Corporate Brand Repositioning with CSR as the Differentiating Factor:
A study on consumer perceptions

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Abstract:
Marketers’ obligation is to prepare the company for future demands. Companies all over the globe have recognized the durable trend of responsibility and sustainability. Consumers’ worry about the environmental and social impact of modern lifestyles is growing. This is why Corporate Social Responsibility (CSR) provides brands an important source of differentiation and strength in the future. The strategy of repositioning enables marketers to communicate CSR as their brand’s differentiating factor. This study aimed at understanding how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor.

The theoretical framework covered the logic of brand value generation, repositioning strategy and consumer perceptions connected to CSR activities. A key concept of the positioning theory, the brand’s differentiating factor, was explored. Previous studies have concluded that desirability of the differentiating factor largely determines the level of brand value-creation for the target customers. The criterion of desirability is based on three dimensions: relevance, distinctiveness and believability. A model was built in terms of these desirability dimensions. It identified the different components of consumer perceptions involved in brand value generation through repositioning when CSR is the differentiating factor.

In the empirical part, the predefined theoretical model was tested using IKEA as the case company. When developing insights on the multifaceted nature of brand perceptions, personal interviews and individual probing are vital. They enable the interviewees to reflect on their feelings and perceptions with their own words. This is why the data collection was based on means-end type of questioning. Qualitative interviews were conducted with 12 consumers.

The improved view of the theoretical model crystallizes the findings. It also highlights five critical components that may lead IKEA to fail in its repositioning efforts. The majority of the critical components involved believability perceptions. Hence, according to the findings, establishing credibility and trustworthiness for the brand in the context of CSR seems primary. The most critical components identified of the believability aspect were: providing proof of responsible codes of conduct via conducting specific and concrete CSR actions, connecting the company’s products and the social cause, and building a linkage between the initial and new positioning while also weakening the old positioning.

Keywords:
Corporate Social Reasonability (CSR), corporate brand, repositioning
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1 INTRODUCTION

‘It is not the strongest of the species that survives, or the most intelligent, but the ones most responsive to change’
– Charles Darwin–

Immediate actions are to be taken when a firm’s market position is eroded due to an outdated image or reputation problems. Brand positioning should convey a powerful and differentiating value proposition for consumers, and as a result provide them with a convincing reason for purchasing a particular brand. Corporate brand repositioning is a strategy used by companies to react to change and stay contemporary and fresh in the eyes of the consumers. A current major trend, altering consumer attitudes and values, is the growing worry about the environmental and social impact of modern lifestyles. (Kapferer, 2008: 262, 263; Muzellec and Lambkin, 2006; Trout, 1995: 51-52, 54)

This study aims at providing insights on corporate brand repositioning, when Corporate Social Responsibility (CSR) represents the differentiating factor. A brand’s differentiating factor is a positively perceived attribute or benefit that consumers believe can only be found to the same extent with one particular brand (Keller, 2008:107). The research is conducted in a business-to-consumer context.

CSR can provide companies with a new source of differentiation and strength for the brand. Additional benefits of CSR for companies are new market opportunities, protection of reputation, increase in the level of customer liking and brand loyalty, attracting investment and avoiding risks concerning future restrictive legislation (Williams, 2008:14). Companies across the globe have recognized the durable trend of responsibility and sustainability. Unilever’s newly appointed CEO Paul Polman reflects on the opportunities and challenges that lie ahead for the consumer goods industry. He emphasizes CSR and values-based management as the success factors of the future. (McKinsey Marketing Practice) CSR Europe, the European business network for CSR, has listed over 600 company CSR solutions from various industries. For instance, Toyota provides a solution on how companies can decrease the environmental impact of
products, whereas Unilever has conducted research on the sustainable development of the supply chain. Furthermore, companies such as Vodafone and Intel answer the question of how to improve access to latest green technology. (www.csreurope.org)

Indeed, CSR is a large concept and includes multiple aspects. The World Business Council for Sustainable Development provides a definition for CSR:

> The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and the society at large (Von Stamm, 2008:273).

This definition demonstrates well how wide the concept of CSR truly is. It should also be noted that the concept, as described by the World Business Council for Sustainable Development, involves ‘continuing commitment’. Similarly, David, Kline and Dai (2005) discuss that the role of CSR ‘extends beyond short-term profitability, focusing instead on a corporation’s commitment to avoiding harm and improving society’s well-being.’ Brown and Dacin (1997) elaborate that ‘Corporate social responsibility associations reflect the organization's status and activities with respect to its perceived societal obligations’ (Brown and Dacin, 1997). CSR has become an increasingly fashionable concept and at present more companies than ever engage in CSR activities (Swaen and Vanhamme, 2004).

To further clarify the actual activities that companies become involved in, I discuss the research of David, Kline and Dai (2005). They have divided CSR activities into three categories: moral, discretionary and relational. The moral CSR activities can be: being honest about telling the truth when something goes wrong, acting responsibly towards the environment, treating employees fairly, honoring human rights of those employed in foreign countries, and competing fairly with competitors. Moreover, they evaluate discretionary CSR activities to be contributing resources to the art and cultural programs and to raise social awareness of issues such as hunger. Also, supporting children and family issues and public health programs, such as the fight against cancer, are considered as discretionary CSR activities. Finally, relational CSR activities mentioned by David, Kline and Dai (2005) were striving to build long-term relations with consumers and being willing to listen to consumers and other stakeholders. In the
next chapter I will discuss how companies are able to promote brand value via CRS associations.

### 1.1 CSR brand associations as source of brand value

Research shows that environmental issues, which are part of CSR, are one of the top five issues that youth care most about. Even though market segments that are willing to pay a premium for environmental benefits exist, the consumers as a whole are not ready for that. Most consumers do not want to sacrifice other product benefits in order to choose a responsible product. (Keller, 2008:478,480) Nevertheless, it is important to acknowledge that all things equal, consumers prefer to buy an environmentally responsible and sustainable product. Thus, CSR can provide a competitive advantage (Von Stamm, 2008:273).

The research by Brown and Dacin (1997) conclude that if CSR associations frame the company image, positive company image enhanced product evaluations and negative corporate associations discouraged product evaluations. A study by David, Kline and Dai (2005), shows that consumers’ familiarity with companies’ CSR practices significantly affects the company’s image in the consumer’s mind and thus also affects his or her purchase intentions. Finally, Kapferer (2008:22) stresses ethicality as one of brand benefits creating consumers ‘satisfaction linked to the responsible behavior of the brand in its relationship with society’. Due to the reasons presented above, it can be argued that CSR associations are able to act as sources of brand value.

In this section I will discuss in what ways, the CSR brand associations are able to promote brand value. De Chernatony (2002) views values as a strategic part of corporate branding and appreciation of these values among customers critical. Keller (2008:474) crystallizes that through Corporate Societal Marketing, a company is able to create a linkage between the brand and the customer that entails two types of abstract or imagery-related associations. These are either user profiles associations, which refers to consumers developing a positive image of the brand user as being kind and pursues to do the right thing, or personality and values associations meaning that
the consumer forms an image of the people behind the brand as caring and genuine. (Keller, 2008:474) CSR as part of corporate image can arouse positive feelings for example when purchasing the company’s product. Moreover, a company’s CSR actions can promote positive brand perceptions through arousing customer liking for doing the right thing. In the context of CSR the two categories of brand feelings proposed to be principally interesting and beneficial are ‘social approval and self-respect’. (Keller, 2008:474) In the next section I will draw the connection to the reader between brand positioning and CSR.

### 1.2 Brand positioning as means to communicate CSR

Brown and Dacin (1997) outline that CSR associations directed for actions such as giving to worthy causes and community involvement, do not seem to influence consumer perceptions much. However, companies that implement CSR into their brand strategy and position the brand based on CSR associations are very likely to gain competitive advantage.

Keller (2008:475) points out that the beauty products selling company The Body Shop became successful for adopting cause-related marketing as the essence of its brand positioning. This meant embracing environmental issues as well as animal and human rights. For example, they are recycling bottles, avoiding excess packaging for their products and thus making a difference in the lives of humans and animals (Keller, 2008:476-477).

Similarly, a forerunner of CSR, the U.S.-based ice cream manufacturer Ben & Jerry’s became popular for finding innovative means to give to social causes locally, nationally, and internationally. For Ben & Jerry’s the idea became the heart of their business and their customers are willing to pay premium prices for the ice cream due to the emotional connection they have formed with the corporate brand. (Lindberg-Repo, 2005) Cause-related marketing is ‘a marketing strategy adopted by businesses to link their name, brand or service with a particular “good cause”, service or charitable organization’
(William and Endacott, 2004). Keller (2008:475) argues that to realize the brand equity benefits, companies need to brand their cause marketing efforts in the right way.

Aaker (1982), Ries and Trout (1979), and Wind (1982) characterize the nature of brand positioning as a sustainable competitive advantage or a ‘*unique selling proposition*’ that provides the consumers with a convincing reason for purchasing a certain brand. Keller (2008:98) defines brand positioning as ‘the act of designing the company’s offer and image so that it occupies a distinct and valued place in the target customers’ minds’. Brand positioning, to be more precise, is widely considered to be the source of the competitive advantage generating value to the customers in all stages of marketing and contact points with the customer (Lindberg-Repo, 2005:80). The next section introduces the research gap of this study.

### 1.3 Research gap

According to Jewell (2007) little research focuses on the omnipresent dilemma of repositioning a known brand. The process of brand repositioning is demanding since it is always a costly and time-consuming investment for a company. Moreover, unsuccessful repositioning efforts may considerably weaken the brand’s value and fail to enhance the overall company image or market share (Copeland, 2001; Gotsi and Andriopoulos, 2007; Wong and Merrilees, 2007).

Previous repositioning studies have mainly concerned product brand level, thus corporate brand repositioning requires further research (Saunders and Jobbers, 1994; Simms and Trott, 2007). Corporate brands are not as easily managed as product brands (Kapferer, 2008:175; Aaker, 2004). Furthermore, corporate brands are often perceived as more strategic than product brands and managed by top management (Hatch and Schultz, 2003). It is clear that repositioning at the corporate level is a complex task. Company’s management faces various challenges when pursuing to manage consumer perceptions while designing and implementing corporate brand repositioning efforts in order to reflect a more responsible company image.
Moreover, the process of brand repositioning has not yet been studied in a context where CSR is the differentiating factor. In the past, many start-up companies have succeeded in creating a company image, where responsibility and sustainability constitute the core brand elements in the minds of consumers. Examples of such companies are the U.S.-based ice cream manufacturer Ben & Jerry’s and the beauty products selling retailer the Body Shop. Established companies on the other hand, face a different starting point when integrating CSR into their existing corporate brand. Even if they have taken CSR issues into consideration in their strategy and operations, communicating them to customers requires brand repositioning.

No academic studies can found from the databases of ProQuest and EBSCO related to the research problem in this study. Hence, the academic and business community will benefit from the development of frameworks that conceptualize the process of corporate brand repositioning and the decision-making involved in the context of CSR.

1.4 Aim of the study

This study aims at providing insights on corporate brand repositioning, when CSR represents the differentiating factor.

The aim is to answer the following research question:
How can consumer perceptions be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor?

The research objectives are:

- To build a model, which describes the different components of consumer perceptions involved in generation of brand value through repositioning CSR as the differentiating factor
- To identify the most critical components in the context of the case company, IKEA for generation of brand value during the process of corporate brand repositioning
1.5 Scope of the study

This study concerns a case study strategy. A single case study strategy presents a researcher an opportunity to examine and analyze a phenomenon that only small number of researchers has considered before (Yin, 2003). In this research I have utilized typical case sampling, which concerns a sampling technique where the purpose is to describe what is typical to an audience that is not familiar with a situation (Patton, 2002: 236). I have chosen the furniture retailer IKEA as the case company for my study. It could be argued that the repositioning process of IKEA is typical of a large number of corporate repositioning cases. This is due to the fact that IKEA’s initial brand positioning is widely familiar to consumers and thus repositioning the brand is likely to cause difficulties. Additionally, as many big corporations, during the past decade the IKEA stores have suffered from criticism related to multiple CSR issues.

Bo Edvardsson and Bo Enquist (2009:103) have studied IKEA for years. They comment in their newly published book that:

The social and environmental policies of IKEA are rooted in the core values of the company. IKEA’s commitment to CSR is part of its wider commitment to its various stakeholders (customers, co-workers, suppliers).

In order to communicate the company’s CSR investments, the company needs to reposition its corporate brand. The initial positioning of IKEA that many consumers are familiar with is described in the following way by Alina Wheeler (2006:37):

IKEA offers good design and quality at a low price. IKEA’s strategy resonates across cultures in 29 countries. IKEA’s values and company soul are aligned with its origin in a small village in Sweden where it was founded in 1943. Low prices are maintained by asking the customer to work as a partner to assemble the furniture. IKEA’s mission is to ‘make it easy and affordable for people to live better and attain the home of their dreams.’

The new desired positioning is characterized by Edvardsson and Enquist (2009:67) in the following way: ‘The IKEA brand is built on associations with cost-conscious, design sensibility, unconventionality, and environmental awareness.’
The marketing communications of IKEA is mostly characterized by the IKEA catalogue, which consumes 70 per cent of IKEA’s annual marketing budget. IKEA is also increasingly using other marketing channels such as printed media, the internet, television and radio. (Edvardsson and Enquist, 2009:67)

The main communication channel for IKEA to communicate its CSR activities in Finland has been its homepage: www.ikea.fi. On the homepage the company has recently launched ‘The never ending list: small improvements towards a more sustainable IKEA’. There IKEA presents a list of 67 CSR actions that the company has accomplished. Additionally, on the company’s home page, a soft toys ad campaign is communicated. This campaign involves giving 1 euro from each sold Soft Toy to Unicef. The campaign lasted a couple of months and ended on Christmas Eve 2009. Third advertisement related to promoting a responsible image is the free IKEA diesel bus for IKEA customers, also shown on the company homepage (see the appendix 4). A double-page spread of the catalogue of 2010 also shortly introduces the never ending list. (IKEA catalogue, 2010:342-343, www.Ikea.fi)

1.6 Structure of the study

This thesis consists of four main sections: introduction, theoretical background, empirical analysis, and a discussion on the findings. The theoretical framework pursues to discover based on previous research, what elements needs to be considered to be able to manage consumer perceptions when repositioning a corporate brand, CSR being the differentiating factor. The empirical part involved investigating in the context of the case company how do consumers perceive the concrete repositioning actions and the communication related to those actions? Finally, the analysis and conclusions discuss the implications of the findings for improving the theoretical framework, and suggest ideas on how to strengthen the repositioning efforts of the case company.
2 REPOSITIONING WITH CSR AS THE NEW DIFFERENTIATING FACTOR

The aim of the literature review was to discover based on previous research, what issues need to be considered to be able to manage consumer perceptions when repositioning a corporate brand, CSR being the differentiating factor. The main constructs presented in the theoretical framework are positioning as part of marketing theory, sustaining brand value via repositioning and CSR as the new differentiating factor.

2.1 Positioning as part of marketing theory

In this section I will explore positioning as part of marketing theory. Moreover, I will explain to the reader the two central issues related to the management of a brand’s positioning: the concept of brand life cycle and the ever-changing market conditions.

Aaker (1982), Ries and Trout (1979), and Wind (1982) characterize positioning as a sustainable competitive advantage or a ‘unique selling proposition’ that provides consumers with a convincing reason for purchasing a certain brand. Keller (2008:98) defines brand positioning as ‘the act of designing the company’s offer and image so that it occupies a distinct and valued place in the target customers’ minds’. Brand positioning, to be more precise, is widely considered to be the source of the competitive advantage generating value to the customers in all stages of marketing and contact points with the customer (Lindberg-Repo, 2005:80).

Lassen, Kunde and Gioia (2008) argue that the product’s unique selling proposition is losing its importance in the marketing theory. This is due to the fact that product life cycles are becoming shorter because of increasing investments in technological development and innovation. Instead, the authors propose that sustainable advantage currently relies on a company’s unique value proposition. Hence, long-term investments should be targeted at corporate brand management to enable the building of a unique value proposition with a high level of differentiation.
As concluded by Lassen et al. (2008) product life cycles are becoming shorter in many industries and thus companies should focus their long-term investments on building the corporate brand. This thinking is supported by the argument that a brand is able to some extent escape the effects of time and avoid being subject to the product life cycle (Kapferer, 2008:242). In the next section, I will clarify to the reader the concept of brand life cycle and brands’ inevitability for renewing themselves.

2.1.1 Brand life cycle

Kapferer (2008:238-240) argues that brands are not subject to the product life cycle if the brand value and its level of differentiation is nurtured correctly. The typical phases of the product life cycle are launch, growth, maturity and decline. The maturity stage of the product life cycle, being the stage right before the decline stage, is critical. Similarly for brands, reaching maturity and facing decline affects negatively on a company’s stock valuation and reputation. Managers are constantly interpreting the sales to find stabilization and thus evidence that the maturity stage has been reached to undertake strategic actions.

The different stages of brand life cycle are new, niche brand, leadership and erosion stage. As illustrated in figure 1 a brand’s life cycle shifts from having perceived differentiation to reflecting relevance in the mind of the consumer. The horizontal axis demonstrates that the brand then moves from being familiar to the consumer to establishing esteem and admiration in the mind of the consumer.

![Figure 1: Brand Life Cycle (Kapferer, 2008:242)](image-url)
In the figure, we can see that the brand starts to decline when there is a significant drop in the level of its perceived difference in terms of its main competitors. In practice, the consumer still admires the brand and all the emotional bonds still remain in place, yet the consumer becomes aware that the quality gap has been crossed between the brand and its competition. Hence, the consumer may now become disloyal. (Kapferer, 2008: 241)

Bennett and Rundle-Thiele (2005) also discuss the weakening level of brand loyalty in relation the brand life cycle and declining level of differentiation. They argue that while numerous companies still persist to position their brands on the only basis of quality and risk reduction, they find out that it does not resonate with the consumers of the new generation. Brands have different meanings for modern consumers. Product quality in general has augmented to a level where it is no longer able to clearly differentiate a brand from its competitors. The risk for a consumer to switch to another brand has decreased due to the fact that they do not have to worry about the other brands’ quality levels. (Bennett and Rundle-Thiele, 2005) Escaping the erosion phase and preventing a profitable brand from disappearing is a challenging task for all companies and their brand managers.

Repositioning can be viewed as means to tackle the existing market conditions and to escape the decline phase. Via brand repositioning and new communication, the brand can adapt its value proposition to the existing competitive conditions (Kapferer, 2008:238-240). Johnson, Scholes and Whittington (2005) argue that repositioning is a competitive strategy to be used in uncertain business environments and against increased levels of competition. This is because competitive advantage in such markets is only temporary: ‘competitive advantage will relate to organizations’ ability to change, speed, flexibility, innovation and disruption of markets.’ For companies and brands it is simply a way to pursue a degree of differentiation. (Johnson et al., 2005:258)
Ewing, Jevons and Khalil, (2009) view that even clever repositioning strategies and innovation will not prevent the brand from facing inevitable termination at some point as the result of market dynamics and consumer behavior. They claim that managerial incompetence is not always the reason for brand demise. They demand managers to start planning for the unstoppable death of every brand.

Moreover, all the severe challenges that managers face can steer companies to reposition their corporate brands. These challenges can be for instance, controlling negative associations, constructing value propositions, maintaining relevance in the eyes of the consumers, adapting the corporate brand to various segments and different geographical areas, as well as the challenge of supporting the corporate brand identity in all stakeholder contacts. (Aaker, 2004)

At present, the ever-changing market conditions are characterized by rapid technological change, fast and unpredictable shifts in consumer attitudes and tightened global competition. Outdated products and a stuffy image can quickly result in declining revenue and thus, companies should have the courage to take action in accordance with the changes in dynamic markets before it is too late. It is important to move the corporate brand with time and seize the opportunity of adapting to the more sophisticated needs of customers. (Kapferer, 2008: 262, 263; Muzellec and Lambkin, 2006; Trout, 1995: 51-52, 54)

Thus, the management of brand’s positioning involves staying closely in touch with the dynamic markets and understanding the brand’s obligation for renewal to value its perceived difference. In the next section, I will discuss the dimensions that lie inside the concept of positioning. It is essential to explain how marketers are able to build a value creating relationship between consumers and a brand through positioning.

2.1.2 Brand positioning, a value proposition for the consumer

Brand positioning should convey a powerful and value proposition for the consumer. In accordance to Keller (2008:107) brand positioning involves determining the brands ‘points of difference’ and the ‘points of parity’ in comparison to the main competitors.
These points of difference and the points of parity are connected to the customer frame of reference. The points of parity are the similar features that also other brands in the same competitive setting possess. They can either exist at the generic product level or at the expected product level. In addition, points of parity can be associations designed to negate competitors’ points of difference. Furthermore, the points of difference are the true sources of competitive advantage. Keller (2008:107) defines the nature of the point of difference i.e. the brand’s differentiating factor in the following way:

Points of differences are attributes or benefits that consumers strongly associate with the brand, positively evaluate, and believe that they could not find to the same extent with a competitive brand. (Keller, 2008:107)

Keller (2008:114) highlights that consumers need to find the brand’s differentiating factor (i.e. the point of difference) ‘desirable’; only then it is able to reflect strong, favorable, and unique brand associations. Desirability of the differentiating factor determines largely the level of brand value-creation for the target customer. The criterion of desirability is three-folded: a differentiating factor needs to reflect relevance, distinctiveness and believability associations to the consumer.

I will now shortly introduce these concepts to the reader. The relevance aspect is interested in whether the differentiating factor bears importance to the customer and seems to be significant in the eyes of the customer. The distinctiveness aspect refers to the brand’s core source of differentiation, reflecting the superior elements to the consumer in comparison to other brands. Believability means that the differentiating factor should be perceived credible and trustworthy in the eyes of the customer. (Keller, 2008:114, 115) For instance, brands such as Google and Facebook have met all of the three customer desirability criteria. The two brands have been able to convey relevant and distinctive value and benefits to their target groups that distinguish them from other brands in the same competitive setting. Additionally the brands have been able to reflect trustworthiness to their users, which has made millions of consumers loyal to these brands. Figure 2 illustrates the discussed aspects.
As discussed, Keller highlights that consumers need to find the brand’s differentiating factor (i.e. the point of difference) desirable; only then it is able to reflect strong, favorable, and unique brand associations (Keller, 2008:114). This will diminish the brand’s vulnerability against competitive brands and increase the effectiveness of marketing communications (Keller, 1993; Keller and Lehmann, 2003).

Section 2.3 focuses on discussing relevance, distinctiveness and believability more in-depth. It explores what these aspects entail in the context of brand repositioning when CSR is the differentiating factor.

### 2.1.3 Dimensions of brand perceptions

In the last section it was concluded that the desirability of the differentiating factor largely determines the level of brand value-creation for the target customer. This chapter presents the reader the various brand associations that underlie relevance, believability and distinctiveness perceptions. Brand associations symbolize the core sources of brand value and function as the means for consumers to satisfy their needs (Keller and Lehmann, 2003).
Keller (1993) defines brand image as the ‘perceptions about a brand as reflected by the brand associations held in consumer memory’. He stresses that all angles of the brand image should be considered when evaluating the consumer response to marketing campaigns. Moreover, the consumer response is determined via consumer behavior, preferences and perceptions related to the marketing mix actions. The different types of brand associations are attributes, benefits and attitudes, which are visualized in figure 3. (Keller, 1993)

Attributes are often descriptive associations of the company’s products or services, which include purchase or consumption related issues, such as price and packaging or usage and user imagery associations. Brand attitude is determined as an evaluation of a brand as a whole, which in practice largely guides the consumer behavior. Brand benefits, the personal values consumers associate to the brand, are in particular significant for the brand positioning. (Keller, 1993) Brand positioning should always be defined based on the benefits that the brand conveys to the customer. (Lindberg-Repo, 2005:97)

Keller introduces three types of benefits: functional, experiential and symbolic. Functional benefits are product or service consumption related, where as experiential
means benefits of what it feels like to consume the product or service in terms of sensory pleasure and cognitive stimulation. Finally, symbolic benefits are not connected to product and service consumption but involve the underlying needs for social approval or personal expression and self-esteem. Often so called socially visible products are built on symbolic benefits. All of the mentioned types of brand associations can promote brand’s favorability, strength, and uniqueness associations. (Keller, 1993)

Now we have discussed how brand positioning should be constructed to build a value creating relationship between the brand and the consumers. In the next section we move on to explore how the brand positioning can be modified. This will help the reader understand how CSR can be repositioned as the new differentiating factor. In the context of repositioning, progressing from the initial brand image to the new one in general requires supplementing new associations, reinforcing some existing associations as well as weakening the associations that are no longer part of the new desired brand image in the mind of the consumer (Keller, 2008:131).

2.2 Sustaining brand value via repositioning

‘Brands are built by the sum of all their behaviors, creating value at contact points with customers’
- Kapferer (2008: 451) -

Various academics have identified situations where companies should consider repositioning their brand in order to maintain their competitive advantages. Two renowned academics in the field of brand repositioning, Merrilees and Miller (2008), identify the necessity to foresee that the current customer base is likely to develop over time into a new segment demanding the action of corporate repositioning. Consumers have already begun searching for brands they consider to have a genuine commitment to environmental and social issues. Therein lay the opportunity for companies to respond to the consumers’ growing demand of sustainable solutions and view these efforts, not as cost drivers, but as investments on customer relationships and the corporate brand. Because the environmental concerns are going to affect the consumers’ purchase
decisions increasingly in the future, companies need to take them into account in their strategic decisions today. (Williams, 2008:4, 10)

In this section I will discuss the signals identified by previous studies of declining brand value. In the context of CSR two signs seem to be particularly essential. First of all, rejecting to adapt fast to a lasting change in the market place, and secondly ignoring the opinion leaders of the young generation. Marketers’ obligation is to prepare the company also for the future demands. Other signals that often lead to decreasing brand value for most companies are the lack of investment in R&D, not pursuing to foresee the future markets and future trends, as well as insufficient knowledge of new uses and new emerging consumption occasions. Furthermore, following the needs of existing clients, and not being interested in ‘non-consumers’, ‘modern consumers’ and ‘tomorrow’s consumers’ is a dramatic mistake. It is also a bad sign, if an increasing amount of sales is sold to a reduced number of customers and if there is a slow but steady increase of the average age of the clients. Considering the brand with the possibility of capturing the rising new materials, and consumer needs as well as strengthening the manner, in which values are materialized, is vital. (Kapferer, 2008: 440-441, 451-452) Figure 4 illustrates the discussed aspects.

Figure 4: Declining brand value by Kapferer (2008: 440-441, 451-452)
Moreover, the role of communication in sustaining and building brand value needs to be discussed. Creation of brand value is dependent on investments made to innovation and advertising. First of all, brand proximity marketing communication avoids creating a distance to the consumer, and second of all, the desire to always surprise the consumer is essential to keeping a brand alive. (Kapferer, 2008: 244, 440-443, 451,452)

Communication is the brand’s weapon. It alone can unveil what is invisible, reveal the basic differences hidden and sustain the attachment to the brand, by promoting intangible values. (Kapferer, 2008: 244)

All of the previously discussed aspects are of great importance when pursuing to retain brand value long-term, and also when thinking about company’s future investments on CSR. In the next section, I will explain to the reader the strategy of corporate brand repositioning.

### 2.2.1 Strategy of brand repositioning and related concepts

Diverse strategies have been utilized throughout the history aiming to lengthen the lives of lucrative corporate brands. Consequently, in this section the different views of the nature of brand repositioning and related concepts are discussed. Munthree, Bick and Abratt (2006) view repositioning as one of the strategies for a company to build new capabilities, and be able to communicate fresh benefits for its targets. Moreover, Wong and Merrilees (2006) specify that repositioning incorporates ‘the creation and placement of a desired brand in the target customers’ minds’. Furthermore, the process of repositioning refers to the modification of the holistic representation of the brand, which goes beyond marketing mix adaptation and is concerned with the change of physical aspects, such as packaging and colors as well as the psychological aspects, such as capturing needs of the target market. (Wong & Merrilees, 2007)

During the writing of the theoretical review, I noticed that the concept of brand repositioning is sometimes replaced in the branding literature with two closely related, but wider concepts: rebranding (e.g. Merrilees and Miller, 2008) and brand revitalization (e.g. Ewing et al, 1995). This made the literature review more challenging. Merrilees and Miller (2008) connect corporate rebranding to the following brand
management activities: ‘brand renewal, refreshment, makeover, reinvention, renaming and repositioning’. They characterize rebranding efforts as:

the creation of a new name, term, symbol, design or a combination of them for an established brand with the intention of developing a differentiated (new) position in the mind of stakeholders and competitors.

Notably, Muzellec & Lambkin (2006) evaluate repositioning as the key element of the rebranding exercise and describe rebranding as a change in the marketing aesthetics and in the brand position. Furthermore, Gotsi and Andriopoulos (2007) also bring forward the larger extent of change happening in corporate rebranding compared to repositioning. They stress that it is an action that usually involves changing the company’s name, in addition to targeting and positioning which are also actions that repositioning incorporates. These are done in an attempt to assign new meaning to the corporate brand and communicate new benefits to its stakeholders. (Gotsi and Andriopoulos, 2007) As discussed, corporate rebranding incorporates numerous similarities with the action of repositioning however the concept covers greater modifications made to the brand, such as changing the brand name.

Brand revitalization, the other valuable concept related to updating and strengthening the brand in time, is now discussed. The concept clarifies to the reader the main goal that also brand repositioning has: ‘recreating a consistent flow of sales, putting brand back to life, on a growth slope again.’ (Kapferer, 2008: 438) Ewing et al, (1995) also remark that the activity of repositioning should include brand revitalization. With this they mean that the objective of repositioning should be to enhance brand equity. Similarly, Yakimova and Beverland, (2005) declare that all brand updating should enhance brand equity by strengthening the brand’s relevance with its targeted consumers.

Revitalization involves two activities. First of all, maintaining the basic brand concept globally unchanged, and second of all, redeveloping it for the younger generation and modern consumers. Revitalization process is defined as ‘an upgrading of the performance and/or design of the brand to keep up with the competition.’ (Kapferer, 2008: 438) Additionally, Munthree, Bick and Abratt, (2006) view that when brands get
worn-out and the need for brands to become relevant again arises, brands should be revitalized through either repositioning or introducing line extensions. They view that repositioning a brand via modifying the brand’s value proposition and marketing aesthetics is the answer to changing market settings (Muzellec & Lambkin, 2006).

Based on the previous discussion, we can conclude that brand revitalization and rebranding are important and close concepts to the activity of repositioning. Figure 5 visualizes the relative extent to which the brand is modified in terms of the discussed three activities.

Kapferer (2008: 446, 447) analyses two strategies for companies two revitalize their brand that are relevant in terms of having CSR as the differentiating factor. First of all, attracting new users, referring to socially and environmentally conscious consumers, functions as a means to revitalize the brand. This means that the brand must focus on new customers, create new user occasions and new consumer networks, when the initial consumer base does not guarantee the company’s growth in the future. Determining an optimal marketing mix that suits the new target group, their way of life, and consumption occasions for the product, is essential. The second way is revitalizing through getting in touch with the opinion leaders, which in the context of CSR is
essential for arousing the masses concern and curiosity for social and environmental issues:

Advertising and product innovations will be of no help without the active support of trendsetting tribes. It is not easy to make friends again with people one has not called for years, during which time they have been seduced by the competition, including new entrants. (Kapferer, 2008: 448)

Kapferer (2008: 448) stresses that a brand is above all a relationship. It is a great challenge to rebuild a relationship, which involves deep emotional contacts and loyalty. Yet, this can be considered primary, when pursuing to revitalize a brand. Hence, it is important to remember that when a brand is repositioned, it needs to rebuild a relationship with the consumers, and this requires investments on advertising as well as product innovations. The next chapter brings the vitality of positioning understanding among the target consumers to the reader’s attention.

2.2.2 Measuring brand positioning understanding

This section pursues to give insight on how tracking the level of understanding of the brand’s positioning in the market place is essential for knowing whether the brand succeeds in communicating value generating associations in the consumer’s mind.

In the beginning of the brand repositioning process confirming that the new positioning is understood by consumers in the desired manner is vital. This is done before continuing further brand building efforts, such as raising awareness. In other words, it important to measure that the brand communication is able to create correct associations in terms of the desired positioning in the mind of the consumer, before investing on costly marketing campaigns to increase brand awareness.

Davis (2000:216) discusses a qualitative assessment tool called a ‘Brand Positioning Understanding’- metric. The idea is that the consumers have already reached a good level of brand awareness and the objective is only to measure what details your consumer is aware of and to gain a greater insight into how the brand is presently perceived.
Brand messages are verified through using qualitative methods to assure an effective communication strategy. If the target consumers do not recognize or understand the brand’s positioning, this will also damage other branding efforts. The measurement is conducted across a representative sample of the brand’s customers and noncustomers in order to be able to assess their level of knowledge of the brand’s positioning and whether the positioning is actually working. (Davis, 2000: 220-223)

It is time to discuss how the first section of the literature review has contributed to the aim of the study. This study aims at understanding how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor. The main research objective is to build a model, which describes the different components of consumer perceptions involved in generation of brand value through repositioning CSR as the differentiating factor.

The theoretical framework has so far covered the concept of brand life cycle and brand’s need for renewal as well as the logic of brand value generation. Moreover, the repositioning strategy was discussed in terms revitalizing the brand when its perceived difference and brand loyalty begin to decline. Inside the concept of positioning, a key concept called the brand’s differentiating factor was explored. It was concluded that desirability of the differentiating factor largely determines the level of brand value-creation for the target customers. The criterion of desirability is based on three criteria: relevance, distinctiveness and believability. Thus, it is the perceptions of relevance, distinctiveness and believability of the differentiating factor that determine the level of value-creation for the target customer (Keller, 2008:114).

As a result, the importance of the desirability criteria, when studying the success of brand repositioning efforts, is clear. Enhancing brand’s value via CSR associations thus means understanding how CSR as the new differentiating factor is able to reflect relevance, distinctiveness and believability perceptions. This thinking is visualized in figure 6.
Corporate Social Responsibility (CSR) can provide companies with a new source of differentiation and strength for the brand due to consumers growing worry about the environmental and social impact of modern lifestyles. In the next section, the three criteria of desirability, relevance, believability and distinctiveness, are discussed in terms of CSR consumer perceptions. In this study the desirability criteria serves as a frame when pursuing to discover the various consumer perceptions involved in the brand repositioning process when CSR is the desired differentiating factor. In other words, the tactical issues of understanding how consumer perceptions can be managed to generate brand value during repositioning strategy, are next explored.
2.3 CSR as the new differentiating factor

Regardless of consumers’ growing interest towards companies CSR efforts, no research can be found on consumer reactions to companies’ repositioning efforts to reflect CSR associations. Consequently, the majority of company managers are still uncertain how consumer perceptions can be managed during the challenging process of repositioning. This study seeks to provide an answer to this question. The tactical issues related to managing consumer perceptions when repositioning CSR as the differentiating factor, are now discussed.

Williams (2008:12) speculates that corporate brand repositioning, CSR being the differentiating factor, can be accomplished simply by following a plan that supports the environment and society in the right way:

By committing to the sustainability agenda, customers will soon learn to trust your brand and realize that you’ll do the right thing by society and the environment on their behalf. That’s when you can offer customers something truly valuable and you’ll be rewarded through their loyalty.

In the following chapters I will discuss the various other matters to consider when managing consumer perceptions in the context of corporate brand repositioning when CSR is the differentiating factor. Obtaining consumers’ trust for the new brand positioning as well as their loyalty is not as simple as Williams suggests.

As discussed, for a brand to be able to generate value, consumers need to perceive the brand’s differentiating factor desirable; only then the differentiating factor is able to reflect strong, favorable, and unique brand associations. It is the desirability of the differentiating factor that determines the level of value-creation for the target customer. The desirability criteria incorporate the dimensions of relevance, distinctiveness and believability. (Keller, 2008:114) In the next section the tactical issues of a repositioning strategy, pursuing to reflect CSR as the differentiating factor, are explored. This is done in terms of the desirability criteria.
2.3.1 Criterion of relevance

Repositioning efforts should always aim to enhance the brand relevance. Ewing et al, (1995) discuss that it should not be forgotten that a revitalized brand’s purpose is to be able to convey more relevant values to the customer, while Yakimova and Beverland (2005) view that brand updating enhances brand equity by reinforcing the brand’s relevance with its target consumers.

Keller (2008:114,115) defines relevance in relation to the differentiating factor as being significant in the eyes of the customer and bearing importance to the customer. Relevance is considered vital, since consumers will not view the new differentiating factor, an attribute or benefit, as very good if they do not regard it as very essential and important to them (Keller, 1993).

In this section, I will discuss how the relevance aspect of the differentiating factor can be enhanced in the minds of the consumers, when CSR is promoted as a differentiating factor. Kapferer (2008:177) proposes marketers to reflect on a question ‘how strong is the assumed consumer motivation behind this positioning?’ which I consider to be essential when discussing differentiating factor’s relevance to consumers. Moreover, it is critical to start building the desired positioning with an identification of the target groups as different consumers and segments often possess dissimilar brand knowledge structures i.e. different brand perceptions and preferences. Determining the target groups enables the marketer to decide which brand associations should be promoted as strong, favorable and unique (Keller, 2008:99).

Large part of consumers make their purchase decisions using the following criteria: first comes price, second quality, third ease of use, forth availability and finally sustainable values, which relate to CSR (Korhonen, 2009). Thus, most consumers do not want to sacrifice other product benefits in order to choose a responsible product. Nevertheless, it is important to acknowledge that all things equal, consumers prefer buying an environmentally responsible and sustainable product. (Keller, 2008:480; Von Stamm, 2008:273) Thus, we can conclude that CSR values promote the brand’s relevance in the eyes of the consumer if communicated and delivered right.
Through Corporate Societal Marketing, a company is able to create a linkage between the brand and the customer entailing imagery-related associations, which refer to consumers developing a positive image of the brand user as being kind and pursuing to “do the right thing”. It might be about giving the consumers the possibility of justifying their self-worth to others or to themselves. Providing consumers with external symbols such as stickers, for them to explicitly advertise their affiliation to others, is the key. It concerns visually celebrating the fact that he or she is ‘doing the right thing’ and should feel good about it. More importantly, providing a moment where the consumer reflects upon the feelings of social approval and self-respect is essential. (Keller, 2008:474)

It is the symbolic benefits, which are not connected to product and service consumption, but to the underlying needs for social approval or personal expression and self-esteem (Keller, 1993). Similarly, Kapferer (2008:22) stresses ethicality as one of brand benefits creating consumers ‘satisfaction linked to the responsible behavior of the brand in its relationship with society’.

Briefly discussed, the key to communicating CRS is to spell out the benefits for the consumer, when he or she asks ‘what’s in it for me’. Failing to make a connection between what the firm is doing for a social cause and how it affects the individual consumers, can lead to implementation failure (Keller, 2008:480).

This section discusses how the relevance of the differentiating factor to the consumer can be promoted. It is suggested that it is important to educate the consumers on how their consumption choices affect our nature and offer them the change to make better choices as consumers. This contributes to the fact that they view a particular brand as more relevant.

Understanding of environmental and social benefits of products among consumers is low even though increasing. Hence, all consumers need to be educated on the fact why some products are less socially and environmentally damaging than other products. Providing knowledge to the consumers remains the most significant opportunity to grow the market to mainstream consumers. Failing to provide information to the consumers
of the company CSR activities, the company misses the opportunity to help the consumers to think critically about the purchasing decisions. Without accurate brand knowledge the consumers cannot engage themselves to the brand. (Ottman 1998: 40–41; William and Endacott, 2004)

To be able to manage consumer perceptions, it is important to discuss how consumers should be educated. In relation to this, Gupta and Pirsch (2006) emphasize that in communicating CSR issues marketers should concentrate on communicating the basics when designing a cause-related campaign. Furthermore, Merrilees and Miller (2008) highlight the importance of promotion in awareness building among all the stakeholders of the company. The absence of ‘buy-in’ from stakeholders could weaken significantly the effectiveness of the corporate brand. (Merrilees and Miller, 2008)

The means to communicate CSR issues also affect consumer perceptions and may promote relevance associations. The channel of communication needs to be rapid to assure that the repositioning communication is noted by all stakeholders’ fast (Hankinson et al., 2006). The central issues to consider in assuring an effective communication strategy, is high frequency of repositioning communication, and utilization of numerous communication channels and (Bergstrom et al., 2002).

Keller (2008:474) discusses that through Corporate Societal Marketing a company is able to reflect an image of the people behind the brand as caring and genuine. This refers to forming a connection between the brand and the customer through personality and values associations. By people behind the brand, is meant the company’s leader and the company employees. Bergstrom et al., (2002) also note that the high status of the leader ensures an effective repositioning communication.

Kapferer (2008:351) points out an example of how companies often pursue to promote their responsibility. They often supply the consumers a telephone number that the consumers can call to, for any complaints related to the company. This is one way to communicate the consumers that the people behind the brand are caring, and genuinely interested in the consumer. Moreover, Aaker (2004) states that it is wasteful to present
corporate brands as something they are not. This is probably one of the issues that are difficult to fake. For instance, if the service personnel do not seem nice or the company leader is attacked by media with suspicious issues, it is difficult for the consumer to perceive the people behind the brand as caring and genuine.

The components of relevance were discussed in this section in the context of CSR. The next section will discuss the second criterion, believability.

2.3.2 Criterion of believability

The second criterion for differentiating factor’s desirability in the customer’s mind is believability. Believability aspect reminds the marketers that the brand’s differentiating factor should reflect the consumer associations of credibility and trustworthiness. CSR associations may enable the consumers to perceive the company as being more trustworthy in general. (Keller, 2008:114,115,474) In the context of CSR, customers need to be assured of the fact that by supporting a certain company they are able to make a positive impact on people’s lives or contribute to the well-being of our planet.

Swaen and Vanhamme (2004) argue that companies that are doing the most in the area of CSR are also the ones that are criticized the most whereas the ones that are not doing anything are the least condemned. That is also why companies need to be fully prepared also on practical level before starting to promote CSR as their brands differentiating factor. Companies that claim to be socially responsible need to be aware of how damaging to their business accusations of irresponsible behavior can be.

Consumers will most probably question the motives of a company undertaking CSR initiatives. This is why it is important to discuss how these doubts can be overcome. A good starting point for companies is to first adopt a so called ‘interim positioning’ to be able to establish brand credibility and performance. This refers to focusing on those aspects which the organization is currently able to deliver. (Copeland, 2001) In terms of CSR it is important that the company admits what it is presently capable of doing for the society or the environment and what are its specific plans for the future progress of the CSR program. In addition, ensuring consistency and straightforwardness of the
company’s communication is of great importance. When a company has managed to create long-term brand strategy all actions and crucial elements have to be aligned with the new brand strategy and brand positioning. (Ewing et al., 1995; Merrilees and Miller, 2008; Trout, 1995:86)

Moreover, Ellen, Webb and Mohr (2006) conducted a study on the judgments that consumers make concerning the motives underlying companies' CSR activities. The results of two studies showed that responses to the company and its offering were most positive when consumers attributed strategic motives as well as values-driven to the company. If the company committed itself for CSR actions only for a short period of time, respondents viewed that the company committed itself to CSR activities solely to meet stakeholders' expectations instead of realizing the company values and principles. It was studied that perceived stakeholder-driven motivations diminished consumers purchase intent. Consumers did not seem to appreciate organizations that devote themselves into CSR actions only due to the fact that consumers’ or stakeholders’ of the company insist it. (Ellen et al., 2006)

This makes sense since Edvardsson and Enquist, (2009:110-111) have identified that if CSR values are incorporated in the company strategy they motivate companies to engage in lean production, lean consumption, energy conservation, and the creative use of waste. Culture and mentality of CSR in a company therefore promotes also profitability in a long-term perspective.

Furthermore, in relation to the company motives, the consumer will make two types of judgments. First of all, in the context of CSR if the skeptical consumers question the connection between the company’s products and the social cause, they might judge the company as being exploitative and self-serving (Keller, 2008:475). Second of all, in communicating CSR issues marketers should choose a cause that makes sense to the consumer to be a partner of that particular company (Gupta and Pirsch, 2006). It is the responsibility of the marketer to conquer the challenge of establishing brand credibility in the mind of the consumer.
Companies’ environmental claims are frequently answered with criticism and suspicion (De Boer, 2003). This is somewhat justified since numerous companies have made environmental claims without being able deliver the claims (Keller, 2008:475,479). Hence, the marketers need to pose themselves the question, how are can we gain consumers trust in our CSR program. To be able to manage consumer perceptions to reflect believability associations and more importantly to enhance brand value and perceived difference in the consumers’ minds, the marketers are forced to ask themselves the question.

Few have studied this problematic issue. The concept of transparency is recognized as one of the issues to promote positive believability associations and provide support behind CSR claims. Haapala and Aavameri, (2008:70,71) define transparency as not merely an attitude nor a communicational issue, but concerns seeing business without hiding the truth and facing all issues bravely. It is an issue that consumers are starting to demand from companies. They state that transparency offers companies a wide variety of information that is of good quality. True information is of essence in order to follow the concrete actions of companies and avoid so called ‘greenwash’. The term greenwash refers to a situation where the company is not truly helping the society or the environment even though making strong claims on the issue.

Furthermore, Von Stamm (2008: 278) stresses that firms that truly want to help the environment, are not satisfied with only writing fancy statements in the company annual reports. Some companies are only making us feel better but not truly helping the environment. It seems that a statement that is followed by a specific action is most credible and also affective. To give an example, in 1992 Honda’s President Nobuhiko Kawamoto assured that turning cars into more environmentally responsible was the most imperative difficulty confronting manufacturers. In August the same year Honda withdrew from motor racing in order shift its focus to environmentally friendly issues. (Von Stamm, 2008:277-278)

Briefly stated, instead of just having trust in the good will of company managers, consumers now need proof of companies’ sustainable and responsible codes of conduct.
The brand repositioning process starts by the company having a clear understanding of the current brand knowledge structures of the consumers, and has also, determined what the desired knowledge structures for the new positioning should be (Keller, 2008:131). This information is beneficial for the marketer to evaluate the gap between the two positionings, the initial positioning of the company, and the desired one.

The meaning and significance of this task is discussed next. First of all, this gap between the old and the new positioning should be evaluated in terms of the customer frame of reference. The risk is that if the brand is repositioned too far from its customer frame of reference, the repositioning might fail due to the creation of customer confusion (Copeland, 2001).

Customers’ frame of reference is part of the brand positioning. The customer frame of reference involves analyzing in which context the benefit or attribute is relevant and which other brands are able to serve the same purpose for the consumer. An objective description of the product category should not be confused with the customer frame of reference, which is a very subjective definition of the category.

To give an example, there is no rum market in Great Britain; nevertheless Bacardi has been highly successful. This is due to the fact that people do not associate the Bacardi drink to rum, since it has been positioned as the ‘party mixer par excellence’. Defining the frame of reference should always be a strategic choice for companies since it specifies the nature of the competition. (Kapferer, 2008:178) The customer frame of reference comprises of the customer’s emotional and physical needs as well as the dynamics of the situation in which those needs occur. (Copeland, 2001) Analyzing the customer frame of reference is thus necessary to avoid positioning the brand too far from it.

The transition to the desired positioning in the mind of the consumer should involve a ‘value-added progression’ and a rational step (Ewing et al., 1995). The current associations can hold back the repositioning efforts if a bridge is not build for the customer between the existing associations and the new associations (Aaker, 1991).
Hence, a bridge needs to be built by the marketer to import customers from the existing positioning to the desired one, to ensure a successful repositioning process. This can be solved through ensuring that the product’s current looks and ingredients are compatible with the new positioning (Kapferer, 2008:177). Moreover, leveraging the brand’s unique emotional benefits to build the bridge for the consumers is suggested (Copeland, 2001).

In short, when repositioning a corporate brand, enabling a smooth transition from the existing positioning to the desired one is vital to claim consumers’ believability towards the new positioning. This can be done through consideration of the consumer frame of reference and via building a linkage from the initial positioning to the new one.

Jewell (2007) emphasizes that in addition to building the bridge between the old and the new positioning to prevent customer confusion, marketing investments should also be targeted at weakening the old positioning. He suggests many marketers still believe that advertising the new positioning of the brand with sufficient repetition is enough to create strong linkages in consumers’ memories between the desired differentiating factor and the brand name. However, to successfully and efficiently succeed in repositioning a familiar brand, the communication strategy must aim in addition to communicating the new positioning also at weakening the old positioning.

If interference to the old positioning attribute can be induced, acceptance of the repositioning will be greater relative to a situation in which no interference was engendered. (Jewell, 2007)

Therefore, we can conclude two objectives for the repositioning communications strategy: the inhibition of the old positioning and the learning of the new positioning. In relation to this thinking, Keller (2008:115) stresses that it is not an easy task to create an association that is inconsistent with current consumer knowledge. It is much easier to communicate something that the consumer feels that he or she has just not noticed before, rather than trying change the consumer perception on some matter.
In conclusion, weakening the old positioning is of the essence for the marketer to be able to reflect believable perceptions to the consumers. Finally, the third criterion of desirability, to be discussed in the next section, is distinctiveness.

2.3.3 Criterion of distinctiveness

The distinctiveness aspect is the source of brands’ differentiation. To reflect elements of superiority to the consumers, brand positioning needs to possess distinctive features (Keller, 2008:114, 115). For instance in the context of CSR, a brand is able to promote positive differentiating brand perceptions since consumers may think that a company willing to invest in a social cause is caring more about consumers than other companies (Keller, 2008:474).

Kapferer (2008:176,177) proposes marketers to evaluate their desired positioning from the point of view of distinctiveness with two questions: ‘Does it capitalize on a competitor’s actual or latent durable weakness?’ and ‘Is this a suitable positioning which cannot be imitated by competitors?’ Moreover, a company should first specify clearly to what competitive setting the brand should be connected to and secondly, the company should point out the brand’s key distinction relative to other brands in the competitive setting (Kapferer, 2008:176,177).

Hence, in the context of CSR, it should be remembered, that other environmentally and socially responsible brands that are able to offer symbolic benefits for consumers also compete with the brand. Thus, it is not enough only to declare responsible actions and sustainable codes of conduct, the companies additionally need to spell out how these efforts are distinctive in relation to other brands.

To demonstrate this further, I provide the reader with an example. The numerous high-tech businesses repositioned their corporate brands as e-business brands. However, these brands forgot to noticeably differentiate themselves from other brands even though spending a large amount of money on marketing communications. Thus, they failed in building strong brand identities which was the objective of their brand repositioning. (Copeland, 2001)
Gupta and Pirsch (2006) emphasize that in communicating CSR issues marketers should concentrate on creating a positive feeling toward the brand. They propose that consumers possibly make two different judgments of the company involved in a cause-related marketing campaign. First of all, the consumers compare their own identity to that of the company: ‘Is this company like me? Are our identities alike? Second of all, they make a more affective and emotional judgment: ‘Do I like this company? Do I feel positively about this company?’ In terms of CSR consumer perceptions, recognizing the existence of these types of judgments is central to assuring a correct approach to CSR communications strategy.

Moreover, a brand participating in a cause-related activity allows customers to become so called ‘ambassadors’ of the brand positioning and assist the company in communicating and reinforcing the brand. A good cause can serve as a means to connect with other consumers and share experiences, for example online. (Keller, 2008:474-475) Social media is one of today’s key channels for connecting with friends and acquaintances. Encouraging positive word-of-mouth communication through CSR is probably a good way to elicit positive responses also on social media, such as the Facebook and Twitter. Yet, to be able to accomplish this type of brand engagement from the consumers, the differentiating factor needs to be perceived as highly distinctive in the consumers’ mind.

When repositioning a corporate brand, the marketers need to remember to place value on the main distinctive parts, which the brand has been able to accomplish during its lifetime. In the process of pursuing to achieve a contemporary relevance for the brand this may easily be forgotten. The reasons for this task will be discussed in this section.

Brand identity gives guidelines to what parts of the brand should be kept the same and what elements can be modified, allowing brands to evolve in time (Kapferer, 2008: 171,173). Before establishing the desired brand positioning, it is critical to explore the brands’ existing positioning in order to identify its value creating parts for the customer, i.e. the parts of the brand that should remain untouched.
Why does the customer then need a connection point between the old positioning and the new one? Kapferer (1997:334) comments that deserting the ‘traces of brand memory’, makes it very difficult for customers to accept the revised brand. Successful corporate rebranding necessitates maintaining at least some brand elements to link the existing brand to the revised one. Moreover, sensitiveness towards the current customer segments is vital in brand repositioning, while fulfilling the needs of new customer segments, to succeed in the repositioning efforts (Merrilees and Miller, 2008).

Alienation of a significant target group, which considers the existing associations valuable, is a risk, if this aspect is not considered (Ewing et al., 1995; Aaker, 1991). Moreover, avoiding to entirely alter the brand’s core essence, will facilitate the customer’s transition from the current positioning to accepting the new one. This is also the key is to maintaining the cultural heritage and remain true to the brand’s core values. (Ewing et. al., 1995; Schultz and Hatch, 2003)

At this point, the reader has been introduced, how consumer perceptions can be managed during the challenging process of repositioning from the theoretical point of view. As a result, in the next section a theoretical model is constructed on creation of brand value through corporate brand repositioning when CSR is the differentiating factor.
3 BUILDING A THEORETICAL MODEL

The main objective of this study was to build a model, which describes the different components of consumer perceptions involved in generation of brand value through repositioning CSR as the differentiating factor. This section presents the initial theoretical model that is grounded on the theoretical constructs introduced in this study.

The model is novel in terms of connecting the desirability criteria considerations of the differentiating factor to the various consumer perceptions linked to brand repositioning and CSR communication. Hence, the theoretical model presented may be considered valuable and to contribute to branding and CSR research. The main idea of the model is that it enables us to understand that promoting brand’s value via CSR associations means understanding how CSR as the new differentiating factor is able to reflect relevance, distinctiveness and believability perceptions.

As a result of the literature review, the model presented in figure 7, introduces altogether 11 components that are considered important in managing consumer perceptions to generate brand value through corporate brand repositioning when CSR is the differentiating factor. These components also ground the collection of empirical data. Moreover, the theoretical model built in figure 7 serves the aim of the study, which was to seek to understand how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor.
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<thead>
<tr>
<th>RELEVANCE ASPECT</th>
<th>BELIEVABILITY ASPECT</th>
<th>DISTINCTIVENESS ASPECT</th>
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<tbody>
<tr>
<td>Providing benefits to the consumer, often symbolic</td>
<td>Promoting long-term strategic, values-driven motives while adopting of interim positioning</td>
<td>Promoting the brand’s key distinction in relation to other responsible brands</td>
</tr>
<tr>
<td>Not expecting the consumers to sacrifice other brand benefits to choose a responsible product or service</td>
<td>Providing proof of responsible codes of conduct via conducting specific and concrete CSR actions</td>
<td>Retaining the core parts of the initial positioning</td>
</tr>
<tr>
<td>Providing consumers with external symbols of their responsible actions</td>
<td>Connecting the company’s products and the social cause</td>
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<tr>
<td>Educating consumers through communication of the CSR basics, using numerous communication channels</td>
<td>Building a linkage between the initial and new positioning while also weakening the old positioning</td>
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<td>Considering perceptions of people behind the brand (leader and service personnel)</td>
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**GENERATING BRAND VALUE THROUGH REPOSITIONING CSR AS THE DIFFERENTIATING FACTOR**

Figure 7: The preliminary theoretical model
The different components are now discussed in terms of their desirability dimensions. There are altogether five components under relevance, four under believability and two under relevance.

### 3.1 Components of relevance

The first component is *providing benefits to the consumer, often symbolic* is formed based on Keller (1993). He suggested that symbolic benefits for consumers exist, which are not connected to product and service consumption, but involve the underlying needs for social approval or personal expression and self-esteem. Similarly, Kapferer (2008:22) later discussed, ethicality as one of brand benefits creating consumers value connected to responsibility of a brand.

Not expecting the consumers to sacrifice other brand benefits to choose a responsible product or service is the second component. It was grounded on studies by Keller, (2008:480) and Von Stamm (2008:273) who recognized that most consumers do not want to sacrifice other product benefits in order to choose a responsible product.

The third component, *providing consumers with external symbols of their responsible actions*, was formed based on Keller’s (2008:474) research. He suggested that through Corporate Societal Marketing, a company is able to create a linkage between the brand and the customer entailing imagery-related associations. This means that the consumer creates a positive image of the brand user as being kind and pursuing to ‘do the right thing’. It might be about giving the consumers the possibility of justifying their self-worth to others or to themselves. Providing consumers with external symbols for them to explicitly advertise their affiliation to others, was considered creating value to the consumer.

Educating consumers through communication of the CSR basics, using numerous communication channels is the fourth component. It concerns the fact that during the theoretical review it was concluded, that providing information to the consumers on the social and environmental benefits of products, remains the most significant opportunity to grow the market to mainstream consumers. (Ottman 1998: 40–41; William and
Endacott, 2004) Moreover, Gupta and Pirsch (2006) emphasize that in communicating CSR issues marketers should concentrate on communicating the basics. Central issues to consider assuring an effective communication strategy is high frequency of repositioning communication and utilization of numerous communication channels and (Bergstrom et al., 2002).

The fifth component under relevance is *considering perceptions of people behind the brand (leader and service personnel)*. This component is formed based on the discussion that through Corporate Societal Marketing, a company is able to create a linkage between the brand and the customer entailing personality and values associations meaning that the consumer forms an image of the people behind the brand as caring and genuine (Keller, 2008:474). Furthermore, high status of the leader ensures effective repositioning communication (Bergstrom et al., 2002).

### 3.2 Components of believability

The first component under believability is *promoting long-term strategic, values-driven motives while adopting an interim positioning*. Most positive responses to the company and its offering are achieved, if consumers view that strategic motives and values-driven motives underlie companies CSR activities. Additionally it was viewed important that the companies commit themselves for CSR actions for long periods of time. (Ellen, Webb and Mohr, 2006) Additionally, Copeland (2001) advices companies to first adopt an interim positioning to establish brand credibility and performance. This refers to focusing on those aspects, which the organization is currently able to deliver.

The second component is called *providing proof of responsible codes of conduct via conducting specific and concrete CSR actions*. Jaana Haapala and Leena Aavameri (2008:70, 71) discuss that consumers need proof of companies’ sustainable and responsible codes of conduct, instead of just having trust in the good will of company managers. Consumers have become skeptical since numerous companies have made environmental claims, without being able deliver the claims (Keller, 2008:475,479). Von Stamm (2008: 278) stresses that a CSR statement followed by a specific action is the most credible and also affective.
Connecting the company’s products and the social cause is the third component. Keller (2008:475) stresses that establishing brand credibility is fundamental, because the risk is that if the skeptical consumers question the connection between the company’s products and the social cause, they might judge the company as being exploitative and self-serving. In addition, Gupta and Pirsch (2006) emphasize that in communicating CSR issues marketers should choose a cause that makes sense to the consumer to be a partner of that particular company.

The last believability component involves building a linkage between the initial and new positioning while also weakening the old positioning. In the theoretical part of this study it was discussed that the shift towards the desired positioning was characterized as a ‘value-added progression’, not an illogical leap that generates confusion on the market place (Ewing et al.,1995). The danger is that if the brand is repositioned too far from its customer frame of reference, and makes the repositioning to fail due to the creation of customer confusion (Copeland, 2001). Furthermore, the company also needs to consider that the product’s current looks and ingredients are compatible with the new positioning (Kapferer, 2008:177). Aaker (1991) states that current associations can hold back the repositioning efforts if a bridge is not build for the customer between the existing associations and the new associations. Moreover, weakening the old positioning is an important task. Keller (2008:115) stresses that it is not an easy task to create an association that is inconsistent with current consumer knowledge. To successfully and efficiently succeed in repositioning a familiar brand, the communication strategy must aim in addition to communicating the new positioning also at weakening the old positioning (Jewell, 2007).

3.3 Components of distinctiveness

The first component under distinctiveness is promoting the brand’s key distinction in relation to other responsible brands. This component proposes that a company should first specify clearly, to what competitive setting the brand should be connected to and secondly, the company should point out the brand’s key distinction relative to other brands in the competitive setting (Kapferer, 2008:176,177). Hence, other
environmentally and socially responsible brands that are also able to offer symbolic benefits for consumers compete with the responsible brand.

Moreover, the second component of the distinctiveness dimension is retaining the core parts of the initial positioning. Ewing et. al., (1995) and Schultz and Hatch (2003) stressed that avoiding to entirely alter the brand’s core essence will facilitate the customer’s transition from the current positioning to accepting the new one. Kapferer (1997:334) supports this thinking. He comments that deserting the ‘traces of brand memory’, Consideration shown to the current customer segments is important, to avoid losing them while pursuing to fulfill the needs of new customer segments (Merrilees and Miller, 2008).
4 RESEARCH DESIGN

This study seeks primarily to understand how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor. Moreover, the study has two research objectives. First of all, to build a model, which describes the different consumer perceptions components involved in generation of brand value through repositioning CSR as the differentiating factor. Second of all, the objective is to identify the most critical components in the context of the case company for generation of brand value during the repositioning process.

In relation to the aim, the purpose of my research is exploratory, meaning that I pursue to generate empirical insights of the consumer perceptions of corporate brand repositioning when the differentiating factor is CSR. Saunders (2007:133) defines exploratory study as a ‘research that aims to seek new insights into phenomena, to ask questions and to assess the phenomena in a new light’. Additionally, this study is partly descriptive, which refers to ‘portraying an accurate profile’ of particular situation (Saunders, 2007:134). In the next section, I will clarify the research approach of my study the reader.

4.1 Abductive research approach

The research approach of this study is abductive. Dubois and Gadde define the abductive research approach as ‘a process where theoretical framework, empirical fieldwork, and case analysis evolve simultaneously’ (Dubois and Gadde, 2002). The approach is beneficial when a researcher pursues to discover new issues, variables and other relationships (Dubois and Gadde, 2002). Similarly, this study aims at identifying components, which are involved in generation of brand value during the repositioning process of corporate brand repositioning, CSR being the differentiating factor.

The abductive approach, is closer to an inductive than deductive approach, yet in the continuous interaction, theory is emphasized more than in the grounded theory and has a stronger reliance on theory (Dubois and Gadde, 2002). Typical for an inductive research approach, is that it moves from a particular case or collection of observations
to creating general facts and finally developing theories (Kovács, 2005:132), whereas a deductive study is characterized by the testing of a theoretical proposition through empirical research (Saunders, 2007:596).

First the predefined theoretical model, which described the different components of consumer perceptions involved in generation of brand value through repositioning CSR as the differentiating factor consumer perceptions, was built. This model was combined by the author through a long process of restructuring. The components that formed the predefined theoretical model were then tested using IKEA as the case company. The findings indicated that the model obtained many particular features in the context of the case company. Yet, all the components of consumer perceptions were supported by the empirical part of the study. Additionally, these insights gained shaped the predefined model by providing indications of the components’ importance to the repositioning process and adding them depth. In conclusion, the theoretical model was be modified, partly as a result of unexpected empirical findings, but also due to the theoretical insights gained during the research process. Dubois and Gadde (2002) propose that following this approach, researcher is able to expand her understanding for both theoretical and empirical phenomena. Figure 8 illustrates the process of an abductive research approach.

Figure 8: The process of an abductive research approach
4.2 Case study research strategy

This study concerns a case study. It is a research strategy referring to ‘investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence’ (Robson, 2002:178). Case method builds on the theoretical model developed through literature review. I consider a case study to be a suitable strategy for my study to be able to thoroughly respond to my research question: How can consumer perceptions be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor? This method ensures an overall strategic view to corporate brand repositioning rather than pursuing to analyze a particular issue inside brand repositioning. This type of a ‘single case’ - study strategy presents a researcher an opportunity to examine and analyze a phenomenon that only small number of researchers has considered before. This study is also classified as a ‘holistic case’ – study since it is interested in the company as a whole. (Yin, 2003)

Furthermore, the criteria used for choosing a case company for this study is now discussed. The case company was chosen based on typical case sampling principles. A typical case sampling concerns a sampling technique where the purpose is to describe what is typical to an audience that is not familiar with a situation. The case selected cannot be in any way extreme or unusual. (Patton, 2002:236) I have chosen IKEA as the case company for my study. The repositioning process of IKEA is believed to be typical of a large number of corporate repositioning cases, when the new differentiating factor is CSR. This is due to the fact that IKEA’s initial brand positioning is widely familiar to consumers, and thus brand repositioning is likely to cause difficulties. Additionally, IKEA, as so many other companies, have been criticized of issues related to CSR, and thus can be concluded as a typical case, also from this perspective.

4.3 Data collection

This study utilizes qualitative methods to answer the aim of the study. In accordance to Silverman (2006:5) the general benefit of qualitative methods is ‘its ability to get under the surface in order to understand people’s perceptions and experiences’. Moreover, the methods uncover silent practices and opinions, which are the key to advancing
brand management literature. In particular methods, such as personal interviews and individual probing, are of the essence when developing insights on the multifaceted nature of brand perceptions, since they enable the interviewees to reflect on their feelings and perceptions with their own words. (Simms and Trott, 2007; Yakimova and Beverland, 2005) Consequently, I concluded interviewees to serve the aim of my study best. The next section explains the reader the nature of the means-end theory interviews, and how they were used in this study.

4.3.1 *Means-end theory interviews*

The means-end theory interviews are traditionally used in positioning research and hence, concluded to bring depth to the empirical data collection of this study. Philosophy behind the means-end model is psychology, yet it is mostly utilized in the field of marketing. For academic researchers the means-end model offers beneficial theoretical explanations of consumer behavior. To describe the method shortly, the means-end model focuses on the connections between the various *attributes* that brands (the means) possess and the *consequences* (the ends) for the consumer derived from these brand attributes. This approach is in addition interested on the personal *values* of consumers that have an effect on the consequences. (Olson, 1995; Gutman et al., 1988)

The means-end chain model incorporates two central assumptions in terms of consumer behavior. First of all, it assumes that values possess a significant role in guiding the consumers’ choice patterns. Second of all, consumers to be able to manage an enormous variety of products, which might satisfy those values, they categorize them into different groups in terms of the brand functions to simplify the choice. It supposes that all consumer actions always result to consequences and that consumers learn to connect certain consequences to certain actions. (Gutman, 1982) The following quotation crystallizes the benefits of the means-end model:

> In-depth profiling of the consumer and his or her relationship to products offers potential not only for understanding the ‘cognitive’ positioning of current products but also permits the development of positioning strategies (Gutman et al., 1988).
The results of a means-end model can be utilized to successfully differentiate the brand and position the brand in the consumers’ minds. This is due to the fact that the means-end model enables the marketer to go beyond the product attributes and communicate the consequences it delivers, and discover personal issues that the consumers truly value. The motivational view sees the means-end chains strength in getting hold of the consumers’ buying motives. In other words, how consumer motives are connected to shopping behavior. (Grunert & Grunert, 1995; Gutman et al., 1988)

The following quotation crystallizes why I have chosen this method. The means-end model data collection is able to ‘get below the respondent's surface reasons and rationalizations to discover the more fundamental reasons underlying the respondent's perceptions and behavior’ (Gutman et al. 1988). This is also the aim of my research; to gain the deepest possible understanding of how the IKEA’s repositioning efforts are viewed by the consumers. The nature of the means-end approach is characterized by an open-ended design and insightful probing. The data collection is always focused around a single subject. (Gengler C. et al. 1995; Gutman et al., 1988) In my study the interview centers on the issue of how the consumer perceives the CSR actions and communication of the IKEA brand and what seems to create brand value in the eyes of the consumer.

The means-end interviewees of my study involved around three current IKEA’s CSR communications presented in the company’s Finnish homepage. Before conducting the means-end interviews, the interviewees were asked to take a look at the three commercials on their own time, during the same day as the interview was conducted, and before attending the interview. The interviewees were encouraged to view the CSR communications as long as they felt interest towards them. The three current IKEA’s CSR communications are now introduced. The appendix 4 visualizes all the three communications. The main communication channel for IKEA to communicate its CSR activities in Finland has been its homepage: www.ikea.fi. On the homepage the company has recently launched ‘The never ending list: small improvements towards a more sustainable IKEA’. There IKEA presents a list of 67 CSR actions that the company has accomplished. Additionally, on the company’s home page, a soft toys ad campaign is communicated. This campaign involves giving 1 euro from each sold Soft
Toy to Unicef. The campaign lasted a couple of months and ended on Christmas Eve 2009. Third advertisement related to promoting a responsible image is the free IKEA diesel bus for IKEA customers, also shown on the company homepage. (www.Ikea.fi) I point out that there would have not been any sense in asking whether the consumers had already seen these commercials before asking them to view them online. This is because, brand building communication always takes time to reach consumers and that was not the purpose of the study to find out. At this stage of the repositioning process, it is more important to gain understanding on whether the CSR commercials are perceived by the consumers in the right way when they come across them and thus take the brand closer to their desired positioning.

An open-ended interview guide was established for the interviews involving means-end type of questioning (See the interview guide, appendix 1 and 2). In the beginning of the interviews, the interviewees were asked to express their opinions and feelings as well as evaluate critically their behavior. The approximate duration of each interview was from 30 to 45 minutes. A technique called ‘evoking a situational context’, where interviewees are asked to reflect on a realistic situation, is argued to bring best results (Gutman, 1988). Consequently, the most central question of the interview-guide was to solicit the interviewee to imagine a situation where he or she is going to furniture shopping and critically evaluate whether the three CSR commercials that she or he had just seen would influence his or her decision in anyway. This question then evoked a discussion on how IKEA’s repositioning communication efforts on the company’s homepage had been perceived by the interviewee. This technique resulted in rich descriptions of the repositioning perceptions, and provided a good basis for more probing questions.

The different question types used were open questions, probing questions and closed questions. Open questions often lead to broad and developmental answers and are especially valuable when the research aim is to allow the interviewee to describe some kind of a situation. Probing questions are a central part of the means end data collection. By probing I refer to a situation where the interviewer asks the interviewee to reflect on something the interviewee has said, without expressing any judgment or view of his or her own on the matter. Additionally, specific and closed questions are the ones to most
likely to contain leading or proposing elements, which create various forms of bias. These types of questions were used when the objective was to obtain detailed information or verify a fact or an opinion. (Saunders, 2007: 329-330)

It is fundamental that rapport is established with the interviewee before the actual means-end in-depth probing can start due to the personal nature of the probing questions. This is why I explained the interviewee in advance that some of the questions might seem somewhat obvious or foolish, however these questions belong to the interviewing process typical to means-end model. The interviewer needs to act as a very caring person in order to get below the interviewee's surface motives and rationalizations to learn what is beneath the respondent's perceptions and behavior and allow the interviewee a deep introspection. However, although being interested of what the interviewee is saying the interviewer should however avoid showing any approval or disapproval. Emphasizing to the respondent before the interview that there are no right and wrong answers was fundamental. (Gutman 1988)

Qualitative interviewers are always ‘active participants’. Being an active participant concerns balancing between the two extremes: fading in the background and taking a very dominant role in an interview situation. Allowing the interviewee to speak freely during the whole interview is rarely a good thing; focused discussion about the research topic can only be achieved if the interviewer is guiding the discussion in some level. (Silverman, 2006:112; Saunders, 2007, 329)

4.3.2 Purposeful sampling of respondents

According to Saunders et al. (2007:204), sampling techniques provide a variety of methods that allow the researcher to decrease the amount of data he or she needs to collect. This is done by taking into account data only from a subgroup, rather than all the possible cases. Patton (2002:230-244) introduces multiple purposeful sampling techniques of which ‘criterion sampling’ serves this research the best. Criterion sampling refers to choosing information rich cases, where the selected cases need to meet the predetermined criteria. The appendix 3 demonstrates the criteria for choosing
the interviewees. The empirical data was gathered from young customers of IKEA. Their perceptions were assumed to be the most relevant for the brands’ future success.

Table 1: Background information of the interviewees

<table>
<thead>
<tr>
<th>Code</th>
<th>Gender</th>
<th>Age</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1</td>
<td>Female</td>
<td>26 yrs</td>
<td>Master degree in Marketing</td>
</tr>
<tr>
<td>R2</td>
<td>Male</td>
<td>25 yrs</td>
<td>Master degree in Marketing</td>
</tr>
<tr>
<td>R3</td>
<td>Male</td>
<td>26 yrs</td>
<td>Bachelor degree in Biotechnology</td>
</tr>
<tr>
<td>R4</td>
<td>Female</td>
<td>27 yrs</td>
<td>Bachelor degree in Biology</td>
</tr>
<tr>
<td>R5</td>
<td>Male</td>
<td>27 yrs</td>
<td>Master degree in Production Economy</td>
</tr>
<tr>
<td>R6</td>
<td>Male</td>
<td>30 yrs</td>
<td>Doctoral student in Political Science</td>
</tr>
<tr>
<td>R7</td>
<td>Female</td>
<td>28 yrs</td>
<td>Bachelor degree in Business</td>
</tr>
<tr>
<td>R8</td>
<td>Female</td>
<td>26 yrs</td>
<td>Bachelor degree in Business</td>
</tr>
<tr>
<td>R9</td>
<td>Female</td>
<td>26 yrs</td>
<td>Master degree in Pedagogy</td>
</tr>
<tr>
<td>R10</td>
<td>Female</td>
<td>28 yrs</td>
<td>Master degree in Marketing</td>
</tr>
<tr>
<td>R11</td>
<td>Female</td>
<td>27 yrs</td>
<td>Bachelor student in Marketing</td>
</tr>
<tr>
<td>R12</td>
<td>Female</td>
<td>23 yrs</td>
<td>Master degree in Economics</td>
</tr>
</tbody>
</table>

The average interview length was 30-45 minutes. Interview data consisted altogether of 60 A4 pages of transcripts.

4.4 Analysis of data

This section describes the data analysis of the consumer perceptions to IKEA’s corporate brand repositioning CSR being the differentiating factor. The main purpose of this study was exploratory, meaning that I pursued to broaden the current understanding and generate empirical insights on the key consumer perceptions involved in the corporate brand repositioning when CSR is the differentiating factor. The analyses were conducted accordingly to this purpose. The analysis was based on the 12 interviews conducted involving means-end type of questioning, during which the interviewees were asked to express their opinions and feelings as well as to evaluate critically their behavior.

The need for a structured approach for the qualitative data analysis was met by adopting the methods introduced by Spiggle’s (1994) and Silverman’s (2006) literature. The key idea of the analysis strategy is to divide the data into different categories in order to see
the most essential features emerging from the data. Interview data consisted altogether of 60 A4 pages of transcripts. The categorization part of the analysis was to a certain extent deductive and partly inductive. I started the categorization by coloring the interviewees’ comments in the transcripts with different colors to see the emerging categories. The transcript data was abstracted into categories still mainly based on the predefined theoretical model. This means that the answers that the interviewees gave were compared to the components of the theoretical model. According to Silverman (2006:163-164) categorization is considered to be suitable for solving practical research problems, because it enables the researcher to identify the most essential parts of the data. Moreover, he sees that the major disadvantage of this method is that the given categories form a narrow conceptual grid for the researcher that may decrease the possibilities that the data has to offer.

### 4.5 Quality of the Research

Wallendorf and Belk (1989) introduce a criterion for evaluating the trustworthiness of a study. The criterion incorporates the followings five steps: credibility, transferability, dependability, conformability and integrity. In order to evaluate the trustworthiness of my research process, I will next discuss these steps in terms of the empirical data collection, interpretation and presentation of the findings of this study.

*Credibility* refers to truth and believability and is the first dimension for assessing the trustworthiness of a research. Triangulation involves utilization of a number of methods during the data collection face. To defend the credibility of my research I note that in addition to the interviews, I also collected secondary data from IKEA’s Finnish homepage and the company catalogue 2009-2010. Triangulation was explored also in terms of conducting the interviews during different times of the day, and place. Moreover, a tape recorder was used, and the respondent did not seem to be bothered by its presence. I would also state that probing questions were conducted according to the aim of my study, which also augments credibility. Nevertheless, interpretation could have gained additional credibility, if also a video was taken of the interviewed persons’ facial expressions. Asking feedback from peers also enhances the credibility of the
interpretation phase of my study. During the research process, I was lucky to obtain critique from my instructor and discuss with my fellow students, which helped me to interpret the results more precisely. Often researchers become blinded by their own work. (Wallendorf and Belk, 1989; Lincoln and Guba, 1985; Silverman, 2005:212)

The categorization of the empirical data conducted based on the theoretical model adds credibility to my work. During the interpretation phase a researcher might benefit techniques called member checks and audits. Member check entails providing the informant the interpretations that he can comment on. These comments then serve as a check on the viability of the interpretation. This would have been beneficial to my research, but also there was a risk that the contact might begin to rationalize his or her perceptions and reactions, when asked to estimate the data after a period of time. Furthermore, internal validity is part of credibility. The methods I used were correct, since I was able to answer the aim of my study. Also, the interviewees were among the company’s target group based on their age and education. (See appendix 3) (Wallendorf and Belk, 1989; Miles and Huberman, 1994; Silverman, 2006:271)

Transferability refers to the question of ‘how can one determine the extent to which the findings of a particular inquiry have applicability in other contexts or with other subjects (respondents)’ (Lincoln and Guba, 1985:290). The concept of external validity utilized often when talking about quantitative research comes very close to the concept of transferability related to qualitative research. This study concerns a single case, which limits the generalization of the findings. However, the quality of my study can be considered good in terms of transferability since the aim was to understand the phenomenon of corporate brand repositioning when CSR is the differentiating factor, rather than to focus on improving the strategy of a one single company. In accordance to the aim, typical case sampling was applied.

Moreover, to prove the transferability of my research, meaning applicability of my findings in another context, I could later on compare the finding of my study to another study conducted with similar methods but in another time and place, when such would be available. This concerns a post-positivist approach to transferability. In terms of
generalization of the findings, it should be noted that the results of a qualitative study are always attached to specific time and place. Moreover, in qualitative research the data is often derived from one or a few cases, not selected randomly, and this is why the representativeness of qualitative studies has been under a debate with quantitative researchers a long time. (Silverman, 2006:303-305; Wallendorf and Belk, 1989)

The positivist approach to dependability is introduced by Lincoln and Guba (1985). Positivists typically believe that there is only one single objective reality.

How can one determine whether the findings of an inquiry would be repeated if the inquiry were replicated with the same (or similar) subjects (respondents) in the same (or similar) context? (Lincoln and Guba, 1985)

In the case of qualitative study full objectivity is not possible. Dependability involves reliability and auditability of the research. Reliability is defined as ‘the degree of consistency with which instances are assigned to the same category by different observers or by the same observer on different occasions’ (Hammersley, 1992). I consider the following issues to add reliability to my study: First of all, anonymity for the research subjects was promised. Second of all, the reliability is proved based on the transcripts made from the interviews. The dictation machine functioned, thus the transcripts from the interviews were written correctly. The transcripts were also written during the next day from the interview to add additional comments and augment the reliability of the study. In addition, the collection of the empirical data was executed in places where the interviewee felt safe to share his thoughts. The interviewees seemed motivated and the conditions were peaceful and comfortable. The access to interview the persons chosen was welcoming (Silverman, 2006: 123, 282, 284, 286-287, Wallendorf and Belk, 1989)

Furthermore, the qualitative methods used made it possible to respond to the aim of my research in a reliable way. The research data was analyzed comprehensively through utilizing the predefined model of the study, which enabled the understanding and description of the phenomenon in a reliable way. The premature framework also, enabled the interviewees to have fewer limitations in their responses. The approach of the research is abductive, thus the theoretical framework of the study could be modified based on the answers and analysis (Dubois & Gadde, 2002). Furthermore, before
starting the interviews it was impossible to know how many interviews were needed. Altogether 12 interviews were needed, before saturation of the empirical data was reached to a sufficient extent. By this I mean a situation where the responses of the interviewees start to duplicate and thus the research data is stated to be sufficient.

The problem of confirmability was first introduced by Lincoln and Guba (1985), who characterized it in form of a question:

How can one establish the degree to which the findings of an inquiry are determined by the subjects (respondents) and conditions of the inquiry and not by the biases, motivations, interests, or perspectives of the inquirer?

A profound consideration of conformability promotes significantly the trustworthiness of research. Is the interpretation in my study done correctly or did I jump to conclusions too fast? False interpretations would decrease the conformability of my research. Allowing others to use the data you have collected is a good idea in order to develop alternate interpretations of phenomena and to test your own interpretations. (Wallendorf and Belk, 1989)

Lack of integrity implies that a conflict between the researcher and the informant has taken place during the research. Example of a conflict can be a situation where the researcher is disliked by the informant or that the informant wants to appear more attractive than usual. I consider that the interviewees of this research were sincerely reflecting their opinions and feelings during the interview and did not become more critical towards the website that he would in normal circumstances be. This is due to the fact that I had built a trusting atmosphere according to principles of emotionalism, and thus the interviewees were able to reveal their inner thoughts and for the introspection to be able to take place. I discussed with the persons I interviewed some small talk first to create a relaxing atmosphere and emphasized that for the question that I will pose there are no right or wrong answers. In addition, the topic of furniture shopping and CSR did not seem in anyway delicate to the interviewees. Good interview technique is also one way to enhance integrity of a study. Probing and reframing of questions was parts of my inter-viewing technique. (Wallendorf and Belk, 1989; Silverman, 2006:123)
5 FINDINGS AND ANALYSIS OF THE STUDY

The purpose of this study was exploratory, meaning that I pursued to broaden the current understanding and generate empirical insights on the key consumer perceptions involved in corporate brand repositioning when CSR is the differentiating factor. The analyses were conducted according to this purpose.

This section presents the findings of the study and the analysis of those findings. The transcript data was abstracted into categories based on the predefined theoretical model. This means that the answers that the interviewees gave were compared to the components of the theoretical model. The three IKEA CSR communications are introduced in the data collection chapter, as well as in the scope of the study. Appendix 4 visualizes the IKEA CSR communications to the reader. The presentation of the findings follows the same structure as the main theoretical constructs. First the interviewees’ perceptions of the relevance dimension are introduced, followed by the believability perceptions, and finally, the perceptions related to the distinctiveness dimension are presented.

5.1 Relevance

This section presents the findings on the first desirability aspect of the differentiating factor, i.e. relevance.

CSR as a relevant differentiating factor was identifiable. In other words, the interviewees viewed that IKEA’s CSR actions are able to generate them value. All of the interviewees mentioned that environmental and social issues are important to them and that this is why IKEA’s commercials positively influenced them. One interviewee reflected her thoughts in the following way ‘it is really good that IKEA is thinking about these things and I was left with a more positive image of the company’. (R3) (my translation) One respondent felt that he would gladly support IKEA since he considered that IKEA will set a good example to other companies with their actions: ‘they are among the cheapest and the biggest in the world, and if they do it, a lot of competitors will be influenced and also start doing it too.’ (R2)
I will next present the reader what type of symbolic brand benefits i.e. emotional rewards the respondents relate to the IKEA’s desired positioning. Five of the interviewees reflected that choosing to purchase something from an environmentally friendly or socially responsible furniture retailer would allow them to do something good. Respondents mentioned that they would ‘feel more aware and participating to the world around me’ and also that it would bring her ‘additional value’, (my translation) (R1), provide a ‘good conscious’ (R2), ‘being more satisfied with myself and feel that I have done my good thing for the day’ (my translation) (R8). One respondent mentioned that she has ‘a great desire to buy things that are environmentally friendly and assure good working conditions for employees.’ (my translation) (R12)

Moreover, one of the persons interviewed said in a cheerful voice that after seeing IKEA’s CSR commercial that ‘for once I can consider myself as doing something that is environmentally friendly’ (my translation). She described that it made her feel that ‘she is doing the right thing and according to good manners’. (my translation) (R10 H.) One respondent said that she feels that she is now doing something good whereas before she only thought to herself that I will go and buy something cheap from IKEA. (R11)

Four of the interviewees, were strongly against all consumption in general and viewed consumption as something that needs to be decreased as much as possible. They stated that the symbolic benefit represented in the form of ‘feeling a little less bad’ about buying furniture and other products, if they know that this company is trying to be environmentally and socially responsible. The following quotations demonstrate this:

Jos pitää ostaa jotain, joka tapauksessa niin on ihan ok ostaa se Ikeasta. Mutta jos nämä tuotteet ovat ympäristöystävällisiä, kulutat ehkä vähemmän, jolloin voi ehkä itselle tulee hyvää mieli. Mutta ei voi ajatella niin, että pelastaa maailman, mutta ehkä tuhoaa maailmaa vähemmän. (R3)

No, nyt kun näin Ikean sivut niin mulla ei oo enää niin iso morkkis! (kuluttamisesta)...Koska mä nyt tiedän, että ne ainakin yrittää. (R4)

ainakun meet ikeaan sä ostat miljoona asiaa mitä sä et oo ajatellu ostaa ku meet sinne. Kaikki ne pienet jutut mitä ei oikeesti välttämättä tarttis. Et siinä se yritys on kyllä hyvin onnistunut...Ja jos ne tavara on sitten vähän ympäristöystävällisempää, niin kyllähän se keventää sitä taakkaa. (R12)
The previous discussion supports the theoretical insights gained during the literature review. Keller (1993) suggested that symbolic benefits for consumers exist, which are not connected to product and service consumption, but involve the underlying needs for social approval or personal expression and self-esteem. Additionally, Kapferer (2008:22) later discussed, ethicality as one of brand benefits creating consumers value connected to responsibility of a brand.

As was concluded during previous studies when discussing benefits of environmental and social products to consumers, most consumers do not want to sacrifice other brand benefits in order to choose a responsible product or service (Keller, 2008:478,480, Von Stamm, 2008:273). In relation to this, the interviewees, who had a car, criticized the IKEA diesel bus. The main reason for their negative responses was that the bus was not viewed convenient for going furniture shopping. In other words, this meant for consumers, giving up the benefit of convenience and comfortability, and thus did not generate additional value to them (R7, R12, R6, R10). Two examples of the interviewees’ comments are presented below.

Sehän on vaan yksi kulkuneuvo lisää tässä maailmassa…todellakin menen omalla autolla ostaan huonekaluja. Ei bussissa oo hirveen järkevä kantaa kolmea pussia tavaraa. (R7)

jos esimerkiksi ajatellaan sitä Ikea bussia, mä pidän sitä ikään kuin ihan humpuukina, koska se marketti on kuitenkin hyvin autovetoinen ja olis ihan sääliittävintä lähteä sillä bussilla. (R6)

Yet, IKEA is marketing the diesel bus as a means to promote environmental activity. On IKEA’s home page, in the never ending list, step 14, there is a sentence written: ‘IKEA encourages customers to leave their cars at home: some countries offer free shuttle buses to travel to IKEA from surrounding urban areas.’ (www.ikea.com)

In the theoretical part of this study it was concluded that, being able to visually show others the purchasing of a responsible product, is important and conveys relevance to most consumers. Keller (2008:474) stresses the importance of providing consumers with external symbols to explicitly advertise their affiliation to others. The findings of the study supported this. Two interviewees (R7, R11) discussed that buying a socially responsible product as a present to someone necessitates that the receiver of the gift is
also informed of the product’s ethical background. One of them proposed that this could be done, for instance by attaching a piece of paper to the toy.

Furthermore, understanding of environmental and social benefits of products among consumers is low, even though increasing. Hence, all consumers need to be educated on the fact why some products are less socially and environmentally damaging than other products to augment the level of perceived relevance of brands in the mind of the consumer (Ottman, 1998: 40–41; William and Endacott, 2004).

In accordance to the findings the education of consumers on IKEA’s CSR issues had not been conducted very successfully. Approximately half of the respondents mentioned that they would not have even clicked the never ending list on IKEA’s homepage to view it further, if it would have not been requested by the interviewer. However, the same respondents still evaluated that being aware of the company’s CSR activities brought them additional value in the form of symbolic benefits (e.g. R10, R11).

The respondents were asked to analyze this contradiction between placing value on company CSR activities and yet not being willing to find out about them. They came to the conclusion that communicating only a few major issues of the CSR program would be desirable from their perspective as consumers. To conclude, the consumers were not interested in reading a big list and did not see any reason why they should spend their free time studying these issues online. This supports the research of Gupta and Pirsch (2006), who argued that educating consumers on CSR issues through communicating the only basics is vital for the success of the repositioning efforts.

Moreover, using another channel in addition to the company homepage, such as television, was considered as a good idea. Bergstrom et al., (2002) discussed that the two central issues for assuring an effective communication strategy, are high frequency of repositioning communication and utilization of numerous communication channels. The quotations below demonstrate that this was supported by the findings of the study.
Furthermore, the interviewees were very unanimous concerning the layout and appearance of the never ending list, which was perceived uninteresting and unreadable.

The respondents reflected their ideas on how to make the never ending list more interesting. Introducing only a few main themes from which the consumer could then choose from, and click further only those themes that he or she considers most relevant and correspondent to his or her set of values. (R11, R4, R9)

One interviewee considered that presenting only current year’s steps and then giving the consumer the option for viewing previous years’ accomplishments instead of presenting everything at the same time, would be a good idea. This was perceived to make the list more easily approachable (R12). Two of the interviewees (R6, R5) said that the photos attached to each never ending list- step was nice, however they failed to make clear for the reader, what the main idea of the step was. Short and descriptive headings to show the reader that a particular issue is worth looking more deeply into, is vital. The comments below demonstrate this.

Nykyään kaipaa vähän enemmän. esim. niinku joku video missä joku kertoo sulle, mitä siinä on tehty kiinnostavalla tavalla ja et kuitenkin ihminen on laiska. Jos tollaiset tilanteet pystyvät tuomaan tavallaan mahdollisimman eläväksi, ni niihan ehkä vaikuttaa enemmän.. (R5).

Musta olis kiva joku maaillman kartta ja siinä olis voisi klikkaa, että mitä ne tekee missäkin maassa. Ja sitten sää voisit valita jonkun maan missä sää oot ehkä käyny ja kattoo mitä ne tekee siellä. tai onko ne tehny Suomessa jotain, no ei varmaankaan. (R5)
The findings also indicated that, the consumers find different CSR matters important and relevant for them, that is why it is important that consumers find the information they value easily from IKEA’s homepage. Thus the interviewees suggested that IKEA should present its CSR issues according to different themes and not in a form of a list. In relation to this, Gupta and Pirsch (2006) proposed that consumers possibly make two different judgments of the company involved in a cause-related marketing campaign. One cognitive judgment where the consumer compares his or her own identity to that of the company: ‘Is this company like me? Are our identities alike?’ And the second is more affective or emotional: ‘Do I like this company? Do I feel positively about this company?’ Moreover, De Chernatony (2002) viewed values as a strategic part of corporate branding and appreciation of these values among customers critical.

Bergstrom et al., (2002) argued that a high status of the leader is one of the elements of an effective communication strategy. Moreover, Keller (2008:474) crystallized that through Corporate Societal Marketing, a company is able to create an image in the consumer’s mind of the people behind the brand as caring and genuine. The findings of this study, showed this aspect to be important. IKEA’s leader was mentioned by two respondents. However, in IKEA’s case the image of the leader functioned against the desired CSR positioning, through reflecting a negative image in the consumers mind.

In connection to forming a responsible image of the people behind the brand, as more responsible people, the service personnel act in a key role. The following quotation reveals perceptions related to IKEA’s service personnel. It demonstrates how the company employees were not able to deliver the brand image of a responsible brand to the consumer, and thus prevented the formation of the desired perceptions for her.
In conclusion, achieving relevance entailed numerous factors to be considered to fully be able to manage the consumer perceptions during brand repositioning. In the next section, the findings on consumers’ believability perceptions are analyzed in terms of IKEA’s repositioning efforts.

5.2 Believability

In this section, the findings, in relation to the second aspect of desirability, will be analyzed. Hence, insights on the consumer perceptions related to believability and trustworthiness are provided to the reader.

In relation to IKEA’s motives to undertake CSR activities, all of the interviewees thought, that IKEA was seriously ‘trying’ to make the world a little better place and perceived the idea of the never ending list in a positive way: ‘Obviously if they have come up with 67 different steps, they have made a lot of effort for this.’ (R2) However, they were not convinced on how much IKEA has actually been able to realize in practice. ‘I’m not in the position to evaluate how much they really do, but they are working for it, and that is important.’ (R2) This support the study of Copeland (2001), which encouraged companies to adopt an ‘interim positioning’, in order to establish brand credibility and performance. By this, he refers to focusing on those aspects which the organization is currently able to deliver.

Furthermore, Ellen et al. (2006) studied that if a company is committed to CSR actions only for a short period of time, consumers will view that the company as solely pursuing to meet stakeholders’ expectations instead of realizing the company values and principles. One respondent (R7) mentioned that she was very disappointed to read that the Soft Toys campaign only lasts for couple of months. Moreover the company’s future
CSR actions should also be communicated to show long-term commitment for CSR issues. The following quotation demonstrates this.

"askeleista oli se mihin uskoin eniten ja mistä pidin eniten, on ehdottomasti se kun he olivat laittaneet sinne jonkun vuosiluvun, että mihin mennessä heidän kaikki myymälänsä kuluttavat sähköt ja lämpökustannukset lämpöenergia tuotetaan uusiutuvalla energialla. (R7)"

Interestingly, 11 out of twelve interviewees found that they consider CSR actions targeted to the company decreasing the effects of its own business operations on nature, rather than giving a part from their profit to a good cause, more important to them. Thus, also the never ending list was viewed as more relevant an action than the soft toys ad. This is something that companies need to remember when pursuing to build believability in the minds of the consumers.

"Mun mielestä on aina tietysti parempi pureutua niihin syihin kuin seurauksiin. kuin että nyt on tehty tuhmaa, annetaan vähän rahaa noille. (R9)"

"Ei ole kiva jos ympäristö on saastunut, jonkun yrityksen takia. Yrityksen siis pidettävä omaan toimintansa ympäristöystävällisyydestä ensisijaisesti huolta esim. ei haaska materiaalia ja saastuta ympäristöä, ennen hyvään tarkoitukseen antamista. (R3)"

The previous quotations illustrate thus that giving to a charity does not necessarily build the brand value, also due to the fact that it is more or less viewed as a short-term investment from the company. This supports Brown and Dacin (1997) research which outlines that CSR associations directed for actions such as giving to worthy causes and community involvement, do not seem to influence consumer perceptions much. However, companies that implement CSR into their brand strategy and position the brand based on CSR associations are very likely to gain competitive advantage.

"Proving consumers proof of the company’s responsible codes of conduct is primary in accordance to Jaana Haapala and Leena Aavameri (2008:70, 71). During the interviews the numerous consumers’ doubts on realization of the CSR actions in practice emerged. One of them was doubts on whether IKEA is capable of demanding responsible codes of conduct from its suppliers and controlling them to a sufficient extent. IKEA’s low prices were argued to put considerable pressures on suppliers."
Paljon helpompi vahtia jotain mikä esim. tuotetaan Suomessa tai edes Euroopassa...Vaikka
kuinka yrityksellä olis hyvä tahto jos se kuitenkin näin halvalla lähtee, niinku melkein
ilmaiseksi kuten ikean niitä moniaakin tuotteita tuottaa niin kyllä se asettaa aika moiset
paineet niille tehdaistyöntekijöille. (R9)

Epäilystää esim. tietääkö ne nyt varmasti mistä niitä puut tulee, jos vaikka toimittajat vaan
sanoo IKEA:lle, että joo si ne meidän puut tule sademetsistä. (R3)

A few of the interviewees were slightly irritated by the fact that they would have wanted
IKEA to admit the pure business benefits that they have gained while investing on CSR
matters, for instance, lowering costs. Haapala and Aavameri (2008:70,71) also stressed
the concept of transparency for companies, referring to confronting all matters bravely
without hiding truth.

IKEA bus: Logistiikka-alan ihmisnä hmyyilytti hyvin paljon kuinka asioita on katsottu
täysin ekologisesta näkökulmasta, kun kuljetuskustannuksia on saatu pienennettyä. (R7)
Olisi pitänyt myöntää, että myös rahanteko syy tähän. Tottakai, on kaksi puolta ja sitä on
ihan turha kieltää, tulisi olla vähän rehellisempi. (R8)

IKEA bus: Että tota kai ne haluaa asiakkaita ja kuskaa ihmisää ilmaiseksi niiden
myymälään. Se on vähän niin kuin casinollekin pääsee ilmaiseksi bussilla, mutta sinne sää
sitten häviät kaiken. (R3)

soft toys ad: It was irritating that the commercial lacked the information of how much the
toys cost. It is important calculate how many percent of the product price is given to
charity. (R3)

It seems that involving a third party such as a well-known brand like Unicef into the
projects enhances the credibility of the company’s CRS actions in the eyes of the
consumer. Also, co-operating with the media and the green peace was suggested to
promote trustworthiness issues.

Maybe if there was more evidence, maybe. Some media time for instance and that they are
truly making a big impact in these countries...A lot of media and organizations, like green
peace. (R2)

I think that all that involve a third party, like this one (step) that had something about a
forest in Canada, and thus involved a third party. And they don’t say that they will do
something and give money to whomever, and I do not know who it is. (R2)

Musta on hyvä et ne tekee Unicefin kanssa yhteistyötä. No silloin ainakin tietää että Unicef
saa siitä jotain ja ne voi sit tehdä sillä jotain mitä ne haluua. No kai ne nyt ehkäissee
sairauksia ja auttaa viattomia ihmisiä. (R5)

Joo mut siinä oli kyllä se Unicef, sit mulle se tavallaan riitti se nimi ja se brändi, tai mulle
tuli sellainen fiilis että ahaa tää on varmaan hyvä juttu. (R12)
Customer service is one of the factors that can provide consumers with proof of the company’s responsible codes of conduct that they are seeking.

Kysyn myyjältä tuotteen alkuperästä paljon, jos mietti Ikeaa, siinä tulee se ongelma, että siellä ei myyjä ole läsnä, elikkä se vaikeuttaa. (R6)

Von Stamm (2008: 278) stresses that statements followed by a specific and concrete actions are the most credible and also affective. Most of the respondents felt positively about the soft toys ad and mentioned that if they were in IKEA to buy furniture they could think of buying such a toy at the same time, given that they would have some use for it or someone to give it to.

All of the interviewees however said that they would not go to IKEA just for the toy if they would not need to buy anything else at the same time. Moreover, the respondents felt that 1 euro was a lot of money to give to charity of each Toy sold. (R11 F, R8.)

Keller (2008:475) notes that establishing brand credibility is fundamental, because the risk is that if the skeptical consumers question the connection between the company’s products and the social cause, they might judge the company as being exploitative and self-serving. In relation to this, when asking the interviewees to reflect on how they felt when they saw the soft toy ad, various credibility issues emerged. For instance, luring consumers to buy more products does not really contribute to the well-being of our planet.

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Four of the interviewees remarked that a company that promotes too much their own CSR activities loses its credibility and attractiveness to some extent. The length of the never ending list without a reader friendly structure, only to show how much the company has done, was considered insincere and made to look long in purpose.

Moreover, the never ending list steps were criticized for not reporting more evidence to back up the claims they were making.

Gupta and Pirsch, (2006) emphasize that companies should choose a cause that makes sense to the consumer to be a partner of that particular company in communicating CSR issues. The co-operation with Unicef and the use of the UTF certificate, were criticized in relation to the fact that this consumer did not view them as a logical co-operation partner.
So far, we can conclude that IKEA’s communication on its CSR efforts has not been believable enough to form strong, unique and favorable associations in the consumers mind.

In this section I will analyze how the consumers perceived the linkage between the old positioning and the desired one. As Ewing et al. (1995) remark, the transition to the desired positioning should be a ‘value-added progression’, not an illogical leap that generates confusion on the market place. Moreover, Copeland (2001) declares that if a brand is repositioned too far from its customer frame of reference, the repositioning fails due to the creation of customer confusion.

Although all of the respondents felt positively towards IKEA’s brand repositioning, most of the interviewed consumers were not able to see a logical bridge from the old positioning to the new one. The current brand positioning that they had in mind was built around high consumption shopping and throwaway culture related to low product quality. Additionally, the location of the store was not considered to support an environmentally-friendly brand image.

The consumers were asked to reflect their thoughts concerning how the linkage towards the new positioning could be built in a more believable manner. The following
quotations crystallize that some consumers demand IKEA to invest extensively to the durability of its product in use. Moreover, an idea of an efficient recycling operation of old furniture to make the ‘disposable culture’ not seem so disturbing was highly appreciated among the interviewees. They discussed that it would be the only way for to be able to consider IKEA as a responsible retailer.

Kapferer (2008:177) stresses that companies need to consider that the product’s current looks and ingredients are compatible with the new positioning.

Furthermore, the use of waste material in furniture should be promoted to a larger extent.

Additionally, maximizing the product’s life cycle through various repair and redesigning options was highly supported.
In accordance to the findings we may conclude that the weakening of the IKEA’s old positioning has not been successful. Jewell (2007) suggests that to successfully and efficiently succeed in repositioning a familiar brand, the communication strategy must aim in addition to communicating the new positioning also at weakening the old positioning. Communicating issues that are against consumers previous knowledge of the brand was considered very difficult (Keller, 2008:115). For example, one respondent brought up the fact that she has a hard time in believing in the warranty issues since she had a bad experience in returning a product.

It was easier to convince the customers of issues they had not paid attention to before such as IKEA using flat packaging to reduce fuel consumption. Consumers existing opinions of the old positioning hinder the company’s repositioning efforts. Furthermore we can also conclude that the weakening of the old positioning still demands the company’s attention.

5.3 Distinctiveness

The study section presents the findings of this study in relation to third aspect of desirability of the differentiating factor, distinctiveness. Keller (2008:115) identifies distinctiveness to be the elements of superiority in the eyes of the customer and sources of differentiation compared to other retail brands in the same product category or customer frame of reference. First I will analyze the data to present the reader the consumer frame of reference and the connected levels of competition. After I will determine whether IKEA has been successful in finding a key distinction in relation to CSR values in relation to other brands positioned using CSR.

The interviewees’ responses reflect the features consumers associate with a socially responsible furniture and home decoration brand. Through these results we are able to
capture the new levels of competition IKEA has created itself, while promoting an environmentally and socially friendly image. The brand is currently competing also against old furniture and the flea market offerings, which are able to produce the same emotional and symbolic consumer benefits. The vintage trend raised from ethical consumption is part of the consumer frame of reference when it comes to responsible furniture.

During the analysis of the data, it became clear that one the benefits of buying a responsible product for the consumer is to concretely see, who they are helping and personally support the producer. Also, the interviewees perceived that buying from a local producer would mean less emission caused by transportation, and also being sure that the three was not originally cut from the rain forests. This emerged during the interviews when many respondents brought up the fact that they would like to buy their furniture from a little store making unique, hand-made furniture. (R5, R6, R9, R12) This is connected to the Keller’s view (2008:480) that failing to make a connection between what the firm is doing for a social cause and how it affects the individual consumers, can lead to implementation failure.

According to Von Stamm (2008:285) a green product design has four parts: minimizing the use of materials, reducing energy consumption during consumption, maximizing the product’s life cycle and finally assuring the recyclability of the product. In accordance to the results of this study IKEA is strongly failing in the third part: maximizing the lifecycle of its products and it was strongly criticized by consumers.
Quality in terms of durability is seen as an important part of environmentally friendly furniture. Finnish consumers often connected in their responses durability to the Finnish competitor Isku. Isku was mentioned in the context of quality by three respondents (R9, R7, R4) Lundia by one respondent (R4). This is also related to being able to renovate and refresh the furniture’s appearance, which was considered essential in terms of decreasing consumption of natural resources.

Furthermore, interviewed consumers felt that the Finnish products are produced closer, which was considered good for the environment, and also supporting the Finnish society and working force.

Figure 9 visualizes that IKEA is now competing against all ethical furniture’s benefits. These are quality, in the sense of durability and the possibility of renovating the furniture, supporting the Finnish labor market by purchasing from Finnish manufacturers, buying handmade design to support concretely someone’s work and finally, IKEA is also competing against the vintage and flee market offerings.

In conclusion, the new competitive field of IKEA is largely dictated by consumers wanting to show ethicality and individuality in their choices for purchase. These will be a considerable challenge for IKEA in the future.
Kapferer (2008:177) proposes marketers to evaluate their desired positioning from the point of view of distinctiveness with two questions: ‘Does it capitalize on a competitor’s actual or latent durable weakness?’ and ‘Is this a suitable positioning which cannot be imitated by competitors?’ After viewing the IKEA CSR commercials, the interviewees were able to identify some distinctive features from IKEA’s CSR activities.

The core sources of distinctiveness in relation to CSR seem to be the environmentally friendly management of packaging and logistics:

No ne pakkauskoot ja miten niitä voidaan parantaa ja kuljettaa tavaroiden pienemmässä tilassa on tosi musta tosi hyvä. Vähentää autolla ajelua… tulee vähemmän päistöjä. (R11)

Arvokkainta mitä Ikea tekee: pakkausvalinnoissa, että ne oli saanu jonkun sohvan puolta pienempiä, kokoon. ja ne paketit on melkein puolta ohkaisempia kuin mitä ne on aikaisemmin ollut. Eli kaikki nää vaikuttaa siihen että ne saan niin kuin kuormaa enemmän.(R8)

Moreover, the use of waste wood could be lift up more extensively to consumers’ attention, since the interviewees were positively surprised by IKEA using waste

Figure 9: The nature of competition for responsible furniture
material in their furniture (R7, R4, R8, R11). The main benefit of this for the consumers was, that they could trust that the company had not purchased the raw materials from the rain forests, and for making the furniture, new trees were not cut.

On tosi hyvä että ikealla on tällaisia kierrätystuotteita, ja tuleekin sellainen fiilis, että mitä muiden kauppojen tuotteita valmistaessa on sitten käytetty. (R11)

Sen sijaan, että se on kokonaan puuta, siinä onkin vaan kevyet kuoret niin musta se oli suunnattoman ovela ratkaisu. (R8)

joskus oli julkaistu lista aiheesta mitä puuta eri huonekaluyritykset ostavat… Muistaakseni siinä Ikea ei ostanut mitään uhanalaisia sademetsäpuita, eli hyvin positiivinen juttu Ikean kannalta. (R4)

One of the possible sources of distinctiveness for IKEA could be efficient recycling operations. This would also match well with the use of waste wood to produce new furniture.

Jotain et työntekijät tuo niitä papereita töihin ja ne pystyvät kierrättävä papereita sillain et ne voi esim. pakata niihin, tai et saa alennusta jostain jos tulee bussilla. Se oli ehkä niitä mielenkiintoisimpia. (R11)

Mun mielestä oli hyvä pointti, että Ikean ruokalassa ne jäteruuat käytetään hyväkseen ja polttetaan’. Oli myös maininta, että ne on valinnut kaksi pääjätettä, ja käyttää kaikki pahvit uudestaan (R8)

Use of renewable energy has been one of the major topics in media recently. Also consumers easily pointed their interest towards issues related to that.

Niillä on hiilidioksidipäästöt tai niillä on energia tuotantoa on uusiutuvilla luonnonvaroilla tuotettua suurimakkos osaksi ja ne yritää kokonaan päästä kokonaan uusiutuvien luonnonvarojen käyttöön.’ ‘Ja siihen teknologiaan pitääkin pyrkiä ja se vaatii aluksi hirveitä investointeja yrityksiltä ja se on ihan rohkaisevaa, että jotkut yritykset ovat sen noin hyvin aloitteineet. (R4)

askeleista oli se mihin uskomme eniten ja mistä pidin eniten, on ehdottomasti se kun he olivat laittaneet sinne jonkun vuosiluvun, että mihin mennessä heidän kaikki myymälänsä kuluttavat sähköt ja lämpökustannukset lämpöenergia tuotetaan uusiutuvalla energialla. (R7)

Helping the poor countries as a global brand was considered as a distinctive feature in relation to the various levels of competition.

pystyy tarjoamaan paljon töitä ihmisille köyhemmissä maissa jotka ei muuten sais töitä. ja sekin on tosi hyvä. (R5)
500 Intialaista naista pystyy tekemään käsitöitä Ikealle oli myös tosi hyvä ja ne saa palkkaa siitä. Se oli mun mielestä uskottava. Lapsityövoiman tehdään paljon, siellä listalla useampikin kohta. (R8)

Naisten aseman parantaminen paras ratkaisu ympäristöongelmiin, sekä lasten aseman parantaminen. Kaikki lukutaitoon liittyvät ja sitten ne oli lahjoittanut kouluijelle jotain pöytää, ja sitten niillä oli naisyrittäjien kanssa projekteja. (R4)

In relation to the criticism that IKEA’s commercial the never ending list received, we may assume, that if people do not remember much of the various actions IKEA is participating in, it can also be speculated that they do not become passionate about issues that IKEA promotes, nor are not able to tell their friends and family of IKEA’s actions. Keller (2008:474-475) discusses that a brand participating in a cause-related activity allows customers to become so called ‘ambassadors’ of the brand positioning and assist to communicate and reinforce the brand. A good cause can serve as a means to connect with other consumers and share experiences, for example online. This however cannot happen if consumers cannot remember IKEA’s different CSR actions

… mut siis ei ne kuitenkaan sillee vaikuttanu ku mä en muista niitä. (R10.)

Ei mulla oikeastaa niistä askeleista jääny mikään mieleen. Ehkä se yleinen idea vaan, että ne miettii tällaisia asioita. (R12)

Furthermore, only one of the interviewees mentioned that she had told her friend about the never ending list. One of the interviewees additionally felt that she might tell her friends that she has bought a piece of furniture from IKEA that is made out of so called waste material.

Kyllä mä kämppikselle huutelin et mitä kaikkee Ikean tekee mutta se suatu oleen niin kiireinen, ettei se reagoinu. (R11)

Mä ehkä vaan voisin ihmetellä niille (kavereille) et tää on tehty kierrätysmateriaaleista. (R10)

One of the interviewed persons stated that IKEA’s actions do not reach distinctiveness in his mind, implying that IKEA’s CSR activities present to him merely a point of parity in relation to other brands in the competitive setting.

Mutta se askeleet niin se ei saa mua lähteen Ikeaan. Ne on mun mielestä sellainen itsestäänselvyyys. Et kaikke ne uutiset, et Ikean on tehny sitä ja tätä huonosti niin se saa mut ajatteleen niinku et mä en menis Ikeaan. Tällainen lista sitten vaan palauttaa Ikean sinne listalle muiden joukkoon. (R5)
As a conclusion the nature of IKEA’s competitive field has changed to some extent after positioning itself as a responsible furniture retailer. Moreover, IKEA has the potential of finding the distinctive features in the CSR battle field from producing the furniture to some extent from waste material, contributing to the well-being of the poor countries, being a forerunner in the use of renewable energy and investing on efficient recyclability.

To communicate these elements however it has to be able to promote positive feelings and allow this way the consumers to become brand ambassadors. In relation to this, one interviewee criticized that the name of IKEA’s CSR communication ‘the never ending list’ was negative, and reflected hopelessness:

‘loputon matka’ mä miellän ainakin sen ‘loputon’ niinkuin tosi negatiiviseksi. Aah.. eiks tää ikinä lopu… mä en tykänny et se oli yhtään hyvä. .. Varmaan ku kukaan ei jaksa lukea niin kaikki hyväksyy. (R12)

IKEA has recently increased the guarantee policies of its products, and introduced collections that are more expensive and better quality. Customers that currently support the brand, were not however ready to change the core concept of IKEA to maintain distinctive in the mind of the consumer. Remaining true to core brand values and still achieve contemporary relevance is essential for companies during repositioning process. (Ewing et.al.,1995 and Schultz and Hatch, 2003) Improving the quality and lifting the prices would mean that IKEA would lose its distinctiveness in relation to other brands in the competitive setting.

Haluan ostaa kestävää ja sitten toisaalta sellaiset kestävät tuotteet on IKEA:ssa ihan yhtä kalliita kun muualla. (R9)

En sulje tätä mahdollisuutta pois, mutta se ei (IKEA) ole paikka mistä lähtisin sitä (kestävää huonekalua) ensimmäisenä hakemaan. (R7)

This can also be interpreted that the distinctive feature of IKEA remains to be the price and lifting up price level to augment the product quality would be a mistake according to the interviews.
6 DISCUSSION ON FINDINGS

The main objective of this study was to build a model, which describes the different components of consumer perceptions involved in generation of brand value through repositioning CSR as the differentiating factor. After presenting the findings and analysis of the empirical study, I will now evaluate their implications for improving the theoretical model. After this, I will discuss the second research objective, which was to identify the most critical components for generation of brand value during the repositioning process in the context of the case company.

6.1 Improving the theoretical model

The predefined theoretical model of brand value generation was combined by the author through a long process of restructuring. The components that formed the predefined theoretical model were tested using IKEA as the case company. The findings indicated that the model obtained many particular features in the context of the case company. They also indicated that all the components of consumer perceptions were supported by the empirical study.

Moreover, the insights gained from the data analysis, shaped the model by providing indications of the components’ importance to the repositioning process. This enabled the recognition of the most critical components. The importance of the components for the value generation during the repositioning process is visualized in the improved view of the theoretical model (see figure 10). This has been done through dividing the components into three different categories based on the findings of the study. The categories are called the well-managed- components, the requires investment- components and the critical -components.

The category named as well-managed-components represents the components that IKEA has been able to manage sufficiently well to gain positive consumer perceptions and augment brand value. We may assume that these components will not prevent the consumers from accepting the new brand positioning. The figure 10 demonstrates that
the two components that belong to this category are: 1. **Providing benefits to the consumer, often symbolic**, and 2. **Retaining the core parts of the initial positioning**.

Moreover, the components marked as *requires investment* are the components that at present demand the company’s full attention in order to ensure positive consumer perceptions and a successful repositioning process. Yet, these components seem unlikely to derail the repositioning to fail, if the company invests on them. As indicated in the figure 10, these four components are: 1. **Not expecting the consumers to sacrifice other brand benefits to choose a responsible product or service**, 2. **Providing consumers with external symbols of their responsible actions**, 3. **Educating consumers through communication of the CSR basics, using numerous communication channels**, and 4. **Promoting long-term strategic, values-driven motives while adopting an interim positioning**.

The *critical* components are the problematic areas, which have proved to be the most challenging components to be managed in terms of consumer perceptions. These components in the context of the case company can lead the entire process of brand repositioning into failure. During previous studies, academics stressed that unsuccessful repositioning efforts may considerably weaken the brand’s value and fail to enhance the overall company image or market share (Copeland, 2001, Gotsi and Andriopoulos, 2007, Wong and Merrilees, 2007). The five critical components are: 1. **Considering perceptions of people behind the brand (leader and service personnel)**, 2. **Providing proof of responsible codes of conduct via conducting specific and concrete CSR actions**, 3. **Connecting the company’s products and the social cause**, 4. **Building a linkage between the initial and new positioning while also weakening the old positioning**, and 5. **Promoting the brand’s key distinction in relation to other responsible brands**. (See figure 10.)
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<th>Distinctiveness</th>
<th>Relevancy</th>
<th>Believability</th>
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<td><strong>Providing benefits to the consumer, often symbolic.</strong> CSR as a relevant differentiating factor was identifiable and produced various symbolic benefits to consumers.</td>
<td><strong>Not expecting the consumers to sacrifice other brand benefits to choose a responsible product or service.</strong> The IKEA bus did not generate value to consumers who had a car, since it meant giving up other brand benefits.</td>
<td><strong>Providing consumers with external symbols of their responsible actions.</strong> Giving an IKEA Soft Toy as a gift necessitates that the gift receiver is informed of the donation made to charity.</td>
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<td><strong>Educating consumers through communication of the CSR basics, using numerous communication channels.</strong> Consumers are not interested in studying long lists, such as the IKEA’s ‘the never ending list’. Raising only the most essential to the consumers’ attention e.g. on television, would be good.</td>
<td><strong>Connecting the company’s products and the social cause.</strong> IKEA’s soft toy campaign was to some extent judged as ‘luring’ the consumers to buy more products and thus not helping the environment. IKEA also failed to make the connection with the never ending list, which was perceived as insincere due to repetition in the text and pointing out small issues. This, in connection to the list being too long to read, many interviewees perceived that the list was made to look long in purpose.</td>
<td><strong>Promoting long-term strategic, values-driven motives while adopting an interim positioning.</strong> Plans for the future progress of CSR actions were highly valued by the consumers.</td>
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<td><strong>Building a linkage between the initial and new positioning while also weakening the old positioning.</strong> A logical bridge had not been built and thus acceptance of the new positioning was difficult. The initial positioning, built around high consumption shopping and throwaway culture, was too far from CSR values.</td>
<td></td>
<td><strong>Providing proof of responsible codes of conduct via conducting specific and concrete CSR actions.</strong> Highly critical and challenging issue in terms of managing the consumer perceptions concerning the realization of the CSR actions. Involving a third party on the CSR project, co-operating with media, and having a service personnel with CSR expertise generated value to consumers.</td>
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<td><strong>Retaining the core parts of the initial positioning.</strong> The distinctive feature of IKEA remains to be the price. Raising the price level to augment product quality would be a mistake and might alienate the consumers currently supporting the brand.</td>
<td><strong>Considering perceptions of people behind the brand (leader and service personnel).</strong> To create value through CSR, the people behind the brand need to be perceived as caring and genuine. Contradictory image of the leader or a bad experience with the personnel can stand in the way of repositioning.</td>
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Figure 10: The improved view of the theoretical model
The improved view of the theoretical model shows that altogether three critical components emerged from the believability aspect, leaving only one to the relevance and one to the distinctiveness aspect. As a result, we can argue that establishing brand credibility and trustworthiness for the brand in the context of CSR, is primary. Moreover, believability perceptions can be seen as the foundation for establishing the two other desirability perceptions, relevance and distinctiveness.

Furthermore, during the empirical data collection many particular features emerged in the context of the case company. This section crystallizes how each component evolved during the empirical data analysis. First, I will discuss the components that have been managed well by IKEA, then the ones that still require investments, and finally the critical components. The conclusions presented in this section, are summarized in the improved theoretical model. A more in-depth discussion on the components found as the most critical components, is presented in the next section.

Well-managed- component: Providing benefits to the consumer, often symbolic. According to the findings, CSR was perceived as a relevant differentiating factor to the consumers. The interviewees evaluated that the company’s CSR actions were able to generate them value. In relation to this, they mentioned symbolic benefits such as feelings of ‘doing the right thing’ or ‘feeling a little less bad about consumption’.

Well-managed - component: Retaining the core parts of the initial positioning. The study recognized that maintaining the key parts of the initial positioning was important, in order to increase brand value during the repositioning process, where CSR represents the new differentiating factor. The distinctive feature of IKEA remains to be the price. Raising the price level to be able to augment product quality in terms of prolonging the product’ life cycle and being more environmentally-friendly, would probably be a mistake. The findings indicated that this would more likely alienate the consumers currently supporting the brand.

Requires investment - component: Not expecting the consumers to sacrifice other brand benefits to choose a responsible product or service. This component was
supported by the empirical findings, as the IKEA bus was concluded not to be relevant to consumers who had a car. This was due to the fact that purchasing products, such as furniture, was not considered practical by bus, and it meant for the consumers giving up benefits of comfortability and ease. Hence, the consumers were not ready to sacrifice other brand benefits to choose a responsible service. Yet, IKEA is marketing the bus as a means to reduce travelling by car in the never ending list, and received criticism for this by the interviewees.

Requires investment - component: *Providing consumers with external symbols of their responsible actions.* Providing consumers, external symbols of their responsible actions, as a means to generate brand value through CSR, was supported by the findings of this study. The findings indicated that when giving an IKEA soft toy as a gift, it adds value to the consumer if the gift receiver is informed of the donation made to charity, for instance by adding a note on the toy.

Requires investment - component: *Educating consumers through communication of the CSR basics, using numerous communication channels.* This component was supported, as the findings showed, that education of consumers on CSR issues should be done through communicating only the basics. The never ending list was perceived uninteresting and unreadable. The interviewees evaluated that nobody will have patience to study the list, and thus will not know what IKEA is really involved in. Moreover, raising only the basics of the IKEA CSR program to the consumers’ attention, for instance on television was suggested. This supports the use of numerous communication channels when educating consumers.

Requires investment - component: *Promoting long-term strategic, values-driven motives while adopting an interim positioning.* The findings recognized that promoting long-term strategic, values-driven motives while adopting an interim positioning enabled brand value generation. When the interviewees evaluated that IKEA was sincerely trying to improve its CSR issues, it contributed positively to their brand perceptions. Moreover, specific plans for the future progress of CSR issues were highly valued by the interviewees. Interestingly, CSR actions targeted to investments on the
company’s own strategic business operations in terms of responsibility were perceived more important, rather than giving a part from their profit to a good cause. This also indicates that communicating long-term strategic CSR investments are of the essence.

**Critical - component: Considering perceptions of people behind the brand (Leader and service personnel).** This component was supported by the empirical findings, which indicated, that to create value through a CSR program in the context of repositioning, the consumers need to perceive the company leader and service personnel as caring and genuine. Contradictory image of the company leader, or a bad experience with the company personnel, can stand in the way of successful repositioning.

**Critical - component: Providing proof of responsible codes of conduct via conducting specific and concrete CSR actions.** The empirical study revealed providing proof of the company’s responsible codes of conduct for the consumers, as one of the most critical issues. Managing the numerous consumer doubts concerning the realization of the CSR actions was highly challenging for the case company. Involving a third party, such as Unicef or a local organization on the CSR projects, co-operating with media, or having a service personnel with CSR expertise to convince the consumer, were issues that promoted the believability aspect and generation of brand value. It was also confirmed by the study that consumers valued most the CSR actions, they perceived to be the most concrete ones.

**Critical - component: Connecting the company’s products and the social cause.** The importance of connecting the company’s products and the social cause, to enable perceptions of believability and value creation to the consumer, was identifiable in the study in many ways. First of all, IKEA giving one euro of each soft toy to charity was to some extent judged. The interviewees felt that luring the consumers to buy more products, does not contribute to the well-being of our planet, especially when the products are first transported from the other side of the globe to Finland. Second of all, IKEA also failed to make a connection between its products and good causes, with the never ending list. The list was perceived insincere due to repetition in the text, and pointing out very small issues. This in connection to the fact that the list was not
interesting to read, many interviewees noted that the list was made to look long in purpose and thus, not trustworthy.

**Critical - component: Building a linkage between the initial and new positioning while also weakening the old positioning.** The findings recognized that most of the interviewees were not able to see a logical bridge from the old positioning to the new one and, thus were not ready to accept the new positioning. The current brand positioning, they had in mind was built around high consumption shopping and throwaway culture related to low product quality. The non-central location of the store was also considered contradictory to CSR values.

**Critical - component: Promoting the brand’s key distinction in relation to other responsible brands.** The findings identified the need to promote the brand’s key distinction also in relation to other responsible brands. The nature of IKEA’s competitive frame of reference had dramatically changed in the consumers mind. This was recognized when IKEA’s brand benefits were compared to the benefits of other responsible brands and products by the interviewees. In relation to the criticism IKEA received concerning the never ending list, the core distinctive feature of IKEA’s CSR activities, was failed to communicate to consumers. This is why it the CSR actions did not augment the level of the perceived difference in the eyes of the consumers.

Having improved the theoretical model, five components emerged as the most challenging elements in the context of managing consumer perceptions to generate brand value through corporate brand repositioning when CSR is the differentiating factor.

In the next section, I will discuss each of the most challenging elements individually. In other words, the critical components are the fundamental areas to be discussed in the key findings.
6.2 Most challenging components for IKEA

The built theoretical model of the generation of brand value through corporate brand repositioning when CSR is the differentiating factor incorporated five critical components in the context of the case company. In other words, these five components discovered, may lead the entire repositioning process into failure. This section further discusses the key components discovered.

Interestingly, the majority of the critical components involved believability perceptions, leaving only one component to relevance and one to distinctiveness dimension of desirability. Hence, according to the findings establishing brand credibility and trustworthiness for the brand in the context of CSR, seems therefore primary and to be the foundation for creation of the two other desirability perceptions. Next I will discuss the consumer perceptions and the theoretical insights related to these five components.

6.2.1 Considering perceptions of people behind the brand

Via Corporate Social Responsibility, a company is able to create a linkage between the brand and the customer. These can be personality and values associations meaning that the consumer forms an image of the people behind the brand as caring and genuine. (Keller, 2008:474) Similarly, through any CSR activity the company should pursue to form responsible perceptions of the people behind the brand as responsible and kind people. The empirical study revealed that the negative experiences related to IKEA’s service personnel did not deliver the brand image of a responsible brand, which prevented the formation of the desired perceptions for this consumer.

Moreover, Bergstrom et al., (2002) argued that high status of the leader is one of the elements of an effective communication strategy. In IKEA’s case the image of the leader Ingvar Kamprad, was discovered to function against the desired CSR positioning. This was due to the fact that it reflected value associations that were inconsistent with consumers’ CSR values. Moreover, the consumers felt that by supporting IKEA they would be more or less supporting the life of the IKEA’s leader, Ingvar Kamprad, and thus were not convinced of being able to contribute to the company’s CSR activities by
buying products from the company. Hence, other companies thinking to reposition their corporate brand should take this into account. Image of the company leader might need to be evaluated and possibly polished up before undertaking the strategy of brand repositioning in the context of CSR.

In short, customers need to be assured of the fact that by supporting a certain company they are able to make a positive impact on people’s lives or contribute to the well-being of our planet. It is important to recall that the brand associations symbolize the core sources of brand value and function as the means for consumers to satisfy their needs (Keller and Lehmann, 2003). Hence, all angles of the brand image should be considered when evaluating the consumer response to marketing campaigns (Keller, 1993).

6.2.2 Providing proof of the responsible codes of conduct
Consumers have become more skeptical in terms of believing companies acts on CSR issues (De Boer, 2003). That is why providing consumers evidence of the company’s responsible codes of conduct is primary (Haapala and Aavameri, 2008:70). The empirical study revealed that the interviewees perceive the realization of IKEA’s CSR actions questionable. These perceptions involved around issues such as is IKEA capable of demanding responsible codes of conduct from its suppliers and controlling them to a sufficient extent? Also IKEA’s low prices were argued to put considerable pressures on suppliers.

Some indication, on how to manage consumer perception in terms of providing proof to the consumer of the company’s responsible codes of conduct, was discovered. Involving a third party such as a well-known brand like Unicef or a local organisation into the projects enhances the credibility of the company CRS actions in the eyes of the consumer. Co-operating with the media and the green peace was suggested to promote trustworthiness issues. Competent customer-service is one of the factors that can provide the consumer with evidence on the products environmental and social benefits he or she is seeking.
To conclude, brand positioning should be able to convey consumers a convincing reason for purchasing a particular brand (Aaker, 1982, Ries and Trout, 1979; Wind, 1982). The never ending list was not carefully planned to manage consumer perceptions during the process of repositioning, even though it represented the primary channel to communicate IKEA’s CSR activities. I remind the reader that in the context of CSR it is essential to also discuss the role of communication in sustaining and building brand value. Brand proximity marketing communication avoids creating a distance to the consumer, and second of all, the desire to always surprise the consumer is essential to keeping a brand alive (Kapferer, 2008: 244, 440-452).

6.2.3 Connecting the company’s products and the social cause

It was argued during previous studies, that sceptical consumers who have doubts on the connection between the company’s products and the social cause, are likely to judge the company as exploitative and self-serving (Keller, 2008:475). Moreover, marketers ought to should choose a cause that makes sense to the consumer to be a partner of that particular company (Gupta and Pirsch, 2006). This was confirmed by this study.

In terms of the IKEA’s soft toys ad, when asking the interviewees to reflect on how they felt when they saw the soft toys ad, various credibility issues emerged. The consumers perceived that luring consumers to buy more products was not unanimously seen to contribute to the well-being of our planet. Furthermore, since the toys were most likely made cheap in Indonesia and delivered a long way to Helsinki, this created other environmental and social concerns in their mind. This resulted to the fact that some consumers found the company exploitative and self-serving. One interviewee lifted up the Ronald McDonald Children’s house, built to Helsinki, as a positively creative and well planned CSR activity.

I consider that IKEA was making an attempt to connect its product with its CSR activities through building the never ending list on the homepage, covering 67 steps towards a more responsible IKEA. Issues in the list discussed the environmentally friendly aspects of the company and its products. Due to several issues, the empirical study revealed the list to be a failure. The list was criticized for lacking a reader-friendly
structure, such as providing headlines and key remarks to the reader. Also, the interviewees were frustrated by the unnecessary repetition and discussing small issues to make the list appear longer. Additionally, the list was perceived to miss evidence to back up the claims IKEA was making. The interviewees perceived the objective of the list to give an impression that IKEA was more involved in CSR activities than it truly was. The end result was that the never ending list was perceived deceptive. Moreover, the interviewees remarked that a company that promotes extensively their own CSR activities loses its credibility and attractiveness.

6.2.4 Building a linkage between the initial and new positioning

To ascertain a value creating repositioning process to the consumer, a gap that lies in between the initial and the new positioning needs to filled. The successful transition in the consumer’s mind towards the new brand positioning was characterized in the previous studies as a logical and smooth shift, which is easily accepted in the market place (Ewing et al., 1995).

The findings of the study indicated that most of the interviewed consumers were not able to see a logical bridge from IKEA’s old positioning to the new one. The current brand positioning, that the consumers had in their mind, was built around high consumption shopping and throwaway culture related to low product quality. Additionally, the non-central location of the IKEA stores in terms of increasing travelling by car was perceived contradictory to values that CSR represents. The danger for the marketers lies in repositioning the brand too far from its customer frame of reference, resulting in customer confusion and causing the repositioning to fail (Copeland, 2001).

According to the findings, for IKEA to successfully reposition its corporate brand, larger investments than marketing campaigns are required. The interviewees reflected their thoughts concerning how the linkage from the IKEA’s initial positioning towards the new positioning could be built. The interviewees suggested IKEA to invest on the use of waste material to a larger extent and communicate it also to consumers more specifically in producing the product. Additionally, durability in use of its product and
offering repair and redesigning options in order to prolong the products’ lifecycle, were suggested. Interviewees felt that efficient recycling operations of old furniture would add them value. These matters seemed primary for building the linkage, in other words to make the ‘disposable culture’ not seem so disturbing and stand in the way of the new CSR positioning.

Kapferer (2008: 177,440-452) stresses the importance for companies to assess their product’s current looks and ingredients are compatible with the new positioning. Moreover, one of the signals that often lead to decreasing brand value for most companies is the lack of investment in R&D. Considering the brand with the opportunity of capturing the rising new materials and consumer needs as well as strengthening the manner, in which values are materialized, is vital in order to sustain brand value long-term.

Weakening of the old positioning of IKEA is now discussed. Jewell (2007) suggests that to successfully and efficiently succeed in repositioning a familiar brand, the communication strategy must aim in addition to communicating the new positioning, also at weakening the old positioning. Previous studies concluded also that, communicating issues that are against consumers previous knowledge of the brand was considered very difficult (Keller, 2008:115). This thinking was supported in this study, as one respondent brought up the fact that she has a hard time in believing in IKEA’s new warranty issues, since she has had a bad experience previously in returning a product. Moreover, the findings confirmed that it was easier to convince the consumers of the issues they had not paid attention to before, such as IKEA using flat packaging to reduce fuel consumption.

To conclude, the findings supported the importance of weakening the old positioning. Consumers’ existing opinions of the old positioning hindered the company’s repositioning efforts, since the task had not been conducted successfully.
6.2.5 Promoting brand’s key distinction

When a company repositions its corporate brand, it pursues to discover a new sources of differentiation and strength for the brand, in order to regain the consumers’ loyalty for the brand (Bennett and Rundle-Thiele, 2005; Kapferer, 2008:241). Moreover, the fundamental aim of repositioning strategy is to revitalize the brand to enhance brand value and communicate fresh benefits for consumers (Munthree, Bick and Abratt, 2006; Ewing et al, 1995; Yakimova and Beverland, 2005).

The findings of this study indicated that IKEA was not perceived distinctive in the minds of the consumers in terms of its CSR program. Thus, the IKEA brand had not been revitalized nor had its level of perceived difference been increased.

The reason for this is now speculated. First of all, the result was partly due to the fact that the previous components indicated that the believability of IKEA’s CSR actions was weak. This naturally also negatively affected the consumer perceptions on the distinctiveness of the differentiating factor. Second of all, the reason for IKEA to fail to produce perceived difference in the consumers mind was because the key superiority, in relation to other responsible brands, was not promoted. The findings recognized this to be vital to provide the consumers with a unique value proposition in terms of CSR. To manage the consumer perceptions, it is essential to realize that the nature of IKEA’s competitive field changed, when it decided to position the brand based on CSR.

IKEA is now competing against all ethical benefits of furniture. The interviewees mentioned symbolic benefits that were distinctive in favor of the competitors, such as quality in the sense of product’s durability, the possibility of renovating the furniture, supporting the Finnish labor market by purchasing from Finnish manufacturers and buying handmade design to concretely support someone’s work. In addition, the vintage and flee market offerings through which consumers are able to show ethicality of their purchases, was considered as a symbolic benefit offered by the competition.

The findings showed that the potential distinctive features, in the CSR battle field for IKEA, could be found from producing the furniture from waste material, contributing to
the well-being of the poor countries, being a forerunner in the use of renewable energy and investing on efficient recyclability.

Moreover, restructuring IKEA’s communication strategy, to communicate the found distinctive feature of IKEA’s CSR program to the consumers effectively, would be necessary. IKEA’s commercial the never ending list received criticism for failing to raise the IKEA’s main CSR efforts to the consumers’ attention. (See also discussion on the component *educating consumers through communication of the CSR basics*) It can be assumed that if consumers do not remember much of the various actions a company is participating in, it can also be speculated that they do not become passionate about issues that IKEA promotes, nor are not able to tell their friends and family of IKEA’s actions.

In the theoretical section, it was concluded that without accurate brand knowledge the consumers cannot engage themselves to the brand (Ottman 1998: 40–41, William and Endacott, 2004). Moreover, Gupta and Pirsch (2006) emphasize that in communicating CSR issues marketers should concentrate on creating a positive feeling toward the brand. Customer-centric functionality and innovativeness are features that IKEA brand is known for. However these elements, according to the findings of the study, seem to be forgotten in communicating the company’s CSR efforts. Yet, leveraging the brand’s unique emotional benefits to import customers from the existing positioning to the desired one is evaluated beneficial (Copeland, 2001).

### 6.3 Conclusions

This study aimed at understanding how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor. The main research objective was to build a model that comprises of the significant aspects related to generation of brand value through repositioning CSR as the differentiating factor.
Brand positioning conveys consumers a unique value proposition that provides them with a convincing reason for purchasing a particular brand. Yet, brands have a life cycle and thus a need for renewal. When the brand’s perceived difference and brand loyalty starts to decline, the company needs to revitalize the brand using the strategy of repositioning. Corporate Social Responsibility (CSR) can provide companies with a new source of differentiation and strength for the brand due to consumers growing worry about the environmental and social impact of modern lifestyles.

Desirability of the differentiating factor largely determines the level of brand value-creation for the target customers. The criterion of desirability is based on three dimensions: relevance, distinctiveness and believability. The tactical issues of understanding how consumer perceptions can be managed to generate brand value through corporate brand repositioning when CSR is the differentiating factor, were investigated in terms of these desirability dimensions.

The components that formed the predefined theoretical framework were later tested in the context of the case company. The findings of the study confirmed that all of these components were significant in the context of repositioning CSR as the differentiating factor. The improved view of the theoretical model crystallizes the findings in terms of each component. Moreover, the relative importance of each component was determined in the improved view of the theoretical framework. The model highlighted five critical components in relation to managing consumer perceptions in the context of the case company IKEA. The components are critical in the sense that they may lead the entire process of brand repositioning to failure.

Interestingly, the majority of these challenging components involved believability perceptions, leaving only one component to relevance and one to distinctiveness dimension of the desirability criteria. Hence, according to the findings establishing brand credibility and trustworthiness for the brand in the context of CSR, seems therefore primary and to be the foundation for creation of the two other desirability perceptions.
Consumers have become very critical towards companies’ CSR activities, and at the same time their expectations towards companies’ CSR investments are becoming higher. Some CSR effort, which would have differentiated a corporate brand five years ago, now might already be expected from the company by the consumers. Through repositioning companies seek to grow their brands’ perceived difference, and convey fresh benefits for the consumers. Hence, discovering the brand’s key distinction, not only in relation to its current competitors, but also in terms of other responsible brands, is decisive.

The criticality and high expectations of consumers should also be interpreted as a sign of consumers growing interest towards companies that are forerunners in the field of CSR and a sign of rising understanding on CSR matters among consumers. Companies rejecting to adapt immediately to a lasting change in the market place, and secondly ignoring the opinion leaders of the young generation, are clear signals of declining brand value.

In accordance to the findings, when a brand is repositioned, it needs to rebuild a relationship with the consumers, and this requires investments on advertising as well as on product innovations. Kapferer stresses that a brand is above all a relationship. It is a great challenge to rebuild a relationship, which involves deep emotional contacts and loyalty. Yet, this can be considered primary, when pursuing to revitalize a brand.

### 6.3.1 Managerial implications

The managerial implications are drawn for companies who wish to reposition their corporate brand to reflect CSR as the brand’s source for differentiation. The research findings indicated numerous aspects, which need to be considered in developing and implementing corporate brand repositioning efforts when CSR is the differentiating factor. The key to managing consumer perceptions during the process of repositioning is to consider the eleven components concluded in the theoretical model of this study, introduced in the chapter 6.1.
The basic assumption of this study was that consumers need to find the brand’s differentiating factor desirable, for the brand to be able to reflect strong, favorable, and unique brand associations. This thinking led to consideration of the desirability dimensions: relevance, distinctiveness and believability. It was concluded that also CSR as a differentiating factor should be able to generate these associations for the consumers. The desirability dimensions provide a good starting point also for companies. This is due to the fact that for different industries and for different sizes of companies, additional issues might emerge in terms of achieving relevance, believability and distinctiveness associations in the consumers’ minds. The criterion of desirability is explained in the chapter 2.1.2.

Marketers need to be aware of the fact that consumers find very different issues interesting and relevant for them. If a company is involved in many types of CSR activities, it is important that consumers find the information that they value most easily from the company homepage. This can be solved, for instance by presenting the CSR issues according to different themes instead of putting all information in one place. This way, consumers can spend their limited time with the issues they value the most and are also likely to remember.

Companies need to be fully prepared before starting to promote CSR as their brands’ differentiating factor due to many reasons. First of all, management of consumer perceptions, while repositioning the corporate brand to gain CSR as the differentiating factor, was concluded very challenging in the findings of this study. Moreover, often companies, which are doing the most in the area of CSR, are also the ones that are criticized the most. In addition to these reasons, unsuccessful repositioning efforts may considerably weaken the brand’s value and fail to enhance the overall company image or market share.

6.3.2 Suggestions for future studies
This study aimed at providing insights on corporate brand repositioning, when CSR represents the differentiating factor. The research question was how can consumer perceptions be managed to generate brand value through corporate brand repositioning
when CSR is the differentiating factor? The study involved a case study strategy using IKEA as the case company. Qualitative research methods, in other words means-end interviews, were utilized to answer the aim of this study.

Conducting a similar study utilizing quantitative methods to reach wider sample and to generalize the findings of this study, might also be beneficial. Furthermore, interviewing IKEA’s customers in other countries would also bring out the differences in IKEA’s global consumer base. Especially in other European countries were the standards of living are in the level approximately. Also IKEA has other CSR activities in different countries and to see what activities are mostly valued would be interesting to compare. Weakening of the initial positioning was concluded as a difficult task. Hence, it would be interesting to conduct a study that would generate further knowledge on the issue.

The popularity of responsible consumption is rising. The consumers that value responsibility will expect more also from companies, in terms of product development and sustainable codes of conduct. Hence a new study conducted on how consumer perceptions have possible changed in time for instance five years would be beneficial. Moreover, it would be interesting to study how social medias, have an effect on the rise of responsible consumption. Furthermore, in this study the companies’ internal challenges of the repositioning process in the context of CSR were not studied and thus provide bases for further research. Also will IKEA eventually succeed in its repositioning efforts at the moment cannot be yet argued, and thus also bases further research in the future. Moreover, how stakeholders other than consumers view the repositioning efforts?
7 REFERENCES


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8 APPENDIX 1: INTERVIEW GUIDE IN ENGLISH

Evoking a situational context
After seeing these 3 marketing communications of IKEA, imagine a situation that you have decided to buy new furniture and you have to choose to which furniture retailer you will go shopping to. Will the previously seen IKEA’s CSR activities affect your choice?

Probing questions:
Why is that? (Discovering the underlying attributes)
What is the benefit of that? (Underlying consequences)
Why do you say that? (Underlying consequences)
Why was it important to you to do that? (Underlying consequences and values)

Distinctions

- Did these commercials have any effect on you?
- After seen the commercials, does IKEA seem more attracting to you than before?
- Did you start thinking for example that I might go to IKEA because they take care of certain issue well?
- What kind of thoughts did you have after viewing the never ending list?
- Would you say that you were convinced by the way IKEA communicated its Corporate Social Responsibility?
  - How would describe how they could be communicated better?
- How do think your friends would react to IKEA’s CSR commercials?
- If IKEA would not exist, in which furniture retailer do you see yourself realizing your social and environmental values?
  - Compare this store to IKEA
- Which CSR issues are the most important to you/ what issues got your attention on IKEA’s homepage?
- Why would you not buy products from IKEA? /Why do you not prefer IKEA over other brands?
- Do you know a furniture company that strongly pursuing to be more responsible?
- In your opinion do any of the IKEA’s competitors stand out with its CSR actions?

Consequences

- As a consumer, does it bring you additional value to know about environmental and social issues of products?
- What benefits do you see of buying furniture of a store that considers CSR issues and pursues to be responsible?
- Do you think that it would be good if IKEA would advertise some other way this issue, for example on television, since you weren’t aware of the IKEA’s CSR activities?
• If you would buy an IKEA product, would you feel good about yourself for doing something good?

Values

• Why this is important to you?
• Why do you think like that?
• Can you realize this value by going to IKEA?
• Is there some important CSR issue that is important to you but you feel IKEA has not considered?
• Is there something IKEA could do that would make you feel better about buying things from them?
• What do you think your friends think when they see IKEA’s CRS commercials?
• Which do you view is more important, that the company takes care of its own operations, does not leave waste and limits the emissions or gives a part from their profit to charity?
• Which type of CSR activity would you prefer supporting/ which do you view is more reassuring?
• What do you consider to be the company’s motives underlying the CSR activities?
• At the end did you image of IKEA change after seeing the three CSR commercials?
9  APPENDIX 2: INTERVIEW GUIDE IN FINNISH

Evoking a situational context
Kuvittele tilanne, että lähdet ostamaan huonekaluja ja haluaisit pystyä toteuttamaan
ostopäätöksessäsi ympäristö- ja yhteiskuntavastuuullisia arvojasi, vaikutivatko
mainokset jossain määriin päätöksesi miinin huonekalukauppaan lähdet huonekaluja
ostamaan?

Probing questions:
Miksi näin? (Discovering the underlying attributes)
Mitä hyötyä näet siitä olevan? (Underlying consequences)
Miksi sanoot näin? (Underlying consequences)
Miksi sinulle oli tärkeää tehdä näin? (Underlying consequences and values)

Distinctions

- Oliko mainoksilla mitään vaikutusta sinuun?
- Nähtyäsä mainokset, tuntuuko IKEA sinusta houkuttelevamalta kuin ennen?
- Voisitko ajatella nyt, että no ehkä lähtisin IKEaan, koska esim. tämä asia oli
  hyvin heillä jo ennen?
- Minkälaisia ajatuksia herätti ’Loputon matka’ sinussa?
- Mitä pidit IKEA:n tavasta kommunikoida yritysvastuuullisuudestaan?
  - Minkälaisia ajatuksia sinulla heräsi, liittyen tähän mieti niistä
    voitaisiin kertoa paremmin?
- Miten uskot, että ystäväsi reagoivat IKEA yritysvastuuullisuusmainontaan?
- Jos IKEA ei olisi mistä huonekalukaupasta ostamalla, uskot että voisit toteuttaa
  ympäristö ja yhteiskuntavastuuullisia arvojasi?
  - Vertaa äsken mainitsemaasi liikettä IKEaan.
- Mitkä vastuuullisuusasiat ovat sinulle tärkeimpiä/ mikä kiinnitti huomiosi IKEan
  sinuille?
- Miksi et ostaisi IKEasta / Miksi et pidä IKEA parempaan?
- Tiedätkö jonkun muun huonekalukaupan, joka pyrkii olemaan vastuuullinen?
- Erottautuuko joku IKEA kilpailijoista mielestäsi vastuullisella toiminnallaan?

Consequences

- Tuoko sinulle kuluttajana tämä jotain lisäarvoa tietää näistä ympäristö asioista?
- Mitä hyötyä mielestäsi on ostaa huonekalut sellaisesta kaupasta, joka ajattelee
  vastuuullisuusasioita?
- Olisiko hyvä, että IKEA mainostaisi jotakin muuten täätä aihetta, esim.
  televisiossa jotta olisi ollut tietoinen IKEA:n CSR aktiviteeteistä?
- Jos ostaisit IKEA tuotteen, tuntisitko hyvää oloa siitä, että olet tehnyt jotain
  hyvää?

Values

- Miksi tämä on sinulle tärkeää?
- Miksi ajattelet näin?
- Toteutuuko tämä arvo kun menet IKEaan?
Onko joku sinulle tärkeä asia mitä Ikea ei ole yhteiskuntavastuullisuudessaan huomioinut?

Olisiko jotain, mitä Ikea voisi tehdä, että sinulle tulisi vielä vähän parempi olo sieltä ostamisesta?

Mitä uskot, että kaverisi ehkä ajattelee, kun he näkevät nämä vastuullisuusmainokset Ikeasta?

Onko mielestäsi tärkeämpää, että se yritys tavallaan huolehtii omasta toiminnastaan, ei jätä jäätettä ja päästöjä vai, se että, yritys antaa liiketoimintansa voitosta osan hyväntekeväisyyteen? Kummantyyppistä yhteiskuntavastuuta sinä haluaisit kannattaa/kumpi on vakuuttavampaa?

Mitkä uskot yrityksen motiivien olevan vastuullisten tekojen taustalla?

Lopputuloksena, miten kuvailisit, että mielikuvasi IKEA:sta muuttui nähtyäsi kyseiset kolme mainosta?
## 10 APPENDIX 3: CHOOSING THE RESPONDENTS

Table 2: Criteria for sampling of respondents

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Criterion for sampling</th>
<th>Rationalization for criterion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Young person (who is not living with his or parents anymore) Age limit 23-30 years.</td>
<td>Brand building takes many years and the repositioning actions of companies are naturally designed to serve the company in the future. That is why it is relevant to ask the ‘future target market’ i.e. the young consumers. Additionally, research shows that the environment is one of the top five issues that youth care most about (Keller, 2008:478).</td>
</tr>
<tr>
<td>2.</td>
<td>The person has purchased at least one product from the case company.</td>
<td>The idea is that the consumers have already reached a good level of brand awareness and the objective is only to measure what details your consumer is aware of and to gain a greater insight into how the brand is presently perceived. (Davis, 2000:222-223)</td>
</tr>
<tr>
<td>3.</td>
<td>Persons needs to have a higher level education</td>
<td>These persons will more likely to have a more understanding of social and environmental issues and thus to think more critically about their purchasing decisions from the environmental and social point of view.</td>
</tr>
</tbody>
</table>

IKEA is targeting the mass markets, thus other criteria for choosing the consumers was not considered relevant.
11 APPENDIX 4: IKEA CSR ADVERTISEMENT

The main page of the IKEA’s Finnish homepage is visualized below.

(Please note the diesel bus, soft toys ad and the endless journey)
IKEA’s diesel bus ad - ‘Suomen ympäristöystävällisin dieselbussi’

IKEA’s soft toys ad
IKEA’s soft toys ad

IKEA’s soft toys ad. On this webpage, emotional music is played in the background:
‘the world belongs to us... if you believe in me, and I believe in you. Faith is all we need. It’s up to you and me to make the change...’