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How to Navigate Societal Change by Sticking to your Guns?

An exploratory case study of Patagonia

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Abstract

Purpose: This research aims to explore how brands can successfully "stick to their guns", defying market and societal norms and standards. In other words, the aim is to discover the elements that enable brands to successfully employ this strategy.

Methodology: The study employs a single-case approach, utilizing Patagonia as a unit of analysis.

Findings: By analyzing Patagonia's case, we found that enhancing brand identity can help brands grow their business without going with the flow and reap the benefits of internal and external support in several ways. Using the Corporate Brand Identity Matrix to conduct a business analysis of Patagonia, we selected and highlighted two of the four directions: strategy and communication. Using applied case studies, we came up with four factors that can effectively help brands enhance brand identity: increasing brand differentiation by building strong brand core values, gaining willingness to support by emphasizing the consistency of actions based on the mission statement, increasing brand awareness through diverse communication strategies, and finally optimize brand credibility by building brand transparency. We also recommend using a core value grid to help brands position their core values in the matrix and adjust their strategy accordingly.

Value: This paper studies the phenomenon of companies taking a stand against society's pressure and business norms. After investigating the case of Patagonia we came up with four factors that brands need to have in order to take a stand. Brand managers can benefit from this study by applying the proposed factors to their brand. This study can be valuable for already existing brands that struggle to find a strong standing in the market, as well as for newly established brands that want to take a stand as part of their strategy and positioning.

Keywords: Brand Identity, Corporate Brand Identity Matrix, Core Values, Core Value Grid, Communication, Transparency, Patagonia.

Paper type: Research paper.

Introduction

Historically, brands used to stay silent or neutral about socio-political issues. However, in recent years, more and more brands have started to take a stance on social causes as a result of the growing popularity and interest in social justice and political speech among consumers (YouGov, 2018). Nowadays, around half of consumers worldwide are purpose-driven, choosing whether to buy or boycott a brand based on their political stands and how well it aligns with their own values (McKinsey & Company 2019; Fromm, 2022). This shift in consumer culture is expected to continue in the long term, led by Gen Z and Millennials –key global consumer groups, who dominate the market in terms of size, spending power and influence (Hoffower and Kiersz, 2021), and who are characterized by their concern with social and environmental causes (McKinsey & Company, 2019).

Fearing becoming obsolete and trying to keep up with the trend, many brands have taken action by participating and commenting on the most salient socio-political issues, aligning their statements to commonly shared universal values in an attempt for mass appeal in a heavily polarized political environment (Marketing Week, 2018; Nittle, 2018; Baskin, 2020). In other words, many brands have chosen to address socio-political issues by appealing to universal values, such as community, peace and love, over choosing a concrete stand in the issue in an attempt to avoid offsetting one side or another. For instance, commenting on the Biden vs Trump US presidential election, GAP posted a video on social media of a red and blue hoodie with the tagline: “The one thing we know

is that together, we can move forward.” With this message, GAP tried to appeal to a sense of community and unity rather than comment directly on the political divide issue surrounding the country at the time (Baskin, 2020). Similarly, during the Black Lives Matter movement in 2017, Pepsi launched a commercial to spread a message of unity, peace and understanding. The ad was contextualized on a protest over an unspecified issue, and its story plot peaks when the protesters meet the police. Nonetheless, all the tension between the two groups disappears after Kendall Jenner hands out a can of Pepsi to a nearby policeman (Victor, 2017). Both of these attempts were unsuccessful. GAP and Pepsi were heavily criticized for “clout chasing” and for trivializing the issue at hand by trying to “cash in” on it (Nittle, 2018).

In contrast, some brands have opted for the opposite approach. They take a concrete stance on socio-political issues, regardless of who they upset. Following this, brands are met with a mixture of applause and backlash. Still, the gains from the positive response experienced has been considerable, even possibly enough to offset the harm of the backlash (Vizard, 2018). For instance, in 2018, Nike decided to take a standby recruiting football quarterback Colin Kaepernick as the face of their global campaign. At the time, Kaepernick was a heavily polarized figure for kneeling during the national anthem (Jacobs, 2021); nonetheless, Nike stood by its decision, and within days of launch, the campaign gained more than \$163 million worth of media exposure and a 31% surge in sales (Martin, 2018; Vizard, 2018). Another example is Patagonia. While a lot of brands like to

position themselves as “green” and talk about their sustainability efforts, companies continue to pursue profit above all. Consequently, often lacking the track record to sustain their claims. Following their ethos, in 2011, Patagonia launched the “DON’T BUY THIS JACKET” campaign on Black Friday -a key sales day for any brand. The campaign urged people to refrain from consumerism and only make a purchase if extremely necessary for the benefit of the planet. “DON’T BUY THIS JACKET” resulted in sales increasing 30% over the next 9 months following the campaign and a double-digit growth in revenue for the next four years (Stock, K. 2013; Aitken, 2018). What makes these brands so different, and what allows them to succeed when taking a stance?

This research aims to explore how brands can successfully "stick to their guns", defying market and societal norms and standards. We aim to contribute to literature and brand management practice by outlining the necessary elements to successfully stay true to your brand, a particularly relevant topic in today's volatile environment. The paper structure is as follows: first, the literature review introduces the concept of brand identity, assessing the research on the topic and analyzing its strategic importance. Then, the methodology is presented, describing and justifying the choice of a single-case study approach. Finally, key findings are presented, followed by an analysis and discussion of them. The paper finalizes with a conclusion section that outlines the implications, limitations, and opportunities for future research.

Literature Review

This section introduces the concept of brand identity, reviewing the current literature on the subject.

Brand Identity

Before taking a stance, brands must first know who they are and what they stand for. Brand identity is the unique set of associations representing a brand's principles, core values and promise to the consumer (Aaker, 2012). It is a relational construct (Hatch and Schultz, 2002), as identity originates from within the company as well as from society's interpretation of the brand (Urde, 2013).

Having an identity means being your "true self", being motivated and guided towards a personal goal regardless of change (Kapferer, 2012). In other words, following your identity is like "sticking to your guns", maintaining your true self regardless of change or criticism (Cambridge University Press, 2022).

Brand Identity Components – The Corporate Brand Identity Matrix.

Different studies have adopted various focuses to discuss the components of brand identity and proposed frameworks to help define it (To illustrate: Balmer, 1998; de Chernatony, 1999; Hatch and Schultz, 2002; Coleman et al., 2015; Da Silveira et al., 2015). While there is no definite list of elements that compose identity, there is a shared notion within academia that brand identity is made up of a coherent link between "core" brand values and "key" brand and corporate elements. For instance, Aaker's (2012) Brand Identity Planning Model discusses core identity (brand "essence") and extended identity (components that add

texture and completeness). Furthermore, he proposes four perspectives (product, organization, person and symbol) on which managers can analyze a brand and obtain a complete picture of its identity. Similarly, Kapferer (2012) proposed the Brand Identity Prism. The framework consists of 6 dimensions of identity (physique, relationship, reflection, personality, culture and self-image) and offers a differentiation between external and internal elements. This paper will focus on Urde's (2013) Corporate Brand Identity Matrix (CBIM), which takes a corporate-focus approach to identity. Given the strategic value of corporate structure and culture in Patagonia's branding strategy, a matter to be discussed further down in the paper, the CBIM is an appropriate tool to analyze the case.

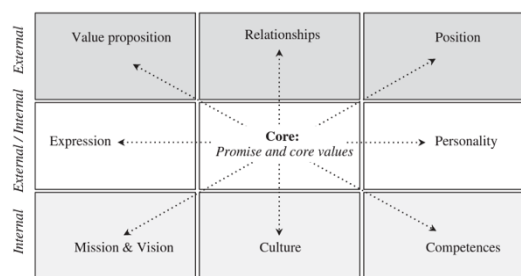


Figure 1. Corporate Brand Identity Matrix (Urde, 2013)

In Urde's (2013) CBIM (Figure 1), nine elements compose brand identity: mission and vision, culture, competencies, expression, brand core, personality, value proposition, relationships and position. These elements are further classified as internal, external, or mixed, depending on whether they are formed internally within the company, or externally by stakeholders' interpretation of the corporation and brand. At the center of the CBIM is the brand core, which refers to the brand promise to consumers and its core values.

The core acts as the heart of brand identity and plays a vital role in the matrix –internally, it helps to guide the company, and externally, it communicates who the brand is and what it stands for. Finally, all of the matrix's components are interrelated, meaning they can affect one another and "echo" each other. Therefore, in strong brand identity, the core will be coherent with all the elements and the elements will reflect the core.

Strategic Importance of Brand Identity - Advantages & Risks

The basis of a strong brand management strategy is a well-defined identity (de Chernatony, 2010). Brand identity is of strategic importance as it provides direction and focus. Defining your purpose helps you figure out a path and creates commitment towards it. For instance, it can help answer whether it is suitable to comment on a social issue by considering how the cause aligns with your purpose and values. In particular, during times of change, it anchors you and maintains you "true to yourself"; overall, providing permanence and continuity to the brand (Kapferer, 2012; Urde, 2013).

Moreover, brand identity drives and strengthens positioning and brand image. Brand identity, positioning, and image frequently overlap in literature and practice (Da Silveira et al., 2015). Both identity and positioning are internal elements, with the company designing and controlling them. On the other hand, brand image is an external element formed through consumer cognition based on perception (Bamosy and Solomon, 2016; Keller, 1993). Identity is the source of positioning, giving meaning

to the brand and defining what it is to be projected and communicated. Image, contrastingly, is the result of the interpretation of identity and positioning. Consequently, without a clear brand identity, positioning and brand image will be weak; there will be a lack of guidance as to what the brand is, which, in turn, would result in the decoding process not yielding the desired message in consumers' minds (Hall, 1973; Aaker, 2012; Kapferer, 2012). On par with this, brand identity can help a company have coherent brand communications (Urde and Greyser, 2019). A defined meaning and purpose will help ensure a consistent and unified message across all channels and activities. In turn, a harmonic communication strategy will increase brand equity by building awareness, enhancing image, and facilitating recognition and recall of the brand, among other benefits (Keller, 2001; Luxton et al., 2015). Ensuring the market who the brand is and what it stands for will facilitate the creation of symbolic and emotional value in the minds of consumers, enabling the development of trust in and satisfaction with the brand (Nandan, 2004; Luxton et al., 2015).

Finally, brand identity helps protect reputation (Urde and Greyser, 2019). Identity and reputation are two aspects of the same situation, with both elements managing perception or, in other words, how the brand is defined –who it is and what it stands for. The difference is that identity adopts an internal perspective, focusing on how an organization perceives itself, and reputation adopts an external one, focusing on how stakeholders perceive an organization (Urde and Greyser, 2016). Following this notion, firms can build a favorable

reputation through their core values and demonstrated performance supporting their brand promise, thus, forming continuity and a track record. Overall, becoming credible and well-defined in consumers' minds (Urde, 2009; de Chernatony, 2010). In turn, a favorable reputation serves as a quality signal and guarantee, leads to higher confidence in the brand, increases brand recognition, improves customer loyalty and results in higher financial returns (Greyser, 2009; de Chernatony, 2010). Moreover, reputation helps build trust over time, adding to brand credibility. Authenticity and reputation go hand in hand; therefore, through transparency, an organization can attain trust in their communications and build credibility with stakeholders (Greyser, 2009; Erdem and Swait, 2004).

While brand identity is a powerful tool to guide internal and external strategy, the opposite can be true –with all advantages of a well-defined identity becoming risks for the brand under a weak identity structure. Under a weak identity, brands can go through an "identity crisis", constantly shifting their values and principles or other brand or corporate elements, disrupting continuity and creating a gap in consumers' minds as to who they are. Ultimately, the lack of continuity and coherence may damage brand equity (Kapferer, 2012).

Identifying Core Values *-The Core Value Grid*

The importance of core values on brand identity has been clearly outlined throughout the literature review. To aid the identification of core values, Urde (2009) proposes the Core Value Grid. The framework classifies values based on

their importance and embedment within a company and the extent to which they are recognized externally. In other words, it considers both the identity perceived by the organization and the identity perceived by stakeholders. Four core values emerge from these dimensions: true, aspirational, potential, and hollow (Figure 2). True values are highly embedded within the organization and perceived externally, they help guide the company internally and are credible and defining elements of the brand in consumers' minds. In contrast, hollow values rate low internally and externally, lacking substance and potentially harming a brand's credibility and reputation. Within the spectrum, there are also aspirational and potential values. The first refers to the values with meaning internally but with a lack of stakeholder awareness. The second illustrates highly recognized values by the public but with no strategic significance within the company. These last two types of values represent an opportunity for the company.

Knowing what values the company stands for and what values are credible and defining in consumers' minds is vital for strategic brand management. Based on this classification, companies should continue nurturing true values, start shifting aspirational and potential values

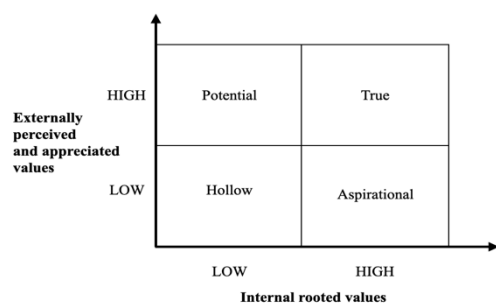


Figure 2. The Core Value Grid (Urde, 2009)

into true ones by recognizing their strategic importance and communicating them to consumers, and drop all hollow values (Urde, 2009).

Methodology

This research employs a qualitative case study methodology. In general, a qualitative approach is appropriate as the research aims to understand a social phenomenon from which "little is known" (Ghauri et al., 2020, p.98). A case study orientation allows for an in-depth exploration of the phenomenon as it is studied within its own context and framework and not bound to the researchers' point of view (Strauss and Corbin, 1988; Yin, 2014). Overall, allowing for unforeseen responses to be appreciated and increasing our understanding of the subject.

The unit of analysis, or case, is Patagonia. We opted for a single-case study as Patagonia represents a unique entity for investigating the phenomenon. First, from its establishment in the 70's (Patagonia, n.d.e), the company's actions have always reflected and remained consistent with their core values of causing no unnecessary harm and being in business for the environment (Patagonia, n.d.g), making it a robust case in which to explore the complexity of the phenomenon (Mills et al., 2010). Second, to our knowledge, the number of companies choosing to fully withhold from participating in market or societal trends and standards as a result of their values and principles is limited –with most companies only doing so in the short term. In particular, Tesla was considered as a second unit of analysis. However, while the company's actions have always remained consistent with its

identity, its deep interconnectedness with CEO Elon Musk made it hard to compare it with Patagonia within the same scope and without compromising the research's validity.

Following Yin (2014), we employ an explanation-building technique to analyze the data by theorizing causal links about the causality of the phenomenon while integrating relevant theoretical propositions into Patagonia's narrative.

Case Study: Patagonia

In this section, we will present the theory and values of our paper through a study case of Patagonia.

Patagonia is known for taking a stand on social issues when they are in conflict with its values, the Facebook boycott against hate speech and misinformation about climate change is a good example of actions like these (Patagonia, n.d.a). What really picked our interest though into investigating this brand thoroughly was the case of Patagonia suing the president of the United States. In December 2017, President Trump issued a proclamation for reducing two National Monuments, Bears Ears and Grand Staircase-Escalante by 85% and 50% respectively. However, according to the Antiquities Act of 1906, the president is able to create national monuments but not reduce the already existing ones. Patagonia used this Act in order to sue the president who posed a threat to the environment and opposed Patagonia's values (Patagonia, n.d.b). Not every brand is in a position to sue the president of the United States so we wanted to investigate further on how Patagonia reached this position and it was able to pull this off.

We started by approaching the case study through the brand's core values. The mission and vision statements of the company can be derived from these values, as well as the positioning of the company in the market. We start by presenting Patagonia's core values, how it takes action based on them, and how they help the brand form its mission, vision, and positioning on the market.

Core values

Patagonia operates under a set of four distinct brand core values:

1. Build the best product is Patagonia's first core value. The best product is defined based on criteria for functionality, repairability, and most importantly durability. This is aligned with the rest of its business strategy and complements the personality of the brand since products that last longer are being kept in the wardrobes instead of the landfills. In 2021, Patagonia announced that it would stop producing and selling clothes to private corporations who requested clothes with their corporate logo on them as this practice was reducing the life span of its garments for trivial reasons (Patagonia, n.d.d). This is the first level of change that the firm is making to materialize its values, deciding what to produce and for who.

2. Cause no unnecessary harm by limiting their environmental footprint as much as possible while also increasing their positive impact through actions. This value can be traced back even before the company's creation, from the founder's early days as a mountain climbing gear manufacturer. Yvon Chouinard was making pitons for rock climbing, but he quickly realized that his

pitons were infamous in the US for damaging the rocks and leaving marks behind climber's paths (Patagonia, n.d.e). That is when he made the first environmental essay in Patagonia's catalog by introducing aluminum chocks that were not damaging the rocks (Sonsev, 2019). The same mentality is carried through the company until today. In April of 2017, Patagonia launched the "Worn Wear" platform under which the company would clean, and repair used merchandise that customers returned in exchange for store credit. These clothes would later be resold through this platform, thus reducing the resources indeed to produce a new piece of clothing (Patagonia, 2018).

3. Use business to protect nature, a value that Patagonia is very keen on implementing. Through the organization of One Percent for the Planet, which Yvon Chouinard has also founded. Patagonia has pledged 1% of its sales to the preservation and restoration of the natural environment. Amounting to a total of 140\$ million since 1985. (Patagonia, n.d.f). Patagonia also contributed 100% of its revenue during the sales of Black Friday in 2016 to grassroots environmental organizations around the world (Kavilanz, 2016). In addition to that, the company announced in June 2018 that it would donate the whole amount of money that it received from President's Trump tax cuts to environmental activist groups. The tax cuts amounted to 10 million dollars (Marcario,2018). It is clear that Patagonia does everything in its power within the business environment to reach its mission goal.

4. Not bound by convention is the last and most fitting core value of Patagonia for

our analysis. "Our success—and much of the fun—lies in developing new ways to do things." (Patagonia, n.d.g). We think that this approach is a very accurate description of how Patagonia facilitates business. The famous "Don't buy this jacket" ad that Patagonia ran in The New York Times during Black Friday is a perfect example of the company using unconventional marketing (Patagonia, n.d.h). By telling people to not buy its jacket, the firm is taking a stand on the social issue of sustainability in the fashion industry and promotes customers to rethink their behaviors and values. But also generate buzz because of the unconventionality of the ad and gain popularity through word of mouth. Patagonia saw an increase of about one-third of its sales, in about nine months period since the brand introduced this ad (Stock, K. 2013).

Mission and Vision

Patagonia's mission statement has changed over the years. "It's part of our mission to inspire and implement solutions to the environmental crisis." and "We're in business to save our home planet" are some of the mission statements that they have published. It is clear that even though it is adapting its mission statement, they all have the same direction towards environmental sustainability and are aligned with its values. (Patagonia, 2019), (Patagonia, n.d.c). On the other hand, Patagonia has not issued an official vision goal. Instead of focusing on an arbitrary vision statement like most companies, Patagonia directs its focus on strengthening its position through actions. Actions that are directed toward the same

mission and backed up by the brand's core values.

Positioning

Brand positioning is integrated with five main factors: brand attributes, consumer expectations, competitor attribution, price and consumer perceptions (Nixon, 2008). Patagonia's founder Yvon Chouinard is an outdoor activities enthusiast who created the brand with the intention of bringing a better outdoor experience to consumers through high-quality products while doing something proactive to protect the planet. They gained a positive reputation by delivering durable and beneficial products to the earth. However, because of higher costs, their product is expensive (Jacobs, n.d.). Patagonia attracts upscale people who love doing outside activities, and meanwhile, the message that resonates with the environmentally conscious is seen as targeting environmentally friendly customers (Morin, 2020). Their competitors include many outdoor sports brands, like Canada Goose and the North Face (Viktor, n.d.). However, they did not seem to solve environmental issues as their primary goal; Patagonia instead focuses more on sustainable environmental protection, and it makes sure to take a stand about it when it finds the opportunity. This has now become part of their positioning.

Communication

Communication is one of the most critical aspects of the Patagonia case, acting like the glue that sticks all the values and actions of the brand together and aids its position on the market. Zint and Frederick (2001) argued that

Patagonia did not communicate its actions effectively in the past. The company's focus on "environmental actions speak louder than words" made them take significant environmental actions but ignored the use of words to support their cause. This changed when the company conducted market research and noticed that they are not perceived as more environmentally concerned than their competitors even though their actions were saying otherwise. Patagonia then decided to shift its focus to a "Louder than words" approach and in this way, Patagonia found its positioning strategy on the market and a way to differentiate from the competition. Being a vocal actor in the market, Patagonia managed to increase its external perception of its core values and transform its aspirational, to true values. This is what marked the shift in its market position and identity (Urde, 2009). Let us look for a reference in the way that the company communicated the closing of their stores during the holidays of 2021. The company made an announcement to make it clear that their employees "need a break". Also bringing into the conversation the value of "not bound by convention" by explicitly mentioning it in their announcement. This way it managed to stand out from its competitors, who in the consumer's minds, were now resembling the corporate villains who force employees to work on holidays. Even though closing its stores and giving its employees paid time off seems like good internal business practice, Patagonia made it an even better communication strategy that gained a lot of traffic in many business magazines, like Inc and Forbes. positioned the company in the

market, and reminded its values to the consumers (Aten, n.d.; Danziger, 2021).

Another aspect we can draw from this case is the level of transparency of communication as part of Patagonia's identity. This transparency is also reflected in many other actions of the company. In 2007, the company launched The Footprint Chronicles (Polley, n.d.). With this initiative, Patagonia took a major step toward a transparent business model by letting the customers trace all the production phases of the product that they are interested in the online store. From the materials of the product to the location of the factories and the mills that are made. This initiative not only reassures consumers about the production process of their products, but it also informs customers about the Energy Consumption, Distance Travelled, Carbon Dioxide Emissions and Waste Generated (Bipiz, n.d.). And in 2018, the company launched Patagonia

Action Works, a platform in which Patagonia is connecting people with environmental activist groups, events and volunteering work near them. By being at the forefront of volunteering activism and the communication channels that exist in these communities, the company is strengthening its credibility and trust with the people directly (Patagonia, 2018). The most recent case example of Patagonia's action in September 2022 incorporates all the brand aspects mentioned above. Core values, positioning, and transparency of communications all working together towards the mission of the brand. Yvon Chouinard announced that the company voting, and nonvoting stocks will be transferred to Patagonia Purpose Trust and Holdfast Collective. This way the firm will ensure the well-being of the brand's mission and values through time by donating its profits for environmental causes. Each year the money that the

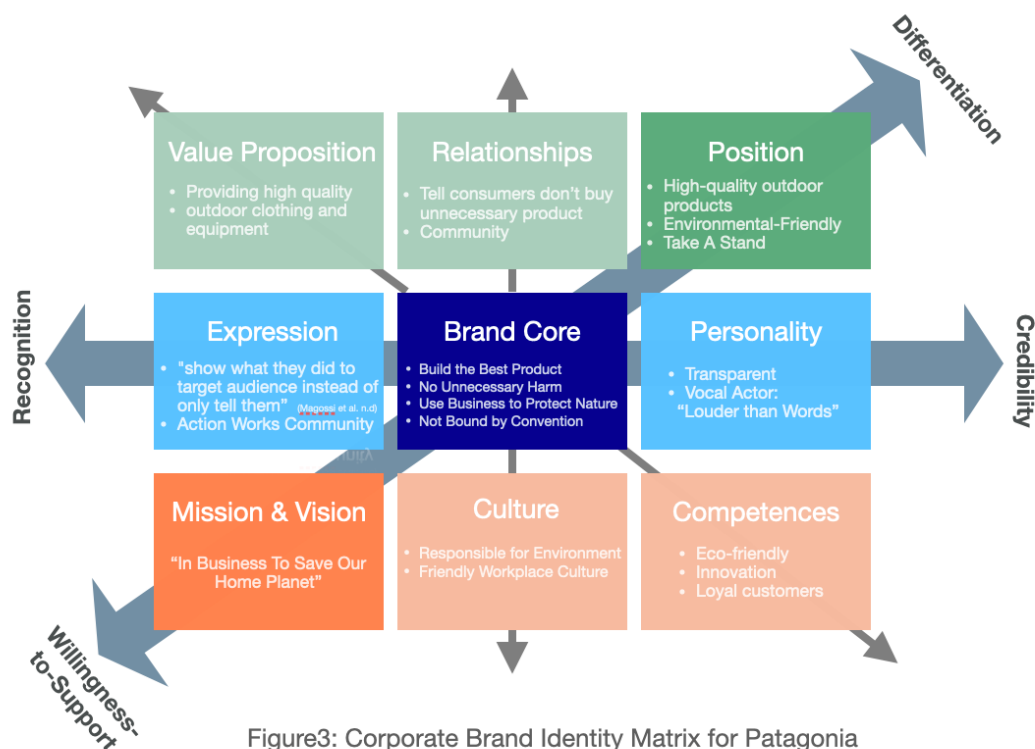


Figure3: Corporate Brand Identity Matrix for Patagonia

company makes after reinvesting in its business will be distributed toward environmental actions (Patagonia, n.d.i).

Analysis

In this section, we are going to apply the Corporate Brand Identity Matrix to analyze how Patagonia managed to "stick to its guns" while achieving its brand activism and draw conclusions (Figure3).

Patagonia's branding strategy and communication have been very supportive of brand management. They work on building core values by implementing ethical business practices constantly and also "show what they did to target audience instead of only tell them" through communication strategy (Magossi et al., n.d). Therefore, two alignment paths of strategy and communication in the identity matrix were chosen to be applied in the Patagonia case, to see how they could use their strong brand identity to hold on to their position and still succeed in the changing market. Combining brand core values with its mission statement and analyzing the brand communication, we can see how Patagonia strengthens its brand identity and sticks to its guns by following four directions: differentiating itself from other brands, gaining stakeholders' willingness to support, growing recognition, and credibility.

Differentiation:

- by building strong Brand Value

Differentiation makes the brand an imperfect substitute for other brands; therefore, the brand's buyers are more loyal (Romaniuk et al., 2007). We think this is essential for brands to insist on

keeping their pathway and not following the trends. Building unique brand core values can differentiate it from other brands. By using the core value grid, companies can have an overview of their core values and promises' position and make an adjustment based on it. By continuing to contribute to environmental protection, Patagonia's core values moved from aspirational core values to true core values with high external and internal impact. The core values leave a lasting strong impression of producing high-quality outdoor products and caring about environmental protection in consumers' minds.

Meanwhile, setting an appropriate brand position with a specific audience group is helpful for brand awareness and building a strong brand identity that will differentiate the brand from the competition. The importance of environmental protection nowadays makes sustainable products more appealing to people. Besides the environmentally friendly philosophy, Patagonia also makes high-quality outdoor products. Exceptional and positive values deepen users' trust and remind them of the brand through keywords like sustainability and outdoor apparel brand. Doing stated things is hard to imitate, especially for a brand that made many decisions that are opposed to expectations from the traditional profit-driven business (Robertson, n.d.). Patagonia's unique brand core value is the sustainable competitive advantage that differentiates itself from similar brands (Paul & Iuliana, 2018). Therefore, building a solid brand core value and position can positively affect the brand identity and help brands differentiate.

*Gaining willingness to support:
By making Mission statement and Take
Actions*

Stakeholders' willingness to support is important for a brand to "be themselves" while still being successful. Patagonia achieves this by setting up statements and complying with them through action. A mission statement gives an organization direction on how to get there (Bowen, 2018). Creating and using a mission statement can foster a shared value system, a focus on common objectives, teamwork, behavioral guidelines, and emotional commitment to the company (Mullane, 2002). Moreover, using a mission statement with continuity and coherence of brand core value could invoke positive emotional responses and is an efficient way to connect with consumers and resonate with the brand. Patagonia's mission of doing business for saving our home planet is echoed through its actions and is complemented by its statements, strengthening the brand identity. Through actions like donating 1% of the company's turnover to environmental protection and promoting the "Worn Wear" platform, Patagonia proved that what it has been doing for the environment is consistent with its statements. From a consumer's perspective, satisfying the target consumer's expectation of the brand can improve their trust and thus increase their loyalty (Lau&Lee, 1999). Meanwhile, a clear mission statement has a positive relationship with brand identity. Companies with this advantage can gain support even when the market is changing.

*Increasing brand Awareness and
Recognition: Through Communication*

A widely recognized and accepted brand image is one of the company's most valuable assets (Porter & Claycomb, 1997), and brand recognition is one facet of it. A product with a high level of awareness can significantly impact the market, consumers' perceived risk assessment, and confidence in their purchase decisions (Moisescu, 2009). Moreover, brand image is correlated with brand identity. Brand awareness can be increased by expanding the exposure of the brand in several ways. The core values can be applied to show the brand's position and whether it should emphasize internally or externally for optimizing its identity. Through its communication strategy, Patagonia has grown its recognition in the market and strengthened its external perceived and appreciated value. Meanwhile, it is adjusting its strategy based on the situation and external feedback instead of ignoring it. A timely adjustment in strategy allowed it to increase brand awareness. Impressive slogans combined with the corporate brand culture among employees increased brand awareness. Meanwhile, the Patagonia Action Works community builds a strong connection among committed customers, organizations dealing with environmental problems, and the brand. As a community channel with target consumers, Patagonia Action Works also increases the opportunity for brand engagement, helping brands to communicate their brand image better and raise awareness. What Patagonia has done in communication differentiates them from other brands while strengthening brand perception. These distinctive communication strategies increased Patagonia's brand awareness.

Gaining higher Credibility: Through Transparency

Based on the research, brand credibility increases the likelihood of brand consideration and brand choices conditioned on consideration (Sweeney & Swait, 2008). Trustworthiness significantly impacts consumer choice and brand consideration (Erdem & Swait, 2004). There are multiple ways to enhance a brand's credibility, of which brand transparency should not be ignored. According to research, more than four out of five people trust brands with transparency, and more than 70 percent are willing to pay more for brands with transparency (Reputation, n.d.). Brand transparency delivers messages to consumers that are consistent with the brand's core values, builds brand authenticity perceptions, and positively affects trust. This can enhance the brand's credibility and target audiences' loyalty (Busser & Shulga, 2019). Through clear-cut messages and platforms like the Footprint Chronicles, Patagonia builds trust and credibility through transparency.

Discussion and Conclusion

The purpose of this paper was to analyze the identity and position of brands that are able to defy market norms and established business practices by sticking with their own position against the competition. We used Patagonia as our study subject, as it was the perfect candidate for our study, and we looked through its cases over its history to reach the position that is in now.

We started analyzing the brand Identity of Patagonia with the use of the Corporate Brand Identity Matrix and we especially focused on the strategy and

communication aspects of the matrix. By looking at Patagonia's cases we figured that the brand is heavily centered around its core values and that it proceeds to actions that align with its values. As a result, the brand's mission to protect the environment is echoed through all of its actions, communication channels, and positioning on the market. It is often that the brand will take a stand on social issues and business practices when they are in conflict with its values and not because society or competition demands to do so. Having this stance is what shapes Patagonia's strategy in the market and in turn, its unique positioning. A sustainable outdoor fashion brand that does the extra mile to defend its values and reach its mission goal. We also argued about the importance of communicating this position to the public, as this is what made the brand stand out from the competition. After researching the market, Patagonia found out that their values are rooted highly with the company but not appreciated as much externally. This made Patagonia adopt new communication strategies to change the market's perception, and eventually elevated its brand identity. By applying the theories that we mentioned with our selected case of Patagonia, we conclude on four major factors that have a positive impact on brand identity in order for brands to "stick to their guns". Through Brand differentiation, willingness to support, brand recognition, and brand credibility, brands can strengthen their identity. By combining the brand's core values with a unique brand positioning, brands can achieve their goal of differentiating themselves from other products in the industry. Their actions should be consistent with their statement

in order to increase the willingness of stakeholder to support the brand, helping it to achieve a strong position without conforming to the market. At the same time, consistent communication and action work will increase the brand's recognition, helping it to influence the market rather than change its strategies passively. Finally, it is worth mentioning that Patagonia's strategy to increase product transparency has helped them to gain consumer trust, improve brand credibility and increase consumer stickiness. Consumer trust brings more freedom for brands to make changes and eventually hold their ground. Our analysis shows that this credibility is a crucial factor for brands in order to achieve their strategy and a strong market position, even though not many companies are aiming to make their business transparent.

Implications

The implications of our study would concern brand managers who are struggling to find their footing in the market or differentiate from the competition, as well as new entrepreneurs who are looking into building a strong brand identity from the start of their business. We identified four points that we think are crucial for building a strong identity. Using the brand identity theory and **proposed frameworks**, we argued that a brand that is hoping to reach an influential position in the market should start from the diagonal direction of the matrix which is the strategy of the brand. Managers should start by finding the true and unique core values of their brand that motivates their company to take action. Through these values, the managers will

be able to pinpoint their mission and vision for their firms and allow them to set their ambitious goals and plans for the future. When these goals are aligned with the company's actions and business practices, the company can find its unique positioning in the market and differentiate itself from the competition. Lastly and most importantly, the company has to communicate this position to the market. It does not matter if a brand has a superior performance or advantage over the competition if its stakeholders are not aware of it. Brands should communicate their values so as to make them true in the minds of its customers. Managers should also focus on building credibility and trust in their brand. We argued that one of the most effective ways to do so is by making their business transparent to the public.

Limitations & Further Research

This paper analyzed the phenomenon of companies who are sticking with their position and values by taking a stand against social and business norms. Patagonia's actions and track record made this brand the ideal candidate for our study but also the only one. This is a limitation of our study since there are many other case examples of brands that show signs of similar behaviour. Also, many brands in the market are holding a firm position against local pressure, but only in a short-term frame. It would be very interesting then for future studies to focus on brands that are taking a stand against the market on a short-term frame and investigate the reasons that forced them to eventually comply with the status quo. Another limitation of our study is that Patagonia is mostly a positive example in this field. With limited

adaptation or changes to its strategy, the brand has managed to stand its ground against the market and society while also maintaining its strong brand position. This is also a limitation since negative case examples should also be studied in order to get the full picture of the phenomenon. It would therefore be very interesting for future studies to look into brands that tried to follow similar practices but failed in doing so effectively. In the modern age of information and communication, people as brands eg. CEOs of big companies can have more influence on the market than the companies themselves. This phenomenon also limited our study to a certain degree, since many of the companies that are deviating from the market are also backed up by a strong persona eg. Tesla and Elon Musk. Therefore, another fascinating aspect of consideration for future studies in this field would be celebrities and famous personas as brands, how they can take a stand against social trends and the influence that they have upon businesses.

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