND CORE</b>  <i>What do we promise, and what are the core values that sum up the essence of what our brand stand for?</i></p>	<p><b>PERSONALITY</b>  <i>What combination of human characteristics or qualities forms our corporate character?</i></p>
INTERNAL	<p><b>MISSION AND VISION</b>  <i>What engages us (mission) and what is our direction and inspiration? (vision)</i></p>	<p><b>CULTURE</b>  <i>What are our attitudes and how do we work and behave?</i></p>	<p><b>COMPETENCES</b>  <i>What are we particular good at, and what makes us better than the competition?</i></p>

**Exhibit 2: Corporate Brand Identity and Reputation Matrix (Greyser & Urde, 2016)**



**Exhibit 3:** *Brand stewardship* (Urde, Greyser & Balmer, 2007)



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