



Redefining The Use of Fabric Technology Through Brand Architecture: The RectoVerso Case

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II. Abstract

Title: Redefining The Use of Fabric Technology Through Brand Architecture: The RectoVerso Case

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The aim of this dissertation is to highlight the complex nature of brand management in a B2B2C context. RectoVerso is a premium Belgian sportswear brand that was created to function as a platform for displaying Liebaert Textiles innovative fabric technologies. This dissertation first outlines the intended positioning strategy of RectoVerso as a ‘three style-dimension model’, with each dimension corresponding to a specific usage context (*fashion, casual, and sports*). The author uses qualitative methods to define the style-dimensions and quantitative methods to evaluate which specific fabric benefit is desired more across these dimensions. The last phase consists of understanding how customers value Liebaert Textiles fabric technologies as such and how the benefits within those technologies are experienced across each dimension. The result of this research allows the author to use customer insights to provide Liebaert Textiles with opportunities for restructuring of the brand architecture, by focusing on the benefits of their main asset: the fabric technologies.

Keywords:

Brand Architecture, Brand Positioning, B2B Marketing, Fabric Technology, Innovation

III. Resumo

O objetivo desta dissertação é destacar a natureza da gestão de marca num contexto B2B2C. A RectoVerso é uma marca premium de roupas desportivas belgas, criada para funcionar como uma plataforma que exhibe as tecnologias inovadoras de tecidos da Liebaert Textiles. Esta dissertação descreve a estratégia de posicionamento pretendida da RectoVerso como um 'modelo de três dimensões de estilo', com cada dimensão correspondendo a um contexto de uso específico (moda, casual e desportivo). O autor usa métodos qualitativos para definir as dimensões de estilo e métodos quantitativos para avaliar que benefícios específicos de tecido são mais desejados nessas dimensões. A última fase consiste em entender o que os clientes valorizam nas tecnologias de tecido da Liebaert Textiles e como os benefícios dessas tecnologias são sentidos em cada dimensão. Os resultados desta pesquisa possibilitaram a formulação de recomendações para fornecer à Liebaert Textiles bem como oportunidades de reestruturação da identidade da marca, concentrando-se nos benefícios do seu principal ativo: as tecnologias de tecido.

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1. Introduction

This Master thesis will be developed as an academic case about RectoVerso, a young premium Belgian sportswear brand, and with collaboration from Liebaert Textiles (in case context referred to as “Liberate Textiles”), the company owning and managing the RectoVerso brand. The research scope of the thesis will centre around the concept of brand architecture supported by consumer driven data in order to rename fabric technologies as a means of both supporting a corporate brand and positioning of an extension brand.

In corporate context, the main goal of this dissertation is to provide insights for Liberate in terms of strategically redefining its brand architecture using their fabric technologies. Furthermore, it provides an overview of the positioning of one of the extension brands in the market at an early stage while simultaneously highlighting positioning opportunities. By doing so this dissertation gives insights on how to make better use of fabric technologies and the overall brand structure that could both benefit Liberate as well as RectoVerso. In academic context, the main goal is to provide readers with real brand management problems faced by a young brand in the sports apparel industry by developing a Brand Management teaching case study, complete with the case texts, teaching notes and literature review. An understanding of vital brand management frameworks along with data about the market, the RectoVerso brand and consumers, should enable readers to provide well-structured strategically viable brand architectural recommendations.

2. Literature Review

This dissertation centers around brand strategy by highlighting brand strategy elements that can prove to be useful in today's world of brand management. It does so by taking a look at brand hierarchy by elaborating on the usefulness of brand architecture for brand managers through use of a brand relationship spectrum, introducing co-branding strategy and the importance of brand positioning.

In consumer product experiences brands play a critical role, as they offer cues about products and permit functional, emotional, personal and social values to be encoded in customers' minds (Franzen and Bouwman, 2001; Veloutsou and Delgado-Ballester, 2018). Managing brands requires long term commitment and allows a certain degree of complexity in both the meaning and relational structure of various brand elements. The nature of relationships among elements of the brand can significantly impact the meaning of the brand by altering the way it is perceived, purchased, consumed and even produced (Veloutsou and Delgado-Ballester, 2018). A major change is the evolution in the numerous entities that can be considered as a brand. In the 21st century consumers not only view products and services but other entities, such as celebrities and even countries or regions, as brands (Veloutsou and Guzmán, 2017; Veloutsou and Delgado-Ballester, 2018). Furthermore, brand consumption has changed as the consumers set higher expectations and requirements when interacting with a brand. Today the overall experience the brand can provide has become more important than the brand offer's ability to satisfy the consumer's functional needs (Veloutsou and Delgado-Ballester, 2018). As brands in itself have become more complex, so has the management of it. Brand managers in today's world face market fragmentation, global issues and ever-changing business environments which can impact their job characteristics. Brands have become more challenging and more complicated to manage since they have become more global and instant access to information across media channels has limited the control that marketers have over their brands. Managers therefore need to acknowledge and work around that complexity since the lack of thorough understanding about the brand itself and their changing nature is considered to be one of the predominant reasons brands tend to fail (Berthon et al., 2003). There is little concurrence on how brands should be managed and developed in today's marketplace (Keller, 2009). As opposed to running a factory managing a brand cannot be done using predetermined processes (Schultz and Schultz, 2004).

Brand Architecture. As an essential element of branding, brand strategy can be referred to as a long-term view for successfully developing a brand in order to achieve specific business objectives. Adopting a proper branding strategy is crucial as it is proven to be able to impact a firm's market share, profitability, and marketing efficiency (Rao et al., 2004; Morgan and Rego, 2009; Strebinger, 2014). Literature within brand strategy brings forward the concept of "brand architecture" (Aaker and Joachimsthaler, 2000; Kapferer, 2012; Strebinger, 2014). Brand architecture refers to an organizing framework of the brand portfolio that defines the role of brands and how they are related to and differentiated from each other. A clear brand architecture can prove to be useful as it creates clarity, synergy and leverage (Aaker and Joachimsthaler, 2000). Literature suggests that within the concept of brand architecture one can adopt three (Olins, 1989), six (Kapferer, 2012), seven (Laforet and Saunders, 1994), nine (Aaker and Joachimsthaler, 2000) or 11 (Laforet and Saunders, 2007) different strategies (Strebinger, 2014). The model used in this dissertation is the 'brand relationship spectrum', as it helps brand managers deal with brand extension relationships (Aaker and Joachimsthaler, 2000). The spectrum portrays the hierarchical structure of brands and the variety of brand extensions that can be created. The model is centered around the driver role that brands have. Simply put, the extent to which a brand drives the purchase decision. The first strategy in the spectrum, namely the house of brands, highlights the independence between brands of a company and allows brands to be positioned on functional benefits and tackle niche markets. The second main strategy in the spectrum is the endorsed brand where the relationship between brands is still independent, however they are endorsed by an organizational brand. Further in the spectrum one finds the sub-brand strategy. The relationship between sub-brand and parent brand is so strong that the sub-brand has the ability to alter the associations of the parent brand. The fourth and final strategy in the brand relationship spectrum is referred to as the branded house. This option entails that the parent brand becomes a dominant driver across numerous offerings leaving the sub-brand to act merely as descriptor (Aaker and Joachimsthaler, 2000). The brand relationship spectrum can function as a useful tool for brand management scenarios that are confusing and complex which involve multiple brands and brand extensions. One of the primary reasons it is used in the case.

Co-branding. In relation to the aforementioned strategies the case brings forth the concept of ingredient branding, a form of co-branding. It involves a strategic partnership between brands where the success of one brand can influence the success of the partner brand.

Ingredient branding derives from co-branding as it is a practice in which a branded component is highlighted in an effort to engage particular consumers and attract attention to a unique product offering, with the goal of enhancing the host brand's claims of credibility due to the ingredient brand's perceived expertise (Desai & Keller, 2002). It is most often used to assist a host brand in differentiating itself in its host product category. However, some argue that ingredient branding is too frequently considered from the perspective of the host brand, referred to as manufacturer-initiated ingredient branding (Kotler & Pfoertsch, 2010). In this context, the manufacturer or host brand looks to use an ingredient brand based on certain associations the ingredient brand carries, hoping they will be reflected onto the product they manufacture. To counter this unilateral view literature also suggest supplier-initiated ingredient branding (Kotler & Pfoertsch, 2010). From a supplier point of view, the use of its branded ingredient by a host brand can have a positive effect on brand awareness. From a strategic perspective, the supplier's goal is to increase demand of his ingredient brand. The content of this case requires both perspectives. It is clear that ingredient branding brings forth differentiation opportunities due to the possible improvements gained by the consumers perceptions on the performance and added benefits of the branded ingredient (Desai & Keller, 2002). This shows that an ingredient branding strategy can serve as a means to execute intended brand positioning.

Brand Positioning. The competitive nature of the current business environment requires two vital tools of brand management, namely brand identity and brand positioning (Kapferer, 2008). Firstly, brand identity refers to specifying the brand's meaning, personal goals and self-image that are all unique and resistant to change. This takes the perspective from the company managing the brand by identifying what they want the brand to project. In order to clearly define a brand's identity Kapferer suggests managers to come up with answers to the following questions: what is the brand's vision and goal, what makes it different from its competitors, what need does the brand fulfill, what is its permanent nature, what are its values, does the brand hold a field of competence, and what are the signs that make the brand identifiable. Secondly, brand positioning consists of highlighting the characteristics of a brand that makes it unique and appealing so that it occupies a clear place in the mind of the target consumer (Kapferer, 2008). A subject that is at the heart of the case at hand. It can be seen as a two-stage process where on the one hand the competitive set or frame of reference, to what the brand should be associated and compared to, should be determined and on the other hand where the critical points of differences of the brand and those of the others in the set are identified. Literature highlights both positioning models based on attributes and benefits that consumers

desire (Greenberg and McDonald, 1989; Blankson and Kalafatis, 2001). However, it was in 1980 that Ries & Trout promoted absolute positioning, aiming at creating consistent perceptions of a brand, which proved to be desirable in push marketing tactics. However, over the last two decades the consumer has become more subjective, self-actualizing and more influential on marketing processes resulting in the absolute positioning to be contradictory to the consumer's growing need for autonomy (Wolfe and Sisodia, 2003). Therefore, literature argues that in today's world conditional positioning is more appropriate as it allows the consumer to define what a particular brand marketing message means and so respecting the consumer's sense of autonomy (Wolfe and Sisodia, 2003; Payne, 2017).

In conclusion, it can be understood that brands and brand management have become increasingly complex. As brand managers have no choice but to manage brand complexity the challenge remains great as there is no consensus to be found on the optimal structure and/or frameworks to tackle this complexity. Suggesting a need for cases that help future brand managers deal with what awaits them. From the literature brand management concepts such as brand architecture and brand positioning as vital for successful brand management. However, there is little known about the effect one can have on the other. There is potential opportunity to use brand architecture as a means to achieve intended brand positioning. This case suggests delving deeper into a brand and using the different brand architectural elements available, in this case fabric technologies, as a means to position a brand and establish itself in a new market.

3. Case Study

3.1 “Redefining The Use of Fabric Technology Through Brand Architecture: The RectoVerso Case”

“Dear Lisa,

We are looking forward to seeing your presentation and discuss the performance report of RectoVerso during the board meeting next week. As you know, RectoVerso was a departure from our usual B2B business approach, and we are eager to see the results of this branding experiment and the progress the brand has made under your management. We expect you to make specific recommendations for the future of the RectoVerso brand and for the textile technologies from Liberate.

Kind regards,

Phillip Lecomte

Chairman of the Board, Liberate Textiles Inc.¹”

After reading his carbon copy of the email, Michael Libert glanced across the room at his sister Lisa reading the same message. She was visibly concerned. The board meeting was highlighted in their agendas for several weeks and was now just a few days away. It had been just over four months since he started working at their family company *Liberate Textiles*, mainly as his sister’s assistant in managing *RectoVerso* - a new brand of premium sportswear. Following the introduction of the brand in the two pop-up stores in Antwerp and Knokke and several months of marketing initiatives to communicate the concept behind RectoVerso’s innovative products, the board was expecting to see the performance report.

Involved with everyday operations of the brand, Michael had been tasked with gathering consumer insights to help revise the current approach of using fabric technologies from the parent company Liberate Textiles throughout RectoVerso’s products. Specifically, based on his analysis, Michael needed to recommend a branding hierarchy for innovations of fabric technologies used as an ingredient in RectoVerso product ranges to drive brand sales and ultimately legitimize this first consumer brand from Liberate Textiles. In turn, the performance

¹ This case is for class discussion purposes only rather than to illustrate either effective or ineffective handling of a management situation. Names and some data have been disguised for confidentiality and competitive considerations.

of RectoVerso brand was an important indicator of how much consumers could value fabric technology in their products. Consequently, the naming and branding approach of the fabric technologies used in RectoVerso was seen as a branding blueprint benefiting the parent Liberate Textiles, who had been struggling to leverage effectively its technological achievements and synthetic textile manufacturing know-how with their B2B clients. It was clear to Michael that RectoVerso wasn't just a fun branding experiment for him and his sister. RectoVerso and their presentation next week could help unlock the new business potential and for Liberate textiles - the Belgian company that had been built on the heritage of several generations of their family.

3.2 Liberate Textiles Inc.

Founded in 1887 by Marcel Libert in Deinze, Belgium, the company was a single factory specialising in production of elastic ribbons and suspenders. After World War 1 the founder's two sons Henri and Louis rebuilt and took over the factory after it had been destroyed by artillery fire. During the 20's the manufacturing business expanded with the addition of the second factory which specialised in the production of elastic ribbons for women's corsetry. Business continued thriving for the following decades and in 1960 the third generation of the family took over the company. The growth continued with the inauguration of a third factory to producing high-end elastic fabrics. It was among the first locations in the world to work with Lycra® (a synthetic fiber known for its exceptional elasticity).

A couple of decades later the firm's management - André and Jean - had made the decision to innovate in the design aspects of the largely traditional area of the textile industry. A 'textile stylist' (a job title invented by the company) was hired to introduce more creativity in the design of fabrics and ribbons. Liberate Textiles followed the creative direction into the world of high-end women's underwear. By the 1990's the Liberate factories had built a worldwide reputation as a manufacturer of high-quality elastic fabrics supplying major international brands such as Mark & Spencer and Calvin Klein. By 2003, managed by the fourth Libert family generation the company had reached an all-time high in new and recurring sales due to an outstanding reputation of quality products and business customer support.

The financial crisis of 2008 had brought significant changes to the textile manufacturing landscape, as many brands in the high-end women undergarments category had turned to low-wage countries in order to cut costs. The Libert family textile business was in jeopardy and sought the solutions in internal restructuring and new market opportunities. Steadily the firm

picked up sales lost in decreased underwear industry orders by developing products for the medical sector. However, the speed at which the sales increased in one market were still not sufficient to cope with the decline in the other. To increase flexibility and customization possibilities to clients, a small ready-to-wear production laboratory was introduced (Exhibit 2). This laboratory's role was to design and develop small quantities of finished products for clients in new sectors and categories.

Shortly after the firm's 125th anniversary the fifth generation stepped in, emphasizing the strategic importance of technology and innovation in the company's manufacturing processes and product offerings. With several advances in developing unique high-performance fabrics, the firm had set its sights on the sportswear industry. The new energy and increased marketing efforts had succeeded in creating several specialty fabrics with game changing properties for the sportswear manufacturers. One of such innovations was the NanoStitch® brand of textiles (Exhibit 3). A family of special fabrics made on the finest warp knitting machines in the world in combination with the use of exclusive micro threads, resulting in fabrics that are both lighter and smoother than any other on the market. The goal was to create a fabric technology that could be used and marketed as branded ingredient in the apparel of major sportswear brands, similar to Gore-Tex®, Lycra® and other industry success stories (Exhibit 4).

Even though the NanoStitch® fabrics were acknowledged for their unique and valuable characteristics, the volume of orders did not match the reputation. In meetings with major sports brands the Liberate sales team often encountered scepticism about how much value consumers would place to the technology of fabrics in their sportswear products. Many manufacturers continued to look to lower cost suppliers, even if it meant low performance products. Liberate leadership believed in the value of their recent innovations and sought a way to counter cost-driven sourcing attitudes in product development.

This agenda was developed by Lisa, the only daughter of the Libert family, who joined the Libert family business in 2018. An avid athlete herself, she was determined to prove current apparel manufacturers wrong. She believed that there was a significant potential to appeal to young sustainability-conscious consumers, who are becoming increasingly discerning in their choices and shifting from fast fashion purchases to higher quality products in sportswear. Instead of trying to convince the manufacturers to include Liberate's high quality and fabric technology, Lisa's strategy was to go to consumers directly. In late 2018, she convinced the

Liberate Textiles management board to explore this further by developing a proof of concept for the company's first range of consumer sportswear products that would combine unique fabric technology and original design.

In 2018, nearing its 130 year anniversary the firm was almost fully vertically integrated with knitting and weaving machines, dyeing facilities, textile designers, digital and traditional printing departments, and a laboratory capable of making ready-to-wear apparel. Going into consumer products was possible and presented an important experiment that would allow to develop an own sportswear brand within the company as a showcase for Liberate's innovation in textiles and manufacturing know-how.

3.3 The RectoVerso Brand

“ At the core of every woman lies the unique opposition between sophistication and raw, female power. Endless grace with an itch for adventure. ”

-Lisa Libert, brand manager RectoVerso-

In 2018, Lisa envisioned a female sportswear brand based on her own personal attitudes and aspirations, to appeal to consumers like herself - young professionals with active lifestyles and an appreciation for quality apparel. Trusting her own intuition and business sensibility, she attempted to create products that are fashionable and elegant, referring to the company's heritage in the high-end women's undergarments, but also adventurous and daring with the use of cutting-edge innovations in fabric technology.

This became the core identity of the new brand - RectoVerso. Exploring the complexity and often contradiction of modern femininity, RectoVerso is a brand of activewear products for a lifestyle that blends sports, fashion and everything in between. The brand identity is expressed through its name, logo and tagline (Exhibit 6). Based on the word *recto verso* (commonly expressing “front and back” or “double-sided” in French and Dutch) the name signifies versatility and freedom to express yourself. It's tagline “*le chic et le choc*” plays with the contradiction further, inviting to be elegant, stylish and fancy (translations of the French word “chic”) as well as adventurous, daring and positively shocking (words related to the translation of the French word “choc”).

In 2019 Lisa invited her brother Michael, the youngest member of the Libert family to join her in managing daily operations of RectoVerso brand. In his first weeks at the company Michael had extensively discussed with Lisa her inspiration for the positioning of the RectoVerso brand. “I believe the duality perfectly captures the contradiction in our products - a century of reputation based on quality and elegant fabrics, *the chic*, with a surprise of recent innovation and technology, *the choc*. Something people would not expect...”. Furthermore, the duality in the brand positioning strategy aims to find an intersection between sportswear and fashion forward lifestyle. Lisa went on by stating that she wanted RectoVerso products to be seen and experienced as “fashionable enough to wear to a store or even to work”. They should “offer sport performance characteristics to please an athlete”, but also be comfortable “to wear at home on a casual Sunday”. The overall indication that the brand wishes to operate in three spaces: fashion/formal, sports, and casual.

Reading through the RectoVerso brand book Michael identified eight key values:

- *100% Made in Belgium*: Referring to both the production of the fabrics and the apparel pieces being made in the same place. A rare sight in the industry.
- *Heritage*: The historical character of the company.
- *Technology*: The brand’s vision to use the most innovative fabrics made by Liberate.
- *Quality*: Encompasses the firm’s mission to offer the highest quality sports apparel on the market
- *Sustainability*: The firm is compliant with the highest environmental, social and quality standards.
- *Adventure*: Referring to the daring nature of the products (in terms of colour, prints, etc.) and the attitude it wants to transmit to its customers.
- *Sophistication*: Offering elegant and classy designs for all women.
- *Family*: Bringing the family atmosphere that lives within the company to the customers.

3.3.1 Product Lines & Categories

This philosophy and strategy formed the blueprint for organising their first collection. According to Lisa the collection holds “standard sportswear pieces” such as leggings, t-shirts, tops, and sport bras but also “premium athleisure” pieces such as a blazer. The RectoVerso Collection One was built using three sub-collections (product lines): Performance Collection, Air Collection, and Space Collection (Exhibit 7, 8, 9).

The Performance Collection holds all leggings, bicycle shorts and sports bras. All of which are made with a special technologic yarn, EMANA®. An innovative polyamide yarn containing far infrared technology (FIR) which uses body heat to improve blood flow, reduce lactic acid build-up in muscles and overall skin wellbeing (e.g. positive effect on cellulite). The fabric, of which the products in this sub-collection are comprised of, benefit the consumer in such a way that it holds muscle recovery benefits thanks to the ‘smart’ yarn, and high comfort and soft touch on the skin thanks to the composition of the fabric. The second sub-collection, the Air Collection, contains all t-shirts and tops. Made exclusively from NanoStitch® fabrics, characterised by its ultralight nature with quick drying and breathable abilities. Lastly, the Space Collection refers to all pieces, such as the track suit and blazer, made from double knitted elastic fabric (in the textile industry referred to as ‘spacer fabric’, hence the name) and are seen by Lisa as the most luxurious products. The fabric in this sub-collection is thicker and stronger yet highly form fitting and provides a unique look due to the double-knitted structure of the fabric.

A question that Lisa is struggling to answer is whether this was the right approach. Is there a different, potentially more effective approach? Was organizing the product lines based on the fabrics better than basing it on technology benefits or other aspects such as lifestyle? Is there opportunity in renaming the technologies?

3.3.2 The Launch and Early Performance of RectoVerso

Lisa is preoccupied with finishing the performance report as well as starting the development of RectoVerso's second collection. In the meantime, Michael was taking a look at some of the information available and analysed the first campaign in order to get a better grip on the situation. The first campaign included:

- Launch event on the first day of Pop-up store in Antwerp. Store was operated for a period of three months (Exhibit 10).
- Numerous B2C apparel fairs across Belgium to increase brand awareness (Exhibit 11).
- A summer pop-up colab store on the Belgian coast to generate sales (Exhibit 12).
- Fashion show event in Liberate Textile factory for media coverage (Exhibit 13).
- Use of influencers and brand ambassadors to reach wider and more diverse target audience (Exhibit 14).

From his brief financial analysis Michael noticed that the efforts for the first campaign resulted in the sale of 325 pieces, nowhere close to the predetermined objective of 1000 agreed with the board. The product prices ranged from €95 (for sport bras & t-shirts) to €165 (all leggings) up to €305 (for the jacket). The current client base tops off at 300 consumers but Michael knows that a big part of these clients are friends, family and acquaintances. Of the sold pieces less than 15% (47 pieces) were sold online, all others were sold during events or in the pop-up stores. As a brand wanting to sell mainly through its webshop in order to save high traditional marketing costs, Michael identified this as a problem. After the huge investment the company put into building the webshop it is not acceptable that it is performing so poorly. Adding to that is the fact that Michael overheard a conversation between Lisa and Liberate's CEO on the subject of the corporate company experiencing declining turnover for the second consecutive year. A cost breakdown showed that since its launch the total costs add up to €200'000 and with the second collection soon to be launched the costs continue to increase (Exhibit 15).

3.4 The Context of Sportswear Industry

The sportswear industry has seen some pivotal changes over the last decades with consumers now owning sportswear pieces in their daily wardrobe. In 2017 sportswear represented USD 300 billion of the USD 1.7 trillion apparel and footwear market. Global sales grew by CAGR 4% from the year before and is forecasted to grow at that same pace till 2022, reaching a market size of USD 370 billion. This is mainly caused by the populations growing interest in healthier lifestyles thus positively affecting their interest in sports related activities. Moreover, the Olympic Games are expected to impact the demand for sportswear with the Asia Pacific region representing 45% of the global value growth up till 2022. This is partially due to the Chinese population growing interest for health awareness and sports, driven by government initiatives (e.g. National Chinese Fitness Program), along with their increasing household incomes. In terms of geographic performance North America still remains the biggest market, representing close to 40% of the global sales of sportswear. However, India and China are seen as vital markets considering their growth potential of the 2017-2022 period, expecting to surpass USD 23 billion. In addition, the UK is forecasted to become a vital contributor in terms of absolute value growth with USD 2.3 billion over the aforementioned period (Euromonitor International, 2018). The top five firms in the sportswear market represented more than 35% of the global sales in 2017 and continue to increase their shares across regions (Euromonitor International, 2018). It is noticeable that there is growing competition from general apparel that are tapping into sportswear. In terms of sportswear leading companies Nike and Adidas sit in first and second place followed by the VF Corp, Under Armour and Puma.

One of the top trends set to dominate the industry is the proliferation of athleisure beyond sportswear, reaching out to other categories such as nutrition or accessories. It is expected that the match between luxury and sportswear brands, through collaboration between brands and designers, will continue to gain traction. Furthermore, sustainability is gaining importance as sportswear consumers pay closer attention to ethical and environmental standards. Moreover, sportswear brands are adopting more local marketing approaches to increase their success on a global scale. Another growing trend is the push for experiential features to create unique omni-channel consumer experiences. Lastly, the apparel industry is noticing a continuous casualisation of business attire and a growing consumer interest in outdoor activities (Euromonitor International, 2018).

3.4.1 Sportswear in Western Europe

As RectoVerso is currently establishing itself in its domestic market (Belgium), with plans to expand to neighbouring countries, Western Europe is viewed as their primary market. With a market size worth USD 63 billion (retail value) in 2018 Western Europe is the third largest market for sportswear (Euromonitor International, 2019). From 2013 onwards the region experienced constant growth. This is thanks to the increase in the casualisation of dress codes that emphasise both function and comfort, the growing interest in active lifestyles, and the 2018 FIFA World Cup. Forecasts predict the region to grow at 3% CAGR over the next five years reaching USD 74 billion with sales being boosted by popular global sports events in particular the 2020 Olympic Games and the 2022 FIFA World Cup. Although demand is rising the region's growth rate has been slowed down by strong price competition (Euromonitor International, 2019).

The leading sportswear companies in Western Europe are Adidas, with a 16% market share, and Nike, with a 15% market share. Year over year increases show that they have extended their lead over the competition. However, Under Armour and Puma both altered their strategic focus causing an intensification of competition in the region. Under Armour shifted its attention towards performance clothing which resulted in the fastest growth in the Western European market over the 2013-2018 period (sales expansion of 34% CAGR).

Puma on the other hand is focusing more on associations with high-performing teams to push their brand's success (e.g. USD817 million partnership with City Football Group in 2019). The leading brands drive most of their sales from the UK, France and Germany adopting a wholesale distribution strategy. Sporting goods stores are the preferred channel in 2018 representing 54% of sales but saw a decline in comparison to the years before (4% over the last 5 years). This can be explained by the fact that consumers are gradually shifting towards online retailing in order to save time and make easy price comparisons (Euromonitor International, 2019).

Numbers suggest that Western Europe still is a viable market for RectoVerso but the question remains whether the brand has sufficient resources available for the marketing efforts needed to establish itself in the market. Is there an opportunity to differentiate itself in such a way that it holds a unique (niche) position in the market?

3.5 Consumer Research and Insights

Back when Michael was handed this task Lisa stressed the importance of consumer insights. Over the period between the launch of the brand and the end of the first campaign Lisa gathered consumer driven data. The way she collected consumer insights was split over qualitative research, namely two focus groups, and quantitative data, in the form of a survey.

Michael starts by going over Lisa's notes from the focus groups (Exhibit 17). It is clear to him that the first focus group was designed to retrieve the attitudes and feelings concerning the three perceptual territories RectoVerso wants to be considered in, namely fashion, sports, and casual. The goal was to define these territories by probing into the mind of potential RectoVerso consumers and by doing so try to map these in terms of usage context. Lisa conducted the second focus group as a way to delve deeper into the RectoVerso (existing and potential) consumers' perceptions and evaluations of sportswear and the corresponding brands, including her own. It is from these two focus groups that she built the survey with the goal of capturing consumer insights related to the three territories, the value of their fabric technologies within the different territories, and the effect of technology benefits. The survey was built according to a three-stage process.

The first stage consisted of defining the three perceptual territories (fashion, sports and casual) based on multiple fabric benefits. To achieve this Lisa redefined the three perceptual territories by relating them to three apparel usage contexts. Fashion in terms of apparel worn at work, sports for apparel used in sporting activities, and casual in terms of apparel worn at home. The list of fabric benefits was constructed using the insights gathered from the focus group as well as secondary research on other clothing brands. This resulted in a list containing 20 benefits that can correspond to apparel appropriate for three usage contexts - formal occasions (e.g. work), sports related activities, and/or casual occasions (e.g. at home). Respondents were asked to select the benefits they would prefer in clothes they would wear in each of these occasions (Exhibit 18). Moreover, surveyees were asked to select the brands they were most familiar with and based on their selection highlight the benefits they associate most with clothing from those brands². The second stage consisted of conceptualizing the three RectoVerso technologies (Air, Performance and Space) visually and highlighting their particular benefits (Exhibit 19). In order

² Based on qualitative research findings, three prototypical/representative brands for each of the territory analysis - H&M (in casual category), Gucci (in fashion), and Nike (in sportswear) to assess consumers perceptions, in addition to their perceptions of RectoVerso.

to get valuable consumer input respondents were asked to rate how valuable each of these technologies would be in apparel they would wear in the different usage contexts - for work, for sports, and at home.³ In the final stage Lisa redefined the benefits and their explanation so that it kept a certain neutrality towards the three usage contexts. After each technology description respondents were asked what influence the benefits (corresponding to that particular fabric technology) would have on the purchase of clothes they would wear for work, sports, and at home.⁴

In conclusion, the survey was designed to provide insights in terms of:

- Defining the three usage contexts (work, sport, and casual) using the consumer's most desired fabric benefits for each context
 - Find what benefits are heavily desired in one or multiple contexts
 - Link brand perceptions to the same benefits in order to get an understanding of brand positioning
- Understanding how RectoVerso's fabric technologies are valued within the three contexts
 - Find which technology fits in one or multiple contexts
- Knowledge about the fabric technology benefits and their relationship with the three contexts
 - Understand if certain benefits have more positive or negative influence on purchase decisions

Michael was going over the data of the 159 respondents⁵ and tried to get a grip on what the female consumers were telling him. He decided to structure his analysis the same way his sister constructed the survey. He started by building the usage contexts by identifying the amount of times a certain benefit was linked to a particular context. Based on that data he constructed a two-dimensional map showing the association of the female consumers' desired benefits within each particular context (Exhibit 20)⁶. He used a similar approach to link the brands to the same benefits resulting in what he views as a perceptual map (Exhibit 21)⁷. From these two maps he was able to identify which benefits were most desired and associated with each usage context

³ A 100-point rating scale was used

⁴ A 5-item Likert scale was used

⁵ Number was reduced to 102 valid female responses

⁶ Data obtained by conducting Correspondence Analysis

⁷ Data obtained by conducting Correspondence Analysis

while also getting a better understanding of RectoVerso's positioning and in particular which fabric benefits it was highly associated with. Following this analysis, he moved on to identifying the value of each technology within the usage contexts by looking at the average rating given by respondents. In order to have a well-structured overview Michael summarized the data in a table showing the average rating of female consumers of each technology across the three frames (Exhibit 22). The table was also split by two parameters, namely age and yearly spending on sportswear to provide an in-depth look into the respondents' segments. Finally, he summed up the influence that the technology benefits had on the respondents purchase behavior across the three contexts in order to identify which benefits had the most positive effect (Exhibit 23).

3.6 The Task

As Michael finished reading through his last notes concerning the research and other information he collected for their presentation to the board, several key tensions emerged for the decisions to be made.

The desired strategy to position in three different perceptual territories (fashion, casual, and sport) brings both challenges and opportunities. On the one hand, it increases the complexity in terms of being effective in communication without leaning too much to one or the other. On the other hand, it allows consumers to see the products of RectoVerso as means of satisfying multiple needs related to these three territories, as their lifestyle requires. Furthermore, Michael noted that the initial product lines were organized according to the technologies they attempted to showcase. There may be a different way to approach branding strategy for fabric technologies so that they are not so dependent on specific product lines of RectoVerso. After all, fabric technology brands could be used by the parent company Liberate as an ingredient in products for other brands and manufacturers.

Additionally, Michael is confident that it can serve simultaneously as a tool to achieve the positioning strategy that Lisa envisioned. Lastly, he believes that the consumer insights, especially the survey analysis, will be key to developing his recommendations.

It is clear what he needed to do:

- From the survey data find where the opportunities lie for renaming the technology and identify possibilities for potential sub-brands and/or ingredient brands.
- Make sure that the recommendations support the Liberate brand as well as impacts RectoVerso's current positioning in a strategically viable way.

Lisa made it clear that Michael is free to redefine the use of the fabric technologies in any way he sees fit, as long as it makes sense both strategically and operationally. It is up to him to convince her, and ultimately the Liberate board of directors, of that. Michael chose to find inspiration from the competitive success stories in the industry (Exhibits 24 through 26).

3.7 Case Exhibits

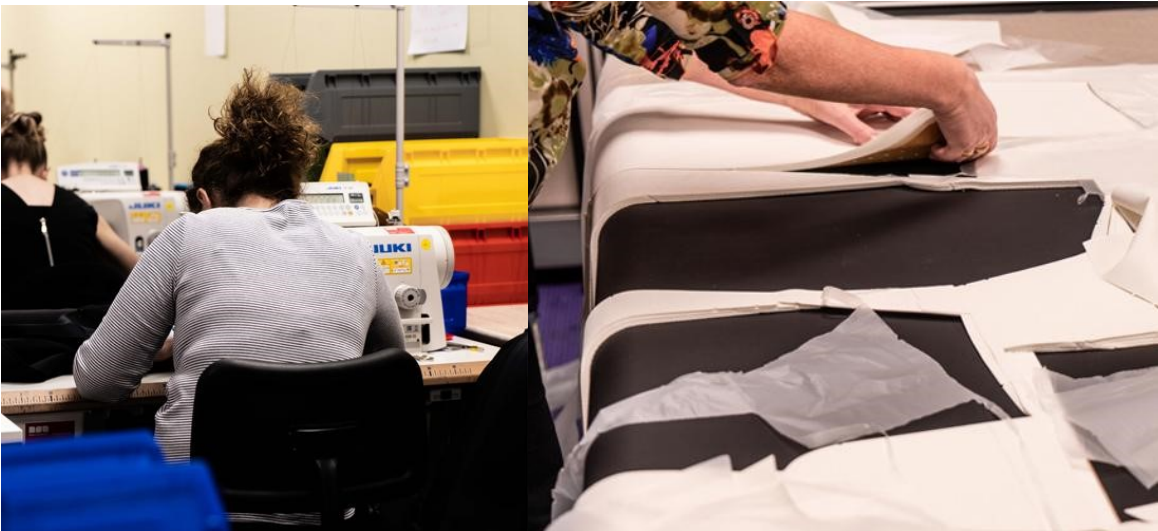
Exhibit 1 Liberate Textiles



Note: Top left picture shows Liberate logo and tagline. Underneath an aerial view of Liberate Textiles factory in Deinze, Belgium. Bottom pictures shows warp (left) and circular knitting machine.

Source: Company internal sources, 2019

Exhibit 2 - Liberate Ready-to-Wear Laboratory



Note: Pictures showing Liberate ready-to-wear laboratory during product assembly.
Source: Company internal sources, 2019

The screenshot shows the NanoStitch website homepage. At the top left is the NanoStitch logo with the tagline 'COMFORT TECHNOLOGY'. To the right is a navigation menu with links for Home, About, Fabrics, Technologies, Services, NanoStitch Worldwide, Newsletter, and Contact. A contact number and email address are also provided. The main header features the text 'THE NEXT GENERATION OF FABRICS ENGINEERED TO ENHANCE PERFORMANCE' and 'THE FINEST WARP KNITS IN THE WORLD'. Below this is a 'SEE OUR FEATURES' button. The central section is titled 'NANOSTITCH AIR COMPONENTS' and lists six features with corresponding icons: Light Weight Fabric, Excellent Moisture Wicking, Quick-Dry, Unparalleled Second Skin Feeling, High Breathability, and Excellent Durability. The bottom section features a background image of a person in a yoga pose on a rocky beach at sunset, with the text 'AIR LIGHTNESS. THE ULTIMATE NANOSTITCH FEELING' and 'INTELLIGENT DESIGN BY LIEBAERT'. A 'SEE OUR FEATURES' button is also present at the bottom.

Give us a call on +32 (0)9 380 11 45 | info@nanostitchfabrics.com

NANO STITCH
COMFORT TECHNOLOGY


Home About ▾ Fabrics Technologies Services NanoStitch Worldwide Newsletter Contact

THE NEXT GENERATION OF FABRICS ENGINEERED TO ENHANCE PERFORMANCE

THE FINEST WARP KNITS IN THE WORLD

SEE OUR FEATURES

NANOSTITCH AIR COMPONENTS

-  **LIGHT WEIGHT FABRIC**
-  **EXCELLENT MOISTURE WICKING**
-  **QUICK-DRY**
-  **UNPARALLELED SECOND SKIN FEELING**
-  **HIGH BREATHABILITY**
-  **EXCELLENT DURABILITY**

AIR LIGHTNESS. THE ULTIMATE NANOSTITCH FEELING

INTELLIGENT DESIGN BY LIEBAERT

SEE OUR FEATURES

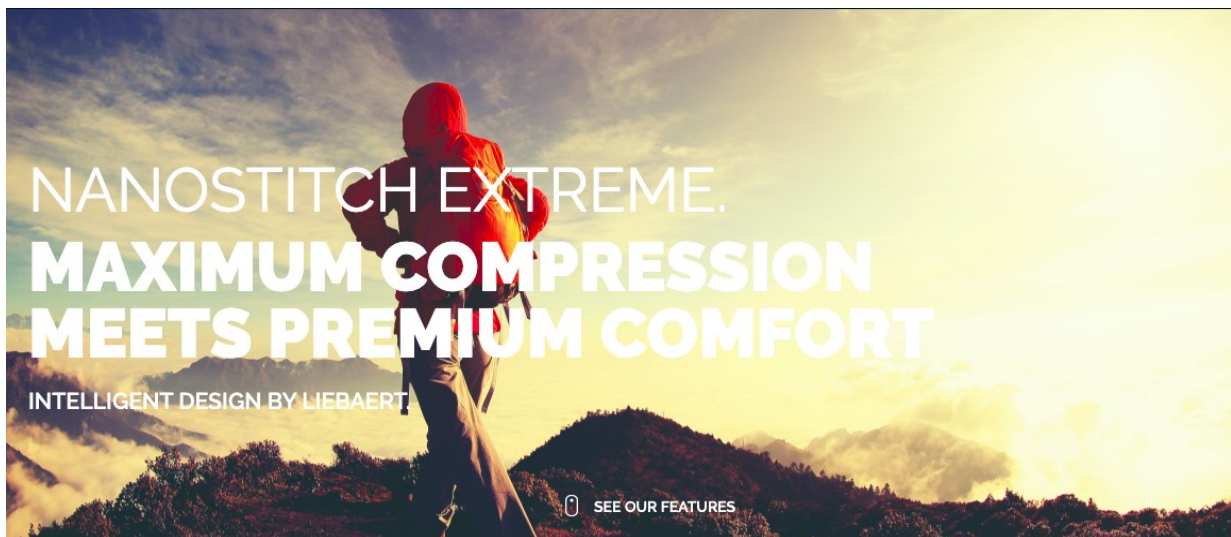
Note: Pictures illustrating the NanoStitch Air fabric properties
Source: <https://www.nanostitchfabrics.com/>, 2019



NANOSTITCH ACTIVE COMPONENTS

	LIGHT TO MEDIUM COMPRESSION		UNPARALLELED SECOND SKIN FEELING
	HIGH BREATHABILITY		EXCELLENT DURABILITY
	EXCELLENT MOISTURE WICKING		

Note: Pictures illustrating the NanoStitch Active fabric properties
Source: <https://www.nanostitchfabrics.com/>, 2019



NANOSTITCH EXTREME COMPONENTS



**HIGH
COMPRESSION**



**INCREDIBLE
OPACITY WHEN STRETCHED**



**10-20% LIGHTER THAN
COMPARABLE COMPRESSION
FABRICS**



**UNPARALLELED
SECOND SKIN FEELING**



**2-3X MORE COMPRESSION
THAN STANDARD TRICOT
FABRICS**



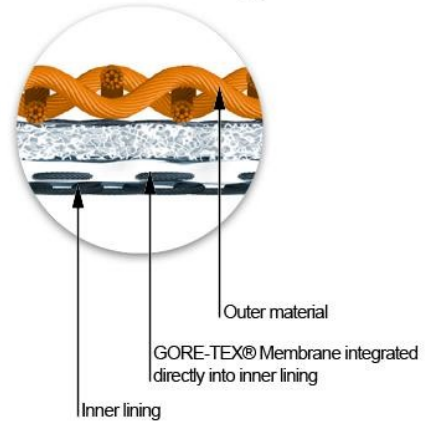
EXCELLENT DURABILITY

Note: Pictures illustrating the NanoStitch Active fabric properties
Source: <https://www.nanostitchfabrics.com/>, 2019

Exhibit 4 - Gore-Tex Membrane Technology



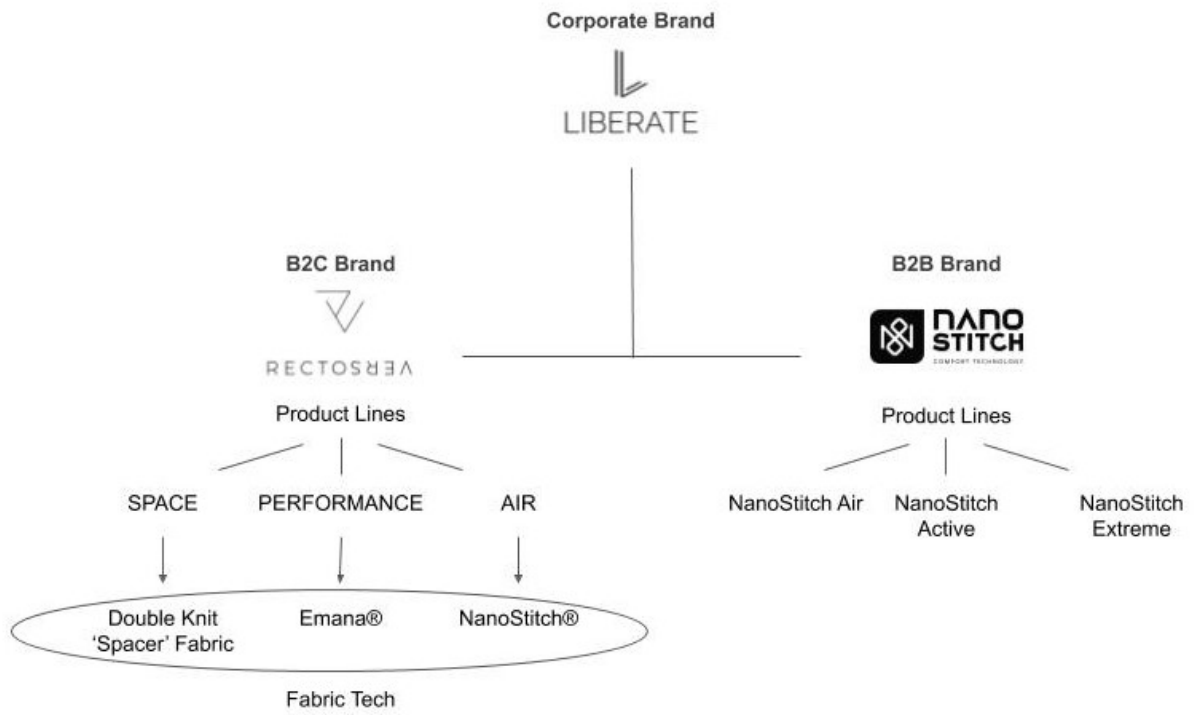
GORE-TEX® Active
Membrane Technology



Note: Picture provides an example of the working of Gore-Tex Membrane Technology

Source: <https://www.sport-conrad.com/blog/en/gore-tex-active-the-breathing-shell/>

Exhibit 5 - Liberate Brand Structure



Note: Picture provides a sketch of Liberate's brand structure
Source: Case writer, 2019

Exhibit 6 - RectoVerso Logo & Tagline

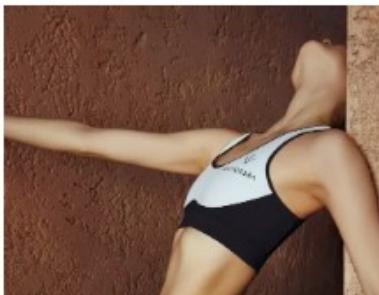
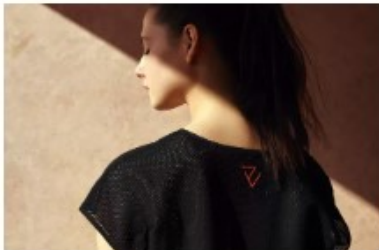


Source: Company internal sources, 2019



LE CHIC ET LE CHOC

At the core of every woman lies the unique opposition between sophistication and raw, female power.
Endless grace with an itch for adventure.





SCIENCE-INFUSED FASHION

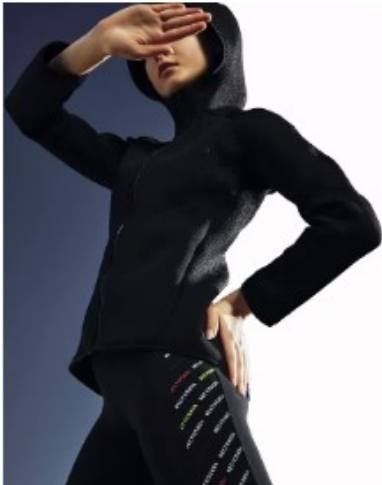
Our knits use delicate yarns engineered to embolden your physical performance, but always with an attention to dressy detail.

DISCOVER LOOKBOOK

LINEA BLACK

Combine care with comfort thanks to spacer fabrics that create a graphic look.

BUY NOW →



100% BELGIAN

From fabrics to stitchings, everything we design is produced locally. Our in-house confection lab is built on 130 years of experience in elastic fabrics—a legacy that is now translated into sensible sportswear on the cutting edge of technology.





R/V PERFORMANCE

Crush your own records with the Performance collection's smart technology. The bioactive minerals embedded in the Emana[®] yarn absorb body heat for thermo-regulation, helping you to strengthen your physical performance while finding quick muscle relief.

[See collection](#)



R/V AIR

The exclusive garments in the AIR collection are created with the famous Nanostitch[®] fabrics. This rich blend of LYCRA[®] and micropolyamide yarn creates an ultralight, soft and breathable feeling. If anything ever felt like a second skin, our AIR collection is it.

[See collection](#)



R/V SPACE

Stay warm, dry and ever so gracious with the new Space Collection. This exclusive selection merges heat insulation, rapid recovery and robust durability in comfortable garments with a luxurious feel. The perfect blend of innovative double-knitted spacer fabric and sheer style.

[See collection](#)

STAY AHEAD OF THE GAME

Subscribe to our newsletter and get **10% of your first order!**

Stay up to date with the latest news, events, releases, and much more.

SUBSCRIBE



Note: Home page RectoVerso website
 Source: <https://www.rectoversosports.com>

Exhibit 8 - Product Line Set-up

The screenshot displays the 'AIR COLLECTION' on the RectoVerso website. At the top, there is a navigation bar with 'WHO WE ARE', 'PRODUCTION', 'LOOKBOOK', 'SHOP', 'NEWS', and 'CONTACT US'. Below the navigation, a grid of product images is shown, including a 'TYPHO T-SHIRT' and 'AIR SHORTS'. The main product featured is the 'TYPO T-SHIRT' from the 'AIR COLLECTION', priced at €95,00. The product description states: 'The Air t-shirt is a lightweight, fully breathable performance tee. The high-performance NanoDitch Air fabric used within is characterized by exceptional lightness and breathability, making them the perfect choice as a first layer quick-dry fabric.' It lists features: 'Blend of LYCRAB fibre and super-micro polyamide yarn', 'Extreme comfort and a second skin feel', and 'Pinhole mesh placed at the back improves breathability and dry ability'. The size selection shows 'S', 'M', and 'L' options, with 'S' selected. An 'ADD TO CART' button is visible at the bottom right.


The screenshot shows the 'PLAYGROUND MU LEGGING' product page. The navigation bar is consistent with the previous page. The main product is a black leggings set, priced at €165,00. The description reads: 'The high-waist Performance legging is made from 68% Polyester 32% Elastane circular knit fabric. This special knitting compresses fabric keeping you comfortable whilst giving you the right amount of support.' Features include: '2 layers of fabric: supportive, comfortable and slimming result', 'Absorbs the body heat', and 'Optimizes the blood microcirculation and improves the skin appearance'. The size selection shows 'XS', 'S', 'M', 'L', and 'XL' options, with 'XS' selected. An 'ADD TO CART' button is present. To the right, a 'PERFORMANCE COLLECTION' grid shows various athletic wear items.

The screenshot displays the 'LINEA BLUE TRACK PANTS' product page. The navigation bar remains the same. The main product is a pair of dark blue track pants, priced at €195,00. The size selection shows 'XS', 'S', 'M', 'L', and 'XL' options, with 'XS' selected. An 'ADD TO CART' button is visible. Below the main product image, a 'RELATED PRODUCTS' section shows several other items from the collection, including a white tracksuit, dark blue pants, and a dark blue bag.

Note: Pictures show the product line set-up of RectoVerso on their website
 Source: Case Writer, <https://www.rectoversosports.com>, 2019

Exhibit 9 - RectoVerso Technology Explanation (website)

WHO WE ARE PRODUCTION LOOKBOOK **SHOP** NEWS CONTACT US



TYPO T-SHIRT

AIR COLLECTION

€95,00 Incl. tax

In stock

The Air t-shirt is a lightweight, fully breathable performance tee. The high-performance NanoStitch Air fabric used within is characterised by exceptional lightness and breathability making them the perfect choice as a first layer quick dry fabric.

The

- Blend of LYCRA® fibre and super-micro polyamide yarn
- Extreme comfort and a second skin feel
- Pinhole mesh placed at the back improves breathability and dry-ability.

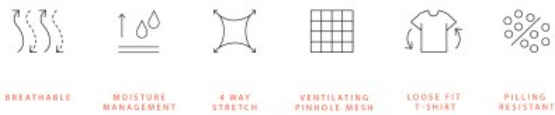
For more info www.nanostitch.com

SIZE: *

S M L


[Size guide](#)

1 **ADD TO CART**



RECTO VERSO

WHO WE ARE PRODUCTION LOOKBOOK **SHOP** NEWS CONTACT US



PLAYGROUND MULTI LEGGING

PERFORMANCE COLLECTION

€165,00 Incl. tax

In stock

The high-waist Performance legging is made from 65% Polyamide 35% Elastane circular knit fabric. This sweat-wicking compressive fabric keeps you comfortable whilst giving you the right amount of support.

- 3 layers of fabric: supportive, comfortable and slimming result.
- Absorbs the body heat
- Optimizes the blood microcirculation and improves the skin appearance
- Increases both performance and comfort.

More info: www.emanafiber.com, www.nanostitch.com

SIZE: *

XS S M L XL

[Size guide](#)

1 **ADD TO CART**



LINEA WHITE TRACK PANTS
SPACE COLLECTION

€195,00 incl. tax
 In stock

Our Track Pants are made out of an ultra soft elastic double knit for optimal comfort. With blind zippers around the ankles for a perfect fit.

SIZE: *

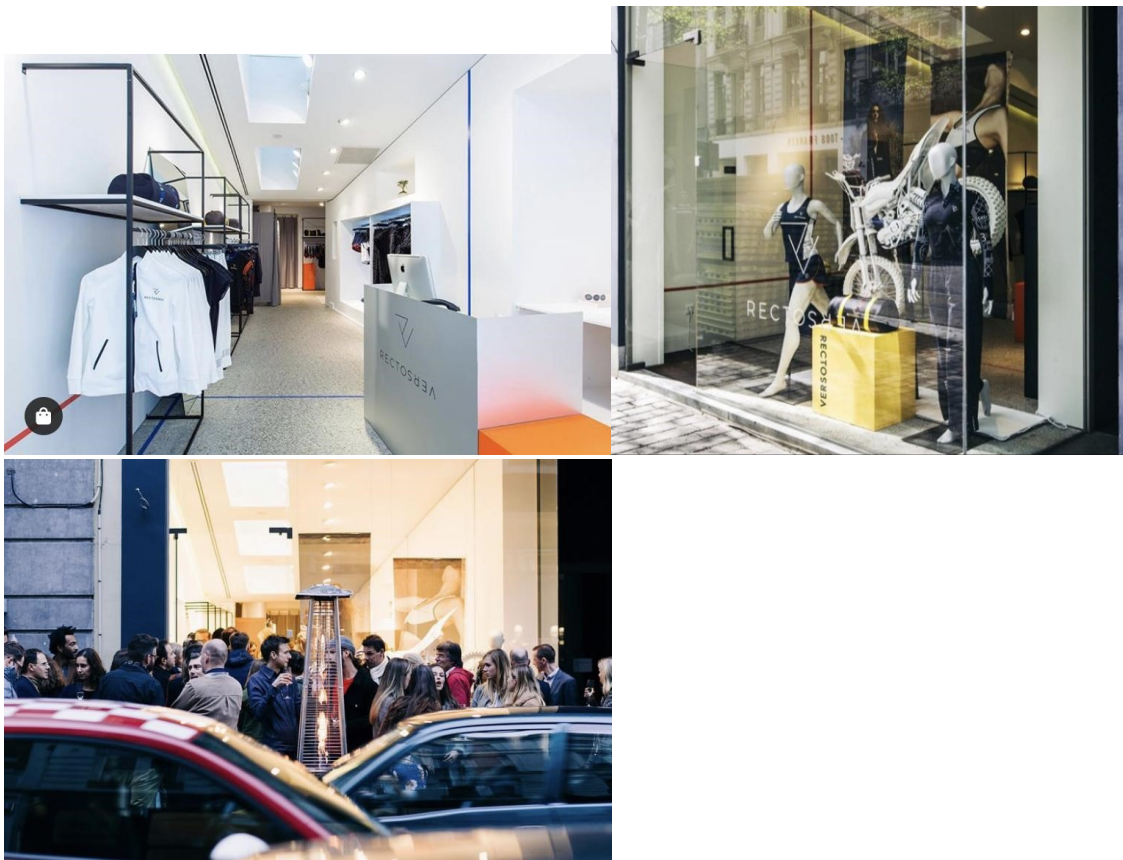
XS S M L XL

[Size guide](#)

1 **ADD TO CART**

Source: <https://www.rectoversosports.com>, 2019

Exhibit 10 - RectoVerso Pop-up Store Antwerp



Note: Pictures above show RectoVerso Pop-up store in Nationaalstraat Antwerp. Picture below taken during the opening night of the store.
 Source: Company Internal Sources, 2019

Exhibit 11 - RectoVerso at Fairs & Trade Shows



Note: Picture above taken during catwalk at the Brussels Fashion Days.
Picture below shows consumer interaction at WILL Sports fair in Kortrijk.
Source: Company Internal Sources, 2019

Exhibit 12 - RectoVerso Colab Pop-up Store, Belgian Coast



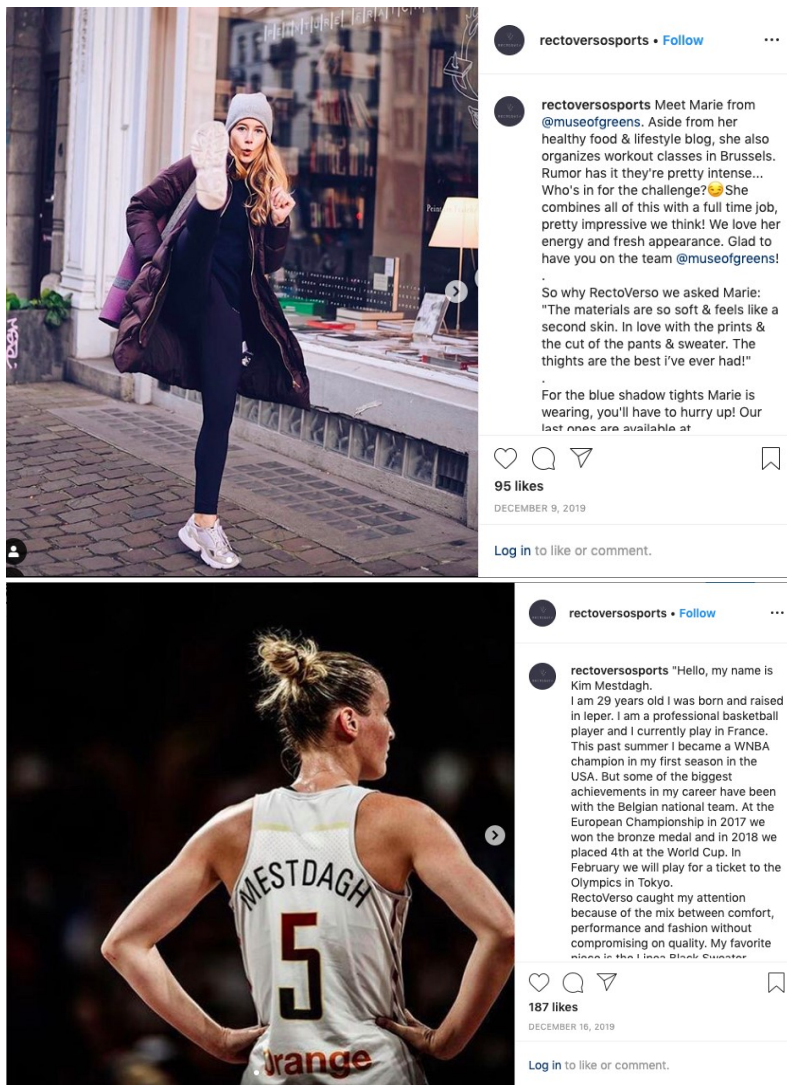
Note: Pictures above shows colab pop-up store with KAAI brand.
Source: Company Internal Sources, 2019

Exhibit 13 - RectoVerso In-house Fashion Show



Source: Company Internal Sources, 2019

Exhibit 14 - RectoVerso Brand Ambassadors



Note: Top picture shows healthy food & lifestyle blogger Marie as RectoVerso ambassador
Picture below shows professional basketball athlete Kim Mestdagh as RectoVerso ambassador
Source: Instagram page RectoVerso (@rectoversosports)

Exhibit 15 - RectoVerso Brand Development Budget and Timeline

RectoVerso Cost Structure (estimated)					
Period	Fase	Labour Cost	Marketing Cost	Other	TOTAL
Sep 18 - Mar 19	Start-up	22.750,00 €	66.459,12 €	10.251,00 €	99.460,12 €
Mar 19 - Sep 19	Collection 1	23.000,00 €	82.334,21 €	2.910,00 €	108.244,21 €
Sep 19 - Jan 20	Collection 1	24.000,00 €	26.629,40 €	1.027,00 €	51.656,40 €
Jan 20 - Jan 21	Collection 2	40.000,00 €	73.800,00 €	2.016,00 €	115.816,00 €
TOTAAL		69.750 €	175.423 €	14.188 €	375.176,73 €

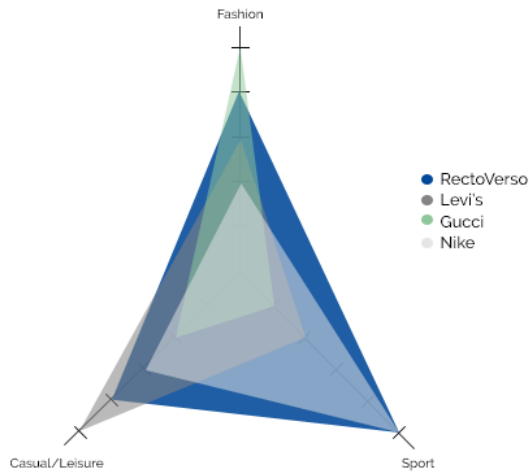
Costs collection 1 (Mrt19-Sept19)							
Department	Task	Supplier	Cost (excl. Btw)	Paid	Amount paid	Amount due	
Marketing	PR	X	€ 10.000,00	100%	€ 10.000,00	€ -	-
Marketing	Production packaging & hang tags	X	€ 3.500,00	100%	€ 3.500,00	€ -	-
Other	POS hardware package	X	€ 1.902,00	100%	€ 1.902,00	€ -	-
Marketing	Pop up store	X	€ 30.000,00	100%	€ 30.000,00	€ -	-
Personeel	Pop up store Antw	X	€ 5.195,00	100%	€ 5.195,00	€ -	-
Marketing	Social media mngmt	X	€ 8.605,60	100%	€ 8.605,60	€ -	-
Marketing	studio shoot	X	€ 2.010,00	100%	€ 2.010,00	€ -	-
Marketing	Launch event	X	€ 2.225,00	100%	€ 2.225,00	€ -	-
Marketing	Studio shoot images adaptations	X	€ 750,00	100%	€ 750,00	€ -	-
Marketing	Launch event catering	X	€ 3.839,00	100%	€ 3.839,00	€ -	-
Marketing	Social media ads	X	€ 1.127,81	100%	€ 1.127,81	€ -	-
Other	Webshop	X	€ 1.008,00	100%	€ 1.008,00	€ -	-
Marketing	Shop payment terminal	X	€ 238,80	100%	€ 238,80	€ -	-
Marketing	webshop delivery	X	€ 594,00	100%	€ 594,00	€ -	-
Marketing	Afterwork event	X	€ 2.000,00	100%	€ 2.000,00	€ -	-
Marketing	Afterwork event DJ	X	€ 520,00	100%	€ 520,00	€ -	-
Marketing	Mannequin Dolls	X	€ 1.014,00	100%	€ 1.014,00	€ -	-
Marketing	Presentation Design	X	€ 560,00	100%	€ 560,00	€ -	-
Marketing	Closing campaign (digital)	X	€ 3.600,00	100%	€ 3.600,00	€ -	-
Marketing	Pop-up knokke	X	€ 4.000,00	100%	€ 4.000,00	€ -	-
Marketing	Pop-up knokke	X	€ 2.000,00				
Marketing	Employees Pop-up knokke	X	€ 3.000,00	100%	€ 3.000,00		
Marketing	ELLE beach days event	X	€ 2.500,00	0%	€ -		
Marketing	SoMe photos	X	€ 250,00	100%	€ 250,00		
CL	Labour cost		€ 23.000,00	50%	€ 11.500,00	€ 11.500,00	
			€ 113.439,21		€ 97.439,21	€ 11.500,00	

Note: Table above illustrates RectoVerso cost breakdown over multiple months since the launch of the brand (future periods are estimations). Table below shows in-depth cost structure of Collection One.

Source: Company Internal Sources, 2019

Exhibit 16 - Visualization of RectoVerso's Intended Positioning

RV Brand Intended Positioning



Note: Graph represents RectoVerso's brand manager's intended positioning for the brand based on three clothing frames/categories (Fashion/Formal, Casual/Leisure and Sport). For every frame a key clothing brand was selected based on qualitative research findings. Each of the key brands are heavily associated with one frame/category: Levi's with casual, Gucci with fashion/formal, and Nike with sport. Each brand was evaluated on all three categories using a 5-point scale (1 suggesting low association with the particular frame and 5 suggestion high association with the particular frame).

Source: Case Writer, 2019

Focus Group 1

- 7 participants
- Current and potential (target) RectoVerso customers
- Age 20-55

Objective: Gain insights in terms of attitudes and perceptions towards fashion, casual/leisure wear, and sportswear.

Sampling and Procedure

Purposive sampling & Snowball sampling
Semi-structured approach with the use of discussion guide

FINDINGS

How consumers choose their outfits:

- Based primarily on functionality (the weather, dress codes, what activities will be done that day, etc.) and secondarily based on the mood of the person (expressive nature)

Perceptions/attitudes towards *Fashion* category:

- Up-to-date and trendy
- Participants immediately mention 'influencers'
- Strong associations with 'expensive' clothing referring to brands such as Gucci & Dior and the 'daring' nature of a person wearing clothes that fit in this category.
- All but one stated that they do not own any Fashion related piece of clothing
- Fashion is associated with festive occasions but also minor 'societal pressure' and uncomfortable ('not at easy') feeling due to the fear of 'damaging something expensive'
- Fashion is 'visible'; participants mentioned the role of visible fashion brand name affecting the way they would view a piece of clothing

Perceptions/attitudes towards *Casual/Leisure* category:

- Comfort, loose ("beggy")
- Feeling 'at ease', no over-thinking
- Jeans, t-shirts, sweaters, and flat-sole shoes belong to this frame (referred by participants as 'the basics')
- Mention slight fear of being 'underdressed' arises
- Casual for work is viewed differently as casual in other circumstances (e.g. at home)
- Participants view H&M, Zara and Levis as casual wear brands

Perceptions/attitudes towards *Sportswear* category:

- Sports as a form of relaxation
- Comfort, easy-to-maintain, multi-use (functionality), quick dry, form-fitting
- Sportswear evokes the sense looking and feeling sexy for some participants
- Sportswear is 'leggings and sports bras'
- Freedom of movement, fabric touch and ability to use it after sport ('to the store') are what consumers look for most in sportswear
- Consumers feel as if they have more freedom to express themselves when choosing sportswear
- T-shirts and tops are not considered 'luxury sportswear' items; Sport bras are viewed as luxury
- RectoVerso is viewed by majority as 'luxury sportswear'

Focus Group 2

- 8 participants
- Existing and potential RV customers
- Age 20-55

Objective: Delve deeper into RectoVerso consumers' perceptions and evaluations of sportswear items and find concepts.

Sampling and Procedure

Purposive sampling & Snowball sampling
Semi-structured approach with the use of discussion guide

FINDINGS

What is Sportswear in the mind of participants (meaning, feelings, ...):

- Feeling comfortable
- Good looking, sexy but also 'tough'
- Allowing space to move
- Colourful → 'During a competition when they take pictures and you wear something colourful you are likely to get a picture taken, I like that'
- The right size → especially for sports bras
- Fitting (tight) → 'flattering for my body'
- More freedom → more daring (link with colours)
- Safety → 'running at night, in the dark you want to be seen'
- A state of mind → 'more space to move'
- Quality → 'The importance of quality depends on the type of sport you need it for'
- A feeling → 'feeling the fabric' 'thickness of fabric: quick dry, light, elastic'
- Sportswear is seen by many as 'confidence booster'

Frustrations towards current sportswear:

- Rubbing of thighs → 'the fabric that causes a rash or burning sensation.'
- Trousers/leggings that fall off, the need for a 'strong and high waist band'
- See-through leggings → triggers feeling of embarrassment 'when squatting'
- 'Itchy and stingy' fabric

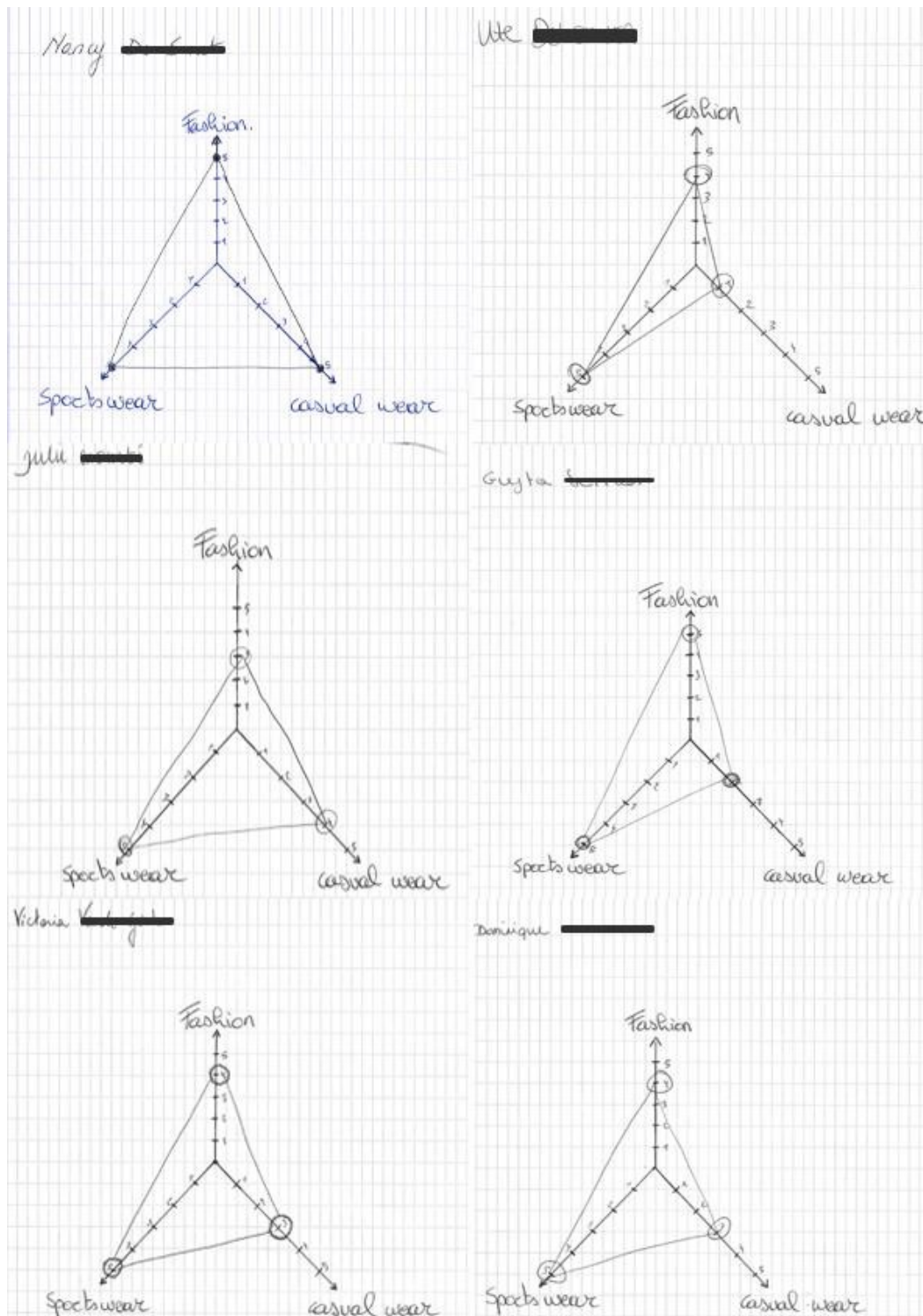
⇒ The group agrees they have to try out sportswear items first and that online product descriptions have little effect

List of brands that have been mentioned:

- Gymshark (2), Oysho (2), Nike (everyone), Adidas (majority), Lululemon (2), Craft (2), H&M → 'their crop tops' (2), Under Armour (2), RectoVerso (majority)

Attitudes & perceptions of the RectoVerso brand:

- Design & look are viewed as very 'appealing and more original'
- Touch of fabric gives participants the impression that it is more 'performant' there is 'less fear of ripping or breaking it'
- Viewed by majority as 'more of a brand you can wear after your workout.' → referring the blazer
- Refer to the brand as: 'Tough but not manly still elegant'; 'creative and playful but serious as well'; 'Gigi Hadid and Kendall Jenner in between there shoots and their sports would wear RV'
- RectoVerso as a person would be 'confident, daring, social, does her own thing even if the group disagrees'



Note: Picture illustrates Focus Group 1 participants giving their perceptions of the RectoVerso brand (at the end of the session) by rating it on three style-dimensions (Fashionable, Casual, and Sporty). 5-point scales were used where the value of 1 meant that they did not perceive the brand to fit that dimension and 5 meaning they perceive the brand to be highly dominant in that dimension.

Source: Case writer (qualitative research conducted October - Nov 2019), 2019

Exhibit 18 - Fabric Benefit List

<ul style="list-style-type: none"><input type="checkbox"/> Tear resistant (1)<input type="checkbox"/> Form-fitting (2)<input type="checkbox"/> Luxurious look (3)<input type="checkbox"/> Design with a statement (4)<input type="checkbox"/> Freedom to move (5)<input type="checkbox"/> Trendy prints & patterns (6)<input type="checkbox"/> Loose-fitting (7)<input type="checkbox"/> Functional detailing (8)<input type="checkbox"/> Structured look (9)<input type="checkbox"/> Comfortable (10)	<ul style="list-style-type: none"><input type="checkbox"/> Breathable (11)<input type="checkbox"/> Lightweight (12)<input type="checkbox"/> Durable fabrics (13)<input type="checkbox"/> Colourful (14)<input type="checkbox"/> Soft to the touch (15)<input type="checkbox"/> Stretch for comfort (16)<input type="checkbox"/> Quick dry (17)<input type="checkbox"/> Wrinkle resistant (18)<input type="checkbox"/> Tailored silhouette (19)<input type="checkbox"/> Machine washable (20)
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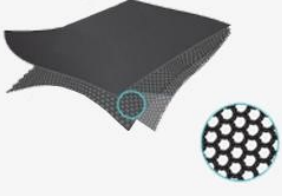
Note: Following list was used in the survey in order to gather consumer insights on what fabric benefits are most desired in clothing consumers would wear to work, for sport activities and at home. The list was constructed using the qualitative research findings as well as extra online research of other apparel brands such as Levi's, Banana Republic, Dior, Zara, Adidas, Nike, and Under Armour as well as a study on perceptions of quality in clothing (Swinker and Hines, 2006).

Source: Case Writer, 2019

Exhibit 19 - RectoVerso's Three Technologies: Conceptualization

FABRIC TECHNOLOGY 1

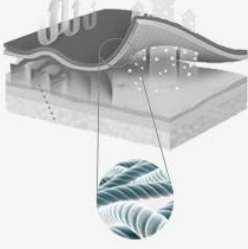
This fabric is made on the finest knitting machines in the world and contains a blend of elastic fibre and nano-polyamide that takes your apparel to new heights thanks to its numerous features:



- Feather Light
 - > Use of special micro-threads makes the fabric as light as air
- Quick Dry
- Stress-resistant
 - > resists external stress and holds its shape
- High Breathability
 - > allows air to travel through the fabric to keep it fresh.
- Moisture Wicking
 - > Transports sweat away from your body, keeping it dry and cool

FABRIC TECHNOLOGY 2

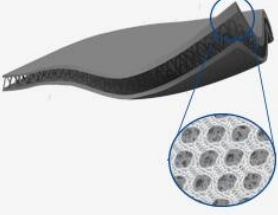
This circular knit fabric is made with bioactive thermoregulating fibers giving your clothes unparalleled features:



- Silky Smooth Touch
 - > fabric composition provides highly delicate touch
- Infrared Elements
 - > Stimulate blood flow and reduce cellulite appearance
- Cotton-like Feeling
 - > Fabric structure creates unique soft feeling on the skin

FABRIC TECHNOLOGY 3

The fabric is made using a double-knitted structure combining high elasticity with incredible fabric strength, upgrading your apparel with the following features:



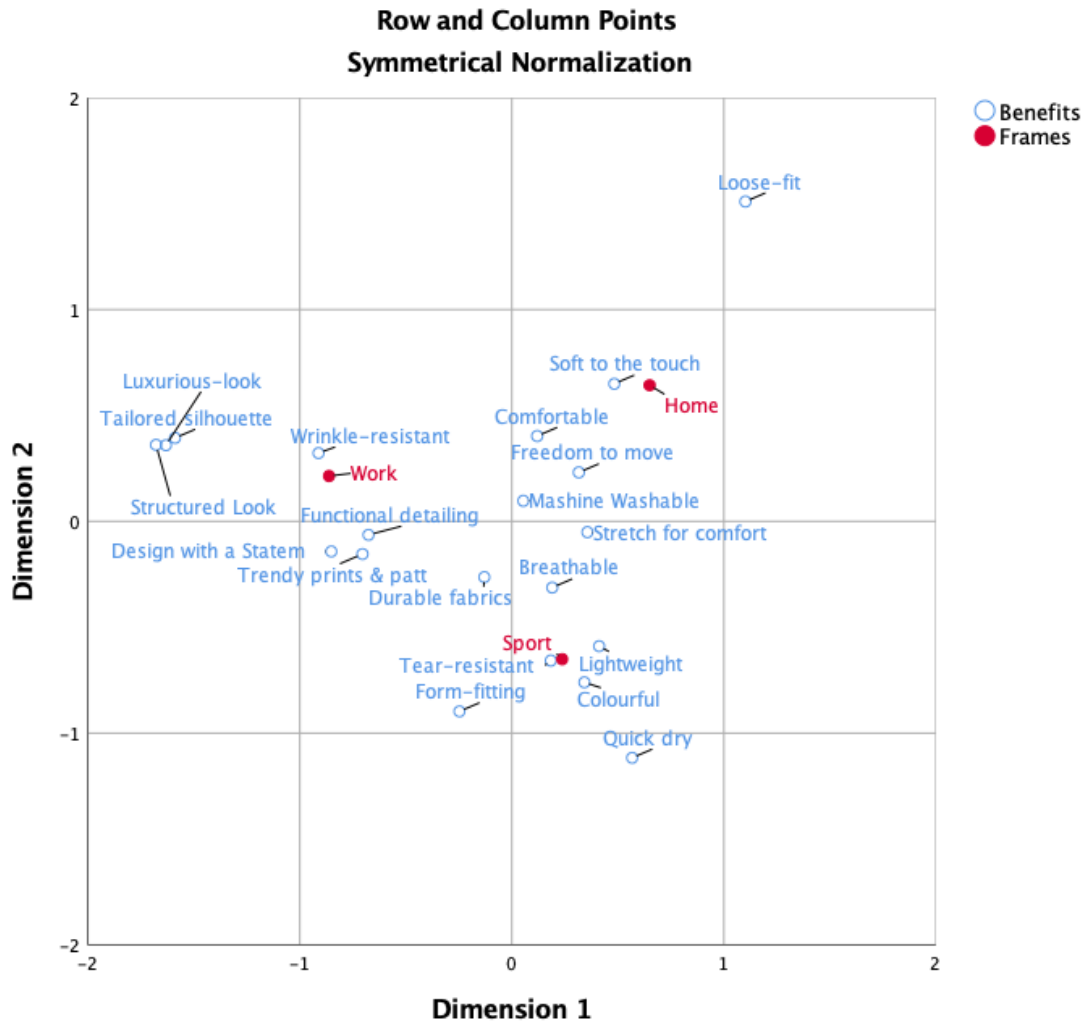
- Interlock Strength
 - > two fabrics are knitted simultaneously giving extra thickness & strength
- Form-fitting
 - > high elasticity makes fabric highlight the body figure
- Wrinkle-free
 - > High stretchability allows fabric to stretch in any direction and easily get back to its original state

Note: Visual representation of the three technologies along with their benefits which were used in the survey.

Technology 1 represents the fabric technology corresponding to the RectoVerso Air Collection; Technology 2 represents the fabric technology corresponding to RectoVerso Performance Collection; Technology 3 represents the fabric technology corresponding to RectoVerso Space Collection.

Corresponding question in survey: *“In your opinion, how valuable would this technology be if used in manufacturing of clothes you would wear to work, for sports and at home? (0 = Not at all valuable; 100 = Highly Valuable)”*

Source: Case writer, 2019

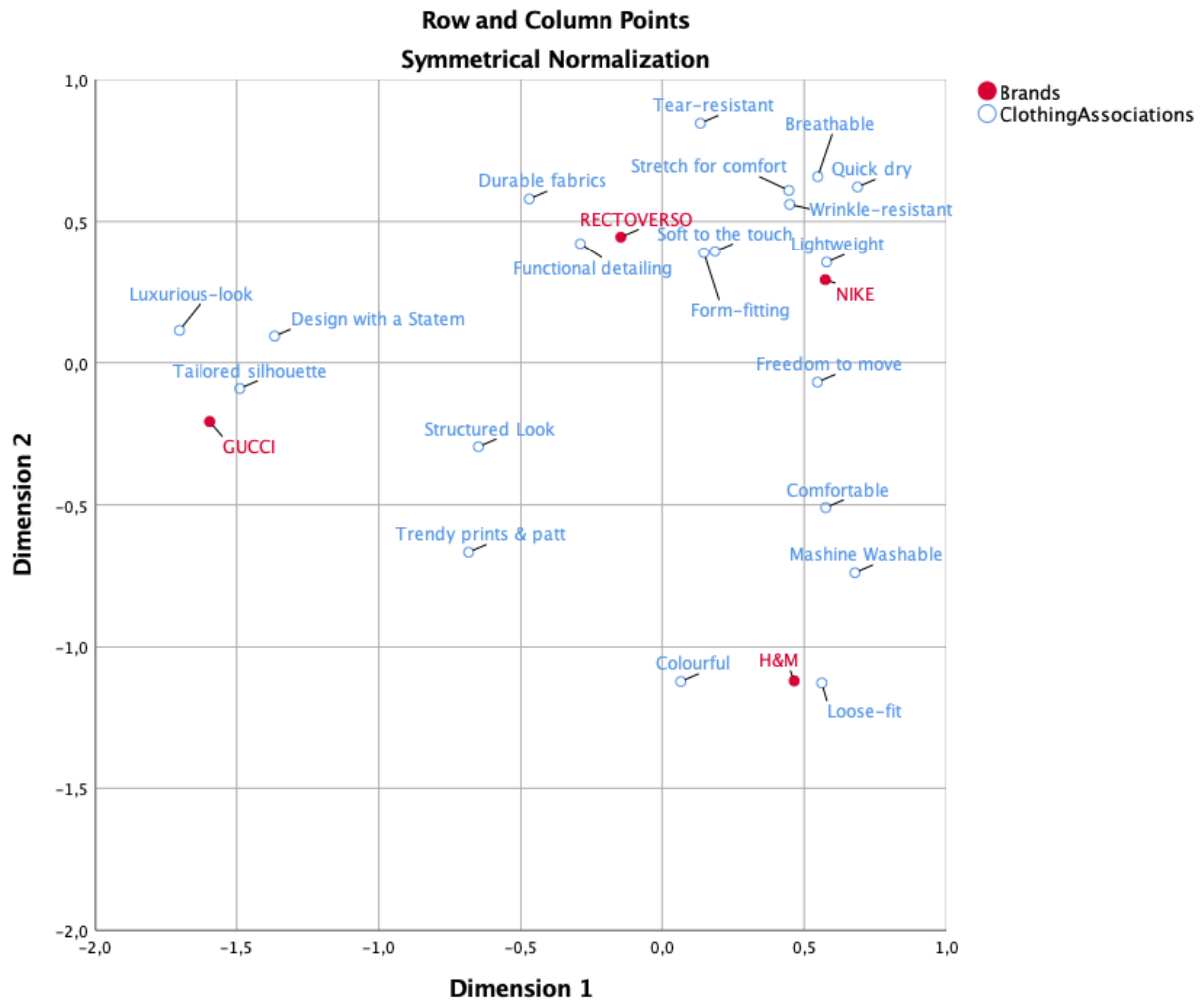


Note: Frames represent the three usage contexts. Data obtained from study of 102 female respondents. Convenience sampling method was used and survey was distributed mainly using social media platforms. Sample included mostly respondents that reside in Belgium (81,5%). Graph is constructed using Correspondence Analysis method based on survey data from questions: “Imagine you are speaking to a company that wants to create an ideal outfit for you to wear to **WORK**. What benefits would you like this outfit to have? What attributes would make this outfit a 'must-have' addition to your wardrobe? Select all that apply.”; “Imagine you are speaking to a company that wants to create an ideal outfit for you to wear for **SPORT activities**. What benefits would you like this outfit to have? What attributes would make this outfit a 'must-have' addition to your wardrobe? Select all that apply.”; “Imagine you are speaking to a company that wants to create an ideal outfit for you to wear at **HOME**. What benefits would you like this outfit to have? What attributes would make this outfit your favorite for wearing at **HOME**? Select all that apply.”

The proportion of inertia accounts for 62,3% for Dimension 1. The proportion of inertia accounts 37,7% for Dimension 2.

Source: Case Writer, 2019

Exhibit 21 - Correspondence Map: Brands & Fabric Benefit Associations



Note: Data obtained from study of 102 female respondents. Convenience sampling method was used and survey was distributed online through social media platforms. Sample included mostly respondents that reside in Belgium (81,5%). Graph is constructed using Correspondence Analysis method based on survey data from questions: “Which of the following words do you associate with clothing from **H&M**? Select all that apply.”; “Which of the following words do you associate with clothing from **RECTOVERSO**. Select all that apply.”; “Which of the following words do you associate with clothing from **GUCCI**. Select all that apply.”; “Which of the following words best describes sportswear products from **NIKE**. Select all that apply.”

Source: Case Writer, 2019

Exhibit 22 - Survey Data: Average Rating of Technologies Across Usage Context

			WORK	SPORTS	HOME	Sample Percentage	
Tech 1	Age Group	18-24	62	91	56	38%	
		25-34	54	94	45	38%	
		35-44	52	96	36	11%	
		45-54	45	97	41	8%	
		55-64	41	97	41	5%	
							100%
	Yearly Sportswear Spending	< €100	52	88	46	13%	
		€100 - €200	62	93	57	33%	
		€200 - €300	49	92	45	28%	
		€400- €500	48	95	35	20%	
		> €500	75	96	72	6%	
							100%
Total Average Value Tech 1			55	93	49		
Tech 2	Age Group	18-24	68	74	69	38%	
		25-34	69	75	66	38%	
		35-44	75	89	62	11%	
		45-54	67	93	68	8%	
		55-64	64	83	77	5%	
							100%
	Yearly Sportswear Spending	< €100	60	74	61	13%	
		€100 - €200	74	87	68	33%	
		€200 - €300	72	69	73	28%	
		€400- €500	60	78	55	20%	
		> €500	73	80	87	6%	
							100%
Total Average Value Tech 2			69	78	67		
Tech 3	Age Group	18-24	73	80	59	38%	
		25-34	65	77	44	38%	
		35-44	68	77	39	11%	
		45-54	66	89	53	8%	
		55-64	46	66	52	5%	
							100%
	Yearly Sportswear Spending	< €100	66	71	52	13%	
		€100 - €200	67	86	56	33%	
		€200 - €300	71	77	53	28%	
		€400- €500	65	71	34	20%	
		> €500	68	87	57	6%	
							100%
Total Average Value Tech 3			68	79	50		

Note: Numbers represent average values and are rounded. Data is weighted to match the 102 valid female respondents. Numbers close to 100 show technology being highly valued by respondents. Numbers close to zero show technology being perceived as not at all valuable. Average Values of Tech 1, 2 & 3 in Work & Home all show statistical significant differences (One-Way Anova indication, $p < 0,05$).

Source: Case Writer, 2019

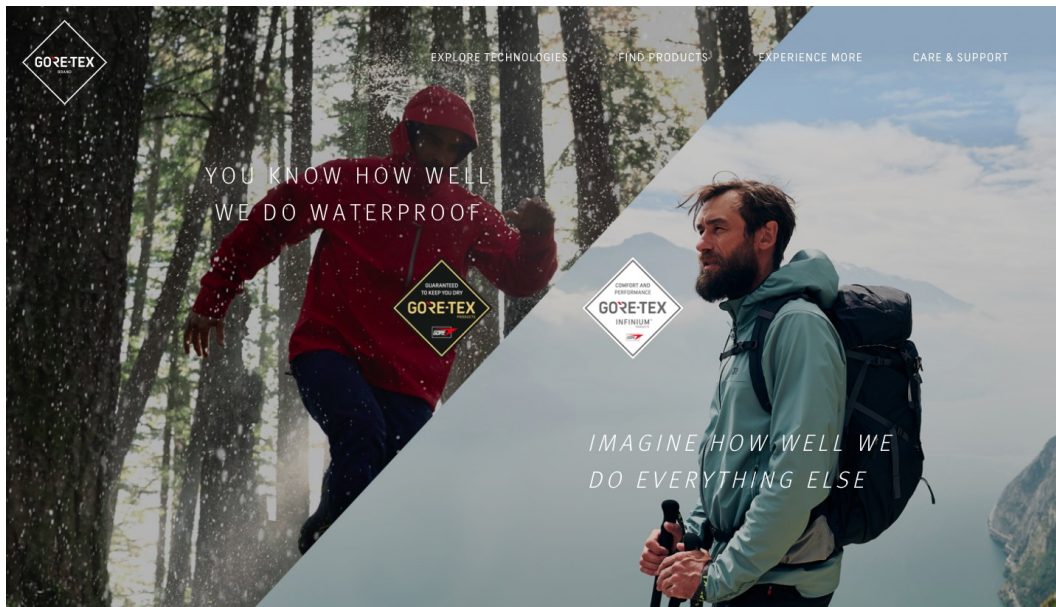
Exhibit 23 - Survey Data: Overview of Influence of Technology Benefits on Purchase Intentions

	Frames	Technology benefits	level of influence on purchase decision			Total Sample
			Negative influence	No influence	Positive influence	
TECH 1	WORK	Feather Light	5%	43%	52%	100%
		Quick Dry	3%	58%	39%	100%
		Breathability	1%	13%	86%	100%
		Stress-resistant	0%	24%	76%	100%
		Moisture Wicking	3%	53%	44%	100%
	SPORTS	Feather Light	1%	3%	96%	100%
		Quick Dry	0%	3%	97%	100%
		Breathability	0%	3%	97%	100%
		Stress-resistant	2%	18%	80%	100%
		Moisture Wicking	0%	12%	88%	100%
	HOME	Feather Light	2%	32%	66%	100%
		Quick Dry	1%	65%	34%	100%
		Breathability	1%	34%	65%	100%
		Stress-resistant	2%	51%	47%	100%
		Moisture Wicking	2%	62%	36%	100%
TECH 2	WORK	Silky Smooth Touch	0%	22%	78%	100%
		Infrared Elements	2%	54%	44%	100%
		Cotton-like Feeling	0%	19%	81%	100%
	SPORTS	Silky Smooth Touch	2%	12%	86%	100%
		Infrared Elements	1%	21%	78%	100%
		Cotton-like Feeling	6%	15%	79%	100%
	HOME	Silky Smooth Touch	0%	12%	88%	100%
		Infrared Elements	0%	56%	44%	100%
		Cotton-like Feeling	2%	10%	88%	100%
TECH 3	WORK	Interlock Strength	2%	38%	60%	100%
		Form-Fitting	7%	14%	79%	100%
		Wrinkle-free	0%	7%	93%	100%
	SPORTS	Interlock Strength	0%	14%	86%	100%
		Form-Fitting	1%	7%	92%	100%
		Wrinkle-free	1%	31%	68%	100%
	HOME	Interlock Strength	5%	54%	41%	100%
		Form-Fitting	8%	44%	48%	100%
		Wrinkle-free	1%	42%	57%	100%

Note: Data is weighted to match the 102 valid female respondents. Numbers are rounded and represent percentage of sample that indicated the answer option. The original scale was a 5-item Likert scale ranging from ‘strongly negatively’ to ‘strongly positively’. For case purposes the table splits the 5-item scale used in the survey by bundling the negative influences (strongly negatively and slightly negatively) and the positive influences (slightly positively and strongly positively).

Source: Case Writer, 2019

Exhibit 24 - Gore-Tex Brand Structure



CORE BENEFITS

Every single product technology in the original GORE-TEX products range offers three core benefits:



WATERPROOF

Rain and snow simply cannot get in—even in the heaviest storms you stay protected.



BREATHABLE

Whatever the temperature outside, your body sweats when you're on the move. Our products allow water vapor to escape. So that whatever drives you on, you can go further.



WINDPROOF

Wind chill can drop your body temperature fast and cause discomfort. Our windproof technologies block all wind.



HOW IT WORKS

TWO LAYER LAMINATE CONSTRUCTION

It's the strikingly minimalist construction of GORE-TEX PACLITE® garments that allows them to be so lightweight and packable. The GORE-TEX membrane is bonded directly to an outer shell material, then covered by a durable protective layer made of an oleophobic (anti-oil) substance and carbon. This protective layer makes a separate lining unnecessary. All this results in an extremely lightweight, packable garment that you can take anywhere.



Source: Case writer, <https://www.gore-tex.com/>, 2019

Exhibit 25 - Competitive Benchmarking: Adidas

SUB-BRAND	MARKETING FOCUS	TECHNOLOGY
 originals	Creative, original streetwear. Focusing on reinventing timeless pieces	Footwear with GORE-TEX Infinium™ Thermium™ insulation
ADIDAS ATHLETICS	"Made from sport. Styled for the street. Gear for any situation, any condition, any moment. Designed for the way you move and live, on the track and in town."	Introduced W.N.D collection Pieces that are wind-resistant.
 TERREX	Outdoors, hiking. Functional materials and design.	GORE-TEX for breathable, water-proof performance. PrimaLoft® Gold for warm, soft and lightweight synthetic insulation with superior water resistance;
 STELLA MCCARTNEY	Supporting and empowering the positive modern woman.	ClimaLite for sweat-wicking. Few specific technologies mentioned.
Y-3	Fusing high fashion with advanced sportswear.	Little to no focus on technology.
FOR THE OCEANS	Rethinking and repurposing plastic.	Shoes made from 100% recycled Polyester

Note: Table shows overview of Adidas brand extensions focusing on their marketing approach and use of fabric technology.

Source: Case Writer, <https://www.adidas.be/en>, 2019

4. Teaching notes

This document aims to guide the teaching of the case “Redefining The Use of Fabric Technology Through Brand Architecture: The RectoVerso Case”, written for the purpose of the Master of Science dissertation of the student Emmanuel Liebaert, from Católica-Lisbon School of Business and Economics. The case study was developed with collaboration from Liebaert Textiles (in case context referred to as Liberate Textiles), the company owning and managing the RectoVerso brand.

The case study tells the story of the strategic branding decisions a young brand such as RectoVerso faces. The data provided focuses on the analysis of consumer insights in how they view the different frames the brand is trying to operate in. The discussion of the case is also enriched with information regarding industry, competitors and ideas for executing brand strategies.

The main goal of the case study is to provide students with real-world brand management problems as well as insights into the process of establishing a new brand in the market. Exhibits about the market, the RectoVerso brand and its consumers correspond to what the students learn in the classroom. The case is structured in such a way that students should be able to come up with well-structured opinions and recommendations for branding hierarchy, brand architecture, brand extensions, and positioning decisions that could aid RectoVerso better establish itself in the market. When discussing the case, it is important that students understand the usefulness of customer insights in today’s complex world of brands, the importance of brand positioning and how sub-brands, ingredient brands, and naming of product lines could help achieve intended positioning. Furthermore, students need to understand the role of brand extensions and the influence it can have on the parent brand. The case stimulates both the use of learned class material as well as space to learn new brand management concepts.

This case study can be applicable for Master or MBA courses in marketing and brand management.

4.1 Teaching Objectives

Brand strategy is an essential component of brand management courses. Furthermore, it allows the mitigation of risk in the case of new product launches, since it aids the brand in establishing itself and so contributes to a positive pre-assessment from the market of the new product. How to strategically organize a brand, its sub-brands and ingredient brands is a vital strategic decision that any future brand manager needs to understand, especially considering the complex environment brands find themselves in. Therefore, the concept of brand architecture can be viewed as a pivotal subject within the field of brand management.

The case brings forward a real-life managerial problem in such a way that the students become the protagonist who must assist a brand manager in a strategic brand management decision. The strategic decision revolves around the positioning of the brand and its brand architecture. The case is written in such a way that it pushes the student towards recommending a new brand architecture strategy that would serve both as a way of achieving the intended brand positioning and as a way of supporting the parent brand. Hence, students are able to understand brand architecture and use it in a real-life context. Another objective of this case study is to bring students closer to a real-life managerial problem, where complexity and variety of conditions are at the center. It is crucial that students feel the need of analysing the main problems of the RectoVerso brand and make use of data available to make well-structured final solutions. The case study should trigger a strategic mindset while also stimulating an operational standpoint. As they are confronted with the challenges of a young brand controlled by a SME, students are exposed to the accompanying operational restrictions (budgetary, human resources, ...) which need to be taken into account in order to provide valuable recommendations.

Lastly, on a secondary level, it helps students understand the research process undertaken by a brand manager who is establishing a brand in the market. More precisely, the usefulness of qualitative research in brand management decisions. Since it serves as a means of accessing what defines a brand by engaging with the consumer on a psychological or micro-sociological level, investigating what is present in the mind of people (Chandler & Owen, 2002).

4.1 Summary of Main Teaching Objectives:

- Analyse and arrange strategic alternatives for branding architecture decisions
- Develop recommendations in brand architecture for both corporate brand (Liberate) and sub-brand (RectoVerso)

- Make strategic decisions of the positioning of sub-brands and product lines
- Discuss the role of brand extensions in management of corporate parent brand
- Illustrate the usefulness of qualitative research in making brand management decisions and so helping students understand the research process undertaken by a brand manager who is establishing a brand in the market.

4.2 Analysis/Resolution

The case starts by a general discussion about brand strategy in general and for the RectoVerso case. Then, it guides the students to define the context and identify where the problem from a brand management perspective takes place. Subsequently, the concept of brand architecture is pushed forward and how it can be related to brand positioning strategy. Lastly, it answers directly to the main questions stated at the end of the case study.

4.2.1 Introducing The Case

Hand out the case at the end of a class, preferably one that touched upon generic concepts that are present in the case (e.g. brand strategy, brand positioning, ...). As you hand-out the case explain the students that they need to read through the case by next class. Warn students that there will be a class discussion of the case where their input will be requested. Perhaps aid the students already by hinting them to focus on specific case elements (e.g. the role of the corporate brand and the relation between sub-brands and their strategies).

4.2.2 Discussion Theme 1 - Assessment of the current brand positioning strategy of RectoVerso.

(Suggested time: 15min)

Call upon a student to review the basic situation of RectoVerso. Note the relationship with the parent brand and the issues at hand. Bring other students into the conversation by adding different elements they deem important in the case. Guide the conversation towards the brands strategy and the overall brand structure. In other words define what the relationship is between Liberate, RectoVerso, Nanostich, Emana, etc. **Exhibit 5** helps to understand the structure. This discussion guides the students to quickly understand the context from an architectural perspective.

Before wrapping up the discussion add to their analysis in a way that some important ideas do not miss in the discussion:

- RectoVerso was created as a means to support the Liberate company who has been witnessing difficulties (economically) over the years.
- RectoVerso's strategy and structure is primarily based on Lisa's intuition and the fabric (technology) behind the products
- The low sales turnover of the brand
- Although high market saturation in Western Europe there is still growth in the sportswear market
- The three apparel frames (fashion/formal, casual, and sport) that RectoVerso wants to belong to and the potential challenges that it brings forth (e.g. customer confusion due to complex positioning)

4.2.3 Discussion Theme 2 - RectoVerso's Brand Architecture

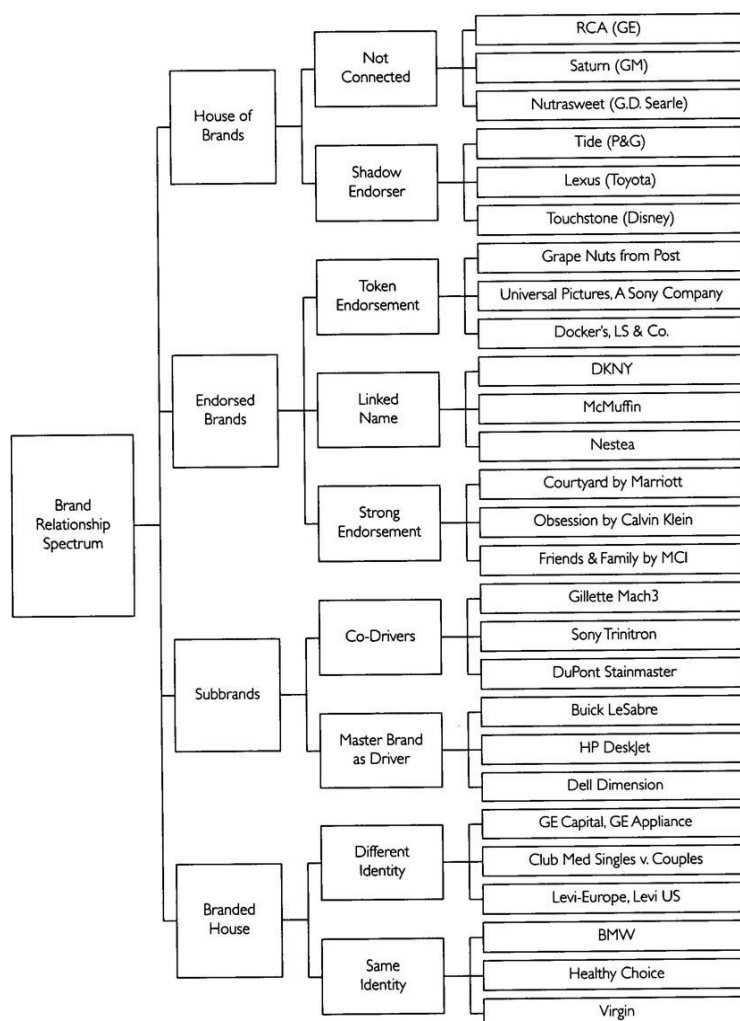
(Suggested time: 20 min)

As you guide students into seeing the bigger picture bring them towards the architecture of the brand. Let them see that the crux of the case centers around a concept called 'Brand Architecture'. When introducing this concept ask if students have any prior knowledge as to what that concept means. Further, provide students with a clear definition or explanation what it means so that every student understands the concept before moving on.

Keller defined the concept of brand architecture as “a vital part of a firm's marketing strategy, as it is the means by which firms help consumers understand its products and services and organise them in their minds. Internally, it clarifies where a firm can go and how it can get there” - (Keller, 2014). However, in order for the concept to be truly understood by students one might suggest a definition that is slightly more comprehensible. A better alternative might be:

“Brand architecture is the logical, strategic and relational structure for your brands or put another way, it is the entity's “family tree” of brands, sub-brands and named products.” -Branding Strategy Insider-

Once the definition has been clarified to the students it is time to go over the elements belonging to a brand architecture strategy and the importance of it. For that we suggest using ‘The Brand Relationship Spectrum’ by Aaker and Joachimsthaler (figure on next page shows the spectrum).



The spectrum involves four basic strategies and nine sub-strategies. In designing effective brand strategies a thorough understanding is needed of each of these.

The House of Brands

This strategy highlights the independence between brands of a company and allows brands to be positioned on functional benefits and tackle niche markets. Procter & Gamble adopts this architectural design in the hair care category. Sub-strategies in the house of brands consist of the choice whether or not to connect a brand to an endorsed brand. Adopting the shadow endorsing technique gives the opportunity to have an established organization backing the brand but in a rather invisible way so that no association contamination arises.

The Endorsed Brands

The second main strategy in the spectrum is the endorsed brand. Here the relationship between brands is still independent, however they are endorsed by an organizational brand. Such an endorser tends to add to a brand's credibility and plays a small driver role. In this strategy there are three variations: the 'token endorser' where the endorser only provides reassurance and minimizes his own visibility, the 'linked name' where a brand has a name with common elements with the endorser (e.g. McMuffin and McDonalds), and the 'strong endorsement' where the endorser is highly visible (e.g. Courtyard by Marriott).

Sub Brands

This strategy comes third in the spectrum. The relationship between brand and parent brand is so strong that the sub-brand has the ability to alter the associations of the parent brand. Here the master brand holds a large driver role. Two situations can be considered when adopting this strategy. The co-driver situation refers to both parent brand and sub-brand having a major driving role (e.g. Virgin Vie). The other situation is when the parent brand acts as the primary driver (e.g. HP Deskjet).

The Branded House

The fourth and final strategy entails that the parent brand becomes a dominant driver across numerous offerings leaving the sub-brand to act merely as descriptor (e.g. Virgin Airlines, Virgin Radio, Virgin Cola). This strategy is said to maximize clarity but limits the brand in targeting more distinct groups (Aaker and Joachimsthaler, 2000).

After this explanation, students will be able to understand that the brand relationship spectrum can function as a useful tool for brand management scenarios that are confusing and complex which involve multiple brands and brand extensions (Aaker and Joachimsthaler, 2000). As well as evaluate which strategy may be more or less applicable in certain situations. Teacher can close this topic by asking students what relationship they believe Liberate, RectoVerso, and Nanostitch have in this spectrum.

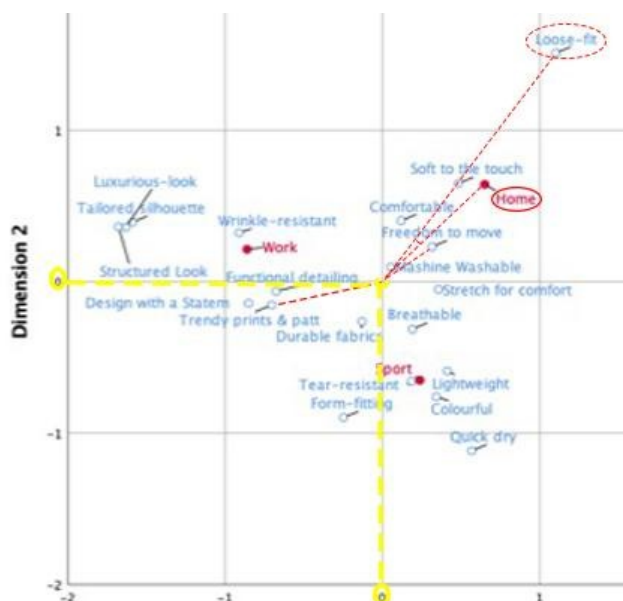
4.2.4 Discussion Theme 3 - Consumer Insights

(Suggested time:40min)

As the students understand both the context and the concept of brand architecture it is time to guide them to the essence of the case by highlighting the vital tools at their disposal. From the case they can understand that the consumer driven data holds the key to solving the case. The teacher will have to guide the students in connecting the pieces to the puzzle. For this case a four-step process is suggested:

Step 1: Identifying the frames and brand positions

The first piece of information that they need to understand are the graphs in Exhibit 20 en 21. Since most of the students will not have heard about this form of analysis guidance must be given. The easiest and most straightforward way of explaining the graph is by starting from the origin (0,0) of the graph. The closer a point finds itself to the centre the less differentiated it is. For the purpose of the case the correct interpretation lies in the relative distance of the row points (the frames) and column points (benefits) in relation to the origin. A small angle between a row point and column point to the origin means there is an association between the two. The strength of the association is both determined by the angle (closer to 0° the stronger, 90° indicates no relationship, 180° potential negative association) and the distance of column point from the origin (the further from the origin the stronger the association). Below is a visual representation that could be used in class to illustrate the interpretation based on **Exhibit 20**.



The graph above illustrates to students how they should interpret the graph for the clothing worn at home (casual frame). It shows that the female consumers associate 'loose-fit' strongly with clothing they desire to wear at home (small angle and long relative distance). The fact that it is so far from the origin means it is a highly differentiating benefit. Another takeaway is that the benefit 'Trendy prints and patterns' is not at all associated, or even negatively associated with clothes they desire to wear at home (angle is $>90^\circ$). By showing this example students will be able to independently construct the interpretation of the two correspondence graphs shown in Exhibit 20 & 21.

Step 2: Value of tech related across frames.

This step is rather straightforward as the student must interpret which technology is more or less valued in each frame shown in **Exhibit 22**. They need to understand what technology is valued more by the consumers in one or multiple frames before moving to the next step. As it is an indication where certain opportunities lie.

Step 3: Influence of specific fabric benefits

If they have identified where the opportunities lie for the different technologies they must move on to identify which benefits within those technologies have a positive influence on the consumer. This can be interpreted by looking at **Exhibit 23**. However, simply organizing and naming the tech according to the benefits with the most positive influence is not the way of tackling the problem. Therefore, we suggest the crucial final step.

Step 4: Link it back to step 1

In order to provide the most valuable recommendations the student must understand that his choice of naming the technology must be strategically linked to what was concluded in the first step. The student must go back to how the consumer views the frames (and what they desire most) as well take a close look at RectoVerso's positioning in terms of associations with the fabric benefits. Only after this step they will be able to come up with strategically viable recommendations.

4.2.5 The scope of the case decisions

Now that the students have understood the context, the case resources available and how they should interpret them correctly they are ready to solve the case. This can be done by concluding the case discussion by giving them the case as an assignment. It is crucial that the students understand what is expected from them. It may be wise to refer back to ‘The Task’ section in the case. The scope of the assignment is to put them in Michael’s shoes and using the aforementioned four-step process to identify where the opportunities lie for renaming the technology and identifying possibilities for potential sub-brands and/or ingredient brands. However, they need to understand that their recommendations must be strategically solid for both the RectoVerso brand and the Liberate brand. Students could be asked to defend their recommendations for next class in order for the teacher to see whether an appropriate strategic view of the problem was sufficiently used.

5. Conclusions

This dissertation highlights the complex nature of managing brands in a B2B2C context and makes use of key branding concepts, namely brand architecture and positioning as tools to aid brand management decisions. Furthermore, the case proposes to look at the hierarchy of brand architecture in the context of manufacturer's assets (in this case fabric technologies and innovations), as a means to leverage these as branding assets in the positioning strategy of RectoVerso. Moreover, this dissertation brings forward several types of consumer research to gather valuable consumer insights that are vital in identifying and evaluating strategic alternatives in effective branding decisions.

The case puts the discussion participants in the decision context of Liberate Textile's brand managerial problem to redefine their fabric technology branding strategy to 1) support the positioning of the RectoVerso brand, and 2) benefit the parent company by developing equity associated with said technologies that could be leveraged as ingredient collaborations with other consumer brands.

The research developed in this master thesis builds on the analysis of the brand identity and positioning strategy of RectoVerso and the supporting marketing activities. As the intended positioning strategy was based on three style dimensions in an apparel context - *fashion*, *casual*, and *sport* - the dissertation endeavored to relate those to the context of consumer lifestyles and usage occasions. Furthermore, this research evaluated how specific benefits of Liberate's fabric technologies could be valued by consumers in these usage contexts. To achieve this, the case follows a three-phase process in gathering data. In the first phase, several qualitative insights were obtained from a small group of target consumers on how they view the three style dimensions mentioned above. Two focus groups probed into consumer expectations and perceptions in usage contexts, and three distinct categories were found - *work*, *casual* and *sports*. To inform the decisions of the RectoVerso's context, the focus groups were also used to identify desired fabric benefits for apparel in each usage context. This information helps connect Liberate's fabric technology benefits to consumer usage context, and ultimately to specific brand positioning decisions for the RectoVerso brand. In the second phase quantitative methods were used to evaluate which fabric benefits are desired in one or multiple contexts, as well as analyze how RectoVerso and other brands are perceptually linked to the same benefits.

The final phase refers to understanding how consumers value the RectoVerso fabric technologies and its corresponding benefits within the three frames. By doing so it provides RectoVerso (and Liberate) with opportunities for restructuring their brand architecture starting from their fabric technologies.

6. Limitations

This dissertation is limited to the interpretation of the managerial problem at hand. It shapes the managerial problem on the basis of brand architecture without considering other factors. Furthermore, since the brand is barely established in the market the suggested approach in this dissertation can be viewed as hasty and premature. Especially on the subject of brand positioning a limitation can be identified since a newly established brand experiences low brand awareness and therefore conclusion in terms of brand positioning must not be considered as a given fact. In addition, the fact that the study used within this dissertation holds no representative sample size and that it is subject to multiple biases may have influenced the outcome of the data and the interpretation thereof.

All in all, allowing the RectoVerso brand to establish itself in the market over a longer period could have given rise to different points of views and more conclusive and statistically viable results.

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