



UNIVERSIDADE
CATÓLICA
PORTUGUESA

**THE IMPACT OF STORYTELLING MARKETING
IN BRAND IDENTITY:
A CASE STUDY ON LIDL PORTUGAL**

Dissertation to Universidade Católica Portuguesa to obtain a
Master's Degree in Communication Sciences
Specialization in Communication, Marketing, and Advertising

By

Madalena Santos Moura Gonçalves

Católica Faculty of Human Sciences

September 2023



UNIVERSIDADE
CATÓLICA
PORTUGUESA

**THE IMPACT OF STORYTELLING MARKETING
IN BRAND IDENTITY:
A CASE STUDY ON LIDL PORTUGAL**

Dissertation to Universidade Católica Portuguesa to obtain a
Master's Degree in Communication Sciences
Specialization in Communication, Marketing, and Advertising

Madalena Santos Moura Gonçalves

Católica Faculty of Human Sciences

Under the supervision of Professor João Simão

September 2023

ACKNOWLEDGEMENTS

I would like to express my gratitude to Professor João Simão, whose careful supervision made this work possible. Thank you for your immeasurable patience and for always supporting your mentees.

I would also like to voice my appreciation to the consumers, and the brand representatives, Luís Lobato Faria and Nuno Jerónimo, for taking the time and commitment to share their story and allowed me to collect all this precious data.

I am also deeply thankful to my friends and colleagues who inspired me to continue working and always pushed me to take a step forward.

The biggest thank you goes to my parents, brother and cousin, whose encouragement and support allowed me to finish what I started even when I most doubted myself. Without you this wouldn't have been possible.

Obrigada.

ABSTRACT

This thesis explores the case of Lidl's communication in the Portuguese market, examining a real-time experiment with tangible and observable outcomes. This experiment delves into the world of storytelling and brand narratives as effective tools in branding. Stories are an integral part of our lives, bringing people together and whisking us away to new worlds. By sharing their roots and history, brand stories add an emotional touch to previously unknown names, allowing companies to build stronger bonds with their audience.

Considering this, is it possible to speculate the vital role of storytelling strategies in shaping a positive and robust brand image among consumers. After a recent collaboration, Lidl Portugal joined forces with O Escritório, advertising agency, and transformed their communications according to this marketing approach. These campaigns directly resonated with consumers by the embrace of a shared truth. The stories depicted in their advertisements mirrored the conversations people had about the products and the supermarket itself, forging a stronger bond between the brand and its audience.

To validate this premise, a comprehensive research was undertaken to analyse how consumers perceive Lidl in Portugal and assess the effectiveness of storytelling as a communication and marketing strategy. The study employed both quantitative and qualitative methods, utilizing an online survey and conducting in-depth interviews with representatives from Lidl Portugal and *O Escritório*. The results gathered pragmatically demonstrated the impact of storytelling as a branding strategy, forging a positive and lasting connection with the brand, resulting in heightened levels of customer satisfaction. Given the emphasis on affordability and quality in the communication, Lidl is currently perceived as reliable and smart choice when it comes to satisfying budget-conscious costumers. This adjustment in communication enabled the brand to reach younger demographics and established itself as genuine and consumer centric.

Keywords: Storytelling, Strategic Communication, Brand, Brand Identity, Branding

RESUMO

A presente dissertação explora o caso da comunicação do Lidl no mercado português, examinando uma experiência em tempo real com resultados observáveis e tangíveis. Esta experiência debruça-se sob o mundo do *storytelling* e *brand narratives* como ferramentas eficazes de *branding*. Histórias são parte integral das nossas vidas, aproximando pessoas e transportando-nos para novos mundos. Através da partilha das suas raízes e histórias, *brand stories* adicionam um toque emocional a uma marca antes desconhecida. Como consequência, as empresas são capazes de construir laços mais fortes com o seu público-alvo.

Tendo isto em consideração, é possível especular sobre o papel vital desempenhado por uma estratégia de *storytelling* na criação de uma imagem de marca positiva e robusta entre os consumidores. Com o desafio de se distinguir da restante concorrência, o Lidl Portugal inicia assim a relação profissional com O Escritório, agência de publicidade, e transforma por completo a sua abordagem comunicacional e de marketing. Desde o início, esta parceria desenhou campanhas que falavam diretamente para os consumidores através da partilha de uma verdade universal. As estórias retratadas nos filmes publicitários espelham conversas que os consumidores têm sobre os produtos e sobre o supermercado em si, estabelecendo um laço mais forte entre marca e audiência.

De forma a validar esta premissa, foi realizada pesquisa com o propósito de analisar a perceção atual dos consumidores do Lidl e aferir a eficiência do *storytelling* como estratégia de comunicação e marketing. Este estudo foi implementado por métodos qualitativos e quantitativos, recorrendo a inquéritos por questionário e por meio de entrevistas semiestruturadas a representantes do Lidl Portugal e d'O Escritório. Os resultados obtidos demonstram pragmaticamente o impacto do *storytelling* como estratégia de *branding*, estabelecendo uma conexão positiva e duradoura, resultando em níveis elevados de satisfação do cliente. Dado o ênfase atribuído à acessibilidade e qualidade na comunicação, o Lidl é percecionado como de confiança e uma escolha inteligente para os consumidores sensíveis no orçamento. Este ajuste na comunicação permitiu à marca atingir públicos mais jovens e estabeleceu-se como genuína e centrada no consumidor.

Palavras Chave: *Storytelling*, Comunicação estratégica, Marca, Identidade de Marca, *Branding*

Table of Content

<i>Introduction</i>	1
1. Strategic Communication	4
1.1. Defining Organizations	4
1.2. Workflows of communication	8
1.3. Defining Strategic Communication	11
1.4. Strategic communication models	16
2. Brand Management	23
2.1. Brand and Brand Equity	23
2.2. PDCL Model – Building strong brands.....	29
2.3. Consumers’ perspective on the supermarket sector	34
3. Storytelling as a Marketing Strategy	38
3.1. Origin and definition of Storytelling in Marketing.....	38
3.2. Persuasion and Storytelling	41
3.3. Strategic Storytelling	43
4. Methodology	46
4.1. Relevance of the study	46
4.2. Research approach: starting question and goals	47
4.3. Methodological approach.....	47
4.4. Data Collection Techniques	49
4.4.1. Qualitative Approach – In-depth Interviews.....	49
4.4.2. Quantitative Approach – Survey by Questionnaire.....	50
5. Case Study – Lidl Portugal	53
5.1. Company Framework.....	53
5.2. Brand Identity Prism	56
5.3. PCDL Model Applied	60
6. Findings and Discussion	67
6.1. Description of the survey data	67
6.2. Analysis of the results	83
6.2.1. Objective 1: Identify the main factors when choosing a supermarket.....	83
6.2.2. Objective 2: Define Lidl Portugal’s communication and marketing strategy.....	85
6.2.3. Objective 3: Understand consumer’s perception of Lidl.....	87
6.2.4. Objective 4: Understand if consumers are satisfied with the Lidl Portugal.....	90
<i>Conclusion</i>	92
<i>Bibliography</i>	95
<i>Appendices</i>	111
Appendix A: Interview Script for Luís Lobato Almeida, Head of Brand at Lidl Portugal ..	111

Appendix B: Interview Script for Nuno Jerónimo, Creative Partner at <i>O Escritório</i>	112
Appendix C: Questionnaire (conducted in Portuguese)	113
Appendix D: Luís Lobato Almeida, Head of Brand at Lidl Portugal Interview (translated from Portuguese to English)	118
Appendix E: Nuno Jerónimo, Creative Partner at <i>O Escritório</i> Interview (translated from Portuguese to English)	126

LIST OF FIGURES

Figure 1 - The Five Basic Parts of Organizations Source: Mintzberg, 1979	7
Figure 2 - The Communication Strategy Model Source: Cornelissen, 2004	18
Figure 3 - Managing Strong Brands Source: Aaker, 1996.....	25
Figure 4 - PCDL Model Source: Ghodeswar, 2008.....	30

LIST OF GRAPHS

Graphic 1 – Respondents by age and gender	67
Graphic 2 – Place of Residency	68
Graphic 3 - Monthly income gross	68
Graphic 4 - Respondents Shopping Frequency.....	69
Graphic 5 - Average Spent on Groceries	69
Graphic 6 – Visits diferente supermarkets	70
Graphic 7 – Supermarket preferences.....	70
Graphic 8 – Shopping at Lidl frequency.....	71
Graphic 9 - Price Importance.....	72
Graphic 10 - Product Variety Importance.....	72
Graphic 11 – Brand Variety Importance.....	73
Graphic 12 – Product Quality Importance	73
Graphic 13 – Customer Service Importance	74
Graphic 14 – Store Ambience Importance.....	74
Graphic 15 – Convenience Importance.....	75
Graphic 16 – Lidl’s Conformity with Price	75
Graphic 17 - Lidl's Conformity with Product Variety	76
Graphic 18 – Lidl’s Conformity with Brand Variety.....	76
Graphic 19 - Lidl's Conformity with Product Quality	77
Graphic 20 – Lidl’s Conformity with Customer Service.....	77
Graphic 21 – Lidl’s Conformity with Store Ambience	78
Graphic 22 - Lidl's Conformity with Convenience.....	78
Graphic 23 - Would recommend Lidl to friends and family	79
Graphic 24 - Likes to be associated with Lidl	79
Graphic 25 – Lidl’s products reach expectations.....	80
Graphic 26 – Lidl’s products are reliable	80
Graphic 27 – Image of Lidl’s Products is positive	81
Graphic 28 - Doesn't mind paying for Lidl's products.....	81
Graphic 29 - Anticipates will be satisfied with Lidl’s Products	82
Graphic 30 - Anticipates a good customer service.....	82
Graphic 31 – Lidl’s shopping experience exceeds expectations	83
Graphic 32 - Brands with the best campaigns in Portugal (Agency Scope, 2021).....	82

LIST OF EXHIBITS

Exhibit 1 - A Comparação (the comparison) Source: Lidl	57
Exhibit 2 - Sustainable products (Source: Lidl Portugal)	58
Exhibit 3 - "Eu é que descobri a sopa do Lidl" Source: Lidl Portugal	59
Exhibit 4 - Campaign with Portuguese Red Cross (Source: Lidl)	64

Introduction

This dissertation to obtain a Master's Degree Communication Sciences with a specialization in Communication, Marketing and Advertising has as its goal to study and explore the impact of Storytelling strategy in shaping brand identity. More specifically, study in-depth the case of the supermarket Lidl in the Portuguese market and how consumers perceive the brand. The brand Lidl Portugal was chosen given their relevance in the current framework and their exponential growth in previous years. Thus, it became relevant to comprehend to what extent has storytelling managed to impact Lidl Portugal's brand identity so far. Consequently, to address the gap in the literature, this thesis aims to:

- i. Identify the main factors when choosing a supermarket;
- ii. Define Lidl Portugal's communication and marketing strategy;
- iii. Understand consumer's perception of Lidl Portugal;
- iv. Understand if consumer's are satisfied with Lidl Portugal.

Every organization aspires to expand and achieve its mission. However, in a highly competitive and saturated market, fulfilling this aspiration becomes increasingly challenging. Strategic communication serves a vital purpose in assisting these organizations in accomplishing precisely that (Hallahan et al., 2007). Communication emerges as a potent differentiating factor that empowers organizations to distinguish themselves amidst competition, carve out a niche in the consumer landscape, and, ultimately, realize their objectives (Argenti et al., 2005; Raposo, 2017). This strategic perspective is not only supported by the organization's branding strategy but also by other critical elements.

Brands serve as invaluable intangible assets for companies (Melewar & Karaosmanoğlu, 2008), therefore they will do all they can to foster and grow them. Despite the focus being primarily on the economic value of this asset, the role of stories and its influence on building brands has become a recurrent topic (Chiu et al., 2012; Cornelissen, 2004). While this has been growing in importance, there seems to be an oversight in exploring the significance of storytelling marketing in the development of strong and impactful brands. Based on the assumption humans are primarily story-telling animals (Schultz, 2012), it becomes relevant to develop and further understand the impact this underlying nature have in so many aspects of life, namely in the corporate sphere.

Research has been dwelling over the impactful consequence of corporate narratives in marketing (Brito & Saraiva, 2022; Carrilho & Markus, 2014; Pan & Chen, 2019). Despite the notion of narrative as with a clear beginning and end, when inserted in the organizational

environment, these can be found blended with the company discourse. This has enabled a presentation of a shared vision to the stakeholders, who are then more likely to perceive the brand as cohesive and engaging (Chautard & Collin-Lachaud, 2019; Simão & Gorjão, 2014; Vaara et al., 2016). Therefore, storytelling involves incorporating narrative structures in the development, planning, and execution of communication initiatives. When applied to brands, products, and companies, storytelling engages with audiences to achieve conflict resolution or bring a narrative to its conclusion (Carrilho & Markus, 2014).

Only through the transmission of emotion functional and symbolic dimensions is the corporate brand identity coming through. (Mitchell & Clark, 2020). This creates a potential sweet spot for the development of storytelling communication strategies which are able to convey the organization's values, engage with consumers and stakeholders, and call them to action (Bublitz, 2016). A myriad of options stand before marketers when choosing the how's, where's, and what's of stories. Hence, the significance of delving into a case study to gain insights into the format and successful implementation of this strategy cannot be overstated.

Firstly, this dissertation begins with the theoretical framework. In the first chapter, the concept of strategy is examined, providing a theoretical foundation for understanding how brands can engage in strategic communication. The chapter explores the dynamics of organizations and emphasizes the significance of communication and their flows within the organization, as well as strategic aspect inherent. Ultimately, the chapter concludes by presenting effective approaches for developing a robust communication plan.

Then, in the second chapter, a comprehensive review of the essential concepts of brand, brand equity, and branding is offered. With a specific emphasis on supporting organizations, especially those in the supermarket industry, in establishing a strong brand presence, this chapter provides valuable insights, strategies and tools to enhance brand management practices and gain a competitive edge in the ever-changing marketplace.

Finally, the third and last chapter of the theoretical framework focuses on storytelling marketing and its role in organizations. It explores how storytelling can engage and persuade consumers, emphasizing the advantages it offers in establishing meaningful connections with target audiences.

The second part of this dissertation systematizes the methodology applied in this study, besides clarifying the connection between the model applied with the research question and consequent research objectives. This dissertation identifies the main factors when choosing a supermarket, understand how supermarket chains tailor their brand strategy, define Lidl

Portugal's communication and marketing strategy, and understand consumer's perception of the brand in question.

To achieve these goals, data retrieved from a survey by questionnaire and interviews is analyzed, following a comprehensive description of Lidl and its legacy in the Portuguese market. Subsequently, this data is juxtaposed with the existing theoretical framework to summarize, interpret the findings, and ultimately achieve the desired goals.

1. Strategic Communication

The present chapter discusses the concept of strategy while giving a theoretical background on how brands can communicate strategically. This chapter goes through the notion of organizations, the importance of strategic communication inside organizations, concluding with some effective methods on how to build a strong communication plan.

1.1. Defining Organizations

At this moment, complex societies, where instability and unpredictability characterize events, organizations take an important role as dominant social unities (Elías & Mascaray, 2003). Whenever people needed to complete complex tasks, they would create organizations (Ruão, 2016). Bearing that in mind, it is foreseeable that we commonly find ourselves surrounded by organizations. From the hospitals we are born, schools and universities where we study, theaters and cinemas we go to, to the restaurants where we dine with our friends and family, organizations are everywhere. On this note, there are some aspects that must not be left out. As stated by Durutta (2006), corporations are influenced by communication dynamics just as any other human interaction. Taking this into consideration, many organizations acknowledge the importance of communication. However, it is notable that communication is frequently disregarded or misconstrued, underscoring the requirement for "a more efficient communication channel.

Throughout the years, the definition of organization has evolved as a reflection of the society at the time. In 1979, Weick introduced the concept of organization as a stable and rational structure which develops a specific mechanism to set up goals, acquire and process information, or comprehend the environment. Gibson et al. (2011) define organization as a coordinated unit made up of at least two people working to accomplish a common goal or set of goals. Raposo (2017) adds that organizations can be understood as systems operating in a set of interacting elements which aim at a common goal. In order to successfully achieve this goal, it is important to adapt and improve according to the constant changes in both external and internal environment. With this in mind, it is possible to assume organizations are made of communication networks. According to Mourão et al. (2018), organizations can also be understood as symbolic entities through which actors create and use specific language. This language emerges from the need to assign meaning to events, behaviors, and objects, being directly linked to organizational communication (Mourão et al., 2018, p. 2). In the context of communication within organizations, it is important to clarify that strategic

communication professionals primarily concentrate on coordinating motivational communication processes that take place alongside the day-to-day operational communication. This coordination is crucial for the organization to effectively accomplish its mission (Raposo, 2017).

Despite the numerous definitions, there are key features common to all definitions of “organization”, namely the structure, the goal, and the people (Wrench & Punyanunt-Carter, 2012, p. 11). Firstly, it is important to mention the structure. Wrench & Punyanunt-Carter (2012) state that this feature refers to how organizations function inside, and how they relate to the external environment. In order to function properly, organizations must communicate their structure properly and their employees must fully understand it (Gibson et al., 2011). The external environment mentioned considers “all vendors, competitors, customers, and other stakeholders who can have an impact on the organization itself but also outside the boundaries of the organization” (Wrench & Punyanunt-Carter, 2012, p. 12). These boundaries can be open, when there is a free flow of information to the organization, allowing it to adapt to the environment’s unpredictability. Or they can be closed boundaries, when the organization isolates itself from what is occurring in the environment, setting itself for ignorance or obsolescence (Wrench & Punyanunt-Carter, 2012).

Another important aspect of the structure is the input, which considers all the resources an organization shares to the external environment aiming to accomplish its goals. These resources are people (every worker inside the organization), and information (any data required by the organization to generate knowledge). The last resource is particularly important for the organization, as it equips them with the means to cultivate expertise or acquire valuable insights. Organizations have this data in forms of market trends or customer service reports, from which they turn into information through their own interpretation. This gathering of information is then used to design the strategic business plan for the communication strategy of the company (Van Riel & Fombrun, 2007). Organizations can be proactively scanning for information, or reactively. The latter usually occurs when the organization is facing a particular issue or crisis (Wrench & Punyanunt-Carter, 2012). According to the same authors, when an organization is successful with proactive scanning, reactive scanning is not so often required.

When talking about the structure of organizations, it is also important to mention the throughput. The throughput translates to “what an organization does with the inputs within the confines of the organization itself” (Wrench & Punyanunt-Carter, 2012, p. 14). It can range from the usage of physical materials, people, and information, to how the organization

is structured internally. There are many ways an organization can structure itself, however for the purposes of this work, we will focus on two. The former is a tall hierarchy, in which there are many layers between those at the bottom of the organization and those at the top of the organization (Rajan & Zingales, 2001). This type of hierarchy translates in a lack of communication between the two ends of the organization. The latter is a flat hierarchy with fewer hierarchical layers, creating simple communication channels between the top and bottom employees. This type of hierarchy is most common in smaller organizations, such as small restaurants or small start-ups with fewer employees.

Lastly, when mentioning organizational structuring, the output must be mentioned. This aspect becomes relevant in the sense that an organization, besides offering products or services, also distributes outputs among its audiences (Drenth et al., 1998). Furthermore, considering organizations as a dynamic process, Muscalu et al. (2022) admits they take the resources needed (inputs, outputs, throughputs and outputs) from the external environment and use them for a specific process. Therefore, the relationship between organization and external environment can be characterized as reciprocal, as the organization shapes the environment through its products and services, while the external environment influences the organization's internal operations. Consequently, the external environment will always present a major role in the organization in the sense that it effects the plans, objectives, activities, and the results of the organization.

According to Drenth et al. (1998), the achievements of goals is the most notable characteristic when defining organizations. Gross (1969) further states that the existence of goals and the consequent common efforts to accomplish them characterize modern organizations. On the same note, organizations can have many goals, however it is important to categorize them into different typologies. Edward Gross divided organization's goals into five distinct categories: output, adaptation, management, motivation, and positional. The first type of goal is usually specified as output, for they are aimed at an immediate future to a product, service or skill and is sent again into the external environment. The second set of goals mentioned is adaptation, which are usually defined when an organization aims to change in accordance with their ever-changing environment (Gross, 1969). Then, in terms of managerial goals, the authors state these goals aim to determine three specific decisions: "(1) who will manage or run the organization, (2) how to handle conflict management, (3) output goal prioritization" (Wrench & Punyanunt-Carter, 2012, p. 16). The motivational goals aim to keep employers satisfied in their position and loyal to the company. These set of goals are extremely important, since studies have shown the close linkage between

employee happiness and productiveness and that happy employees are more likely to remain loyal to the organization (Oswald et al., 2015). Lastly, positional goals aim to set an organization within their environment in comparison to the organization's market competitors. As stated by Wrench & Punyanunt-Carter (2012, p. 18), there are two ways to position the organization in the market: "1) higher volume at lower cost, 2) higher quality at a higher cost".

Finally, the third feature common among the various definitions of organization is people. Here, it is also possible to highlight three themes, such as interdependency, interaction, and leadership (Wrench & Punyanunt-Carter, 2012). Interdependency can be understood as mutual dependence. In an organizational environment, it translates to not only needing one another to achieve the organization's goals, but also understanding that our own work, good or bad, reflects on the other's (Gibson et al., 2011). Secondly, the importance of interaction is undeniable, for it is through it that the organization is both defined and created. Wrench & Punyanunt-Carter (2012, p. 19) go further by stating that "without interaction [...] an organization doesn't really exist", making it an innate characteristic of organizations. Lastly, it is crucial to mention leadership. In order for an organization to continue to grow and prosper, there has to be an individual or set of individuals to draw the organizational guidelines and conduct the remaining members towards success (Trice & Beyer, 1991). According to Wrench & Punyanunt-Carter (2012, p. 22), if an organization aims at growth "it must have strong leadership and followers who are willing to follow that leader".

On the topic of how organizations structure themselves, Mintzberg (1979, pp. 18–21) elaborates on what he considers are The Five Basic Parts of Organization:

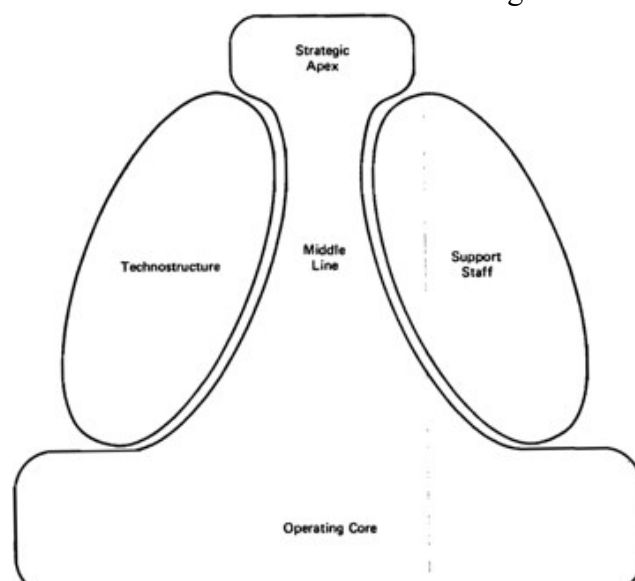


Figure 1 - The Five Basic Parts of Organizations
Source: Mintzberg, 1979

The **Figure 1** represents a small strategic apex attached to a sprawling operating core, joined by a thin flaring middle line. These three elements are represented by an interconnected “single line of formal authority”(Mintzberg, 1979, p. 20). Concomitantly, two other elements are represented: the technostructure and the support staff. Although not connected hierarchically, these elements have an indirect influence on the operation core.

Considering once again Mintzberg’s model (1979), it is possible to perceive how the base of the structure – the operating core – sustains the operation of the organization, meaning “the input, processing, output, and direct support tasks associated with producing the products or services” (1979, p. 21). The author explains how the operation core is “the heart of every organization” (1979, p. 24), for it produces the central outputs allowing it to stay alive. Its functions may include securing the inputs for production; transforming the inputs into outputs; distributing the outputs, by selling or allocating what came from the transformation process; and providing direct support to the input, transformation, and output functions (1979). At the opposite end of the organizational model, known as the strategic apex, we find employees who bear significant responsibility for the organization. These individuals not only oversee the effective execution of the organization's mission but also take into account the needs of other employees. In this regard, it is crucial to recognize that the various elements within the organizational structure interact in intricate ways through diverse channels, such as flows “of authority, of work material, of information, and of decision processes” (1979, p. 35). These flows of communication are integral to accomplishing each task effectively. As Spaho (2012) aptly points out, effective communication is not only essential for fostering positive human relations but also for achieving overall business success.

1.2. Workflows of communication

The act of organizing immediately demanded communication between individuals (Ruão, 2016, p. 5). As societies grew more complex, their communication needs became more pressing. Hence, organizational communication takes an important role in the organization’s dynamic. More specifically in the dissemination of information and consequent coordination and cessation of tasks, in decision making, and in conflict resolution (Mourão et al., 2018). According to Holtzhausen et al. (2021, p. 14), “communication is the transfer of meaning from one entity to another using mutually understood signs, symbols and language”. Kunsch (2006) goes further to say that without communication, organizations would not exist. Some research sees communication and organization as synonyms. Nevertheless, it is important to

keep in mind the fact that organizations are made of people with their own cognitive universes, culture, and values, and fully acknowledge the complexity behind organizational communication (Mourão et al., 2018, p. 2).

Furthermore, Mourão et al. (2018, p. 4) explains how communication must not be associated to the mere transmission of information, in the sense that both parts must be considered: who gives information and who receives information. More specifically, the author believes it is important to understand how individuals comprehend their own communicational behaviors and the meaning they attributed it. On this topic, Spaho (2012, p. 311) believes employees' behavior is "best understood from a communication point of view". Consequently, it becomes relevant to mention the different types of organizational communication and the several directions they might take, namely downward communication, upward communication, horizontal communication, and diagonal communication. According to Spaho (2012), downward communication can be described as flowing from managers at a higher hierarchically position to a lower. Upward communication moves from bottom to top in the organization structure. Horizontal communication relates to the communication running between employees from the same department and organizational level. Finally, diagonal communication refers to the communication running along different departments independent hierarchically. An example of this communication is the communication between employees from the operating core and the technostructure.

Companies work daily to provide a successful strategy for their clients and/or for themselves. Nevertheless, they have been struggling in implementing the strategy where it is most important: "its communication to a set of varied constituents" (Argenti, Howell, & Beck, 2005, p. 61). According to Kunsch (2006, p. 14) the power of communication in today's society is an undeniable truth. The author goes further to explain how this demands an analysis of the consequent power of information in the digital society. Through an organizational perspective, Raposo (2017, p. 110) adds that communication inside organizations will only make sense when understood and developed before a specific context. By specific context the author means the full comprehension of the organization's environment and its communication challenges, which are integrated in a dynamic sector in continuous development. This context then shapes the strategic planning, for it is through it that communication strategists are able to develop successful actions and correctly analyze data.

When considering corporate communication, it is important to recognize it as a network of individuals engaging in communication with one another (Troise & Camilleri, 2021).

However, it is crucial to acknowledge that not all organizational communications are directly linked to work activities, which means they may not align with the organizational objectives. In light of this, Troise and Camilleri (2021) propose three clusters of communication-related practices: (i) management communications, (ii) marketing communications, and (iii) organizational communications. These clusters represent distinct areas of communication within an organization. By understanding these different clusters, we can better analyze and evaluate the various dimensions of communication within organizations. To begin with, (i) management communications play a crucial role in leading and controlling organizations. These communications encompass interactions between managers and other employees within the organization, often referred to as a top-down approach or downward communication, where top-level management communicates with lower levels (Troise & Camilleri, 2021). Such communications involve providing instructions, sharing information about regulations and tasks, disseminating organizational policies, conducting performance evaluations, and transmitting objectives and organizational culture (Mourão et al., 2018). In these interactions, various communication channels are utilized, including written memoranda, emails, social networks outside of the company's intranet or blog, face-to-face or virtual meetings, internal blogs, printed newsletters, electronic newsletters, webcasts, and videos (Troise & Camilleri, 2021). Studies on communication inside organizations demonstrate that the biggest challenge within the field is to promote bidirectional information processes, instead of the most common unilateral logic. Top-down communications are still imperative in many organizations, and online communication platforms will not be the solution to this problem (Raposo, 2017, pp. 116–117).

Secondly, (ii) marketing communications relate to communications to promotional messages (Troise & Camilleri, 2021, p. 8). It can include advertising and promotions throughout different media and be used to stimulate the business, increase sales of products and/or services, increase brand equity, among other objectives. In this communicational activity, success can be hard to define. However, Zwerin et al. (2020, p. 163) claim that “effectiveness might be defined as ideas that have positive results in terms of how well a campaign satisfied challenging organizational goals”. Lastly, organizational communications concern both formal and informal communications within the organization. On one hand, informal communications relate to interpersonal, horizontal communication. It occurs at the same level of authority/command and allows the improvement of the coordination of interdependent activities (Mourão et al., 2018, p. 6). Considering informal communications, workflows are taken into account for employees communicate with other employees to

whom they feel close to (Mourão, 2018, p. 6). On the opposite hand, formal communications consist of “public communications with stakeholders, including the government, media investors, customers, and the general public, among others” (Troise & Camilleri, 2021, p. 8).

Lastly, (iii) organizational communication covers both informal and formal communications inside organizations. The former relates to “interpersonal, horizontal communications among employees” (Troise & Camilleri, 2021, p. 8). In such communications it is possible to include rumors and gossip usually disseminated among the staff members. However, the latter refers to “public communications with stakeholders” (p. 8), namely media, clients, investors or even government. With this in mind and considering organizational communication as a “central binding force that permits coordination among people and thus allows organized behavior” (Spaho, 2012, p. 311), communication flows must not be left out for neglect and oblivion. Although many organizations fail to consistently manage their flows of communication, the operation of strategic communication contributes to a more effective external communication (Theaker, 2001). Therefore, it is imperative that a communication professional knows and accurately categorize the audience, in order to successfully choose which channels to use (Raposo, 2017, p. 117).

1.3. Defining Strategic Communication

Argenti et al. (2005, p. 61) simply define it as “communication aligned with the company’s overall strategy, to enhance its strategic positioning”. According to Scheinsohn (2019, p. 19), strategic communication entails a theoretical framework always open, a set of principles and an integrated system of solutions approaching, managing, and directing communication issues. Hallahan et al. (2007, p. 3) defined the concept as “the purposeful use of communication by an organization to fulfill its mission”, adding that strategic communication is used by corporations, as well as activist organizations and social citizen movements, with the same intent. According to Raposo (2017, p. 113), strategic communication is the conceptualization process through which it is determined the best path to achieve the proposed goals with the available resources. The author also explores the importance of strategy when introducing change at an informational, attitudinal, and behavioral levels. Going further with this definition, Plowman and Wilson (2018, p. 127) state “strategic communication means that deliberate messages are delivered through the most suitable media channels to designated key publics at the appropriate time to achieve the desired affect”.

Considering the topic of strategy when communication, it becomes relevant for an organization to understand and be mindful of its formal aspects. Gayeski (2006, p. 67) states that “establishing and managing the voice of the company” is ultimately a responsibility of the professional communicators. The author further explores how these functions can be divided into three categories: internal communications, external communications, and marketing communications. First of all, internal communications play a crucial role in informing the internal public, managing industrial relations, and managing issues within organizations (Troise & Camilleri, 2021). They usually aim to inform the internal public. These communications may include “employee newsletters, business update meetings, employee benefits and policy materials, intranets, collaboration systems, and electronic news displays” (Gayeski, 2006, p. 67).

Furthermore, and considering the fact that organizational communication flows both internally and externally (Ricardo, 2008), it becomes relevant to study external communications. They may include “investor relations, media relations, public relations, government and community affairs, philanthropy, corporate Web sites, and managing the corporate reputation” (Gayeski, 2006, p. 67). Lastly, marketing communications comprises “advertising and sales materials, trade shows, customer help and feedback functions, and e-commerce Web Sites” (Gayeski, 2006, p. 67). These forms of communication are essential for sharing knowledge with stakeholders, conveying organizational values and identity, and ultimately communicating the success of the organization (Mourão et al., 2018). Both external communication and marketing communications contribute to fostering effective relationships with stakeholders by effectively transmitting information and promoting the organization's core values and achievements. By examining the interplay between these communication approaches, we can gain a deeper understanding of how organizations effectively engage and communicate with their target audiences.

Plowman & Wilson (2018, p. 127) highlight the difference between “communication strategy and practice”. The former taking place before at the planning level, requiring “ideas, argument, and persuasion” (p. 127). The latter relates to the operational aspect and the execution of the strategy itself. With every tactical decision in this process being judged or evaluated according to its content and relation with the final audience, a miscoordination in such planning can negatively impact the organization’s relationship with the intended public. In opposition, many companies might take a “tactical, short-term approach to communicating” (Argenti, Howell, & Beck, 2005, p. 61), however this may oppose a threat to the corporate strategy or even a corporate disruption. According to the same authors,

companies which adopt this tactical, short-term approach will find it extremely demanding to compete against their competition. Furthermore, the development of an “integrated, strategic approach to communication” (Argenti, Howell, & Beck, 2005, p. 61) becomes crucial when aiming at success.

As stated by Raposo (2017, p. 110), for each organization there are a myriad of contexts defining the daily work of communication professionals. Not only that but the author also adds how society today presents a set of characteristics which make the initial framework to communication projects. Furthermore, the author affirms that academics and communication workers require a deep understanding of the organizational context in order to apply the right solutions for efficient results. On top of that, the rapid and easy access to media, and the consequent noise made by the increased flow of messages, demands a better definition of purpose and extra care in their communication for organizations to stand out (Hallahan et al., 2007). Considering every communication challenge as unique, meaning each has its own context and public with specific needs and expectations, communicational professionals need to base their practices and scientific methodologies reassuring coherence and effectiveness in the action (Raposo, 2017, p. 114).

On the topic of key publics, Holtzhausen et al. (2021, p. 4) also mention that in order to classify a communication action as strategic communication, “it must be purposive and deliberate and take place in the public sphere”. Meaning strategic communication is available to the public and handles society concerns or aims at a matter requiring public support. Therefore, even though it is possible to have strategic conversations with friends and colleagues, they do not fall in the strategic communication spectrum. Having that into consideration, Holtzhausen et al. (2021) categorizes friend to friend, spouse to spouse, doctor to client, supervisor employee conversations as non-public sphere communication, and public sphere communication as marketers to consumers, corporations to stakeholders, charities to donors, politicians to voters, government to citizens and country to country communications.

Hallahan et al. (2007) advocate for the idea that strategic communication differs from integrated communication for the former’s emphasis is on the deliberate application of communication and the way organizations perform as social actors to move their mission forward. This means that strategic communication concerns stand on how the organization introduces and promotes itself through the deliberate actions of its leaders, workers, and communication professionals. Unlike management, which primarily centers on obtaining the overall objectives of the organization, the strategic communication approach allows

organizations to be more cost efficient and successful on their path to accomplish goals and receive positive reactions with the help of communication tools and tactics (Holtzhausen et al., 2021).

Nevertheless, earning the attention of the intended public in this contemporary landscape has become notably challenging, due to the “dramatic changes in the media landscape” (Holtzhausen et al., 2021, p. 6). This challenge is further evident by the continuous transformative phase currently, demanding a remodeling and reposition of classic models of communication (Raposo, 2017). To thrive in this environment, an in-depth investigation and planning actions are imperative to determine the ideal way to transmit a message. In lines with this, Holtzhausen et al. (2021, p. 6) stresses the need for an “integrated, holistic messaging to reach fragmented audiences across multiple delivery platforms”.

Additionally, Plowman and Wilson (2018) argue that scholarly research has predominantly focused on specific aspects of strategic planning, such as message and channel-level communication in social media. This, however, has left a gap in understanding program-level communication in the realm of planning. Similarly, Raposo (2017) contends that the emergence of new consumer habits and technologies has challenged the classic models of communication, necessitating communication professionals to explore new opportunities. The strategic significance of these new channels, driven by technological advancements, is undeniable. Holtzhausen et al. (2021) highlight that consumers now possess greater control over brands through these channels, with the ability to voice their opinions and potentially discredit a product, service, or organization.

With such concerns in mind, communication professionals must keep the coherence of the organization’s narrative through a strategic management of the various messages (Raposo, 2017, p. 117). Hence, Hallahan et al. (2007, pp. 6–7) identifies six specialties frequently found inside organizations which ease those concerns. These areas share the same goals, and “strategies for achieving those objectives” (Hallahan et al., 2007, p. 5), however the tactics differ across disciplines. They are:

Management Communication

This area is composed by administrative employees across the organization. Its main focus is to ease the operations of the organization and to inform and make sure the vision, mission and goals of the organization are being implemented.

Marketing Communication

Here, marketing and advertising staff aim to “create awareness and promote sales of products and services” (Hallahan et al., 2007, p. 7). This might include manage the customer relationship, including stakeholders.

Public Relations

This area may include human resources, finance, or government relations staff. The purpose of this department is to establish and maintain a beneficial relationship between the organization and key constituencies. Which include “consumers, costumers, as well as investors and donors, employees and volunteers, community leaders, and government officials” (Hallahan et al., 2007, p. 6).

Technical Communication

In this area it is possible to find technical, engineering support, and training staff. The goal of this discipline is to improve efficiency by teaching employees and customers. This training includes minimizing errors and promote methodical and practical use of technology.

Political Communication

This area is made up by government affair staffs, politicians, and advocacy groups. They are necessary to shape a political consensus on relevant issues concerning “the exercise of political power and the allocation of resources in society” (Hallahan et al., 2007, p. 7).

Information/Social Marketing

Finally, this area is made up by employees in nongovernmental, non-for-profit, governmental agencies, and corporate staffs involved in social, psychological, and physical well-being. This area aims to eliminate risky behaviors and to promote social causes which benefit the community.

This categorization of disciplines can be interpreted as a sign that communication is not a single profession or organizational function, “because communication is a process that cuts across the entire organization and is constitutive in its very existence” (Heide et al., 2018, p. 456). On the same topic, it is possible to state that strategic communication aims to create a global strategy in which every communication discipline is conjoined at a tactical level, and managed as an integrative, synergistic, and coherent system (Scheinsohn, 2019, p. 19). Under no circumstance should this be interpreted as a neglect for tactical level communications. According to Scheinsohn (2019, p. 19), separating the tactical results from strategy would be an error, since they are the ones embodying the specific instruments through which the strategic goal will be achieved. Furthermore, when studying and understanding the conceptual framework of strategic communication, it becomes possible to

highlight how communication, finance, management, commercial problems, the human factor, organizational development, or politics relate to the specific and complex phenomenon of corporate image (Scheinsohn, 2019).

In their research, Argenti et al. (2005) discovered that companies which acknowledge strategic communication as indispensable are those whose CEO has an underlying comprehension of the differentiator factor of communication and its power to lift off the strategy. With this in mind, the authors further emphasize the need for communications professionals to be a constitutive part of strategy making. In their everyday life, communication professionals face themselves with situations in which they not only have to strengthen and carry out the company's strategy by communicating it to the key audiences, but also convert the key audiences' responses in ways that will lead strategy forward (Argenti et al., 2005). Raposo (2017, p. 118) states it is crucial for communication professionals to shape their practices with the underlying communication strategies, allowing to reduce the decision risk and to achieve success through their communication proposals.

In conclusion, it is possible to assume the importance of communication inside organizations and the necessity to integrate it within its strategy. Meaning, it is crucial to involve top and senior managers in the communication strategy, for if the top managers are not able to communicate, the whole strategy can be compromised (Argenti et al., 2005). On top of that, even though communication is happening at all times, not every communication is strategic. Hence, it is important that "the communications emanating from the business units are aligned with and support the company's overall strategy" (Argenti et al., 2005, p. 66), avoiding an overstep of messages. Last but not least, it is important to keep in mind the necessity of long-term orientation of communication. As it was suggested previously, companies with a strong set of values, proactive rather than reactive in communication and set their focus on the long run, end up being "the most enduring companies" (Argenti et al., 2005, p. 67).

1.4. Strategic communication models

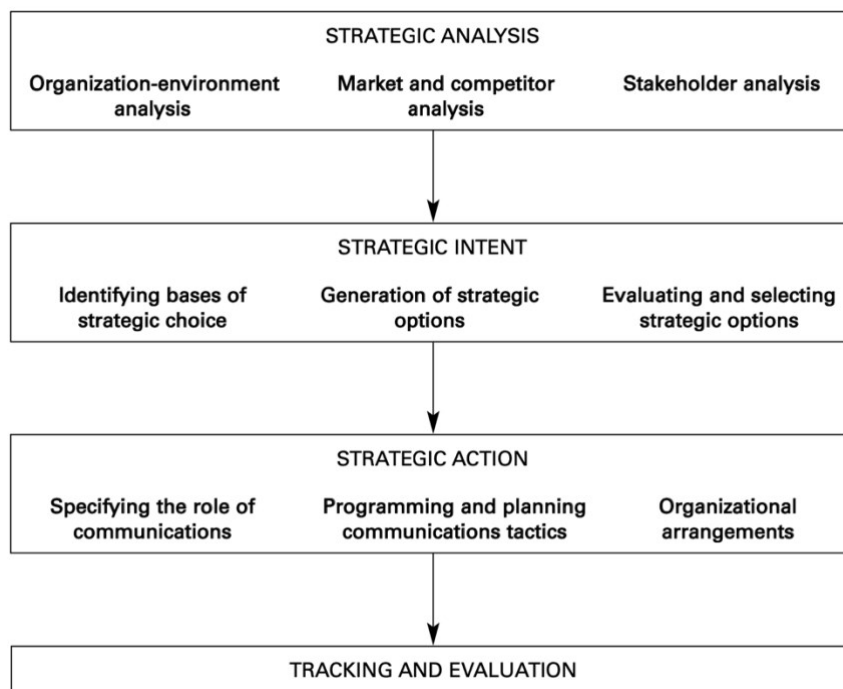
According to what has been recently stated in the previous chapters, organizations "must be planning, listening, responding and evolving on a regular basis" (Holtzhausen et al., 2021, p. 8)9/18/2023 4:57:00 PM to meet their intended audience's expectations. The increasing competitiveness and advertising saturation in the current market has made brands and advertisers obliged to diversify their communication budget towards other instruments of advertising reinforcement (Bailón et al., 2009). In addition, having a larger number of

communication channels from which to choose from, makes the communication management more complex. Hence the need to create a holistic, integrated, global strategy for the brand's communication.

Although a lot of organizations find a formal planning system to be a major contribute to the development of the strategy of their organization, communication strategy do not always revolve around “a logical sequence of steps in which strategies are the outcome of careful analysis, objective setting and planning” (Cornelissen, 2004, p. 103). According to the same author, the companies adopting this method refuse a formal planning process and turn to their manager's prior experience and sensitivity to the changing environment to craft their strategic position. Nonetheless, it is still possible to outline reference points which might help this informal method of strategy planning.

Assuming that organizations need to plan their strategic decisions according to what would most positively affect the organization, it is in their main interest to get to know “the process information that has been transferred between companies among different organizational ventures” (Oluwatimilehin, 2018, p. 1) and how an organization can act as a social player in order to accomplish their aims and complete their goals. When it comes to increasing the effectiveness of corporate communication, Bütschi and Steyn (2006) argue that every operational area in the organization must evolve according to its changing environment through constant innovation and adaptation. This may oppose a problem, for resistance to change is considered one of the main obstacles in successful change initiatives (Oluwatimilehin, 2018). On the same note, Cornelissen (2004, p. 102) points out how only a few academics have been able to traditionally recognize and describe “the role of corporate communications in identifying the most important components of its environment, and in using communications to build relationships with them”, despite its paramount role in the strategy development. Especially when determining what affects both positively and negatively the relationship between the organization and its key stakeholders.

Cornelissen (2004) considers the importance of the organization’s environment and introduces the communications strategy model, avoiding its neglect. Through this process, strategies in communication are built “from the corporate level” (p. 103), as opposed to strategies at a functional level or campaign tactics. Furthermore, this strategy process acknowledges the importance of arising behaviors and actions combined with planning techniques, meanwhile the strategy development. According to the author, the communications strategy model can be separated into four distinct phases – strategic analysis, strategic intent, strategic action, and evaluation – as presented below in **Figure 2**.



*Figure 2 - The Communication Strategy Model
Source: Cornelissen, 2004*

The first phase, strategic analysis, is mainly focused on the “strategic position of the organization” (Cornelissen, 2004, p. 104). Here, the aim is to discover and highlight the influence indicators of both the present and the future of the organization and what could stand as an opportunity encompassed in the environment for the well-being of the organization. Learning the environment surrounding the organization becomes crucial for it to strategically rearrange in accordance with its external necessities (Niemann-Struweg, 2014). Through this information, the organization is finally able to “think strategically and create a synergy by sharing its knowledge and ideas” (Niemann-Struweg, 2014, p. 187) and generate actions that would positively affect the organization. The environmental analysis of an organization entails its existence within a complex “commercial, economic, political, technological, social and cultural world” (Cornelissen, 2004, p. 106). The author highlights

DESTEP analysis and SWOT analysis as important analytical tools when understanding the organization's external context.

Furthermore, when analyzing the environmental context of an organization, it is equally important to consider the market in which it is inserted and the existing competitors. Here, the first step is to “analyze the structure and customer requirements within a market or market segment, or market analysis” (Cornelissen, 2004, p. 106). Meaning analyzing the magnitude of such market and its current trends, as well as outlining the customers' profiles within each market segment and their purchasing behavior. The author recommends the Michael Porter's five-forces model for this analysis.

The final step of the first phase comes down to the stakeholder analysis and segmentation. In relation to the latter, it may present a problem when differentiating stakeholders based on the “pre-determined skills sets of the communication practitioners” (Holtzhausen & Zeffass, 2015, p. 10), for even though professionals might have to work together, they do not always have the required expertise and become vigilant about going beyond their responsibilities. Therefore, the Cornelissen (2004) suggests stakeholder mapping, “an analytical tool whereby managers start with identifying all stakeholder groups of an organization and display their relationship with to the organization” (p. 106). The author further states this type of analysis allows the identification of the main stakeholder relationship and the relevant patterns of interconnection that may arise.

With this in mind, the strategic intent considers the previous analysis and demand the establishment of a strategic vision (Cornelissen, 2004). According to O'Shannassy (2016) due to the common and severe failures of corporate planning, strategic intent presents a solution in terms of providing performance results. This second phase of the communication strategy model relates to “the vision or symbolic mode of strategy making” (O'Shannassy, 2016, p. 583), setting a common direction to the organization and reaffirming the position it aims for (Cornelissen, 2004). In order to do so, it is important to first identify the bases of the strategic choice. These bases may arise from grasping stakeholders' expectations and influence, which can be reflected in the mission and vision already. Furthermore, it is imperative to identify the bases of competitive advantage, which arise from comprehending markets and customers and what the corporation has to offer. Then, can the organization define whether to use a low cost or differentiation strategy (Cornelissen, 2004). The former can be defined as producing the maximum number of products at the lowest possible cost, allowing higher profit margins even against fierce competitors. The latter implies the

creation of a product or service so unique and high-end that can be sold at a usually higher price.

The second step of the strategic intent relates to generating the possible strategic options. Taking the bases of the strategic choice gathered previously, organizations are able to identify the course to take in terms of which stakeholders and markets should be addressed and targeted and what is the expected outcome of those actions (Cornelissen, 2004). According to the same author, the company must understand what lies at the base of its success and whether its current culture can sustain the following strategic changes. Taking this into consideration, the company must also keep in mind its strategic options in terms of communication, if it plays a lead or supporting role in triggering the corporate and/or market strategy. On a corporate level, communication commonly takes a lead role when trying to strengthen the company's reputation and legitimacy or to change its "definition of legitimacy with stakeholder groups" so it meets the current "practices, output and values" (Cornelissen, 2004, p. 112). On the contrary, communication might take a support role when it is used on a corporate level to announce certain decisions or operations and keep important stakeholder groups posted.

Nevertheless, managers quite often focus only on the most evident path, and "the most obvious is not always the best" (Cornelissen, 2004, p. 112). Thus, the need for the third step of the strategic intent – evaluation and selection of strategic options. When analyzing these options, managers must assure they are suitable, feasible, and acceptable. As stated by Cornelissen (2004), firstly, the course of action as to be suitable in the sense that "builds upon strengths, overcomes weaknesses, and takes advantage of opportunities" (p. 112). Secondly, the option presented has to be feasible considering the budget available, if it can actually be applicable, or if the intended public will perceive it as anticipated. And lastly, it has to be accepted by the intended audience and stakeholders in and outside the organization. Having said that, it is relevant to clarify that there are no 100% 'right' or 'wrong' choices, given all options come with some level of dangers or disadvantages. Ultimately, the final call will come down as an administrative decision by those in charge. The author further explores the fact that the process of choosing a strategic option is not always comprehended as objective or logical. Since it is highly influenced by "the values of managers and other groups of interest in the organization", thus reflecting the power dynamic inside the organization.

On the third phase, strategic action, the focus lies on translating the strategic purpose into action. Meaning the success of this step is dependent on "the extent to which various

components of the programme work together to effectuate the programme and achieve the strategic intent” (Cornelissen, 2004, p. 113). Having this into consideration, this phase aims at sorting the important steps towards a successful implementation of the strategic communication plan. Thus, the first issue to consider is the role played by communications across the corporate and market strategies at the organization level, whether it is a “lead or support role” (Cornelissen, 2004, p. 113). Only then it will be possible to mold the communications objectives and tactics. Holtzhausen & Zerfass (2015, p. 247) highlight how the organizational goals and communication objectives can be mistaken for one another. The author sets the difference by stating the former is “pursued by an entity at the organizational, division or unit level” and the latter relates to “changes of behavior by people (or other entities) that are the direct outcome of strategic communication”. Meaning the communication objectives aim is to achieve organizational goals. Bearing this in mind, the communication objectives should be “tightly defined as possible” (Cornelissen, 2004, p. 113) and should “withstand testing when included in the communication plan” (Holtzhausen & Zerfass, 2015), as proposed by the SMART system – specific, measurable, actionable, realistic and targeted.

Following the specification of the role of communications and after defining the communication objectives, planning the communication tactics is imperative. This means deciding “which stakeholder audiences to address and the message and channel tactics that will be used” (Cornelissen, 2004, p. 113). From the initial stakeholder analysis performed in the first phase, it is then possible to outline the organizations’ target audiences. After carefully characterizing the audiences and considering the communication objectives, “the *message of the communication programme* can be determined” (Cornelissen, 2004, p. 114). This message needs to translate the main topics to be addressed, as well as the tone and type of response. As mentioned previously throughout this chapter, the communication messages must reflect the values of the organization and meet audience’s needs and concerns. The author further explains that when communications are playing a support role, the message tries to explain the company’s position on a certain topic, demonstrating its acknowledgement and sympathy for the stakeholders’ pains. Sometimes, it may be “translated into a slogan or strap-line” (Cornelissen, 2004, p. 114). On the other hand, when communication is playing a lead role, the emphasis is set on determining the content and imagery of the intended message, which will be working alongside with operational and marketing components.

Once the objectives, message, media, and audience have been defined, it becomes important to consider the organizational arrangements that will set the favorable conditions for the strategy implementation. In this step, questions such as what budget is required or how will the organizational structure and design be altered arise. When answering these questions, it becomes crucial to ponder on the “organizational mechanisms that support collaboration” (Cornelissen, 2004, p. 115), given the fact that different organizational areas may have to work together. Another point highlighted by the author relates to how the proposed communication strategy adjust to the already existing strategies.

Finally, in order to create any communication strategy, it is mandatory to provide a phase for tracking and evaluating the results. This phase aims to understand to what extent was the programme effective in accomplishing the communication objectives previously established. The contribution of the programme can be judged and rated on the basis of “process and communications effects” (Cornelissen, 2004, p. 115). The former relates to the quality of the programme itself, in terms of gathered data and the suitability of message content and organization, and whether it was carried out in a cost-effective way. The later concerns the actual effects (cognitive and behavioral) on the audiences. According to Cornelissen (2004), the most appropriate impact measures are awareness, attitude and reputation, or behavior. Despite the difficulty in measuring and pinpoint every communication effect, it is crucial for top managers to consider and understand the full value of communication and use it in a “responsible, professional and accountable manner” (Cornelissen, 2004, p. 116).

2. Brand Management

This chapter aims to provide an explanatory review of the fundamental concepts of brand, brand equity, and branding, with a specific focus on assisting organizations, particularly those in the supermarket industry, in building a robust brand. The key objective is to bridge the gap between brand identity and brand image, ultimately strengthening the brand's positioning and perception in the market. By exploring these concepts within the context of supermarket brands, this chapter offers insights and strategies to enhance brand management practices and achieve a competitive advantage in the dynamic marketplace.

2.1. Brand and Brand Equity

While interacting and experience a product or service on our everyday lives, it becomes unavoidable to create a bond and relationship with it. Whether it is the quality, the cost-time effectiveness, or the value for money, all these characteristics are directly linked with the brand (Silva, 2012). According to Nandan (2005, p. 264), brands are considered “assets that can build shareholder value”. On top of that, Ghodeswar (2008, p. 4) classifies it as a “distinguishing name and/or symbol (such as logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers”. This last definition offers an interesting perspective, for the brand communicates with the customer informing the source of said product and warns them about competitors who might attempt to steal it. Martins (2006) defines brand as an integrated system who promises and delivers solutions to people through a set of tangible and intangible attributes. Although the physical characteristics of a brand are important, their intangible characteristics are the primary factor when it comes to purchase decisions (Silva, 2012).

For a customer, a brand turns into the accumulation of all their experiences, and it is built around all points of contact with them (Kapferer, 2004). Therefore, what consumers perceived from a brand does not always match what the brand wants to be perceived as. This need has broadened the role of brands in the sense that it is now expected of them to have goals and a mission bigger than the brand itself (Swaminathan et al., 2020). Here it is relevant to highlight the role of branding as “responsible for the intellectual creation, holistic development and impeccable management of a gestalt brand” (Vel et al., 2011). More specifically, Martins (2006) define it as the set of actions associated to the management of brands, bringing them beyond their economic nature and making them part of the culture and influential in people’s lives. Therefore, branding becomes a structural and essential

marketing function, having the power to help the “business reach its goals and encompasses the promotion of everything associated” (Prindle, 2011, p. 32).

In order to achieve this, it requires investment, research, and planning, for it is no longer the responsibility of a single department, but rather a conscious strategy taken by the organization (Silva, 2012). Meaning a successful branding strategy relies on the harmonious relation between the identity management and organizational culture. Given that employees are the embodiment and personification of the brand, especially in service-based corporate brands (Smith et al., 2021). This viewing of corporate branding assembles the vision and culture of an organization and brings it to marketing as their unique selling proposition (Kowalczyk & Pawlish, 2002).

In the recent year, online touchpoints between brand-customer-employee have been blurred and disrupted the traditional customer journey of pre-, during-, post-purchase (Smith et al., 2021). From this understanding, employees have become empowered to voice their opinions through online channels (employer review websites, social media – Instagram or TikTok), and consequently “internal stakeholder (i.e. employees) are influencing external stakeholders (i.e. consumers) via external communication instruments (i.e. social media) (Smith et al., 2021, p. 835). As a brand manager, the main concern must be to engage the brand’s employees in its culture and live through it (Silva, 2012). The same author further state how the brand’s strength and value come from how its employees relate to its public. Here, it is possible to draw “simultaneously on organizational culture, strategic vision and corporate images” (Kowalczyk & Pawlish, 2002, p. 159).

Taking these definitions into consideration, the concept of brand equity arises establishing that brands are in fact agents of influence taking a stand on the consumer’s mind. It is without surprise that brand managers stress on the importance of creating a powerful emotional connection with consumers, for it is able to strongly impact the firm’s profitability and consequent brand equity (Shimul, 2022). Meaning that the several interactions and experiences, such as good quality, time efficiency, cost/benefit relation associated with the brand, eventually give the brand a status of strategic tool (Silva, 2012). The consequent relation created with brands, when positive, draws consumers to perpetuate the interaction through repurchases, brand advocacy, positive word-of-mouth, community engagement, and brand forgiveness in case of transgressions (Shimul, 2022). For this reason, the author further explains how brands can be considered financial assets inside organizations, being just as valuable as the tangible elements of it, providing symbolic benefits.

Brand equity is described by Farquhar (1989, p. 24) as “the added value with which a brand endows a product”. From the organization’s viewpoint, brand equity enables the brand to increase its level of acceptance among the consumers, often surpassing the competition (Nandan, 2005). The author further explains how brand equity is able to create a solid ground when launching or licensing a new product, counterbalance the downturn in market share while a price and promotional war, and stays undefeated when the opposition attacks. Furthermore, it is also relevant to highlight how the paradigm has change from considering solely the logo, design, and packaging of brands, to understanding the full complexity of building brands (Silva, 2012).

In 1996, Aaker introduced us with the definition of brand equity which stated that it is “a set of assets (and liabilities) linked to a brand and that add to (or subtract from) the value provided by a product or service to a firm and/or that firm’s customers”. The set mentioned is composed by the following dimensions: brand loyalty, awareness, perceived quality, brand associations – **Figure 3**.

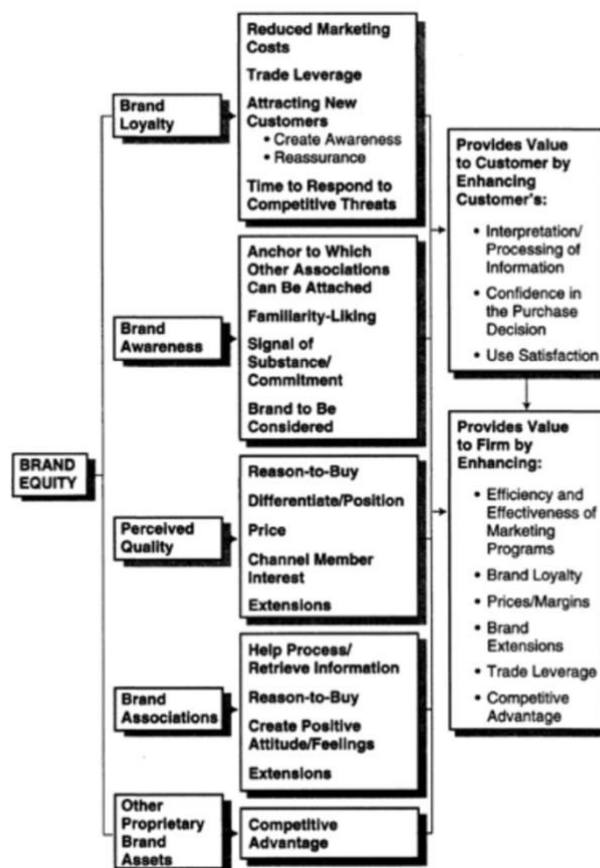


Figure 3 - Managing Strong Brands

Source: Aaker, 1996

As stated by Ruão (2016), brand loyalty measures the connection with the consumer, reflecting on the probability of replacing it by the competitor, when faced with changes in price and/or characteristics. On this note, it is relevant to understand consumer loyalty and satisfaction are intimately bound, however this relation is asymmetric (Oliver, 1999). Despite loyal customers being usually satisfied, consumer loyalty goes beyond mere satisfaction. Loyal consumers are reluctant to trade brands and service providers, making it very costly for the competitors to disrupt this loyalty (Manyanga et al., 2022). Kaur et al. (2020) mention how investing in customer experience is able to develop an emotional attachment to the brand which eventually leads to loyalty. Because at the end of the day, consumers become loyal to the experience they get through the interactions with the service providers. This emotional attachment of consumers to the brand is said to be strong as to become “a part of their self-concept [...], develop brand commitment [...], spread positive word-of-mouth [...], and are willing to pay a premium price” (Shimul, 2022, p. 400). Consequently, this allows for a bigger profitableness and increasing brand equity. The value of a brand can be determined by the loyalty its customers have (Aaker, 1996), indicating how this element must be considered an asset, loyalty-building programs should be encouraged in order to build and magnify brand equity.

According to Aaker (1996, p. 8) awareness relates to “the strength of the brand’s presence in the consumer’s mind” and to what extent the consumer recognizes and remembers the brand. It can range from recognition - when the consumers are able to recognize if they have been exposed to the brand before; to recall - when they’re capable of acknowledging the product category of the brand; to top of mind - if it is the first brand they can name; or to dominant - when it is the only brand they can remember. Brand awareness has a significant impact on equity in the sense that it assumes a role in the decision-making process. On this note, Sasmita and Suki (2015, p. 278) explain that “consumers generally use it as decision heuristic which benefits the management of consumer-based brand equity”. Furthermore, it is also relevant to point out the importance of being remembered and, more importantly, being remembered for the right reasons. Thus, as stated by Aaker (1996, p. 15), “the strongest brands are managed not for general awareness, but for strategic awareness”.

Perceived quality can be translated as the consumers impression of the overall quality or superiority of the product/service when compared to the competition. It is important to note that perceived quality differs from the actual quality of a product, for it is only based on the subjective opinion of the buyer (Severi & Ling, 2013). Nevertheless, Aaker (1996), considers it an asset for the brand for three main reasons. Firstly, considering all brand

associations, this is the only proved to drive financial performance. Secondly, it is one of the biggest strategic impulses of a business. Lastly, elevates other features of how the brand is perceived.

From what has been already stated, it is clear how brand equity relies on perceived attributes and associations. These associations can include product qualities, a famous spokesperson, or a particular symbol (Ruão, 2016) and derive from the brand stimulus. Furthermore, the same author claims they come from the brand's identity, meaning how the company wishes to be perceived by their public. Aaker (1996) reinforces the idea that the associations will be stronger the more they are based in the consumers experiences and contact with the brand's communication, especially when they're connected to the brand's awareness and consumer loyalty (Ruão, 2016). Thus, it is possible to conclude these associations are a fundamental aspect of brand identity.

Ghodeswar (2008, p. 5) argues that this unique set of perceptions suggests two separate identities that work together. The author identifies a Core Identity, which "remains constant as the brand moves to new markets and new products", has a special focus on service, user profile, store ambience and performance. Equally important is the Extended Identity "organized into cohesive and meaningful groups that provide brand texture and completeness", this goes along with the brand identity elements and focuses on brand personality, relationship, and strong symbol association (Ghodeswar, 2008).

According to de Chernatony (1999) a strong brand identity comes from the homogeneity and conciseness of its elements. It can be defined by a set of tools used to create an image the organization wants to portrait to the consumers. Therefore, the brand identity must contemplate "the business strategy and the firm's willingness to invest in the program needed for the brand to live up to its promise" (Ghodeswar, 2008, p. 4). A brand with strong identity can gain awareness from buyers and captivate consumers' interests (Vu & Medina, 2014). The author further explores the potential rise in sales revenue. Having this in consideration, there is a need for brands to have a strong identity. For a brand to be considered effective, its identity has to "resonate with customers, differentiate the brand from the competitors, and represent what the organization [does] over time" (Ghodeswar, 2008, p. 5). According to Nandan (2005), the development of the brand identity is key for managers and employees to make a brand unique. For that to happen, several studies highlight six elements that could make that possible: brand vision, brand culture, positioning, personality, relationships and presentations.

Chernatony (1999, p. 165) highlights that for a brand to grow it has to have a “clear vision giving a well-defined sense of direction”. This vision entails the alignment of consumer desires with the brand's capacity to effectively fulfill those desires, while being the “collection of insights on all factors that bring success to the brand” (Tien et al., 2019). The brand vision can be considered the “reason for being” of the brand and incorporates its core values (Harris & de Chernatony, 2001). Meaning it is a progressive statement seeking to bring an upgraded environment, recognizing the underlying purpose of the brand's values. It becomes particularly important for the employees to incorporate these core values, for it will guide their behavior throughout the time they are in the company (Harris & de Chernatony, 2001). Additionally, Ruzzier & de Chernatony (2013, p. 47) highlight three elements of a strong brand vision as being “the future environment that the brand aims to bring about; the purpose of the brand; and the values that will characterize the brand and enable the brand to satisfy the purpose”.

In order to embody the brand vision, the brand has to cultivate the brand culture and understand whether those values change overtime (de Chernatony, 1999). The brand culture relates to the values and aims of a company (Janonis et al., 2007), and is usually held by its employees (Harris & de Chernatony, 2001). As a result, managers are encouraged to estimate the congruence between the employees' values and the brand's (de Chernatony, 1999). Nevertheless, this can represent an obstacle to marketing actions that can be identified as outside of the brand's culture. This restriction to brand freedom is rather frequent, for brand culture is “the most visible and external brand feature” (Janonis et al., 2007, p. 73) and the conformity between brand values has to be preserved. On another note, this element of brand identity is considered an advantage in the market, however “the culture needs to be appropriate, adaptive and attentive to the needs of all stakeholders (Harris & de Chernatony, 2001, p. 444).

The following relevant element of brand identity is positioning. It is through their positioning that brands can shape their optimal position in the minds of consumers, maximizing the potential returns of the company (Tien et al., 2019). “A brand's positioning sets out what the brand is, who it is for and what it offers” (Harris & de Chernatony, 2001, p. 444), giving a set of characteristics and attributes that make the brand one of a kind (Nandan, 2005). This set of particular capabilities will not only “convey to the consumers the benefits that are being offered” (Nandan, 2005, p. 266), but also “give stakeholders cues about the brand's performance characteristics” (de Chernatony, 1999, p. 166) (de Chernatony L. , 2010, p. 168). Furthermore, Martins (2006) highlights how the positioning is not only a

communication strategy featuring what is lacking in the market, but rather a full understanding of the organization's infrastructure identifying what aspects stand out from the brand's competitors that consumers actually value.

In terms of brand personality, de Chernatony (1999) argues that it guides stakeholders through information search and processing by showing emotional characteristics expressed through the personality metaphor (Harris & de Chernatony, 2001). The personality of a brand is also influenced by positioning, core values and culture (Nandan, 2005). From the moment the personality of the brand is designed, relationships start to unfold from interactions between employees, consumers, and other stakeholders (Nandan, 2005). Hence, it is foreseeable personality's importance in the brand's structure. According to Seimiene and Kamarauskaite (2014), it plays a crucial role establishing brand loyalty and ensuring positive attitudes towards the brand, consequently amplifying brand equity. Nevertheless, it is often overseen.

Despite prior studies related to brand image, in which it is assumably passive, "consumer-brand relationships are portrayed as being reciprocal" (Harris & de Chernatony, 2001). According to Janonis (2007, p. 73), these relationships are proven to be of great importance "in the process of human transactions and exchange". De Chernatony (1999, p. 169) further elaborates how brands are "active participants" in any relationship through the people who work there, creating the necessity to enable staff members to recognize the brand's core values and act on them. On the consumers' perspective, brand's influence on purchase behavior and the services provided according to its audience needs are paramount in this relationship (Janonis et al., 2007).

The last component of brand identity is presentation styles, through which the brand is introduced to stakeholders and consumers. Here, the brand acknowledges the stakeholders' and consumers' aspiration and addresses them in the best suitable way (de Chernatony, 1999; Harris & de Chernatony, 2001; Nandan, 2005). To achieve this, brands must leverage their marketing and communication efforts to effectively convey the clear and explicit vision of their product or service (Haynes et al., 1999). This stresses the importance of continuously assessing and addressing any discrepancies that may arise between a brand's desired symbolic meaning and the actual message conveyed through advertising.

2.2. PDCL Model – Building strong brands

As the need for stronger brands and brand equity grows, so does the importance given to brand development and brand management. When mentioning these terms, one cannot leave

out the linkage between brand identity and brand image. According to Nandan (2005), although the concepts are distinct, both are crucial for the development of strong brands. Studies show that the congruence between identity and image of a brand enhance the consumer’s loyalty for such brand (Nandan, 2005). Herzog (1963) defines brand image as the total sum of impressions consumers have gathered from different sources, being related to the consumer’s perception of the brand. Nandan (2005, p. 267) described the concept as “the way in which a particular brand is positioned in the market”. Silva (2012) states that a brand is by nature a representative element. Meaning that on one objectively hand, it represents the product or service offered by the organization. On the other hand, subjectively it represents the experiences and expectations consumers have of it. In other words, the construction of a brand relies almost exclusively on the image.

According to what was previously emphasized, brands are no longer a social object, but rather “socially constructed with consumer participation” (Praratya et al., 2020, p. 44). For this reason, there must be a greater focus in building brand relationships (Redondo, 2012). According to Praratya et al. (2020, p. 45) the process of building strong and successful brands involves branding that is able to “attract and create loyal targets by promoting the value,

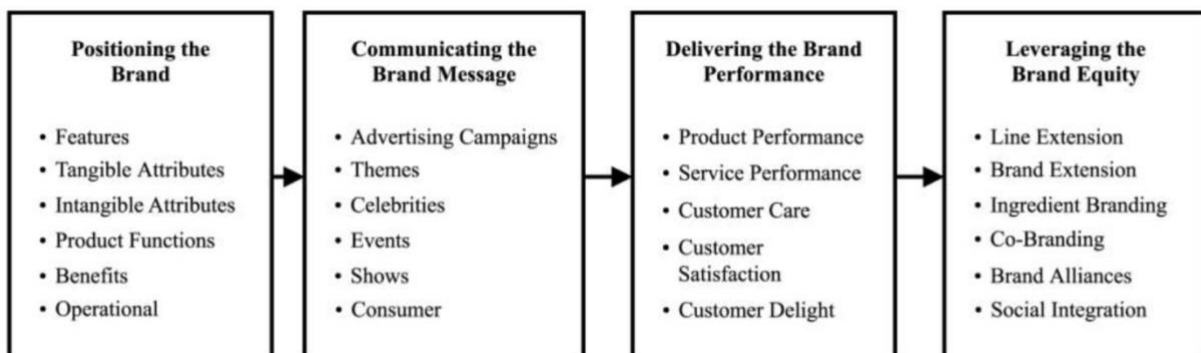


Figure 4 - PCDL Model
Source: Ghodeswar, 2008

image, prestige, or lifestyle of the brand”. In other words, branding is more than conduct the promotional messages, it is an integrated and continuous process which incorporates all marketing activities. Therefore, it is proposed the PCDL model¹, initially developed by Aaker, in an effort to turn brands relevant in a competitive market (Praratya et al., 2020). This model is composed by four elements – positioning of the brand, communicating the brand message, delivering the brand performance, and leveraging the brand equity – **Figure 4.**

¹ This model will be later on used as a basis of the empirical study.

The first element of the PCDL model, positioning the brand, is described by Ghodeswar (2008, p. 6) as “creating the perception of a brand in the customer’s mind and of achieving differentiation”. Brands must focus on setting themselves apart from their competitors and place themselves in the minds of their target consumers. According to Aaker (1996), the brand position is part of its identity and value proposition has to be purposefully communicated to the target audience, showing an advantage over the competitor brands. In the current competitive marketplace, it becomes crucial for brands to link themselves to other entities such as “people, places, things or other brands as a means to improve their brand equity” (Keller, 2003, p. 593). Therefore, marketers must be extremely thoughtful and fully understand which entities are the best match for their brand (Ghodeswar, 2008).

Furthermore, the focus of the branding should lie on “adding psychological value to products, services and companies in the form of intangible benefits” (Ghodeswar, 2008, p. 6). Meaning the brand’s focal point should be on creating emotional associations, as mentioned earlier. Ghodeswar (2008, p. 6) further explains that these emotional associations can be detrimental when distinguishing a brand from another inside consumer’s minds and “transforming functional assets into relationship assets”. According to de Chernatony & McDonald (1998), strong and successful brands have managed to create a high-quality relationship with the consumer, in which there is a feeling of commitment and belonging, to the point of almost love. In conclusion, when it comes to strong brands, brand equity is directly linked both to the actual attributes of the product/service and the different intangible components. Ghodeswar (2008) enumerates these intangible components as user imagery, who uses the brand; usage imagery, how they use the brand; type of personality portrait by the brand - sincere, exciting, fun, relaxed, or other; and the type of relationship it seeks to build with consumers - committed, casual, or seasonal.

The second element of the PCDL model is communicating the brand message. Whilst the positioning of the brand establishes how it is different from the competitors, it then becomes relevant to communicate it in the best way possible. The former element of the model permits the organization to define its communication objectives, providing a starting to point to the message to be communicated and in which channels it should run through. As stated by Ghodeswar (2008, p. 6), creative advertising helps to “break the clutter and build strong impact in the target market”. Considering the competitive and tough marketplace, this becomes relevant as brands struggle to stand out and remain on the top of mind of customers. Nevertheless, “a differentiated, ‘ownable’ brand image can build an emotional and rational

bridge from customer to a company, a product, a service” (Ghodeswar, 2008, p. 6). Therefore, the channels in which the message will be delivered are of extreme importance. Taking this into consideration, the same author mentions the main channels used by brands to position them in the minds of consumers are advertising, direct marketing, sales promotion, sponsorships, endorsements, public relations, and social media. Needless to say, each channel offers a different goal, which brands must also keep in mind. In this day and age, consumers and stakeholders create brand experiences and relationships, while also promoting the creation of brand identity (Praratya et al., 2020). Hence, stronger brands are able to create common elements with consumers where their competitors are looking for advantages, whilst “creating points of difference to achieve advantages over competitors in some other areas” (Ghodeswar, 2008, p. 7). Therefore, the author further reinforces the idea that brands should be consistent in their message, portraying the brand values, brand personality and other brand identity dimensions.

The third element of the PCDL model is delivering brand performance and relates to the tracking of the brand’s progress against its competition and the evaluation of the impact market interventions have had on the equity of the brand (Ghodeswar, 2008). This progress can be tracked by the following variables: level of purchasing, consumption, brand recognition, brand recall and advertising awareness, to name a few. According to Knapp (2000), this analysis allows companies to assign the steps a consumer might go through when interacting with the brand and its consequent impact on the consumer. In product-driven companies, the service has a major impact on the customer journey, and it will impact the relationship between brand and consumer (Ghodeswar, 2008). With this in mind, brands have to continuously improve their performance, in order to protect it from the impact of new and stronger brands and retain brand loyalty. Furthermore, loyal consumers are the ones who are resistant to trading brands, preferring to stay with a brand they already know and trust in (Shin et al., 2019). On top of that, brands who promote loyalty in their consumers benefit from an advantage in the market, for these consumers have a perception of “unique value of the brand” (Shin et al., 2019, p. 4), thus being less sensitive to price changes.

Lastly, leveraging the brand equity makes up the fourth element of the PCDL model. This element relates to connecting the brand to another entity and create new associations from the brand (Ghodeswar, 2008). This can be extremely beneficial for “consumers may change how they think, feel or act towards the company’s brand” (Keller, 2020, p. 448). Companies may use several strategies to accomplish this, such as line extensions, brand extensions, ingredient branding, and co-branding, among others. According to Keller (2020, p. 448),

when brands associate themselves with another entity, despite not being related to their product/service, consumers may assume “the brand shares certain associations or meaning to that entity, thus producing indirect or secondary associations for the brand”. Nevertheless, Ghodeswar (2008) alerts that if brand extensions are not well thought out, it can produce detrimental effects to the brand equity of the parent brand.

Overall, the model suggested provides a direction to brands when building their identity and shaping themselves into the target markets. In this fast-paced environment, managers battle with placing their brands on the minds of consumers and keeping their brands relevant. Bhati and Verma (2018) add how when brands are able to keep these added values in this competitive framework, that will lead to their success. On the same note, Ghodeswar (2008, p. 9) states “companies have to break from the clutter by evolving in innovative ways to attract the attention of the target audience”. Since it is this “on-going relationship between the identity of the firm and the customer” that will eventually shape the identity of said brand (Bhati & Verma, 2018, p. 2). The author further explains the importance of integrated brand communications in multiple media when establishing “an emotional relationship with the target audience” (p. 9). Considered to be its key to success in brand communications. Additionally, the brand also has to monitor its progress in order to understand their position in the market. Then, once the expected brand equity is established, brands are able to take advantage “through line extension, brand extension, ingredient branding, cobranding, brand alliances, and/or social good will” (p. 10).

Taking everything into account, the PCDL Model, initially proposed by Aaker, provides an extensive framework for brands who wish to navigate through their identity while engaging with target markets effectively. This model accentuates the importance of building a distinct brand position that will resonate with consumers, leverage emotional associations to establish a strong brand identity, and continually monitor brand performance, ensuring competitive advantage. Integrated brand communication across various media channels is vital for building emotional connections with the target audience, ultimately contributing to the brand's success. Therefore, the PCDL model serves as a valuable guide for brands seeking to establish and strengthen their identity while adapting to evolving consumer preferences and market dynamics.

2.3. Consumers' perspective on the supermarket sector

Despite being one of the sectors which majorly contributes to national growth (Haekal, 2022), when aiming to create maximum consumer loyalty, supermarkets equally battle with where to allocate the best possible marketing resources to strategic decision. Therefore, supermarket brands must keep in mind the factors influencing consumers to go to one store rather than the other, so they can make an informed decision. The design of the strategic planning of supermarket brands is of extreme importance for it is through it that organizations can achieve the three equities – brand equity, value-equity, and relationship-equity (Dwivedi et al., 2012).

Martineua (2002, p. 98) mentions that besides the common functional aspects of “location, price ranges, and merchandise offerings”, store personality and store image pose a major impact on the consumers purchasing behavior. Meaning the store is defined in the consumers' minds according to both its functional characteristics and psychological associations. When referring to store image and adjacent associations, Ambroise et al. (2005) mention those have an influential power over the consumer's loyalty and purchase behavior. The authors further state retailers are able to become strong brands in the market and earn brand equity, “just as other major brands in consumer or durable goods” (p. 8). Furthermore, these brands use all communication tactics as any other brand, such as advertising in multiple media, catalogues, coupons, sites, and promotions, according to Ambroise et al. (2005).

When buying, consumers long for acquiring value from their purchases (Woodruff, 1997). Regarding supermarket brands, the value-seeking behavior is expected to be more prominent, taking into consideration the fact that “grocery purchases comprise a substantial part of the discretionary household expenditure” (Ambroise et al., 2005, p. 533). With this in mind, it is possible to state that consumers are constantly looking for better value propositions. Studies have shown how, just as money spent and satisfaction acquired, value also affects consumer behavior (To et al., 2007). In terms of expected value by consumers, it is possible to identify utilitarian and hedonic values (Deka, 2019). The former relating to the variables that provide advantage, namely price, quality, product variety. Utilitarian values also reflect the purchase of products in a constructive way and “can be viewed as reflecting a more task-oriented, cognitive, and non-emotional outcome of shopping” (Jones et al., 2006, p. 974). Whereas, the latter creates a more pleasing shopping experience, such as customer service, ambience, location, convenience. Hedonic values reflect what is received “from the multisensory, fantasy and emotive aspects of the shopping experience”

(Jones et al., 2006, p. 974). On this topic, To et al. (2007, p. 775) explains “hedonic shopping value can influence unplanned shopping behavior while utilitarian shopping does not”. This can be understood as the products bought for pleasure have a different influence than products bought out of necessity and functional purposes. Furthermore, the gain of advertising campaigns can be determined through the categorization of utilitarian and hedonic products (To et al., 2007).

Nevertheless, it becomes relevant to analyze in-depth the mentioned utilitarian values, for “successful shopping trips place the respective retailer in the consideration set for future shopping trips” (Jones et al., 2006, p. 979). In terms of price, there has been a common association between quality and price, for a higher value on the price tag is perceived as an indicator of better quality (Ham et al., 2021). Nevertheless, studies have shown this is a wrong connection, and both attributes are independent (Morschett et al., 2005). Nevertheless, price continues to be a major element in the consumer’s choice (Burt & Sparks, 2003). In the study by Morschett et al. (2005), consumers who were price-oriented would take longer time shopping and would trade a better quality for a lower price. On the other hand, the authors also describe ‘dedicated quality shoppers’ who are “willing to spend a lot of time on their shopping trip” (p. 436) looking for the better quality of their intended product. In this second case, quality of the product was a bigger variable taken into consideration. The perceived quality of a certain product is dependent on its physical attributes, such as material, color, or price and brand name (Sirohi et al., 1998). Overall, the price-quality relation of a product can impact the consumer’s behavior and purchasing intentions.

Regarding variety of products, it permits a stronger relationship between a retail brand and consumer (Richards et al., 2017). Thus, allowing consumers to reduce their search cost avoiding changing location when looking for a certain product. According to Bauer et al. (2012, p. 12), variety is not much the number of different products, but rather how many different products inside a category there are inside store. For a consumer, the perception of variety can be affected both by the dissimilarity of products and how they are displayed in the store (in an orderly or random way). Furthermore, the same authors confirm that “higher variety perceptions and organized displays positively influence store choice and satisfaction”.

Another key element when talking about consumer behavior and purchase intentions is customer service. According to Martinelli & Balboni (2012), it is imperative to earn customer satisfaction and loyalty, consequently providing a strategic advantage over the

competitors. The authors further mention the importance of having a high-quality customer service when we want to stand out in the consumers' minds and earn that competitive advantage. Staff plays a crucial role in the store, for they are perpetuators of the brand values to the consumer (de Chernatony, 1999). Consequently, the interaction between staff and consumer will impact the consumer's perception of service quality (Rashid & Rokade, 2019). Furthermore, the store perceived quality will also be influenced by the staff's knowledge on the products and their ability to solve problems and attend consumers' concerns (Rashid & Rokade, 2019).

Furthermore, the store ambience and environment have a major impact in the consumer's purchasing experience. The stimuli consumers get inside a store can be influenced both by physical and non-physical elements of the store (Kumar & Kim, 2014). The authors enumerate "the number of employees present, overhead music, color scheme of the store, temperature within the store, and layout of the store" (Kumar & Kim, 2014, p. 686). Nevertheless, it is possible to highlight also the lighting situation, the smell of the store, or the hygiene condition of the place. Some of these elements may go unnoticed to the common consumer, however all of them have an impact in the purchasing experience and will influence the consumer in whether they're willing to shop there again or not. On this note, Deka (2019) also adds how store ambience can serve as a competitive advantage, in the sense that given the current accessibility of brands and products, stores differentiate themselves based on store factors.

Lastly, when mentioning consumer behavior and purchase intentions, one cannot leave out convenience. Burt & Sparks (2003) define it as the set of attributes which help consumers to economize their time and their effort within the purchase experience. Given the complex concept, Bianchi (2009, p. 311) has divided the concept into four distinct categories: access convenience, search convenience, possession convenience, and transaction convenience. The first relates to facility and speed with which consumers are able to get to the retailer, it is usually referring to the assessable location, parking situation, store schedule, proximity to other stores and easy Internet access. The second refers to facility and speed with which consumers identify and pick out the products they wish to bring home. Includes providing help to said consumers, the store layout and design, and merchandising. Then, possession convenience is about the facility and speed with which consumers acquire the intended products. Encompasses the restocking and variety of products, or delivery time. Finally, transaction convenience mentions the facility and speed with which consumers can perform or alter the transaction. Here, it becomes relevant a fast service and that attends to their

customers quickly and includes the possible payment methods and well-designed service methods.

With the increasing competitiveness in retail, product quality and price are no longer the major criteria influencing consumer behavior (Deka, 2019). The myriad of factors with impact on purchase intention and consumer behavior have risen the importance of building a strong relationship between supermarket and consumers (Ambroise et al., 2005). Only through it is brand loyalty established. As stated by Deka (2019, p. 12), “the concept of shopping is changing with changing times”, meaning the branding strategy for supermarket now has to take both the hedonic and utilitarian values into consideration.

3. Storytelling as a Marketing Strategy

In the third chapter, the concept of storytelling marketing is examined, delving into the comprehensive influence of stories on both individuals and the potential benefits of employing storytelling in organizational contexts. Specifically, this chapter explores how storytelling marketing can effectively engage and persuade consumers, highlighting its advantages in fostering meaningful connections with target audiences.

3.1. Origin and definition of Storytelling in Marketing

In today's fast-growing economy and technologically advanced world, consumers are faced with an overwhelming array of choices when it comes to products and services. In this crowded marketplace, how can a brand effectively distinguish itself from the competition? As Wylie (1998) suggests, storytelling can be a valuable strategy to capture and maintain the audience's attention amidst the abundance of information, data, and facts. Similarly, Joubert et al. (2019) highlight the responsibility of communication scholars to empower individuals and enable them to make well-informed decisions by presenting facts and evidence with an evolving emotional appeal. The recognition of this need has brought the potential of storytelling to the forefront as a powerful communication tool.

Stories are all around us and their impact on our lives is unmeasurable. No matter where we go, there is a story grabbing our attention (Gargiulo, 2005). Whether it is the bed-night fairytales, or casual gossip with friends, we are exposed to stories daily. This constant process has led storytelling to be a “fundamental human activity” (Delgado-Ballester & Fernández-Sabiote, 2016, p. 116) through which we have learned to shape experiences and communicate them to others. According to Boje (1995, p. 1001) people tell stories to “enact an account of themselves in their community” and these stories are able to “shape the course and meaning of human organization”. As specified by Wylie (1998, p. 30), stories are able to “paint pictures in your audience member’s minds so they pay closer attention to your communication, understand your messages faster and remember your key points longer”. This can be explained by the fact that hearing stories demands active participation from the listener, which by extend becomes a “powerful vehicles for eliciting each other’s experiences and knowledge” (Gargiulo, 2005, p. 7).

Taking this into consideration, it is foreseeable that “people also tend to organize information in story format” (Chiu et al., 2012, p. 264). Since information is formatted in stories, it is only natural that they assume several functions (Gargiulo, 2005). Namely, empowering a

speaker, in the sense that an effective speaker is able to hold our attention through stories. On the same note, the author further mentions how stories create personal connections in-between individuals, stating that “the quickest path between yourself and another person is a story” (p.11).

Boje (1995, p. 1000) defines story as “an oral or written performance involving two or more people interpreting past or anticipated experience”. According to Benneth & Royle (2004, p. 53) a story can be simply defined as “a series of events in a specific order – with a beginning, a middle and an end”. Escalas (2004, p. 169) admits the narrative’s structure presents a “temporal and relational organization and a basis for casual inferencing”. Meaning how a story is structured can impact the listener in many different aspects. On the same note, Deighton et al. (1989, p. 341) state the audience’s reaction is determined by the narrative’s shape, and it was tested “by looking for indicators of cognitive process”. With this in mind, it becomes relevant to understand the design behind a story.

Stern (1994) identifies as three essential elements of a story to be chronology, causality and character development. Chronology is a series of events with internal temporality, in other words beginning, middle and end. Causality refers to the relation between time and such events: a certain event has consequences on characters, these characters take actions to reach their goals, and these actions affect the final result. Lastly, character development is the receptor’s perception of the psychological state of the intervenients in the story.

Apart from the three fundamental elements of a story mentioned previously, other studies highlight additional essential elements of brand storytelling in communication. In their study, Chiu et al. (2012) emphasize authenticity, conciseness, reversal, and humor as major contributors to narrative effectiveness. The concept of authenticity, as defined by the authors, refers to the portrayal of "genuineness, reality, and truth" in advertisements (Chiu et al., 2012, p. 265). Contrary to popular opinion, which assumes a conflict between storytelling and authenticity, great storytelling is actually built on the integrity of the story and the storyteller (Guber, 2007, p. 3). Conciseness, on the other hand, involves presenting a complete story using as few words as possible. This element holds significant importance as modern consumers often lack the time and patience to absorb overly detailed narratives (Chiu et al., 2012). According to Cacioppo and Petty (1979), repeated exposure to stimuli can lead to negative responses such as boredom. Therefore, conciseness can help decrease feelings of tedium and improve positive attitudes towards the story.

Additionally, reversal serves as a crucial element in storytelling, representing the turning point in a narrative. The more conflict between the protagonist and the events, the greater

the suspense regarding the outcome, which in turn engages the audience further (Chiu et al., 2012, p. 266). Finally, humor, characterized by “the use of puns, jokes, understatements, double entendres, and other methods” (Delgado-Ballester & Fernández-Sabiote, 2016, p. 118), is also regarded as one of the essential elements of brand storytelling. Chiu et al. (2012, p. 266) argue that humor not only enhances the transfer of positive affect towards the product but also improves customer cognitive responses.

Narratives are able to build a “sense of empathy from a cognitive and emotional position” (Barker & Gower, 2010, p. 299), providing a “realistic or fictional framework” through which a brand is able to express its “heritage, founder, highlights and crisis, mission, values, and functional and emotional benefits” (Delgado-Ballester & Fernández-Sabiote, 2016, p. 117). Meaning, through brand stories consumers can view the world from the perspective of others, and eventually empathize with said brand. This aspect poses a strategic asset that brands can use in their advantage to build a strong image among the target audience. Given the symbolic domains inside organizations, from which behaviors and codes of conduct arise, it becomes crucial to face storytelling inside organizations as a powerful mean for the organization to express its identity and influence accordingly (Simão & Gorjão, 2014).

Therefore, it becomes relevant to comprehend organizational narratives and how marketing can use in its advantage. Vaara et al (2016, p. 3) define organizational narratives as “temporal, discursive construction that provide means for individual, social and organizational sensemaking and sensegiving”. The author further explains how despite narrative analysis usually considering stories with “a clear beginning and an end” (p. 3), organizational narratives are often intertwined in fragments as a part of organizational converse. Additionally, organizational storytelling allows the presentation of a shared vision of the corporation’s future to the stakeholders (Simão & Gorjão, 2014). These corporate messages are better received and accepted by stakeholders, when they are perceived as coherent and engaging.

Furthermore, hoping to extend the current knowledge of organizational storytelling, Chautard and Collin-Lachaud (2019) have conducted an analysis on how it can be used. Firstly, as being a facilitator of change, namely when implementing new procedures or inspiring the staff to be more committed. Then, storytelling can be used as a performance tool for the organization, given its role in “communicational effectiveness, commercial performance, and visual memorization” (p. 30). As a sensemaking tool, storytelling has been proven to be effective within organizations. Meaning that through it, individuals are able to assign emotions to an experience, for example with staff discourse. Another use for

storytelling is as a marker of culture, especially when transmitting the organizational culture to new staff members. Last but not least, organizational storytelling is indicated as an instrument of persuasion and leadership. In those lines, Delgado-Ballester and Fernández-Sabiote (2016, p. 119) highlight studies which explore the usage of storytelling “as a tool to affect stakeholders’ perceptions of the corporate brand” as a way to stand out from the competition and thus building corporate reputation. Considering the several usages of Storytelling, particularly its effectiveness in persuading individuals, it becomes important to further explore this connection.

3.2. Storytelling and Persuasion

Several strategies can influence consumers to acquire products or services from a brand. In the effort of attracting consumers, stores may adopt a price promotion strategy in order to compete in the current competitive market (Chiu et al., 2012). Nevertheless, this strategy is proven not to have an “impact on their revenue” and it usually minimizes category margins (Srinivasan et al., 2004, p. 617). Therefore, it is proposed the usage of storytelling by brands, for brand stories may have a stronger persuasive effect by “transporting recipients into the world of narrative (Chiu et al., 2012, p. 271).

Nevertheless, before understanding how brands can persuade consumers, it becomes relevant to understand this concept. The conceptualization behind persuasion accepts “an intentional effort through communication to influence a receiver who has some degree of freedom of choice” (Eisend & Tarrahi, 2022, p. 4). This entails a greater spectrum than just considering persuasion as a change in attitude. For the purpose of this strategy, persuasion messages are taken as resources aiming to alter attitudes, intentions and behaviors (O’Keefe, 2023). With this being said, it is equally important to highlight how these messages are beneficial to both ends of the communication – both the receiver and the sender. Meaning that when confronted with potentially manipulative techniques, which might intent to reduce consumer’s choice, consumers “develop coping responses, as suggested by the reactant theory (Eisend & Tarrahi, 2022, p. 4). The Reactant Theory explores how individuals, when they understand their freedom of choice/behavior is being threatened or conditioned, suggesting it these individuals will try to assert their freedom by doing the exact opposite of what is intended or imposed (Brehm, 1966).

For the purpose of attaining a privileged insight on how corporate stories are able to build the corporate brand, impression management theory introduces a theoretical perspective on

corporate storytelling (Spear & Roper, 2013). This provides an interesting viewpoint on the usage of stories when building the corporate brand, proving to be one of the most persuasive theories concerning corporate reputation (Srivoravilai et al., 2011). Elsbach et al. (1998, p. 68) claims organizational impression management refers to “any action purposefully designed and carried out to influence an audience’s perceptions of an organization”. Goffman (1959) introduces this as an analogy of an actor on stage to describe how people can use interpersonal communication as a way to create a certain impression on others. According to previous research, this theory may help organizations keep support from internal and external audiences (Elsbach et al., 1998), since these interactions enable “stakeholders to create an impression of the organization” (Spear & Roper, 2013, p. 493). According to Carter (2006) just as individuals have impression management behaviors, such behaviors can also be extended to organizations. Hence, Bolino et al. (2008) identify five assertive impression management behaviors. Assertive strategies are used when an organization “proactively manages impressions about themselves to create a desired image” (Spear & Roper, 2013, p. 494). Such behaviors within assertive strategies are ingratiation, self-promotion, exemplification, supplication, and intimidation (Bolino et al., 2008). In terms of ingratiation, both internal and external benefits of an organization can be used in this type of behavior. It is identified by the sharing of values and benefits to make an organization more likeable. Its aim is to make such organization appear more “attractive and likeable” to its audience (Spear & Roper, 2013, p. 494). Then, self-promotion behaviors take on accomplishment elements to gain corporate credibility, by showing the organization’s competence while dealing with certain situations. This is used to give even further emphasis in the performance and efficiency of the organization (Sargeant et al., 2008). The third behavior mentioned by Bolino et al. (2008) is exemplification. Here, the corporation takes advantage of external benefits elements to show how they have been advocates for social causes or how they have been providing benefits for the common good (Ogden & Clarke, 2005). The purpose of this is for the corporation to “appear virtuous and morally worthy” (Spear & Roper, 2013, p. 495). Supplication is the fourth type of behavior mentioned within assertive strategies. These usually arise in situations of conflict. They become relevant as through them corporations identify the problems faced by the company, but most importantly they show how they overcome it. Supplication behaviors can have an impact on stakeholders conception of the organization by helping the brand “to gain, maintain or repair its legitimacy” (Spear & Roper, 2013, p. 495). Finally, and according to Spear & Roper (2013, p. 495), intimidation has not a clear relation with a story element “as stories are not perceived

in the literature to be used for threatening audiences”. Even though emotion has not been related to any particular impression management behavior or strategy, it is to note that emotion stands for a key element of stories (Spear & Roper, 2013). Rather it be positive or negative, it can be found across multiple behaviors.

With this in mind, it is comprehensible that impression management has acquired momentum in the last years. According to Bolino et al. (2008), findings support the fact that it can be applied at the organizational level, which has led to an increased research from both macro and micro impression management. The authors go into further detail explaining how this connects individual antecedents, such as CEO’s usage of impression management, to organizational outcomes and its possible impact on real-world contexts. The behaviors mentioned are able to create “potential starting points of corporate stories” (Spear & Roper, 2013, p. 495). Nevertheless, these studies are mainly conceptual, hence the need to explore these themes and elements at an empirical level.

3.3. Strategic Storytelling

The current framework of organizations, characterized by strong competition and constant need for adaptation and improvement, has been valuing both tangible and intangible capabilities (Simão & Gorjão, 2014). This explains how storytelling has become “the marketing communication strategy” in the last years (Pan & Chen, 2019). Despite being a powerful tool for building promotions of brands and products, this strategy has proven to be an extremely effective instrument when charming and creating bonds, persuade, conquer and retain consumers (Brito & Saraiva, 2022). On an individual level, Chautard & Collin-Lachaud (2019, p. 28) mention how humans require stories on a basis level for the transaction of experiences and knowledge, therefore “stories have become a marketing tool used to express and stage oneself”. On a broader perspective, this innate aspect of storytelling has risen interest for academics for they “see it from a performative, experiential and individual perspectives” (Chautard & Collin-Lachaud, 2019, p. 28).

Despite always being present in the world of communication and advertising, storytelling has been having a breakthrough specially in the marketing department (Carrilho & Markus, 2014). Hence, the idea behind bringing narratives to the public, which used to occur in a natural way in the creative process and has now a strategic need behind it. As mentioned by Pulizzi (2012), if a brand wishes to focus on being discovered (through search engine optimization), or on converting leads into consumers, or needs to leverage their social media

channels, nothing will be as effective as a compelling storytelling. Storytelling as a content marketing strategy is the “creation of valuable, relevant and compelling content by the brand itself on a consistent basis” (Pulizzi, 2012, p. 116). Its main objective is to produce positive conduct from the consumer towards the brand and “increase its loyalty [...] by information and education” (Baltes, 2012, p. 112). Although this strategy is mainly associated with advertising, storytelling, as a capitalizing tool, places individuals at the forefront of communication, allowing them to become active participants in the narrative being conveyed by the organization (Brito & Saraiva, 2022).

According to Barker and Gower (2010), storytelling is proven to be a good way of providing text and background to a conversation. Meaning that how a story is told affects how it is perceived and acted upon. The authors further state that “both the audience and purpose of the narrative must be firmly established, and after that, the type of story, tone, and style must be considered for optimum effectiveness” (Barker & Gower, 2010, p. 306). This brings the issue of any learning approach which basis implies bringing notional, conceptual ideas to a concrete and actual setting (Lämsä & Sintonen, 2006). The authors add how narratives serve as a means to “mediate knowledge, emotions and understanding in and between places and different instances” (p. 109). On this topic, Kahan (2006, p. 25) conceived the concept of *JumpStart Storytelling* to characterize his method of using employees’ narratives to revivify team projects in changing environments, which lead to high quality collaboration relying on “multiple, conflicting points of view coming together in a collective intelligence that honors the contribution of each perspective”.

As it has been mentioned, storytelling is recognized as a relevant process to understand corporate strategy. Nevertheless there seems to be a gap between theory and practice when it comes to stories (Mitchell & Clark, 2020). According to the authors, in order to fully understand the organizational strategy three elements of the story must be considered: ‘the who’ – which can be labelled as the character or the storyteller; ‘the how’ – related to the way the story is told; and ‘the what’ – meaning the content being told. Haven (2007, p. 79) describes story as “a detailed, character-based narration of a character’s struggles to overcome obstacles and reach an important goal”. Here, the author emphasizes the central role of ‘the who’ as core element of the story structure and its power to become relevant to the consumers, thus building a strong relationship with the brand (Mitchell & Clark, 2020). The storyteller or character can be represented by someone within the organization, an external public figure, or a fictional invention.

The second structural aspect of a story, ‘the how’, is the terms in which a story is told. This potentially plays a determinant role in the story’s effectiveness when communicating it to the audience (Mitchell & Clark, 2020). Therefore, it became relevant to classify the different types of story structures into archetypes of basic plot lines. Mitchell & Clark (2020) identify eight major archetypes: traditional genres of fairy-tale, legend, comedy, parable, heroic, tragedy, combined with popular forms of reality, and game. According to Campbell et al. (2012), these archetypes suggest an already known frame to the readers, allowing an unconscious analysis of the content. Which by extent, enables an easier connection to their emotions and familiarity with past events.

The third and last element of stories highlighted by Mitchell and Clark (2020) is ‘what’. It is defined as the content shared through the stories and has been described as “themes, elements or attributes” (p. 145). Van Riel & Fombrun (2007) identifies three main themes in corporate stories: activities, benefits, and emotions. The theme of activities usually relates to the organization’s key abilities, capabilities, and notable achievements. Then, the benefits comprise both external and internal, about employees for example. Finally, the topic of emotions comprises narratives in which conflicts were overcome and problems solved, with the aim of creating an empathetic connection with the audience. On this topic, it is also relevant to highlight the importance of communicating the strategic component through corporate stories. Namely, the vision, mission, and values of organizations (Spear & Roper, 2013). By analyzing the content of such stories, it is possible to gain a strategic understanding of the organization, for it is through them that they “reveal key messages they are trying to communicate to stakeholders” (Mitchell & Clark, 2020, p. 145).

As mentioned by Mitchell & Clark (2020), the corporate brand identity should be able to transmit not only emotion, but also the functional and symbolic dimensions of the organization. Hence, the potential of storytelling when communicating such. On this note, Bublitz et al. (2016, p. 237) state that powerful and truthful stories “convey the organization’s impact, engage audiences, and call those audiences to action”. Despite the many ways to build an involving and truthful narrative, time and effort are always necessary to produce a strong brand storytelling strategy (Barker & Gower, 2010). As suggested by these authors, brands require careful consideration of their audience and goals to ensure “the story is being directed to the right people, in the right manner, to create the desired results” (p. 308).

4. Methodology

After an overview of the state of the art, with the most relevant concepts on the topic, defining the methodology to be used in the following dissertation becomes mandatory. In the following chapter, the research question, the research goals, and the instruments and procedures for the data collection and analysis will be introduced.

4.1. Relevance of the study

Narratives are able to build a “sense of empathy from a cognitive and emotional position” (Barker & Gower, 2010, p. 299) helping consumers view the world from the perspective of others. From a corporate position, brand stories enable companies to show their roots, their history and what led them to where they are (Delgado-Ballester & Fernández-Sabiote, 2016) providing emotional background to a once unknown brand. With that in mind, developing a strong brand image among consumers becomes crucial when designing a unique and distinct brand.

This topic becomes even more relevant when considering the previously mentioned effects of storytelling are not fully born out in research (Kang et al., 2020). The authors mention three main reasons pointed out by literature. Firstly, reproducing the effects of storytelling in an experiment as they are in the real world is extremely difficult. Most times, researchers struggle with “which message strategies to use and how to design them” (Kang et al., 2020, p. 47). Moreover, it is rather subjective to determine the effectiveness of a story. Lastly, it is important to remember the various factors which may influence the experiment, such as the image of the brand, the CEO, and the involvement of the consumer.

In light of this, we can assume the important relation between storytelling strategies and creating a positive strong brand image on consumers and the complexity behind designing an experiment involving storytelling strategies. Hence, this dissertation introduces the case of LIDL’s communication in the Portuguese market, studying a real time experiment, while analyzing concrete and visible effects. This thesis aims to study in-depth the impactful consequences of storytelling practices in the communication and marketing strategies of brands. Furthermore, it is relevant to understand how this strategy has been able to impact the brand’s image.

4.2. Research approach: starting question and goals

The present study aims to analyze the impact of storytelling as a marketing strategy in shaping brand identity. On that account, it starts with the following research question: “How did storytelling marketing impact Lidl Portugal’s brand identity?”. Considering the case study of Lidl Portugal, the genesis of the main question can be divided into two underlying viewpoints: the corporate positioning and the consumer perception.

In order to answer this question, the goal of understanding the impact of storytelling marketing in shaping brand identity was established. Consequently, the need for more specific goals occurred:

- v. Identify the main factors when choosing a supermarket;
- vi. Define Lidl Portugal’s communication and marketing strategy;
- vii. Understand consumer’s perception of Lidl Portugal;
- viii. Understand if consumer’s are satisfied with Lidl Portugal.

These goals are of extreme importance, for it is through them that this study has evolved. Firstly, it is important to understand what moves consumers to go to one supermarket, rather than another. Only then can we know if the brand is allocating the right resources in the right places. Being inserted in a fast-moving consumer goods market, supermarkets must keep that in mind when designing their campaigns and strategy. Consequently, it became relevant for this study to understand how supermarket chains craft their brand strategy in order to differentiate from their competitors and stand out among so many. Then, considering the case study in hand, defining, and understanding Lidl Portugal’s communication and marketing strategy is crucial. Once identified, it is relevant to understand if it is being effective. For that reason, information on consumer’s perception of Lidl will show how effectively the brand identity is being communicate and if it is being well received by the intended audience.

4.3. Methodological approach

According to Fortin (1999), scientific research is described as a process through which it is possible to solve problems and acquire knowledge related to the world we live in. For the purpose of a scientific research, it is crucial to establish and implement a methodological plan. The process mentioned can be divided into three distinct phases: the conceptual, the methodological, and empirical (Bryman, 2012). The conceptual phase is where the research object is chosen and defined, the already existing literature is reviewed, and the research

questions and objectives are outlined (Fortin, 1999). The methodological phase consists of structuring the research, determine the population and the sample, as well as the variables, the data collection techniques, and data analysis tools to be taken into consideration. Lastly, the empirical phase is introduced as the last step in which the data previously collected is analyzed, interpreted, and communicated (Fortin, 1999).

Taking this into consideration, it becomes necessary to understand the best methodological approach for the current study. Given the relevance of Lidl Portugal's strategy in the national panorama, this research follows a case study methodology. Through it is possible to analyze the intricacies of a singular case "which should be a functioning unit, be investigated in its natural context with a multitude of methods, and be contemporary" (Johansson, 2007, p. 48). According to Meyer (2001), there are no specific guidelines to conduct case research. This can be a strength, in the sense that the researcher is able to design and collect the data as it best suits their research question. However, it can also pose a weakness for it can lead to poor case studies, which are then more susceptible to criticism. A paramount aspect of case study methodology is the combination of different methods with the intention of casting a light from different angles – triangulating by integrating more than one methodology (Johansson, 2007). The same author further states that not only data collection techniques can be triangulated, but also "data sources, theory, or investigators" (p. 51).

Furthermore, a case can be selected for a study when it has intrinsic interest on its own, or when it is an analytical selected case (Johansson, 2007). In the former, it is not relevant for the researcher to generalize the findings, but rather fully comprehend the situation in hand (Johansson, 2007). However, the latter "involves theoretical sampling" (Meyer, 2001, p. 334), meaning it was purposefully chosen for the probability of its finding to be replicated, expand emergent theory, or fill theoretical categories by providing polar type examples. Consequently, it is possible to state that the current study is an analytical selected case.

In order to develop this investigation a mixed methods approach was adopted. This approach includes a quantitative and qualitative study. Nevertheless, it is important to establish that quantitative and qualitative approaches do not represent dichotomies nor must be considered at opposite sides of the table (Creswell, 2009). A study can be more inclined to be either quantitative or qualitative. Creswell (2009, p. 22) further explains how "mixed methods resides in the middle of this continuum", for it involves aspects of both approaches. Although considered complex, this method is also innovative and one of the most effective ways to approach the research (Gorard, 2010). As Creswell and Clark (2007) state, the combination of both qualitative and quantitative studies provide a better understanding of the research

problems, rather than alone. Therefore, it is foreseeable that the number of mixed methods studies is increasing. On top of that, McKim (2017) adds this can also be explained by the perceived benefit of this type of research, when compared to solely quantitative or qualitative.

As pointed out by Ivankova et al. (2006), mixed methods approach can take one of two design strategies: concurrent/independent or sequential/dependent. The former occurs when the variables in the study are considered as independent, in other words, the quantitative data and the qualitative data are collected at the same time. The latter considers the variables in question as independent, meaning the data collection will be happen one after the other. Here, the researcher must consider whether the quantitative or the qualitative data will have priority in the study. For the purpose of the current study a concurrent mixed methods approach will take place. In addition, the data from online surveys and in-depth interviews will be crossed. Here, the aim is to comprehend the current perception consumers have of Lidl Portugal, how closely that relates to how the brand perceives itself, and what is the actual the impact of storytelling marketing in that process. Combining the quantitative and qualitative findings will enable a better understanding of the overall results.

4.4. Data Collection Techniques

Taking what has been mentioned previously, it is critical to explore the several techniques of data collection and which ones will best suit the current study.

4.4.1. Qualitative Approach – In-depth Interviews

For the purpose of this study, semi-structured interviews occurred in order to o support and complement the knowledge on the topic of the phenomenon and further understand it (Quivy & Campenhoudt, 1992). In this case, this exploratory method aimed to understand how the brand and advertising agency have been developing Lidl's Portugal strategy in the recent years. The semi-structured script tried to access the mission, vision and values of Lidl, and how that is portrayed in their strategy. For the purpose of this research, it also became relevant to understand how the brand sees their consumer, how do they characterize it, and, most importantly, how they adapt their communication to connect with them on a deeper level. With that in mind, semi-structured in-depth interviews took place, in which Luis Lobato Almeida, Head of Brand at Lidl Portugal, was asked about these topics in a Zoom Meeting on November 23, taking around an hour. Given the close and productive

relationship with their advertising agency, it also became relevant to talk to *O Escritório* regarding their inspiration when design campaigns for Lidl, their successful campaigns, and they tailor their communication to Lidl's consumers. For that reason, a in person interview to Nuno Jerónimo, creative director, took place at *O Escritório* office on November 17, lasting around half an hour². Both interviews provided a different perspectives on the topic of the strategy used and the effects on Lidl's success.

During the interviews conducted, several important topics were covered to gain a comprehensive understanding of Lidl's brand. The first interview, with Luis Lobato Faria focused on Lidl's mission and vision, exploring the brand's reason for existence and future aspirations. The second interview delved into Lidl's beliefs and values that drive its operations. The target audience of Lidl was discussed, including a detailed analysis of the consumers who choose Lidl and the factors influencing their decision. Differentiating factors that set Lidl apart from its competitors were also explored. The interviews provided insights into Lidl's communication strategy, including the duration of its implementation. Additionally, the interviewees were asked to provide three words to describe what Lidl is, what it is not, and the desired perception among consumers. Finally, the methods employed to track Lidl's brand performance were discussed, shedding light on how the brand evaluates its position in the market. Overall, these interviews offered valuable insights into Lidl's mission, vision, values, target audience, competitive differentiators, communication strategy, and brand performance tracking.

4.4.2. Quantitative Approach – Survey by Questionnaire

As stated by Creswell (2009, p. 22), quantitative research serves as a means to test “objective theories by examining the relationship among variables”. In other words, it is possible to say that quantitative methods mainly focus on measuring our social reality, aiming to “establish research numerically” (Sukamolson, 2007, p. 4). Mathematically based methods, more specifically statistics, are usually associated to quantitative methods. When studying a phenomenon, the researcher might encounter data which is not originally in a quantitative form. Regardless, there are design research instruments “aimed specifically at converting phenomena that don't naturally exist in quantitative form into quantitative data” (Sukamolson, 2007, p. 3).

² Both transcripts of the interview are in Appendix D and E, with Luis Lobato Almeida, Head of Brand at Lidl Portugal, and Nuno Jerónimo, Creative Partner at *O Escritório*, respectively.

Quantitative research may adopt different forms. For the purpose of this study, a survey by questionnaire took place in order to assess to consumers' perception on Lidl Portugal. According to Creswell (Creswell, 2009, p. 137), a survey design "provides a quantitative or numeric description of trends, attitudes, or opinions of population by studying a sample of that population". Through which the researcher is able to generalize and make claims about said population. In this case, a survey by questionnaire will present, to a representative group of the population, a selection of questions related to their purchase behaviors in terms of grocery shopping, their attitude towards Lidl and their level of knowledge on the topic.

Regarding the structure of the online survey, it will start with a brief introduction of the study, thanking the respondents in advance for their time, requesting their honesty when answering the questions, and assuring them the data retrieved will remain anonymous and confidential. The online survey consists of three parts: (1) consumer profile, (2) purchase intention and behavior, (3) consumer satisfaction³. The first part of the questionnaire aims to section the respondents according to their profile (Question 1 to 5). Apart from the gender question, all questions are closed and multiple choice.

Then, the second part aims to answer questions related to consumer behavior and purchase intention, more specifically to understand which factors and habits drive consumers to go to certain supermarket instead of the competition. From a customer-based perspective, it was included the variables and dimensions that usually influence consumers when buying. Thus, number of pool items were considered namely price (Burt & Sparks, 2003; Ham et al., 2021), product variety (Bauer et al., 2012; Richards et al., 2017), customer service (Martinelli & Balboni, 2012; Rashid & Rokade, 2019), store ambience (Deka, 2019; Kumar & Kim, 2014), and convenience (Bianchi, 2009; Burt & Sparks, 2003). Once the importance of each item was established by the respondent, they classified the Lidl on those characteristics, further explaining the brand's conformity with such influence factors.

Once the factors which might influence the respondents were established, the level of satisfaction they have towards Lidl needed assessment. This topic constitutes the third part of this questionnaire. This group is comprised of a Likert scale, made up of five levels, in which one stood for strongly disagree and five for strongly agree. Then the respondents had to give their opinion on whether they identified with the brand and the likability of recommending it to their friends and family. Lastly, the respondents were asked to describe Lidl Portugal in one word.

³ Questionnaire structure can be found in Appendix C.

For the purpose of this study, the survey was targeted at Portuguese residents who could potentially visit Lidl in Portugal or be influenced by its communication. PORDATA (n.d.) defines the resident population as the group of people who have lived in/arrived at a location at least 12 months prior to the moment of observation, intending to stay there for at least a year. According to INE (2021), as of 2021, there is a total of 10,344,802 people living in Portugal, from which 4,921,170 are male and 5,423,632 are female. In this study, organized both by INE and PORDATA (2021), it states the main age groups range from 0- to 14-year-old, which represent 12.4% of the resident population, 15- to 64-year-old, which stand for 63.6%, and over 65-year-old, which constitute 23.5% of the total resident population in the country.

Similarly, according to ECO (2022), Portuguese individuals dedicate approximately 3.7 days to shopping in supermarkets or hypermarkets, with 84% of them visiting these establishments at least twice a week. Notably, their average expenditure in physical stores surpasses that of online shoppers, with amounts reaching 277 euros compared to 127 euros, respectively. When asked about the reasons behind this spending disparity, consumers mentioned succumbing to discounts and promotions (76%), being enticed by products encountered while browsing the aisles (54%), and occasionally making impulse purchases when hungry (20%). Regarding shopping planning, a significant 84% of consumers admitted to spending more than initially intended, while also acknowledging the additional time spent (42%) and the crowded store environment (42%) as notable inconveniences. Despite these challenges, consumers continue to place their trust in traditional channels, particularly when purchasing meat, fish, milk, and dairy products. Considering this, given the country's population size, a confidence level of 95%, and a margin of error of 5%, the sample size calculator suggests that a minimum of 385 participants is required to ensure statistical significance (SurveyMonkey, n.d.).

The survey by questionnaire was conducted online using Google Forms, an intuitive tool available on multiple devices. It was shared through social media platforms, including Facebook and Instagram, targeting individuals with diverse socio-demographic backgrounds. The survey remained open for responses from November 17, 2022, to January 10, 2023. During this period, a total of 387 responses were gathered, providing a substantial sample size for analysis and insights.

5. Case Study – Lidl Portugal

5.1. Company Framework

According to their website, Lidl belongs to the Schwarz group, one of the major retailers worldwide, and the biggest in Europe⁴. They are a supermarket chain which opened the first store in 1973 in Germany (Lidl Deutschland, n.d.). Lidl describes itself as a German success story, considering their current 3,200 stores and 39 logistic centers in Germany alone. In Portugal, Lidl opened their first 13 stores in 1995 along with the logistic center in Sintra (Lidl Portugal, n.d.). Lidl Portugal currently accounts for 260 branches with over 8000 employees. They take on an economic, social and environmental responsibility in the collaboration with their business partners and throughout the whole supply chain (Lidl Portugal, n.d.).

In Portugal, the supermarket chain has been recognized several times for their compromise as an employer, as a sustainability advocate and its commitment to social causes. Lidl takes the quality of its products very seriously (Lidl Portugal, n.d.). With this in mind, the quality of their own products has been recognized through several prizes on the topic. Their biological products were given the *Sabor do Ano 2021* (Flavour of the Year) distinction in 39 of their products. *Cien*, Lidl's beauty products label, was also recognized as the Consumer Choice in the same year. A long with their other in-house brands, *Milbona*, *Três Velas*, and *Fumadinho* (Lidl Portugal, 2021). For the third consecutive year, Lidl Portugal has been awarded as “The best store in Portugal”. Additionally, it was also recognized as “Retailers of the Year 2020-2021”.

Furthermore, Lidl acknowledges the fact they are an international company with a reasonable size and public presence (Lidl Deutschland, n.d.). Hence, Lidl has present in their values the consideration for different cultures and beliefs. With the slogan *Mais para si* (more for you), Lidl Portugal promises its customers more quality at a competitive price, for it is the customer's satisfaction to drive the company's actions (Lidl Portugal, n.d.). Organized in a systematized way, Lidl claims that shorter work processes are the key to success. Furthermore, they take on economic, social, and ecological responsibility in their every business activity.

Despite being considered a success story in Germany, it was not always like that in the Portuguese market. Firstly, the brand entered the market already in disadvantage. In 1995,

⁴ Sales of Europe's leading food retailers 2021 | Statista. (2023, March 23). Statista. <https://www.statista.com/statistics/666886/leading-food-retailers-of-europe-based-on-sales/>

Continente and Pingo Doce had already opened the doors to a modern Portugal, where the customer could find everything they wanted in one single location. The first store of Continente had opened 10 years prior and had around 15 million people visiting daily, spending 50€ on average per visit (Dinheiro Vivo, 2015) and Jerónimo Martins Group had already over 100 stores (Grupo Jerónimo Martins, n.d.). These hypermarkets provided a myriad of options, and the Portuguese consumer was there for it. This posed a threat to Lidl, which had a different proposition of value. In the words of Luís Lobato de Almeida, Lidl had a different positioning. Despite having a hard discount approach and quality at the best price possible, the shopping experience was completely different – “a supermarket without windows, with no fruits or vegetables, where meat was only introduced years later” (Appendix D, p. 100). According to the Head of Brand, the big strategy change started in 2016, and it was when Lidl started to perform better. And this shift started with their communication.

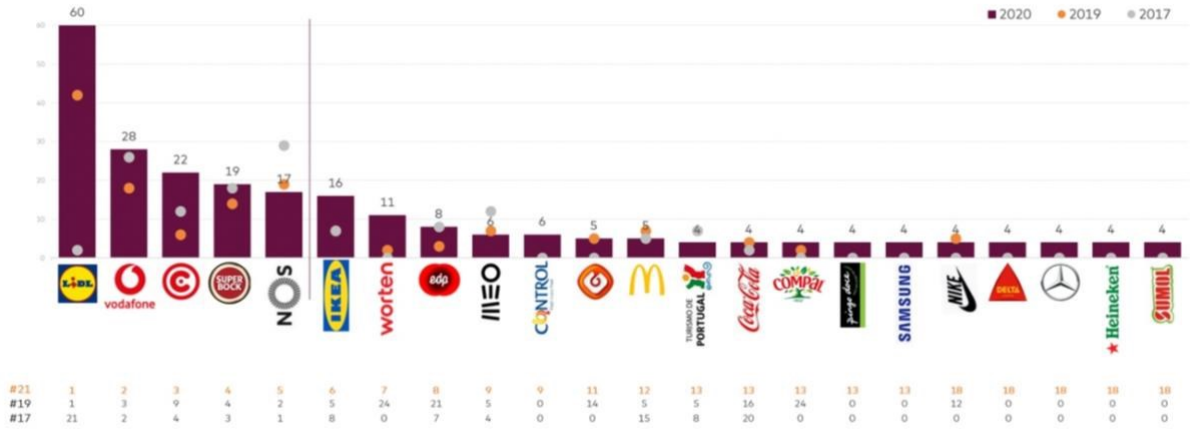
Before 2016, Lidl had a similar communication strategy to its competitors. The main topics revolved around the quality of the products, the national producers, and the low price (see [20 Years of Lidl campaign](#)). Nevertheless, the company realized the need for a repositioning. As stated by the Head of Brand, Lidl had to stand out from its competitors, and the first step included learning when to mention price, and when not to. Instead of placing it as the major differentiator factor, placing it in strategically chosen spots – the supermarket flyer, for example. In 2018, Lidl Portugal started its professional relationship with *O Escritório*, an advertising agency, with their first campaign together – *A Primeira Vez* (the first time). This advertisement spoke about the first time the character went to Lidl, and how they were recommended a specific product. As explained by Nuno Jerónimo, Creative Partner at the agency, who was one of the people in charge of the campaign, this story related to a lot of consumers who saw themselves being drawn to the supermarket looking for a specific product they heard about, and eventually discovering new products. From the very first time, this business relation designed campaigns upon an underlying truth about consumers to which they would identify with and relate to.

According to a study by Scopen (2022), Lidl has successively distributed their campaigns, and have stood out when compared to other brands in the Portuguese market. When considering the data from 2017, Lidl rested at the bottom of the graph in the 21st position. As opposed to its 1st place both in 2019 and 2020, as seen in the following Graphic 32:

MARCAS DESTACADAS . 2021

Marcas com as melhores campanhas (#1 a #20)

As campanhas do LIDL voltam a ser nomeadas como as 'Melhores Campanhas' pelos Marketeers, subindo para 60% de nomeações. Segue-se no Top 5 a VODAFONE, CONTINENTE, SUPERBOCK e a NOS destacadas pelas suas campanhas.



Graphic 1 - Brands with the best campaigns in Portugal (Agency Scope, 2021)

This graphic suggests a very positive professional relation between brand and agency, bringing very interesting and beneficial results to both parts. Furthermore, Lidl Portugal deviates from the norm, growing 20pp in a year, contrary to their contra parts which either decreased or remained the same. Meaning both Lidl and *O Escritório* continually deliver high quality advertising campaigns who are persistently are considered better and more significant by the Martketeers.

5.2. Brand Identity Prism

In order to better understand Lidl Portugal as a brand, it becomes essential to interpret the several aspects which compose their identity. According to the brand identity prism, created by Kapferer, brand identity is constituted by six distinct aspects: (1) physique, (2) personality, (3) culture, (4) relationship, (5) reflection, and (6) self-image (Kapferer, 2009). The following analysis is the end product of the interpretation of Luís Lobato Almeida's and Nuno Jerónimo's interviews (**Figure 5**).

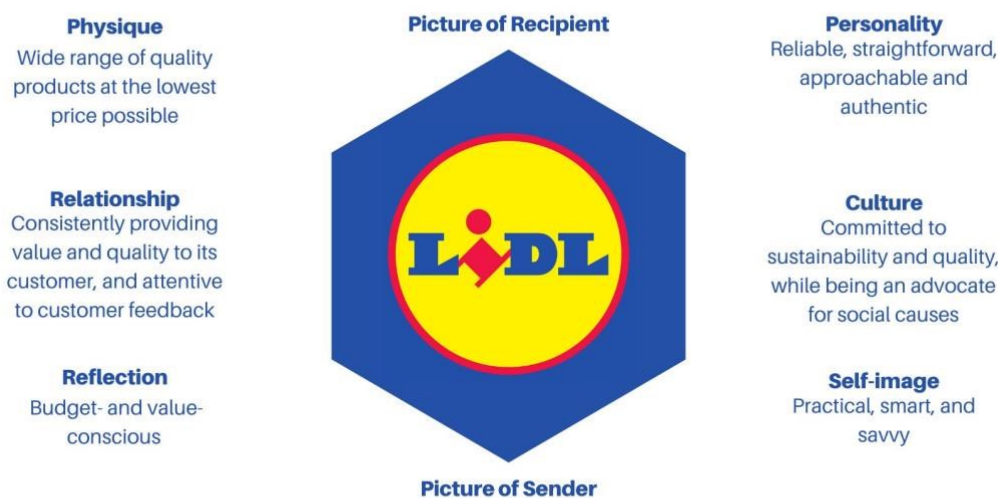


Figure 5 - Brand Identity Prism
Made by the author

Considering the first aspect, Lidl Portugal's physique can be simply described as a discount supermarket chain where a wide range of quality products can be found at a low and affordable price. According to the Head of Brand, Luís Lobato Almeida, Lidl's aim is "to have products with the highest possible quality at the fairest price" (Appendix D, p.113). This is then reflected in the brand's business with private label, which makes up of 80% of all the assortment, contrasting with their competitors. Luís Lobato Almeida further elaborates that this fairest price is in an everyday low-price strategy, and not so much in "a logic of promotion" (Appendix D, p.113). Regarding their stores, they are presented in plain-looking and simple layout with few corridors. The supermarket wishes to emphasize efficiency and affordability, assuring its customers will not get lost in the store and will find their desired products right where they were looking for them. What can be considered a simplistic and maybe poor shopping experience when compared to its competitors, the Head

of Brand argues it is direct – “when I go buy toothpaste, I have the market leader, and I have Lidl's own brand options, I don't get lost in aisles and aisles of toothpaste” (Appendix D, p.114).

In terms of personality, Lidl Portugal can be perceived as reliable, straightforward, and down-to-earth, prioritizing meeting the practical needs of their consumers. It is known for its efficiency and reliability in delivering products and services, while also being approachable and friendly to its customers. This personality is portrayed in their stores, which are typically simple and functional. And as mentioned before, with an emphasis on easy navigation and finding products quickly. Furthermore, it is equally visible through their communication. According to Nuno Jerónimo, Creative Director at *O Escritório*, “people feel that the brand speaks their own language” (Appendix E, p.124) and think like they think. Nuno attributes Lidl's recent success with their “*A Comparação*” (the comparison) (Exhibit 1) to this trueness and realness present in their communication. Consequently, the brand as managed to create a relation with the consumers in which they consistently provide good quality and performance at an affordable price, without getting lost in constant promotions. This results in an uncomplicated and honest dynamic between supermarket chain and client.



Exhibit 1 - A Comparação (the comparison) Source: Lidl

Lidl is very open about their culture. On top of committing to deliver quality at the best price, they vouch for integrity, quality, safety and diversity across suppliers, producers, and consumers, as stated by Luís Lobato Almeida. The Head of Brand also mentions their devotion to sustainability. Lidl Portugal is committed to sustainability, both in terms of reducing its own environmental impact, and promoting environmentally friendly products and practices (Exhibit 2). Furthermore, the brand also takes on the role of social

responsibility advocate, when supporting the local communities and charities, being “one of the brands with the highest association of food retail to sustainability” (Appendix D, p.99), according to the Head of Brand. This effort can also be seen through the employment of local products in their stores and the fact that their stores are run by green energy.



Exhibit 2 - Sustainable products (Source: Lidl Portugal)

As stated by Nuno Jerónimo, “those who go to Lidl suddenly discover a store and the whole discovery of products, novelties, secrets” (Appendix E, p.124), which can be a very gratifying experience. Here, Lidl strives to create a long-term, mutually beneficial relationship with its customers, while also being responsive to customer feedback and needs. This is perceptible not only through the consistent value and quality provided by the brand, but also in the way they communicate with their consumers. The insightful and sharp humor present in their communication across platforms creates an emotional and intellectual bond between brand and consumer.

Lidl Portugal’s brand is often perceived as a good and smart choice for consumers who are budget-conscious and value-conscious, while valuing quality and sustainability. In terms of reflection, Nuno Lobato Almeida states that Lidl is for the consumer who is not concerned about status quo, but rather “like to find and be smart in their findings, who likes to buy those products that not many people know about, at a great price, but with a very good performance” (Appendix D, p.114). Overall, this aspect reinforces the brand’s focus on practicality, affordability, sustainability, and social responsibility, and positions it as a brand that offers good value for money while also caring about the environment and society.

Finally, in terms of self-image, Lidl Portugal allows their customers to feel practical, smart, and savvy for choosing a supermarket that offers good value for money, while caring about the environment and society. This is particularly prominent in Lidl’s advertising film “*Eu é que descobri a sopa do Lidl*” (It was me who discovered the soup from Lidl), in which the

characters have a dispute over who first discovered the soups from Lidl. The film begins with a first character claiming the other coworker can't watch anything without copying him, while both eat soup from Lidl at the office. The coworker proceeds to explain he ate soups from Lidl way before, and both start coming up with previous unhinged scenarios trying to prove who discovered said soup in the first place (Exhibit 3). This comic advertising is also replicated to other distinct products, such as the special nuts collection for example.



Exhibit 3 - "Eu é que descobri a sopa do Lidl" Source: Lidl Portugal

To complete, Nuno Jerónimo adds that Lidl's consumer is "someone who likes to feel that he is buying the best quality for the best price, and he feels smart" (Appendix D, p.123). The Creative Director comically adds that this person is "the one at the table giving advice, teaching others, 'you have to try the lasagna', 'the yogurts are the best'" (Appendix D, p.124). This feeling of outsmarting their friends and family comes from the weekly discoveries of new products and the savings that come from it. Furthermore, they see themselves as part of a community of like-minded individuals with good sense of humor who prioritize sustainability and affordability.

In conclusion, Lidl Portugal's brand positioning is centered around offering high-quality products at the lowest prices every day, reflecting their commitment to affordability and value. Their focus on providing a wide range of quality products without relying on constant promotions demonstrates their dedication to everyday low prices. The simplicity of their stores and direct shopping experience further reinforces their emphasis on efficiency and cost-effectiveness. Lidl Portugal's reliability, straightforwardness, and down-to-earth personality resonate with customers, creating an honest and uncomplicated dynamic. The

brand's dedication to sustainability, social responsibility, and support for local communities further enhances their image as a trusted and value-driven supermarket chain.

Lidl Portugal's brand image reflects their customers' perception of being practical, smart, and savvy individuals who prioritize value for money, sustainability, and community. The brand's emphasis on delivering good quality and performance at affordable prices appeals to consumers who enjoy discovering new products and the satisfaction of outsmarting others. Lidl Portugal's commitment to integrity, quality, safety, diversity, and environmental sustainability resonates with customers who value these principles. Through their insightful and humorous communication, Lidl Portugal fosters an emotional and intellectual bond with their customers, creating a sense of belonging to a like-minded community. Overall, Lidl Portugal's brand reflects the self-image of customers who appreciate practicality, affordability, and a commitment to sustainability and social responsibility.

5.3. PCDL Model Applied

In an effort to understand how Lidl is relevant in the current competitive market of fast-moving consumer goods, it becomes relevant to access the brand according to the PCDL Model and briefly compare it to its competitors. As discussed previously, the PCDL model was initially designed by Aaker and is composed of four distinct elements – positioning of the brand, communicating the brand message, delivering the brand performance, and leveraging the brand equity.

While building this model, the brand Lidl was compared to its two main competitors in the Portuguese market – Continente and Pingo Doce. These are strong supermarket brands with an already existing base in the sector. This comparison was made through the process of benchmarking and using the PCDL model structure to briefly understand how Continente and Pingo Doce were positioning and marketing themselves, highlighting the unique selling proposition Lidl offers in the Portuguese market. The benchmarking study is based solely on information gathered from the companies' websites and can be freely accessed. On top of that, insights from the interviews with Luís Lobato Faria and Nuno Jerónimo were also retrieved to improve Lidl's description.

Brand Attributes	Lidl	Competitor 1 – Contimente	Competitor 2 – Pingo Doce
Positioning the Brand			
Positioning	Quality at an everyday low price	Big supermarket with wide assortment and great discounts	Local supermarket with great discounts
Brand Associations (attributes)	High quality, affordable prices, local products, authentic, reliability	Commitment to quality, family friend	Quality products at competitive prices, with a focus on freshness and health
Target Audience	From 18 to all ages, with a bigger emphasis on families with children	Families with children, with focus on social responsibility	Urban consumers who are value-conscious
Emotions	Fun, easy, relatable, reliable, sense of discovery	Trust, excitement, convenience	Community, enthusiasm, familiarity
Differentiation	New and different products weekly	Regular promotions, online shopping services, size, and scope	Competitive prices, own label, big network of stores
Communicating the message			
Promotion	Social media, TV advertising, email newsletters, in-store advertising, and public relations	Social media, advertising ads, newsletters, and SMS messages, outdoors	Social media, advertising ads, outdoors

Ad Campaigns	“Quem compra no sítio certo parece logo mais esperto”; “Também é uma alface do Lidl”; “Ninguém nos vende como os nossos clientes”	“Se é para poupar, poupe em tudo”; “Feira produtos Continente”	“Quem trouxe”; “Bando do Mar”
Value added to the consumer	Affordability, quality products, convenience, innovation	Wide product selection, affordability, quality freshness	Competitive pricing, convenience, freshness, and local sourcing
Delivering the performance			
Product Performance	Private label, locally produced products, fresh ingredients	Wide range, reliable and safe, good quality at a reduced price, private label	Quality, freshness, and variety, organic and healthy options, private label
Service Performance	Efficient checkout process, convenient store layout, loyalty program	Good customer support, loyalty program, product availability	Online shopping and home delivery, loyalty program, and product quality
Customer Satisfaction	Affordable pricing, quality assurance, freshness and local sourcing, wide product range	Product quality, convenience and accessibility, promotions, and discounts	Product quality, convenience and accessibility, promotions, and discounts
Distribution coverage	Physical stores, online shopping, home delivery	Physical stores, online shopping, home delivery	Physical stores, online shopping, home delivery
Leveraging the brand equity			

Brand extension	Merchandise (socks, snickers, etc...), Cien, Milbona, Favorina, Fumadinhoso, Sol&Mar, Freeway, W5	Continente Bom Dia, Continente Online, Continente Mobile, Continente Well's	Pingo Doce Online, Pingo Doce Takeaway, Pingo Doce Mobile
Brand associations and Social Integrations	Lidl Houses	Festival Comida Continente, Missão Continente	Programa Bairro Feliz

Considering the positioning of the brand Lidl, is it clear that they wish to place themselves as the ones delivering the best quality possible at the fairest price. Their aim is to provide customers with a wide range of products, able to meet their needs and preferences, ranging from fresh and locally produced goods to household essentials. Furthermore, the brand also positions itself as a customer-centric brand that prioritizes customer satisfaction and convenience. Consequently, this aspect is portrayed in their assortment. According to Luís Lobato Almeida, the assortment range is made “for an older person, with a more traditional diet, and then people from the city, people from the countryside”, forcing the brand to be flexible. Their target audience is therefore large, with a greater focus on families with children. Lidl Portugal transmits a fun and reliable energy, easy-going and relatable, for consumers can find whatever they were looking while opening space for new discoveries. Lastly, they stand out from their competitors by providing this set of new and different products on a weekly basis. According to the Head of Brand, when asked about which supermarkets they could not live without, the reason for choosing Lidl would be that customers discovered products they could not find anywhere else.

Lidl Portugal uses a myriad of channels to communicate their message. Their slogan is “*Mais para si*” (more for you), however their motto in recent campaigns has been “*Ninguém nos vende como os nossos clientes*” (No one sells us like our clients) which was made visible across channels. Namely, TV advertisements, portraying their products and commitment to quality, freshness, and affordability, and most important how customers relate to the brand and defend it like ambassadors; email newsletter, which are regularly sent to subscribers, containing information about the newest products, promotions and current campaigns; in-store advertising, displaying the present products and offers, while highlighting their

commitment to sustainability and social responsibility; and lastly, through public relations, here the brand regularly engages in activities to build relationships with stakeholders, often partnering with local organizations to support social and environmental causes (Exhibit 4).



Exhibit 4 - Campaign with Portuguese Red Cross (Source: Lidl)

Additionally, continuing the communicating message element of this model, Lidl adds value to the consumer through their affordability aspect, in the sense that they are able to offer quality products at lower prices than other competitors, becoming extremely attractive for budget-conscious consumers. Also, in terms of quality, Lidl is known for their concern with quality, and for striving to have the best quality own label products with fresh and locally produced ingredients. Important to point out that this affordability comes in a logic of everyday low price and not promotion. Then, offers value to their consumer by being convenient, in terms of location and in-store services provided, such as bakery and more recently butchery. Furthermore, Lidl Portugal is committed to sustainability and environmental responsibility, evident in their organic and fair-trade products, as well as their in-store practices, with waste and reduction and exclusively green energy consumption. Finally, the brand regularly introduces new and innovative products to their assortment, which is then appealing to customers who are looking for original options and experiences. Lidl Portugal excels in delivering brand performance through various aspects that contribute to their overall success. Their product performance is commendable, as they offer a wide range of private label products that provide exceptional value for money. Additionally, Lidl Portugal prioritizes locally produced products and fresh ingredients, ensuring quality and supporting local suppliers. Their service performance is also notable, with an efficient checkout process, particular store layouts that enhance convenience, and a loyalty program

that rewards customer loyalty. By focusing on customer satisfaction, Lidl Portugal offers affordable pricing, maintains high-quality standards through rigorous quality assurance, emphasizes freshness and local sourcing, and provides a wide product range to cater to diverse needs. Moreover, their distribution coverage is extensive, with a network of physical stores, online shopping options, and home delivery services, ensuring accessibility and convenience for customers. These factors collectively showcase Lidl Portugal's ability to consistently deliver brand performance and meet customer expectations.

Lidl Portugal showcases a remarkable ability to leverage their brand equity in various ways. Their merchandise strategy exemplifies this, evident not only in the popularity of limited-edition branded items like socks, sneakers, and flip flops that quickly sold out but also through their own branded products. Brands such as Cien, Milbona, Favorina, Fumadinho, Sol&Mar, Freeway, and W5 have garnered recognition awards, further solidifying Lidl Portugal's brand reputation. These awards serve as a testament to the quality and value Lidl Portugal provides across different product categories. Furthermore, Lidl Portugal actively engages in brand associations and social integrations, fostering partnerships and collaborations that enhance their brand image. By aligning with relevant entities and integrating into social contexts, Lidl Portugal strengthens its brand equity and resonates with a broader consumer base. Overall, Lidl Portugal's ability to leverage their brand equity is evident through their merchandise, own brands, recognition awards, and strategic brand associations, further solidifying their position as a trusted and influential brand.

In conclusion, Lidl Portugal has strategically positioned itself as a brand that prioritizes high-quality products at affordable prices. Their focus on meeting customer needs and preferences is evident through their diverse product range, catering to a wide target audience, particularly families with children. Lidl Portugal's effective communication channels, including TV advertisements, email newsletters, in-store advertising, and public relations activities, contribute to their brand message and customer engagement. Furthermore, their commitment to affordability, quality, convenience, sustainability, and innovation adds significant value to the consumer experience. Overall, Lidl Portugal's ability to consistently perform well in terms of product quality, service efficiency, and distribution coverage highlights their success in meeting customer expectations and solidifying their brand performance.

Overall, Lidl Portugal has effectively leveraged the PCDL model to shape their brand identity and deliver performance, making them a successful and influential brand in the Portuguese market. Based on the model, the brand has demonstrated a strong ability to build and shape their brand identity, making it relevant and appealing in the market. Through

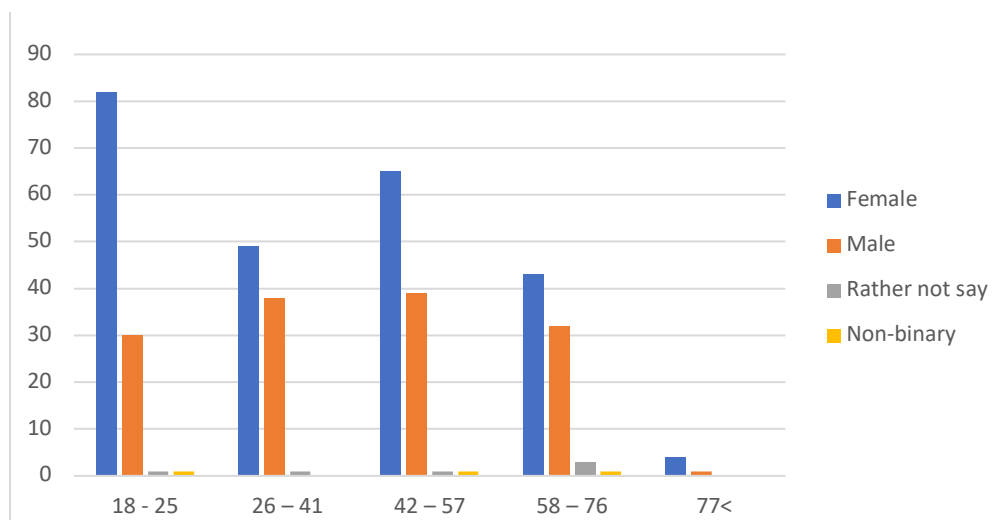
innovative ways, Lidl Portugal has managed to break through the clutter and attract the attention of their target audience (Ghodeswar, 2008). The brand's integrated brand communications in multiple media have also played a significant role in establishing an emotional relationship with customers, contributing to its success in brand communications. This strategic approach has proven to be effective, leading to strong brand performance and customer satisfaction. Therefore, Lidl Portugal excels in differentiating themselves from competitors and resonating with consumers. Their merchandise strategy, characterized by limited-edition branded items and successful own branded products, reinforces their brand reputation and customer loyalty. Recognition awards received by Lidl Portugal's brands further validate their commitment to quality and value across various product categories. Additionally, strategic brand associations and social integrations enhance their brand image and expand their consumer reach. Lidl Portugal's ability to leverage their brand equity exemplifies their position as a trusted and influential brand in the market.

6. Findings and Discussion

The purpose of this chapter lies in describing and analyzing the data retrieved and further elaborate a discussion from it. The first part will focus mainly in exposing and describing the data collected from the online survey by questionnaire, in-depth interviews, and documents study. Then, a deeper analysis of the gathered information will take place, contributing to a better understanding of the impact of storytelling marketing on brands.

6.1. Description of the survey data

Out of 392 responses collected from the online survey, 29% are between 18 and 25 years old, 22% are Millennials (26 – 41 years old)⁵, 27% are from 42 to 57 years old, 20% are between 58 and 76 years old, and finally only 1% belongs to the Silent Generation (over 77 years old), as seen in Figure 3. The questionnaire was made available in social networks, such as Instagram and WhatsApp, in a snowball approach. Which can explain how most respondents belong to either Generation Z (18 – 25 years old) or Generation X (42 – 57 years old).

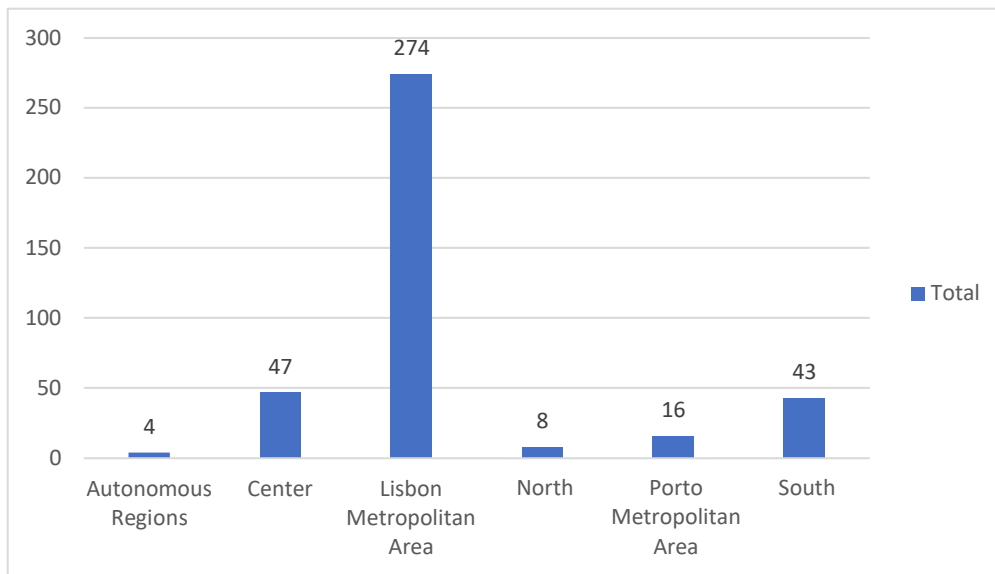


Graphic 2 – Respondents by age and gender

Considering Graphic 1, and regarding gender, it is possible to see that the majority of the respondents identify as female (62% with 243 answers), 36% as male (140 responses), 2% rather not say, and 1% as non-binary. Furthermore, when crossing this variable with age, it

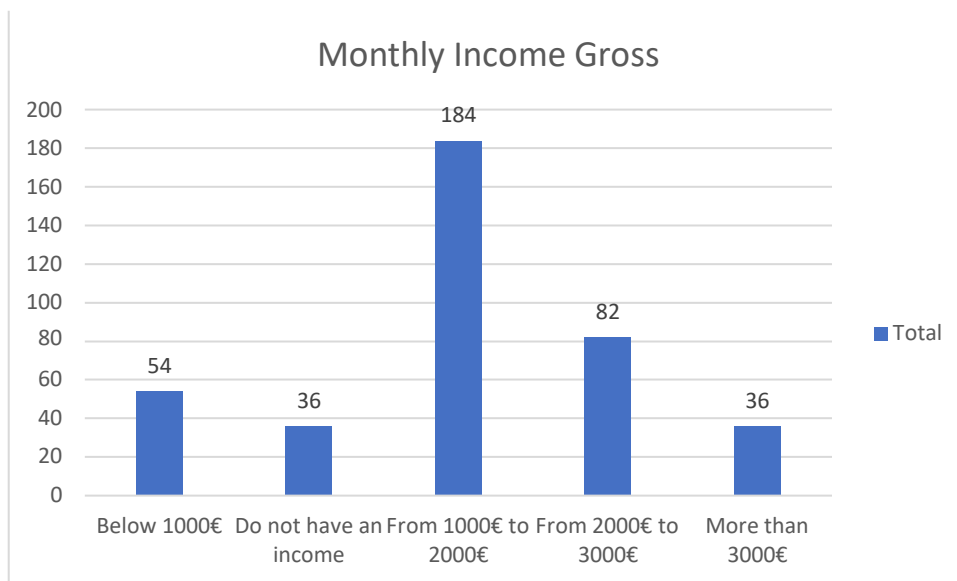
⁵ The generations and respective age groups were based on Desjardins (Ed.) (2021) who correlates them according to U.S. political, economic, and cultural history. This translates in the following: The Silent Generation includes people born between 1928 and 1945, Baby Boomers were born from 1946 and 1964, Generation X between 1965 and 1980, Millennials 1981 and 1996, Generation Z 1997 and 2012, and Generation Alpha everyone born after that.

is possible to highlight that most female respondents belong to Generation X (18 – 25 years old) and most male respondents are from Millennials (26 – 41 years old) and Baby boomer (42 – 57 years old).



Graphic 3 – Place of Residency

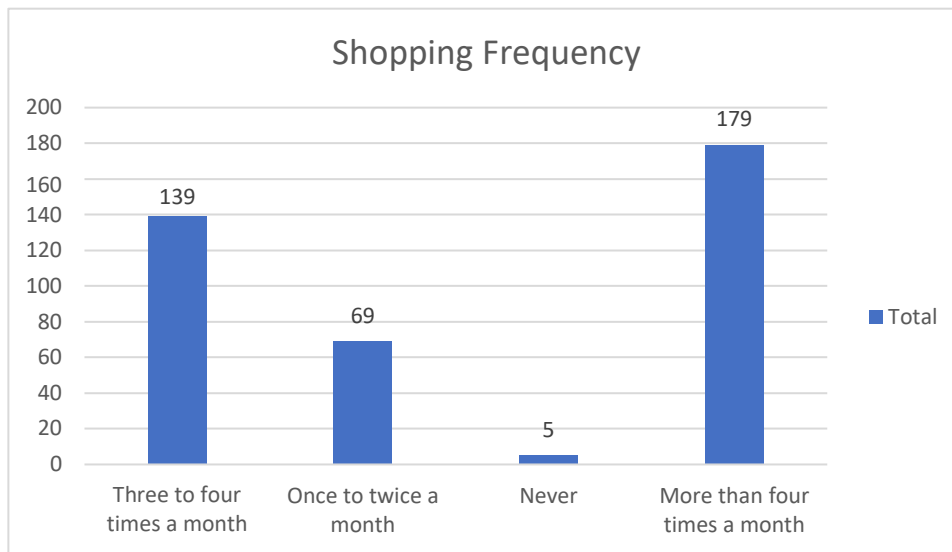
According to the previous graphic, most of the respondents live in the Lisbon Metropolitan area (70%), which can also be explained by the snowball approach used to retrieve the responses. On top of that, 47 respondents (12%) live in center Portugal, 43 respondents (11%) in the southern region of the country, 16 respondents (4%) in Porto Metropolitan area, 8 respondents (2%) in North of Portugal, and 4 respondents (1%) in the Autonomous Regions.



Graphic 4 - Monthly income gross

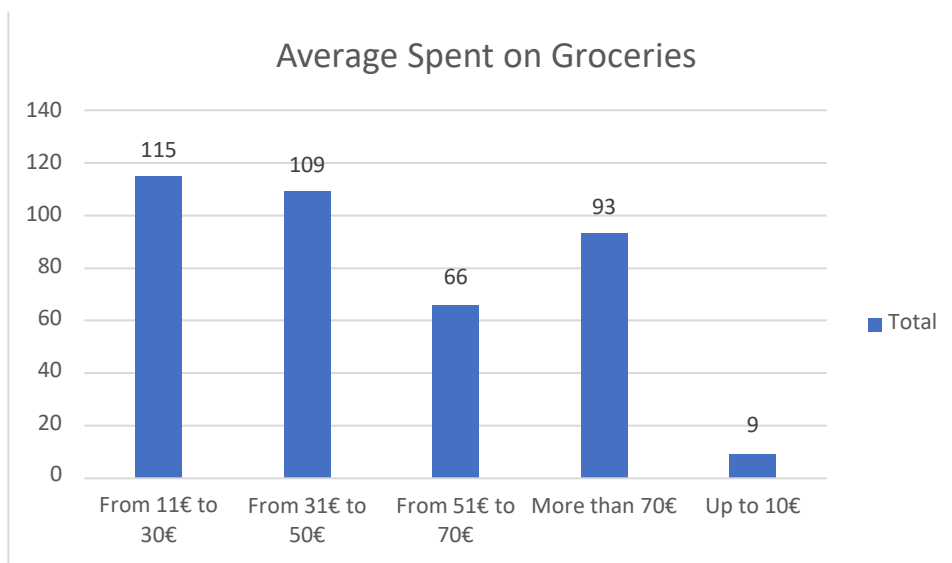
For profiling purposes, respondents were also asked their monthly income gross. With 184 answers, 47% of respondents state they earn from 1000€ to 2000€, making it the most

mentioned salary interval. Then, 82 respondents (21%) receive from 2000€ to 3000€ gross per month, 54 respondents (14%) below 1000€, 36 respondents (9%) do not have an income, and 36 respondents (9%) receive more than 3000€ gross per month.



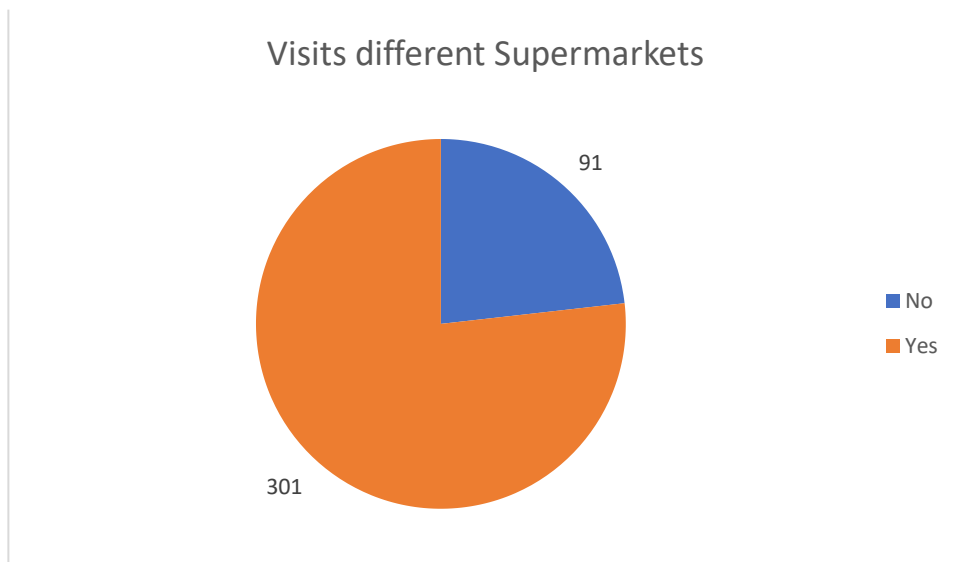
Graphic 5 - Respondents Shopping Frequency

Followed by the characterization of the respondents, this next section seeks to understand the purchase intention and behavior of the consumer. Therefore, it became relevant to understand how often the respondents would go grocery shopping. As visible in graphic 4, respondents usually go more than four times a month (179 responses), followed by three to four times a month, with 139 responses. With 69 responses, representing around 18% of the sample, once to twice a month was the third most chosen option. And lastly, not so significant, 5 respondents answer they never go to the supermarket.



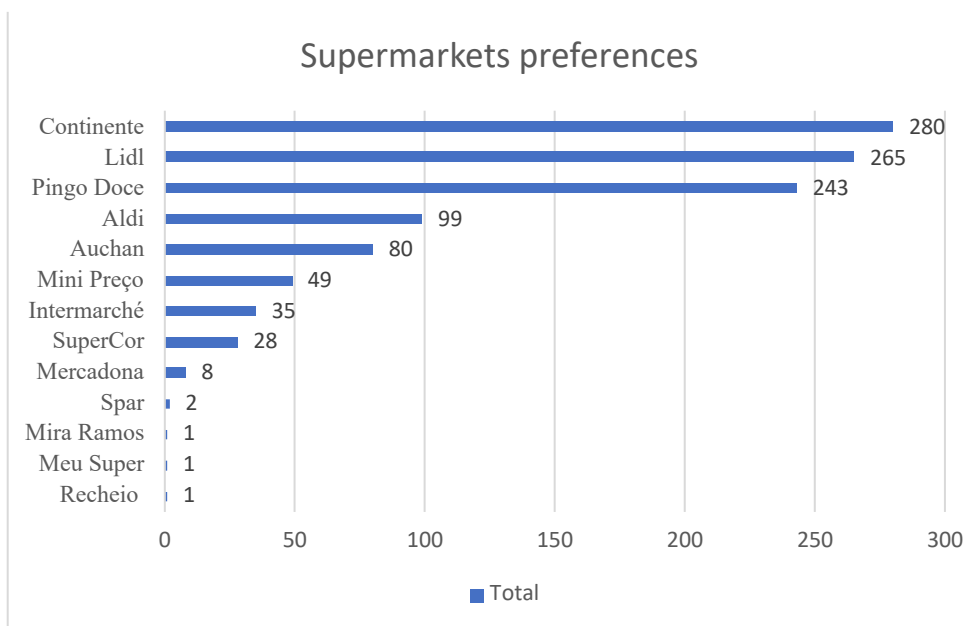
Graphic 6 - Average Spent on Groceries

In graphic 5, it is observable that most respondents spend on average from 11€ to 30€ on their groceries shopping, making 29% of the sample. The next most chosen option was from 31€ to 50€ spent on average on groceries, with 109 responses (28%). Then, with 93 responses, 24% of respondents say they spend more than 70€ on average per supermarket visit, and 17% of respondents (66 answers) from 51€ to 70€. Lastly, 9 respondents answered they usually spend 10€ on average every time they go to the supermarket.



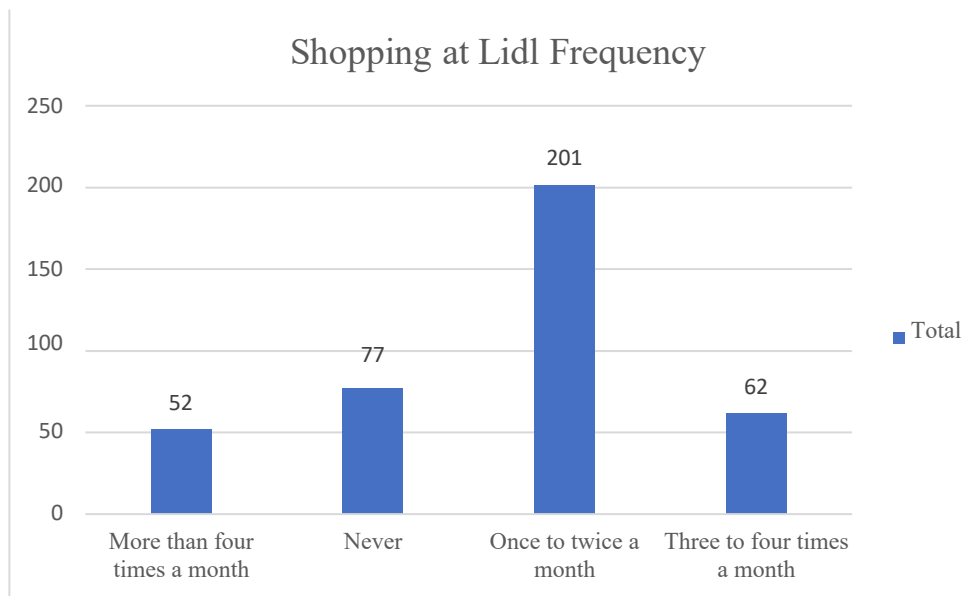
Graphic 7 – Visits diferente supermarkets

According to graphic 6, it is possible to see that more than three quarters of the respondents usually visit more than one supermarket when grocery shopping (77%). As opposed to the 91 respondents (23%) who visit only one supermarket.



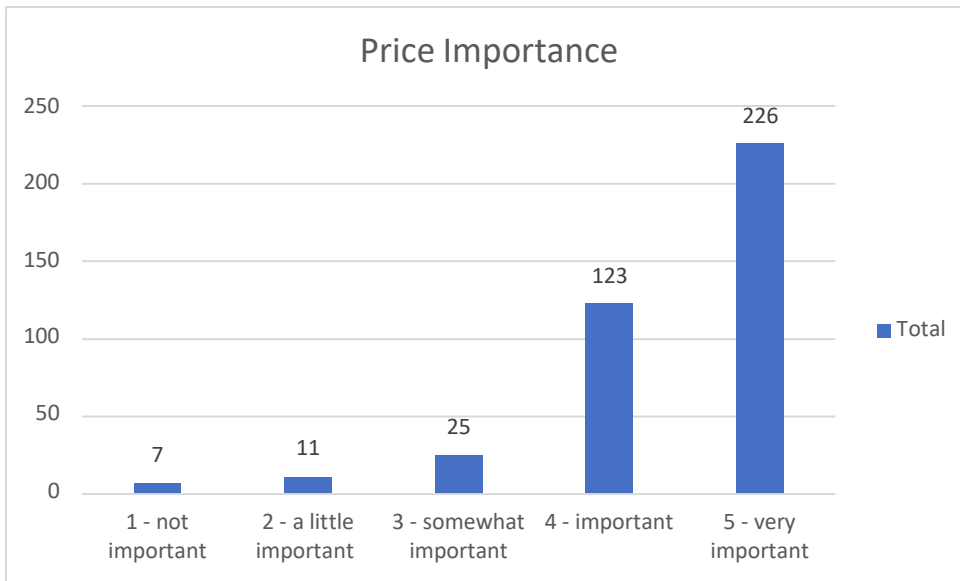
Graphic 8 – Supermarket preferences

According to graphic 7, it is possible to observe the respondents' preferences in supermarkets when it comes to grocery shopping. The most mentioned supermarket is Continente, with 280 responses (71%), immediately followed by Lidl (68%) and Pingo Doce (62%). Then, Aldi has 99 responses making it the fourth most mentioned supermarket (25%), followed by Auchan (20%) and Mini Preço (13%). Intermarché has 35 responses (9%) and Mercadona 8 responses (2%).



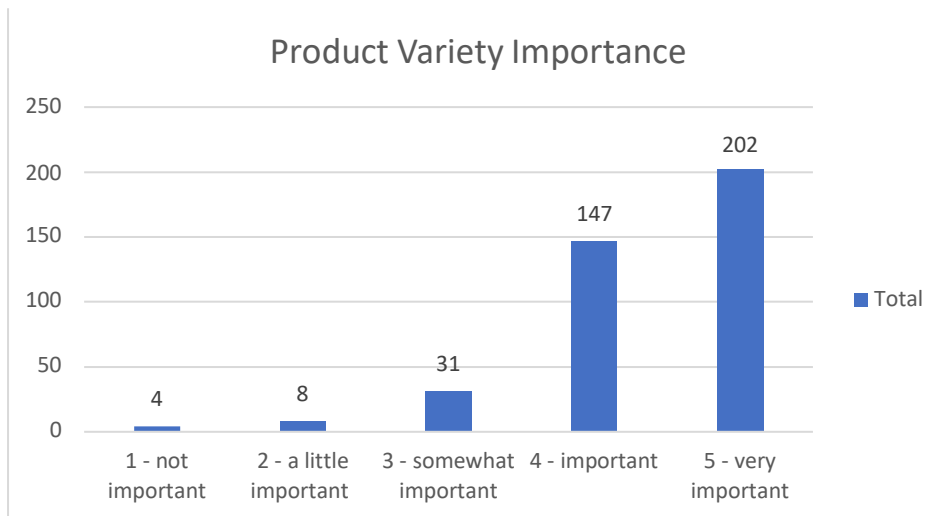
Graphic 9 – Shopping at Lidl frequency

Even though respondents might go to different supermarkets, it became relevant to understand how often they were going to Lidl. Important to note that despite not visiting Lidl frequently, they still have an image of what Lidl is as a brand. Therefore, more than half of the respondents (51%) go to Lidl once to twice a month. 20% of respondents say they never go to Lidl and 16% say they go three to four times a month. Finally, 52 respondents (13%) visit Lidl more than four times per month.



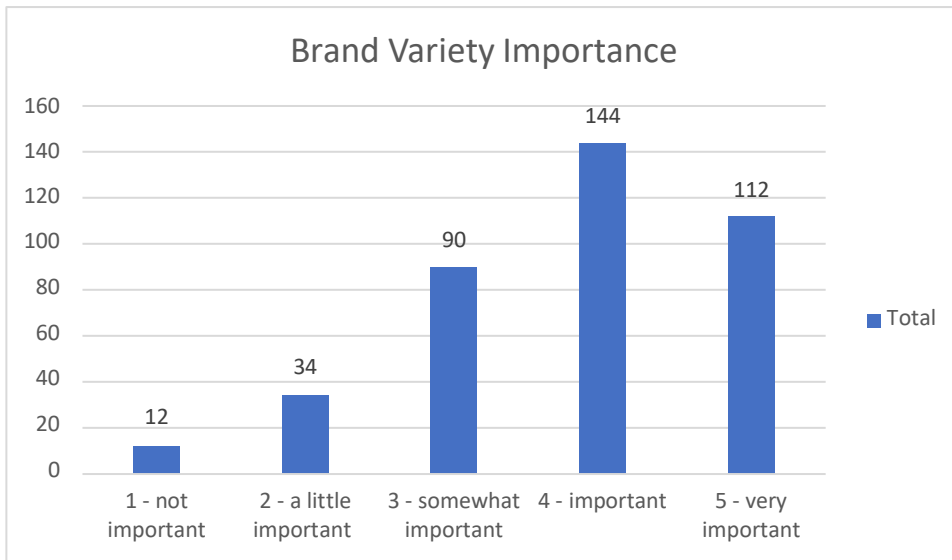
Graphic 10 - Price Importance

When asked about the importance respondents give to the price factor when grocery shopping 226 (58%) said they consider it very important, 123 (31%) consider it important, 25 (6%) consider it somewhat important, 11 (3%) consider it a little important, and only 7 respondents (2%) consider it not important.



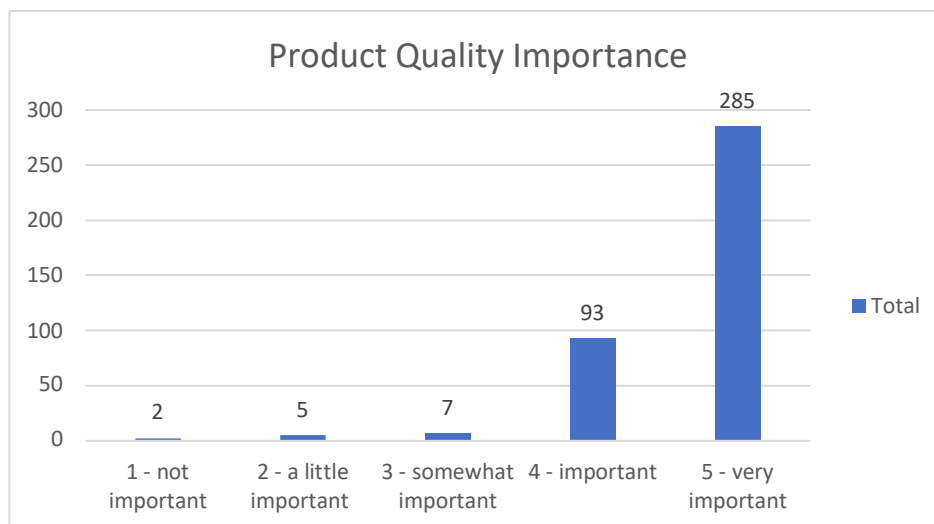
Graphic 11 - Product Variety Importance

When grocery shopping, half of the respondents (202) say they consider product variety very important. After that, 37,5% respondents say they consider it important, 8% that is somewhat important, 2% that is a little important, and only 1% do not consider it important.



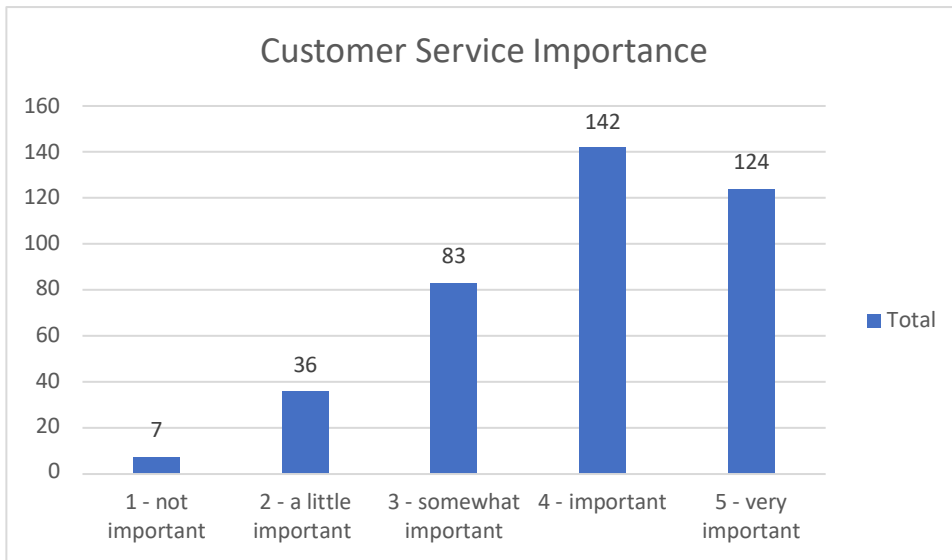
Graphic 12 – Brand Variety Importance

In graphic 11, it is possible to see that 68% of respondents consider brand variety important or very important when grocery shopping. Then, 23% of respondents consider it somewhat important, 9% consider it a little important, and 3% do not consider it important.



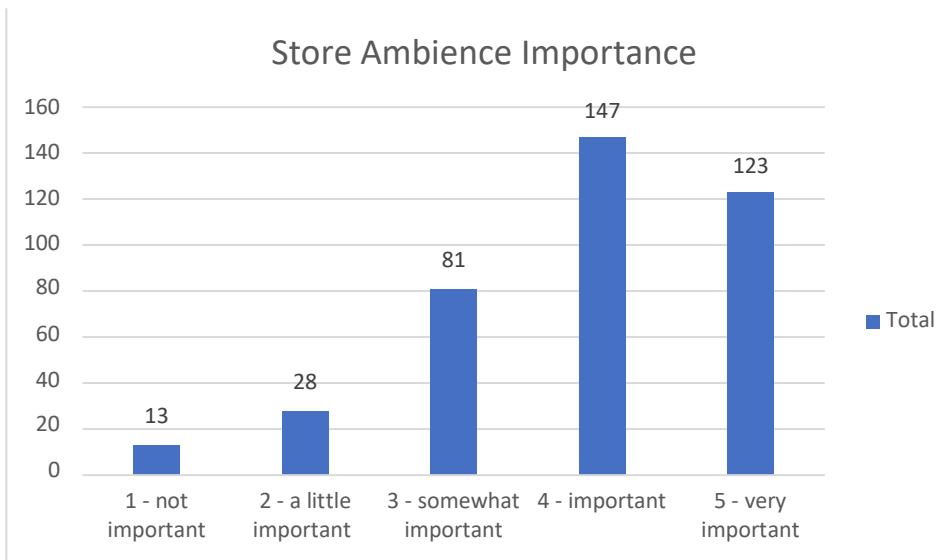
Graphic 13 – Product Quality Importance

When asked about how important respondents consider product quality in a supermarket, almost three quarters (73%) consider it very important and 24% consider it important. Only 4% consider it either somewhat important, a little important or not important when grocery shopping.



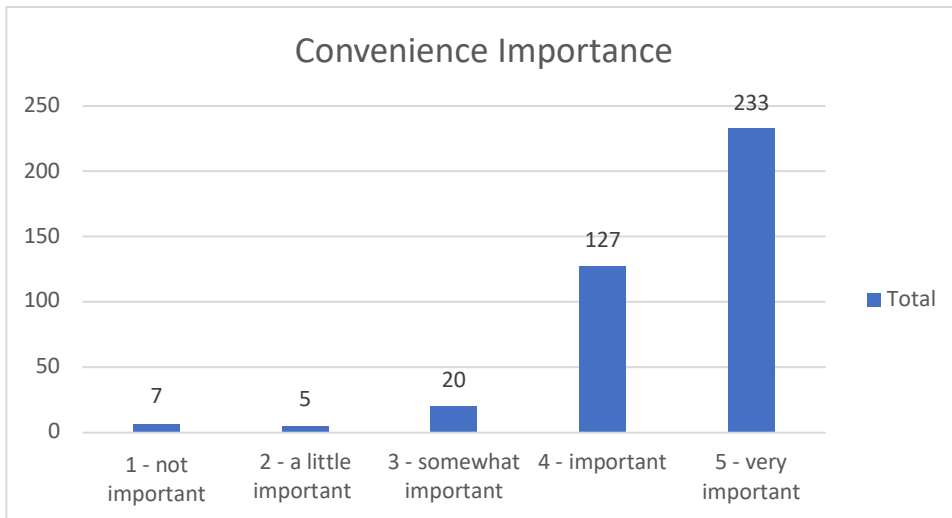
Graphic 14 – Customer Service Importance

In terms of customer service in a supermarket, 36% of respondents consider it important and 31% consider it very important. Furthermore, 21% say customer service is somewhat important, 9% consider it a little important, and 2% do not consider it relevant when grocery shopping.



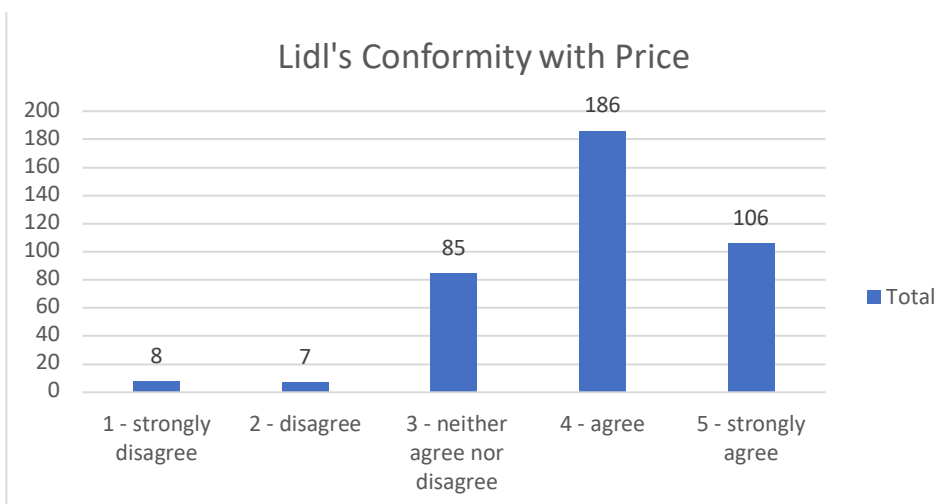
Graphic 15 – Store Ambience Importance

As it is made visible in graphic 14, 69% of respondents consider store ambience either important or very important when grocery shopping. Moreover, 21% of respondents consider the store ambience somewhat important, 7% consider it a little important, and 3% say they do not give it importance in the grocery shopping experience.



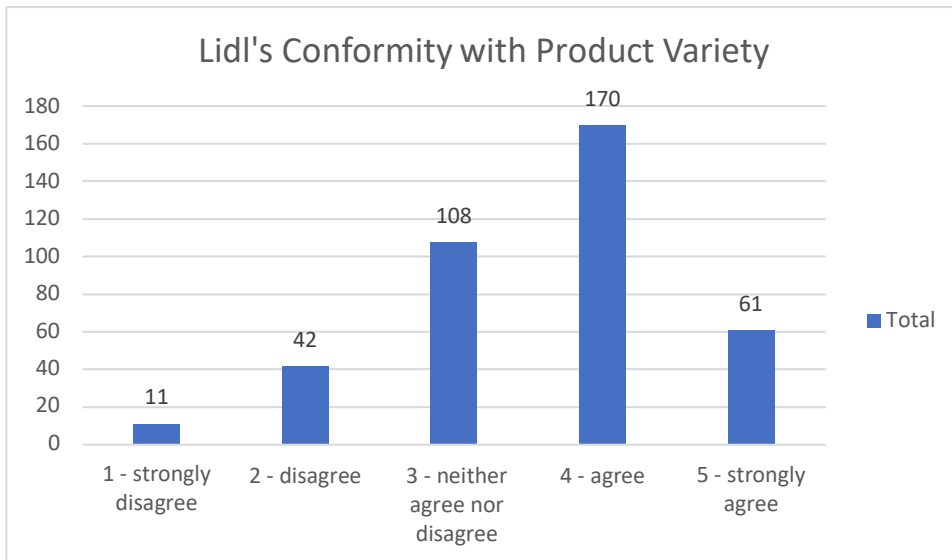
Graphic 16 – Convenience Importance

When grocery shopping, 59% of respondents affirm the convenience of the supermarket is very important. This category is then described as important by 127 respondents (%), somewhat important by 20 (5%), a little important by 5 (1%), and 7 respondents (2%) do not consider it important.



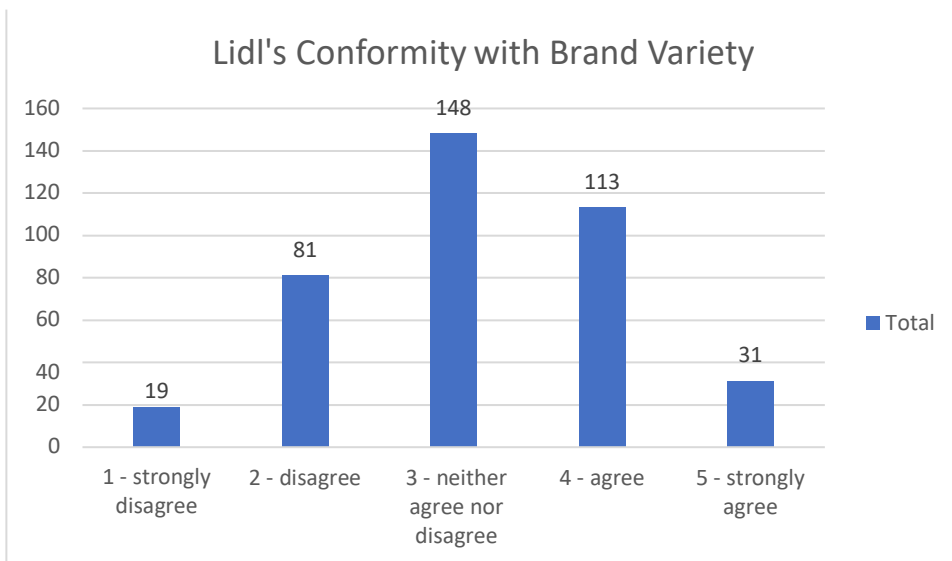
Graphic 17 – Lidl's Conformity with Price

After inquiring respondents on what they consider relevant in their grocery shopping experience, it became relevant to understand how they believe Lidl Portugal acts on those factors. With that said, three quarters of the sample (75%) agrees or strongly agrees Lidl performs in terms of price, 85 respondents (22%) neither agree nor disagree, and 4% either disagrees or strongly disagrees with that.



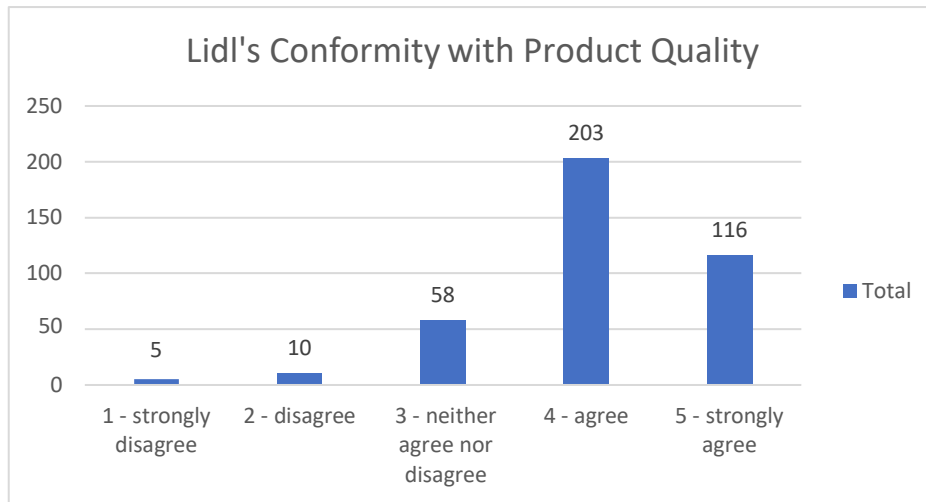
Graphic 18 - Lidl's Conformity with Product Variety

When it comes to product variety, graphic 17 shows us 59% of the respondents either agree or strongly agree that Lidl conforms in terms of product variety. Furthermore, 28% of respondents say neither agree nor disagree with that statement, 11% disagree, and 3% strongly disagree.



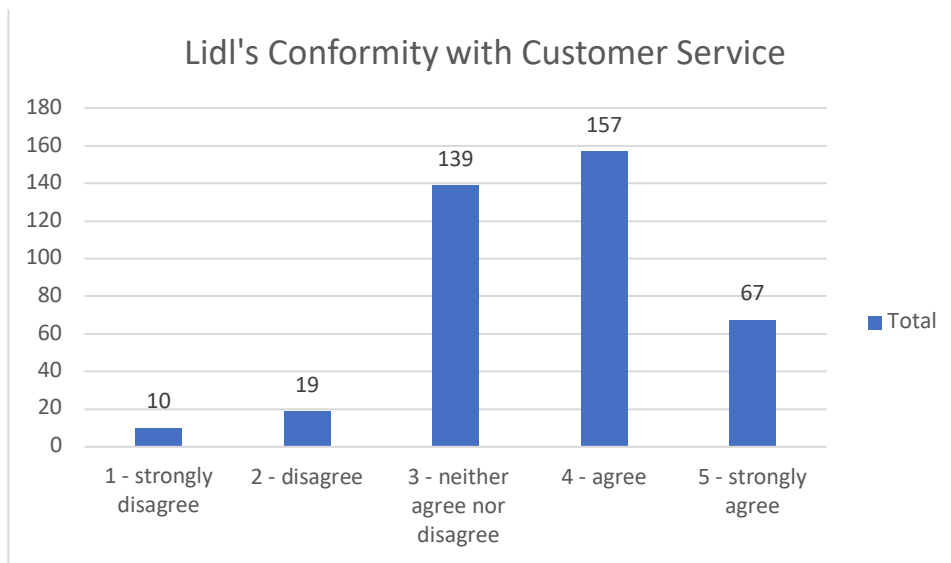
Graphic 19 – Lidl's Conformity with Brand Variety

According to graphic 18, it is possible to confirm that 37% of respondents either agree or strongly agree with Lidl's conformity with brand variety. The option neither agree nor disagree had the most responses (38%), which from a statistical point of view is not very relevant. On the other hand, 81 respondents (21%) disagree with Lidl's conformity with brand variety, and 19 respondents (5%) strongly disagree.



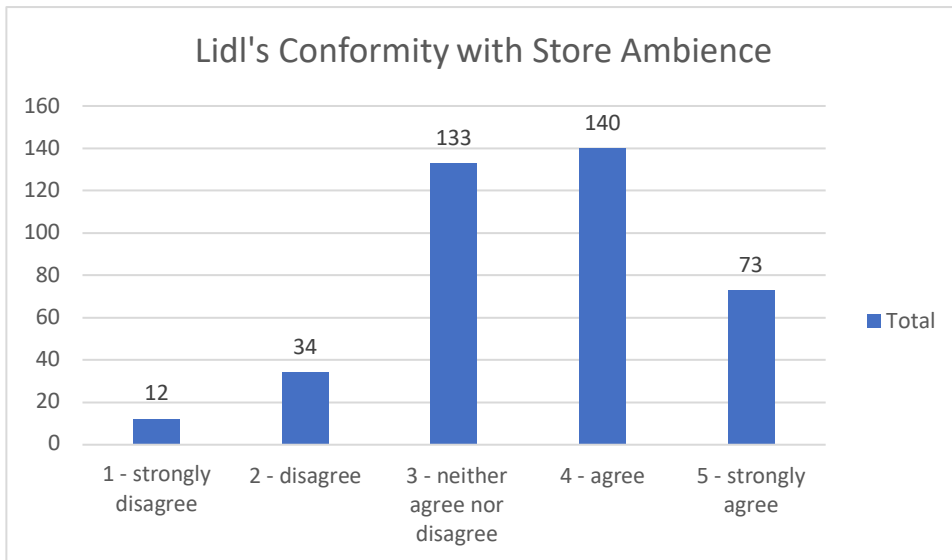
Graphic 20 - Lidl's Conformity with Product Quality

In terms of Lidl's Conformity with Product Quality, the majority of the respondents agree with the statement (52%) and 30% strongly agree. Additionally, 15% of respondents neither agree nor disagree, 3% of respondents disagree, and only 1% of respondents strongly disagree.



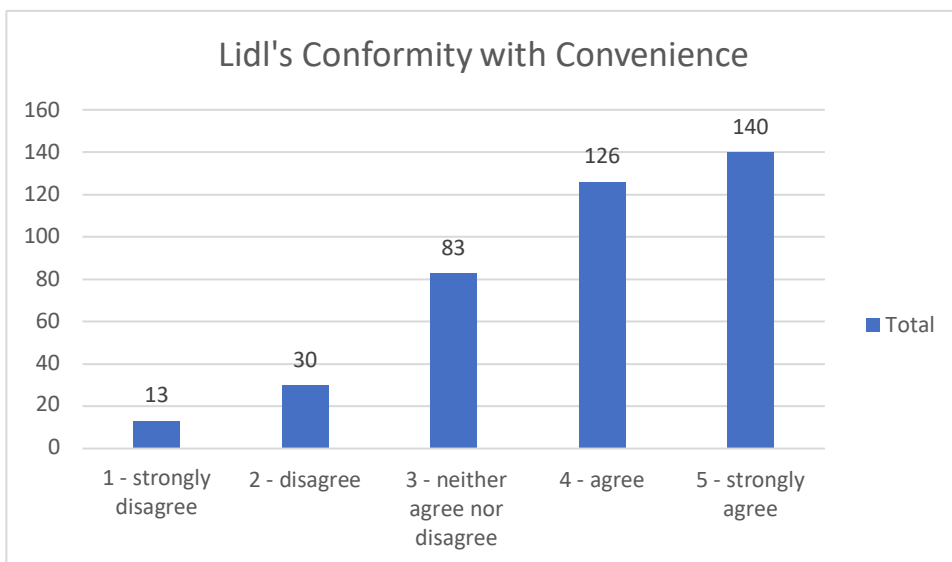
Graphic 21 - Lidl's Conformity with Customer Service

According to graphic 20, it is possible to see that 40% of respondents agree that Lidl has a positive customer service, and 17% of respondents strongly agree. On the other hand, 35% neither agree nor disagree, 5% disagree, and less than 1% strongly disagree with Lidl's conformity with customer service.



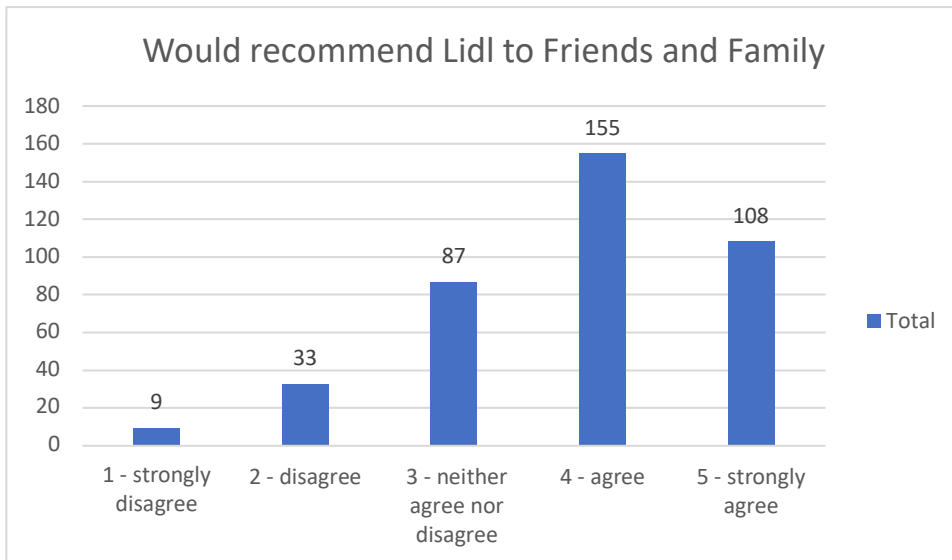
Graphic 22 – Lidl's Conformity with Store Ambience

When it comes to conformity with store ambience, 19% of respondents strongly agree, 36% agrees, 34% neither agree nor disagree, 9% disagrees, and 3% strongly disagrees.



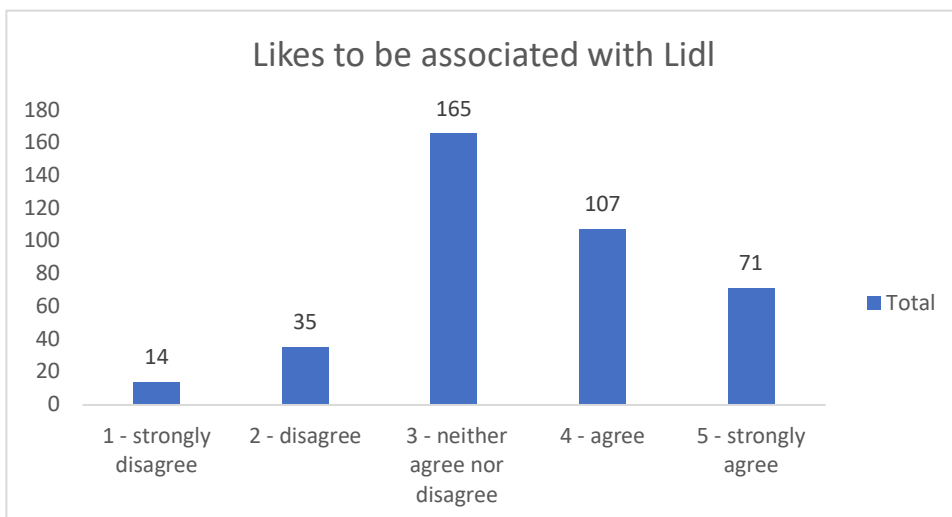
Graphic 23 - Lidl's Conformity with Convenience

In terms of convenience, 68% of respondents either agree or strongly agree with Lidl's conformity with that factor. Furthermore, 21% of respondents neither agree nor disagree with the statement, 8% disagree, and 3% strongly disagree.



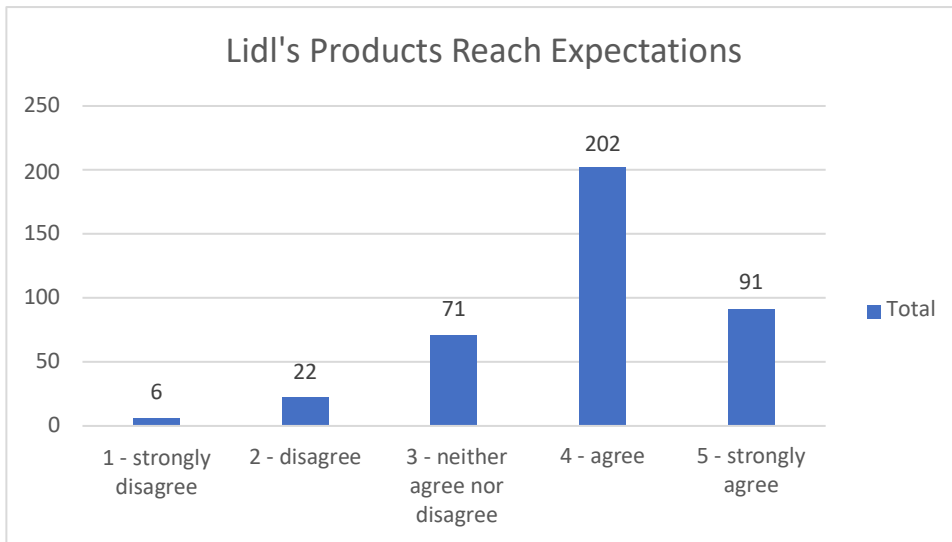
Graphic 24 - Would recommend Lidl to friends and family

When asked if would strongly recommend Lidl to friends and family, 28% of respondents say they strongly agree with that statement, 40% of respondents agree, 22% neither agree nor disagree, 8% disagree, and only 2% strongly disagree.



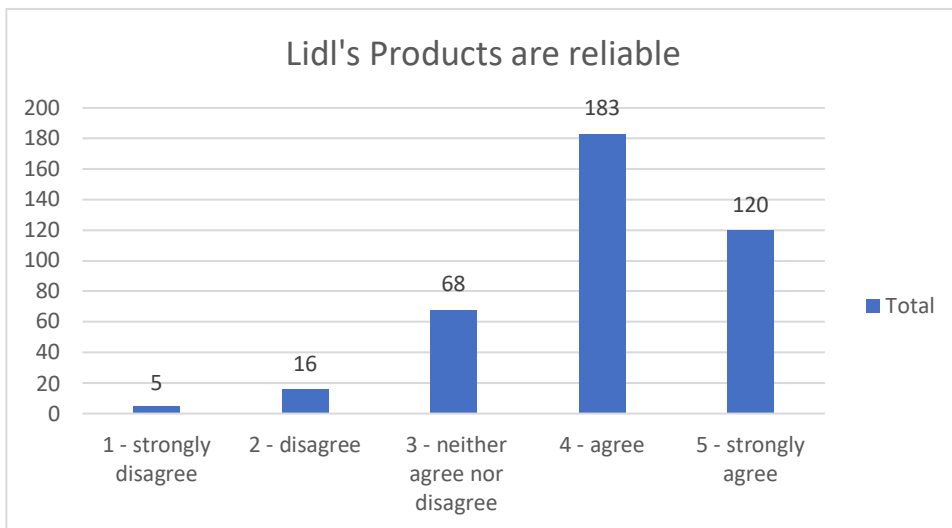
Graphic 25 - Likes to be associated with Lidl

In terms of being associated with Lidl as a brand, 18% of respondents say they strongly agree with the statement, 27% of respondents agree, 42% neither agree nor disagree, 10% disagree, and 4% strongly disagree.



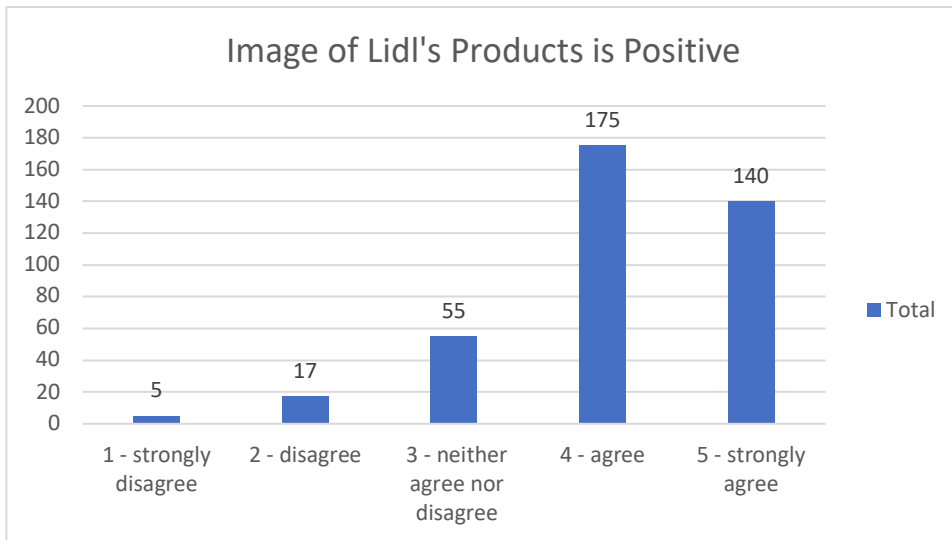
Graphic 26 – Lidl's products reach expectations

When asked if products from Lidl's own brands reach expectations, 23% of respondents strongly agree, 52% agree, 18% neither agree nor disagree, 6% disagree, and only 2% strongly disagree with the statement.



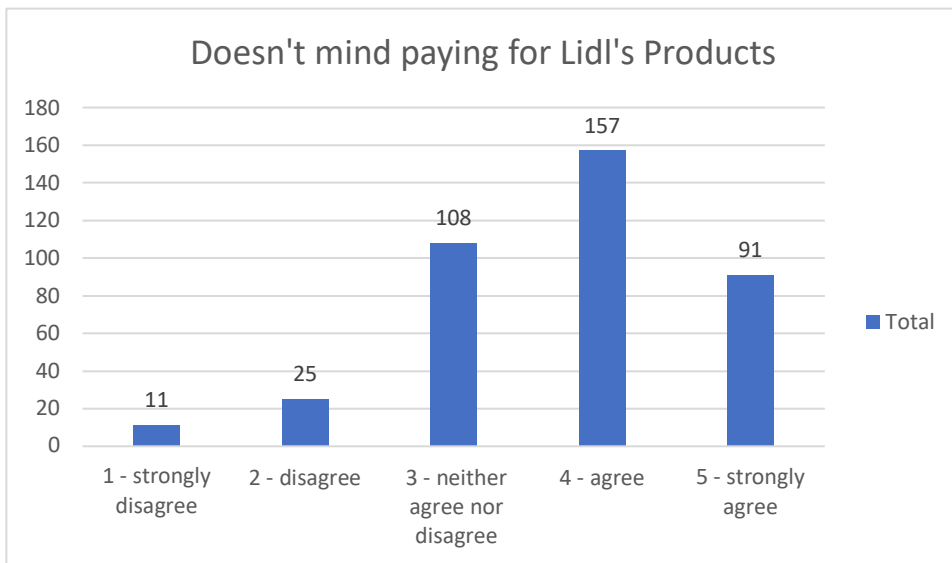
Graphic 27 – Lidl's products are reliable

When respondents were asked if respondents agree with Lidl's products reliability, 31% of the sample strongly agrees, 47% agrees, 17% neither agrees nor disagrees, 4% disagrees, and 1% strongly disagrees.



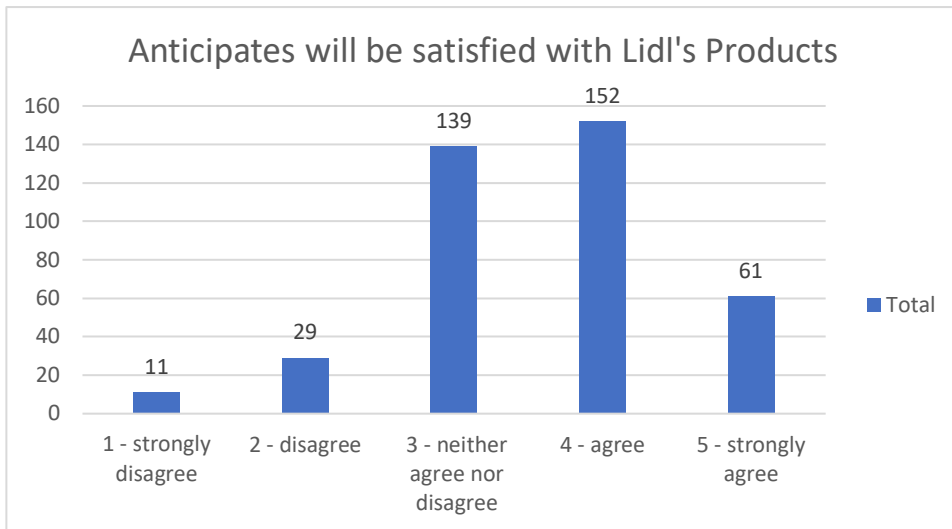
Graphic 28 – Image of Lidl's Products is positive

In terms of having a positive image of Lidl's products, 36% of respondents say they strongly agree with the statement, 45% agree, 14% neither agree nor disagree, 4% disagree, and 1% strongly disagrees.



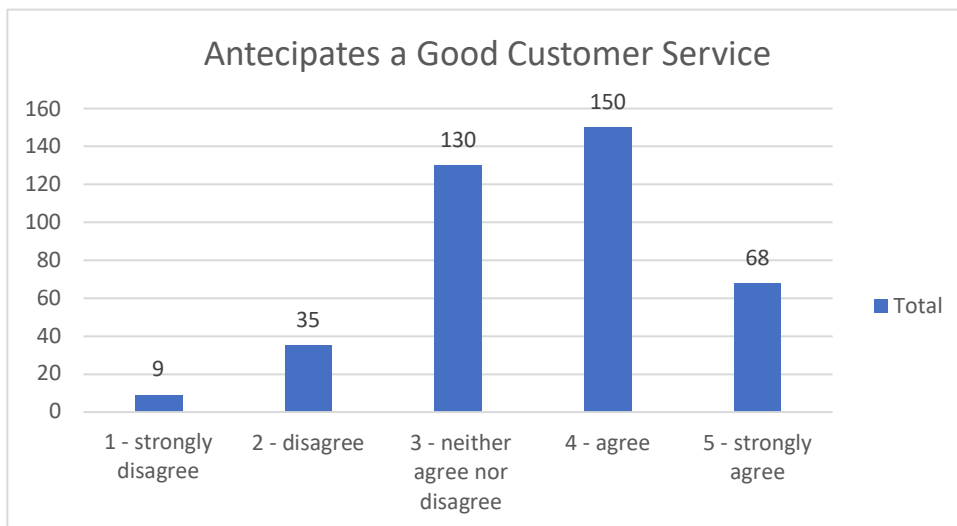
Graphic 29 - Doesn't mind paying for Lidl's products

When asked if respondents minded paying for Lidl's products, 23% strongly agreed, 40% agreed, 28% neither agree nor disagree, 6% disagree, and only 3% strongly disagreed.



Graphic 30 - Anticipates will be satisfied with Lidl's Products

When going to Lidl, 16% of respondents strongly agree that they will be satisfied with the Lidl's products, 39% of respondents agree, 36% neither agree nor disagree, 7% disagree, and 3% strongly disagree.



Graphic 31 - Anticipates a good customer service

In terms of anticipation of a good customer service, 17% of respondents strongly agree with that statement, 38% agree, 33% neither agree nor disagree, 10% disagree, and 3% strongly disagree.



Graphic 32 – Lidl's shopping experience exceeds expectations

In terms of exceeding expectations, 12% of respondents strongly agree with the statement, 29% agree, 45% neither agree nor disagree, 11% disagree, and 3% strongly disagree.

6.2. Analysis of the results

This subchapter aims to establish a link between the theoretical part of this dissertation, the literature review chapters, and the online survey responses. Its purpose is to analyze the data gathered from the survey responses and the interviews to confirm or refute the research question - "What is the impact of storytelling in shaping brand identity?". Throughout this section, the collected data will be cross-referenced to validate the research question.

6.2.1. Objective 1: Identify the main factors when choosing a supermarket

For statistical purposes, a Kolmogorv Smirnov test was conducted to assess the normal distribution of our sample. Taking the result into consideration, it is possible to confirm that the variables take a *p-value* <0,001, consequently the null hypothesis is rejected and the H1 is accepted. Meaning the variables in question do not obey a normal distribution.

Nevertheless, and considering the sample size, a t-test took place to validate that the factors in question are determinant when choosing a supermarket. In this case, the null hypothesis states that the mean is below or equal to three, consequently accepting the alternative hypothesis. For the variables price, variety of products, variety of brands, quality of products, customer service, store ambience, and store convenience the t-value was smaller than the critical value, therefore it is possible to reject the null hypothesis and confirm that these are determinant factors when choosing a supermarket.

Table 1 - Descriptive Analysis of the determinant choosing factors

CHOOSING FACTORS	AVERAGE	STANDARD DEVIATION	EXPECTED MEAN	t VALUE	CRITICAL VALUE
Price	4,40	0,867598512	3	32,0184 908	1,660
Variety of products	4,36	0,797749686	3	33,8722 5471	1,660
Variety of brands	3,79	1,047279924	3	14,9505 0566	1,660
Quality of products	4,67	0,629390472	3	52,1467 2038	1,660
Customer service	3,87	1,020383109	3	16,7218 788	1,660
Store ambience	3,86	1,043594741	3	16,3018 6273	1,660
Store convenience	4,46	0,802011538	3	35,9170 527	1,660

In summary, the hypothesis from H1 to H7 are valid, according to the Table 2:

Table 2 - Validation of the H1 to H7

HYPOTHESIS	RESULT
H1: The price is a determinant factor when choosing a supermarket.	Valid
H2: The variety of products is a determinant factor when choosing a supermarket.	Valid
H3: The variety of brands is a determinant factor when choosing a supermarket.	Valid
H4: The quality of products is a determinant factor when choosing a supermarket.	Valid
H5: The customer service is a determinant factor when choosing a supermarket.	Valid
H6: The store ambience is a determinant factor when choosing a supermarket.	Valid
H7: The store convenience is a determinant factor when choosing a supermarket.	Valid

As previously mentioned, consumers are constantly looking for the best value for money from their purchases (Ambroise et al., 2005; Woodruff, 1997). That becomes even more pressing when the substantial part of the household expenditure is on grocery shopping and in supermarkets. Given the considered factors, such as price, variety and quality of products and brands, customer service, store ambience and convenience, all proven to be detrimental when choosing a supermarket. Despite these facts, it is possible to highlight some aspects more relevant than others.

On one hand, the factors "price," "quality of products," and "store convenience" received the highest average ratings (4,40, 4,67, and 4,46, respectively). This indicates that consumers prioritize obtaining the fairest price for products without compromising on quality. Additionally, considering that grocery shopping constitutes a significant portion of household expenses, it is natural for consumers to seek a supermarket that offers both competitive pricing and high-quality products. Furthermore, the high average score for "store convenience" can be attributed to the fact that consumers expect the supermarket to be conveniently located. Since grocery shopping is a frequent activity, it is reasonable to assume that consumers prefer a store that is easily accessible from their homes, schools, or workplaces, saving them time and effort throughout the month.

On the other hand, the factors "variety of brands", "customer service", and "store ambience" exhibit the highest standard deviation values, all above 1. Meaning that despite having a similar average rating than the other considered factors, the answers were more disparate and that consumers' opinions vary significantly on the topic. This shows how they may be willing to prioritize other factors that they consider more crucial. Arguably, in the case of strong prices, good quality products and conveniently located supermarkets, consumers are willing to abdicate on big variety of brands, optimal customer service and good environment in the store.

6.2.2. Objective 2: Define Lidl Portugal's communication and marketing strategy.

In order to understand Lidl Portugal's current communication and marketing strategy, it is important to take into consideration their recent repositioning which pivoted their place in the market. Prior to the current professional relationship with their advertising agency, Lidl's Portugal strategy was not much different than the competitors at the time. This posed a need for change, and the first campaigns with *O Escritório* were drafted. As mentioned previously, these campaigns aimed to speak to consumers in a more relatable tone keeping their own truth. The brand together with the agency picked up on the current talk (or casual

gossip between friends) about Lidl's products, portraying it in the advertising movies. This story-like way of communicating to the consumers enabled a new sense of empathy with the brand assigning it a new symbolic element and allowing a positive repositioning.

Since then, Lidl Portugal has established itself as an affordable supermarket, keeping the quality as a top priority. The exponential growth of the brand in the Portuguese market has relied a lot on its communication and marketing strategies, but also on its positive word of mouth. Their digital channels are currently the official Lidl Portugal website, Instagram, and YouTube. This positive perception from Lidl is arguably a consequent of the fact the brand consistently brings strong and influential campaigns throughout the years, which are considered persistently better every year since 2017 (Graphic 32).

As a fast-moving consumer goods, it becomes a challenge to Lidl to shape its communication according to its multiple possible targets. Nevertheless, there is one target with an added value, which are families. Families with children tend to spend more money on food, and therefore on supermarkets, as stated by the brand. According to Lidl, that is their main focus in terms of target audience. However, it is also important to keep in mind their remaining audiences, which often bring added value to the brand. Despite that, Lidl's consumer type is what can be consider a smart shopper. Nuno Jerónimo, from *O Escritório*, describes it as someone who likes to feel they are getting best quality for the best price and advises their friends and family on what or not to get. These smart shopper characteristics were then appropriate into their communication. Here is when campaigns such as “Quem compra no sítio certo, parece logo mais esperto” (who buys in right place, looks immediately smarter) or “Ninguém nos vende como os nossos clientes” (no one sells us like our clients) were designed.

Another important aspect of Lidl's communication highlighted by Nuno Jerónimo, creative partner at *O Escritório*, is the tone of voice. In the brand's campaigns, the goal is to create intellectual empathy and an emotional bond with consumers. Nuno Jerónimo claims this is only achieved by a self-explanatory intelligent sense of humor. Unlike other brands, afraid that their consumers might not fully understand their content, fall into the arrogance of overly explain it. By creating this subtlety of leaving something unsaid, Lidl is able to communicate in their consumers language and produce the feeling of– “I got it, but all these people didn't get it.” And that's something that has a very funny impact on people and ends up creating a bond, not only intellectual, but also emotional”.

Finally, when questioned about the factors that set Lidl Portugal apart from its competitors, Luís Lobato Almeida highlights both the evident physical and cultural distinctions. However, the Head of Brand emphasizes that Lidl has demonstrated a remarkable ability to

capitalize on these dissimilarities, strategically leveraging unique aspects like store layout and product variety to create a clear differentiation from the competition. By skillfully reframing previous negative aspects as positive attributes, Lidl Portugal communicates the distinctive elements that make the brand stand out by highlighting them.

Therefore, it is possible to conclude the significant transformation in communication and marketing strategy have proved pivotal to Lidl's position in the market. This shift has been marked by campaigns that aimed to engage consumers in a relatable manner, capitalizing on conversations about Lidl's products among friends. This storytelling approach fostered a deeper connection between the brand and its audience, leading to a positive repositioning. Hence, Lidl Portugal successfully established itself as an affordable supermarket without compromising on product quality, driving growth through effective communication strategies. Additionally, Lidl's smart shopper persona, characterized by individuals seeking quality at the best price, has played a central role in their communication efforts. The brand's use of intellectual humor and a subtle, self-explanatory tone of voice has created an emotional and intellectual bond with consumers. This overview shines light on the dynamic communication and marketing strategy that have shaped Lidl Portugal's impressive position and growth in the retail market.

6.2.3. Objective 3: Understand consumer's perception of Lidl.

With the purpose of assessing how consumers perceive the brand Lidl, it becomes relevant to describe the consumers according to our data. We considered variables such as the frequency of visits to Lidl, categorized as "once to twice a month" and "three to four times a month", for through this analysis, it is possible to gain insights into their demographics and shopping habits. In terms of age, the most predominant group among Lidl's visitors is the youngest, ranging from 18 to 25 years of age, representing 30% of the sample (Table 3). Regarding gender, females constitute the majority, accounting for 63% of these consumers (Table 4). Furthermore, when considering the monthly gross salary interval, the most frequent range among this selected cluster of the sample falls between 1000€ and 2000€ (Table 5). These findings demonstrate that Lidl's customer base primarily consists of young people who might be starting their careers and are more inclined to adopt budget-conscious strategies to save money. This aligns with the perception that Lidl is seen as an affordable store with accessible pricing, where customers can maximize their savings while fulfilling their grocery shopping needs.

Table 3 - Frequency to Lidl X Age

Frequency Lidl	Age					Grand Total
	18 - 25	26 – 41	42 – 57	58 – 76	77<	
Once to twice a month	66	46	48	39	2	201
Three to four times a month	13	15	18	14	2	62
Grand Total	79	61	66	53	4	263

Table 4 - Frequency to Lidl X Gender

Frequency Lidl	Gender				Grand Total
	Female	Male	Non-binary	Rather not say	
Once to twice a month	128	68	2	3	201
Three to four times a month	38	23	1		62
Grand Total	166	91	3	3	263

Table 5 - Frequency to Lidl X Monthly Salary Gross

Frequency Lidl	Monthly Salary Gross					Grand Total
	Below 1000€	Do not have an income	From 1000€ to 2000€	From 2000€ to 3000€	More than 3000€	
Once to twice a month	29	20	92	44	16	201
Three to four times a month	10	7	30	10	5	62
Grand Total	39	27	122	54	21	263

Furthermore, it is important to extend the previous t-test analysis, which aimed to identify the critical factors influencing supermarket choices, to specifically evaluate Lidl's alignment with these factors. This evaluation provides further insights into consumer perceptions of the brand. Similarly, the null hypothesis in this case asserts that the mean is less than or equal to three, thereby accepting the alternative hypothesis.

For the variables of price, variety of products, variety of brands, quality of products, customer service, store ambience, and store convenience, the calculated t-values were found to be smaller than the critical value. Consequently, we can reject the null hypothesis and confirm that these factors significantly influence consumers' supermarket choices. This continuously reinforces the idea mentioned previously that Lidl is perceived as an affordable supermarket which continuously delivers good quality in a large range of products.

Table 6 -Descriptive Analysis of Lidl's conformity with determinant choosing factors

CONFORMING FACTORS	AVERAGE	STANDARD DEVIATION	EXPECTED MEAN	t VALUE	CRITICAL VALUE
Price	3,96	0,86160315	3	21,98269612	1,660
Variety of products	3,58	0,969335147	3	11,88003865	1,660
Variety of brands	3,14	0,993585566	3	2,846687012	1,660
Quality of products	4,06	0,811759023	3	25,82129019	1,660
Customer service	3,64	0,907485213	3	14,025487	1,660
Store ambience	3,58	0,987631639	3	11,65995353	1,660
Store convenience	3,89	1,079333886	3	16,37831422	1,660

H8 to H14 are valid according to the following table:

Table 7 - Table 2 - Validation of the H8 to H14

HYPOTHESIS	RESULT
H8: The price is good at Lidl.	Valid
H9: The variety of products is good at Lidl.	Valid
H10: The variety of brands is good at Lidl.	Valid
H11: The quality of products is strong at Lidl.	Valid
H12: The customer service is good at Lidl.	Valid
H13: The store ambience is good at Lidl.	Valid
H14: The store convenience is good at Lidl.	Valid

Given the considered factors, such as price, variety and quality of products and brands, customer service, store ambience and convenience, all proven to be valid when mentioning Lidl Portugal. Despite this result, it is possible to highlight some factors more relevant than others.

On one hand, the factors "price," "quality of products," and "store convenience" received the highest average ratings (4,06, 3,96, and 3,89, respectively). This indicates that consumers go to Lidl expecting the fairest prices for quality products, and that store convenience is of extreme importance when grocery shopping. This additionally reaffirms the positive opinion

of consumers regarding Lidl, for the most relevant factors when choosing a supermarket align with their expectations and confirm the brand's strength.

On the other hand, and further confirming what has been previously said about relevant factors when grocery shopping, "variety of brands" and "store ambience" appear to be the least relevant (with a standard deviation of 0,993585566, and 0,987631639 respectively). This enhances the perspective that consumers are willing to abdicate on brand variety when the quality of the own brand supermarket is of quality, and that store layouts are not of much importance when grocery shopping.

6.2.4. Objective 4: Understand if consumers are satisfied with the Lidl Portugal.

In order to access whether consumers were satisfied with Lidl, the respondents showed a positive level of agreement, with both mean and median equal or above 3, in all items. With special highlight to "Products from Lidl's brands reach my expectations" and "My image of Lidl's products is positive", which also presented a low standard deviation value ranging from 0,87 and 0,88. Further proving the reliability of the products present in the store. Nevertheless, the highest variation in answers was verified in the items "I strongly recommend Lidl to my friends and family" and "I like being associated to Lidl's brands", with a mean value of 3,82 and a value of 4 for both median and mode, and a mean value of 3,47 and a value of 3 for both median and mode, respectively.

Table 8 - Descriptive Analysis of Consumer Satisfaction

	MEAN	MEDIAN	MODE	STANDARD DEVIATION
I strongly recommend Lidl to my friends and family	3,82	4,00	4,00	1,004816419
I like being associated to Lidl's brands	3,47	3,00	3,00	1,003503961
Products from Lidl's brands reach my expectations	3,89	4,00	4,00	0,875205493
Products from Lidl's brands are reliable	4,01	4,00	4,00	0,871451481
My image of Lidl's products is positive	4,09	4,00	4,00	0,882761706
I don't mind paying more for Lidl's products	3,74	4,00	4,00	0,976042686
I assume/anticipate I will be satisfied with Lidl's customer service	3,57	4,00	4,00	0,935435271
I assume/anticipate a good shopping experience at Lidl	3,59	4,00	4,00	0,952191782
Lidl has exceeded my expectations in terms of shopping experience	3,36	3,00	3,00	0,936383345

In regards of Table 8, it is also relevant to highlight that despite having a lower mean, the standard deviation of the item “I strongly recommend Lidl to my friends and family” is quite high (1,004816419). As mentioned earlier, this indicates a bigger discrepancy in the results. In this case, it is observable through Graph 23 how 28% and 40% of respondents strongly agree and agree with the statement, and only 10% disagrees and strongly disagrees. This follows what has been previously mentioned by Nuno Jerónimo regarding Lidl’s consumers who consistently suggest new products of the brand to their friends and family.

When assessing the strength of a brand, one crucial aspect is understanding its perception in the eyes of consumers, and its comparison to how the brand wishes to be perceived. To gain insights into this, we compared the responses to the final questionnaire question, "Describe Lidl in one word," with how Lidl and its partnering advertising agency describe the brand. Among the respondents, 48% described Lidl as having a "good price-quality ratio," followed by 11% who considered the brand "trustworthy." Additionally, 8% of the sample associated Lidl with the word "discovery," while 6% described it as "smart shopping."

In contrast, Luís Lobato Faria (Appendix D, p. 110) used the words "quality," "unique," and "different" to describe Lidl, while Nuno Jerónimo (Appendix E. p. 116) opted for "smart shopping," "honest," and "relatable." By comparing these perspectives, we gain valuable insights into how Lidl is perceived by both consumers and key individuals associated with the brand.

Conclusion

Ever since its inaugural store opened on Portuguese soil in 1995, Lidl has experienced steady growth in the market, positioning itself as one of the leading supermarket brands in the retail sector in Portugal. However, this achievement did not come without challenges, as the brand encountered numerous obstacles during its establishment in the country. One of the key factors contributing to the remarkable success of Lidl Portugal lies in its ability to adapt its communication and marketing strategies to better suit the local market conditions. Upon entering the market, Lidl initially adopted a strategy similar to that of its competitors, focusing on promoting local producers, national products, and the competitive pricing.

Despite these efforts, this approach did not yield the desired results, as consumers perceived the German supermarket's format as unfamiliar, and its unconventional structure raised skepticism among them. As a result, in 2016, Lidl underwent a significant shift in its communication strategy by adopting a more direct approach to engage with customers, speaking directly to what related to them and resonated with them. This storytelling approach to communication and marketing not only helped Lidl establish a strong connection with its customers but also garnered national awareness and recognition for the brand and its partnering agency.

When analyzing the organization, it became clear Lidl's positioning when it comes to the supreme quality of their products at the lowest price every day. The brand's commitment to affordability and value is foreseeable through their dedication to a wide range of quality products with minimal to no promotions. The simplicity and straightforward in the store layout reinforce the efficiency and cost-effective German brands have got us used to. These characteristics have resonated with the Portuguese audience and created a powerful, honest and uncomplicated dynamic. Lidl Portugal and *O Escritório* agency have been able to foster this dynamic relationship through astute and comical communication, breaking ground for a strong intellectual bond with the customer, consequently creating a community and Lidl fun based.

Thus, the main purpose of this research was to understand the complexities of storytelling strategies in communication and marketing, and their impact on brand image. Based on extensive research conducted on the case of Lidl Portugal, which involved a survey by questionnaire, and interviews, several conclusions were drawn. Having considered the primary question of the study, it is now essential to consolidate all the gathered information in order to provide a more comprehensive response to:

How did storytelling marketing impact Lidl Portugal's brand identity?

Succeeding the discussion of the results and consequent response to each objective, it is then possible to conclude that storytelling marketing has played a crucial role in shaping Lidl Portugal's brand identity. By focusing on key factors such as variety and quality of products, Lidl successfully differentiated itself in the competitive supermarket industry. The brand's communication and marketing strategy underwent a significant transformation, driven by a desire to connect with consumers in a relatable and authentic manner. Lidl's repositioning allowed them to resonate with their target audience and foster a positive perception among consumers. Despite their focus on families and households with children, the questionnaire performed further revealed that Lidl's customer base mainly comprises young individuals who prioritize budget-conscious strategies to save money while expecting good quality across a diverse range of products. This reinforces Lidl's image as an affordable supermarket that consistently delivers quality and customer satisfaction.

Overall, the findings indicate that consumers are indeed satisfied with Lidl Portugal. The brand's storytelling approach, along with its emphasis on affordability and quality, has garnered a loyal customer base that perceives Lidl as a reliable and smart choice for their grocery shopping needs. In conclusion, storytelling marketing has significantly impacted Lidl Portugal's brand identity by repositioning the brand, appealing to a younger demographic, and creating a positive association with affordability and quality. Through its strategic communication and marketing efforts, Lidl has successfully established itself as a trustworthy and consumer-centric supermarket, leading to high levels of customer satisfaction. Nevertheless, and given the nature of the research, it is important to take into consideration that there might have been other variables external to the study that also may have affected the consumers' perception of the brand.

Throughout the execution of this dissertation, certain limitations have been encountered. The first and most obvious limitation arose due to the confidential nature of some brand information, which could not be shared, limiting access to crucial data. Another notable limitation arises from the nature of the research typology – the case study, which restricts the ability to make generalizations. While a positive case can offer valuable insights, it serves exclusively as an indication rather than a definitive trend. To enhance this study, it would require an exploration of other supermarket brands that may have adopted the same strategy, or even in different market segments. Moreover, the timing of the application and reinforcement of the storytelling strategy, which took place five years ago, presents another constraint as data before that period is limited. For deepen analysis, the study would have

required data collected before and after its implementation. Nevertheless, this approach may also prove challenging, considering that brands rarely become beloved overnight, demanding extensive research efforts. Additionally, the sampling method employed in the questionnaire survey showed limitations, as its announcement through social media and word of mouth resulted in a sample with relatively homogenous sociodemographic characteristics.

Looking ahead, several avenues for future research merit exploration. As mentioned previously, valuable direction would involve studying the implementation of storytelling strategies in other supermarket brands and in various industry segments. This broader examination would further enlighten the effectiveness and versatility of storytelling as a communication and marketing tool across different contexts. Furthermore, conducting in-depth analyses of storytelling strategies precisely during their implementation phase and gathering data before and after enable a more comprehensive insight into the impact and success of such strategies. Although challenging due to the gradual nature of brand growth, this approach holds promising understanding over the dynamics of brand storytelling through time. In addition, future studies could employ more diverse and targeted sampling methods to ensure a more representative and varied participant pool, offering a comprehensive view of consumer perceptions and responses to storytelling-based communications. Lastly, exploring other dimensions of brand communication, and identifying novel storytelling tactics that resonate with consumers could enrich the understanding of brand-consumer relationships and contribute to the evolving field of brand management.

Bibliography

- Aaker, D. A. (1996). *Building Strong Brands*. Free Press.
- Ambroise, L., Ferrandi, J.-M., Merunka, D., & Valette-Florence, P. (2005). Development of Brand Personality Scale and Application to Two Supermarket Brands. *Institut d'Administration Des Entreprises*, 703.
- Argenti, P. A., Howell, R. A., & Beck, K. A. (2005). The Strategic Communication Imperative. In *Top 10 Lessons on Strategy: Building and Implementing an Effective Corporate Strategy in an Era of Rapid Change, Evolving Technology, and Intense Competition* (pp. 61–67). MIT Sloan Review.
- Bailón, M. Á. N., Piñero, M. S., & Ballester, E. D. (2009). Efectos de la comunicación integrada de marketing a través de la consistencia estratégica: Una propuesta teórica y metodológica. *Estudios Gerenciales*, 25(111), 35–57.
- Baltes, L. P. (2012). Content marketing—The fundamental tool of digital marketing. *Marketing and Management Journal*, 8(2), 116–123.
- Barker, R. T., & Gower, K. (2010). Strategic Application of Storytelling in Organizations: Toward Effective Communication in a Diverse World. *Journal of Business Communication*, 47(3), 295–312. <https://doi.org/10.1177/0021943610369782>
- Bauer, J. C., Kotouc, A. J., & Rudolph, T. (2012). What constitutes a “good assortment”? A scale for measuring consumers’ perceptions of an assortment offered in a grocery category. *Journal of Retailing and Consumer Services*, 19(1), 11–26. <https://doi.org/10.1016/j.jretconser.2011.08.002>
- Benneth, A., & Royle, N. (2004). *Literature, Criticism and Theory*. Pearson Longman.
- Bhati, R., & Verma, H. V. (2017). Online customer advocacy: concept ,evolution and trends. *ResearchGate*. https://www.researchgate.net/publication/320042487_Online_customer_advocacyconcept_evolution_and_trends
- Bianchi, C. C. (2009). Investigating consumer expectations of convenience-store attributes in emerging markets: Evidence in Chile. *Journal of International Consumer Marketing*, 21(4), 309–320. <https://doi.org/10.1080/08961530802282240>
- Boje, D. M. (1995). Stories of the Storytelling Organization: A Postmodern Analysis of Disney as ‘Tamara-Land’. *Academy of Management Journal*, 38(4), 997–1035.

- Bolino, M. C., Kacmar, K. M., Turnley, W. H., & Gilstrap, J. B. (2008). A Multi-Level Review of Impression Management Motives and Behaviors. *Journal of Management*, 34(6), 1080–1109. <https://doi.org/10.1177/0149206308324325>
- Brehm, J. W. (1966). *A Theory of Psychological Reactance*. New York.
- Brito, J. M. S. D., & Saraiva, P. M. (2022). Storytelling: Uma Análise de Aplicabilidade no Planejamento Estratégico de Marketing, em uma Empresa da área de Saúde em Crato – CE / Storytelling: An Analysis of Applicability in Strategic Marketing Planning in a Healthcare Company in Crato - CE. ID on line. *Revista de Psicologia*, 16(59), 234–249. <https://doi.org/10.14295/idonline.v16i59.3387>
- Bryman, A. (2012). *Social Research Methods*. Oxford University Press.
- Bublitz, M. G., Escalas, J. E., Peracchio, L. A., Furchheim, P., Grau, S. L., Hamby, A., Kay, M. J., Mulder, M. R., & Scott, A. (2016). Transformative Stories: A Framework for Crafting Stories for Social Impact Organizations. *Journal of Public Policy & Marketing*, 35(2), 237–248. <https://doi.org/10.1509/jppm.15.133>
- Burt, S. L., & Sparks, L. (2003). Power and Competition in the UK Retail Grocery Market. *British Journal of Management*, 14(3), 237–254. <https://doi.org/10.1111/1467-8551.00377>
- Bütschi, G., & Steyn, B. (2006). Theory on strategic communication management is the key to unlocking the boardroom. *Journal of Communication Management*, 10(1), 106–109. <https://doi.org/10.1108/13632540610646436>
- Cacioppo, J. T., & Petty, R. E. (1979). Effects of message repetition and position on cognitive response, recall, and persuasion. *Journal of Personality and Social Psychology*, 37(1), 97–109.
- Campbell, J., Moyers, B. D., & Flowers, B. S. (2012). *The Power of Myth*. Turtleback Books.
- Carrilho, K., & Markus, K. (2014). Narrativas na construção de marcas: storytelling e a comunicação de marketing. *Organicom*, 11(20), 128. <https://doi.org/10.11606/issn.2238-2593.organicom.2014.139224>
- Carter, S. M. (2006). The Interaction of Top Management Group, Stakeholder, and Situational Factors on Certain Corporate Reputation Management Activities*. *Journal of Management Studies*, 43(5), 1145–1176. <https://doi.org/10.1111/j.1467-6486.2006.00632.x>
- Chautard, T., & Collin-Lachaud, I. (2019). Introducing the storytelling analysis methodology in marketing: Principles, contributions and implementation. *Recherche et Applications*

- En Marketing (English Edition)*, 34(3), 27–46.
<https://doi.org/10.1177/2051570719841225>
- Chiu, H.-C., Hsieh, Y.-C., & Kuo, Y.-C. (2012). How to Align your Brand Stories with Your Products. *Journal of Retailing*, 88(2), 262–275.
<https://doi.org/10.1016/j.jretai.2012.02.001>
- Cornelissen, J. (2004). *Corporate communications: Theory and practice*. SAGE Publications.
- Creswell, J. W. (2009). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (3rd ed.). SAGE Publications.
- Creswell, J. W., & Clark, V. L. (2007). *Designing and Conducting Mixed Methods Research*. SAGE Publications.
- de Chernatony, L. (1999). Brand Management Through Narrowing the Gap Between Brand Identity and Brand Reputation. *Journal of Marketing Management*, 15(1–3), 157–179.
<https://doi.org/10.1362/026725799784870432>
- de Chernatony, L., & McDonald, M. H. (1998). *Creating Powerful Brands* (2nd ed.). Butterworth-Heinemann.
- Deighton, J., Romer, D., & McQueen, J. (1989). Using Drama to Persuade. *Journal of Consumer Research*, 16(3), 335. <https://doi.org/10.1086/209219>
- Deka, P. K. (2019). Store Ambience and Consumer Choice of Retail Store Format. *Journal of Management in Practice*, 4(1), 14.
- Delgado-Ballester, E., & Fernández-Sabiote, E. (2016). “Once upon a brand”: Storytelling practices by Spanish brands. *Spanish Journal of Marketing - ESIC*, 20(2), 115–131.
<https://doi.org/10.1016/j.sjme.2016.06.001>
- Desjardins, J. (2021). *Generational Power Index Report*. Visual Capitalist.
<https://www.visualcapitalist.com/wp-content/uploads/2021/05/generational-power-index-2021-1.pdf>
- Dinheiro Vivo. (2015, April 8). Continente. 30 anos que contam a história do consumo em Portugal. *Dinheiro Vivo*. <https://www.dinheirovivo.pt/marketing-pub/continente-30-anos-que-contam-a-historia-do-consumo-em-portugal-12667629.html>

- Drenth, P. J. D., Thierry, H., & Wolff, C. J. de (Eds.). (1998). *Handbook of work and organizational psychology* (2nd ed). Psychology Press.
- Durutta, N. (2006). The Corporate Communicator: A Senior-Level Strategist. In *The IABC Handbook of Organizational Communication A Guide to Internal Communication, Public Relations, Marketing, and Leadership* (pp. 19–30). Jossey-Bass A Wiley Imprint.
- Dwivedi, A., Merrilees, B., Miller, D., & Herington, C. (2012). Brand, value and relationship equities and loyalty-intentions in the Australian supermarket industry. *Journal of Retailing and Consumer Services*, 19(5), 526–536.
<https://doi.org/10.1016/j.jretconser.2012.06.009>
- ECO. (2022, February 3). Portugueses passam quase quatro dias por ano no supermercado. ECO. <https://eco.sapo.pt/2022/02/03/portugueses-passam-quase-quatro-dias-por-ano-no-supermercado/>
- Eisend, M., & Tarrahi, F. (2022). Persuasion Knowledge in the Marketplace: A Meta-Analysis. *Journal of Consumer Psychology*, 32(1), 3–22.
<https://doi.org/10.1002/jcpy.1258>
- Elías, J., & Mascaray, J. (2003). *Más allá de la comunicación interna: La intracomunicación*. Ediciones Gestión 2000.
- Elsbach, K. D., Sutton, R. I., & Principe, K. E. (1998). Averting Expected Challenges Through Anticipatory Impression Management: A Study of Hospital Billing. *Organization Science*, 9(1), 68–86. <https://doi.org/10.1287/orsc.9.1.68>
- Escalas, J. E. (2004). Narrative Processing: Building Consumer Connections to Brands. *Journal of Consumer Psychology*, 14(1–2), 168–180.
https://doi.org/10.1207/s15327663jcp1401&2_19
- Farquhar, P. H. (1989). *Managing Brand Equity*. *Marketing Research*, 24–33.
- Fortin, M.-F. (1999). *O Processo de Investigação: Da Concepção à Realização*. Lusociência - Edições técnicas e científicas.

- Gargiulo, T. L. (2005). *The strategic use of stories in organizational communication and learning*. M.E. Sharpe.
- Gayeski, D. (2006). Strategic Approaches to Managing the Communications Function. In *The IABC Handbook of Organizational Communication: A Guide to Internal Communication, Public Relations, Marketing, and Leadership* (pp. 67–79). Jossey-Bass A Wiley Imprint.
- Ghodeswar, B. M. (2008). Building brand identity in competitive markets: A conceptual model. *Journal of Product & Brand Management*, 17(1), 4–12.
<https://doi.org/10.1108/10610420810856468>
- Gibson, J., Ivancevich, J., & Konopaske, R. (2011). *Organizations: Behavior, structure, processes*. McGraw-Hill.
- Goffman, E. (1959). *The presentation of self in everyday life*. The Penguin Press.
- Gorard, S. (2010). *Research design, as independent of methods*. SAGE handbook of mixed methods in social & behavioral research.
- Gross, E. (1969). The Definition of Organizational Goals. *The British Journal of Sociology*, 20(3).
- Grupo Jerónimo Martins. (n.d.). Cronologia. *Jerónimo Martins - A Nossa História*. Retrieved 23 November 2022, from <https://www.jeronimomartins.com/pt/sobre-nos/quem-somos/a-nossa-historia/>
- Guber, P. (2007). The Four Truths of the Storyteller. *Harvard Business Review*, 9.
- Haekal, J. (2022). Quantitative Strategic Planning Matrix (QSPM) in Determining Alternative Strategies for the Covid-19 Epidemic in the Food and Beverage Manufacturing Companies in Indonesia. *International Journal of Scientific and Academic Research*, 02(04), 01–10. <https://doi.org/10.54756/IJSAR.2022.V2.i4.1>

- Hallahan, K., Holtzhausen, D., van Ruler, B., Verčič, D., & Sriramesh, K. (2007). Defining Strategic Communication. *International Journal of Strategic Communication*, 1(1), 3–35. <https://doi.org/10.1080/15531180701285244>
- Ham, S., Lee, K.-S., Koo, B., Kim, S., Moon, H., & Han, H. (2021). The rise of the grocerant: Patrons' in-store dining experiences and consumption behaviors at grocery retail stores. *Journal of Retailing and Consumer Services*, 62, 102614. <https://doi.org/10.1016/j.jretconser.2021.102614>
- Harris, F., & de Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, 35(3/4), 441–456. <https://doi.org/10.1108/03090560110382101>
- Haven, K. F. (2007). *Story proof: The science behind the startling power of story*. Libraries Unlimited.
- Haynes, A., Lackman, C., & Guskey, A. (1999). Comprehensive brand presentation: Ensuring consistent brand image. *Journal of Product & Brand Management*, 8(4), 286–300. <https://doi.org/10.1108/10610429910284229>
- Heide, M., von Platen, S., Simonsson, C., & Falkheimer, J. (2018). Expanding the Scope of Strategic Communication: Towards a Holistic Understanding of Organizational Complexity. *International Journal of Strategic Communication*, 12(4), 452–468. <https://doi.org/10.1080/1553118X.2018.1456434>
- Herzog, H. (1963). Behavioral science concepts for analyzing the consumer. In *Marketing and the Behavioral Sciences* (pp. 76–86). Bliss, P. (ed.) Allyn and Bacon.
- Holtzhausen, D. R., Fullerton, J. A., Lewis, B. K., & Shipka, D. (2021). *Principles of Strategic Communication*. 363.
- Holtzhausen, D. R., & Zerfass, A. (Eds.). (2015). *The Routledge handbook of strategic communication*. Routledge.

- INE. (2021). *População Residente por Local de Residência, Sexo e Grupo Etário—Censos 2021*.
https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_indicadores&contecto=pi&indOcorrCod=0011166&selTab=tab0
- Ivankova, N. V., Creswell, J. W., & Stick, S. L. (2006). Using Mixed-Methods Sequential Explanatory Design: From Theory to Practice. *Field Methods*, 18(1), 3–20.
<https://doi.org/10.1177/1525822X05282260>
- Janonis, V., Dovalienė, A., & Virvilaitė, R. (2007). Relationship of Brand Identity and Image. *Engineering Economics*, 1(51)
- Janonis, V., Dovalienė, A., & Virvilaitė, R. (2007). *Relationship of Brand Identity and Image*. 12.
- Johansson, R. (2007). On Case Study Methodology. *Open House International*, 32(3), 48–54.
<https://doi.org/10.1108/OHI-03-2007-B0006>
- Jones, M. A., Reynolds, K. E., & Arnold, M. J. (2006). Hedonic and utilitarian shopping value: Investigating differential effects on retail outcomes. *Journal of Business Research*, 59(9), 974–981. <https://doi.org/10.1016/j.jbusres.2006.03.006>
- Kahan, S. (2006). The Power of Storytelling to JumpStart Collaboration. *Journal for Quality and Participation*, 29(1), 23–25.
- Kang, J., Hong, S., & Hubbard, G. T. (2020). The role of storytelling in advertising: Consumer emotion, narrative engagement level, and word-of-mouth intention. *Journal of Consumer Behaviour*, 19(1), 47–56. <https://doi.org/10.1002/cb.1793>
- Kapferer, J.-N. (2004). *Brand NEW world, brand equity*. 30(7).
- Kapferer, J.-N. (2009). *Kapferer's Brand-Identity Prism Model*. 24(2014).
- Kaur, H., Paruthi, M., Islam, J., & Hollebeek, L. D. (2020). The role of brand community identification and reward on consumer brand engagement and brand loyalty in virtual

- brand communities. *Telematics and Informatics*, 46, 101321.
<https://doi.org/10.1016/j.tele.2019.101321>
- Keller, K. L. (2003). Brand Synthesis: The Multidimensionality of Brand Knowledge. *Journal of Consumer Research*, 29(4), 595–600. <https://doi.org/10.1086/346254>
- Keller, K. L. (2020). Leveraging secondary associations to build brand equity: Theoretical perspectives and practical applications. *International Journal of Advertising*, 39(4), 448–465. <https://doi.org/10.1080/02650487.2019.1710973>
- Knapp, D. E. (2000). *The Brand Mindset*.
- Kowalczyk, S. J., & Pawlish, M. J. (2002). Corporate Branding through External Perception of Organizational Culture. *Corporate Reputation Review*, 5(2–3), 159–174.
<https://doi.org/10.1057/palgrave.crr.1540172>
- Kumar, A., & Kim, Y.-K. (2014). The store-as-a-brand strategy: The effect of store environment on customer responses. *Journal of Retailing and Consumer Services*, 21(5), 685–695. <https://doi.org/10.1016/j.jretconser.2014.04.008>
- Kunsch, M. M. K. (2006). Comunicação organizacional: Conceitos e dimensões dos estudos das práticas. In *Faces da cultura e da comunicação organizacional* (pp. 167–190). Difusão Editora.
- Lämsä, A., & Sintonen, T. (2006). A narrative approach for organizational learning in a diverse organisation. *Journal of Workplace Learning*, 18(2), 106–120.
<https://doi.org/10.1108/13665620610647818>
- Lidl Deutschland. (n.d.). *Unternehmensgrundsätze*. Retrieved 17 October 2022, from <https://unternehmen.lidl.de/ueber-lidl/unternehmensgrundsaeetze>
- Lidl Portugal. (n.d.). *Sobre nós*. Retrieved 17 October 2022, from <https://institucional.lidl.pt/sobre-nos>

Lidl Portugal. (2021, January 6). *MARCAS PRÓPRIAS DO LIDL ELEITAS AS MELHORES DO MERCADO PELOS CONSUMIDORES PORTUGUESES*.

<https://institucional.lidl.pt/media-center/comunicados-de-imprensa/2021/escolha-do-consumidor-2021>

Manyanga, W., Makanyeza, C., & Muranda, Z. (2022). The effect of customer experience, customer satisfaction and word of mouth intention on customer loyalty: The moderating role of consumer demographics. *Cogent Business & Management*, 9(1), 2082015. <https://doi.org/10.1080/23311975.2022.2082015>

Martineau, P. (2002). The Personality of the Retail Store. In A. M. Findlay & L. Sparks (Eds.), *Retailing: Critical Concepts: Vol. III* (pp. 98–113).

Martinelli, E., & Balboni, B. (2012). Retail service quality as a key activator of grocery store loyalty. *The Service Industries Journal*, 32(14), 2233–2247.

<https://doi.org/10.1080/02642069.2011.582499>

Martins, J. R. (2006). *Branding* (3rd ed.).

McKim, C. A. (2017). The Value of Mixed Methods Research: A Mixed Methods Study. *Journal of Mixed Methods Research*, 11(2), 202–222.

<https://doi.org/10.1177/1558689815607096>

Melewar, T. C., & Karaosmanoğlu, E. (Eds.). (2008). *Contemporary Thoughts on Corporate Branding and Corporate Identity Management*. Palgrave Macmillan UK.

<https://doi.org/10.1057/9780230583221>

Meyer, C. B. (2001). A Case in Case Study Methodology. *Field Methods*, 13(4), 329–352.

Mintzberg, H. (1979). *The Structuring of Organizations*. 261.

Mitchell, S., & Clark, M. (2020). Telling a different story: How nonprofit organizations reveal strategic purpose through storytelling. *Psychology & Marketing*, 38(1), 142–

158. <https://doi.org/10.1002/mar.21429>

- Morschett, D., Swoboda, B., & Foscht, T. (2005). Perception of store attributes and overall attitude towards grocery retailers: The role of shopping motives. *The International Review of Retail, Distribution and Consumer Research*, 15(4), 423–447.
<https://doi.org/10.1080/09593960500197552>
- Mourão, R. A. M., Miranda, S., & Gonçalves, G. (2018). A comunicação organizacional enquanto conceito e processo: Percepções dos peritos. *Comunicação pública, Vol.13 n° 25*. <https://doi.org/10.4000/cp.2506>
- Muscalu, E., Iancu, D., & Halmaghi, E.-E. (2022). *THE INFLUENCE OF THE EXTERNAL ENVIRONMENT ON ORGANIZATIONS*. 7.
- Nandan, S. (2005). An exploration of the brand identity–brand image linkage: A communications perspective. *Journal of Brand Management*, 12(4), 264–278.
<https://doi.org/10.1057/palgrave.bm.2540222>
- Niemann-Struweg, I. (2014). An integrated communication implementation model for the post-2000 business environment. *Public Relations Review*, 40(2), 184–192.
<https://doi.org/10.1016/j.pubrev.2013.08.011>
- Ogden, S., & Clarke, J. (2005). Customer disclosures, impression management and the construction of legitimacy: Corporate reports in the UK privatised water industry. *Accounting, Auditing & Accountability Journal*, 18(3), 313–345.
<https://doi.org/10.1108/09513570510600729>
- O’Keefe, D. J. (2023). Comparison Conditions in Research on Persuasive Message Effects: Aligning Evidence and Claims About Persuasiveness. *Communication Methods and Measures*, 17(3), 187–204. <https://doi.org/10.1080/19312458.2023.2214949>
- Oliver, R. L. (1999). Whence Consumer Loyalty? *Journal of Marketing*, 63(4_suppl1), 33–44.
- Oluwatimilehin, J. A. (2018). Strategic Communication.

- O'Shannassy, T. F. (2016). Strategic intent: The literature, the construct and its role in predicting organization performance. *Journal of Management & Organization*, 22(5), 583–598. <https://doi.org/10.1017/jmo.2015.46>
- Oswald, A. J., Proto, E., & Sgroi, D. (2015). Happiness and Productivity. *Journal of Labor Economics*, 33(4), 789–822. <https://doi.org/10.1086/681096>
- Pan, L.-Y., & Chen, H. (2019). A Study on the Effect of Storytelling Marketing on Brand Image, Perceived Quality, and Purchase Intention in Ecotourism. 8.
- Plowman, K. D., & Wilson, C. (2018). Strategy and Tactics in Strategic Communication: Examining their Intersection with Social Media Use. *International Journal of Strategic Communication*, 12(2), 125–144. <https://doi.org/10.1080/1553118X.2018.1428979>
- PORDATA. (n.d.). Glossário. Retrieved 10 November 2022, from <https://www.pordata.pt/Glossario>
- PORDATA. (2021). População residente: Total e por grandes grupos etários(%). [https://www.pordata.pt/municipios/populacao+residente+total+e+por+grandes+grupos+etarios+\(percentagem\)-726](https://www.pordata.pt/municipios/populacao+residente+total+e+por+grandes+grupos+etarios+(percentagem)-726)
- Praratya, A., Dida, S., Sugiana, D., & Hadisiwi, P. (2020). BUILDING BRAND IDENTITY IN NON-FORMAL EDUCATION FOR VULNERABLE WOMEN IN WEST JAVA ON THE EFFECTIVITY OF THE PROGRAM USING THE PDCL MODEL. 10.
- Prindle, R. (2011). A Public Relations Role in Brand Messaging. 2(18), 5.
- Pulizzi, J. (2012). The Rise of Storytelling as the New Marketing. *Publishing Research Quarterly*, 28(2), 116–123. <https://doi.org/10.1007/s12109-012-9264-5>
- Quivy, R., & Campenhoudt, L. V. (1992). *Manual de Investigação em Ciências Sociais*. 34.
- Rajan, R. G., & Zingales, L. (2001). The Firm as a Dedicated Hierarchy: A Theory of the Origins and Growth of Firms. *The Quarterly Journal of Economics*, 116(3), 805–651. <https://doi.org/10.1162/00335530152466241>

- Raposo, A. L. (2017). Comunicação estratégica nas organizações e novas tecnologias: Elementos constantes numa equação dinâmica. *Dito Efeito - Revista de Comunicação da UTFPR*, 8(12), 109. <https://doi.org/10.3895/rde.v8n12.7130>
- Rashid, A., & Rokade, V. (2019). Service Quality Influence Customer Satisfaction and Loyalty. *UKH Journal of Social Sciences*, 3(1), 50–61. <https://doi.org/10.25079/ukhjss.v3n1y2019.pp50-61>
- Redondo, I. (2012). The effectiveness of casual advergames on adolescents' brand attitudes. *European Journal of Marketing*, 46(11/12), 1671–1688. <https://doi.org/10.1108/03090561211260031>
- Ricardo, C. (2008). Cultura organizacional na sociedade contemporânea: A importância da comunicação no discurso das organizações. *Atas Do 5o Congresso Da Associação Portuguesa de Ciências Da Comunicação*.
- Richards, T. J., Hamilton, S. F., & Yonezawa, K. (2017). Variety and the Cost of Search in Supermarket Retailing. *Review of Industrial Organization*, 50(3), 263–285. <https://doi.org/10.1007/s11151-016-9535-y>
- Ruão, T. (2016). *A organização comunicativa: Teoria e prática em Comunicação Organizacional*. 121.
- Ruzzier, M. K., & de Chernatony, L. (2013). Developing and applying a place brand identity model: The case of Slovenia. *Journal of Business Research*, 66(1), 45–52. <https://doi.org/10.1016/j.jbusres.2012.05.023>
- Sargeant, A., Hudson, J., & West, D. C. (2008). Conceptualizing brand values in the charity sector: The relationship between sector, cause and organization. *The Service Industries Journal*, 28(5), 615–632. <https://doi.org/10.1080/02642060801988142>
- Sasmita, J., & Suki, N. M. (2015). Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image. *International*

- Journal of Retail & Distribution Management*, 43(3), 276–292.
<https://doi.org/10.1108/IJRDM-02-2014-0024>
- Scheinsohn, D. (2019). Comunicación Estratégica. *Cuadernos del Centro de Estudios de Diseño y Comunicación*, 28. <https://doi.org/10.18682/cdc.vi28.1499>
- Seimiene, E., & Kamarauskaite, E. (2014). Effect of Brand Elements on Brand Personality Perception. *Procedia - Social and Behavioral Sciences*, 156, 429–434.
<https://doi.org/10.1016/j.sbspro.2014.11.216>
- Severi, E., & Ling, K. C. (2013). The Mediating Effects of Brand Association, Brand Loyalty, Brand Image and Perceived Quality on Brand Equity. *Asian Social Science*, 9(3), 125–137. <https://doi.org/10.5539/ass.v9n3p125>
- Shimul, A. S. (2022). Brand attachment: A review and future research. *Journal of Brand Management*, 29(4), 400–419. <https://doi.org/10.1057/s41262-022-00279-5>
- Shin, S. K. S., Amenuvor, F. E., Basilisco, R., & Owusu-Antwi, K. (2019). Brand Trust and Brand Loyalty: A Moderation and Mediation Perspective. *Current Journal of Applied Science and Technology*, 1–17. <https://doi.org/10.9734/cjast/2019/v38i430376>
- Silva, B. R. da. (2012). *A Marca no Centro da Gestão Corporativa: A valoração dos intangíveis*.
- Simão, J., & Gorjão, R. (2014). Expressividade Organizacional e Storytelling: Contributos para a comunicação organizacional. *Comunicação pública, Vol.9 nº16*.
<https://doi.org/10.4000/cp.886>
- Sirohi, N., McLaughlin, E. W., & Wittink, D. R. (1998). A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Retailing*, 74(2), 223–245. [https://doi.org/10.1016/S0022-4359\(99\)80094-3](https://doi.org/10.1016/S0022-4359(99)80094-3)

- Smith, D., Jacobson, J., & Rudkowski, J. L. (2021). Employees as influencers: Measuring employee brand equity in a social media age. *Journal of Product & Brand Management*, 30(6), 834–853. <https://doi.org/10.1108/JPBM-03-2020-2821>
- Spaho, K. (2012). *Organizational Communication Process*. 25(2), 309–318.
- Spear, S., & Roper, S. (2013). Using corporate stories to build the corporate brand: An impression management perspective. *Journal of Product & Brand Management*, 22(7), 491–501. <https://doi.org/10.1108/JPBM-09-2013-0387>
- Srinivasan, S., Pauwels, K., Hanssens, D. M., & Dekimpe, M. G. (2004). Do Promotions Benefit Manufacturers, Retailers, or Both? *Management Science*, 50(5), 617–629. <https://doi.org/10.1287/mnsc.1040.0225>
- Srivoravilai, N., Melewar, T. C., Liu, M. J., & Yannopoulou, N. (2011). Value marketing through corporate reputation: An empirical investigation of Thai hospitals. *Journal of Marketing Management*, 27(3–4), 243–268. <https://doi.org/10.1080/0267257X.2011.545676>
- Stern, B. B. (1994). Classical and Vignette Television Advertising Dramas: Structural Models, Formal Analysis, and Consumer Effects. *Journal of Consumer Research*, 20(4), 601. <https://doi.org/10.1086/209373>
- Sukamolson, S. (2007). *Fundamentals of Quantitative Research*. 20.
- SurveyMonkey. (n.d.). *Survey Size Calculator*. Retrieved 11 November 2022, from <https://www.surveymonkey.com/mp/sample-size-calculator/>
- Swaminathan, V., Sorescu, A., Steenkamp, J.-B. E. M., O’Guinn, T. C. G., & Schmitt, B. (2020). Branding in a Hyperconnected World: Refocusing Theories and Rethinking Boundaries. *Journal of Marketing*, 84(2), 24–46. <https://doi.org/10.1177/0022242919899905>
- Theaker, A. (2001). *The Public Relations: Handbook*.

- Tien, Dr. N. H., Vu, Dr. N. T., & Tien, Dr. N. V. (2019). The role of brand and brand management in creating business value case of coca-cola Vietnam. *International Journal of Research in Marketing Management and Sales*, 1(2), 57–62.
<https://doi.org/10.33545/26633329.2019.v1.i2a.18>
- To, P.-L., Liao, C., & Lin, T.-H. (2007). Shopping motivations on Internet: A study based on utilitarian and hedonic value. *Technovation*, 27(12), 774–787.
<https://doi.org/10.1016/j.technovation.2007.01.001>
- Trice, H. M., & Beyer, J. M. (1991). Cultural Leadership in Organizations. *Organization Science*, 2(2), 149–169.
- Troise, C., & Camilleri, M. A. (2021). The Use of Digital Media for Marketing, CSR Communication and Stakeholder Engagement. In M. A. Camilleri (Ed.), *Strategic Corporate Communication in the Digital Age* (pp. 161–174). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-80071-264-520211010>
- Vaara, E., Sonenshein, S., & Boje, D. M. (2016). Narratives as sources of stability and change in organizations: Approaches and directions for future research. *Academy of Management Annals*, 10(1), 495–560.
- Van Riel, C. B. M., & Fombrun, C. J. (2007). *Essentials of Corporate Communication: Implementing Practices for Effective Reputation Management* (0 ed.). Routledge.
<https://doi.org/10.4324/9780203390931>
- Vel, P., Suhail, L., Satyanarayan, R., & Easo, S. (2011). Conception, Nurturing, Leveraging and Sustenance of a Successful Brand. *Procedia - Social and Behavioral Sciences*, 25, 1–15. <https://doi.org/10.1016/j.sbspro.2011.10.523>
- Vu, T. T., & Medina, S. (2014). *Storytelling Marketing and its impact on Developing Company Brand Identity*. 53.

Woodruff, R. B. (1997). Customer value: The next source for competitive advantage. *Journal of the Academy of Marketing Science*, 25(2), 139–153.

<https://doi.org/10.1007/BF02894350>

Wrench, J. S., & Punyanunt-Carter, N. (2012). *An Introduction to Organizational Communication*. 524.

Wylie, A. (1998). *Storytelling—A Powerful Form of Communication*. Communication World.

Zwerin, A., Clarke, T. B., & Clarke, I. (2020). Traditional and Emerging Integrated Marketing Communication Touchpoints Used in Effie Award-Winning Promotional Campaigns. *Journal of Promotion Management*, 26(2), 163–185.

<https://doi.org/10.1080/10496491.2019.1699626>

Appendices

Appendix A: Interview Script for Luís Lobato Almeida, Head of Brand at Lidl Portugal

1. What do you consider is Lidl's mission and vision? (The reason behind the brand's existence and where would you like it to go)
2. What beliefs drive Lidl? (Lidl's values)
3. What is Lidl's target audience?
 - 3.1. Who is your consumer?
 - 3.2. Why do they choose you?
4. What differentiates Lidl from their competitors?
5. How do you communicate Lidl's message?
 - 5.1. Since when are applying that strategy?
6. Name three words:
 - 6.1. That describe what Lidl is
 - 6.2. That describe what Lidl is not
 - 6.3. That you would like your consumers to use to describe Lidl
7. How do you usually track Lidl's brand performance?

Appendix B: Interview Script for Nuno Jerónimo, Creative Partner at *O Escritório*

1. O Escritório has a very peculiar way of choosing its clients. Can you explain this process?
 - 1.1. What made you accept Lidl as your client?
 - 1.2. How long has Lidl been your client?
2. What is your target audience when you design campaigns for Lidl?
 - 2.1. Did that audience change overtime?
 - 2.2. How would you best describe Lidl's consumer?
 - 2.3. Why do you think they choose Lidl over other supermarkets?
3. What sets Lidl apart from their competitors?
4. What do you consider is your biggest accomplishment with this client?
5. Name three words:
 - 5.1. That describe what Lidl is
 - 5.2. That describe what Lidl is not
 - 5.3. That you would like your consumers to use to describe Lidl

Appendix C: Questionnaire (conducted in Portuguese)

Part 1: Consumer profile

Q1: What is your age?

- a. 18 - 25
- b. 26 – 41
- c. 42 – 57
- d. 58 – 76
- e. 77<

Q2: What is your gender?

1. Female
2. Male
3. Non-binary
4. Prefer not to say

Q3: Where do you reside in Portugal?

1. North of Portugal
2. Porto Metropolitan Area
3. Center
4. Lisbon Metropolitan Area
5. South
6. Autonomous Regions

Q4: What is your monthly income gross?

1. Below 1000€
2. From 1000€ to 2000€
3. From 2000€ to 3000€
4. Higher than 3000€
5. Do not have an income

Part 2: Purchase intention and behavior

Q5: How often do you go grocery shopping in Portugal?

1. Never
2. Once to twice a month
3. Three to four times a month

4. More than four times a month

Q6: On average, how much do you usually spend grocery shopping per month?

- a. Up to 10€
- b. From 11€ to 30€
- c. From 31€ to 50€
- d. From 51€ to 70€
- e. More than 70€

Q7: Do you usually go to different supermarkets?

- a. Yes
- b. No

Q8: Which supermarkets do you usually go to? (more than one answer is valid)

- 1. Aldi
- 2. Auchan
- 3. Continente
- 4. Intermarché
- 5. Lidl
- 6. Mini preço
- 7. Pingo Doce
- 8. Another: ____

Q9: How often do you go grocery shopping at Lidl?

- 1. Never
- 2. Once to twice a month
- 3. Three to four times a month
- 4. More than four times a month

Q10: How would you rate the importance of the following factors when shopping for groceries in a scale from 1 to 5? Given that 1 stands for not important and 5 for very important

	1 – not important	2 – a little important	3 – somewhat important	4 - important	5 – very important
Price					
Variety of Products					

Variety of Brands					
Quality of products					
Customer Service					
Store ambience					
Convenience (e.g. location, parking)					

Q11: How would you rate Lidl's conformity according to the following factors? Given that 1 stands for does not conform and 5 for conforms a lot

	1 – does not conform	2 – conforms a little	3 – somewhat conforms	4 – conforms	5 – conforms a lot
Price					
Variety of Products					
Variety of Brands					
Quality of products					
Customer Service					
Store ambience					
Convenience (e.g. location, parking)					

Part 3: Consumer satisfaction

Q12: How do you identify with the following statements? Given that 1 stands for disagree strongly and 5 stands for agree strongly

	1 – strongly disagree	2 – disagree	3 – neither agree or disagree	4 - agree	5 – strongly agree

I strongly recommend Lidl to my friends and family					
I like being associated to Lidl's brands					
Products from Lidl's brands reach my expectations					
Products from Lidl's brands are reliable					
My image of Lidl's products is positive					
I don't mind paying more for Lidl's products					
I assume/anticipate I will be satisfied with Lidl's customer service					
I assume/anticipate a good shopping experience at Lidl					
Lidl has exceeded my expectations in terms of shopping experience					

Q13: Use one to describe Lidl:

- a. Fun
- b. Relatable
- c. Reliable

- d. Value for money
- e. Discovery
- f. Smart shopping
- g. Honest
- h. Insincere
- i. Distant
- j. Self-centered
- k. Insensitive
- l. Agile
- m. Concerned/Worried for its clients
- n. Other: _

Appendix D: Luís Lobato Almeida, Head of Brand at Lidl Portugal Interview
(translated from Portuguese to English)

M: Firstly I would like to know what you consider to be the mission and vision of the lidl?
The reason why the brand exists and where it's headed?

L: The mission is very easy. It's something that in Lidl is easy to answer. I think that the consumer, those customers who are more loyal, will be able to understand this more easily. The ones who are still in the loyalty process or have an occasional contact with Lidl may still have some difficulty, but I think it's very understandable. And that is quality at the best price. Lidl's great mission is to have products with the highest possible quality at the fairest price. That is the great purpose of the brand. And this is also reflected in the fact that Lidl's business is private label and not so much the manufacturer's brand. I would say that 80% of Lidl's business, comes from private label, and only 20% comes from manufacturer's brands, which are better known by all consumers. This brings a lot of challenges, and this has always been Lidl's big challenge. And having these quality products at the best price is in a logic of everyday low price, and not in a logic of promotion. That is, Lidl effectively tries to be the one that delivers the best quality for the price it has, but in a logic of constant and not in a logic of opportunity and promotion. You just have to see, for example, the promotional quota of Continente or Pingo Doce, which are the two major competitors, whose promotional quota is around 50%. While Lidl's is around 20%. This means that for every 100€ of purchases sold at Lidl, 20 are on promotion. And at Continente and Pingo Doce it is 50. We are talking about double. And to recap, to be the one that delivers more quality for the price it has, and in a logic of everyday low price, and not in a logic of opportunity with promotions.

M: And what would you say are the values by which Lidl is conducted?

L: Lidl is a huge company. Sometimes for the Portuguese it may seem that Continente is very big and Pingo Doce is very big. Nothing when compared to Lidl. But they are smaller than Lidl, which might be, I am not sure, the biggest supermarket in Europe. Present in 30 countries... We are talking about a huge company whose values are several. From integrity, to quality and safety, and diversity.... There are many values that in Portugal, in particular, are reflected. And then there are values more associated with the business, if you will, that have to do with respect for suppliers, for producers, and for the consumer. And quality is transversal to the whole chain. When I joined six years ago, I was deeply amazed at how obsessed Lidl is with quality. And it is also important to mention the concern for sustainability. Its stores are run with green energy... Lidl is trying to make a path, and I

believe it has already achieved it, and in Portugal it is one of the brands with the highest association of food retail to sustainability. From not selling plastic bags, to circular economy... So there are many important values. For a company with 8000/9000 employees in Portugal and, if I'm not mistaken, more than 40.000 in Europe, it has to have very solid values.

M: And what would you say is Lidl's target audience?

L: Well, a supermarket has that question, doesn't it? In a supermarket you talk to many targets. If we want to talk about sectors, it's not from 7 to 77, but maybe from 18 to... whatever the average life expectancy is. Anyway, it's very wide. There is certainly a more important value target than the others, and here it is clearly families with children. For one obvious spending reason. Families with children spend more money on their food, and therefore on the supermarket. But in essence, there are many segments, there are many targets which proves to be a big challenge. It's not easy to be a supermarket for people who have a different diet, a vegan, a person who takes more care of their diet. This has to be reflected in the assortment. But also, for an older person, with a more traditional diet, and then people from the city, people from the countryside. All of this forces us to be flexible. We have to consider everybody as important, but if we want, by value, it's the families with children, as I said before. They are the ones who spend more money in the supermarket, that is, that would be Lidl's typical consumer. And this is often the target reflected in the communication. But if we want to identify a typical consumer in terms of behavior, we would like it to be that person who comes to the supermarket and is concerned about quality, and not so much about the brand, that the brand is not a synonym of status. That is, that person who likes to find and be smart in their findings, who likes to buy those products that not many people know about, at a great price, but with a very good performance. It's that person who likes to be the finder, likes to be the knower. Lidl is a supermarket where in fact the shopping experience is so simple, for some, but maybe poor, when compared with Continente or Pingo Doce. But in fact it's a very simple buying process, even in the choice. When I go buy toothpaste, I have the market leader, and I have Lidl's own brand options, I don't get lost in aisles and aisles of toothpaste. It's all much more direct. This kind of customer who also likes to be surprised finds reward in the surprise and novelty he finds. Who takes advantage of one week being one thing, and the next being a different thing. So, we create another opportunity, that of the buying experience and pleasure in buying the product and not so much in the price opportunity.

M: And would you say that it is this possibility of discovery that distinguishes Lidl from its competitors? Because you also do a lot of this kind of communication, the one who goes to Lidl seems smarter, etc...

L: To answer that we have to pull the tape about 6 years, that was the beginning of our conversation and of all this that we created, it started 6 years ago when Lidl's marketing had the opportunity to reinvent itself, and of which I was part of that reinvention. The strategy was exactly that, we did a self-assessment and a benchmarking. First of all, we tried to understand how we can position ourselves here. Because there is something unquestionable here, Lidl enters Portugal later than its competitors. And it enters in a very different way even compared to itself today. Lidl appeared with a value proposition very different from its competitors. They had a tremendous lead over Lidl. Just think about the role that Continente had in Portugal regarding the development of food retail, the impact it had on the country. When Continente appeared with the hypermarket format, it was almost an access to a modern Portugal. I'd go shopping and it felt like I was in a top European country. And, therefore, sophisticated. Here, choice and variety for me was an incredible asset, because it was something I didn't have. To come to a place where there's a whole aisle of toothpaste. For me that was an access to a sophisticated Portugal, and Continente has that role. And when Lidl enters, for example, Jerónimo Martins already had more than 100 stores. Lidl enters one step back and enters with a value proposition even different from the one they have today. Yes, they were hard discount. Yes, it was a place where there was quality products at a low price, but a profoundly different shopping experience. A supermarket without windows, there were no fruits and vegetables, there was only meat after a few years. It was a very different supermarket, and it was making its way.

When we, more or less there, in 2016, at the end of 2016, started to try to implement a new Lidl and to do this repositioning that we did, we have to look at that comparative. And looking at the comparative, we started to realize that we couldn't be where our competition was. What does this mean? Lidl couldn't be talking about the same issues as its competitors for 2 reasons. First, because they would lose. And second, because it would leave out the great value of Lidl. And that was the big issue, because until a certain point Lidl was doing that. It didn't talk about the competition, it talked about the producers, it talked about the Portuguese products, it talked about price, it talked about all those things. And so, we realized that the first step was to distance ourselves from the competition and talk about different things, because we were losing out on the big retail issues. And the second thing we realized, was that price is important, but it's not discriminating. Price is a valid argument

for everyone, and it's not proprietary to anyone. It's almost like when a beer says it refreshes. Any beer, whatever it is, Sagres, Super Bock, whatever, can say that it refreshes. We realized that the price had to be put in a specific place. On the store's flyer, on the opportunities, ... So that's what we realized, not to talk about what the competition was talking about. Talking about price in a tactical way, putting the price in the right place and then looking for what really distinguished Lidl from the others. And that when we talked about things that were common, for example fruits and vegetables, we had to find a differentiating angle to do so. In this exercise we realized what role we wanted to give our communication. And then we also realized that communication, advertising, and social media had to help create a positive differentiation. In other words, Lidl was different, but until then it was seen in a negative way, and it had to be seen in a positive way. From there, after realizing where we were strong, we had to find a way to talk to people. And the way we chose was to talk in a way that had never been talked about in retail before. No one in retail had ever had crazy people riding waves and shouting that they were a lettuce, we had never had people discussing who was the first to discover Lidl's pizza or bread, there had never been campaigns saying that our customers are the ones who sell us like no one else, and so on... And this cocktail we made turned out to be a winning bet. And yes, what differentiates Lidl from the others, are those things that only Lidl has. For example, over time, and in several consumer studies we did, we often found this kind of answer: for a consumer, which is the supermarket where he spends more money? Which supermarkets do they go to? For example, Auchan and Lidl. Where do you spend more money? Oh, I spend more money at Auchan. If I had to choose a supermarket, one would finish, the other one would stay, which one would you choose? And the person would automatically choose Lidl.

M: Thank you very much for answering the question, and you even answered questions that I was going to ask next.

L: I have that flaw, sometimes I over talk...

M: No problem! Thank you! Because I was also going to ask how that communication has evolved over time. My idea is that when Lidl arrived in Portugal, in 1995, it was a shock for consumers and Lidl also felt it, but since then it has evolved a lot, and consumer opinion reflects that. And I want to add a question which is, by any chance, are there no advertisements from that time when, as I was saying, they communicated the same as the others did?

L: A very illustrative campaign of what I'm talking about is the "20-years", "Quality is cheap" campaign, and some older content. You can clearly see a change of pattern between

what we used to do, and what we started doing. But yes, for that look for the “20-year” campaign, look for an older campaign that was "At Lidl, quality is cheap". But I would say that the 20-year-old campaign is a good example of how communication was done at the time, very much in line with what retailers were doing. And it's curious now to see how the retail communication has been inverted a little bit. In the old days, everything went after what was installed, the producers of this and that. Now, when Lidl started to make retail more fun, with content, you can see a difference in retail, and you can see the difference in the campaigns. That's a fun exercise to do as well, yes.

M: And I also wanted to ask in terms of Lidl's marketing strategy, if Portugal is too dependent on Headquarters. Because there are many companies, and many brands that have very strict guidelines, that come from the top, and there's no room for maneuver. And analyzing the results Lidl has been having in Portugal, they are much better than Lidl in other countries.

L: I don't speak for other countries, but there is a very simple answer. We clearly have room for maneuver, I think you can see that. We have a lot of guidelines, for sure, especially business guidelines, and this sometimes, and often, affects marketing. Because we have pressure to, let's imagine, next year we have to grow the yogurt category, or we have to grow convenience, or now there is a big bet on nonfood, which is our nonfood area, and therefore this area has to grow X percent. And then it ends up affecting the money allocated to marketing. We are told that headquarters are asking for a 10 to 15% growth in this area, and we realize that we have to do something there, so this clearly influences. And as in any international company, we have international objectives, however we have much room for maneuver, yes. But here we have a big margin to produce locally, because the German consumer is a profoundly different consumer than the Portuguese consumer. There are many things that have to be done locally. And yes, we have a big margin, although we clearly have many indications, like any international company, and many guidelines, especially in the business area and in the growth area.

M: Yeah, because I notice that a lot. For example, I was doing Erasmus last semester and when I told people I was doing a case study on Lidl, my international friends would ask, but why? What's so special about Lidl? And I think that's what makes the difference, because here it's a success story that you don't see in other countries. Here, it even has a fan base! The fact that last year Lidl merchandising sold out on the same day, and then Lidl sneakers were being sold for gold on OLX shows just that, that Lidl has a fan base. And I would like to know what your opinion about this fan base is. Why do you think they got to the point of having a fan base?

L: When I joined Lidl in 2016, I was not a Lidl customer. I was almost completely unaware of Lidl. And when I walk in, on my first few approaches, and the first few things that I could figure out, and I was deeply amazed. I didn't expect to find this, I was amazed, absolutely amazed at what I found at the level of fans, ambassadors, promoters of Lidl. The engagement that people had with the brand was absolutely staggering. So, marketing didn't invent this. Marketing had a power, and it seems to me, the great power of marketing is to have managed to popularize this success that the brand already had and popularize this relationship that people had with Lidl. Because nobody had that notion, and marketing has that gift. It had the gift of making Lidl popular, because all this relationship, it already existed. And yes, I absolutely agree, I think Lidl, and I've done other things in life before working at Lidl, and I worked in advertising for 8 years. I worked on very different brands, and several brands, and I had never found a brand that had this relationship with its consumers. Lidl's consumers are true ambassadors. Some, not all, of course. We have even quantified that fringe, around 27% of our customers are true ambassadors. In fact, the whole of 2020 was about this. The communication was about this, this slice of customers, which we call Star customers, which are those people who know everything about Lidl. I found people, in many studies we did, who knew the percentage of codfish in the codfish cakes (*pastéis de bacalhau*), I mean... I don't know that! Maybe the product manager doesn't know it by heart either! And there were customers who knew: "Ah, look, are you going to buy codfish cakes? Buy the ones from Lidl because the codfish percentage is 26% and the others are 13". And this is absolutely fantastic! And yes, the most valuable thing about Lidl is these people. It's a brand that has a huge privilege to have this. Of course, it has done for it, obviously, but you find it very rarely. These people who defend us to the bone, are people who know everything about us, and therefore need to be held in high esteem. And who forgive us everything! Which is an impressive thing, because Lidl has its faults, like any company, and these people forgive everything. Just the other day I was arguing with someone who worked with me at Lidl, and who is now in another company, saying that at Lidl they forgave us everything, here they forgive us absolutely nothing. And they attack us for having a dog and for not having one. And in fact, it is a huge advantage, this slice of customers. And it already existed, but it was popularized, it was shown, it was nurtured. And if you look at the vast majority of Lidl's campaigns, they are always about truths from our consumers, or about things that are important, and that people relate to. And if you take a look at the vast majority of the campaigns, and this has always been our big goal, our big effort, is to talk about consumer truths, relationship truths, life truths. And yes, it's a huge privilege and I think I'm going to

have some difficulty throughout my life to find customers that are so loyal and so dedicated to the brand again.

M: Very good, thank you! Now that we are coming to the final stretch, I'm going to ask you for 3 words to describe what Lidl is all about

L: So the first word, obviously, quality. That is indisputable. In Lidl, you go for the price, you stay for the quality, it's indisputable. It's a matter of just trying it on and seeing it. The second is authenticity. Lidl is a supermarket, which for the most part has what others have, but has something that others don't, and that no one else has. So, authenticity, I think, is a word that defines Lidl very well. And the third, there could be two here, one is boring, it's price, in fact, it's boring for thesis purposes, so maybe it's not the best... Maybe the other one is a surprise, isn't it? Because Lidl always has the gift that I go to buy bread and I come out of there with a screwdriver, with a diamond drill, or I come out of there with a window vacuum cleaner. And, so, it's this magic, or I don't even need to go to a non-food area, I can go to another one... I go there to buy bread and I come out with a spicy Asian Jiaozi of the week, or with... I don't know, with a lasagna of vegetables from Italian week. So, in general, I would say: quality, indisputable, I think it is Lidl's greatest asset, which obviously cannot be dissociated from the price, because I'm absolutely sure that maybe there are supermarkets where you can buy better products, but not at that price, and that is the great weapon, so quality; authenticity; and surprise. I would say that these are the ones that I, Luis, would put. As well as the ones that I value the most.

M: OK, and three words to describe what Lidl is not

L: Ahh... Three words that describe what Lidl is not... Well, the same as the others, it's not a little bit in counterpoint to what we said backwards. Predictable, it's also not for everyone, for all the reasons and then some. For the good reasons of the spicy Jiaozi or the window vacuum cleaner, but also for other reasons... I go there to buy something that's no longer there, I go there to buy something, it's changed, I go there to buy a product that I used to buy I don't know when, it's out of stock and there's a new one. So, Lidl is not predictable. And third, I don't know if I'll say it again, it's not... Lidl has something here which is that old question that we often found in some consumers who tell us "ah, but I would go more to Lidl if Lidl had a butcher or a fishmonger, or if Lidl had more brands". And so, it's this thing that Lidl, I don't know if it's the first, it's not like the others... I mean, it has its own path, it believes very much in its model, if you like, and the Lidl model is a model. And so, I think it will prosper, or it will have its limits. But in fact, in what it does, it is effectively very good, and in the promise that it has, it is effectively very good, and I think that, in general,

this is it. I don't know if I repeated some, maybe, I don't know, I wasn't prepared... for what it was, it was, for what it wasn't, it wasn't... But yes, I hope I answered

M: And 3 words that describe what you think consumers use to describe Lidl

L: Hmm, I think we'll hit that one a little bit there on that first one. I think it's the quality issue, I think it's indisputable. It might not even be, and we have a challenge here, right? Lidl is still for many customers, used to buy certain products, they don't make the whole basket. And so this is a challenge that Lidl has to be able to overcome. What I mean is that there are people who go there to buy bread, fruit, vegetables and yogurts, and then don't buy anything else. And Lidl's challenge is to be able to provide enough security for people to be able to enlarge their basket. And so, we have this, if you like, this challenge difficulty, but, anyway, even if the person only goes there to buy 2 categories, I think quality is a word that helps to describe Lidl. The second is unique because, in fact, there are products that only exist in Lidl. From mole repellents, to yogurts, to ice cream with protein, and so on. So, quality, unique... And different, it's also a little bit what our consumers use, but it's a bit on the basis of unique, isn't it? It's unique, it's different from the others. And it's such a question of surprising, because, in fact, I don't know very well sometimes what I'm going to find when I go there. And so that's very good for many people. People like to be surprised, and so I think generically let's hit the first point, in your definition I think that's very well substantiated with people. Now, you can also use more joking things like a supermarket with strange products, the supermarket of strange brands, the supermarket of palettes, the supermarket of the prices on top and not the prices on the bottom... There are many characteristics here... supermarkets that are always freezing cold, but that's it, generally speaking

M: And that's it! Thank you very much, once again, for making yourself available. It was very important, I got some very valuable information out of it.

L: Well, whatever I can do to help, let me know, no problem

Appendix E: Nuno Jerónimo, Creative Partner at *O Escritório* Interview (translated from Portuguese to English)

M: *O Escritório* has a very peculiar way of choosing its clients. Can you explain to us how that process works?

N: Look... I would say that as of today, the peculiar way that *O Escritório* chooses its clients is that is to be chosen by its clients. This may change, but to this day we have never called a client to come work with us. We had a conviction from the beginning, my partner Tiago and I, that if we did a good job, the work would speak for us. And that's what has happened. It is very gratifying to realize that campaign after campaign clients have been knocking on our door. We have been working for 11 years now, almost 12, and the logic has been the clients come to us. And this is very important. It sounds like I'm bragging, but no, it is very important for a reason - because it establishes a relationship of balance, which is a very important thing in the relationship with an advertising agency. That is, of balance and trust, and guarantees that the clients who come to us considers our opinion, listens to us... which is something that I sometimes feel is missing in the relationships with other advertising agencies. And, therefore, an agency is no longer just the "guys" who make dummies and execute what the client thinks, but the ones who help define strategies. And we talk a lot with our clients about solutions, strategies, what works best, and, therefore, this logic of being in our own little corner and doing our job well, instead of being behind the clients, knocking on doors, trying to sell our creativity at any cost.

M: So, does that mean that you then end up creating a relationship, from which you can draw different insights for each campaign?

N: Not really... The insights have to do with a very close attention that we pay to people, to society, to our clients' clients, to the world around us. It is absolutely critical for us to know in which world we live, in which context we are, that is to be able to predict the type of reactions our messages will provoke. What we create are stimuli, to get reactions. And it is absolutely critical that we are able to read well, not only to know our customers well, to know what arguments they have, what they can say, what they cannot say, but also to know in depth the brands and the products they sell, as well as their publics, how these people are going to react to what I am going to say. That's why, modesty aside, many of our campaigns have insights, such strong messages, or we try to make them have an impact on people and that they can relate to. For me, it makes me much prouder, it's much more rewarding, me doing a campaign and people saying "this is really the way it is! This is just how I feel! That's

really what I think!" than to go around saying "ah, this agency is very creative". And this has happened to us many times, this is the reaction we have had, both for Lidl, Superbock, Benfica... it often happens to us that people identify with our campaigns. And this means that, at least in those cases, we are doing a good reading of what is the social context in which we are and that our customers are too.

M: Great! And we'll come back to that... in the meantime, so Lidl came to you and said they wanted to work with you? What made you accept Lidl?

N: Honestly, what made us accept Lidl was a certain attraction to the abyss that I have. We were working by project at that time because we wanted to be outside all the time. We wanted to get away from fees, we didn't want a long-term relationship with our customers. We do a project, if they like it, they come back, and we keep the relationship fresh. The last thing we wanted was clients telling us "we are here paying and they are not working". So, the day they don't want to work with us, they don't have to. And that was the rule of thumb with our clients. When Lidl came to us, it was in a contest context, which is something we don't do. We don't do it because we don't offer creativity. In that case, they insisted so much that we ended up participating in a contest with two other agencies and we won. And I confess, what made me accept, and I say this because Tiago, my partner, was on vacation at that time, traveling around the world, and it was precisely this "putting us to the test". At the time, life was going very well for us, everyone was talking about our projects, but they were all projects, not really artistic, but authorial. For us, to be able to do good work for a supermarket, which is a daily, recurrent work, then it proves that we are a competent agency. And then, it was Lidl itself. It was listening to them, the briefing, listening to who they are, understanding them and realizing that there is a very funny truth in that brand and a real concern with sustainability and that it is an essential thing. They are serious people, which is absolutely essential for us to work together.

M: And how long has Lidl been your client?

N: 5 years, since 2017.

M: And usually, when you do campaigns for Lidl, what is the target audience of the campaigns?

N: It varies, we're usually not talking to everyone. Of course, we speak more to the decision makers of the buying processes, but it varies. For each campaign, we may be talking to different people. The goal, normally, is to get new customers for Lidl, or to talk to Lidl's customers so that they use Lidl more than other places. The target audience may vary, but

there is a very funny thing that we have managed to create together, which is an absolutely incredible fan base. An unusual thing.

M: Right, because you were saying that the target audience was new customers, but what I feel is that a lot of the campaigns speak exactly to this fan base that will recommend Lidl through word of mouth

N: Yes, this is because the studies on which we base our campaigns. We are always looking for studies to prove what is often intuition, telling us what Lidl customers love and even promote the brand. And in fact, we started to feel that, that there is a truth here, that on a table where there is a Lidl customer, it sells Lidl like no other. And if you look, all the campaigns we do, reflect that reality, we are not inventing anything. If we say that Lidl is the supermarket with the most diversity, where you can find... It's a lie! And people know it's a lie. Now, there are several truths about Lidl - it has incredible products, that it has an incredible selection criterion, that the quality of things is very good - people believe it because it's true. And Lidl's customers recognize it. And Lidl doesn't have customers, it has fans. The "nobody sells us like our customers" comes exactly from that. This is a truth. Nobody sells us like our customers. And so that became a creative concept, and the dramatizations were exactly along those lines. And we didn't invent that, we recognized that truth and turned it into campaigns. And I think that's why they've had such a great acceptance, because people revise themselves.

M: And if you had to make a consumer-type for Lidl, who would it be?

N: That's hard... I think the Lidl type consumer is what you could call a smart shopper. He's someone who likes to feel that he's buying the best quality for the best price, and he feels smart. And if you think about who goes to Lidl, that's really the feeling. The Lidl conversations are always "you have to go to Lidl, I found this thing". You like to be the one at the table giving advice, teaching others, "you have to try the lasagna", "the yogurts are the best", and so on. In other words, you get that feeling that I am smarter than you because I am the one who goes there and knows. And where this feeling of intelligence comes from, it comes from savings. If you look at our campaigns, they reflect this very much, "if you buy at the right place, you immediately look smarter", "no one sells to us like our customers", the concepts are very much around this idea of us feeling smarter because we are not only saving money but buying the equivalent of products that are sold elsewhere more expensive.

M: And so, you think it is this narrative, which has been building up, that distinguishes Lidl from the competition?

N: In terms of communication? You know that today it is very difficult for us to say what is communication and what is the supermarket. Because the truth is that these things have been growing in parallel. Lidl has transformed its stores, there is a different shopping experience, those who go to Lidl suddenly discover a store and the whole discovery of products, novelties, secrets, there is a very gratifying experience. And then, what we have done, is to reflect in the communication, in a tone of voice that we found, reflecting this reality, in a good mood, that people also feel gratified with Lidl's communication because it respects them. Because it's intelligent, in the sense that it doesn't treat people like retards, it doesn't explain everything. Meaning, this idea that if you see the advertising a lot of times it's like those people who tell jokes and then explain the joke. This is because they tell you a joke and you laugh, an intellectual empathy is created. But if you laugh and people ask, you know what I mean? It feels like they're treating you like an idiot. And brands do this a lot, to make sure that people are all getting it, they treat them like that. And people don't like to be treated like that. And so, this subtlety of leaving something unsaid, there's a feeling that we really like to feel - "I got it, but all these people didn't get it." And that's something that has a very funny impact on people and ends up creating a bond, not only intellectual, but also emotional. People feel that the brand speaks their own language, the brand thinks like I think. Issues that we have addressed, and answers that we have given, even on social media, which we now also do Lidl's social media, and the way we react to issues, to moments, the answer to Intermarché, for example... I don't know if you had a chance to see it, but I'm convinced that the success was largely due to Lidl's fans, but on the other hand because we said what everybody was thinking about. So, the reaction was "eh finally someone said that and put them on the spot". And so, there's this attunement with the people that I think is the most important thing that we've done.

M: It's a very good connection with the consumers and that is ultimately reflected in the so-called fans that we were talking about.

N: The first Lidl film that we did here at *O Escritório*, was with a girl who went into the supermarket and said, "Lidl yogurts, everyone is talking about Lidl yogurts", and it was all yogurts. "And then I discovered lasagna," and it was all lasagna and yogurt. And people were saying "that's it", nobody was saying "what a creative film, what a spectacular film", that film portrayed exactly the relationship people had with Lidl. And, portraying this reality over the years, people have been reviewing themselves in the communication. And this, brings them closer to the brand.

M: And what do you consider the best/major achievement that *O Escritório* has made with Lidl?

N: I think we have achieved some very funny things. The campaign with the biggest impact was probably the biggest foolishness we did. Biggest nonsense in the sense that it was the silliest film, that one person thought "ah, this is silly, but let's put it on the air". It's not silly at all, because this has a logic to it. And this was "Lidl's Lettuce". And the truth is, we had a feeling that people would relate to it because it was so improbable and so absurd that it would get attention. And then it has a rationale behind it which is "live like there's no tomorrow, which for our lettuces there isn't", that's what turns complete stupidity into logic. So probably none of us anticipated the cultural impact that the campaign was going to have, because at some point Lidl's lettuce became an expression. The amount of nonsense that was seen with Lidl's lettuce... and still today, people say to me "ah he made Lidl's lettuce" "they made Lidl's lettuce". And we have been lucky here at *O Escritório*, and I say lucky to be modest, to have some successes and to have done some campaigns that have suddenly become cultural phenomena. This has much more value than the awards... it's great the awards and winning awards, but then they ask what we've been doing and we say "we made Lidl's lettuce, we made Emirates...", and that's what people react to, and that's what's running there and what makes the difference.

M: Thank you so much. This was really helpful. Now, for the last part, I'm going to ask you to tell me three words that describe what Lidl is.

N: Smart shopping, honest, and relatable.

M: And three words that describe what Lidl is not.

N: Distant, self-centered, and insensitive.

M: And three words you think consumers use to describe Lidl.

N: Fun, relatable, and agile.

M: Thank you so much for this interview!

N: Anytime.