The business of business is societal responsibility
A case study of drivers and goals of FMCGs’ corporate brand endorsement

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ABSTRACT
Within brand research there is a debate regarding if multinational companies will benefit most from emphasizing their product brand or their corporate brands. The past decade has also brought increased market awareness of sustainability. Against this background it is interesting that major FMCGs have recently engaged in corporate brand endorsement. The aim of this paper is to contribute to this debate by answering the research question of why FMCGs recently have engaged in corporate brand endorsement. This is done by exploring the various drivers and goals for FMCGs adopting corporate brand endorsement and how this relates to sustainability demands from stakeholders. A multiple case study was built through observations and in-depth interviews with brand managers from three market leading global FMCGs. The results reveal internal drivers related to change of leadership and restructuring of core business that result in an emphasis on sustainability. External drivers include increasing pressure from consumers and potential employees regarding sustainability and business purpose. Goals revolve around communication and building the corporate brand towards consumers and communicate sustainability, thus reaching reassurance.

Key words: FMCG, corporate brand endorsement, corporate reputation, sustainability, corporate identity, corporate image

1. INTRODUCTION
This paper will explore drivers and goals behind recent increases of corporate brand endorsement among Fast Moving Consumer Goods companies (FMCGs) and how these changes are related to sustainability awareness among consumers and other stakeholders. Since the shift of the millennium, scholars involved in the debate on branding strategies of multinational companies such as FMCGs have struggled to reach consensus regarding the future development of such brand strategies (Laforet & Saunders, 2007). Consequently, researchers are divided into two main camps bringing opposite arguments to the table.

One group of researchers argue that corporate brands and various forms of corporate brand endorsement approaches have become more important and will be more important in the years to come. Reasons for this include increasing complexity in the marketplace that partly stems from fragmentation of markets and globalization (Aaker & Joachimsthaler, 2000). Another factor contributing to complexity is that consumers are becoming more aware of sustainability related aspects of business and an increased demand has been put on companies to be more transparent and act more responsibly. Karns (2011) even claims that this development has led to the formation of an entirely new marketplace for companies that are using the power of business to solve social and environmental problems. In such complex market conditions, corporate brands can be effective tools for consistent and uniform communication of company values to vast target groups which leads to increased company trust (Balmer & Gray, 2003). A similar argument is put forward by Page and Fearn (2005) who suggest that using the corporate brand presents an opportunity of building and communicating corporate reputation and that consumers might be more keen towards companies that are perceived as value-driven. In relation to consumers’ demand for more sustainability focused companies, the corporate brand provides an opportunity to communicate corporate reputation that is committed to a sustainability related purpose. These are all arguments in favor of an increase in corporate brand endorsement activities, as the strategy works to communicate corporate values.

Another camp of researchers quite contrary suggest that the FMCG sector will benefit more from focusing on the product brands. As markets tend to shatter into diverse and narrow consumer groups, unique and individual brands enable FMCG companies to carefully target specific consumers with great precision (Laforet & Saunders, 2007). Additionally, a diverse portfolio of individually branded products, where each brand targets a specific
consumer segment decreases the risk of cannibalization among brands (Kapferer, 2001). Another argument in favour of individual brands over corporate brands is the risk of consumer scrutiny. Information on corporate scandals spread quickly among consumers through social media and such scandals can bring down whole companies. Therefore, FMCG companies might be more hesitant towards using their corporate brands to any larger extent.

Against this background it is interesting that during the last couple of years, some of the largest companies in the FMCG industry have adopted branding strategies aimed at making the corporate brand more visible and more meaningful for consumers. These brand initiatives are called corporate brand endorsement, meaning that the corporate brand is used to leverage individual product brands (Aaker, 2004).

It is difficult to pinpoint exactly when these brand strategy changes were initiated. However, industry observers such as brand consultancy firm Lippincott have taken an interest in this shift. In an recent report, Lippincott executives point out that FMCGs in particular have invested heavily in their corporate brands since around 2010 and describe this development as a paradigm shift (Marshall, Wilke & Wise, 2016). Marketing initiatives focusing on the corporate brand are seen more often today, such as sporting sponsorships and sustainability campaigns. It has also become more common for the consumers to see corporate logotypes in commercials of different kinds, linking the product to the corporate brand that was mainly directed to internal stakeholders and investors not long ago. Meanwhile, scholars have noted that consumers are increasingly responding well to companies that are perceived as driven by values and have a sustainability agenda (Page & Fearn, 2005).

There is plenty of research of various foci regarding the phenomenon of using a corporate brand to leverage individual product brands (see: Aaker, 2004; Muzellec & Lambkin, 2009). Endorsement from a strong corporate brand can serve as a way of transmitting brand image from corporate level to endorsed brands, serving as a source of reassurance for consumers. For this endorsement to be successful, the corporate brand must be built by a positive corporate reputation (Aaker & Joachimsthaler, 2004). Keh and Xie (2008) have examined the importance of a positive corporate reputation and found that it is an important endorser of purchase intent among consumers. Moreover, they found that careful consideration is taken to aspects of sustainability, making the concept of a sustainability focused corporate reputation highly relevant in the market environment of today.

Despite being explained by industry observers as a paradigm shift, the scholarly world has not yet reacted on the recent surge of corporate brand exposure in the FMCG sector and there are few academic discussions as to why they have taken place. Nor is there much research examining what factors in the business environment that have influenced the decisions to increase exposure of the corporate brand and adopt corporate brand endorsements strategies among these companies. The fact that these FMCG companies reach billions of consumers everyday and influence their everyday lives makes it important to study them. Additionally, brand researchers are calling to action on studies of decision processes behind FMCG brand strategies (Jit Singh Mann & Kaur, 2013). The research presented above shows that increased corporate brand exposure is overall likely related to creating stronger corporate reputation and transferring corporate brand meanings onto product brands and that sustainability might be one important aspect driving this development.

In answering the question of why FMCGs recently have engaged in corporate brand endorsement, the purpose of this paper is to explore the various drivers - i.e. events or market trends - and goals for FMCGs adopting corporate brand endorsement with particular consideration taken to the communication of a
sustainability focused corporate reputation. Hence, this paper is positioned within the field of sustainable marketing and brand strategy.

The purpose of this study will not be reached through testing existing corporate brand endorsement theory, but instead through using theories on sustainability, corporate reputation and corporate brand endorsement to construct a theoretical model and add to this model the findings from empirical evidence. This formation of theory will contribute to the field of corporate brand research by exploring the link between corporate brand endorsement and sustainability, framed within the FMCG sector. By revealing drivers and goals behind increased corporate brand focus and making room for discussions on the future of this branding strategy, the authors also wish to contribute to the scholarly debate on corporate brand versus product brand emphasis.

2. THEORETICAL FRAMEWORK

To be able to approach the various drivers and goals that have influenced FMCGs to adopt corporate brand endorsement and how they relate to sustainability, it is important to understand market conditions have led to an increased demand for companies to actively work on as well as communicate their corporate reputation as sustainability oriented. To best accomplish this, the theoretical framework is divided into three main parts: first, a discussion on recent increases of interest in sustainability issues among stakeholders; second, the importance of maintaining a transparent and sustainability related corporate reputation to meet the stakeholder interest. Thirdly how corporate brand endorsement works as a tool in communicating this sustainability related corporate reputation to consumers, and meet these new stakeholder demands.

2.1 Shifting Stakeholder Demands

Large corporations such as FMCGs are under pressure from various stakeholder groups to take action on sustainability related issues (Lozano, 2015). Among these stakeholders, consumers are of particular interest for researchers. However, scholars are struggling to reach consensus regarding if consumers are really driving corporations to take measures in terms of sustainability. There are several articles arguing that consumers are willing to pay more for eco-friendly products and that they are more inclined to buy products from companies that are perceived as responsible in these issues (Sandhu, Ozanne, Smallman & Cullen, 2010).

The same researchers have shown that these consumer attitudes have indeed influenced companies to offer more environmentally sound products and services and that these consumers serve as a pull factor. There is however another group of researchers arguing that these attitudes do not influence the behaviour of companies. Sandhu et al. (2010) provides examples of studies concluding that these consumer attitudes seldom translate into actual buying behaviour, and that companies therefore are unwilling to meet the demand for more environmentally responsible corporations.

Nonetheless, other researchers (Kiron, Kruschwitz, Haanaes & Velken, 2012) confirm that consumers are indeed taking an interest in sustainability and that general societal awareness on sustainability is increasing. This is partly due to a steady flow of information about environmental, social and economic problems and injustices from media and organizations. This information, in turn, is quickly spread through social media to reach and influence the attitudes of wide consumer groups who have found a new arena to engage in conversation about their concerns and worries. This view is supported by Lozano (2015) who argues that increased consumer demand, and raised awareness on issues of sustainability has an impact on companies CSR work as well as how they manage their corporate reputation. In fact, Lozano suggests that creating a corporate reputation revolving around sustainability, which will be discussed at depth later on, is of utmost interest for companies. Albeit, as Sandhu et al. (2010)
argue, the notion of powerful green consumers is debatable and the actual purchase behavior of consumers might render companies hesitant to invest heavily in sustainability and the marketing of such activities.

Another stakeholder group whose awareness of sustainability has undoubtedly increased as of lately is potential employees. For large companies, competition for talent is getting tough and university students tend to put much emphasis on sustainability when evaluating potential employers. Research has shown that corporations that want to attract the next generation of university educated workers feel pledged to meet their demands by focusing heavily on sustainability in their employee branding activities (Lozano, 2015).

Similarly, investors are increasingly taking an interest in matters of sustainability when investing. Kiron et al. (2012) point out that corporate sustainability is no longer a concern for niche investors but have spread into the mainstream financial market actors who are now basing investment decisions on sustainability criteria to a much higher degree than only a few year ago. Sustainability awareness is not only increasing among consumers, potential employees and investors, but also internally and especially among corporate leaders. Lozano (2015) suggests that a key driver for corporate sustainability activities is visionary leadership. This means that CEOs and other decision makers are putting more emphasis on the role of sustainability in creating competitive advantages for the corporation.

All in all, the research presented above points towards increasing awareness among consumers, potential employees and investors on issues of sustainability and the main argument is that this awareness, and the subsequent demand that arises, has an impact on the sustainability activities of large corporations. However, as Sandhu and colleagues (2010) point out, consumers are particularly elusive and even though they might have an interest in the sustainability work of corporations, these attitudes might not transfer into actual buying behaviour. Additionally, corporate leaders of today are emphasizing issues of sustainability which suggests that sustainability work and the communication of such activities has made its way up to strategic levels and board room discussions.

2.2 The Increasing Importance of Corporate Reputation

As described in the previous section, it has become important for companies to communicate their sustainability activities to meet the expectations from ever more demanding stakeholders regarding sustainability. When communicating to vast stakeholder groups, corporate reputation becomes important (Lai, Chiu, Yang & Pai, 2010) and for consumers in particular corporate reputation can be a strong influencer of purchase intent (Wu & Lo, 2009).

Goldsmith (2000) discusses corporate reputation from a consumer-centric viewpoint, and defines it as the totality of impressions perceived by stakeholders in relation to a company image. Pruzan (2001) elaborates further on the concept and divides corporate reputation into two interacting components that together form the corporate reputation. The first component, corporate image, focuses on the perceptions of external stakeholders such as consumers and investors. Corporate identity, on the other hand, is the perceptions of internal stakeholders such as employees. The identity dimension of corporate reputation is inward bound and has to do with how leadership, management and employees view the organization in terms of fundamental purpose and integrity. In order for employees to fully commit to their work and feel that company visions are meaningful, leadership must answer to organizational questions of basic reasons for existence that goes beyond everyday business objectives. Such internal corporate identity, Pruzan argues, must be aligned with the external corporate image to create and communicate a corporate reputation.
Hence, a positive corporate reputation can be seen as a valuable strategic resource as it helps stakeholders attach positive attributes and feelings to the company, making them more prone to benefiting the company in relation to competitors with a less positive values. A strong corporate reputation therefore contributes to the sustainable competitive advantage of the company (Dowling & Moran, 2012). It does however require considerable time and investment to develop and is easily demolished (Hall, 1993) which leads big companies to suffer more when making mistakes (Herr, 1989, in: Keh & Xie, 2008). It is therefore not only the building of a strong and positive corporate reputation that should be important to companies, but also molding it into invoking the right perceptions among stakeholders which will be dealt with in the following sections.

2.2.1 The Importance Of Sustainability for Corporate Reputation

Accelerating consumer and societal demand on companies to act more responsibly towards society and the environment (Lozano, 2015) has created opportunities for companies that are using the impact of their business to solve social and environmental problems (Karns, 2011). To build a positive corporate reputation it has become crucial that the company is organized and correct in its approach to various aspects of business ethics (Goldsmith, 2000). Whereas a company’s reputation can be harmed when it violates ethical norms, the firm is also rewarded in terms of positive consumer attitudes when ethical expectations are exceeded (ibid). This is also reflected in the findings of Wu and Lo (2009), who argue that consumers perceive manufacturer brands to have a positive image and quality if they also believe that the manufacturer is a competent corporation that behaves in a sustainable and ethical manner.

In order to make sense of the various ways of incorporating sustainability into the business agenda and influence the corporate reputation, several concepts have been developed by researchers and practitioners. CSR, or corporate social responsibility, covers sustainability related activities of companies that go beyond their legal or financial interest (Arikan et al., 2015) and has been criticized as the concepts reinforces the so called separation thesis; that business is separated from ethics or society (Freeman & Velamuri, 2006). Another notion, referred to as sustainable business, adheres to some of the criticism directed towards CSR, and concerns how companies include financial perspectives into their environmental value creation (Katz & Page, 2013). A third, and for this study highly relevant concept, is corporate citizenship, which in comparison to CSR and sustainable business further includes sustainability into the business agenda. Tsai, Joe, Lin, Chiu and Shen (2015) explain that corporate citizenship, in the vain of the previous concepts, concerns how companies integrate social and environmental demands into their operations in order to reach business objectives such as increased purchase intentions and to influence corporate reputation. Corporate citizenship leads firms to include ideas of CSR into their global corporate strategies, as well as how to evolve the social role of business in society (Maignan & Ferrell, 2001; Matten & Crane, 2005, in: Tsai et al, 2015). Corporate citizenship hence brings sustainability to an even more strategic level. Successful strategic management of corporate citizenship is claimed to help companies in meeting wide stakeholder claims as well as encourages businesses to seek ways in which sustainability efforts can be turned into a financially profitable part of business models (Husted & Allen 2007, in: ibid).

Corporate citizenship is often included in marketing activations to generate a positive corporate image, i.e. the external part of corporate reputation (Pruzan, 2001), which will affect consumers’ trust and identification with corporations in a positive manner (Tsai et al, 2015). Previous studies show that corporate citizenship is important in the relationship between consumer and company, and a way for companies to boost consumers’ purchase
intentions. In this communication, companies apply different strategies to present their product, for example by associating it with the corporate citizenship image.

For this image to reach stakeholders in a successful manner, the company behind the communication has to be considered a credible market player by the message receiver (Dowling & Moran, 2012). Corporate credibility is defined as the the extent to which consumers, investors and other stakeholders believe in a company’s trustworthiness, and it has been proved to directly impact purchase intent among consumers (Goldsmith, 2000; Lin & Lu, 2010). Moreover, Goldsmith (2000) argues that corporate credibility plays a critical role in the firm’s ability to market its products as it has a positive impact on corporate reputation. Hence, building a trustworthy image among various stakeholders - customers, potential employees and investors - could be determinant for how the company is perceived and should therefore be carefully considered (Keh & Xie, 2008).

2.3 Communicating Corporate Reputation Through Corporate Brand Endorsement

This far, the literature review has revealed the importance of a strong and credible corporate reputation filled with sustainable values, but not how this corporate reputation finally reaches stakeholders such as consumers. Balmer and Gray (2003), provides an insightful discussion on the role of the corporate brand in this context. To begin with, the corporate brand is a powerful communicative tool which can convey messages of heritage, organizational culture and purpose, as well as carry meanings of sustainability commitment. In other words, the corporate brand can be used as a navigation tool for internal stakeholders, such as employees, as well as a tool for communication of brand meanings towards external stakeholders such as consumers and investors. Hence, the corporate brand should align what Pruzan (2001) calls corporate identity, which is internal and covers matters of purpose and vision, and corporate image, which is external and encompasses corporate citizenship and corporate credibility. In essence, corporate brand endorsement is a way of transferring corporate brand image and perceptions from corporate level on to other brands owned by the corporation (Aaker, 2004). In discussing the importance of a strong corporate reputation in previous passage, Pruzan (2001) provided insights to the division between the internal corporate identity and the external corporate image. These perspectives, together with an in-depth understanding of the various relationships between corporate brands and product brands, are also central when approaching the matter of corporate brand endorsement. Namely, in the duality between internal and external corporate reputation, and as a communicative vessel for the other aspects of corporate reputation, the corporate brand can function as a bridge.

2.3.1 Corporate Brand Endorsement and Image Transfer

In the FMCG sector, brand portfolios are typically arranged in what is called a house of brands (Aaker, 2004). This branding strategy revolves around a portfolio of individually branded products that are separated from each other and from the corporate brand. Product brands are operated as individual entities, which allows the house to position these brands on the market with high accuracy, often based on product specific factors (Kapferer, 2001). Muzellec and Lambkin (2009) elaborates on the basic description of the house of brands approach and at the most basic level, they argue, the product brand is first and foremost used to communicate with existing and potential customers whereas the corporate brand is used to communicate with suppliers, shareholders, employees and competitors as well as government institutions, media and general public.

Within this structure there are several ways the corporate brand can be used to endorse product brands. In an overview of brand strategies, Aaker and Joachimsthaler (2000) provide an explanation of different corporate
brand leveraging approaches where the aim is to transfer brand image from corporate level to product level. In other words, to build and communicate the corporate reputation. Some companies adopt a discrete endorsement strategy where the corporate brand is not explicitly connected to the product brand but instead functions as reassuring meaning carrier that is loosely connected to the product brand. It could for instance be done by communicating that a particular brand is owned by a trustworthy corporation with high brand equity or that a less known product is manufactured by a renowned producer. This approach is commonly called shadow endorsement. Such endorsement does not interfere with the many advantages of the product brand, for instance the ability to accurately target specific segments.

An additional approach is what Aaker and Joachimsthaler call token endorsement. Here, the corporate brand endorses a product brand through a visual cue. Often in the brand name or in the form of a logotype on for instance packing, in commercials or any other customer touchpoint. The idea is to let the endorsed brand have full freedom to take on independent brand meanings while benefiting from the reputation of the well known master brand. Again, the endorsing brand is not strongly affected by the corporate brand and can thus be managed independently to take on very specific brand meanings.

Additionally, Muzellec and Lambkin (2009) propose a conceptualization of corporate brand endorsement through integration of corporate brand and product brand. Such integration can be ascending, which means that a brand from the portfolio is used to leverage the corporate brand. This can be done through, for instance, image transferring from a well known consumer product brand to a less known corporate brand. Such transfer, in turn, can be done through Aaker and Joachimsthaler’s different endorsement approaches. Descending integration on the other hand, means that the corporate brand is used to leverage a product brand.

These corporate brand endorsement theories explain how the corporate brand can be used for transferring brand meanings and corporate reputation onto products brands that ultimately reach the consumer in the many different touch points. It is however a delicate matter of how much influence the corporate brand should gain on the brand meanings of products.

2.4 Theoretical Summary

To conclude the theoretical framework concerning how to communicate a sustainability focused corporate reputation through corporate brand endorsement, as well as the possible drivers and goals for this, Model 1 was constructed. The model outlines a number of drivers for sustainability communication and shows probable
relationships between sustainability, corporate reputation and corporate brand endorsement.

Two main drivers for companies to start communicating sustainability has been revealed. One such driver is external and concerns increasing demands from consumers, investors and potential employees (Lai et al., 2010; Lozano 2015) as well as a demand for companies to be credible market players (Goldsmith, 2000). These circumstances can influence companies in their sustainability commitment and communication, and to align corporate identity and corporate image to form a stronger corporate reputation (Pruzan, 2001). Communication of such sustainability focused corporate reputation can be executed through corporate brand endorsement (see Aaker, 2004), where the image of corporate citizenship (see Tsai et al., 2015) is projected onto the product brands and communicated to the receiving stakeholder, i.e. consumers (Muzellec & Lambkin, 2009). The other main driver is increasing focus on sustainability in the leadership of large corporations.

3. METHODOLOGY

3.1 Research Approach and Design

Given the open ended research question and the exploratory aim, this paper was inspired by grounded theory (Eisenhardt, 1989), and adopted an iterative process to refine the research question, build the theoretical framework, construct the theoretical model as well as to collect empirical material and conduct analysis resulting in an empirical model. With the aim of exploring the drivers and goals of a change in brand strategy this paper took the form of a theory expanding qualitative case study as described by Dul and Hak (2008). Within business research qualitative case studies are generally considered efficient when the aim of the study is to explore and explain processes and decisions within organizations where little is known in advance (Gummesson, 1991). Overall inspiration for the research design was drawn from a much cited brand strategy paper by Ambler and Styles (1997) implementing a grounded theory approach to an explorative multiple case study using in-depth interviews.

3.2 Cases

Selection of cases was made following the concept of theoretical sampling meaning that statistic significance was of no interest but instead that the cases were suitable for exploring the phenomenon of interest (Eisenhardt & Graebner, 2007). Hence, three multinational, market-leading FMCG that had all recently initiated corporate brand endorsement strategies were selected. By selecting large corporations, the risk of variations due to size is reduced and choosing companies in the same sector clarifies the boundaries of the findings to the FMCG sector and reduces the risk of variations due to major differences in business environment (Eisenhardt, 1989).

The three FMCG companies were identified during the initial research phase and they had all, in similar fashion and at a similar point in time, showed signs of increased corporate brand exposure and engaged in corporate brand endorsement in their product marketing activities. Also, and as mentioned previously, they were all similar in size and considered market leaders which makes for a rather homogenous sample. Moreover, there were many official statements in the form of press releases stating that the companies had made strategic decisions to increase corporate brand endorsement and corporate brand visibility.

Accessibility was also a factor that was taken into account when selecting cases and
the fact that all three companies had nordic headquarters in Sweden facilitated access. Regarding the number of cases, Eisenhardt & Graebner (2007) provides some insightful thoughts. In theory expanding studies, the aim is not to statistically test something and therefore the number of cases is not as important but rather that the cases complement each other and suit the research question. This requirement is arguable met with three case companies.

To build the cases, empirical material was collected in two steps. First, background material was collected from corporate websites in order to gain a basic understanding of the case companies. Then interviews were conducted with managers at corporate level in order to obtain material for answering the research question. These managers were approached after careful consideration of their ability to provide informed accounts of company brand strategies. All interviewees were senior managers, with insight into the strategic management of the corporate brand. Moreover, they all had good knowledge of the general market conditions in of FMCGs due to long and extensive experience of the sector. Given the sensitivity of the interview topics, one of the companies requested to be anonymized. For the sake of consistency all companies were therefore anonymized and are labeled Company A, B and C for the remainder of the paper.

### Company A

**About**
An industry leading multinational FMCG company based in Europe. Holds a portfolio of some 400 brands in the categories: foods, home care, personal care. Products are sold in close to 200 countries worldwide.

**Interviewee**
Vice President Brand Building 2011 to 2015 and board member of the Nordic division.

**Corporate Brand Endorsement Practices**
Initiated around 2008. Corporate logo printed in larger size on product packaging, visible in all product brand advertisements and promotions such as TV-commercials, prints and online-banners.

### Company B

**About**
A global FMCG company based in Europe. The brand portfolio consists of around 60 brands in categories: personal care, tissue, forest products. Sold in approximately 100 countries.

**Interviewee**
Corporate Brand Director since 2012 and former strategic lead on consumer brands.

**Corporate Brand Endorsement Practices**
Initiated around 2013. Corporate logo printed in larger size on product packaging, visible in all product brand advertisements and promotions such as TV-commercials, prints and digital campaigns, point-of-sales displays and sponsorship contexts.

### Company C

**About**
A global FMCG company based in the US. Owns 65 brands that fall into the categories: personal care and home care. Products are sold in close to 200 countries.

**Interviewees**
Corporate Brand Manager and Head of Multibrand Initiatives since 2009. Business Owner of Retailer Activation Northern Europe, with insight into the strategic corporate brand agenda since 2006.

**Corporate Brand Endorsement Practices**
Initiated around 2008. Corporate logo printed in larger size on product packaging, visible in product brand advertisements and promotion in all channels and also in sponsorship contexts.

**Table 1: Case Companies**

### 3.3 Data Collection

During the initial stage of the research background data was collected in order to identify, select and get a basic understanding of the case companies and their corporate brand activities. Corporate websites were examined for press releases and statements from corporate management covering the topic of corporate brand strategy. Commercials and ads in various channels were also examined as well as product packaging to understand and define the type of corporate brand endorsement that each company had initiated. These data sources provided a description of the cases that was necessary for proceeding to interviews.

Next step was conducting the in depth-interviews and these were held with managers from each company with knowledge of corporate brand strategy since. This interview format is well suited for case study research aimed at studying strategic decision making (Eisenhardt & Graebner, 2007). Additionally, in-depth interviews are effective tools for
creating detailed and chronological interviewee narratives (Eriksson & Kovalainen, 2005) which was a requirement for this paper. The aim of the interviews was to facilitate an interviewee narrative revolving around drivers for change in brand strategy and goals for the adoption of corporate brand endorsement.

Based on the need for flexibility, semi-structured interview guides were developed and emergent theory from the initial literature review was used as inspiration for questions and probes guiding the conversation. While providing a flexible framework for discussion with a logical sequence of questions guiding the conversation, the semi-structured interview format allows for ventures out of the predefined boundaries of enquiry as the interviewee might touch upon subjects and topics that are not anticipated (Legard et al. 2003) which suits the exploratory nature of this study well.

A pilot interview was held with the representative from Company A to provide us with better insights into how questions were interpreted, as well as which concepts needed to be more thoroughly explained. The representative’s understanding of the draft questions was then examined and taken into consideration which led to small adjustments to the interview guide. The final interviews with the three case companies were carried out on three separate occasions during a one month period at the Swedish headquarters of each company. Following the advice of Eisenhardt (1989) on explorative case study research, field notes and comparison between interviews was made during data collection to catch emergent ideas and concepts which also lead to some altercations of the interview guides across cases. At Company A and B, one manager was present and at Company C there were two.

In preparation for the interviews, all managers received a brief explanation of the study and the topics of interest. Apart from variations regarding where emphasis was put, the number of sub-questions and the formulation of these questions, the structure of the interviews was more or less the same for all three and topics were covered in the following order:

1. Background and description of corporate brand and corporate brand endorsement activities since the shift in strategy.
2. Internal conditions influencing corporate brand strategy.
3. External conditions influencing corporate brand strategy with particular interest in sustainability related aspects.
4. What the company aimed at achieving through corporate brand endorsement with particular interest on sustainability and corporate reputation.

The interviews lasted for about two hours each, were audio-recorded and translated from Swedish to English during transcription.

3.4 Analysis

Staying true to the grounded theory approach, the analysis was characterized by an iterative process where the literature review, collection of empirical material and coding were simultaneous and somewhat intertwined stages. The theoretical framework and theoretical model was developed in parallel with the coding and analysis of the interviews as well as the development of the model summarizing the research findings.

Background data from the initial data collection on the three case companies’ corporate brand endorsement practices was analysed using the theories on corporate brand endorsement and particularly the writings of Aaker (2004) and Aaker and Joachimsthaler (2000). This rather straight forwards descriptive analysis provided a basic understanding of each case that was necessary to understand the interview materials on drivers and motives and these descriptions are briefly presented in the first segment of the findings.

In grounded theory research particular focus is put on the coding of interview materials. Following the advice of Moghaddam (2006) the coding of case company interviews was conducted in three steps. In the first step the
materials were approached through so called, within-case analysis, meaning that each case was handled individually (Eisenhardt, 1989). Quotes and passages in the transcriptions were grouped and labelled through constant comparison in the open coding stage. No theoretical assumptions were made during this stage of the research and the open coding only served as a way of describing what had been said during the interviews and getting familiar with the empirical materials. Hence, this part of the analysis was strictly descriptive and the goal was to create verbatim texts. Moving on to axial coding, the codes were linked together to form explanatory categories. In this stage, latent patterns were found and categories were constructed. Up until this stage, the case interviews were handled and coded as independent entities. The final stage of coding meant going into the cross-case approach where categories from each case were compared and selected in terms of differences and similarities to form the theoretical scheme that is presented in the results. These categories are gathered under two main headings stemming from the research question, namely; drivers and goals. Below each heading there are subcategories derived from each case.

4. FINDINGS

4.1 Corporate Brand Endorsement Among Cases

All three cases show striking similarities in the way they have implemented corporate brand endorsement. Around 2010, Company A started implementing corporate brand endorsement in a variety of channels and through a variety of activities. All aimed at exposing consumers and other stakeholders to the corporate brand and the values reflected in it. The most straightforward action was printing the corporate logo on all product packaging and in substantially larger size than previously. These activities are best described as token endorsement (Aaker & Joachimsthaler, 2000) as they are based on creating a link between product and corporate brand through a visual cue. Online, the corporate brand was made more prominent on product websites and this was coupled with an increased emphasis on sustainability information. Creating clearer connections between product brand and corporate brand online is also a form of token endorsement as is making the corporate brand more visible in commercials and ads in various channels which Company A has also done.

Similarly, yet a few years later in 2014, Company B started implementing their corporate brand endorsement strategy. Again, the approach was token endorsement as the corporate logo was made more visible on product packaging, started appearing in product ads and clearer connections between corporation and products were done throughout all online channels. An additional endorsement approach was sponsorship of a large sports event where one of the participating teams carried the corporate brand as their team name. During this sporting event, product brands in the portfolio were made visible not only through logotypes all over team apparel and their equipment but also through various product brand sponsored events that took place in different geographic localities during the sporting event.

Company C started the implementation of their corporate brand endorsement strategy by sponsorship of a large sporting event around 2012. This was followed by nationwide TV and print campaigns focusing on the corporate brand and exposing the products brand in conjunction to the corporate logo. Just as in the previous cases, the approach can be labelled token endorsement. Meanwhile, the corporate logo was made more prominent on product packaging as well as in product ads. All in all the companies display rather similar corporate brand endorsement approaches that all can be explained through Aaker and Joachimsthaler token endorsement classification. This description provides and overview that is necessary in order to better understand the drivers and motives.
4.2 Drivers for Implementing Corporate Brand Endorsement

The empirical material shows some striking similarities across the three studied companies regarding the drivers for increasing the exposure of the corporate brand and implementing corporate brand endorsement strategies. Roughly, the drivers can be divided into two main categories and within each category there are both similarities and differences across companies. The first main category can be described as unique internal events, meaning that the company has experienced a crucial internal event, that has influenced, or even been cardinal in the implementation of new brand strategies. These events can be implicitly linked to the change in brand strategy. The second category of drivers is concerned with changes in the marketplace that the companies have seen and reacted to. These can be labeled market insights. Such insights, in contrary to the unique internal events, are more explicitly linked to the changes in brand strategy as the increased corporate brand exposure and corporate brand endorsement activities are direct responses to changing marketplace conditions and reactions to societal discourses.

4.2.1 Unique Internal Event

Two of the interviewees answered the initial questions regarding the timing of the increased corporate brand exposure by pointing towards an internal event that in some way or another greatly influenced organizational discussions regarding the role of the corporate brand.

The entry of a new CEO was pivotal and influenced the decision making regarding the future of the corporate brand. Partly because the new tonality changed the way the company was viewed by internal and external stakeholders. This finding adds the argument that visionary leadership is a driver of sustainability emphasis within corporations (Lozano, 2015) as it shows that it can have an effect on overall brand strategy. In this case, new leadership challenged the corporate identity and altered the corporate image (Pruzan, 2001) which in turn put the corporate reputation in focus. Similarly, the interviewee from Company B pointed towards internal organizational changes when asked to describe what preceded the change in brand strategy. In contrast to Company A, these internal changes were connected to the core business. On a similar note, however, the changes brought about new ways of viewing the company, both internally and externally.

Company A

We have gone through vast changes the last 4 years, which has been a stepping stone for a new branding strategy. We have gone through a business transformation and bought several companies, and in 2012 we sold unit. So, 2012 we had become more of a hygiene company than a forest product company, with over 80% hygiene products and less than 20 % forest products, which opened up for some change.

Company B

The common denotation between these two interviewee narratives is that internal events served as fuel for discussions regarding the future role of the corporate brand. These organizational events can therefore be explained as mediators of the brand strategy change. In essence, these organizational changes required alignment between identity and image which put the corporate brand in focus as it can function as a bridge between internal and external perceptions of the company, thus creating a stronger corporate reputation (Balmer and Gray, 2003). Clearly, an increased internal focus on sustainability is the main dimension of this organizational changes.
4.2.2 Market Insights - FMCGs need to take a stand

The second category of drivers covers external factors that have influenced the decision to increase the exposure of the corporate brand and implement corporate brand endorsement strategies. These external factors encompass shifting market conditions such as consumer attitudes and increasing competition for talent. Across the three studied FMCGs, these external factors are more or less the same even though they show some discrepancies.

Well, regarding the timing. I believe it comes from the grassroots. Everyone gets pissed off if you don’t take a stand, every individual, company or organization, everyone must in some way take responsibility to make the world better. [...] So I claim that the responsibility- notion comes from customers and consumers.

Company B

The quote above highlights how changing consumer ideologies have affected the decision to move towards positioning the corporate brand as a societal actor, and is similar among all studied companies. One interesting aspect is that the companies partly ascribed the increased pressure on companies to take a stand to social media that has become an arena for both expressing opinions and exposing questionable corporate conducts. This echoes the arguments of researchers claiming that social media provides consumers with a megaphone that empowers them in relation to corporations (Lozano, 2015).

The transformation of society, with social media and all that, has brought more transparency. Companies can’t hide anymore, and therefore you have to show that you’re genuine all the way, or you’re screwed.

Company A

The interviewee emphasizes that this is a development that has been under way for many years and that conscious consumers is by no means a new phenomenon. However, the companies have experienced much heavier pressure from consumers on issues of sustainability and transparency during the last five or so years. In fact, they feel that it is out of the question to resort to just conducting fair business. Instead these companies are forced to take an active and vocal stance and become what can be describe as corporate citizens (Tsai et al. 2015). This is where the corporate brand comes into play as it becomes the ultimate symbol of the corporate reputation, under which corporate citizenship is one element. Another important market insight was discussed by the representative from Company C, who elaborated on emotional consumption and how this notion has become evident as of lately. According to him, large FMCGs are required to communicate on a more emotional level and emphasize their contribution to a more sustainable society.

There is also a big difference in awareness on those issues [sustainability], and the last ten or fifteen years a new generation of consumers have emerged and they put a lot of emotional value into brands and companies, more than before.

Company C

All the empirical results gathered under this headline points towards some of the underlying drivers for increased corporate brand exposure and corporate brand endorsement. In essence, these FMCG are affected by new consumer attitudes that revolves around an idea that companies, and especially large corporations, must behave as active citizens of society, which includes having an opinion on the development of society and areas of concern for the general public. As an effect, the companies feel pledged to take a more active stance on societal issues that are connected to their business and especially in matters of sustainability. The idea of being vocal and having an organizational opinion on matters of sustainability, social and economic injustices is closely related to the the idea of having a corporate purpose (Tsai, Joe, Lin, Chiu and Shen, 2015) and these findings highlight how purpose has become more and more important. The representatives explained that in order to fully meet the market demand for corporate citizenship, the organization as such must have an overarching purpose that aligns the corporate identity and image argues (Pruzan,
2001). According to these managers, modern consumers will be hesitant to buy products from a multinational company that does not have a higher aim justifying its existence. As the representative for Company A expressed it:

And what we learned from these surveys back in 2005, was that if you manage to connect your product brand to a higher cause you can benefit from that. [...] Okay, and we have huge brand portfolios, and all brands say different things. So what links them together? What helps them communicate those values that people expect? The corporation behind.

Company A

A similar line of thought was expressed by the representative from Company B who described how the brand purpose of her company had shifted dramatically during the last couple of years. The selling of a core business unit in 2012 provided a major shift in brand purpose as the company suddenly found itself positioned closer to consumers. Meanwhile, the increasing consumer demand for companies to have a higher purpose provided an opportunity to build the corporate brand and fill it with sustainable values and purpose.

Our epiphany, if you may, was that common people were interested in what companies actually want to achieve, what’s really the purpose? What’s that extra position we can take? So, we want to provide additional value and that’s where our corporate brand really matters, because we can take a stand and support something holistically, like an umbrella, supporting the other brands with purpose, values.

Company B

All in all, pressure is rising on these corporations from demanding consumers requesting them to take responsibility in issues of sustainability. Additionally, the various discussions taking place on social media seems to have spurred this consumer awareness and as the representative from Company C concluded;

Companies are easily exposed and have to meet consumer scrutiny with transparency.

Company C

4.3 Goals of Implementing Corporate Brand Endorsement

The theoretical framework outlines several positive outcomes of a strong corporate reputation and brand, communicated through corporate brand endorsement. The interviews with the three FMCGs focused on what goals the companies aimed at achieving with their corporate brand endorsement activities to map these against existing theory and potentially contribute with new implications. The main goals derived from the interviews were: a strive to reassure consumers when buying a product from a well-managed company; and the strive for companies to communicate a sustainability focused corporate reputation through transferring an image of corporate citizenship onto product brands. In essence, it appears that the overall aim for all FMCGs is to increase sales through raising consumers’ purchase intent and/ or emend internal operations in various ways.

4.3.1 Reassurance

As previously discussed, an industry trend during the time of corporate brand endorsement implementation for the FMCGs seemed to be concerned with communicating reassurance of high quality. To achieve successful reassurance implementation with consumers, it is arguably highly relevant for companies to also consider its corporate credibility, and the amount of trust that they have managed to implement in its consumers. Without credibility the goal of reaching reassurance will presumably not be reached. If the player is credible and trustworthy, however, reassurance of high quality is more likely to reach consumers, and great consumer effects may be attained, such as a positive impact on the corporate image as well as increasing consumers’ purchase intent. (Goldsmith, 2000; Lin & Lu, 2010) Company C clearly adheres to these arguments as the representative explicitly stated that their main goal of corporate brand endorsement is to reassure consumers of high quality. This goal may very well be achievable, considering the fact that a large and well-
known company is believed to transfer a sense of higher quality to consumers when portraying their corporate logo in product communication (Muzellec & Lambkin, 2009). In practice, this means that Company C aims to transfer an image of quality by letting the corporate brand endorse the product brand (Aaker, 2004).

4.3.2 A Sustainability Focused Corporate Reputation

There seems to be clear support from the FMCGs as well as from academia regarding the impact of reassurance, facilitated through an image transfer of high quality. An image transfer connected to communicating a sustainable corporate reputation may not be as clear, even though studies show many positive consumer responses (see: Karns, 2011; Goldsmith, 2000; Wu & Lo, 2009; Lai, et al., 2010). Despite the difficulties of measuring its impact, all three participating companies, to varying degrees, agree on the importance of communicating sustainability efforts with a higher purpose justifying the existence of the company. Company A and B even explain this image transfer to be their main goal with corporate brand endorsement, while Company C only agrees on its importance to some level. The overall discussion stems from a belief that consumers have started to pay an interest in sustainability related issues and also demand that companies should act more responsibly (see consumer studies performed by McKinsey & Company, 2006; and Arikan et al., 2015).

One could argue that the substantial consumer demand for corporate citizenship may have impacted companies’ development of internal purposes, leading values that before were only part of a sales strategy to become imprinted in the company core values. Both Company A and B were keen on portraying an image of being a genuine sustainable player, and Company A was especially clear when pointing out the importance of also turning the sustainable purpose into a commercial success factor. This is a clear example of Company A’s aim towards aligning a corporate identity of corporate citizenship with a corporate image of the same (see Tsai et al., 2015), as the company externally communicates its internal long-term and strategic commitment to both business and society. The goal of engaging in corporate brand endorsement is therefore ultimately of financial character, as it fundamentally aims to satisfy an external request.

Why do we do this? To drive purchase intent. But to break through the clutter and achieve that you need to build a credible story from a genuine care for future society. [...] By connecting this to our brands, we believe that we will raise purchase intent with our consumers. So of course there is a business agenda to it, but we need to combine these two so that they work together.

Company A

Also Company C reviewed the potential inclusion of sustainability into the financial agenda, with the ultimate aim of influencing purchase intent with consumers (see Lai, Chiu, Yang & Pai, 2010). These representatives were more reserved to the power of a corporate reputation focused on sustainability but still touched upon the shifts in sustainability related communication. Among others, the representatives discussed the fact that there has been a shift - or rather expansion - of target segment for these kinds of messages. They stated that a sustainable corporate image mainly was important for groups such as investors before, but that consumers now are interested in partaking in the corporate information. Company B clearly agreed on this shift, and added the probable importance of consumers’ increased information accessibility. Internet has arguably reduced the difficulty for consumers to access information, and therefore also forced companies to become more transparent. Corporate brand endorsement might hence be a strategy applied to reach this aim.

One important finding is also the importance of corporate brand endorsement for employer branding. Company C discussed the importance of a sustainable profile for employer branding more thoroughly than the others. They argued that a main objective for building corporate brand awareness, and to
some extent also using corporate brand endorsement in doing this, is to reach talents.

It is also about employer branding. That is where the corporate brand can really matter. A consumer watching a TV commercial might not notice our corporate brand there, the endorsement, but an interested potential employee might very well notice.

Company C

The same opinions were expressed by Company A, who is also inclined to argue that a sustainability related corporate reputation is important when building a corporate brand that people want to work for. Corporate brand endorsement facilitates this message by connecting the product brands and the corporate brand, which in turn increases the corporate brand awareness and the probability of successful employer branding. (Pruzan, 2001; Arikan et al., 2015; Lozano, 2015)

4.4 Product versus Corporate Brand Emphasis in the Years to Come

The previous sections have discussed the drivers and goals for FMCGs adopting corporate brand endorsement strategies. What has not been addressed yet is whether or not corporate brand emphasis will continue in the future which is a main concern for scholars interested in corporate brand research (see: Laforet & Saunders, 2007; Balmer & Gray, 2003) The responses were slightly different between company A, B and C, where the first two were more positive towards continued endorsement activities while the latter was hesitant. Company B was the least reluctant and expressed clear plans to continue exploring the potential long-term gains that the branding strategy could bring.

Overall, the three case companies believe that positive outcomes can be reached through successful implementation of corporate brand endorsement. Company A and B seem determined to stick to corporate brand endorsement as they view the corporate brand and successful endorsement as a way of catering to ever more demanding consumers. However, Company C clearly points out and elaborates on some of the difficulties of corporate brand endorsement, such as loss of targeting precision (see Laforet & Saunders, 2007). In essence, the interviewees explained that adding the corporate brand to a product brand creates an extra dimension in the communication that consumers might not be able to pick up on as they are bombarded with messages throughout their day. This finding adds to the argument that it is not only a question of reaching consumers with precision in shattered markets but also a matter of breaking through the clutter of messages that consumers are faced with every day. Additionally, the return on investment of adding this dimension to the communication is difficult to measure according to Company C. Nonetheless, Company A and B suggests throughout the interviews that attitudes have changed and that modern consumers demand to know which companies are behind the products they buy everyday in the grocery store and that corporate brand endorsement is one way of catering to these market conditions. These somewhat conflicting findings makes it difficult to pick a side in the scholarly debate. Yet they provide fuel for keeping the debate going and makes it evident that more research is needed in the field of corporate branding.

5. CONCLUSIONS

This study contributes to the academic debate on the brand strategies among multinational companies by exploring drivers and goals among FMCGs adopting corporate brand endorsement strategies with a particular focus on sustainability. The two main contributions of this study are (1) revealing drivers behind increased corporate brand emphasis and their relationship to corporate identity and corporate image, as well as (2) the main goals that FMCG companies aim to reach when implementing corporate brand endorsement. The results are summarized in Model 2 where new findings are marked in red.

First, implementation of corporate brand endorsement was not due to a general shift of strategy but instead brought about by specific drivers that mediated the strategy change. It
has been shown that change of leadership as well as internal business transformation can have incremental impact on the future brand strategy. Furthermore, external drivers to meet market increasing demand for corporate citizenship as well as increased reassurance have shown to be paramount in companies’ decisions to more openly communicate the corporate brand. These findings result in two main conclusions.

Findings concerning drivers of the brand strategy implementation contributes to current theory on corporate image and identity as it helps draw conclusions concerning the more exact relationship between these concepts. A driver of external kind (market insight) influences the corporate image and not the corporate identity, since external market demands arguably cannot be met solemnly with a change in internal corporate identity. Instead, external drivers must be met through a change in the externally directed corporate image, through corporate brand endorsement. In comparison, a driver of internal character (such as a change of leadership or an internal change of business structure) impacts the corporate identity, which ultimately requires a change in both corporate identity and corporate image since successful marketing requires alignment of the two. This has been executed through corporate brand campaigns of both internal and external character to reach both parties with the new sustainability focused purpose and meaning of the corporate brand. This corporate brand meaning is simultaneously connected to, and communicated together with, the product brands through corporate brand endorsement.

The second contribution of this study is elaborating on goals of companies implementing corporate brand endorsement. This study shows the importance of demands regarding sustainability set by consumers and potential employees (see Lozano 2015; and Arikan et al., 2015) and that corporate brand endorsement is a tool for communicating towards them. It is towards these groups that managers of similar companies should communicate and prove their dedication to sustainability. This transfers an image of corporate citizenship which according to both practical and theoretical findings, increase purchase intent and facilitate for employer branding (Tsai et al., 2015). This study can therefore conclude that corporate brand endorsement is a way of filling the corporate brand with positive values and purpose, as well as increase the levels of reassurance connected to the corporate brand (see Goldsmith, 2000; and Lin and Lu, 2010). This study can thereby answer its research question by manifesting that companies’ sustainability dedication is believed to lift purchase intent with consumers, which can be concluded a determining factor.
for implementing corporate brand endorsement.

This study moreover finalizes that the consumer demand for companies to have a sustainability related purpose is something that has been responded to with the main goal of meeting a consumer trend and hence pursue a financial agenda. Despite the unity among empirical and theoretical sources concerning the positive consumer effects of a sustainability related corporate purpose, sustainability is still not a self-evident part of all companies marketing agenda. Empirical investigations indicates that this contradiction adheres to a matter of financial viability in a wider time perspective. Long-term, sustainability related purposes brings competitive advantage and increased purchase intent as it builds strong corporate reputations, but the witnessed short-term measuring difficulties turns corporate brand endorsement into a financial dilemma and therefore a brand strategy of risk. This even led one participating company of this study (but likely many more outside of it) to discontinue with the brand strategy. This study is hence able to conclude a clear weakness in corporate brand endorsement: the difficulty of measuring the commercial success-factor of sustainability imprinted corporate brand endorsement in actual sales figures and consumer purchasing behavior.

Lastly, this study adds to the debate on corporate brand versus product brand emphasis. Our argument is that corporate branding might very well be the answer to increased pressure from consumers and potential employees on sustainability but that the corporate brand as such, and the messages about corporate reputation it carries, might find difficulties reaching consumers. Regardless, the findings of this study imply that FMCGs can no longer resort to Milton Friedman’s (1970) infamously that the social responsibility of business is to increase its profits. Instead, this paper suggests that FMCGs are faced with a new reality that is perhaps best summarized as the business of business is societal responsibility. In this new reality, the corporate brand and endorsement of products brands become possible tools for meeting the demands of stakeholders.

5.1 Managerial Implications
The findings of this study imply that companies structured as house of brands can use corporate brand endorsement to meet increasing consumer awareness of sustainability as long as the corporate brand as such is charged with values reflecting sustainability. In addition, findings show that implementation of new brand strategies might be mediated by internal changes such as new leadership or changes in core business. For practitioners this highlights the importance of boardroom engagement in sustainability. Lastly, this study suggests that corporate reputation is of highest concern for corporate brand managers and puts the relationship between corporate identity and image in focus.

5.2 Limitations and Directions for Future Research
This study has contributed to corporate brand endorsement theory as findings indicate that corporate brand endorsement in the FMCG sector is connected to increasing pressure from stakeholders on sustainability. Since the studied companies are all FMCGs, the results are only representative of this sector. To improve the generalizability, these findings could in future research be tested in other industries where corporate brand endorsement has increased. Preferably by investigating a larger sample of multinational companies and perhaps through utilizing quantitative data collection methods. Such research would add to arguments put forward by Lozano (2015) and Kiron et al. (2012) regarding drivers of corporate sustainability efforts. Drivers such as change of CEO or change in business structure, were also proved influential in the implementation of corporate brand endorsement. These drivers could similarly be tested in other industries for improved generalizability. Also, this study is strictly intra-organizational and results are based on
the statements of managers. Because of this, and since issues of measuring the impact of corporate brand endorsement were found, we suggest that future research could investigate the effects of corporate brand endorsement in the FMCG industry from a consumer perspective. Such research would shed further light on the arguments put forward by Balmer and Grey (2003) on the advantages of corporate brands in the market conditions of today.
References


