

## **Teaching Note**

### **Urban Outfitters Bloody Mess**

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### **Critical Incident Overview**

Urban Outfitters, as part of their vintage line, came under severe criticism for selling a sweatshirt with a Kent State University logo that included red splotches that resembled blood stains. The outrage stemmed from a Vietnam era shooting on campus by National Guard Soldiers that left ten students wounded and four dead. The criticism was generating significant attention for the product and for the brand, albeit universally negative attention. The issue for Urban Outfitters was whether/how to respond to the negative outcry against the brand for offering a sweatshirt deemed to be making light of such a horrific tragedy.

This decision critical incident is suitable for undergraduate courses in principles of marketing, marketing management, branding, advertising, public relations, promotion management, and/or integrated marketing communications.

### **Research Methods**

This critical incident was based solely on public secondary sources. As such, there was no attempt to disguise any names or facts pertaining to this critical incident.

### **Learning Outcomes**

In completing this assignment, students should be able to:

1. The student will be able to identify the risks and rewards of a controversial product design.
2. The student will be able to identify and evaluate risks to brand equity from a controversial product offering using Keller's Brand Equity Model.
3. The student will be able to propose a course of action to respond to a controversy regarding a product offering.

## **Discussion Questions**

1. Identify potential risks and rewards of utilizing a controversial event within a product offering. (LO 1)
2. Identify the potential negative effects for Urban Outfitters brand equity after offering the Kent State shirts on its website using Keller's Brand Equity Model. (LO 2)
3. Propose three possible ways in which Urban Outfitters could respond to this incident. Choose the one you would employ. (LO 3)

## **Answers to Discussion Questions**

### **1. Identify potential risks and rewards of utilizing a controversial event within a product offering. (LO 1)**

Events that end with tragic outcomes, even ones from decades earlier, can stir powerful public emotions. One could assume that Urban Outfitters had likely decided to offer this product in hopes of benefitting from these emotions. By associating a sweatshirt design with the 1970 Kent State tragedy, Urban Outfitters was able to generate significant attention for its product – with the potential for significant trial/purchase as well. Such objectives could explain the reasons for making such an offering.

One could also assume that Urban Outfitters likely anticipated that some individuals would be offended by associating a sweatshirt with an event that ended in multiple deaths – in essence utilizing a horrific tragedy for commercial gain. One could also assume that Urban Outfitters anticipated that other consumers would be intrigued by a shirt that they could relate to a highly emotional event. For some, if not most, of those consumers, the shirt might even have offered some shock value, which could have further increased its appeal. In making this decision, Urban Outfitters' risk vs return was a balance between: (1) the extent of lost sales from potential Urban Outfitters customers would become offended and, therefore, no longer consider purchasing from Urban Outfitters vs. (2) the extent of sales gained from consumers who desired to purchase a shirt that was associated with this tragedy. By deciding to offer the shirt, Urban Outfitters must have forecasted the latter would be worth the risk of the former.

### **2. Identify the potential negative effects for Urban Outfitters brand equity after offering the Kent State shirts on its website using Keller's Brand Equity Model. (LO 2)**

As identified above, Keller's Customer Based Brand Equity (CBBE) Model includes four stages. Achieving positive results on all four stages is extremely challenging (Keller, 2001). Many brands compete only as deep as the first two stages, which would be viewed as competing only at a functional (attribute-based) level. Achieving success on the latter two stages allows a brand to generate deeper emotions within a customer, which facilitates a higher probability of brand loyalty. The four CBBE stages are:

1. Brand Identity

2. Brand Meaning
3. Brand Response
4. Brand Relationship

**Stage 1: Brand Identity: The extent to which a customer can identify a particular brand with a particular product**

The strong emotional reactions people have consistently felt toward a tragic event allowed this product to generate significant attention. Including the product on the Urban Outfitters website increased attention to the website and likely increased viewership of the website as well. The product is memorable; therefore, it would have enhanced customer awareness of the Urban Outfitters name.

**Stage 2: Brand Meaning: The way in which a customer defines/characterizes a brand**

Different consumers came to different conclusions on brand meaning. Offended consumers likely associated Urban Outfitters with extreme insensitivity, even cruelty. Other consumers might have found the product edgy and willing to push the envelope.

**Stage 3: Brand Response: The specific thoughts and feelings that are elicited within the customer in reaction to the brand**

It is likely that each individual consumer had either a negative reaction to the Kent State tragedy or had a somewhat neutral reaction since it happened over four decades earlier. No consumer likely had a positive association with this event.

Offended consumers were offended because of their emotional reaction to the tragedy and because of Urban Outfitters' willingness to use it for profit. Such action was seen as Urban Outfitters having violated boundaries of decency. These consumers, therefore, experienced an increase in negative thoughts about the brand, which would have also generated significant negative emotions.

Consumer who were not as emotionally outraged by the product might have had more neutral reactions to the tragedy in general. Many of these consumers likely experienced no change in brand response. Potentially, some of these consumers might even have experienced some positive reactions based on an appreciation of Urban Outfitters' willingness to be different. Note this reaction does not imply that they had favorable reactions to the tragedy, itself.

Considering the likely differences in the extremity of brand reactions, the potential for negative brand response in marketing this product would have seemed stronger than the potential for positive brand response. Few consumers have experienced extremely positive reactions. Far more, however, likely experienced extremely negative reactions.

**Stage 4: Brand Relationship: The extent to which a customer has developed a special bond or connection with the brand**

Achieving success at this stage is particularly valuable in facilitating brand loyalty within consumers. For Urban Outfitters, however, this controversial product design seemed particularly weak on this stage. With a greater propensity for extreme negative reactions than extreme positive reactions, Urban Outfitters was likely to have experienced more damage to its brand relationships with customers than to have experienced positive gains.

**3. Propose three possible ways in which Urban Outfitters could respond to this incident. Choose the one you would employ.(LO 3)**

By offering the Kent State sweatshirts that included a resemblance to be blood stains, Urban Outfitters could have potentially damaged its brand image. The company now faced a decision as to how to respond to consumers – particularly those who were outraged at the product. Although three basic options are presented below, students might also develop other creative actions that Urban Outfitters could have taken. Whatever actions students propose, they should support their chosen recommendation.

**Option #1: Continue with the product offering with no change in action**

Having offended so many potential consumers with this product, choosing to continue to carry the product on its website would not have eased any consumer's negative reactions. Instead, it would have only further enhanced those negative reactions. Allowing the controversy to continue would also have brought additional attention to Urban Outfitters, which could have led to offending even more potential customers.

On the other hand, this option might have further enhanced sales among those consumers who were not offended. The controversy would have provided additional publicity to the specific product and to the website in general. Sales both for this product and others offered on the website could have been bolstered among such consumers.

Overall, however, Urban Outfitters would have been wise not to assume this risk by continuing offering the product. Any potential gains would have been short-term while the sweatshirt was popular. The damage to the brand and ill-will among consumers, however, carried long-term potential.

**Option #2: Discontinue the product offering with no additional action**

Discontinuing the sweatshirt offering might have conveyed to offended consumers that the company was listening to their concerns. Such a message could have helped to ease some of the negative consumer emotions.

Without any public statement of regret, however, this option would not likely have conveyed that Urban Outfitters held any sense of moral obligation to the victims, their families, or society in general since the company had already chosen to market the product. For those consumers who had been offended, therefore, the company's brand response as defined by Keller's CBBE Model (described above) would have still included some negative emotions.

**Option #3: Discontinue the product offering and offer a public statement of apology**

By discontinuing the product offering and issuing a public statement of apology, Urban Outfitters could have sent a strong message of regret over inappropriate actions. This message would have offered the potential to replace negative emotions with positive ones by displaying a sense of caring about its social responsibilities, which could have minimized the damage to the brand equity more so than simply discontinuing the product without a public statement. There have been examples of company's minimizing brand damage after similarly offensive advertising campaigns. In 2011, for example, Indiana-based Hacienda Mexican Restaurant outraged local residents after a billboard ad referenced the 1978 mass suicide/murder of the People's Temple cult group led by Jim Jones. By removing the ad and quickly issuing a public statement of apology, Hacienda was able to minimize damage to its brand (Associated Press, 2011).

Issuing such a public apology, however, also has the potential to enhance exposure to the controversial product. Such exposure could lead consumers who had previously been unaware of the sweatshirt to become offended with Urban Outfitters for having offered the product. Such consumers, however, would also be seeing the apology at the same time that they discover the product.

Choosing this option also offers students an opportunity for creativity in determining how Urban Outfitters could issue its apology and what should be stated within that apology. Students could develop their company apology to be issued through the Urban Outfitters website, through social media, and/or through a company-sponsored press release. The students' objectives in this exercise should be to minimize brand damage.

### **General Discussion or Additional Issues**

A picture of the sweatshirt as it appeared in the offering and a link to view it online are included in the Appendix.

The instructor might also want to show students depictions of the other Urban Outfitters' controversial products. The following link to a Washington Post article includes a video compilation of these Urban Outfitters' products (Ohlheiser, 2014):

<http://www.washingtonpost.com/news/morning-mix/wp/2014/09/15/urban-outfitters-red-stained-vintage-kent-state-sweatshirt-is-not-a-smart-look-this-fall/>

Students should do preparatory reading prior to analyzing this critical incident. The authors recommend students have already studied, or are currently studying, Keller's Brand Equity Model when analyzing this critical incident. The following link connects to an article from Marketing Management that provides a good explanation of the model:

[www.sba.pdx.edu/faculty/ahutinel/Read/11.pdf](http://www.sba.pdx.edu/faculty/ahutinel/Read/11.pdf)

The incident also offers an application of Keller's Brand Equity Model, which is also called the Customer-Based Brand Equity (CBBE) Model. According to Keller, the power of a brand is built through customer interactions and impressions of the brand over time. These interactions shape the thoughts, emotions, perceptions, and attitudes that customers then relate to the brand. Marketers, therefore, need to ensure that customers have the types of experiences with the brand

that the marketer desires. Keller's CBBE Model presents four sequential stages of customer interactions with a brand:

1. **Brand Identity:** The extent to which a customer can identify a particular brand with a particular product
2. **Brand Meaning:** The way in which a customer defines/characterizes a brand
3. **Brand Response:** The specific thoughts and feelings that are elicited within the customer in reaction to the brand
4. **Brand Relationship:** The extent to which a customer has developed a special bond or connection with the brand

## Epilogue

In the face of growing anger over the shirt Urban Outfitters responded via Twitter, "Urban Outfitters sincerely apologizes for any offense our Vintage Kent State Sweatshirt may have caused. It was never our intention to allude to the tragic events that took place at Kent State in 1970 and we are extremely saddened that this item was perceived as such. The one-of-a-kind item was purchased as part of our sun-faded vintage collection. There is no blood on this shirt nor has this item been altered in any way. The red stains are discoloration from the original shade of the shirt and the holes are from natural wear and fray. Again, we deeply regret that this item was perceived negatively and we have removed it immediately from our website to avoid further upset." (Tuder, 2014)

Interestingly, one of the shirts was being advertised on Ebay for \$550 although it is not clear that it ever sold.

## References

- Associated Press (2011, February 23). Restaurant pulls billboards with cult reference, *CBSNews*, Retrieved August 11, 2014 from: <http://www.cbsnews.com/news/restaurant-pulls-billboards-with-cult-reference/>
- Keller, K. L. (2001), "Building customer-based brand equity: A blueprint for creating strong brands," *Marketing Management*, July/August, 15-19.
- Tudor, Stefanie (2014, September 15). Urban Outfitters apologizes for insensitive Kent State sweatshirt sale, *ABC News*, Retrieved: October 16, 2014 from: <http://abcnews.go.com/Lifestyle/urban-outfitters-apologizes-insensitive-kent-state-sweatshirt-sale/story?id=25514185>.

## Appendix



Link (See Tuder, 2014):

<http://abcnews.go.com/Lifestyle/urban-outfitters-apologizes-insensitive-kent-state-sweatshirt-sale/story?id=25514185>