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BRANDING BY DOING

- a study in refraining from traditional marketing

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Abstract

Title:	**"*Branding by doing*"** – a study in refraining from traditional marketing
Course:	Bachelor thesis in Marketing, 15 ECTS, School of Business, Economics and Law, University of Gothenburg
Authors:	Michael Arvidsson & Robin Agné
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Keywords:	Acne Studios, brands, "*Branding by doing*", communication channels, fashion industry, non-traditional marketing communications, The Swedish fashion wonder, traditional marketing communications, word-of-mouth marketing
Purpose:	To determine required conditions to adopt "*Branding by doing*" as a marketing approach in the Swedish fashion industry.
Research questions:	**Question 1:** *What conditions* are required of a company to refrain from traditional marketing communications?
	Question 2: How is "*Branding by doing*" applied in practice?
	Question 3: For *what reasons* do companies refrain from traditional marketing communications?
Methodology:	This thesis has a hermeneutical approach. A qualitative research method is used and empirical results are based on a case study.
Theoretical framework:	Theories of brand management and word-of-mouth marketing.
Empirical results:	The primary data is collected from interviews with Suhrab Lachin, Credit & HR Manager at Acne Studios and Daniel Björk, fashion journalist and author.
Conclusions:	There are four main conditions required in order to apply "*Branding by doing*"; *product focus and uniqueness, an elaborate corporate culture, a strong customer relationship, consequence and clearness in actions.* The product becomes the main communication channel of the brand.

Acknowledgements

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Michael Arvidsson   Robin Agné

"The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself."

Peter F. Drucker[1]

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[1] Great Quotes, 2011

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Appendix 1:   Interview questionnaire to Daniel Björk

Appendix 2:   Interview questionnaire to Suhrab Lachin

1. Operational definitions

This chapter concludes explanations of operational definitions used in this thesis. Definitions can be explained in several ways, and this chapter describes how we use them in this study.

Acne Studios
Is the fashion branch of the corporate group Acne. Acne studious was previously named Acne Jeans.

Brands
Are the distinguish feature separating products or services from others. Foremost associated with logotypes or company names, but all distinguish features can be registered as brands (PRV, 2011).

"Branding by doing"
Is in this study referred to as a marketing approach refraining from traditional marketing. Companies use public relations to create attention. The main focus is the product and the things surrounding it. Instead of using traditional marketing, the product becomes the tool to manifest the core values of companies. You are what you do (DDB, 2010). An example is "*The world's greatest dice roll"* described in the introduction.

Communication channels
Are ways companies use to communicate with their customers.

Non-traditional marketing communications
Are marketing communication via references or marketing by creating attention and hypes aimed at increasing the value of a brand.

Traditional marketing communications
Are referred to as advertising, commercials and posters. Generally companies pay to get access to the communication channel.

Word-of-mouth marketing
Is referred to as marketing via references, information or experiences communicated orally or in written form from person to person.

Fashion industry
Is in this study referred to as the Swedish fashion industry including companies selling, designing and marketing clothes in the Swedish market.

The Swedish fashion wonder
Is the created media hype describing the Swedish origin as the key property of the international success of Swedish fashion companies.

2. Introduction

In this chapter we present the background of our research questions. We describe the Swedish fashion industry today and present the company, as our case study is presupposed. The chapter concludes with a problem discussion where we describe reflections concerning the subject, which leads us to our research questions and delimitations.

2.1 Background

The textile industry was the first to be industrialized during the 19th century and has ever since lead the development in the industrialized world. The development has gone from offering means of warmth and protection to fashion labels competing mainly with the brand and its associations. In today's overexploited fashion industry, competitive advantages are not mainly found in the products, it is in the brand management of the companies (Hauge, 2007). Rawet et al. (2002) defines a brand as the surrounding world's perception of the product or the company. This perception can be either conscious or unconscious. Values and images of brands have become companies' most important features and consequently, intangible assets have become their most valuable assets, even if their value is difficult to estimate (Hedén & McAndrew, 2010).

A rapid growth has been seen during the past decades and Swedish fashion companies have been very successful taking this development into consideration. The media has indicated the Swedish origin as the cause of the success. This phenomenon has become known as the Swedish fashion wonder and has gained a lot of attention during the last few years (Popmani 2011).

The Swedish fashion industry was one of few industries that managed to cope with the financial crisis in 2008 by a 2 % growth rate, when the economy as a whole went down 17 % and is today one of the most successful industries in Sweden. The growth has continued ever since and in 2010 exports accounted for 11.3 billion Swedish crowns. This development led the Swedish minister of trade, Ewa Björling, to declare that the Swedish fashion export is to be doubled by means of political support at the latest in 2015. This proves the growing importance of this industry (Svenska Dagbladet, 2011).

2.2 Problem discussion

With help from rapid technology development, it has never been as easy for companies to communicate with customers as it is today. Yet it has never been as difficult to attract customers' attention as it is today. The reason is that the consumption society is too

overwhelmed by advertising messages, which makes it impossible for potential customers to take in all information propagated by traditional marketing communications. Swedish companies invest large sums in marketing, according to IRM (2010) as much as 62 billion Swedish crowns in 2010. However, the marketing strategies differ. While some companies spend a lot of money on advertising, other companies have chosen to refrain from traditional marketing to a larger extent.

A possible reason for the latter strategy is that people have learned to filter. Instead of receiving and processing the information, they are avoiding and protecting themselves from it. People do not want to be obtruded by information; they want to find it themselves. From this point of view, traditional marketing communications are considered obsolete (Rawet et al, 2002). Unique and innovative marketing strategies are therefore required in order to receive attention. The guideline "If it is not communicated, it does not exist" (DDB, 2010) remains valid but new ways have to be found. Thus, tough competition and high costs of traditional marketing have compelled companies to search for alternative communication channels. The conflict derives from companies' fundamental dilemma, to reach as many customers as possible at the lowest cost.

Today companies tend to oversee the idea of seeing the product as the most important way to communicate the core values of the companies with the market. Traditional marketing alone is no longer enough to use as the only communication channel to carry out the message. It needs to be supported by the product, which makes the message vital (DDB 2010). Marketing communications will not be successful if the product does not have the ability to match the expectations according to the message. So how do companies attract customers' attention and loyalty in today's overexploited world?

A possible answer is *"Branding by doing"* – you are what you do. The concept was used by Mikael Schiller, formerly CEO of the Swedish fashion company Acne Studios, in an interview by Shortcut (2009). He used the concept to describe the marketing approach and philosophy of Acne as an explanation of the great success of the company. Acne is a Swedish corporate group divided into six units, all based on design management; Acne Studios, Acne Advertising, Acne JR, Acne Production, Acne Art Department and Acne Paper. According to Såthe (2011) the fashion unit, Acne Studios, has increased its turnover from 13 million Swedish crowns in 2001 to a turnover of 504 million Swedish crowns today.

"Branding by doing" means that the companies are defined by what they do. By emphasising unique core values that correspond with people's needs, new costumers are enticed without a penny spent on marketing. A clear example of *"Branding by doing"* is when Acne

Production and Acne Advertising together implemented an event on behalf of the gaming community Gnuf, aimed for generate interest before the launch of the community. This event was called "The world's greatest dice roll". Two giant dice, 500 kilos each, were dropped on a mountain peak outside Nuuk, the capital of Greenland. An online event was created and people could bet on the dice's result and landing place. The first price was an exclusive trip to Greenland. 10 000 people placed their bet and during the following month over 1 million people viewed the video clip from the event. This campaign created a lot of attention and received media coverage worldwide, not only for the gaming community but also for the whole corporate group Acne (Acne Windows 2007).

"Don't talk about yourself so much, do something that embodies your brand essence and that people want to participate in" - Acne

People have to feel genuineness and that they want to be a part of the brand and its identity. In order to do this, companies need to have deep knowledge of the customers and also that it is apparent to the customers what the companies stand for. As a consequence, it is increasingly important that the customers are satisfied with the experiences of the companies. Today's social media makes it easy for customers to spread bad reviews that could be devastating for companies. Social media should, on the contrary, support the companies' brands and their products and services. The product today is not only functional; it also consists of added value. This added value can be created from storytelling, for instance, the companies' origins and histories. The aim is to create affinity between the customers and the companies, but also among the employees. The spirits of the companies shall permeate the entire organizations (Hedén & McAndrew, 2010).

The success of Acne has been attributed to the previously mentioned media phenomenon "the Swedish fashion wonder", an incorrect conclusion according to Jonny Johansson, founder of Acne Jeans (Rodeo Magazine 2011). His claim is enhanced by Palle Stenberg, CEO of Nudie Jeans, who describes the Swedish fashion wonder as a past media hype (Dalarnas Tidningar, 2010). Helena Fredriksson, well-known designer, also sees the phenomenon as an incorrect way to put them together as a group of Swedish fashion companies. The popularity of Swedish fashion labels abroad has no connection to their Swedish origin (Svenska Dagbladet 2007).

The fashion industry includes several participants offering similar products. Therefore, the biggest challenge is to differentiate and offer the consumer a unique experience. Acne

Studios has, from its beginning, refrained from traditional marketing, a strategy only a few participants have succeeded to adopt while sustaining a successful brand. A majority group of these companies that refrain from traditional marketing are mostly in the fashion industry, which makes this area interesting to examine. Previous research in the subject area has mainly focused on *how* marketing in the fashion industry is done and several of them concerned Acne. This study will focus on Acne's unique marketing approach *"Branding by doing"* and required conditions to successfully refrain from traditional marketing communications.

2.2 Purpose of the study and research questions

The purpose of this study is to determine required conditions to adopt *"Branding by doing"* as a marketing approach in the Swedish fashion industry. The conclusions are possible to apply practically in fashion companies' choice of their marketing strategies. The conclusions of this study are therefore useful for marketers in establishing marketing strategies, as well as for management teams appropriating resources aimed for marketing approaches.

Three research questions are answered in this thesis to achieve the purpose:

Question 1:   ***What conditions*** are required of a company to refrain from traditional marketing communications?

Question 2:   ***How*** is *"Branding by doing"* applied in practice?

Question 3:   For ***what reasons*** do companies refrain from traditional marketing communications?

2.3 Delimitations

Previous research mainly focused on customer behaviour, therefore this study is composed from a business point of view and the customer perspective will not be considered.
The scope of the study is properties of a brand, based in the fashion industry. It is composed from a Swedish perspective and cultural differences are not regarded. Hence, the conclusion is only applicable considering marketing approaches aimed at the Swedish fashion market. The empirical results are collected in a case study from Acne Studios. No comparisons are made to other companies in the Swedish fashion industry.

3. Methodology

In this chapter, the scientific approach and outline of this thesis are presented. We describe methods of data collection and the interview implementation. Further, we define the purpose and selection of our case study. The chapter ends with method and source criticism.

3.1 Scientific approach

3.1.1 Hermeneutical approach

This study has a hermeneutical approach. The hermeneutical idea is built on analysing and interpreting the meaning of a text from the perspective of its author. In the modern way, the idea is not necessarily only applicable to texts and documents; it can also be used regarding other objects such as social actions. The study is based on qualitative research and is therefore compatible with the hermeneutical idea (Bryman, 2002). Analyses are built on the author's own interpretations of actions and empirical results. That is why the interpretation in this thesis is subjective. The analyses are based on our experiences and previous knowledge within the subject, not only on knowledge achieved during the study. To be able to interpret collected data correctly, a deep understanding of its original purpose and context is required. A hermeneutical analysis assumes that a phenomenon is impossible to interpret without the comprehensive picture (Grønmo, 2006). Our previous knowledge in the research subject was limited. Knowledge required to interpret the collected data has been achieved from relevant theories, articles and previous research. The research follows the hermeneutical circle because new knowledge has been added during the process. The hermeneutical circle consists of a circle movement between interpreting and understanding (Grønmo, 2006).

3.2 Method of research

3.2.1 Qualitative research

In contrast to quantitative research, the qualitative research does not have any predetermined rules for the execution of the analysis. The research is based on a comprehensive collection of interviews, documents and observations, whose extent can be difficult to manage. This thesis is based on interviews and documents, which are used to interpret the reality and create a deep understanding of the marketing approach *"Branding by doing"*. Data is collected and analysed by the authors, in compliance with the characteristic features of qualitative research where the authors are the main instruments to collect and analyse data. The data is descriptive since it is based on our knowledge acquired

from interviews and texts. Interviews are always a part of a qualitative study (Merriam, 2002).

Qualitative research with a hermeneutical approach is built on two levels of interpretation; interpretation of the authors and understanding of the comprehensive picture (Grønmo, 2006). Trying to understand the unique features in a situation and its context is the main characteristic of a qualitative research approach. A study based on qualitative data alone inevitably includes defects. Instead of eliminating the defects; it is important to clarify their impact on the study (Merriam, 2002).
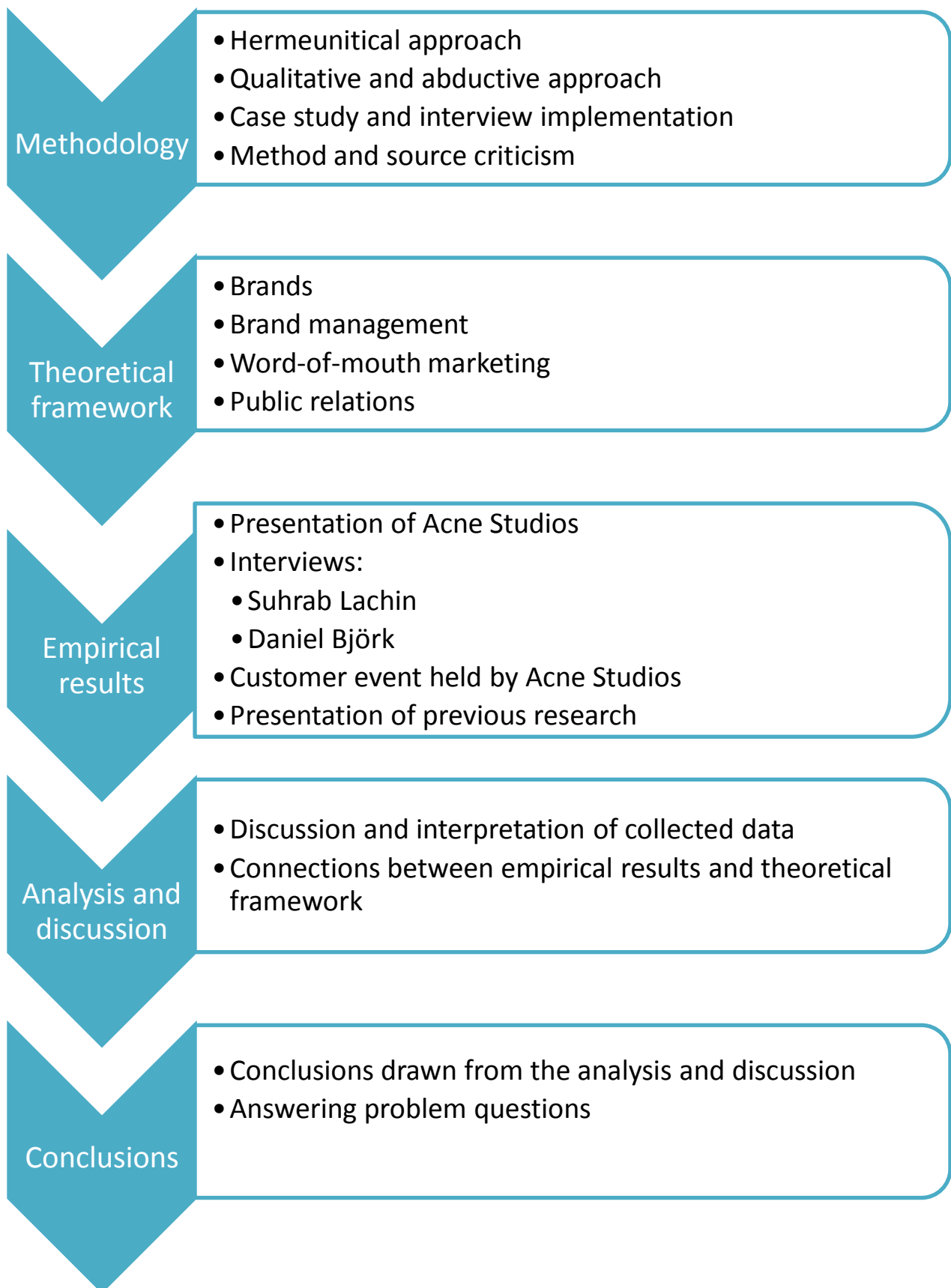
3.2.2 Qualitative content analysis

Texts are studied and interpreted by the authors to illustrate the problem definition. The collection of data is a systematic analysis of texts to categorize the content and the relevance of the study. Text can be expressed both verbally and in writing. The most important preparation for the qualitative content analysis is to determine the focus of the collection of data. The content of this study is brand management, mainly without traditional marketing communications. Support is taken from existing theories but even articles and previous research are relevant to this study. The main emphasis is on the empirical results from the interviews. It is important to have a critical point of view during the process regarding the source to estimate their credibility and relevance to the problem definition. The representativeness is also considered, i.e. to estimate who the texts are representative for. The selection and estimation of the relevance is based on the problem definition of the study. Our perspective and previous knowledge have an impact on our choice of texts (Grønmo, 2006).

3.2.3 Abductive research

Research is based on existing theories in marketing and brand management. There are some existing theories considering brand management without using traditional marketing communications, for instance, public relations theories and word-of-mouth marketing. These existing theories constitute the groundwork for the interview data and are compared to collected empirical results. Conclusions are drawn based on these comparisons. Even though essential research exists regarding non-traditional marketing and the fashion industry, a comprehensive picture of them combined is missing. Empirical results from this study combined with existing theories constitute a new framework in this specific approach.

3.3 Outline of the thesis

Methodology
- Hermeunitical approach
- Qualitative and abductive approach
- Case study and interview implementation
- Method and source criticism

Theoretical framework
- Brands
- Brand management
- Word-of-mouth marketing
- Public relations

Empirical results
- Presentation of Acne Studios
- Interviews:
  - Suhrab Lachin
  - Daniel Björk
- Customer event held by Acne Studios
- Presentation of previous research

Analysis and discussion
- Discussion and interpretation of collected data
- Connections between empirical results and theoretical framework

Conclusions
- Conclusions drawn from the analysis and discussion
- Answering problem questions

3.4 Case study

3.4.1 Purpose of case study

To correctly determine required features in order to be able to use *"Branding by doing"* and answer our research questions, a practical example from reality is studied. From studying a specific case, deeper knowledge can be acquired. This study includes a case study of the specific branch Acne Studios. The purpose is to understand the content of the marketing approach *"Branding by doing"* and how it is applied in practice. Knowledge acquired from a case study can be transferred to similar situations and help in creating a comprehensive picture (Merriam 2006). A general image of the principles of *"Branding by doing"* is therefore acquired from studying Acne Studios.

3.4.2 Selection of case study

Conclusions in this thesis are drawn by analyses of empirical results collected from a case study of Acne Studios, a part of the corporate group Acne. Acne is one of few actors using *"Branding by doing"* as an explicit marketing strategy. Acne has from its beginning refrained from traditional marketing (Shortcut, 2009). In spite of this strategy, or due to it, the company has made its brand one of the strongest participants in the Swedish fashion industry. Acne Studios is, according to us, therefore the obvious example of a company creating a successful brand in the Swedish fashion industry, without using traditional marketing communications.

3.5 Data collection

The collection of data is divided into primary and secondary data. In this thesis, we use both types of data in order to acquire a broad comprehensive picture.

3.5.1 Primary data

Primary data is gathered from interviews with Suhrab Lachin, Credit & HR Manager at the head office of Acne Studios in Stockholm, and Daniel Björk, fashion journalist and author. Observational data is also collected from a customer event held by Acne Studios in Gothenburg May 12.

3.5.2 Secondary data

Our presentation of Acne Studios in the empirical chapter is based on articles found in business and fashion magazines. According to Suhrab Lachin at Acne Studios, explanations of the marketing approach *"Branding by doing"* and its development can be found in the

company's history and structure. Appropriate articles used in our analysis are recommended by Suhrab Lachin. Theories in this study derive from academic and professional books, mainly from authorities in the marketing field of research. The thesis contains data from peer-reviewed theses. This thesis also contains data derived from the latest annual report of Acne Studios Holding (2011). Methods are primarily according to *Samhällsvetenskapliga metoder* (Bryman, 2002) and *Metoder i samhällsvetenskap* (Grønmo, 2006).

3.6 Interviews

3.6.1 Suhrab Lachin

Suhrab Lachin works as Credit Manager and is also responsible for the Human Resource Management at the head office of Acne Studios in Stockholm. He acquired his master degree from the School of Business, Economics and Law at the University of Gothenburg in 2009. The purpose of interviewing Suhrab Lachin from the head office was to obtain information from someone close to the decision-making with deep insight into the company's strategies. We were directed to Suhrab Lachin via phone contact with the head office of Acne Studios, who was considered suitable to participate in our study. A tight time schedule made it difficult to set up a face-to-face interview. The interview questionnaire was therefore sent to Suhrab by e-mail and a deadline was decided together in order to set up a phone interview matching both his and our schedules.

3.6.2 Daniel Björk

Daniel Björk is a Swedish fashion journalist whose articles have been published in several famous newspapers. He has also been published in a fashion anthology and he is considered an authority in fashion journalism. Interviewing an independent party results in an objective interpretation of the distinguishing features of Acne Studios, where the respondent does not base answers and impressions on marketing theories.

3.6.3 Interview implementation

Interviews in this thesis follow a semi-structured model considering the interview in the case study. The questions clearly follow the subject area, but they still have an open character. Follow-up questions are asked to the relevant headline if something seems to be unclear or if the respondent seems to have more useful information to share. Due to the distance between Stockholm and Gothenburg, the interview with Suhrab Lachin is done by phone. Conducting the interview by phone, we have the chance to be reactive and ask follow-up questions. Another advantage is that it is generally easier to explain knowledge by talking instead of writing it down. More information can, in this way, be acquired (Gillham, 2008).

The interview with Daniel Björk follows an unstructured model. It is likely the respondent would be constrained by structured questions. The purpose of this interview is to acquire a point of view from someone less proficient in marketing communications theories. Daniel Björk gives his story from his point of view and later we combine this story to a comprehensive picture. The interview is done by e-mail, because of the distance between Stockholm and Gothenburg, and the difficulty to match our schedule with the respondent's. This thesis is done during a relatively short period of time, wherefore e-mail interviews may be preferable. The answers from the respondent are sent back "finished transcribed" and we may therefore save vital time (Ibid).

3.7 Method and source criticism

The hermeneutical approach of this thesis affects the extent of this study since it is up to the authors to evaluate what is relevant to the study. Interviews and articles used in this thesis are therefore not reproduced in their entirety. We have chosen the information we consider important and adequate to answer our research questions.

Collected data in this thesis cannot be regarded as the solid truth. It is only one aspect of the marketing approach *"Branding by doing".* When analysing collected data, a critical approach is necessary. The authors and respondents may have different perspectives and interests in the subject. Previous knowledge, experiences and current positions of the respondents may also have an influence on the quality of data. We are aware of the possibility that Acne will not reveal confidential material and our analyses, based only on available information, therefore may not be complete. *"Branding by doing"* is a relatively new strategy and marketing theories related to the fashion industry are limited, which means that the authors have to rely heavily on information given from the case company. Therefore, recent articles and previous research are used to complete existing theories in order to receive a comprehensive picture.

Also, the interview implementation might have had an impact on the empirical results. The respondents were sent the interview questionnaire in advance to be given the opportunity to be prepared. Disadvantages regarding this approach are lack of spontaneity in the answers. However, the respondents had the ability to be fully prepared and could answer our questions comprehensively. An interview was done by e-mail, which decreased the possibility of asking follow-up questions; even though frequent e-mail contact still made this possible. E-mail interviews result in missing important facial appearances and signs of hesitation. Some questions may be sensitive and interviews not conducted face to face make it easier for the respondents to elude these (Bryman, 2004).

4. Theoretical Framework

In this chapter our theoretical framework is presented. The framework of this study is based on theories implemented by authorities in marketing. Theories are related to brand management and non-traditional marketing communications. The chapter begins with a general view of marketing and brands, which proceeds with a deeper description of brand management followed by theories of word-of-mouth marketing and public relations. The chapter ends with a presentation of previous research concerning Acne Studios and the fashion industry.

4.1 Marketing

Humans have basic needs; physical, social and individual, which are not affected by marketing. Marketing is about creating wants and demands responding to these basic needs. The ambition is to influence the consumers' choice of a brand, based on their needs (Armstrong, 2009). Marketing is often only associated with advertising and commercials, which is only part of marketing referred to as traditional marketing communications (Kotler & Armstrong, 2010).

4.2 Marketing communications

Marketing communications regard the means of communicating companies conduct in order to affect the market's perceptions of the companies' reputations, products and services (Mårtenson, 2009). There are several things marketers have to take into consideration to create effective marketing communications. The target group has to be identified and thereafter communication objectives, intentions and communication channels have to be determined. Consumers do not buy the product if they feel confused about the brand's meaning and purpose of the marketing communications. That is why all marketing communications of a company need to be co-ordinated to be effective (Randall, 2000). Only direct marketing communications, what the company decide to do, are controllable. However, marketing communications can also be unplanned; every act companies do, communicates and have an impact on the values of the brands (Rawet et al, 2002).

4.3 Brands

4.3.1 Brand identity and brand portfolio

Brand identity is the associations companies are trying to obtain. The identity is the groundwork of all marketing communications and the vision of what effects companies want to create with their communication. All brands of a company have specific roles and are created for different purposes. All of them together create the company's brand portfolio. Some brands are created to be used as defence, while some are created to raise the value of a whole portfolio. To develop the brand identity, a brand needs a specific role in the brand portfolio and vice versa, or else it is impossible to know in which direction the brand should be developed. The brand identity consists of three parts; *the soul, core identity* and *the extended identity.* The soul of a brand is its fundamental promise, while the core and extended identity are associations connected to the vision (Mårtenson, 2009).

4.3.2 Brand image

Brand image is the associations and picture from the consumer's perspective. It is different from the brand identity, which is the company' own vision of the consumer's expected associations. The associations are subjective and therefore different between users and non-users. Thus, the challenge in brand management is therefore to make the brand image in accordance with the brand identity (Mårtenson, 2009). A positive brand image can help companies attracting new customers and make current customers buy more products. Because of the overwhelming amount of messages in the society today, companies' brand images have become crucial in order to attract and retain costumers. (Misner, 2009)

4.3.3 Positioning

The groundwork of a company's positioning is the brand identity. Positioning is a strategy where companies decide what brand features the marketing communications should emphasize. A strategy will be effective if added values of the brand are clearly emphasized, which makes the strategy easier to be perceived by the customers. A brand can be positioned in several ways, for example dimensions considering price and quality (Mårtenson, 2009).

4.4 Brand management

Brand management is the strategic process in the relationship between companies and customers, where the companies define the promises of their products. The brand management process must always have the consumer point of view and add value (Randall, 2000).

Originally, brands were associated only with logos or trademarks; however, brands, nowadays, have generated a more vital meaning to their products.
Brand management is not only what message you are trying to communicate; it is also about what you are doing. A brand is affected by everything that is connected to it; therefore, the context of a brand has become more important. It is important to consider market forces and meet customers' needs; only doing so, however, is not a long-term strategy. Through brand management, companies have the ability to create new needs that the customers are not aware of yet. (Rawet et al, 2002).

The core of all brand management is the product and without a high quality product, it does not matter how good the marketing communication is. Bernbach says in the Yellow Paper by DDB (2010): "*Good advertising just makes a bad product fail faster*". Brand management is about to suit the product to its surroundings, which according to DDB's model presented on the following page, consists of consumers, company, category and culture. It is important to keep up the clearness and consequence in all actions (DDB, 2010).

Clear Ambitions
Objectives for what the product should do:

· Quantitative targets in relation
  to sales and market shares
· Qualitative targets in relation
  to image and brand equity
· Role in relation to mutual benefits
  of the entire product line-up
· The product's effect on the position
  and mission of the corporate brand
· Sales strategic targets
  (e.g. new channels or new areas)
· Marketing, segment analysis
  (overview of value creation for all partners).

Clear Processes
What kind of culture should drive the
development:

· Definition of mutual objective
  and success criteria
· Establishment of clear view of the
  project's scope for all involved parties
· Clear responsibility ownerships on
  all specific development directions
· Securing of strong cross processes and
  synergies focusing on the mutual success
· Effect and demands in relation to client
  front and backbone structure.

Culture
Character
Uniqness
Creation

Consumers
Insights
Value creation
Experience

Product

Company
Capability
Conviction
Ambition

Clear Insights
Knowledge about how the
users/customers think, feel and act:

· User-involvement and co-creation
  processes during the entire process
· Establishment of SignBank monitoring
  at macro level
· Establishment of mutual missions and
  partnerships at B-t-B level.

Categori
Convention
Typologi
Succesfactors

Clearness in execution
It should not just be right.
It should also feel right:

· Design development
· The product's story telling
· Launch strategy
· Distribution and price strategy
· Service design
· Communication strategy.

Source: The Yellow Paper Series (DDB 2010)

4.5 Word-of-mouth marketing

Marketing via references is the oldest and the most well-known method of marketing communications. Yet it is also the most difficult one to master. The product alone is not enough; the brand also needs to obtain a good reputation among the customers in order to sell. Everyone knows a good reputation sells, but only a few have the right conditions and knowledge to create one (Misner, 2010).

Marketing via word-of-mouth, in practice giving the receiver something to discuss in order to affect the consumer's emotions, knowledge and behaviour. Lack of commercial influences makes it more credible (Buttle, 2009). Recommendations from satisfied customers are better than any other marketing communications. Satisfied customers recommend products further and thereby create large networks with positive attitudes. A positive word-of-mouth effect is, therefore, important because unsatisfied customers tend to talk more about their bad experience and thereby decrease the credibility of a brand.

According to Misner's (2010) theory WOMBAT – *word of mouth business acquisition tactics* – it is important to be well prepared. This theory defines three kinds of business people:

- The one who make things happen
- The one who waits for things to happen
- The one who wonders what happened

It is important to be the first one and do the right things from the beginning if marketing via word-of-mouth is to be effective (Misner, 2010).

4.6 PR – Public Relations

Public Relations play an increasingly bigger part in the companies' goal to acquire potential costumers' attention. In contrast to traditional marketing, public relations are considered civic information and thus achieve a greater credibility in the minds of the recipients. Another big advantage is that the cost of public relations is relatively cheap compared to an advertisement in the same media. Even though the actual messages do not reach the intended group of people, the publicity can still be used in companies' advertisements as support for the claim benefits it poses. (Misner, 2009)

Companies today use public relations to create "talk value" among potential customers; indeed the gap between public relations and advertising is fading (Andersson, 2011). Successful public relations are created by identifying the target groups the companies want to affect. The target groups are chosen by their influence and communication channels, thereafter, have to be customized to reach these groups. A sector analysis has to be conducted to identify what in the surrounding world may have an impact on shaping public opinion (Rawet et al, 2002).

"Formation of opinion is an organized advocacy which through public channels aims to influence the public's, or a group's, attitudes, opinions or actions."
(Rawet et al, 2002)

Public relations can also be conducted through lobbying. Lobbying is closely related to formation of opinion, but is more about concentrating on a particular group in a particular issue. A marketing strategy heavily relying on positive public relations is a long-term strategy, which requires clearness of execution (Ibid.).

4.7 Previous studies and research

There is much previous research done concerning the fashion industry and marketing without traditional marketing communications.

In *Dedicated followers of fashion: an economic geographic analysis of the Swedish fashion industry,* Atle Hauge (2007) deals with brand and brand management in small and medium-sized Swedish fashion companies. His focus is on firms with design intensive products and he treats the brand as their main competitive advantage. In the thesis Hauge examines how Swedish fashion companies are operating and trying to explain their behaviour. One of his conclusions is that Swedish fashion companies are combining creativity with a business focus. Hauge also regards fashion industry as knowledge intensive without being high tech.

In the master thesis *En strategi för framgång – en studie om värdeskapande inom modeföretaget Acne Jeans* (Hallgren & Lidberg, 2009), the author's purpose is to examine how Acne Jeans manage to create and transmit their intangible assets. This is to explain what made Acne Jeans successful. According to this thesis, the strengths of Acne Jeans are the abilities to create additional value and intangible attributes associated with their high quality products.

5. Empirical results

This chapter presents our empirical results. An explanation of the marketing approach "Branding by doing" and its development can be found in Acne's history and structure. Therefore, this chapter begins with a description of our selected case company, Acne Studios. Further, we present results from interviews with Suhrab Lachin, Credit & HR Manager at Acne Studios and the fashion journalist and author Daniel Björk. The chapter ends with empirical results collected from our participation of a customer event held by Acne Studios.

5.1 Presentation of Acne Studios

Acne Studios manage design, distribution and marketing of fashion. For the Swedish market, Acne Studios Holding AB 2009/2010[2] had a turnover of approximately 173 million Swedish crowns (Annual Report, 2011).

Acne was founded in 1996 in Stockholm, Sweden, as a creative collective by Jesper Kouthoofd, Mats Johansson, Tomas Skoging and Jonny Johansson. The latter came to play a major role in forming the company's history. The name Acne stands for Ambition to Create Novel Expressions. With inspiration from Andy Warhols' the Factory, the company wanted to do "everything", from advertising, Internet games, TV-production to fashion (Rodeo Magazine, 2011).

Jonny Johansson became responsible for the fashion branch and in 1997 Acne released 100 pairs of unisex jeans. With unique red stitches, the jeans received attention in Stockholm's design world, which led to an article in the Swedish Elle magazine and the jeans being vastly requested. The first collection was launched the year after, in 1998. However, the company suffered financially which showed that they needed a person with a business perspective. The solution was Mikael Schiller who started as manager of Acne Studios in 2001. Jonny Johansson and Mikael Schiller became responsible for the branch Acne Studios (Ibid.). The company was reorganized into what Acne calls "Art & Industry", meaning that all units, from economics to design, are gathered at same place and working in close collaboration.

Acne has never paid for advertisement in fashion magazines. This was from the beginning a result of financial difficulties, but is today an elaborate marketing strategy. Instead, Acne focuses on developing its own products (Såthe, 2011). In collaboration with the fashion journalist Thomas Persson, the company in 2005 starts

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[2] Acne Studios Holding AB is the parent company of Acne Studios. The fiscal year is from September 1 to August 31 (Annual Report, 2011).

a magazine of their own, Acne Paper (Rodeo Magazine 2011). Acne Paper is published twice a year and is not only focused on fashion. All parts of Acne are represented and Acne Paper consists of personal stories and experiences of the Acne Family (Acne Studios 2011). The company now evolves, thinks and works differently, makes androgynous clothes and challenges stereotypes, yet remains very stylish (Rodeo Magazine 2011).

Today, Acne Studios are located in Europe, North America and Australia (Acne Studios, 2011). Acne has retailers in approximately 50 countries around the world. Recently Acne initiated a major investment in New York, where the aim is to open several stores on Manhattan. The company has the same ambitions for Paris and London, which Acne considers strategically important markets (Såthe, 2011).

5.2 Interview with Suhrab Lachin

Suhrab Lachin has been working at the head office of Acne Studios since the fall of 2010. His current position is Credit & HR Manager. He has a Master's degree in business administration from the School of Business, Economics and Law at the University of Gothenburg.

We started the interview by letting Suhrab Lachin explain the meaning of the marketing approach *"Branding by doing"* and the background of this strategy. According to Suhrab, it has been a conscious choice of the company from the start. Due to scarce financial resources in the beginning of the company's history, Acne had to choose between investing in advertisements or the products. Acne has rather focused on developing its own collections and stores.

The meaning of the marketing approach *"Branding by doing"* is that the product becomes the main focus in the business. Acne wants to convey the strong feeling it has for its products to its customers. The aim is to make everyone experience the product in the same way. Thus, Acne has a strong belief in its products, which should be sold as the way they are, i.e. the product should speak for itself.

In order to offer a powerful product, Suhrab Lachin sees the basic premise to be that all employees involved in the company possess a deep knowledge of the products and what the company wants to convey. All parts of the chain, from the top management to the stores, should see the product in the same way. There has to be a common understanding between the designers and other personnel of why the product looks the way it does. The company is actively working to spread this common understanding among the employees and continuously keep courses where they are educated in the product range.

According to Suhrab, Acne has a strong internal corporate culture. Objectives and policies of the brand are to be implemented internally before they can be communicated to the market. All parts of Acne should be able to feel involved in the operation management. Particular for Acne's corporate culture is the working process "Art & Industry". It means that all the company's units, for instance management, economics and design, are gathered at the same place, at the head office at Lilla Nygatan in Stockholm. This working process creates a strong corporate unity.

The head office has a close collaboration with the company's stores. Staffs from the head office continuously visit the stores and the store's employees are also given opportunities to make regular visits at the head office in Stockholm. A strong collaboration is needed since the decision-making is centred at the head office. Except from the storefronts, set by the head office, the stores have no marketing of their own. Thus, the stores' employees play an important role in the company's marketing communication since they are the main contact point between Acne and its customers.

Although "*Branding by doing"* is the marketing approach that best fits Acne, there are also disadvantages. Suhrab enhances the hard work that lies behind the success of Acne and the marketing approach requires that all parts are aware of and united behind the brand's meaning and the company's products. This awareness takes a long time to reach, both internally and externally. Suhrab points out that it for all companies takes a long time to build a strong brand; it is not something that happens overnight. Regarding the brand image of Acne, Suhrab Lachin explains that the company does not strive to create a specific image. Acne wants to offer high quality products with design that is timely correct, and consider the product to be so strong that the customer has the ability to perceive its own values. Acne stands for "*Ambition to Create Novel Expressions"*, and is something that the company wants to convey. The company continuously seeks new ways of expressions, which can be associated with a particular lifestyle.

When we asked Suhrab what distinguishes Acne from other brands in the Swedish fashion industry, he claims it is hard to make comparisons between companies. Acne mainly focuses on itself and has no interest in comparing itself to other brands. Acne has always gone its own way caused by its strong belief and confidence in its strategy and its products.

We asked Suhrab how he thinks that the brand Acne would be affected if the company changed strategy and shifted to using traditional marketing communication channels. According to Suhrab, the consequences are difficult to predict since there is no research done yet by the company. However, a strategy change would currently go against what Acne stands for. By changing marketing approach, Acne would contradict itself and risk destroying 14 years of hard work. Even though a traditional marketing approach might reach more people, Suhrab finds it likely that Acne would lose customers. Suhrab claims the importance of being consistent as it is generally valid in all types of industries. Strategy changes tend to

more likely lead to confusion among customers; regardless of what strategies companies have from the beginning.

Suhrab says that Acne is optimistic about its future regarding the continuous growth and development. Acne is constantly striving to improve and to strengthen the products further, which is crucial for its development when the product is the core of the business. The current strategy has been successful and "*Branding by doing"* will remain the basis of spreading what Acne stands for.

5.3 Interview with Daniel Björk

Daniel Björk is a well-known Swedish fashion journalist and author, published in several newspapers, e.g. Expressen, Svenska Dagbladet and Rodeo Magazine. He is one of the authors of the fashion anthology *Sexton svenska texter om mode*. Daniel Björk also runs the blog danielbjork.com where he writes about fashion combined with politics, culture and society.

We started by asking Daniel Björk what is required in order to create attention in today's Swedish fashion industry. He emphasized the importance of having, what he calls, an *"air of coolness"* surrounding the brand. The essential aspect is to always maintain an interest in the brand and never be considered conventional. The customers listen to what influential people in the fashion industry think and act according to what is presented in fashion magazines etc. Interest in a brand is therefore, according to Daniel Björk, most easily created by just delivering clothes demanded by the influential people of the fashion industry.

Daniel thinks it is apparent that Acne has a better sense of style and fashion than most other Swedish fashion companies, which together with their successful recruitment of right personnel have paved the way for the success throughout the years. Daniel means that this sense of style is expressed in their esthetical presentations of new collections and in the layout of their own magazine, Acne Paper. Different from other Swedish fashion companies, Acne dares to challenge conventional rules on a whole other level and do the unexpected. Acne has positioned itself in a relatively new way in the fashion industry and has taken an original position between jeans and luxury fashion. At the same time, Daniel implies that the success probably also is based to some extent on luck. Acne has succeeded in presenting some of the new collections at exactly the right moment, for instance when Acne launched its skinny jeans right before it became popular.

Acne has gone from being an ironical company, based in the late 90's advertising world; to an international fashion company that today collaborates with popular luxury brands such as the French fashion house Lanvin. Even if Acne's explicit marketing strategy is to refrain from

traditional marketing communications, Daniel Björk tells that Acne actually once used traditional advertising, but that only a few people today remember it. However, the strategy has been to refrain from it, as extensively as possible. Acne has, in other markets than the Swedish, sometimes found it necessary to use traditional marketing in order to build general awareness of the brand.

Daniel thinks the reason why the strategy works so well today is that there, to some extent, already exists a large interest in the brand and Acne, therefore, does not need to spend money on advertising in fashion magazines. A shift of strategy to traditional advertising would, according to Daniel, change the brand's image. Acne is, to a large extent, created in order to be perceived as an outsider from the small country, Sweden, which does not have an idea of how the fashion industry works. Acne is regarded as a player without an elaborated strategy that only does what it feels like. A traditional marketing behaviour would therefore demolish this created image and make Acne a brand among others.

We asked Daniel what he thinks about the future development of the Swedish fashion industry. According to him, the "boom" of Swedish fashion in the beginning of the 21st century has faded a bit. Acne is together with Cheap Monday, and to some extent Odd Molly, the only Swedish fashion brands that have succeeded internationally. There is still a big international interest in Scandinavian fashion and Daniel thinks it would be peculiar if other Swedish fashion companies do not try to take advantage of this interest. However, Daniel thinks the interest will rather concern accessories such as Happy Socks or the like.

## 5.4 Customer event at Acne Studios Gothenburg

On May 12 we were invited by the store manager and the region manager to participate in a customer event held by Acne Studios in Gothenburg. The event was called *"spontaneous sale"* and was held after ordinary closing time together with Velour, an adjacent fashion store. A twenty per cent discount was offered, extra staff members were brought in and the store was rebuilt for the special occasion.
A three man live band was playing soft lounge music the whole evening and Champagne was served to the visitors. The customers were given the opportunity to mingle and discuss fashion with personnel and other customers who share the same interest in fashion. Even though no official advertising was made, the store was well visited the whole evening.

6. Analysis and discussion

In this chapter we connect the empirical results to the theoretical framework of this thesis. From without the theories, we discuss and interpret collected data from interviews and articles in our point of view in order to examine our research questions.

6.1 Analysis model

Theoretical framework

Empirical results

Analysis and discussion
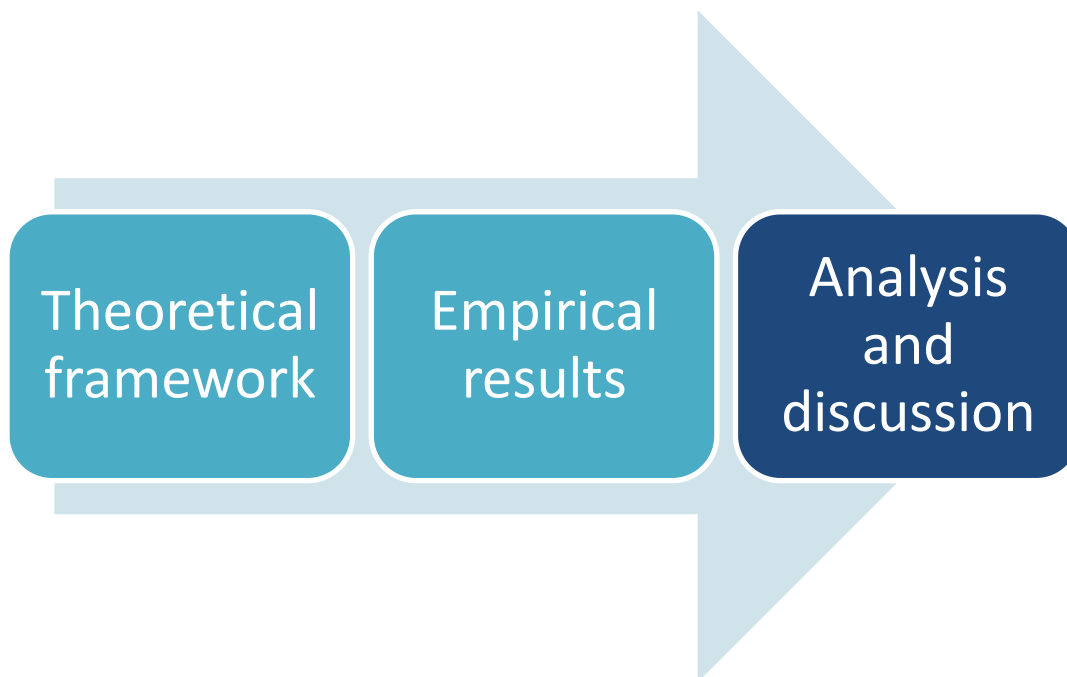
6.2 An elaborate corporate culture

What we consider the most fundamental aspect in the marketing approach "*Branding by doing*" is an elaborate corporate culture. Acne calls its corporate culture "Art & Industry", which means that the creativity is combined with the business management. All units are working closely linked together under the same roof at the head office in Stockholm. This is consistent with Hauge's (2007) conclusions that this organization structure characterizes small to medium sized Swedish fashion companies, which are combining creativity with a business focus.

Through total implementation internally of companies' visions and guidelines, the brand identities, a shared comprehension of the brands' meanings is achieved. The strategy is built on companies' strong belief in their products and this belief must be shared among all employees in order to make this marketing approach possible. Firstly, when the brand identity is well implemented internally, it is ready to be communicated externally. That all employees share the same visions and values makes it easier for the customers to perceive it

in the same way. One of the hardest tasks in brand management is to get the customers to perceive the brand identity in the same way as the company.

It is through the products and the employees companies' values are expressed when no traditional marketing communications exist to support the messages. It is therefore important that all employees are aware of and have a deep knowledge of the corporate culture since the employees are the most important contact point with the customers. How people perceive a company is based on the experiences and impressions they receive from the encounters and the use of products and services. A positive experience in the time of purchase results in repurchase and a tight relationship between brand and customer. Long-term success of using "*Branding by doing*" as a marketing approach is, according to us, only possible if all units share the same ambitions.

6.3 The product is the core

Acne has consciously chosen to position itself as an outsider. As the brand name indicates, "*Ambition to Create Novel Expressions*", the company wants be on the cutting edge regarding new thinking. Through focusing on itself and its own products, Acne has chosen to go its own way in the Swedish fashion industry. With this position, Acne has created an image which appeals to a specific target group, who share the unique values and associations of Acne.

The product is the core in the practice of "*Branding by doing*" as a marketing approach. By totally refraining from traditional marketing communications, Acne has clearly shown that all focus is on the product since the product is the main tool in the company's marketing communications. This is consistent with DDB's (2010) model, presented on page 21 in the theoretical framework chapter, claiming the product as the core in the practical implementation of "*Branding by doing*" as a marketing approach. Acne constantly returns to the products being what the whole organization is built around.

All parts of a brand, for instance price, design and name, have to work united towards the same objective and present the same image of the brand and its positioning. These parts together create a wholeness, which consists of the product and its added values.

6.4 Consequence and clearness in actions

The product and its added values constitute the brand's fundamental message to its customers, a message that should be consistent and clear over time. A shift in direction makes the customers confused and may hurt the fundamental values of the brand since confused customers do not buy (Randall, 2000). Today most of the communication channels tend to be overexploited and people no longer want to be obtruded by information. On the basis of this background, using *"Branding by doing"* as a marketing approach can be seen as an obvious choice. However, Acne's marketing strategy was developed through financial difficulties where Acne had to choose between advertising and product development. The strategy has shown to be successful and no shift in the marketing strategy has therefore been required. Even though it is possible to reach more people by using traditional marketing communications, we believe that it would hurt the brand's reputation since shifts tend to confuse customers. This claim is supported by Suhrab Lachin at Acne Studios saying that Acne would contradict itself by using a different marketing strategy. Again we return to the fundamental principle that a brand requires hard work and takes a long time to build, but is easy to demolish.

Since there are no particular functional differences between the products in the fashion industry, unique associations and added values are required to create attention. Acne has built its brand by going its own way and consciously chosen not to follow other companies in the fashion industry. Totally refraining from traditional marketing communications is a relatively unique strategy and through not speaking as much about the brand itself, Acne has created a mysticism and interest surrounding the brand. An ardour is created among the customers when the message is not obtruded as traditional marketing tends to be, and the customers are given the opportunity to interpret the meaning of the brand by themselves. Through not doing like the others, Acne has created associations that the use of its products conveys feelings of uniqueness and belonging to an exclusive group.

6.5 Creating interest

As Suhrab Lachin claims, the thesis *En strategi för framgång – en studie om värdeskapande inom modeföretaget Acne Jeans* (Hallgren & Lidgren, 2009) has proved to be the reason for Acne's success, Acne clearly wants to be associated with high quality and has managed to create additional value surrounding its products. However, the lack of traditional marketing has, according to us, given the customers an opportunity to interpret the brand's meaning. It is this opportunity we see as the product's foremost unique added values and comparative advantages in relation to its competitors. This opportunity has created a curiosity

surrounding Acne and has, according to us, caused a powerful word-of-mouth effect. In the free interpretation of the brand's meaning, the customers have been given something to discuss among each other.

Acne has likewise always been on the cutting edge of creating attention, where the clearest example is "*The world's greatest dice roll*". The event was created and performed by collaboration between Acne Advertising and Acne Production, but it had an impact on all units of the corporate group Acne, which Acne is a part of. This is something particular for the corporate group Acne where the strategy "*Branding by doing*" permeates the whole organisation and what one unit does, affects all other units. A brand's reputation is easy to demolish, wherefore the company needs to control all actions and every step it takes to avoid negative attention.

6.6 The importance of Public Relations

By using "*Branding by doing*" as a marketing approach, companies rely heavily on public relations. The important thing today is not what the companies say but what others say about the companies. The companies are defined by what they do. There are two main ways of using public relations in brand management; lobbying and formation of opinion (Rawet et al, 2002). We consider lobbying as the easiest and fastest way to create positive publicity in the fashion industry. It is also lobbying that has, from our interpretations, been Acne's most important way of using public relations. In the Swedish fashion industry, it is important to have a good relationship to the industry's authorities. The authority's choice of what is good or bad fashion generally influences purchases and preferences of the customers, who tend to act according to what is presented in fashion magazines etc.

6.7 Create a strong customer relationship

Deep knowledge about the customer's behaviour and expectations can be acquired from a close customer relationship. This knowledge constitutes the framework in the creating of products meeting customer's expectations. When no traditional advertising is used the product is the core and customer relationship activities are therefore an important cornerstone in the brand management. As we experienced during the customer event, Acne works actively to strengthen the brand experience by engaging the customer and offering a unique experience. Being invited after closing time, being served champagne and given the opportunity to buy clothes to a twenty per cent discount while listening to live music, made the customers feel appreciated by the company. The event was not advertised widely.

Invitations were sent out by the employees in the store and newsletters via e-mail to regular customers. This is a clear example of Acne relying on the word-of-mouth effect. The event contributed to a positive feeling about Acne and even though all visitors did not purchase, it contributed to strengthening the relationship between brand and customer.

6.8 Why companies chose *"Branding by doing"*

As mentioned earlier, the reason why Acne chose *"Branding by doing"* was due to a financial crisis. Acne had to choose between product development and advertising. Acne chose to focus on the products, which we consider an obvious choice in that situation. People today rarely listen to what is said in advertisements. They are more interested in what their friends or their peers say about the product. We consider marketing via references as much more effective than traditional marketing communications and therefore we see it as natural to invest in product development instead of advertising. A good product may convey positive publicity and also create a valuable word-of-mouth effect, which is necessary when using *"Branding by doing"* as a marketing approach.

Today Acne does not use *"Branding by doing"* due to scarce financial resources. Rather it is due to the fact that Acne has become so famous that it no longer needs advertising in the traditional way, an argument that is supported by Daniel Björk. Suhrab Lachin at Acne Studios also claims that a shift today would demolish the brand by contradicting what Acne stands for.

7. Conclusions

In this chapter we present our conclusions and answer our research questions. The conclusions are drawn by the analysis and discussion of the empirical results presented in the previous chapter.

Question 1: *What conditions are required of a company to refrain from traditional marketing communications?*

We can distinguish four main conditions required to refrain from traditional marketing communications:

- **An elaborate corporate culture**

  It is essential to create an elaborate corporate culture where all units and employees involved share a deep comprehension of the brand's identity. Since the employees, together with the products, are the main contact points with the customers.

- **Product focus and uniqueness**

  The product should speak for itself. A product with unique added values is required to create interest and attract attention.

- **Consequence and clearness**

  Through not using traditional marketing communications, it is extremely important that companies communicates their messages consistently and clearly to avoid confusion among customers.

- **Strong customer relationships**

  With *"Branding by doing"* as a marketing approach, the customers become advocates of the brand. Thereof it is important to keep up a good relationship between brand and customer. This relationship is strengthened by activities where the customers feel connected to an exclusive group.

Question 2: *How is "Branding by doing" applied in practice?*

"Branding by doing" is practically applied by focusing on the product. The fundamental idea with this marketing approach is that a good product speaks for itself. Companies using this as a marketing approach, try to create buzz by doing things differently in order to achieve word-of-mouth effects and positive publicity, which can be considered "free advertising".

Question 3: *For **what reasons** do companies refrain from traditional marketing communications?*

From our case study of Acne Studios, we can distinguish three possible reasons, due to:

- **Scarce financial resources**
  Companies have to choose between product focus and advertising.

- **Product focus and development**
  Companies make the product to the core of the business.

- **An already well-known brand**
  Companies no longer need to advertise in a traditional way.

8. Self-criticism and suggestions for further research

In this last chapter we critically examine our work and finally provide suggestions for further research.

8.1 Self-criticism

The validity of this thesis would have been increased by interviews with more experienced employees at Acne Studios who have been there since the beginning and have been involved in the establishment of the company's marketing strategy *"Branding by doing"*. Acne's policy is that all external information of this kind goes through one person at the head office, which limited the access of getting more respondents from the case company. More interviews with people outside Acne Studios may also have increased the objectivity. Lack of time and the long distance to the respondents made it difficult to conduct interviews face-to-face, which could have reinforced the depth of the analyses.
Previous research and theories in the subject are limited, and that is why interviews with expert scientists and authorities in marketing would have been valuable for the theoretical framework in this thesis.

It would have been interesting to compare companies using traditional marketing communications with non-users; even more, comparing different industries to the fashion industry. It would have increased the understanding of what industries this marketing strategy is applicable to, but a study of this nature would have required a longer time frame.

8.2 Suggestions for further research

This thesis has only regarded the market strategy of Acne. No comparisons have been made to other companies in the Swedish fashion industry. A suggested research area is therefore why some companies in the fashion industry chose to refrain from traditional marketing, while others spend large sums on advertising.
We have chosen to delimit this thesis to the fashion industry, wherefore another suggestion of further research is whether the marketing approach *"Branding by doing"* is applicable to all types of industries.

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9.5 Respondents

Björk, Daniel *Fashion journalist and author* (2011-05-09)

Lachin, Suhrab *Credit & HR Manager at the head office of Acne Studios in Stockholm* (2011-05-17)

Appendix 1 – Interview questionnaire to Daniel Björk

1. What is your perception of Acne?

2. Does Acne differ from other brands in the Swedish fashion industry regarding aspects such as quality, image, way to work etc.?

3. What reasons do you think lie behind the success of Acne?

4. Has the brand changed over time?

5. Acne has from its beginning refrained from traditional marketing. What do you think would happen to the brand image if the company changed strategy and shifted to the traditional way?

6. What is required to get attention in the Swedish fashion industry today?

7. At last, what do you think about the future development of the Swedish fashion industry?

Appendix 2 – Interview questionnaire to Suhrab Lachin

1. Present yourself and your current position.

2. What does the brand Acne stand for?

3. In what way does Acne differ from other brands?

4. What image of Acne is the company trying to communicate?

5. How would you describe Acne's corporate culture?

6. How does Acne work on keeping this corporate culture?

7. How would you explain Acne's marketing approach "*Branding by doing"*?

8. Has this marketing approach been consciously chosen from the beginning?

9. How is the strategy applied in practice (customer relationships, communication channels etc.)?

10. What do you think are the reasons why this marketing approach is possible for Acne?

11. Are there any negative aspects from using this marketing approach?

12. What do you think would happen to the brand image if the company changed strategy and shifted to the traditional way?

13. How do the stores market themselves without traditional advertising?

14. Finally, what do you think about the future development of the brand Acne?