

SPECIAL SESSION
**GAZING INTO THE SHADOWS: CONTEMPLATING THE RESEARCH AGENDA FOR THE
DARK SIDE OF BRANDS AND BRANDING**

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SESSION ABSTRACT

Branding is one of the essential pillars of marketing, but not everything that brands represent is positive. Indeed, a considerable amount of brand-related activities takes place in the shadowy periphery of society. The purpose of this special session is to explore these darker sides of brands and branding, and to spotlight a future research agenda related to two distinct yet interrelated trends – brands embracing the shadows and the shadows embracing branding. Brand researchers and managers recognize brands as complex, multi-faceted entities that possess ‘good’ and ‘ugly’ qualities (Fitzsimons 2015). Some of the recently explored darker sides of brands and branding include links between brand attachment and community conflict manifested in oppositional ‘trash-talking’ and ‘schadenfreude’ feelings of pleasure for the opposition’s misfortune (e.g., Ewing, Wagstaff, & Powell 2013; Hickman & Ward, 2007; Japutra, Ekinci, & Simkin 2014); and brands’ ability as cultural artefacts to invoke or exacerbate the vulnerability of individuals and communities who may feel ignored or misrepresented in brand communications (Kipnis et al. 2013; Schroeder & Borgerson, 2005; Yang 2011). At the same time, revealing the darker side of a brand’s identity and then utilizing that revelation strategically to enhance perceptions of brand sincerity and authenticity is a growing trend in practitioner discourse (Silk 2015; Yakob 2015). Hence, there is a need for more research and critical reflection on brands in legitimate market contexts embracing their shadowy dimensions.

On a related note, considerably less attention has been paid to the effects of legitimate branding techniques when utilized by ‘the darker side’ of business, i.e., illegitimate market actors. However, a handful of pioneering studies demonstrate that branding strategies are being exploited by terrorist and drug trade groups (Breazeale, Pleggenkuhle-Miles, Ligon, & Harms 2015; Kipnis, Pullig, & Bebek 2015; O’Sullivan 2014). Recently emerged findings explore the negative societal outcomes that result when branding strategies are applied in these contexts by organizations and individuals with more nefarious goals. The effects range from extremely harmful to the broader society (e.g., building awareness, reputation and notoriety through brand identities that project power and strength – Breazeale et al. 2015; Kipnis et al. 2015) to mitigating potential risks to individual consumers (i.e., serving as means of differentiation, enabling consumers to generate and exchange information on degrees of risk associated with the consumption of particular brands – O’Sullivan 2014). In addition, practitioner research and media reports point to indirect risks that illegitimate actors embracing the power of branding pose to legitimate brands. Such risks encompass the ambush of established brand names for the marketing of illegitimate products. One such example received prominent media coverage when LeBron James heroin was introduced to the market in a twisted take on the power of celebrity brands (Palmer 2012).

The session brings together branding, marketing strategy and transformative consumer research scholars, to reflect upon recent theoretical and empirical advances and debate the future research agenda for the following two research streams: 1) the darker side of legitimate brands; 2) the darker side of branding as enacted by illegitimate market actors. The session is structured to present two studies contributing to each stream. Specifically, Japutra and Ekinci identify coping strategies deployed by consumers to deal with such negative consequences of legitimate branding as a perceived failure in self-brand relationship. Canhoto, Dibb, Nguyen and Simkin shed light on how such failure perceptions can be triggered by dishonest and exploitative actions of legitimate firms and propose a framework that captures how the dark intentions and behaviors exhibited by organizations provoke and exacerbate consumer anguish and retaliation. Kipnis, Pullig and Bebek offer insights into how wholesale drug trade actors effectively utilize visual brand identity signaling practices to build distinctiveness and credibility within their supply chains, posing a framework for these brands’ de-value. Breazeale and colleagues identify that the factors contributing to notoriety of violent extremist organizations are comparable to factors contributing to brand reputation of legitimate business organizations. The session highlights that exploitation of the dark side of brands is a growing concerning trend that poses significant threats to wellbeing of societies, and demonstrates the need and the value of greater marketing research input in addressing this evolving problem.

References for all studies presented in this session available upon request

SPEAKERS

1. **The Dark Side of Branding and Consumer Coping Strategies:** Arnold Japutra (Tarumanagara University) and Yuksel Ekinici (University of Reading)

Arnold Japutra is a lecturer at Tarumanagara University in Jakarta. Previously he was a research associate at Oxford Brookes University in the UK. His key research interests are brand management, consumer behavior and relationship marketing, in particular in the realm of consumer psychology. Arnold has presented his work at several academic conferences (e.g. the European Marketing Academy Conference) and has published in peer reviewed journals, including the *Journal of Strategic Marketing* and the *Asia-Pacific Journal of Business Administration*.

Yuksel Ekinici is Professor of Marketing at Henley Business School, University of Reading, UK. He teaches global marketing and research methods. Yuksel's principal areas of research are theory testing and scale development in the areas of branding, service quality, consumer satisfaction and online consumer behavior. His papers have been published in the *Journal of Business Research*, *European Journal of Marketing*, *Journal of Marketing Management*, *Service Industries Journal* and *Annals of Tourism Research*. Yuksel serves as an editorial board member for several academic journals, including the *International Journal of Business Environment*, *Journal of Retailing and Consumer Services* and *Journal of Travel Research*.

2. **Darker Matters: Exploring the Dark Side of Branding:** Ana Canhoto (Oxford Brookes University), Sally Dibb (Open University), Bang Nguyen (East China University of Science and Technology) and Lyndon Simkin (Coventry University)

Ana Isabel Canhoto is a Principal Lecturer in Marketing at Oxford Brookes University in the UK. Ana co-chairs the Academy of Marketing's special interest group in *Customer Relationship Management*. Her research focuses on the collection and uses of customer data, managing customers and the role of digital in customer management. Ana holds a PhD from the London School of Economics as well as an MBA from the London Business School. Before joining academia, she worked in the telecommunications, the media and entertainment industries.

Sally Dibb is Professor of Marketing at the Open University Business School and Director of the Institute for Social Marketing (ISM-Open). She served on the Higher Education Funding Council for England REF 2014 panel for Business and Management. Sally's research focuses on consumer behavior change, market segmentation, and social marketing, with recent projects funded by the ESRC, Leverhulme, FP7, and InnovateUK. Sally is Chair of the Academy of Marketing's *Segmentation and Targeting Strategy* SIG, and a Fellow of the Chartered Institute of Marketing. She has authored eleven books and over 90 articles in European and US academic journals. Sally is a trustee and board member of the charity *Alcohol Research UK*, appointed by the Secretary of State.

Bang Nguyen is a faculty member in the Marketing Department at the East China University of Science and Technology (ECUST), School of Business, in Shanghai. Bang's research interests include customer management, CRM, services marketing, consumer behavior, branding and innovation management. Bang has published widely in journals such as the *Journal of Marketing Management*, *Journal of Services Marketing*, *The Service Industries Journal*, *Harvard Business Review (Chinese)*, *Journal of Strategic Marketing*, *International Journal of Technology Management*, *Journal of General Management*, *Information Technology & Management*, *Internet Research*, *Systems Research & Behavioural Science*. He has edited four books, including *The Dark Side of CRM*.

Lyndon Simkin is Executive Director of the Centre for Business in Society at Coventry University, before which he was Professor of Strategic Marketing at Henley Business School at the University of Reading. Lyndon is Associate Editor of the *Journal of Marketing Management*, a member of the Academy of Marketing's Research Committee and he co-chairs two of the Academy's special interest groups: *Segmentation and Targeting Strategy* and *CRM and Services*. Lyndon has published widely and authored numerous books, including *Marketing: Concepts and Strategies*, *Marketing Planning*, *Market Segmentation Success*, *The Marketing Casebook*, *Marketing Briefs* and *The Dark Side of CRM*. Lyndon advises many blue chip companies and mentors CEOs in strategy development and execution.

3. **Towards a counter-branding framework: understanding branding in wholesale illicit drug supply chains to dismantle value of illicit brands:** Eva Kipnis (Coventry University), Chris Pullig (Baylor University) and Gaye Bebek (Coventry University).

Eva Kipnis is a Senior Lecturer in marketing at the School of Marketing and Management, Coventry University. She holds a PhD in marketing from Durham University for which she earned the Best Thesis Award. Eva's research interests lie at the intersection of consumer behavior and branding, comprising three strands: 1) multicultural consumer identities and cultural branding; 2) brands in illicit markets; and 3) political resistance brands and marketplace-mediated consumer resistance. Her work appeared in the *Journal of Business Research*, *Marketing Theory*, *Consumption, Markets & Culture*, *Journal of Public Policy and Marketing*, *Journal of Marketing Management* and others.

Chris Pullig is a Professor and Chair of Marketing at Hankamer School of Business, Baylor University. His research focuses on marketing's role in promoting pro-societal causes, and marketing and branding in the global marketplace. His research has appeared in a variety of journals including the *Journal of Marketing*, *Journal of Consumer Psychology*, *Journal of the Academy of Marketing Science*, *Journal of Retailing*, *Journal of Business Ethics*, *Journal of Business Research*, *Journal of Public Policy and Marketing* and others.

Gaye Bebek is a faculty member at the School of Marketing and Management, Coventry University, UK. She earned a PhD in Marketing from University of Kent. Her research is focused on ethical consumption behavior, cross-cultural marketing and branding of illicit products. She presented her research in International Centre for Corporate Social Responsibility Conference in University of Nottingham, and Corporate Responsibility Research Conference in University of Leeds, and KEDGE Business School. She teaches Consumer Behaviour and Global Marketing.

4. **Branding Destruction: Applying a Marketing Framework to the Notoriety of Violent Extremist Organizations:** Mike Breazeale (Mississippi State University), Gina Ligon (University of Nebraska Omaha), Erin Pleggenkuhle-Miles (University of Nebraska Omaha), Mackenzie Harms (University of Nebraska Omaha) and Samantha Woracek (University of Nebraska Omaha).

Dr. Michael Breazeale is an Assistant Professor of Marketing at Mississippi State University. His primary areas of research encompass consumer-brand connections, retail atmospherics, the consumption of experiences, and emotional branding. Mike has published articles in *Journal of Retailing*, *International Journal of Market Research*, *Marketing Management Journal*, and *Journal of Business Research*. He is a founding member the Institute for Brands and Brand Relationships and co-editor of the books, *Consumer-Brand Relationships: Theory and Practice* (Taylor and Francis 2012) and *Strong Brands Strong Relationships* (Taylor and Francis 2015).

THE DARK SIDE OF BRANDING AND CONSUMER COPING STRATEGIES

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ABSTRACT

Practitioners and academics consider branding a prominent activity that determines a firm's success (e.g. Tuskej, Golob, & Podnar 2013). Brands are the most valuable intangible assets that significantly affect firm performance (e.g. Park, Eisingerich, Pol, & Park 2013). Researchers have been investigating the notion of the consumer – brand relationship and acknowledging its value for firms (Batra, Ahuvia, & Bagozzi 2012; Fournier 1998). Although it seems that brands provide advantages for firms and also for consumers, it is now argued that under certain circumstances brands may also be disadvantageous because of a darker side of branding (Fournier & Alvarez, 2013). However, there are only few studies that investigate the dark side of branding and how consumers cope with branding's negative consequences (e.g. Ewing, Wagstaff, & Powell 2013; Hickman & Ward, 2007).

There is evidence that when a brand is highly self-relevant, there is a greater tendency for consumers to commit anti-brand actions (e.g. negative word-of-mouth, making complaints, exhibiting hatred), if the relationship with 'their' brand fails (Johnson, Matear, & Thompson 2011). Ewing et al. (2013) found that in brand communities, heightened rivalries lead to malice, insult and even physical violence. When consumers are within a community, they create bonds with other members based on similarities (e.g. 'our' brands), creating a collective identity that they actively present and defend through these negative behaviors (Muniz & Hamer, 2001). Hickman and Ward (2007) show that participation in a brand community increases the tendency of committing 'trash-talking' and heightened *schadenfreude*. Trash-talking and *schadenfreude* can be considered as the negative consequence of branding for the consumer. When an individual speaks in a language denigrating or 'trashing' a brand, other people may view this person negatively and try to avoid involvement with them. Japutra, Ekinici and Simkin (2014) show that when strong attachment is evident between the brand and the consumer, the deterioration of the relationship increases anti-brand actions (e.g. seeking payback, obsessing, making complaints).

'Coping' is an act that allows people to adapt to the environment, particularly to disruptive events (Holahan & Moos, 1987). According to Lazarus and Folkman (1984), the act of coping is defined as, 'the cognitive and behavioral effort exerted to manage specific external and/or internal demands that are appraised as taxing or exceeding the resources of the person'. When consumers are exposed to negative consequences of an event, object or action, they develop coping strategies to reduce the sense of anxiety and stress and to restore a sense of well-being (Begley 1998).

Building on the call from Fournier and Alvarez (2013), to consider consumer coping strategies in the context of branding and darker side behaviors, the objectives of our paper are two-fold: (1) to examine the negative implications of branding, and (2) to discuss coping strategies employed by consumers when dealing with negative consequences of branding. The implications for brand managers of these consumer coping behaviors – many of which are also on the dark side – are also explored and recommendations proposed for how marketers should respond.

DARKER MATTERS: EXPLORING THE DARK SIDE OF BRANDING

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ABSTRACT

Numerous examples exist of companies that have failed to leverage their brands due to improper management, poor marketing and a dysfunctional brand strategy. Considerably less attention has been paid to the effects of the ‘darker side’ of branding practices; the actions of dishonest or unethical market actors. Growing evidence suggests that some brand managers develop behaviors which damage consumer–brand relationships by knowingly exploiting stakeholders (Fitzsimons 2015). These companies infuriate customers by binding them with contracts, confounding them with fine print and extracting unexpected fees (McGovern & Moon 2007; Shah & Kumar 2012). Certain mobile service providers, banks, video stores, book-purchasing clubs, car rental companies, health clubs and credit card companies seem prone to these ‘dark side’ behaviors (Frow, Payne, Wilkinson, & Young 2011; Nguyen, Simkin, Chen, & Klaus 2015). Our work reviews the dark side of branding, in order to present an overview of the discourse of this important area of enquiry. Focusing on firm-level brands’ darker side behaviors, we conceptualize the darker side of branding and categories brands’ dark sides across three levels; namely the strategic level, tactical level and the response level. At the *strategic* or upstream level, internal failures in strategy creation, governance and control can arise through mistakes, disgruntled employees, a lack of integrity or - on occasion - a deliberate intention to behave on the darker side. The consequences can be disastrous, including damaged brand reputation, jeopardized customer engagement and retention, reduced financial performance and diminished brand performance. At the *tactical* or downstream level, in which firms deal with customers externally, dark side behavior occurs when firms through manipulation confuse and mislead customers into making inappropriate purchasing decisions. Examples include complicated conditions of sale, high penalties when customers exceed credit limits, hidden shipping costs, or varying per item pricing across channels to market.

In combination, these two dark side levels frequently cause negative responses in their pursuit for profits. As a result, a vicious circle is created, in which customer anguish and retaliation may contribute to these firms increasing their antagonistic strategies and thus further damaging their relationship with customers and then with their brands. Hence, at the *response* or consumer level, various negative emotions towards the brand are evident, including anger and hostility. Such responses constrain firms’ ability to maximize their profits when customers with a grudge leave the relationship and seek retribution through negative word-of-mouth or revenge on the brand. Consequently, when brands turn to dark side practices, consumers respond by posting their complaints online, call for boycotts, organize class-action lawsuits, along with a host of other options, all intended to hurt or damage the targeted firm’s brand. When consumers are dissatisfied, their responses can range from doing nothing at all to suing for millions of dollars. The consequences of firms’ actions are potentially very damaging. There is growing use by brand managers of social media as a crux of customer-facing brand communications. However, without care and strategic implementation, firms are prone to brand failures, risking harming the brand’s reputation and the consumer-brand relationship, particularly as the domain of social media permits instant push-back from disgruntled customers and their sharing with their peers of their angsts and frustrations. On-line groups are able to mobilize their response and expose a brand’s poor behaviors quickly, visibly and with often dramatic effect, as VW will no doubt testify. Firms often strive to develop strong consumer–brand bonding because loyal customers are considered beneficial. However, strong bonding can also be problematic. Research shows that participation in a social media brand community may induce negative attitudes and behaviors towards competing brands (Hickman & Ward 2007; Kipnis et al. 2013), provoking oppositional brand loyalty, such as ‘trash-talking’ and *Schadenfreude*, with feelings of malicious pleasure (Japutra et al. 2014). While these behaviors may not directly hurt the brand in the short term, the brand image can be damaged in the long run. Overcoming the dark side of brands is no easy task and requires an understanding of various internal psychological processes which lead to consumers’ behaviors, their influence on consumer decision making, and the implications for consumer-brand relationships. With our exploration of the dark side of brands, we consider organizations’ use of accepted branding practices that further their causes, engage potential followers and enhance their brand reputations among existing supporters when such dark sides occur. Specifically, we suggest that brands should not abandon their efforts, but rather continue to overcome the damage caused by the dark sides. We propose that brands need to learn from their past failures as such awareness may provide a source of knowledge that is unique to the organization and will underpin recovery plans. More research is needed to consider aspects of dark side behavior in relation to data collection, antagonistic strategies, dark side brand equity, consumer retribution, hostility and revenge towards the brand, brand building and restoring trust, as well as learning from failures. Our paper will explore these themes and suggest an ongoing agenda for understanding and managing branding’s darker side.

TOWARDS A COUNTER-BRANDING FRAMEWORK: UNDERSTANDING BRANDING IN WHOLESALE ILLICIT DRUG SUPPLY CHAINS TO DISMANTLE VALUE OF ILLICIT BRANDS

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ABSTRACT

Extant studies concerned with counteracting activity of the key illegal market actors – organized crime groups or OCGs (e.g., Murray 2013a; 2013b; 2014) – increasingly call for considering these groups as enterprises that primarily pursue the objective of making money by achieving and leveraging competitive advantage. According to these studies, such a perspective “will offer options and opportunities for dismantlement, disruption and restricting their ability to make money” (Murray 2014). Brand building encompasses firms’ marketing activity and investment to add value to their products and leverage competitive advantage (Michell, King & Reast 2001; Farquhar 1989). From this perspective, gaining understanding of whether and how OCGs utilize brand building tools and techniques may offer valuable insights for counteracting value created through branding of illicit products.

This presentation offers some initial findings of our study into visual brand identity signaling adopted by OCGs in wholesale heroin supply chains and poses directions for development of a counter-branding framework. Illicit drugs trade represents a substantial industry operated by OCGs: the illicit drug supply constitutes 8% of the world trade (UNODC 2011). So far attention of marketing researchers has been predominantly focused on informing development of preventative communications (i.e., health campaigns) that discourage drug consumption. Considerably less effort has been dedicated to understanding whether and how activities initiated by drug supply actors affect marketability of drugs and the effects of these activities in both wholesale (OCG-to-OCG) and retail (OCG-to-(drugs)consumer) contexts, although a handful of recent studies demonstrate that drugs’ brand information is generated by suppliers and is utilized by consumer communities (O’Sullivan 2014). Hence, examining brand information generated by illicit drug suppliers can provide important information on how OCGs utilize brand building techniques.

Building on Erdem and Swait’s (1998) brand equity signaling theory, we use quantitative and qualitative content analysis to examine 50 stamps found on packaging of wholesale heroin consignments. Our findings indicate that OCGs prominently utilize stamps as visual brand identity signals to build distinctiveness and credibility in their markets. Specifically, stamps’ visual and textual elements convey messages and associations consistent with key brand identity categories defined by Aaker (1995): 1) product scope, attributes and uses (e.g., product name, statement of heroin clarity, year of manufacture and depictions of syringes); 2) organizational attributes (name of manufacturer); 3) country-of-origin; and 4) symbolic meanings of strength, power, excitement, competence, credibility, performance-orientation and reliability. This discovery identifies an opportunity for disrupting or restricting the competitive advantage built by OCGs through extension of marketing theories concerned with causes for brands’ loss of value into OCGs contexts. We utilize the concepts of obstructive marketing (Hyslop 2014) and brand dilution (e.g., Chen & Chen, 2000; Keller & Sood, 2003; Morrin & Jacoby, 2000; Pullig, Netemeyer, & Biswas 2006; Sood & Keller 2012) to propose a “counter-branding” framework for development, implementation and evaluation of intervention activities where lessening uniqueness of and attachment of negative association(s) is a strived-for strategic outcome as opposed to a cautionary tale for brand managers.

BRANDING DESTRUCTION: APPLYING A MARKETING FRAMEWORK TO THE NOTORIETY OF VIOLENT EXTREMIST ORGANIZATIONS

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ABSTRACT

Previous research in the business sector has indicated that a favorable reputation is critical to an organization's economic benefits, performance, and success. Despite obvious differences in organizational goals, violent ideological organizations share many structural similarities with business organizations (such as formalization, centralization, and hierarchy) that contribute to their overall performance. In a series of studies funded by the Department of Homeland Security, we applied Rindova and colleagues' research on "celebrity" organizations to examine the effects of group dynamics and norms on the notoriety of terrorist organizations.

To accomplish this, we applied a historiometric content coding scheme to a sample of 40 violent ideological organizations to analyze factors that contribute to the organization's overall notoriety. It was hypothesized that factors that contribute to the brand reputation of business organizations would contribute in comparable ways to violent ideological organizations. Furthermore, these factors were expected to differ between western and non-western organizations, as well as between hierarchical and cell-based organizations.

No research to date has utilized marketing theory to explain the branding of violent extremist organizations. The theoretical implications of this research are discussed with particular emphasis on future cross-disciplinary research opportunities.