Rebuilding Brand Equity: A Case Study of Sacoor Brothers' Positioning in Portugal

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Abstract

Title: Rebuilding Brand Equity: A Case Study of Sacoor Brothers9 Positioning in Portugal

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This dissertation explores the challenges of positioning a brand in the premium fashion market through the case study of Sacoor Brothers, a Portuguese brand with over 30 years of history. Despite its strong heritage associated with quality, sophisticated service, and international success, the brand experienced challenges in the Portuguese market, including declining operating revenue, decreased consumer engagement, and loss of brand equity. These problems were exacerbated by an overreliance on discount-driven marketing and insufficient consumer research, leading to a lack of adaptation to new consumer needs.

This case combined primary data from a company representative with secondary sources, including consumer insights and competitor analysis, to identify gaps in Sacoor Brothers9 positioning and brand equity. The results highlighted the importance of emotional resonance and adaptation to emergent trends such as authenticity, storytelling, sustainability, and personalization in the modern premium fashion market.

This dissertation illustrates decision-making challenges in strategic positioning, particularly whether a brand should improve its existing positioning or completely reposition itself, based on frameworks such as the SWOT Analysis and Keller9s Brand Equity Pyramid. Four strategic options were evaluated for Sacoor Brothers9 future. The recommended solution is a repositioning that seeks to rebuild the brand9s emotional appeal, combining its heritage with contemporary trends, ensuring alignment with consumer needs and market dynamics.

This research is a pedagogical tool for strategic marketing and brand management. It emphasizes the need for a holistic approach to restoring brand equity to sustain competitive advantage in dynamic markets.

Keywords: Brand Positioning, Premium Fashion, Brand Equity, Repositioning Strategy, Consumer Insights, Emotional Resonance, Strategic Marketing

Resumo

Título: Reconstrução do Valor da Marca: Um Estudo de Caso sobre o Posicionamento da Sacoor Brothers em Portugal

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Esta dissertação explora os desafios do posicionamento de uma marca no mercado da moda premium através do estudo de caso da Sacoor Brothers, uma marca portuguesa com mais de 30 anos de história. Apesar da sua herança associada à qualidade, ao serviço sofisticado e ao sucesso internacional, a marca enfrentou desafios no mercado português, como o declínio das receitas operacionais, a diminuição do envolvimento dos consumidores e a perda do valor da marca, agravados por uma dependência de marketing orientado para descontos e um estudo insuficiente dos consumidores.

Este caso combinou dados primários de um representante da empresa e fontes secundárias, incluindo perceções dos consumidores e análise da concorrência, para identificar lacunas no posicionamento e no valor da marca da Sacoor Brothers. Os resultados destacaram a importância da ressonância emocional e da adaptação a tendências emergentes, como autenticidade, storytelling, sustentabilidade e personalização no mercado da moda premium.

Esta dissertação ilustra os desafios de decisões estratégicas, nomeadamente se uma marca deve melhorar o seu posicionamento atual ou reposicionar-se completamente, com base em quadros como a Análise SWOT e a Pirâmide de Keller. Foram avaliadas quatro opções para o futuro da Sacoor Brothers. A solução recomendada é um reposicionamento que reconstrua o apelo emocional da marca, combinando a sua herança com tendências contemporâneas, garantindo alinhamento com as necessidades dos consumidores e dinâmica do mercado.

Este estudo constitui uma ferramenta pedagógica para marketing estratégico e gestão de marcas, enfatizando a abordagem holística necessária para restaurar o valor da marca e sustentar vantagem competitiva.

Keywords: Posicionamento de Marca, Moda Premium, Valor de Marca, Estratégia de Reposicionamento, Perceções do Consumidor, Ressonância Emocional, Marketing Estratégico

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1. Introduction

In today's fiercely competitive marketplace, a well-crafted brand positioning strategy is not just an advantage4it is a necessity for long-term success. Consumers are inundated daily with choices from dozens of brands, making it increasingly challenging for any one brand to stand out. As a result, the functional benefits of products have become less significant as differentiators. Instead, modern consumers seek brands that resonate with their identities, evoke emotional connections, and align with their values. As Keller (2019) emphasizes, the strength of a brand hinges on the beliefs and perceptions of its consumers (Keller, 2019).

Click or tap here to enter text.This dynamic is particularly pronounced in the fashion industry, where rapid market changes, evolving consumer preferences, and intense competition magnify the importance of strategic positioning. However, poor market research, misaligned competitive strategies, and a lack of understanding of target audiences often lead to inconsistent positioning. These shortcomings can disrupt consumer perceptions, erode brand equity, and undermine customer loyalty. As Faircloth et al. (2001) observed, marketing management has too often relied on <serendipity or trial and error,= a practice that is no longer sustainable in today9s precision-driven landscape (Faircloth et al., 2001).

This thesis examines these challenges through the case of Sacoor Brothers, a Portuguese premium fashion brand with over 30 years of history. In recent years, the company9s reliance on aggressive discounting and its challenges to establish an emotional connection with consumers have resulted in inconsistent market positioning and weakened brand equity. Facing the need for a comprehensive repositioning strategy, Sacoor Brothers represents a compelling case study for understanding the complexities of brand revitalization in the fashion industry. The thesis explores strategic alternatives for companies striving to regain focus and rebuild their market presence, offering valuable insights into the intricate process of repositioning within the premium fashion segment.

The development of this thesis was guided by the following research questions:

RQ1. What are the key drivers of brand equity erosion in the premium fashion industry, and how can these challenges be addressed?

RQ2. How can Sacoor Brothers strategically reposition itself to rebuild consumer trust and ensure sustainable market competitiveness?

RQ3. How can the Sacoor Brothers case be used pedagogically to explore concepts of brand repositioning and strategic decision-making in a classroom setting?

By addressing these questions, the thesis provides both actionable insights for practitioners in brand management and teaching content for discussing brand revitalization strategies in the classroom.

As Aaker (1992) aptly stated, <The inevitable result of a reliance on sales promotions and cost-reduction programs and a reduction of brand-building activities is an increase in the role of price and a decrease in the role of brand associations in the purchase decision. At the extreme, the product class starts to resemble a commodity.= (Aaker, 1992). This underscores the critical need for brands to prioritize equity-building strategies over short-term sales tactics4a lesson vividly illustrated by the journey of Sacoor Brothers.

This thesis is organized as follows: The next section outlines the Methodology, highlighting the key data sources employed, including both primary and secondary research. The Literature Review follows, exploring the theoretical concepts necessary for analyzing the case, such as brand equity, positioning, and repositioning strategies. The Case Study then examines Sacoor Brothers9 history, consumer insights, competitive dynamics, and repositioning alternatives. Lastly, the Teaching Note provides a pedagogical framework, demonstrating how the case can be used in a classroom setting to apply theoretical concepts related to strategic marketing and brand management.

2. Methodology

A combination of primary and secondary data was employed to develop this thesis and provide a comprehensive analysis of Sacoor Brothers9 repositioning challenges. Primary research included direct input from Sacoor Brothers through a company representative, who shared essential insights into the brand9s history, financial position, current market challenges, and strategic alternatives under consideration for repositioning. These firsthand contributions provided a valuable foundation for understanding the company9s perspective and immediate priorities.

Secondary research complemented this primary data, incorporating various academic articles, industry reports, and publicly available information. Additionally, the study utilized a consumer research project conducted by Dentsu Creative Portugal, a marketing agency engaged by Sacoor Brothers. This research offered insights into consumer perceptions and the brand9s competitive positioning within the Portuguese premium fashion market. Together, these data sources form the foundation of the case, reflecting the information available to the decision-makers as they face key strategic choices.

For this dissertation, Generative AI, more specifically OpenAI9s ChatGPT, was used to assist in some tasks, such as searching for keywords for articles relevant to the literature review, summarizing some of the more complex literature, as well as a source of brainstorming ideas. This tool was merely used to improve the quality and clarity of the dissertation without compromising the author9s authenticity, originality, and research.

3. Literature Review

Understanding the dynamics of brand management requires exploring several interconnected concepts that shape how brands create value and sustain relevance in competitive markets. Positioning serves as the foundation for defining how a brand is perceived relative to competitors, while repositioning addresses the strategic adjustments necessary when a brand9s position no longer aligns with market realities. Brand equity, a measure of the value derived from consumer perceptions and loyalty, ties these concepts together by highlighting the long-term benefits of strategic brand management. These themes provide the theoretical ground for guiding decisions in cases like the one developed in this thesis.

3.1 Positioning

Today, competition is greater than ever, with overcrowded markets where each brand needs to be clearly positioned in the prospects9 mindset in order to stand out from the competition (Kotler & Armstrong, n.d.). Over the years, several scholars have explored the concept of positioning. Although there is a general consensus on its strategic importance, the same is not true for its exact definition. For Kotler, brand positioning <is the art of designing the company9s offerings and image to occupy a distinctive place in the mind of the target market. The result of positioning is the successful creation of a customer-centered value proposition, a cogent reason why the target market should buy the product= (Kotler, 2000). In the context of managing brands, positioning can be understood as the intended meaning that a company wants its consumers to associate with the brand. This aligns with the notion of <intended positioning= introduced by Fuchs and Diamantopoulos (2010), which highlights the strategic effort to establish specific brand associations in the minds of consumers (Fuchs & Diamantopoulos, 2010). Similarly, Kapferer (2012) emphasizes positioning as a deliberate act of addressing key strategic questions about the target audience, brand promises, competitive differentiation, and evidence supporting the brand9s claims (Kapferer, 2012). These perspectives underscore the importance of positioning as a tool for crafting a clear and compelling brand image that resonates with the desired audience while differentiating the brand in a competitive marketplace.

The power of a brand lies in consumers9 minds and their experiences with it over time. That is why, according to Keller and Lehman, brand positioning <sets the direction for marketing activities and programs - what the brand should and should not do with its marketing=

guaranteeing the best perception in the prospect9s mind (Keller & Lehmann, 2006). Keller also emphasizes the need for the brand to identify its points of parity and points of difference towards competition as a fundamental step in positioning itself in the market and to gain a competitive advantage (Keller, 2019). Ultimately, the aim of a marketer is to ensure that a proper positioning strategy is developed and implemented with efficiency and quality, to ensure that the image and associations remain uniform throughout the chain (Fuchs & Diamantopoulos, 2010).

Over the years, many authors have developed positioning typologies based on empirical studies and pure conceptualization (Fuchs & Diamantopoulos, 2010). These strategies were divided into product-oriented strategies, such as positioning through Physical Features (Aaker & Shansby, 2001; Crawford, 1985; Keller, 1993a; Vriens & Hofstede, 2000; Wind, 1982), Abstract Attributes (Snelders & Schoormans, 2004), and Functional Benefits (Aaker & Shansby, 2001; Crawford, 1985; Keller, 1993a; Vriens & Hofstede, 2000; Wind, 1982); and consumer-oriented strategies, such as Experiential Benefits positioning (Crawford, 1985; Gutman, 1982; Keller, 1993a; Vriens & Hofstede, 2000) and Surrogate Positioning (Bridges et al., 2000; Crawford, 1985; Keller, 1993a) (Table 1 summarizes all the positioning typologies).

Table 1: Positioning Typologies

Type of Positioning	Description	Examples	Key References
Features (Concrete Attributes)	Highlights the tangible and measurable attributes of the product to create a differential advantage.	Knee airbags, horsepower, price, air conditioning, hybrid engine.	Keller (1993), Crawford (1985), Vriens (2000), Wind (1982), Aaker & Shansby (2001).
Abstract Attributes	Refers to broader, less tangible qualities of the product that are frequently comparable across product categories.	Quality, style, sportiness, fast acceleration, innovativeness.	Snelders (2004).
Direct (Functional) Benefits	Communicates the practical utility or functional advantages derived from the product, addressing consumer needs.	Cost reduction, park in smallest lots, comfort, convenience, durability, superior service, ease of use.	Keller (1993), Aaker & Shansby (2001), Crawford (1985), Wind (1982), Vriens (2000).
Experiential Benefits	Focuses on the emotional or symbolic satisfaction provided to consumers, creating hedonic or self-expressive value.	Car X draws people's looks, makes the driver feel younger, gives you respect, driving experience, fun.	Crawford (1985), Keller (1993), Vriens (2000), Gutman (1982).
Surrogate Positioning	Uses external associations, such as user types or aspirational groups, to position the brand indirectly.	User type: "For people who never grow up"; associations like Formula 1; symbolic attributes like "the best-selling car."	Crawford (1985), Keller (1993), Bridges (2000).

Adapted from: Fuchs & Diamantopoulos (2010)

Selecting a positioning strategy depends on how the organization relates to the market, which may differ depending on the company9s level of brand or market orientation (Urde & Koch, 2014). The market-oriented approach is an outside-in perspective focused on satisfying consumer needs. In the brand-oriented approach or inside-out perspective, the consumer9s needs are satisfied within the company9s framework, establishing the limits of the company9s integrity. In the first approach, brand image is the most critical factor; in the second, it is brand identity (LR Exhibit 1) (Urde et al., 2013).

These two approaches to positioning a brand on the market are not mutually exclusive; they can coexist and even become a synergy for the company. Depending on the evolution of the company9s strategy goals, positioning can take one, the other, or a combination of the two orientations (Urde & Koch, 2014).

Despite lacking a universal definition, positioning has been studied by many scholars for its importance in generating long-term growth. Porter concluded that those who ignore positioning and choose operational efficiency lose the ability to benefit from the long-term growth provided by positioning (Porter, 2000).

3.2 Premium Positioning, Aspirational Appeal and Storytelling

Premium positioning is a strategy focused on delivering the best quality, exclusivity, and aspirational appeal to the consumer so that they are willing to pay a premium price due to the perceived rarity and uniqueness of the product. Quelch argues that although the characteristics of premium positioning may vary according to the product category, they typically encompass excellent quality, higher prices, distribution through the highest-quality channels, and parsimonious advertising (Quelch, 1987). The author notes that this type of positioning is more oriented toward consumers attracted by emotional and symbolic needs related to status and self-expression rather than functional benefits. Truong et al. (2009) support this claim by presenting some research that shows how premium positioning associated with personal aspirations, such as sophistication, achievement, and success, increases consumer loyalty, involvement, and motivation to pay a premium as consumers align themselves with the brand9s ethos. (Truong et al., 2009). Storytelling is a strategy that plays a crucial role in amplifying the aspirational appeal typical of premium positioning. According to Smith and Wintrob (2013), through advertisements that tell compelling narratives covering heritage, authenticity, and exclusivity, products become symbols of consumer identity, fostering loyalty and connections. A proper premium positioning strategy, combined with compelling storytelling with aspirational appeal, ensures differentiation and sustainable desire over time, a fundamental advantage in ever-changing markets (Smith & Wintrob, 2013).

3.3 Repositioning

The positioning strategy (intended positioning) may not always be well developed. For example, the brand may choose features and benefits that the target consumer does not find relevant, which can lead to a mismatch in perceived positioning. In addition, there are also cases where the intended positioning has been well developed but poorly executed, leading to a mismatch with the actual positioning and, consequently, an incongruity in perceived positioning (Fuchs & Diamantopoulos, 2010). It can also happen that a once successful positioning is no longer so due to changes in market dynamics, competition, consumer needs, or a loss of brand identity itself (Jewell, 2007; Turner, 2003). In such conditions, the brand must resort to repositioning to gain a new direction.

According to Turner <Strategic repositioning is a conscious act undertaken by enterprises as they adapt to a changing commercial environment. Such strategic change often represents a fundamental shift in the underlying value proposition of the company as it seeks to change its targeted market segment(s) and/or its basis of differential advantage= (Turner, 2003). Thus, in repositioning, the brand must match its abilities to changes in the environment, reconciling the internal and external environments (Hooley et al., 1998). Jewell added that for a repositioning to be successful, it must simultaneously weaken the previous positioning and guarantee that the new position is well-learned by the target consumer through intensive communication, firmly establishing the new brand association in the consumer9s memory (Jewell, 2007).

The repositioning strategy involves creating a new brand proposition, a new marketing mix, and rigorous implementation to ensure that the brand achieves the intended goal (Hankinson & Cowking, 1993). However, before starting this process, marketers must analyze market dynamics, trends, competition, internal capabilities, and consumer perceptions. Trout and Rivkin emphasize that repositioning is not simply changing the brand9s message but strategically reshaping its positioning to address the new external context (Trout & Rivkin, 2010). Several models study both the external and internal environment, such as the SWOT Analysis, which is an example of a framework that helps marketers make more informed decisions. This acronym, which stands for strengths, weaknesses, opportunities, and threats, is used to assess the company9s current inhibitors and enhancers (internal and external), enabling strategic decision-making based on this analysis (Watkins & Leigh, 2010).

3.4 Brand Equity

Brand equity is a concept largely explored by the most renowned scholars in the strategic marketing field, with different definitions and perspectives. The most widely accepted is the definition given by Farquhar, who defines brand equity as the <added value with which a given brand endows a product= (Farquhar, 1989). According to Aaker, brand equity is defined as <a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm9s customers=(Aaker, 2009). Keller, on the other hand, believes that brand equity is <the differential effect of brand knowledge on consumer response to the marketing of the brand= (Keller, 1993). There are many other definitions of brand equity, but they all come down to the following definition: <the difference in consumer choice between the focal branded product and an unbranded product given the same level of product features= (Yoo et al., 2000).

The greater the difference generated by brand equity, the more prominent the brand9s competitive advantage. Numerous benefits are associated with high levels of brand equity, such as less price-sensitive customers, lower cost structures, higher market shares, and greater ease of entering new markets (Keller & Lehmann, 2003). Kotler et al. support this statement by saying that brand equity is <the added value endowed on products and services. It may be reflected in the way consumers think, feel, and act with respect to the brand, as well as the prices, market share, and profitability the brand commands for the firm= (Kotler et al., 2013).

There are two perspectives for measuring brand equity: Financial-Based Brand Equity (FBBE) and Customer-Based Brand Equity (CBBE) (Keller, 1993). Financial-Based Brand Equity measures the value of the brand for accounting, merger, acquisition, or divestiture purposes (Keller, 1993). For Simon and Sullivan, brand equity is <the incremental cash flows which accrue to branded products over and above the cash flows which would result from the sale of unbranded products= (Simon & Sullivan, 1993). Customer-Based Brand Equity is the differential effect that brand knowledge has on consumer response to the marketing of the brand. It measures the brand9s value by examining its favorable, strong, and unique associations in the consumer9s mind (Keller, 1993).

The CBBE is the approach most accepted by scholars because, although marketers might find usefulness in estimate the financial value of the brand, they need more than this estimate to build brand equity (Wood, 2000). Furthermore, there is little point in estimating a brand9s financial value if it has no value for customers (Cobb-Walgren et al., 1995). Positive CBBE leads to more favorable, stronger, and unique associations, making consumers less sensitive to price increases and more willing to accept brand extensions, for example, leading to long-term revenues (Keller, 1993). With this consumer support, the brand will also improve financially, and investors will gain interest too (Cobb-Walgren et al., 1995).

In order to develop a method of measuring brand equity, Keller designed a framework to help marketers build their brands. This framework, which he called the <Customer-Based Brand Equity Pyramid=, is composed of four steps that allow brands to assess their progress in building strong brands, discover areas of marketing research that need to be conducted, and assist in implementing marketing strategies (Keller, 2001).

This model is based on the idea that the power of a brand (or brand equity) resides in the minds of consumers through everything they have heard, seen, learned, and felt about the brand. In this way, the model is a tool that helps marketers understand whether the positioning of their marketing campaigns and the consumer9s experience of the service or product (perceived positioning) corresponds to the brand9s desired positioning (intended positioning).

The four steps of the pyramid represent questions that consumers involuntarily ask themselves about brands and follow a sequence where the success of the subsequent steps depends on the prior ones. The model was developed as a pyramid, where six <brand-building blocks= must be analyzed to complete the four steps needed to have a strong brand. The pinnacle of the pyramid coincides with the last step, which only after being accomplished does the brand generate significant brand equity (LR Exhibit 2).

The first step in Keller9s Customer-Based Brand Equity Pyramid is establishing brand identity, which Keller (2001) argues is essential for achieving brand salience. Salience refers to how easily and frequently a brand comes to a consumer9s mind across various situations, ensuring it is consistently considered by consumers during purchase decisions. According to the author, salience can be evaluated in terms of depth, which measures the ease of brand recall, and breadth, which examines the range of purchase or usage occasions for which the brand is remembered. Keller emphasizes that achieving both deep and broad brand awareness is critical for laying a strong foundation for brand equity.

The second step, creating brand meaning, involves establishing a clear and compelling brand image. Keller (2001) posits that brand meaning emerges from two key dimensions: functional associations, which relate to the brand9s performance, and emotional associations, which pertain to imagery evoked by the brand. The author argues that performance is reflected in factors such as product quality, reliability, service effectiveness, and design. Meanwhile, imagery involves consumer perceptions shaped by aspects such as the brand9s user profiles, purchase and usage contexts, personality traits, and values. Keller also highlights the role of historical and experiential elements, which contribute to consumers9 emotional connections with the brand. For the author, the ability to develop strong, unique, and favorable associations across both functional and emotional dimensions is vital for building brand equity.

The third step, brand responses, focuses on how consumers react to a brand9s marketing activities, encompassing both cognitive judgments and emotional feelings. Keller (2001) differentiates judgments as rational evaluations, while feelings are emotional responses triggered by the brand. The author categorizes brand judgments into dimensions such as perceived quality, credibility, consideration, and superiority in comparison to competitors. Brand feelings, on the other hand, range from warmth, fun, and excitement to security, social approval, and self-respect. According to Keller, positive and easily accessible consumer responses are instrumental in strengthening brand equity and driving favorable brand outcomes.

The final step in the pyramid, brand resonance, emphasizes the strength and depth of the relationship between consumers and the brand. Keller (2001) argues that resonance represents the culmination of the equity-building process, where the brand achieves deep emotional connections and enduring loyalty. This relationship is characterized by behavioral loyalty, attitudinal attachment, a sense of community, and active engagement with the brand. Behavioral loyalty involves frequent and significant purchases, while attitudinal attachment reflects the emotional bond and perceived uniqueness of the brand. Keller further contends that a sense of community arises when consumers feel a connection with other brand users, and active engagement is demonstrated through advocacy and participation in brand-related activities. For Keller, achieving resonance is the ultimate goal of brand equity, signifying a brand9s ability to foster meaningful and lasting consumer relationships (LR Exhibit 3).

4. Case Study

On a sunny Lisbon morning in January 2024, Maria Santos, Chief Marketing Officer at Sacoor Brothers, was on her way to a board meeting at the company9s headquarters. With more than 30 years of operations, Sacoor Brothers, a Portuguese company with an international presence in the premium fashion market, was experiencing a marked decrease in sales and in the number of stores in Portugal since 2015. Drastic measures would need to be taken to reverse the decline in Portuguese sales over the last few years. The brand urgently needed to reposition itself in the market to restore growth and reclaim the identity it had gradually lost in Portugal.

Maria was going to meet with two other members of the Portuguese board, Isabel Matos (CEO) and Pedro Silva (CFO), as well as Miguel Costa, a representative of Dentsu Creative Portugal, the marketing agency hired by the brand to conduct market research.

As she was entering the headquarters, Maria found herself reflecting on the journey Sacoor Brothers had made over the years.

4.1 From Lisbon to the World. The Rise of Sacoor Brothers

Founded in 1989 by the brothers Malik, Moez, Rahim, and Salim Sacoor, the brand represented their desire to create pieces of clothing that reflected eternal elegance, sophistication, and a deep appreciation of culture. Targeting both men and women aged 25 to 45 (or older individuals who work as executives or in a formal work setting and were looking for premium tailored clothing), Sacoor Brothers grew with the intention of bringing consumers the best quality, experience, and design. This mindset was very present in the brothers9 culture at the beginning of the brand9s foundation, and they eagerly participated in international textile fairs to keep abreast of new trends, fabrics, and innovative technologies. The brand proliferated in Portugal, not only because of the quality of the clothes but also because of the brothers9 ability to market ahead of their time, with the implementation of a loyalty program offering numerous benefits in 1991 being a particularly good example.

As she entered the meeting room, Maria glanced at the mission statement written on the wall: <To exceed our customers9 expectations every day=. The brand9s purpose followed the Japanese Kaizen philosophy 3 a mindset of continuous improvement. Underneath that sentence was a timeline of all the brand9s milestones over the years, including international expansions, new product categories, and new sub-brands for different targets (Case Exhibits 2 and 3).

The company9s first expansion outside Portugal was to Dubai in 2007. This event was exceptionally important because it marked the beginning of an era of growth in the Middle East, which later also encompassed Southeast Asia. The development of the company was so successful that it would eventually lead the company to establishing four headquarters worldwide: in Lisbon for Portugal, Dubai for the Middle East, Riyadh for Saudi Arabia, and Kuala Lumpur, Malaysia for the Southeast Asian market (Case Exhibit 4). Although the brand had opted for a uniform global positioning and strategy across all four headquarters, it was not opposed to changing its strategy if it was experiencing difficulties in a specific country. In this way, the brand had always coordinated its headquarters but was flexible about strategic changes as long as the core business and values remained the same.

By the time it entered Dubai, Sacoor Brothers was selling premium, elegant, and sophisticated clothing for men and women and was one of the best-known brands in the premium segment in Portugal. This was mainly due to the quality, durability, and trendiness of the clothes and the excellent customer service the brand provided, which included a free tailoring and a well-developed loyalty program with numerous benefits. However, although very positive at the time, the brand9s image was merely evaluated by consumers in functional terms and not aspirational terms. The brothers wanted more than that. They wanted those who wore Sacoor Brothers clothing to feel confident, respected, and adored, akin to Hollywood stars. That was when the brothers began to invest in campaigns with up-and-coming US actors of the time, including Jonathan Togo, Adam Rodriguez, and Eva La Rue from CSI Miami, Sara Wayne Callies and William Fichtner from Prison Break, Cristiano Ronaldo, and other celebrities such as William Baldwin, Irina Shayk, and Patrick Dempsey (Case Exhibit 5). Maria remembered seeing campaigns between 2008 and 2015 that remained in her memory because she never thought that a Portuguese brand could go so far. These partnerships resulted in a significant increase in brand awareness and an association of the brand with the exclusive and luxurious Hollywood lifestyle, which attracted new customers who identified with this image, making them more willing to pay a premium for the brand. The partnership with Cristiano Ronaldo further strengthened Sacoor Brothers9 connection to sports, aligning with the brand9s emphasis on competitiveness, endurance, and overcoming challenges. This opened doors to other sports collaborations, such as becoming the official tailor of the Portuguese national football team in 2018 and partnering with the Millennium Estoril Open tennis championship in 2019 (Case Exhibit 6).

Maria was extremely overwhelmed by the negative evolution of Sacoor Brothers in recent years. How could a brand with such a legacy have drifted away like this in the past few years?

Her thoughts were interrupted by the arrival of the other members in the meeting room. It was time to turn this situation around.

4.2 Portugal: An Overview of the Apparel Industry and Financial Landscape

The meeting began with the Chief Financial Officer, Pedro Silva who presented the two graphs showing the decrease in Sacoor Brothers sales and number of stores in Portugal (Case Exhibit 6). Pedro highlighted the progressive decline in operating revenue from 2015 to 2023, justifying the sharp decline in 2020 with the Covid-19 pandemic. He also added that the post-pandemic recovery, although positive, was not enough, and they were already showing signs of decline again from 2022 to 2023 of almost 5 million euros. He also pointed out that, in terms of stores, Portugal had been closing more and more stores. Although closures slowed down after the pandemic, the situation has not reversed, with stores continuing to close yearly since 2020. In 2015, the brand had 26 stores in Portugal, and in 2023, only 12.

He seemed very concerned about the budget, emphasizing that it was limited, and that before developing a recovery strategy, the financial context and consumer spending should be considered, in addition to the non-financial analysis of the market, competition, and consumer perceptions. He proceeded to share the highlights of recent financial indicators.

Apparel Industry in Portugal

In Portugal, the apparel industry achieved massive sales growth in 2023, with an increase of 10.7% compared to the previous year, reaching $7.3 billion in sales. Pedro added that this figure was driven mainly by womenswear, which contributed 61.3% to the total sales[1]. Concerning the evolution of the 5 years prior to 2023 (2018-2023), the apparel industry in Portugal recorded a compound annual growth rate (CAGR) of 1.3% in sales, and it was estimated that this percentage would increase in the following 5 years (2023-2028) to 3.7% (Case Exhibit 7 and 8)[2].

8In terms of the country9s domestic economy, Portugal has improved significantly over the years9 - asserted Pedro. Following the negative impact of COVID-19 on the country9s economy, 2020 was a year in which the country suffered a contraction in GDP that was quickly recovered in the following years, reaching a total value of 267 billion euros in 2023, 2.5% more than in 2022[3]. GDP per capita also evolved positively over the three years (2020-2023), reaching 25,280 euros in 2023, an increase of 8.55% over the previous year (Case Exhibit 9)[4].

However, the increase in this value did not necessarily mean that Portugal had a high level of purchasing power in 2023. In fact, even with the country9s internal improvement, Portugal was still below the European Union average. According to the Purchasing Power Parity, a metric that adjusts GDP per capita to the prices practiced in each country, Portugal9s purchasing power in 2023 was 17% below the average of the European Union countries, ranking 18th out of the 27 constituent countries[5]. Although behind the European average purchasing power, it was estimated that the Portuguese population would continue to purchase more clothes and shoes per capita until 2029, with an increase of 25.73% in consumption compared to 2023 (Case Exhibit 10)[6].

Concerned about the market level growth, Chief Executive Officer for Portugal, Isabel Matos exclaimed: *8Well, this looks like a promising opportunity! At least we can be confident that the decline in the brand9s operating revenue is not due to a lack of growth of the industry in Portugal, but rather an internal problem.9*

4.3 The New Premium Fashion Consumer and Competitors Actions

In the run-up to the meeting, Maria focused heavily on understanding the current Sacoor Brothers9 target, trends, and competition analysis.

Maria explained to the other members that part of brand9s downfall was a lack of knowledge of its target audience. In 2015, the brand communicated an image associated with Hollywood luxury, quality, and service that worked for a comprehensive target age (25 to 45 years old). However, consumer behavior had changed, partly due to the increase in supply. Sacoor Brothers9 offer of quality clothes for a business setting and the somewhat outdated image of Hollywood luxury no longer resonated with its target audience. New trends were emerging, forming clusters of consumers with particular needs, lifestyles, and behaviors. The <new= consumers in the premium fashion market (the ones between 25 and 35 years old), although sharing a general appreciation for this type of clothing, increasingly had more heterogeneous emotional needs. These communities of consumers, with shopping behaviors very much in line with their beliefs and emotional needs, were changing the way brands position themselves in the market. Brands were increasingly concerned with finding their target audience, which,

unlike in the past, had become increasingly swollen and focused on delivering meaning to a specific group of consumers to differentiate. Sacoor Brothers did not follow this phenomenon and, over the years, had remained focused on serving the entire premium fashion market without a solid emotional differentiation that resonated with a group of loyal customers. Maria added: *8We can continue to target from 25 to 45 years old, but we have to find our meaning and identify our consumers within this age range.9*

Maria proceeded to present the four major trends she identified in consumers in the premium fashion market in 2023, as well as examples of actions taken by the main competitors, Massimo Dutti, Hugo Boss, Ralph Lauren, and Gant, to address the changes in consumer behavior. These competitors were selected based on their similarity in product type, quality, and price.

Brand Storytelling and Authenticity

Throughout the years, although some consumers have continued to buy premium clothing based on its functional benefits, the increase in supply has meant that many consumers have become more attentive to brands that captivate them by creating a connection. Brands began to convey their values through communication, and some began to do so creatively through storytelling. These narratives made consumers experience the brand as an experience they could relate to. As a result of this shift in the content of the ads, brands started to stand out and create a community of loyal, trustworthy consumers, thereby generating growth and competitive advantage[7]. Maria found some numbers that have shown that an emotional connection between the brand and the consumer created more value than a satisfied consumer, concluding that when this emotional connection existed, the brand could increase the number of active consumers by 15% and increase the same-store sales growth rate by more than 50%[8].

However, storytelling was not enough. The consumers who truly valued this emotional connection became experts in identifying brands that bluff to build an emotional connection, making authenticity in storytelling the key factor to success in such an overflooded market[7].

Maria showed as an example the Massimo Dutti9s campaign for its fall collection of 2023, which the brand labeled <True Minds= (Case Exhibit 11). Massimo Dutti was known for its marketing communication, which focused on creating narratives that transcended its garments9 quality, design, aesthetics, and timelessness. In its campaigns, Massimo Dutti always sought to create a narrative, a well-developed story that linked the collection to some feeling in the consumer9s mind. These campaigns put the brand in the hearts of consumers by awakening an

even greater desire in them to buy the clothes, not just because of its aesthetic, but because they wanted to feel part of this <cool= community that the brand had embraced. The campaign for the autumn 2023 collection featured 78-year-old actress Charlotte Rampling, who not only appeared as a model but also in voice-over narrating Shakespeare9s play Sonnet 116: Let Me Not to the Marriage of True Minds. The campaign featured two other models and was another great success because of its disruptiveness. The brand used these three models not only to showcase the collection but also as three <true minds= from different generations, with different personalities and lifestyles, contributing as fashion curators for the new collection. This collection awakened the consumer9s sense of the importance of their individuality as a <true mind= worthy of being celebrated and honored.

Isabel commented on the video advertisements used by Sacoor Brothers for their latest collection of 2023, which were being shown in stores, on social media, and on their website: *8The campaign videos are limited to having professional models wearing the clothes and looking at the camera, without any message behind it or narrative that draws emotion from consumers. We must define the message we want to convey and implement it in our communication.9*

Sustainability, Ethical Practices, and Inclusivity

Maria presented the second finding related to a growing consumer expectation for brands to be environmentally conscious, transparent about their supply chain[9], and inclusive in their choices[10]. Studies have shown that products marked as sustainable with economic, sustainable, and social claims (ESG-related claims) grew by an average of 28% in the five years prior to 2023, compared to products without these claims, which only grew by an average of 20%[11], demonstrating a significant increase in consumers concerned about these factors. Maria shared the example of Ralph Lauren that in 2022, developed a campaign called <Earth Polo= that positioned it in consumers9 minds as a sustainable choice (Case Exhibit 12). Ralph Lauren was a brand that was evolving rapidly in terms of ESG claims. The brand created an annual report called the <Global Citizenship & Sustainability Report=, which was re-issued every year with detailed information on all the brand9s activities aimed at being more responsible, protecting the planet, and supporting the communities that intersected with the brand[12]. In this specific collection, Ralph Lauren developed polo shirts with the brand9s recognizable quality stamp but made exclusively from recycled plastic bottles, a campaign that was a huge success. In that same year, the brand developed a spring collection called <Morehouse and Spelman Colleges

Collection=, in collaboration with the two historically black colleges, Morehouse and Spelman (Case Exhibit 13). With this campaign, the brand aimed to promote the <Black Lives Matter=, racial equality and inclusiveness.

Maria added: *8We are losing a sustainably conscious audience by not broadcasting any of our ESG claims anywhere. It is an issue we need to work on in the future.9*

Isabel nodded in confirmation and said, *8Definitely, I am looking forward to your initiatives.9*

Personalization in Experience and E-commerce

Personalization was another hot topic. Premium fashion consumers were increasingly seeking personalized experiences tailored to their unique tastes that made them feel special. In fact, 71% of consumers expected brands to offer personalized products, and around 76% were frustrated if they did not[13]. Brands began introducing personalization methods ranging from exclusive services to bespoke products to enhance the experience. In addition, brands also began to adopt technologies on e-commerce sites that used consumers9 data to personalize marketing messages and product offers based on past purchases[14].

Maria proceeded to share data about advantages to personalizing the consumer experience. It could reduce the cost of customer acquisition by 50%, increase revenues from 5% to 15%, and increase marketing ROI from 10% to 30%[13].

She used the example of Ralph Lauren, which developed a service called <Create Your Own=, where customers could personalize garments from the brand on their e-commerce site, from polos to hats, with different elements, texts, and colors to order (Case Exhibit 14). Gant also improved its online experience through the <Complete Your Look= function, which provided complementary pieces that matched the garment the customer was checking. Another tool was the <Recommended for You= tool, which displayed pieces in the same line as the one the customer was looking at (Case Exhibit 15).
Isabel added: *8I think we can innovate in this sense too! We can personalize many aspects with our brand. I would also like to see your suggestions, Maria.9*

Digital Marketing

The latest trend to significantly impact the market in the years leading up to 2023 was the emergence of digital marketing. Whether through search engine optimization (SEO), pay-per-click (PPC), social media ads, email marketing, or influencer marketing, being digital was a great advantage for brands. On the one hand, all consumers were online, either on social media such as Instagram, Facebook, and TikTok, where they had an active presence, or on Google, where they searched for everything[15].

Digital marketing provided several advantages over traditional approaches[16]. It was cost-effective, allowing brands to invest as little as 5¬ in a sponsored Instagram post and still achieve powerful results. In addition, it enabled precise audience targeting, ensuring campaigns reached the right demographics with minimal waste unlike traditional marketing where everyone sees the same content. Moreover, it enhanced brand awareness because, unlike offline ads, which required individuals to be in a specific place at a specific time, digital marketing reached users wherever they were at any time. Digital marketing also enabled the possibility to measure the performance of the ads, something that marketers struggled with in traditional channels. Finally, through digital platforms, it was also possible to interact with the target audience using social media channels for posting or email newsletters for updates. This two-way communication fostered stronger relationships between brands and audiences, creating loyalty and trust.

Maria shared the example of Hugo Boss, which in 2022, as part of its strategy to increase its visibility in digital, developed a campaign for the Boss brand called <#BeYourOwnBoss= and another campaign for the Hugo brand called <#HowDoYouHugo=. The campaigns partnered with celebrities and TikTok stars such as Kendall Jenner, Hailey Bieber, Khaby Lame, and Maddie Ziegler (Case Exhibit 16). The results were impressive, breaking all the brand9s records, with over 2 billion impressions in a single day. On TikTok, the Hugo Boss official account grew by more than 30% in one day, and global internet traffic to the website more than doubled[17]. It marked the beginning of a powerful and engaging digital presence for the brand.

After Maria finished her presentation, the room remained silent for a few minutes. Isabel sighed deeply as she looked at the images of the competitors9 campaigns.

8After so many years of being known for our innovation9 she exhaled, *8We seem to have stalled in 2015, with no significant marketing updates since then.9*

Maria leaned back in her chair and glanced at Miguel. It was time to understand what the Portuguese consumers had to say about Sacoor Brothers.

4.4 Portuguese Consumer Insights

Miguel Costa stood up and distributed a document containing all the results from the survey conducted by Dentsu Creative into Portuguese consumers9 perceptions of Sacoor Brothers and its competitors Massimo Dutti, Hugo Boss, Ralph Lauren, and Gant (Case Exhibit 17 to 29). While the other meeting members browsed through the statistics, Miguel began by describing the sample, indicating that 502 participants were surveyed and providing some details about the demographics (Case Exhibit 17).

He gave the members of Sacoor Brothers a few minutes for them to discuss the results before Isabel requested that Miguel presented the main conclusions the agency had drawn.

High Awareness Levels

The agency9s first conclusion was that Sacoor Brothers9 awareness levels remained high, with the highest score compared to the direct competition.

To study the awareness, respondents were asked to indicate all the clothing brands they knew. With the answers, two charts were constructed: a <Top-Of-Mind= chart, which only considered the first brand mentioned by each participant, and a <Total References= chart, which included all the brands mentioned by each participant (Case Exhibit 18 and 19). Pedro could not help but notice that Sacoor Brothers went from 5th place in top-of-mind to 14th place in total references. This implied that few people mentioned Sacoor Brothers in their list of recalled brands, but of those who did, most mentioned it first. Was this the information needed to conclude that Sacoor Brothers9 awareness was high? He did not think so:

´Miguel, I am sorry to interrupt you, but I do not think you are making the right analysis here. To begin with, in terms of total references, Sacoor is not the best among the direct competition, as 20.5% of the sample referred Massimo Dutti, and only 15.3% referred Sacoor Brothers in their list of recalled brands (Case Exhibit 19). Analyzing top-of-mind, in this case, does not tell us much if we then check the total references, and we are talking about a mere 15.3% of people spontaneously remembering us.9

Pedro added:

8Furthermore, if you analyze the chart with the results of the question where you asked participants in the universe of Sacoor and its main competitors which ones they knew, we are *not in the first place (Case Exhibit 20). We are actually in second place, alongside Hugo Boss. We must carefully understand what the numbers are telling us, and they are telling us that there is not enough awareness, and certainly not that we have the highest awareness amongst our competitors!9*

Miguel considered for a few seconds and then agreed with Pedro9s analysis, acknowledging it as another way to interpret the numbers. He emphasized the importance of examining the data from every angle and proceed with the other findings.

A Communication Mainly Focused on Discounts

Miguel invited the other members to look at the <Recalled Ads= chart and <Ads Main Message= table, which contained information on the percentage of people who recalled seeing Sacoor Brothers and competitors9 adverts recently, as well as the main messages conveyed by the adverts of each brand they recalled seeing (Case Exhibit 21 and 22). Miguel pointed out two conclusions. Firstly, Sacoor was the brand most remembered in adverts in the competitor universe, with 176 participants (35.1% of the sample) remembering adverts from the brand, which was a good indicator of the success of the communication investment (Case Exhibit 21**).** On the other hand, Sacoor Brothers9 communication was the most associated with discounts among competitors, with 39 people that recalled seeing the brand9s ads mentioning discounts as the main message **(**Case Exhibit 22).

Maria9s eyes widened in disbelief. The number of people mentioning discounts at Sacoor was clearly much higher than the competition9s. She opened her computer, entered the Sacoor Brothers email marketing communication folder, and came across many images associated with discounts (Case Exhibit 23).

It was indeed the brand9s central message.

Lowest Scores in More Than Half of the Attributes

8The last conclusion drawn from our analysis requires your attention to the <Brand Image= table, which benchmarks Sacoor and the competition on various attributes9, requested Miguel (Case Exhibit 26).

He continued: *8The table is divided into nine attributes, of which five Sacoor had the lowest values compared to the competition. The attributes in question were <Premium Brand=, <Quality=, <Good Design=, <Modern/Trendy= and <Sustainable Brand=.9*

Miguel concluded his assessment by emphasizing that Dentsu Creative believed there was a clear need to work on a strategy focused on putting Sacoor Brothers back in the minds of consumers as a desirable brand.

4.5 What Now?

The meeting was approaching its end, and Isabel stood up to wrap up the discussion: *8It is evident that we have reached a critical juncture. We were the trendsetters until 2015, the brand everyone aspired to be part of. However, it seems we have stopped evolving alongside our community. As our once-loyal customers have grown and changed, our efforts to adapt to their evolving needs have not kept pace, leading to a growing disconnect.9*

She grabbed the document with the results of the Dentsu Creative study and proceeded: *8If you look at the table <Purchases at Sacoor in the last year=, you see that only 24.2% of the 96.2% of the sample that knew us actually bought something from Sacoor in 2023 (Case Exhibit 27). And what are the main reasons for not buying? High prices, even on sale and a lack of identification with the brand (Case Exhibit 29). How did we get to this point? We used to be a community, a family that understood and grew with each other. Now, we have lost that narrative. It is a snowball effect, you see. We lose our narrative, and customers do not identify with us anymore and stop buying. So, we rely on discounts. That generates some sales, but up to a certain point. However, as we continue to be boring, customers lose interest, and even with discounts, they wait for the following big discount from the brand, making us do it again. We must find our storytelling and restore the emotional bond that made Sacoor what it was before. Otherwise, we risk continuing on this downward spiral, becoming a brand that survives on discounts rather than desirability.9*

Isabel looked at Maria and asked: *8Maria, I trust you. What do you think we should do? Do you think abandoning discounts and focusing on communicating a more cohesive message will improve our results?9*

Maria took a deep breath and said: *8I think it is a question of positioning. Small marketing changes will not improve results when we have serious perception problems in the minds of our* *consumers. Before launching another campaign or abandoning discounts, we need to figure out our space in consumers9 minds and our current target based on our entire heritage and values. We need to reposition the brand.9*

4.6 Options

A week later, Maria was at home, still thinking about the meeting9s conclusions. She had just received an email from Dentsu Creative with some ideas the agency had agreed to send her to help her with the process (Case Exhibit 30). In a few days, Maria would meet with the board again and urgently needed to organize her thoughts. Consumers have fundamentally changed. But what should Sacoor9s priority be? Being more present in the consumer9s mind, or changing its perception in the consumer9s mind?

After some reflection, Maria was able to define Sacoor Brothers9 new target: The Aspirational professionals: individuals aged 25 to 45 with ambitious professional careers looking for brands that reflected their successes and aspirations. They valued style, elegance, sophistication, and quality. This target perfectly reflected what the brand has built up over time and the consumers of the past. However, something was missing. Maria looked again at the trends of younger consumers (25 to 35 years old) and realized that, although these were important factors of innovation and new standards that consumers were looking for in premium fashion brands, Sacoor would have to prioritize them. Maria could not stop remembering Isabel9s closing speech at the meeting and how much the word <boring= stuck in her mind. Sacoor Brothers was perceived as a discount driven brand and boring. This was the word that led Maria to believe that a repositioning was necessary. Even if the communication changed, it would not be sufficient to change this perception, which was the opposite of what it was 10 years ago. Maria thus decided to look at Dentsu9s ideas (Case Exhibit 30).

During the process of analyzing the ideas, several questions arose in Maria9s mind:

Is targeting aspirational empowerment sufficient to reconnect with Sacoor9s audience? Can sustainability be a brand positioning considered authentic in the eyes of the consumer without alienating its heritage? Does personalization deliver enough aspirational value for premium positioning? Would another Hollywood-inspired campaign feel innovative or outdated?

4.7 Looking Ahead

Maria knew that implementing this change would require caution, as it could confuse consumers or cause them to perceive inauthenticity. For this reason, the change had to be consistent with the brand9s essence while simultaneously being modern and in line with new consumer trends.

However, the fundamental questions remained: Is Sacoor9s problem a matter of communication, or does the brand need to reposition itself holistically? Moreover, what idea/direction aligns best with its heritage and values while appealing to modern consumers?

In addition to all of the above, Maria still had to come up with actionable KPIs to present at the next meeting so that it would be possible to measure the success of the chosen option once it had been implemented.

5. Teaching Note

5.1 Synopsis

Sacoor Brothers, a Portuguese premium fashion brand founded in 1989, has built its reputation on constant innovation, sophistication, and quality of products and services, together with building a relatable identity with the consumer. Despite the brand9s success over the years in international expansions, the brand has suffered a contraction in operating revenue and number of stores in the Portuguese market over the past 8 years due to inconsistencies in positioning, changes in consumer preferences, and pressure from competitors. Maria Santos, CMO of Sacoor Brothers, faces a critical decision-making juncture where she must determine whether to continue with incremental improvements to the brand9s current positioning or to adopt a bolder strategy that could fundamentally reposition the brand in the market. This situation challenges students to analyze the brand9s current state, explore macro trends, benchmark the brand against the competition, and analyze consumer insights to evaluate the options. At the same time, students must consider the risk of consumer confusion or perceived inauthenticity when implementing changes.

5.2 Learning Objectives

This case study is suitable for Brand Management courses since it explores issues related to multiple branding concepts, such as brand equity and positioning. It is also interesting for Strategic Marketing students as it demonstrates the importance of a holistic approach to a constantly evolving market, where brands must adopt strategic marketing measures for sustainable growth and success. In addition, this is also a case of great interest for Consumer Behavior courses because it presents an extensive analysis of consumer trends and consumer insights, which must be analyzed to implement successful changes.

The learning objectives of this case study are as follows:

- To understand the importance of a brand9s heritage, consumer perceptions, competitor analysis, and macro trends to develop strategic alternatives.
- To employ frameworks such as SWOT Analysis and Keller9s Brand Equity Pyramid to identify Sacoor Brothers9 strengths and weaknesses, market opportunities and threats, and the emotional and/or functional factors behind the loss of resonance with consumers.

- To benchmark Sacoor Brothers against the competition based on customer insights to identify possible points for improvement.
- To strategically evaluate whether Sacoor Brothers should improve its existing positioning or pursue a comprehensive repositioning, and then discuss the four proposed ideas provided by Dentsu Creative, considering their alignment with the chosen strategic direction and the brand9s heritage, market trends, differentiation, and feasibility.
- To understand how to measure the success of strategic changes by formulating actionable KPIs post-implementation.

5.3 Assignment Questions

1. Analyze the perceptions of the Sacoor Brothers in the context of declining sales (2023). How are the brand9s perceptions compared to the ones of the competitors, according to Dentsu9s research?
2. Apply Keller9s Brand Equity Pyramid to examine the dimensions of the brand equity of Sacoor Brothers in 2023. What where the main changes since 2015? Based on this comparison, where is the brand falling short in resonating with its target audience?
3. Conduct a SWOT Analysis to identify what positive and negative factors in Sacoor Brothers9 internal and external environment are shaping its challenges and opportunities in 2023.
4. Based on these findings, should the brand pursue another improvement on its current positioning or fundamentally reposition itself? Discuss the four proposed ideas provided by Dentsu Creative considering how they align with the chosen strategic direction and the brand9s heritage, market trends, differentiation and feasibility.
5. What KPIs should Sacoor Brothers implement to track the success of the chosen strategy?

5.4 Analysis

There are three main areas of discussion in this case:

1. Examine Sacoor Brothers9 position vis-à-vis the competition, the evolution of its brand equity from the past to the present and performing a macro and micro analysis to organize the information both revealed and presented in the case. Here, students will

better understand the external and internal environment, which are essential when implementing changes.

2. Discuss rather Sacoor Brothers should pursue another improvement on its current positioning or fundamentally reposition itself and analyze the four proposed ideas provided by Dentsu Creative according to the main conclusions drawn from the analysis conducted in the previous point.
3. Propose metrics and actionable KPIs to measure the success of the chosen strategy.

1. Understanding the External and Internal Environment

Benchmarking Analysis

A great starting point for discussing the case is to compare Sacoor Brothers with its competitors through the eyes of Portuguese premium fashion consumers. This analysis is extremely important, as it is an excellent way of uncovering Sacoor Brothers9 strengths and weaknesses in relation to competitors Massimo Dutti, Hugo Boss, Ralph Lauren, and Gant. It is worth noting that Sacoor9s weaknesses will only become threats if they are attributes that consumers highly value.

Therefore, it is necessary first to review what the premium fashion consumer trends are in 2023, according to the case:

- **Brand Storytelling and Authenticity** - Due to the increase in supply, consumers are becoming more demanding regarding how they relate to brand communications. Brands that bring a more emotional and authentic side, with a strong narrative that connects their essence to that of the consumer, gain more ground in consumers9 minds.
- **Sustainability, Ethical Practices, and Inclusivity** - Consumers increasingly expect brands to be environmentally conscious, transparent about their supply chain, and inclusive in their choices.
- **Personalization in Experience and E-commerce** - Premium fashion consumers increasingly seek personalized experiences tailored to their unique tastes that make them feel special. Whether it is exclusive services, bespoke products to enhance the experience, personalizing marketing messages, product offers based on previous purchases, or other services that ultimately tailor the experience to each consumer9s needs, it will make them feel more connected to the brand.

- **Digital Presence** - Consumers are online, either on social media such as Instagram, Facebook, and TikTok, where they maintain an active presence, or on Google, where they search for everything. Through digital platforms, brands interact with their target audience using social media channels for posts or email newsletters for updates. This two-way communication fosters stronger relationships between brands and audiences, creating loyalty and trust.

Considering these trends in the benchmarking analysis will be fundamental, as it will allow students to understand the significance of Sacoor9s scores in specific attributes and identify the priorities on which the brand should focus to exploit or improve.

Table 2 summarizes Sacoor9s position in the various attributes compared to the competition. It also includes a gap analysis, which breaks down whether an attribute is a Sacoor9s strength or weakness. Students should be encouraged to participate in the selection of attributes based on the information in the case and the analysis of the exhibits (Exhibits 20, 21, 22, 24 and 26). The instructor should emphasize that this analysis is a data-driven one rather than merely qualitative.

Table 2: Benchmarking Analysis

Attribute	Sacoor Brothers	Massimo Dutti	Hugo Boss	Ralph Lauren	Gant	Gap Analysis
Awareness	2nd	1st	2nd	4th	3rd	Strength
Ads Activity	1st	2nd	3rd	5th	4th	Strength (?)
Main Communication Message	Discounts	New Collection	Clothes for Man	Quality and Elegance	Clothes for Man	Weakness
Digital Presence	1st	2nd	3rd	5th	4th	Strength (?)
Perceived Premium-ness	5th	4th	1st	2nd	3rd	Weakness
Perceived Value for Money	2nd	1st	3rd	5th	4th	Strength (?)
Perceived Quality	5th	4th	1st	3rd	2nd	Weakness
Perceived Design Ap-peal	5th	3rd	1st	4th	2nd	Weakness
Perceived Trendiness	5th	2nd	1st	3rd	4th	Weakness
In-store Service Qual-ity	3rd	2nd	1st	5th	4th	-
Online Service Quality	5th	2nd	1st	4th	3rd	Weakness
After-sales Service Quality	3rd	2nd	1st	5th	4th	-
Perceived sustainabil-ity	4th	3rd	1st	5th	2nd	Weakness

Source: Casewriter

During the benchmarking process, the instructor should encourage students to be critical, asking questions such as: Given these results, are you surprised by the decline in Sacoor Brother9s sales? Do you think the weaknesses are linked? What do you think is the most important weakness that needs to be improved? Why? Is good value for money a strength when consumers associate a premium brand with discounts?

Students should already be placing their bets on the fact that the brand communicates too many discounts for a premium positioning in the market, neglecting the emotional relationship with the consumer, negatively affecting other perceptions. It should also be noted that the weaknesses of sustainability and online service are two other topics that Sacoor should improve separately.

Comparing Brand Equity: Past vs. Present

At this stage, the students already have a good idea of Sacoor9s position in the consumer9s mind in relation to its competitors. However, it is still necessary to clarify which dimension (functional or emotional) most interferes with the progressive consumer disconnection the brand has experienced in recent years. To this end, a good exercise to reveal the main problem would be to compare Sacoor9s brand equity in the past (up to 2015) and present (from 2015 to 2023) by filling out Keller9s Brand Equity Pyramid. It should be clear to the students that the information needed to build and measure Sacoor9s brand equity up to 2015 is in the section of the case where Maria retrospect Sacoor9s events from its foundation (1989) up to 2023 (<From Lisbon to the world. The rise of Sacoor Brothers= case section) (see TN Exhibit 1).

Students must analyze various aspects of the case to build the Sacoor Brothers pyramid in 2023. For the brand performance and brand image blocks, students should look at the results of the benchmarking analysis, where the new emotional and functional associations are drawn. For the consumer feelings and judgments blocks, students should analyze exhibits 28 and 29, which contain the reasons for buying (or not buying) Sacoor Brothers in 2023, with a list of reasons reflecting consumers9 opinions (positive and negative) of the brand. To study the brand consumer resonance block, students should look at exhibit 27, which contains the number of participants from the sample universe who knew Sacoor Brothers and actually bought something from the brand in 2023, to observe the scenario of active consumers (see TN Exhibit 2). The instructor should encourage the students to actively participate in researching information from the text and the benchmarking analysis performed in the previous point to construct the new pyramid.

The instructor should end this part of the analysis with some questions intended to provide the students with essential reflection and help them dig even deeper into the reasons behind this decline: Was the brand actually losing quality? Or was that just a perception derived from the discounts? Moreover, why did the brand start discount in the first place? What do you think was behind this need? Do you think they lacked investment to create an emotional bond through communication because they were selling little? Or did they start selling less because they had the investment but got carried away? What should be improved first, functional, or emotional aspects?

SWOT Analysis

Conducting a SWOT Analysis of Sacoor Brothers in 2023 is essential before discussing options since it summarizes all the information contained in the text, the exhibits, and the previous analysis points in a concise and organized structure. The instructor should remind students that organizing the takeaways from the previous two points is insufficient to perform the SWOT Analysis and that more information on the case and exhibits must be considered.

Strengths

- Sacoor has a strong brand heritage, rooted in premium tailoring and elegance.
- Sacoor still enjoys a strong brand awareness score. It has achieved the best score in Top-of-mind (Exhibit 18) and second place in the total references (Exhibit 19) and in the competitors9 universe alongside Boss (Exhibit 20).
- Sacoor has the highest number of participants recalling having seen a Sacoor ad compared to its competitors (Exhibit 21).
- Sacoor was the second brand with the highest perception of good value for money (Exhibit 26).
- According to consumers, Sacoor Brothers is the brand with the most digital presence among the competitors (Exhibit 24).

The instructor can raise some questions about the last three strengths to encourage the students to consider whether they are really strengths: Is it a strength to be the brand most remembered in advertisements when only 24.2% of those who know Sacoor bought something in 2023? Isn9t it just a sign that the brand is investing too much in advertising that does not resonate? What about the good value for money score? Is that beneficial? Or is it just the result of aggressive discounting? Is having the most prominent digital presence beneficial when it focuses on communicating discounts rather than storytelling and creative campaigns like the competition is doing?

Weaknesses

- The main message recalled in Sacoor9s ads by consumers is <Discounts=, being the only brand in the competitors9 universe with the focus on discount-driven communication (Exhibit 26). This undermines the premium image of Sacoor.
- Consumers consider Sacoor9s quality, premiumness, design, modernity, online service, and sustainability to be the worst among the competition (Exhibit 26).
- Sacoor has a low percentage of consumers actually buying the product, with only 24.2% of consumers who reported buying something in 2023 within the universe of those who know the brand (Exhibit 27)
- Even with many discounts, Sacoor is still associated with high prices for what it offers as a brand. Customers believe that the discounted price is fair for the quality, but that outside of periods of functional need for the product, no affinity leads the customer to consume from Sacoor, demonstrating an emotional disconnection with the brand (Exhibit 28 e 29).

Opportunities

- The compound annual growth rate of the apparel industry in Portugal is estimated to increase to 3.7% from 2023 to 2028. In the prior 5 years, the CAGR was only 1.3%.
- The Portuguese population will continue to purchase more clothes and shoes per capita until 2029, with an increase of 25.73% in consumption compared to 2023.
- Rising consumer interest in brand authenticity and storytelling.
- Rising consumer interest in sustainability, ethical practices, and inclusivity.
- Rising consumer interest in personalization in experience and e-commerce.
- Rising consumer interest in online engagement.

Threats

- Portugal9s Purchasing Power is below the European Union average.
- The premium market is highly competitive, with Sacoor9s competitive universe already developing initiatives to address the opportunities mentioned.
- Competitors are outperforming Sacoor in key attributes related to trends (opportunities), such as online service and sustainability, and in others that are fundamental to

maintaining its reputation and relevance, such as the perception of premiumness, quality, and trendiness (Exhibit 26).

2. Discussing Strategic Options for the Brand9s Future

The instructor should begin this analysis by addressing Maria9s main issue: should the brand improve its current positioning or reposition itself?

The instructor should encourage students to think critically about what is really behind the issue.

To facilitate this process, some questions can be posed to the class, such as: do you think this emotional disconnection and loss of resonance with the brand caused by discount-driven marketing can be effectively addressed by only changing communication and eliminating discounts? Isn9t it possible that consumers may fail to notice the change in the company9s communication, remaining emotionally disconnected from the brand, and that eliminating discounts together with higher prices could backfire, driving them further away instead of fostering the desired connection? Do you think communicating past achievements or innovations while keeping everything else the same is enough to change consumer perceptions of the brand? Shouldn9t there be a more holistic approach?

This debate must end with a balance of short-term recovery vs. long-term differentiation. Students should realize that, yet another marketing campaign can lead to momentary consumer enthusiasm but that the lack of a holistic strategic plan can sooner or later lead to the brand being associated with discounts and becoming <boring= again. A comprehensive re-evaluation of all aspects of the brand, although more meticulous, time-consuming, and complex, can lead to long-term differentiation, giving the brand a competitive advantage that is difficult to damage. Thus, a comprehensive repositioning is necessary to rebuild emotional resonance and establish a distinctive image and a defensible position in the market.

Now that it is clear that Dentsu Creative9s options will form the foundation for a repositioning strategy rather than a simple marketing campaign, students should evaluate each option based on the following criteria: differentiation (how distinctive the idea is, compared to the competition), alignment with the brand9s heritage (how does the idea build on Sacoor9s historical values and strengths), alignment with market trends, and feasibility (since there is no information regarding costs of implementation, feasibility will be measured based on how realistic the idea is given the operational constraints it might encompass).

Option 1: The Luxury of Being You

Differentiation - High. This option, which is focused on establishing an emotional connection with the consumer, differentiates not in the sense of aspirational positioning, as the competition already does (such as Massimo Dutti), but in the type of aspirational meaning related to empowerment and confidence.

Alignment with Trends - This option aligns with the storytelling trend, as it concentrates heavily on bringing a new image to Sacoor in which each piece, campaign, and purchase aims to create a narrative around empowerment and overcoming.

Alignment with Heritage - This is a strong alignment. The new focus on sophistication and confidence reinforces the previous premium and aspirational brand identity.

Feasibility - Moderate. Improving existing assets (e.g., loyalty programs and brand heritage) could decrease implementation challenges. However, retraining staff to deliver the new brand image and integrate the new initiatives across physical and digital touchpoints will still be necessary.

Option 2: Beyond the Surface

Differentiation - Strong in sustainability. Few premium fashion competitors fully embrace circular economy initiatives as their core business (Ralph Lauren is the competitor with most initiatives, but it is not its core business), which can provide a clear point of distinction to Sacoor.

Alignment with Trends - This option aligns with the trends of sustainability and ethical practices.

Alignment with Heritage - Moderate. While innovation aligns with Sacoor9s values, the focus on sustainability diverges from its historical aspiration for sophistication.

Feasibility - Challenging. Implementing sustainable practices requires adapting supply chains and investing in new technologies, making this alternative ambitious and complex.

Option 3: The Art of You

Differentiation - Moderate. Personalization is increasingly common in the premium market, making it less unique (all of Sacoor9s direct competitors have some personalization in their offerings, with Ralph Lauren standing out).

Alignment with Trends - It is highly aligned with the trend of storytelling, with a narrative related to a museum theme highlighting the uniqueness of each personalized piece, each customer9s individuality, and the trend of personalized experiences and bespoke products.

Alignment with Heritage - Moderate. While this alternative aligns with Sacoor9s focus on providing a premium, customer-centric experience, it places too much emphasis on bespoke products, which has not historically been a core focus of the brand9s legacy.

Feasibility - Challenging. Implementing personalization requires ongoing investment in technology, adaptation of production processes, training staff to manage bespoke offerings, and integration of the new services into existing systems to maintain quality and efficiency.

Option 4: Modern Hollywood

Differentiation - Low. A celebrity-driven (or influencer-driven, in this case) campaign risks being perceived as unoriginal, replicating strategies already used by competitors (and Sacoor itself in the past), and failing to provide a unique identity for Sacoor in the market.

Alignment with Trends - Limited. While it uses digital marketing trends, it does not address more profound consumer emotional expectations.

Alignment with Heritage - Moderate. The approach aligns with Sacoor9s past campaigns with the Hollywood stars.

Feasibility - High. This option is time-efficient, cost-effective, and straightforward to implement. It focuses on enhancing existing marketing assets and digital presence.

In order to ultimately choose one option over the others, the instructor can start by raising some questions regarding the applicability of each idea realistically in a repositioning. For instance, does it make sense for Sacoor Brothers to abruptly shift its core business to focus exclusively on sustainability? While sustainability has undeniably become a standard expectation for consumers, a brand can adopt meaningful initiatives without overhauling its identity. Would it be reasonable for Sacoor to suddenly transform into a Patagonia-like brand after 30 years of positioning itself differently? What about personalizing the experience? Isn9t that ultimately an initiative aimed at enhancing the consumer experience? While personalization can add value and strengthen the brand9s appeal, does it offer a transformative enough impact to serve as the foundation for a complete repositioning strategy, or is it better suited as a complementary enhancement to the existing positioning?

The answer to these questions should naturally lead students to choose the first option, <The Luxury of Being You,= as the foundation for brand repositioning. For future implementations, the class could also discuss implementing sustainability and personalization initiatives to complement this repositioning and improve the brand experience.

The instructor should end this analysis by encouraging reflection on repositioning. More than evaluating each alternative, the repositioning implementation strategy also requires careful crafting. The change of focus can lead to risks associated with perceived inauthenticity by consumers or lack of fit with the previous brand positioning. To mitigate those risks, the brand must emphasize the essence of the choice, its values, and the benefits it seeks to give the consumer. Planning communication strategies must be purposeful and original to achieve the desired customer resonance with the brand.

3. Proposing Metrics and KPIs to Measure the Success of the Chosen Strategy

Planning metrics and KPIs before implementing the chosen strategy is fundamental to ensuring that the brand has a set of measures in place to track the implementation9s success or failure. The instructor should encourage students to think about what objectives the brand wants to achieve with this new direction (based on the takeaways from the whole analysis) and what metrics and KPIs should be used. TN Exhibit 3 summarizes the points that should be explored.

5.5 Teaching the Case

Before the case analysis class, students should read the case and answer the assignment questions individually at home, familiarizing themselves with it. This self-preparation is essential to ensure a proper discussion in class and to make it as productive as possible. Assuming an 80-minute-long class, the case discussion flow should be structured as follows:

- Introduction (10 minutes)

- Understanding the External and Internal Environment (30 minutes)
- Discussing Strategic Options for the Brand9s Future (20 minutes)
- Proposing Metrics and KPIs to Measure the Success of the Chosen Strategy (15 minutes)
- Wrap-up (5 minutes)

The instructor should start the discussion with an introduction, write <Sacoor Brothers= on the board, and ask the students what relevant information has been retrieved from the brand9s milestones in its golden years. The discussion that follows the introduction (benchmarking analysis, Keller9s Brand Equity Pyramid comparison, and the SWOT Analysis) should follow the order of this Teaching Note, with the board plan suggestions shown in TN Exhibit 4. It is important to mention that the instructor should ask the questions found throughout this Teaching Note to stimulate the students9 critical thinking and help them better understand the case9s takeaways.

To discuss the four options from Dentsu Creative, the instructor can divide the class into four and ask each group to evaluate the option based on differentiation, alignment with trends, alignment with heritage and feasibility. Finally, the class should brainstorm important metrics and KPIs to measure the post-implementation success of the chosen strategy.

The last few minutes of the lecture should be used to wrap up the case in which the key takeaways are presented:

1. Premium brands must maintain consistent messages and offers to reinforce their identity. Sacoor Brothers9 shift to discount-focused communication jeopardized its perception of superior quality, showing the risks of misaligned positioning.
2. Emotional connections between brands and customers are key to building a network of loyal consumers and a higher retention rate. When consumers identify with a brand, they are more willing to engage with it and pay higher prices. Sacoor9s loss of focus on establishing emotional relationships with customers is an excellent example of how the loss of brand resonance leads to decreased brand loyalty.
3. The premium fashion market is becoming increasingly dynamic and competitive. When brands analyze differentiation strategies or conduct repositioning, they must analyze market trends and consumer insights related to the brand, analyze the competition, and balance this analysis with the brand9s heritage. This balance is fundamental to maintaining relevance.

4. There will always be trade-offs when evaluating strategic options. The Sacoor example demonstrates how different strategic options can address various significant trends from the consumer9s perspective. With this impasse, brands must reflect and balance their heritage, market dynamics, differentiation, and the feasibility of each choice. They should also bear in mind that, more than the choice of a strategic option, the implementation strategy and respective choice of KPIs are just as important to ensure that the improved positioning or repositioning is seen as authentic and relatable in the eyes of the consumer.

5. Conclusion and Limitations

The case of Sacoor Brothers shows the difficulty of a brand in the premium fashion market to differentiate and position itself in a highly competitive and dynamic market, demonstrating how challenging it is to maintain a brand9s heritage at a time when consumers are increasingly demanding. The case highlights how important it has become for consumers to feel connected and identified with brands. Sacoor did not follow this movement in Portugal due to a lack of strategic vision and ended up evolving as a discount-driven brand, leading to a progressive disconnection with the consumer and a consequent loss of premium brand perception.

The options proposed in the case reflect different strategies to restore the connection and resonance with the consumer and its premium image. However, each presents unique trade-offs, demonstrating the difficulty of making decisions in such dynamic markets. By applying the theoretical frameworks presented in the Teaching Note, the case serves as a practical real-world example for students to analyze the data, evaluate alternatives, and use the necessary critical thinking to make strategic decisions.

While this case has been developed using a robust amount of primary and secondary data, it still has some limitations.

Firstly, the researcher was only able to interview one member of Sacoor Brothers and obtain access to one market survey. Although the data was complete, it lacked insights and perspectives from other company employees and other types of consumer data, such as focus groups or individual interviews with Sacoor consumers, which could enrich the analysis. However, the company did use one source of market research to make their repositioning decisions, which reinforces realism of the case as a pedagogical tool.

Secondly, this case study explores explicitly Sacoor9s repositioning in the Portuguese premium fashion market, so it should not be considered for other geographical areas where the brand operates, such as the Middle East and Southeast Asia. Further research could also study consumers in these regions and market dynamics to create repositioning strategies that are more tailored to each market9s specificities.

Finally, the repositioning alternatives presented are merely theoretical and lack information on implementation and maintenance costs and real-world testing, leaving their feasibility and respective impacts open to further exploration. Additionally, the researcher was unable to obtain data quantifying the relative importance of each trend for premium fashion consumers. This limitation means the selected option may not necessarily reflect the trend with the greatest weight or value for this audience, leaving this aspect for further investigation and analysis.

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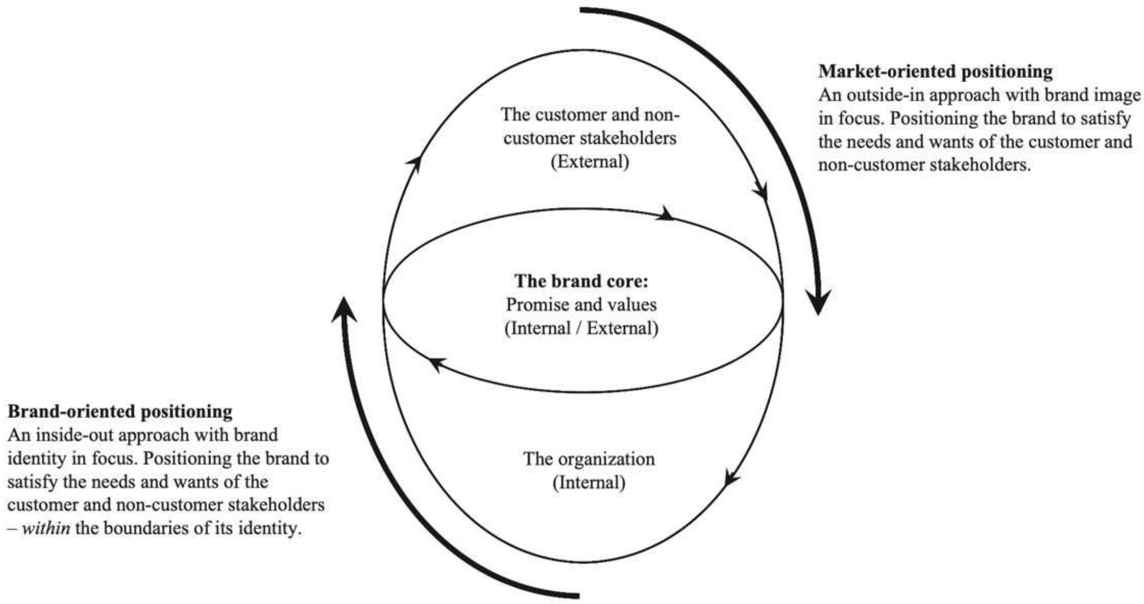
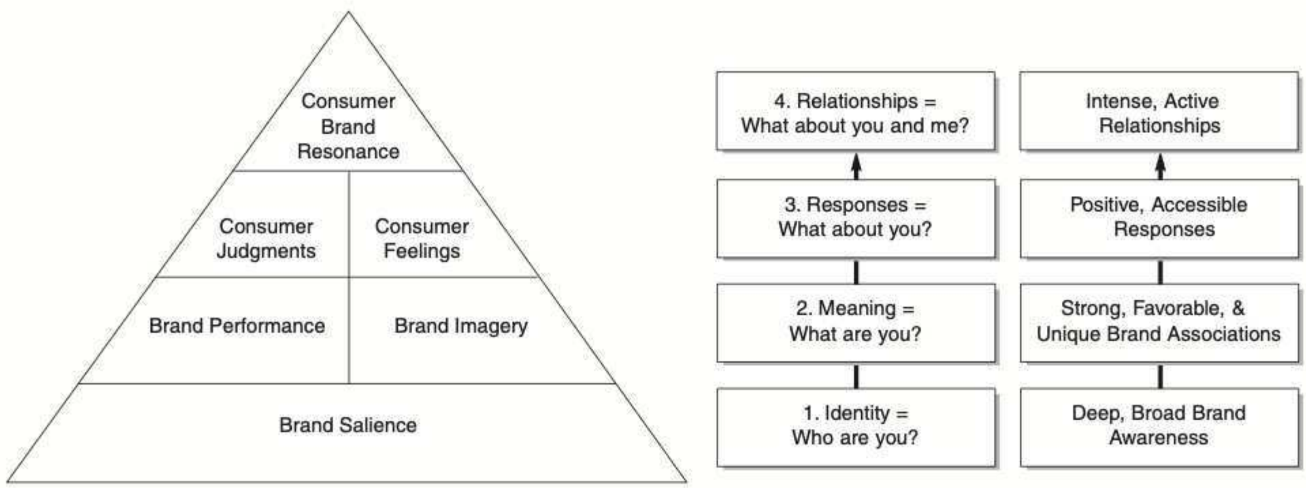
7. Appendix I: Literature Review Exhibits

LR Exhibit 1: Approaches to Positioning



Source: Urde & Koch (2014)

LR Exhibit 2: Customer-Based Brand Equity Pyramid



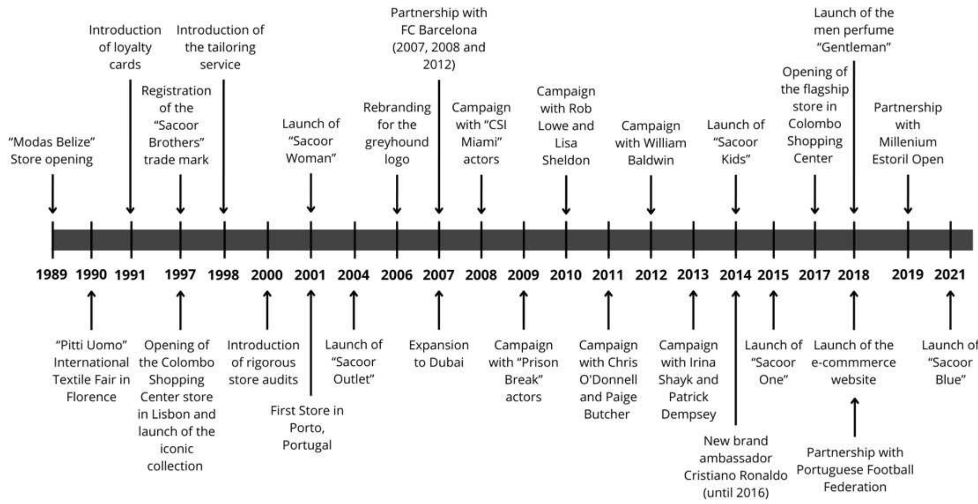
Source: Keller (2001)

LR Exhibit 3: Subdimensions of Brand-Building Blocks

Source: Keller (2001)

8. Appendix II: Case Exhibits

Case Exhibit 1: Sacoor Brothers Timeline



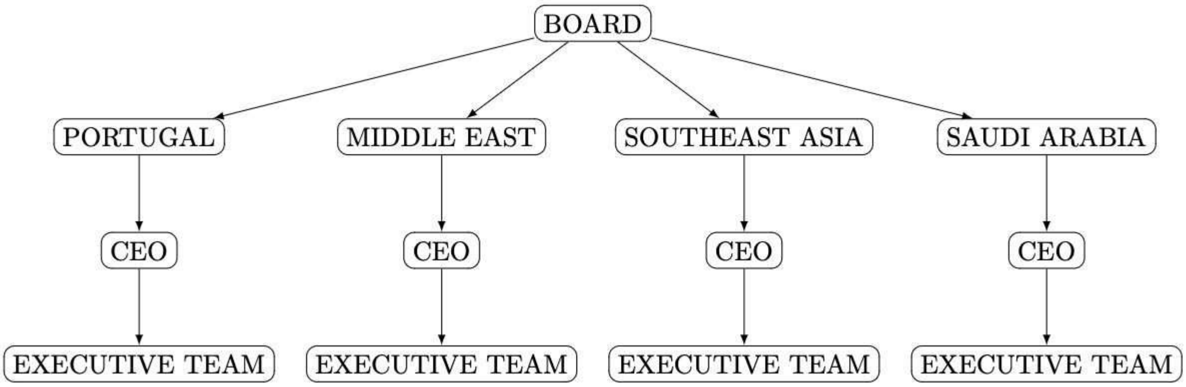
Source: Casewriter

Case Exhibit 2: Sacoor Brothers9 Sub-Brands

Sub-brand	Year	Description
Sacoor Woman	2001	This sub-brand targeted the female market, offering a range of sophisticated and stylish apparel that aligned with the brand's signature aesthetic of elegance and quality. Sacoor Woman provided a diverse collection from formal to casual wear, designed to meet the fashion needs of women in various professional and personal contexts.
Sacoor Outlet	2004	Created as a solution to manage overstock and past season collections, Sacoor Outlet allowed the brand to sell these items at reduced prices. This sub-brand was more accessible to budget-conscious consumers without compromising the brand's perceived value in its mainline stores.
Sacoor Kids	2014	This sub-brand extended the brand's offerings to children's wear, providing stylish, high-quality clothing for the younger audience. Sacoor Kids mirrored the adult styles in child-friendly forms, allowing for coordinated family fashion statements and introducing the brand's values to the next generation.
Sacoor One	2015	This sub-brand was focused on a more relaxed, casual lifestyle approach compared to the main Sacoor Brothers lines. Sacoor One targeted consumers looking for premium yet comfortable daily wear. This sub-brand combined Sacoor's quality with more contemporary, everyday styles.
Sacoor Blue	2021	Targeted at a younger, fashion-oriented audience, Sacoor Blue distinguished itself with its focus on sustainability and trendy designs. However, Sacoor did not invest in the communication of this launch, which did not significantly alter public perception about the brand's lack of environmental commitment. Additionally, Sacoor decided to change the known logo of a greyhound to a bicycle for this sub-brand, resulting in reduced association with the main Sacoor Brothers brand, hindering consumer recognition and connection with the brand's established identity.

Source: Casewriter

Case Exhibit 3: Sacoor Brothers Global Organizational Structure



Source: Casewriter

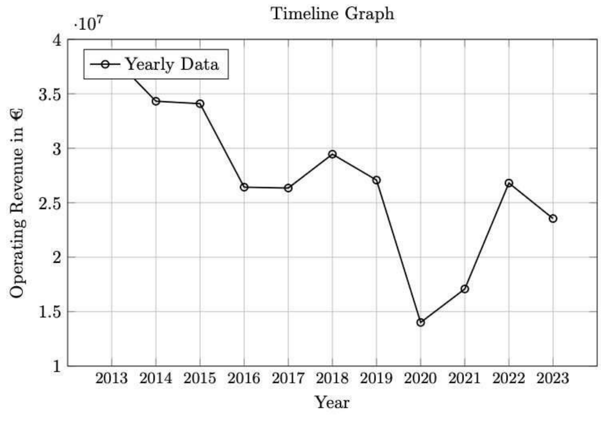
Case Exhibit 4: Examples of Campaigns with Hollywood Stars

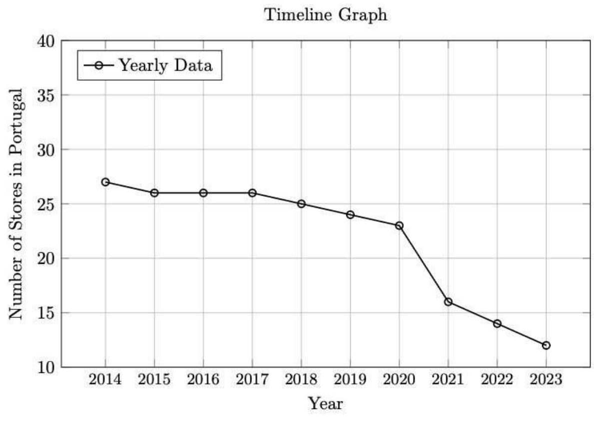
Source: Casewriter

Case Exhibit 5: Partnership With FPF and Millennium Estoril Open

Source: Casewriter

Case Exhibit 6: Sacoor9s Operating Revenue and Number of Stores in Portugal (2013-2023)





Source: Casewriter based on public sources

Case Exhibit 7: CARG (2018-2023) Apparel Retail Industry in Portugal

Category	2018	2019	2020	2021	2022	2023	2018-23 CARG (%)
Womenswear	4,110.9	4,029.3	2,983.9	3,909.7	4,012.0	4,474.8	1.7%
Menswear	1,837.2	1,791.3	1,368.0	1,714.4	1,732.5	1,882.5	0.5%
Childrenswear	913.9	885.1	784.0	859.2	854.1	946.6	0.7%
Total	6,862.0	6,705.7	5,135.9	6,483.3	6,598.6	7,303.9	1.3%

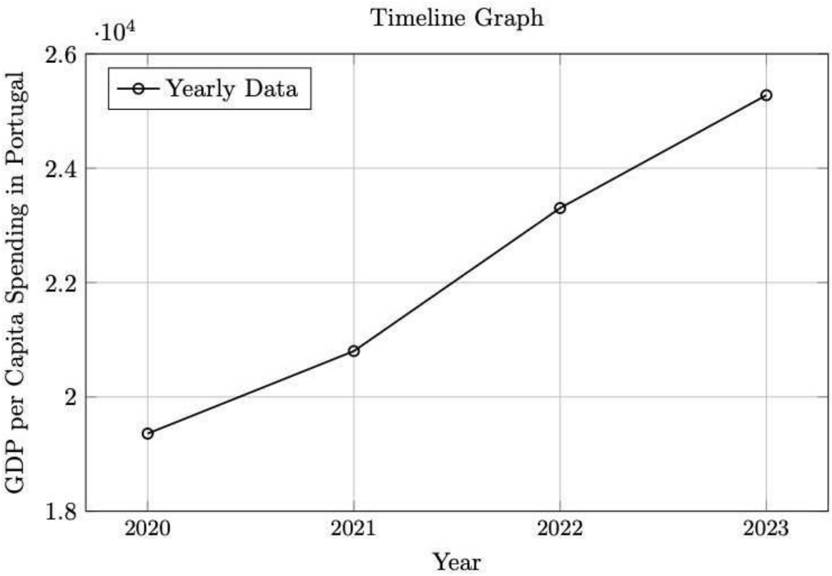
Source: MarketLine, Apparel retail in Portugal

Case Exhibit 8: CARG Forecasted (2023-2028) Apparel Retail Industry in Portugal

Year	$ million	€ million	% Growth
2023	7,303.9	6,754.9	10.7%
2024	7,502.8	7,078.1	2.7%
2025	7,852.8	7,384.2	4.7%
2026	8,176.8	7,675.5	4.1%
2027	8,472.0	7,942.5	3.6%
2028	8,748.9	8,193.5	3.3%
CARG: 2023-28			**3.7%**

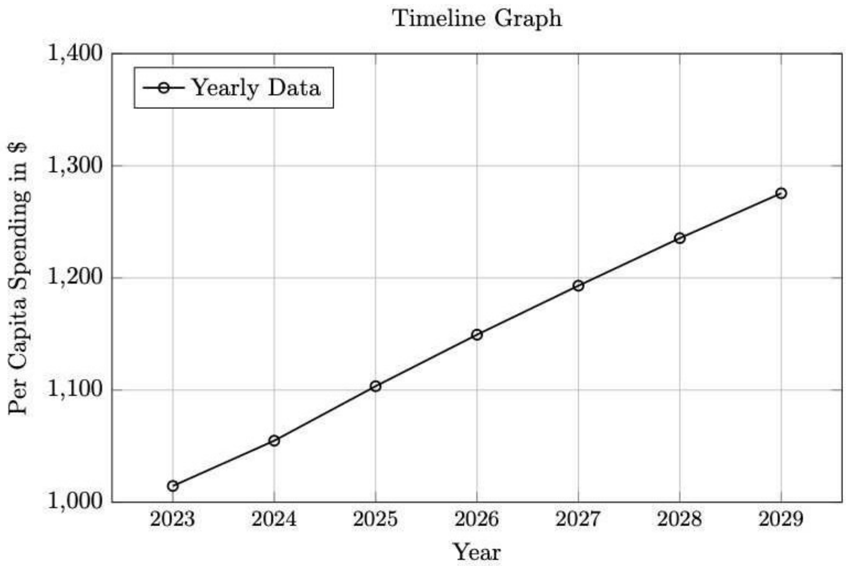
Source: MarketLine, Apparel retail in Portugal

Case Exhibit 9: GDP per Capita in Portugal 2020-2023



Source: Portdata, Gross domestic product (GDP) per capita

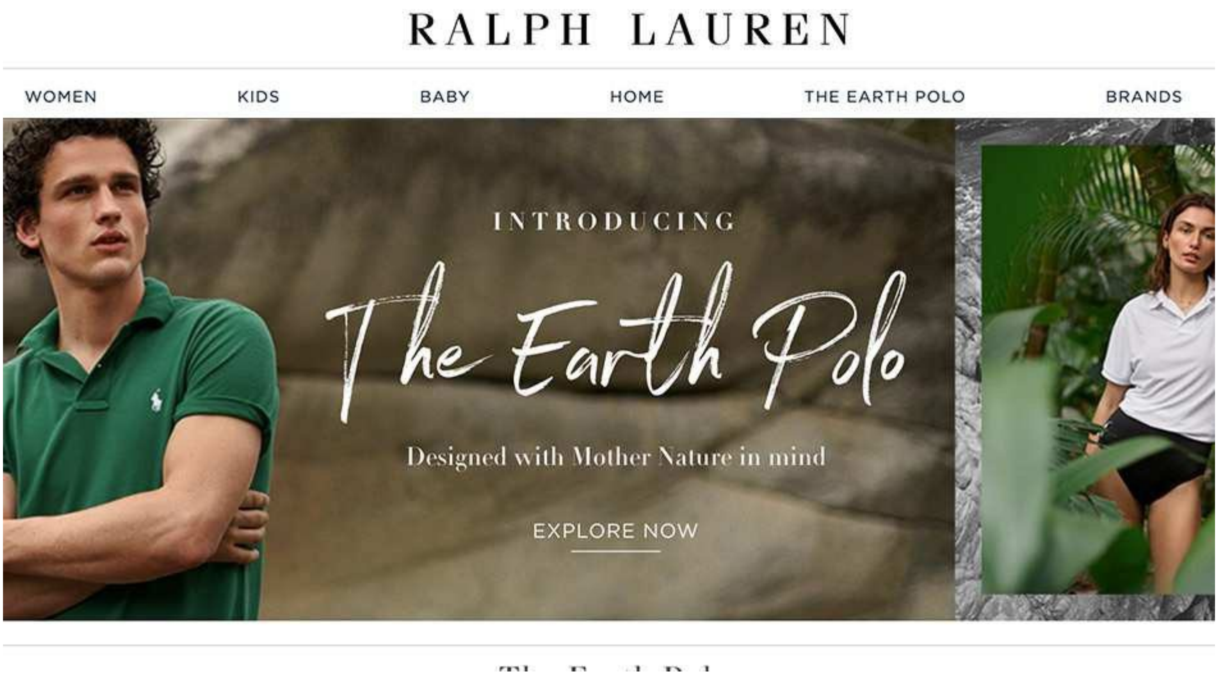
Exhibit 10: Real per capita consumer spending on clothing and footwear in Portgual (2023-2029) in $



Source: Statista, Real fashion consumer spending per capita forecast in Portugal

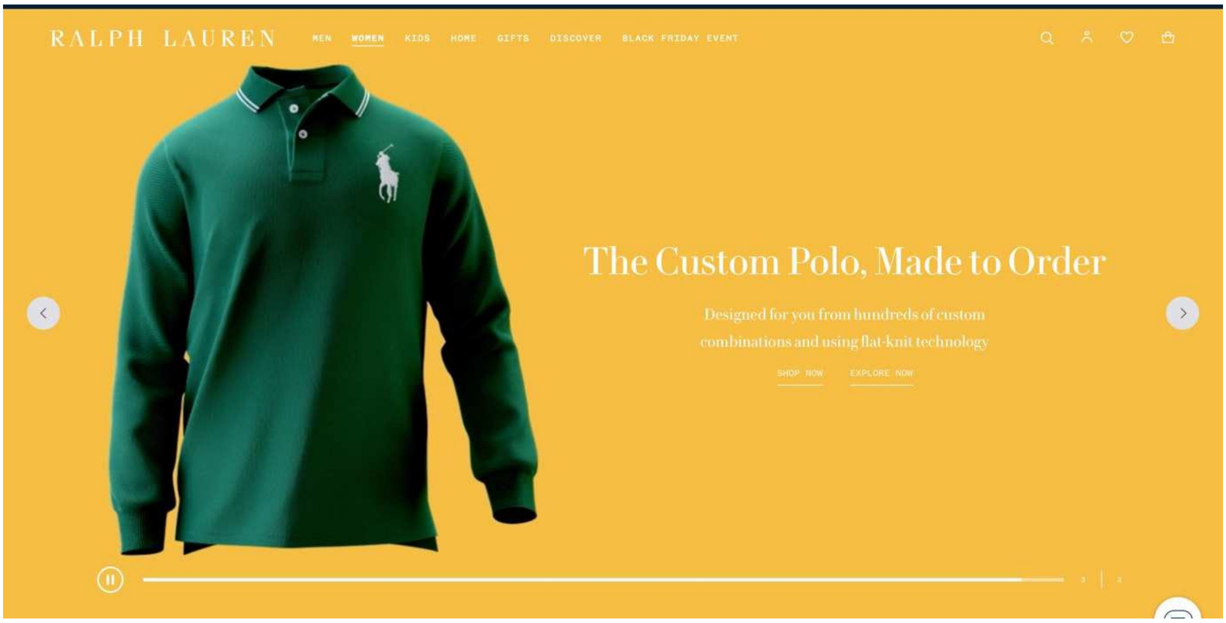
Case Exhibit 11: Massimo Dutti9s <True Minds= Campaign

Case Exhibit 12: Ralph Lauren9s <Earth Polo= Campaign

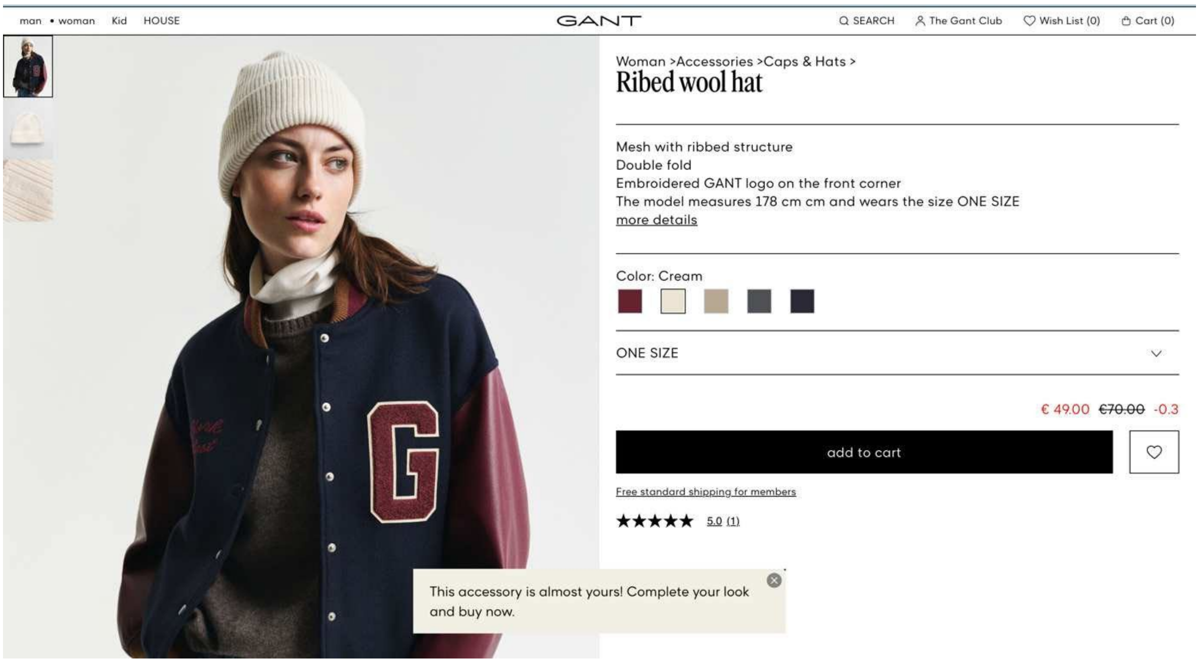


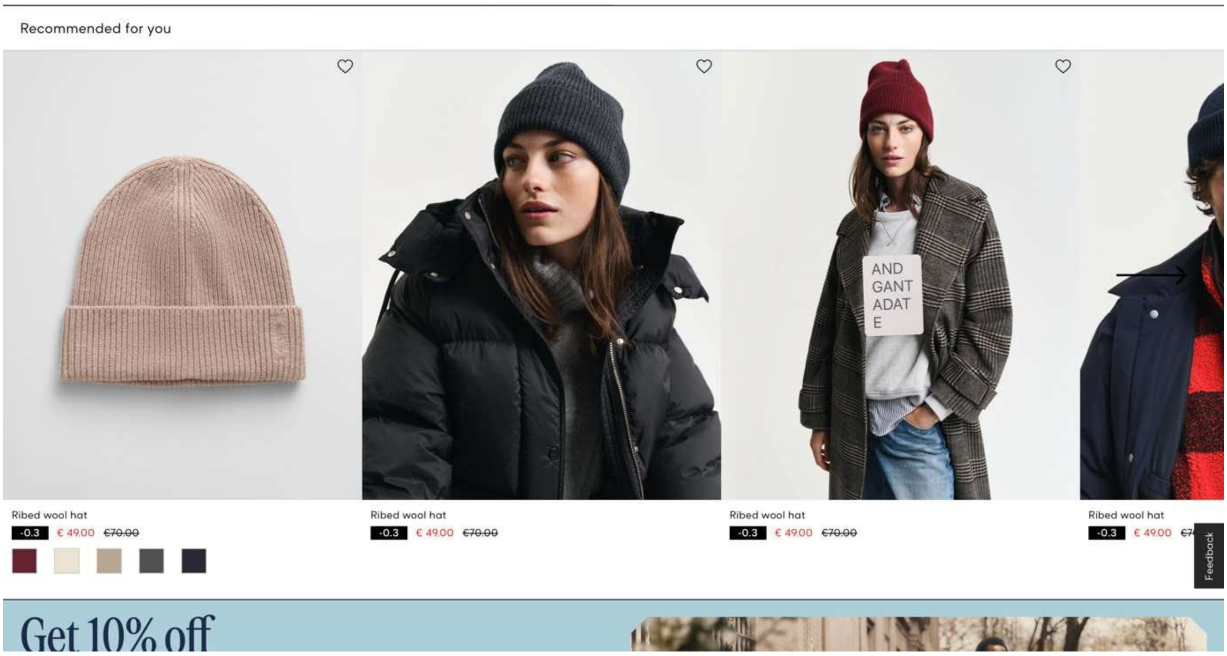
Case Exhibit 13: Ralph Lauren9s <Morehouse and Spelman Colleges Collection= Campaign

Case Exhibit 14: Ralph Lauren9s <Create Your Own= Service



Case Exhibit 15: Gant <Complete Your Look= and <Recommended for You= Tools





Case Exhibit 16: Hugo Boss9s <#BeYourOwnBoss= and <#HowDoYouHugo= Campaigns

Case Exhibit 17: Dentsu Creative - Sample Description and Distribution Table

The following appendices refer to the survey results conducted by the marketing agency hired by Sacoor Brothers - Dentsu Creative Portugal.

<The study was conducted among individuals aged 25 to 54, residing in mainland Portugal, and belonging to social classes A, B, and C1. A total of 502 interviews were carried out, proportionally distributed across the variables of gender, age, and region, based on the 2021 General Population Census data provided by INE, as requested by the client. Random extractions of potential respondents were conducted from an Access Panel, following the rules defined for sample selection. The extraction was performed randomly, based on a set of pre-collected emails. Emails were sent individually, inviting recipients to complete a questionnaire. The email body included a direct link to access the questionnaire. By clicking on the link, respondents were redirected to a Marktest page, where they could start filling out the questionnaire quickly and easily. To guarantee the security of online communication, Marktest uses a security protocol that safeguards the reading and interception by third parties of the data transmitted when completing the survey. The study was conducted using the C.A.W.I. system (Computer Assisted WEB Interview), which enables the digital and computer-assisted administration of the questionnaire. Data collection took place from November 29 to December 7, 2023. 3 Dentsu Creative=

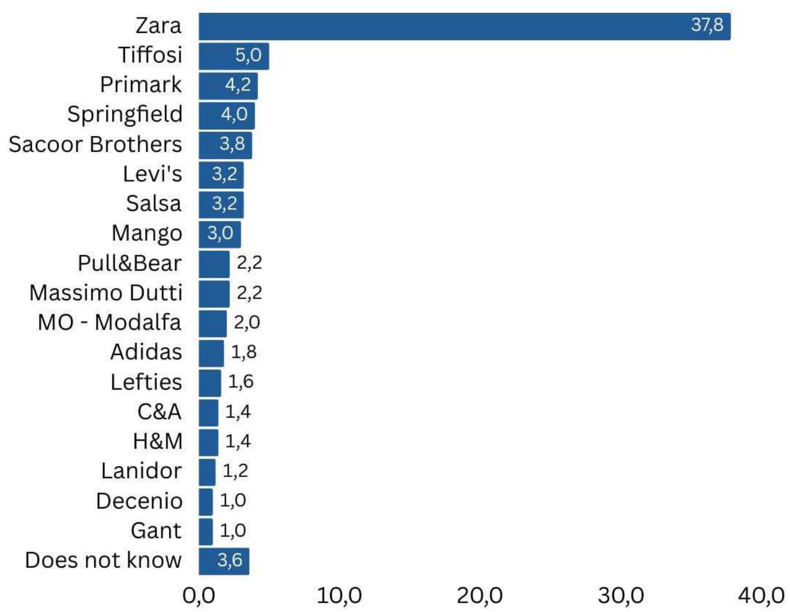
		Sample	%
	Total	502	100
Gender	**Male**	243	48.4
	Female	259	51.6
Age	**25/34**	133	26.5
	35/44	176	35.1
	45/54	193	38.4
Region	**Grande Lisboa and Grande Porto Region**	178	35.5
	Rest of the country	324	64.5
Social Class	**A/B**	266	53
	C1	236	47

Source: Dentsu Creative Research

Case Exhibit 18: Dentsu Creative - <Top-Of-Mind= Results (values in %)

Question: <Think of clothing brands and write down all the ones you know or have heard of. <

This chart only accounts for the first brand mentioned by each participant.

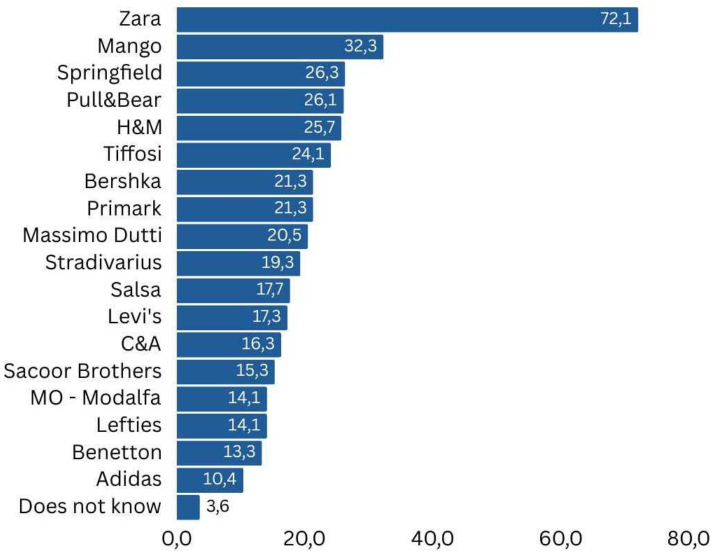


Source: Dentsu Creative Research

Case Exhibit 19: Dentsu Creative - <Total References= Results (values in %)

Question: <Think of clothing brands and write down all the ones you know or have heard of. <

This chart accounts for the first brand as well as the additional references mentioned by each participant.

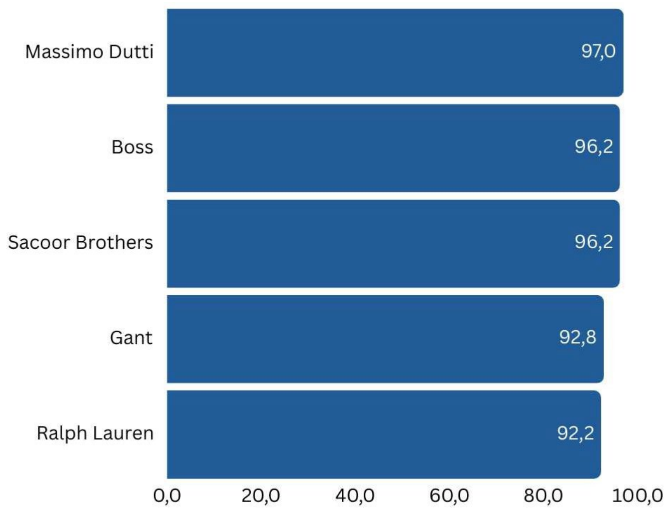


Source: Dentsu Creative Research

Case Exhibit 20: Dentsu Creative - <Total Declared After Suggestion= Results (values in %)

Question: <Which of the following clothing brands do you know or have heard of? <

Brands: Sacoor Brothers, Massimo Dutti, Hugo Boss, Gant, and Ralph Lauren

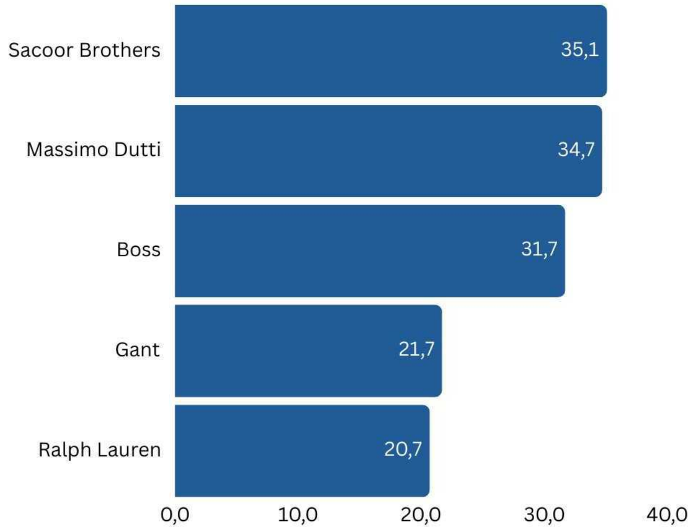


Source: Dentsu Creative Research

Case Exhibit 21: Dentsu Creative - <Recalled Ads= Results (values in %)

Question: <Which of the following clothing brands do you remember seeing or hearing advertised recently? <

Brands: Sacoor Brothers, Massimo Dutti, Hugo Boss, Gant, and Ralph Lauren



Source: Dentsu Creative Research

Case Exhibit 22: Dentsu Creative - <Ads Main Message= Results

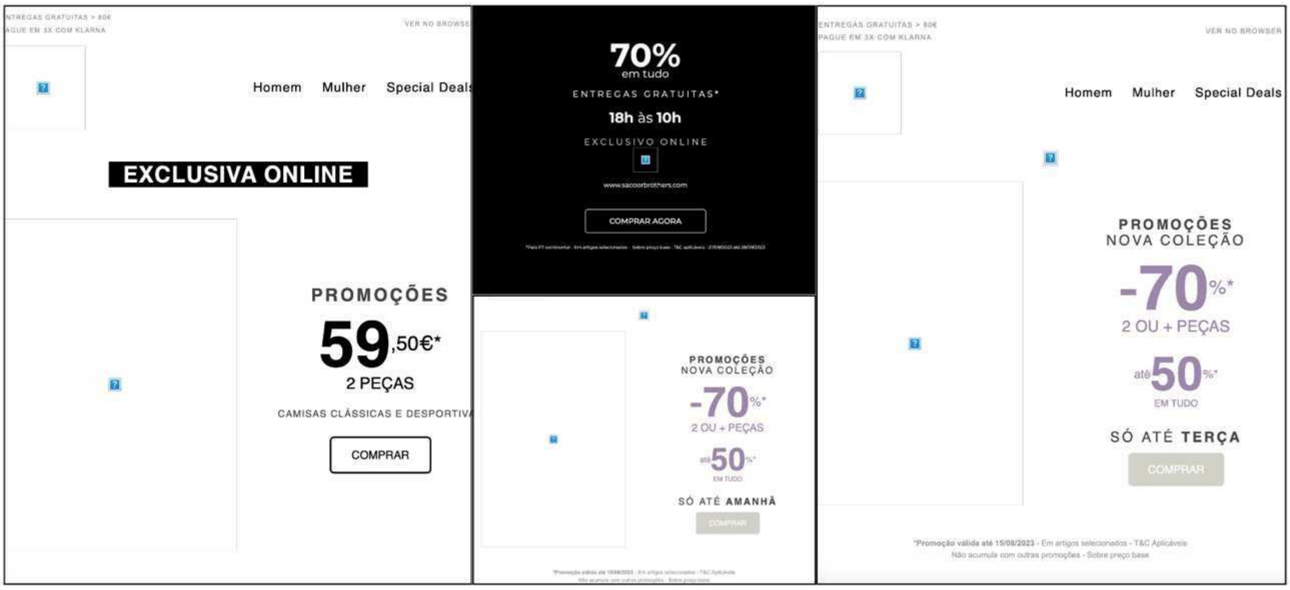
Question: <Select the main message you have seen, heard or read in the advertisings for the clothing brand *(name)*. <

Question asked for all the brands that the respondent recalled being advertised in Exhibit 20.

		Main Message				
Brand	**Total Recalled Ads**	**Discounts**	**Clothes for Man**	**New Collection**	**Quality and Elegance**	**Other**
Sacoor Brothers	176 (35.1% of 502)	39 (22.2% of 176)	35 (20% of 176)	72 (40.7% of 176)	15 (8.6% of 176)	15 (8.5% of 176)
Massimo Dutti	174 (34.7% of 502)	18 (10.3% of 174)	9 (5.4% of 174)	61 (34.7% of 174)	52 (30.1% of 174)	34 (19.5% of 174)
Boss	159 (31.7% of 502)	13 (8.1% of 159)	72 (45.4% of 159)	18 (11.1% of 159)	54 (34.2% of 159)	2 (1.2% of 159)
Gant	109 (21.7% of 502)	10 (9.6% of 109)	48 (43.7% of 109)	12 (10.7% of 109)	32 (29.2% of 109)	7 (6.8% of 109)
Ralph Lauren	104 (20.7% of 502)	9 (8.8% of 104)	32 (30.7% of 104)	11 (10.9% of 104)	37 (35.7% of 104)	15 (13.9% of 104)

Source: Dentsu Creative Research

Case Exhibit 23: Sacoor Brothers Latest Email Marketing Campaigns

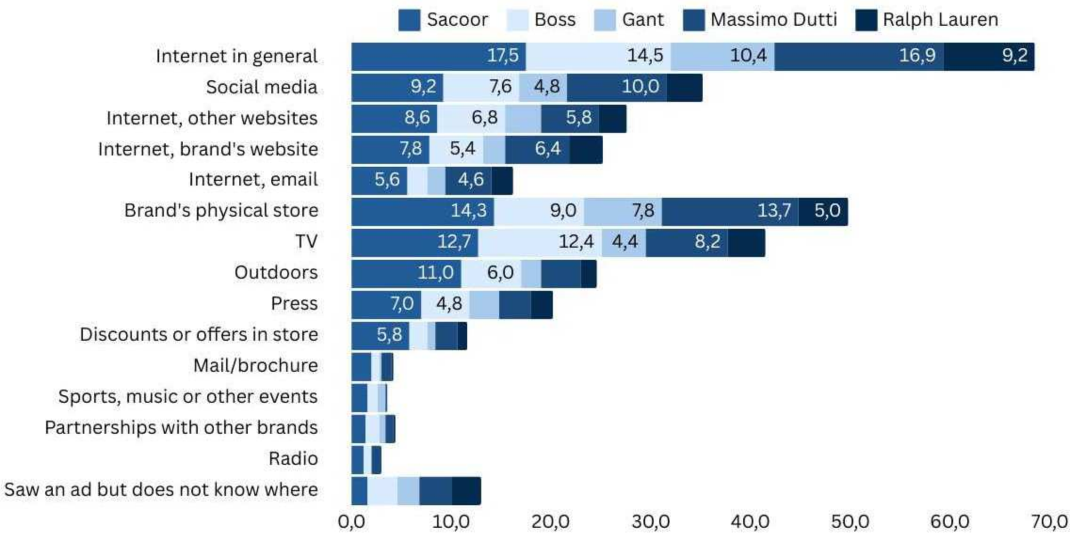


Source: Casewriter

Case Exhibit 24: Dentsu Creative - <Communication Channels= Results (values in %)

Question: <Recently, you remember seeing or hearing advertising for the clothing brand *(name)*. In which of the following communication channels was the brand advertised? <

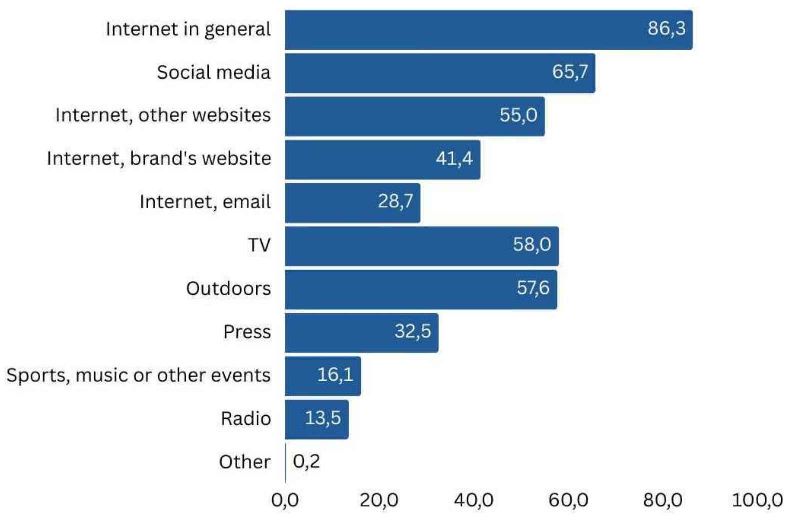
Question asked for all the brands that the respondent recalled being advertised in Exhibit 20.



Source: Dentsu Creative Research

Case Exhibit 25: Dentsu Creative <Suggested Communication Channels= Results (values in %)

Question: <In your opinion, which of the following communication channels should the brands we have been discussing communicate on? <



Source: Dentsu Creative Research

Case Exhibit 26: Dentsu Creative - <Brand Image= Results

Question: <Using a scale of 1 to 5, where 1 means that you do not agree at all and 5 means that you totally agree, please indicate to what extent you agree with each of the following phrases regarding the clothing brand *(name)*. <

Question asked for all the brands that the respondent knew in Exhibit 19.

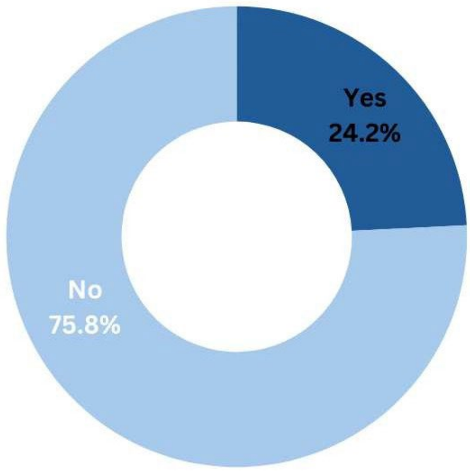
Perceived Premiumness	Perceived Value for Money	Perceived Quality	Perceived Design Appeal	Perceived Trendiness	In-store Service Quality	Online Service Quality	After-sales Service Quality	Perceived Sustainability
Boss: 4,15	Massimo Dutti: 3,37	Boss: 3,96	Boss: 3,93	Boss: 3,8	Boss: 3,78	Boss: 3,53	Boss: 3,56	Boss: 3,27
Ralph Lauren: 4,1	Sacoor Brothers: 3,28	Gant: 3,88	Gant: 3,81	Massimo Dutti: 3,67	Massimo Dutti: 3,76	Massimo Dutti: 3,5	Massimo Dutti: 3,54	Gant: 3,27
Gant: 3,98	Boss: 3,15	Ralph Lauren: 3,88	Massimo Dutti: 3,81	Ralph Lauren: 3,65	Sacoor Brothers: 3,75	Gant: 3,45	Sacoor Brothers: 3,52	Massimo Dutti: 3,27
Massimo Dutti: 3,8	Gant: 3,15	Massimo Dutti: 3,78	Ralph Lauren: 3,81	Gant: 3,65	Gant: 3,65	Ralph Lauren: 3,45	Gant: 3,48	Sacoor Brothers: 3,23
Sacoor Brothers: 3,77	Ralph Lauren: 3,14	Sacoor Brothers: 3,71	Sacoor Brother: 3,73	Sacoor Brothers: 3,53	Ralph Lauren: 3,64	Sacoor Brothers: 3,43	Ralph Lauren: 3,46	Ralph Lauren: 3,23

Source: Dentsu Creative Research

Case Exhibit 27: Dentsu Creative - <Sacoor Brothers9 Purchases in 2023= Results (values in %)

Question: <Have you purchased from Sacoor Brothers in the past year? <

Question asked for all the respondents who knew Sacoor Brothers in Exhibit 19.

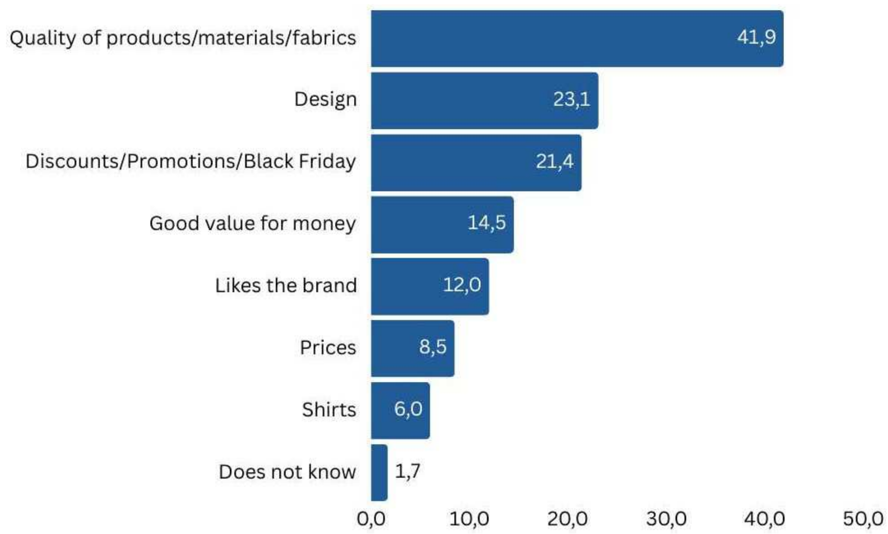


Source: Dentsu Creative Research

Case Exhibit 28: Dentsu Creative - <Reasons That Lead to The Purchase= Results (values in %)

Question: <What reasons led you to make that purchase? <

Question asked for all the respondents who answered affirmatively in Exhibit 26.

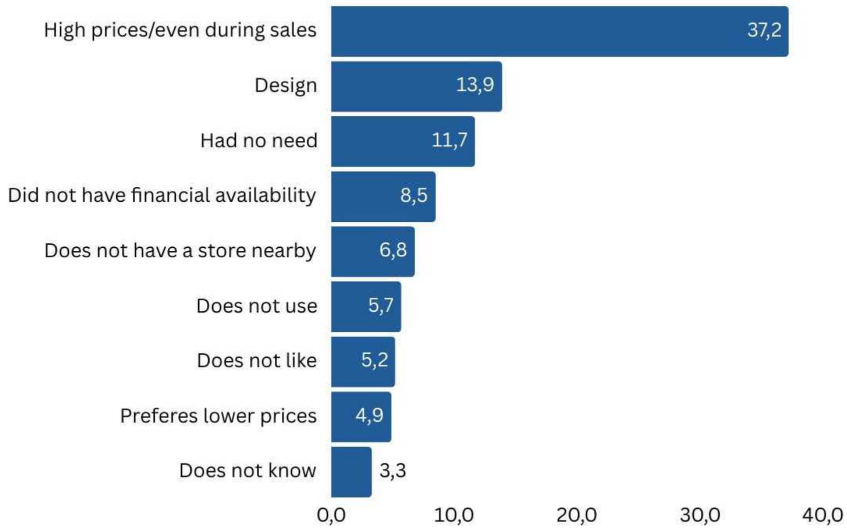


Source: Dentsu Creative Research

Case Exhibit 29: Dentsu Creative - <Reasons That Lead to Not Purchase= Results (values in %)

Question: <What reasons led you not to purchase from Sacoor Brothers? <

Question asked for all the respondents who answered negatively *in Exhibit 26.*



Source: Dentsu Creative Research

Case Exhibit 30: Dentsu Creative Ideas/Options

Idea Name	Description	Target Audience
The Luxury of Being You	This idea celebrates confidence and sophistication, showcasing Sacoor Brothers as a partner in life's most defining moments. A new limited collection, Aspire, would include elegant suits and refined outerwear designed to enhance consumers' sense of achievement. Additional initiatives include exclusive loyalty program benefits, such as access to motivational workshops and styling sessions, and a luxurious store redesign to elevate the shopping experience.	Men and women aged 25-45 seeking a brand that aligns with their aspirations for success, confidence, and sophistication. This audience values timeless elegance and emotional connections with the brands they choose.
Beyond the Surface	This idea positions Sacoor Brothers as a champion of sustainable sophistication. A capsule collection, Circular Grace, would feature garments made from recycled and organic materials. Transparency would be emphasized through QR codes providing production details, while a resale marketplace for pre-loved Sacoor items would support a circular economy. Greener store designs and collaborations with sustainability-focused influencers would enhance the brand's eco-friendly credentials.	Men and women aged 25-45 environmentally conscious who value premium products but are motivated by sustainability, ethical practices, and the opportunity to make socially responsible choices without compromising on style.
The Art of You	This idea focuses on individuality and personalization. Consumers could customize garments through the Made-for-Me collection, choosing details like monograms and trims. Workshops in flagship stores would teach creative customization skills, while social media campaigns would feature real customers' unique designs. A museum-themed launch campaign would highlight Sacoor's craftsmanship and the artistry of bespoke tailoring.	Creative and fashion-forward individuals aged 25-45 who value personal expression and unique experiences. These consumers are drawn to brands that make them feel special and connected through tailored services and products.
Modern Hollywood	This idea updates Sacoor Brothers' historic connection to Hollywood glamour by reimagining it for the digital age. A bold social media campaign would feature Portuguese influencers as "this era's Hollywood stars," wearing Sacoor collections in glamorous settings. The campaign would emphasize exclusivity, luxury, and a connection to the brand's heritage while tapping into the power of influencer marketing for digital reach.	Young, trend-savvy consumers aged 25-35 who are highly active on social media and influenced by celebrity culture. They are drawn to brands that exude glamour and exclusivity but are presented in a modern and relatable way.

Source: Dentsu Creative Research

9. Appendix III: Case Endnotes

1. MarketLine. (2024). *Apparel retail in Portugal*. Retrieved November 3, 2024, from https://advantage.marketline.com/Analysis/ViewasPDF/portugal-apparel-retail-ml-221624
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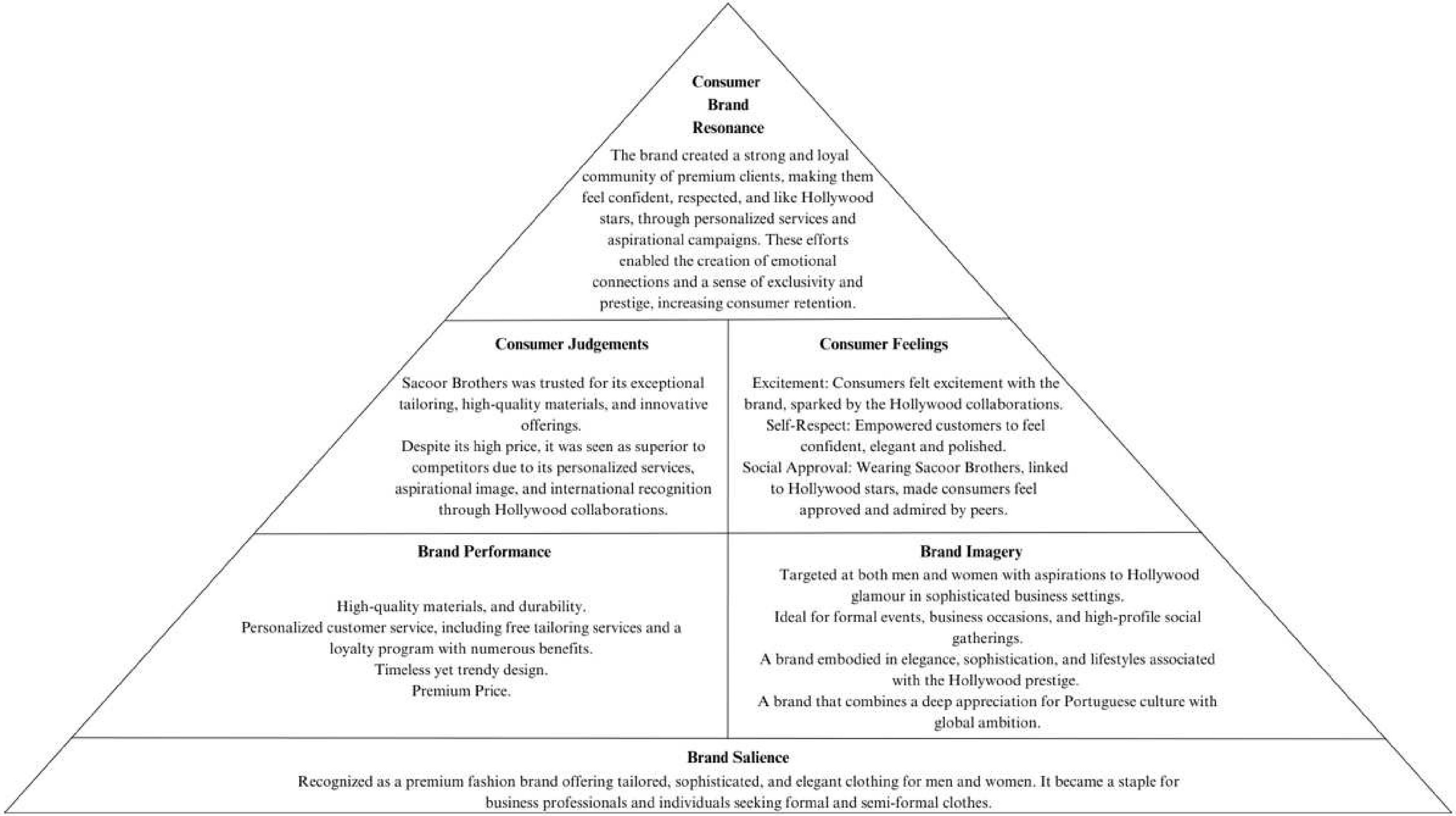
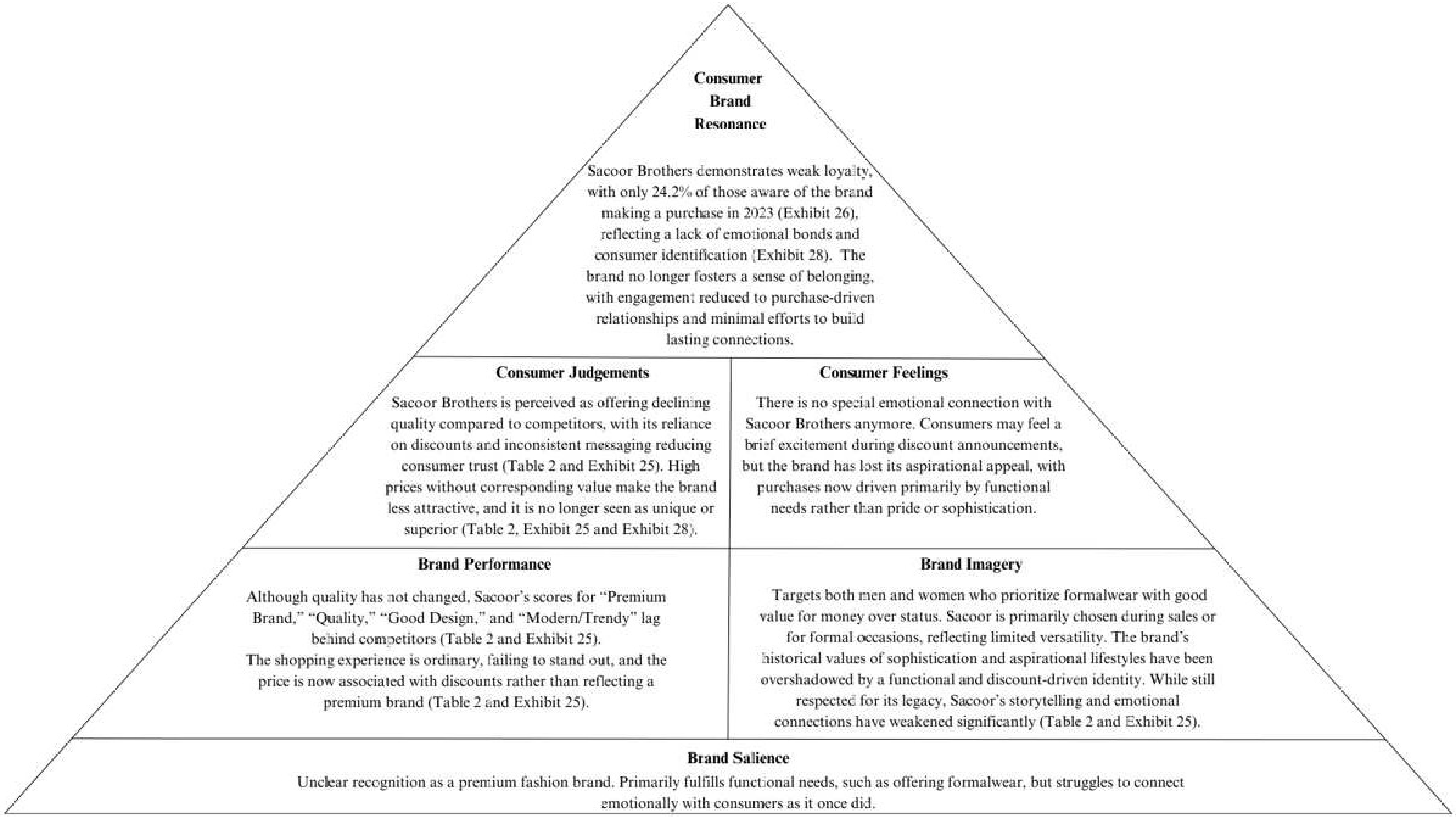
10. Appendix IV: Teaching Note Exhibits

TN Exhibit 1: Keller9s Brand Equity Pyramid (Until 2015)



Source: Casewriter

TN Exhibit 2: Keller9s Brand Equity Pyramid (2023)



Source: Casewriter

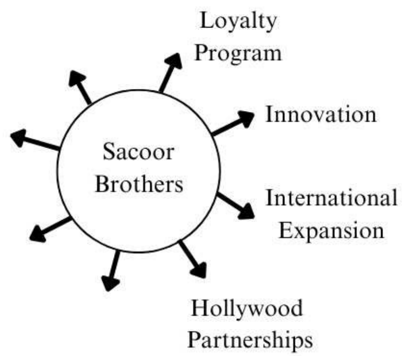
TN Exhibit 3: Metrics and KPIs

Objective	KPI	Metric
Brand Awareness and Perception	Increase in unaided brand recall	Percentage of respondents mentioning Sacoor Brothers in surveys.
	Improved perception of key attributes	Scores from consumer surveys on premiumness, quality, design, and trendiness.
Sales Performance	Growth in sales revenue without discounts	Percentage increase in full-price sales
	Increase in average transaction value	Comparison of average spend per customer.
Customer Engagement and Retention	Growth in loyalty program participation	Number of active participants and retention rates in the loyalty program.
	Improvement in customer lifetime value	Total revenue generated by a customer compared to pre-repositioning.
	Engagement with new initiatives	Number of participants in events, workshops, and other initiatives
Digital Presence Engagement	Growth in digital engagement	Percentage increase in website traffic, social media followers, and interactions.
	Campaign reach and effectiveness	Impressions, click-through rates (CTR), and conversions for campaigns.
Community and Emotional Connection	Strengthening emotional connections	Increase in customer ratings for "emotional bond" or "Identify with the brand" in surveys.
	Growth in community participation	Number of active users on loyalty events

Source: Casewriter

TN Exhibit 4: Suggested Board Plan

Introduction



Benchmarking Analysis

Attributes	Sacoor Brothers	Massimo Dutti	Hugo Boss	Ralph Lauren	Gant

SWOT Analysis

Strengths	**Opportunities**
Weaknesses	**Threats**

Discussing the Four Options

The Luxury of Being You	
Differentiation	**Alignment with Trends**
Alignment with Heritage	**Feasibility**

Beyond the Surface	
Differentiation	**Alignment with Trends**
Alignment with Heritage	**Feasibility**

The Art of You	
Differentiation	**Alignment with Trends**
Alignment with Heritage	**Feasibility**

Modern Hollywood	
Differentiation	**Alignment with Trends**
Alignment with Heritage	**Feasibility**

Metrics and KPIs

Objectives	KPIs	Metrics

Source: Casewriter