

Demand & “cult” brands

If we analyze our behavior as **consumers**, we may sometimes **violate** a few assumptions about demand we have learned in class. For instance, our fidelity to specific brands can make us purchase goods/services we would not get in case they were produced by some other company.

[New Englanders love Polar Seltzer](#). Would they consume a “cranberry & clementine”-flavored water if it were produced by Coca-Cola? Food for thought. The point here is, though, to explore how brands become “cult” brands and how their consumers behave differently when it comes to these companies.

You will work in teams of **three (3) students**. You are asked to pick one of the many “cult” brands in the market. You may choose one that you particularly enjoy consuming, or simply doing research on some other that interests you.

You will show your work in class, in 5 minutes-long (max.) presentations. You can use any desired presentation format, as long as it contains the following minimum requirements (**grading** will be based on this list):

1. Niche where the brand is placed (apparel, technology, software, etc.);
2. Brand’s brief historical overview;
3. Main products;
4. How it deals with its consumers;
5. How its consumers deal with the brand;
6. Which category(ies) are these goods/services in? Inferior, normal, necessity, luxury, Giffen?
7. How is consumer elasticity (price and income) for these goods/services? (You do not need actual numbers for that, infer this based on consumer behavior and your perceptions);
8. What makes it a “cult” brand?
9. Of course, include your own views and specific contributions to the final presentation.

On the next page, you may find additional resources to navigate this assignment.

Resources

Articles:

- [The Price Elasticity of Demand and Celebrity Brands \(Federal Reserve Bank of St. Louis\)](#)
- [The cult of Polar Seltzer: Why one brand of carbonated water has New Englanders obsessed \(Boston.com\)](#)
- [What rockets a brand into cult following status? \(BBC\)](#)