

**Final Paper
Patagonia, Inc.**

Group 4 | Woah! Communications

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Background and Summary of Research

Woah! Communications has explored the validity and effectiveness of Patagonia Inc.'s cause marketing strategies concerning the young adult demographic as one of their key publics. Our background research on Patagonia and its current content showed minimum traditional advertising, as their social media and website generally avoided the promotion of their clothing and gear to solicit an eventual sale. Instead, Patagonia shares environmental news, their clothes recycling program that limits consumption and opportunities for their audience to participate in environmental advocacy projects. Many of these advertisements even explicitly tell consumers not to consume Patagonia's products. As this seems counterintuitive to capitalist models, we wanted to see how consumers respond. This counterintuition is what brought us to our research question of how the young adult demographic interacts and responds to cause marketing and the Patagonia mission.

To delve into this research question, Woah! Communications facilitated a focus group composed of five people, organized eleven individual interviews, and shared a survey that was completed by 203 participants who belong in the key public. Through these modes of primary research, we found that many view sustainability as a bonus, prioritizing the quality of the product first. We also found that when researching a product, the key public usually turns to word of mouth, but will also peruse social media or the company website. We also designed a split-run experiment that examines an advertisement that focuses on sustainable purchasing behavior versus one that focuses on consumerism of quality, durable products. Through this research, we have gotten closer to understanding how the key public would respond to different marketing methods.

Insight #1

The first significant insight of our research is that the mention of Patagonia brought up associations that fell into three defined groups: (1) enthusiasm for the outdoors or concern for the environment, (2) quality and durable, and (3) preppy and expensive. This insight appeared mostly in our survey and focus group because the topic of our interview was not focused on Patagonia specifically but instead centered on cause marketing.

Participants, across all tests, identified Patagonia as an outdoorsy and environmental company. From the very beginning, in our focus group, words such as adventure, mountains, environmental, and outdoors were mentioned. Furthermore, one participant in the focus group described the prototypical Patagonia consumer as "earthy," and another described them as "outdoorsy." These words and other words to the same effect appeared 106 times in our survey. This data shows us that Patagonia has done a great job of associating their products with a particular lifestyle.

The second group revolved around the quality/durability of their products. In the focus group, one participant identified that his father had always worn Patagonia so he could trust the quality of the products. Another participant identified that she bought a jacket for a trip to Colorado because she knew it would be warm and last for a long time. When asked about what word(s) come to mind when thinking about Patagonia, the quality and durability of Patagonia products appeared 23 times in the survey.

Both associations about how Patagonia is an outdoorsy company with quality products is something that we expected to see after our primary research. On the other hand, the idea of Patagonia being preppy and "fratty" was something we suspected but could not prove until we conducted our research. In our survey, words noting its preppiness, price, and "whiteness" appeared 32 times. Furthermore, a participant in our focus group said that the prototypical

Patagonia consumer had to be "well-off" due to its price-point, and another associated Patagonia strictly with white people. There is seemingly a stronger association with Patagonia's customers' subcultures of rather than the quality or overall nature of its product.

Insight #2

The second significant insight obtained by our group was that sustainability is not the most important attribute to consumers. Our survey and interviews showed us that sustainability is considered a bonus rather than a deciding factor. Because our demographic was college students, price and product quality were understandably the most important factors, with style also being a significant consideration. Sustainability may be the message projected by the company most frequently, but customers decide to purchase based on what they are interested in within a company's products. One interviewee explicitly stated that she purchases Patagonia products solely because of the quality rather than for their environmental marketing tactics. Three focus groups participants identified that they purchased Patagonia products because they viewed it as trendy and stylish at the time. Because sustainability is only a bonus in their minds, consumers purchase Patagonia based on whatever else they value.

Concerning cause marketing, potential Patagonia customers surveyed prefer to see ads about the product and not about the company. In other words, the college-aged demographic resoundingly cares about the quality of the item they receive in return for monetary exchange. Because Patagonia is seen as a more expensive outdoor apparel company, the quality of their products matters to consumers above all else. People want to see that their products are worth the relatively high price point.

Insight #3

A third insight that we gathered is that consumers obtain their information in a variety of ways. In the background research we conducted, we found that people get their information on companies through social media. We found that millennials, in particular, engaged more with cause-related marketing (CSM) performed on social media platforms as opposed to CRM done on traditional marketing platforms. When we conducted our focus group, we focused more on the brand Patagonia itself. We found that Patagonia's message got through to our participants through word of mouth more so than social media.

In the interviews, we found that methods of obtaining information vary depending on the individual. One of our interviewees said that she does not keep up with the news very much while another participant said that he gets information from a variety of sources: word of mouth, social media and the news. Our survey supported the notion that consumers obtain information about companies through a variety of outlets; however, one method stuck out more than the rest. Approximately 89 participants admitted to browsing the web to get their information. Another 52 respondents said they obtained information about companies through word of mouth. About 37 respondents use social media to get company information, and only 12 respondents get their information from traditional news outlets.

Conclusion and Implications

Through our primary and secondary research, our group has identified three main insights, as detailed previously. Our first insight indicated that Patagonia customers fell into three main subcategories that describe their associations of the brand. These three categories were outdoors/environmental, quality/durability, and preppy/expensive. Our second insight indicated that sustainability is not the most essential attribute of a company for customers. Although our research showed that consumers value sustainability as a bonus to products, it is not a deciding factor. Finally, our third insight shows that consumers obtain information about a

company and its mission in a variety of ways and not necessarily from one particular type of source. These sources vary from word-of-mouth to browsing the web. Based on our research and findings, the following list of recommendations would be the best next steps that Patagonia should take to better connect with their consumers.

Recommendations for Patagonia:

- Create different ad campaigns that target the three different subcategories of consumers (Outdoors, Quality, Preppy), or create an ad campaign that could possibly target all three at once.
- Although the company has many sustainable practices, focus marketing on quality and durability, instead of prioritizing environmental aspects.
- Keep closely monitoring consumer traffic (website, social media, news) and push out content where the *largest* customer presence is

Appendices

Split Run Experiment

Reason

- We chose the ‘Don’t buy this jacket’ campaign because it is an iconic advertising example of cause marketing and one that has been acknowledged by news sources. We also thought it was particularly interesting because telling an audience to not buy a product is counterintuitive to traditional advertising techniques. This advertisement also represents Patagonia’s core mission — to promote sustainability and save the planet.

Explanation of Variables

- The visuals were kept as the constant variable since they clearly display the product, a Patagonia jacket. The copy is the independent variable and what was changed in the second version. The original copy is a call to non-action, asking the audience to take a pledge to reduce individual environmental impact. This is very conducive to the Patagonia mission statement. But since our research also cited quality and durability as impactful on a customer’s decision to purchase, we altered the copy to display the jacket’s physical value and why it *should* be purchased.

Hypothesis

- We hypothesized that the alternative version of the advertisement would be more successful in eliciting a purchase since it tells the viewer to buy the jacket explicitly because of its quality and durability — factors that our subjects in the focus group, interviews and survey, cited as more important than sustainability. We also thought this alternative version would be more successful since it talks about product descriptions and not about the brand as a whole, which according to the personal interviews, seems to be more impactful since consumers are primarily concerned with the product that they will receive rather than a company’s outside projects.



Figure 1. Common Threads Initiative Ad, Patagonia, 2011.



Figure 2. B-Version Durable Threads Initiative Ad, Woah! Communications, 2019.