Lonely Rebel Or Pioneer of the Future? Towards an Understanding of Moral Stakeholder Framing of Activist Brands

Verena E. Stoeckl, University of Innsbruck, Austria

This study investigates the link between brand-induced activism, stakeholder framing and legitimation processes evolving around the emerging market practice of crowd-funding. The discursive inquiry into online discussions on an activist brand reveals the moral positioning and rhetoric tactics of three discursive coalitions: of moral architects, moral archeologists, and moral disenchanters.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1017782/volumes/v42/NA-42

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Lonely Rebel or Pioneer of the Future? Towards an Understanding of Moral Stakeholder Framing of Activist Brands
Verena E. Stoeckl, University of Innsbruck, Austria

“The Titanic was built by professionals, the Arche Noah by the amateur.”

ABSTRACT

In the “age of transparency” (Fournier and Avery 2011, 198) brands are increasingly forced to position themselves in relation to public sensitivities concerning socioeconomic and ecological problems, such as labor rights, social fragmentation, and environmental degradation (Arnould 2007; Hertz 2001). Simultaneously, the growing possibility for an “ethical commodity culture” (Shaw, Newholm, and Dickinson 2006, 1062) has yielded a number of niche markets for brands that position themselves deliberately in ethical and/or political contexts. Politz-brands (O’Guinn and Muniz 2004), for instance, exploit the opportunity to provide market-mediated platforms for citizenship and to help consumers to interpret the complexities of the (political) world that surrounds them (Arnould 2007; Holt 2002).

Adding to an extensive body of literature studying consumer tactics of placing moral demands on the market (e.g., Hollenbeck and Zinkhan 2006; Kozinets and Handelman 2004; Luedicke, Thompson, and Giesler 2010; Ulver-Sneistrup, Askegaard, and Kristensen 2011), this study rather draws attention to brand-induced activism that challenges dominating social principles, practices and more fundamental ideologies (Giesler 2008; Humphreys and Latour 2013; Kozinets and Handelman 2004). Activist brands promote oppositional moralities through actively transforming shared ideals, concerns, or criticisms into organized debates (c.f. Den Hond and De Bakker 2007), ultimately driving brand stakeholders into a moralized brand-scape (Salzner-Mörling and Strannegård 2010). Yet, despite a long tradition in social movement research “to study targets and tactics of activist groups” (Den Hond and De Bakker 2007, 901), branding and consumer research literature still lacks insights into how activist brands mobilize cultural debates around a brand’s promoted cause.

This study steps into this void through analyzing online discussions twining around a brand that turned from a small, nationally operating shoe manufacturer to an activist brand fighting for legal legitimation of crowd-funding solutions in the midst of a financial crisis. When banks decided to lower the company’s credit line, the company started a successful campaign to raise money directly from brand fans and creditors for needed investments. As the financing model faced opposition from the national financial market authorities, the manufacturer mobilized extensive media coverage and consumer support campaigns, including street protests and petitions. Within one year the brand framed a distinct movement culture (Bennford and Snow 2000) promoting market and culture change in the financial sector.

The passionate online discussions and media coverage on the shoe manufacturer offer important avenues for research on discursive stakeholder framing (Martin and Schouten 2014) evolving around an activist brand, and the promoted cause of crowd-funding as an operational practice promising to deliver a new configuration of social practices (Grimm et al. 2008). In this context, this study aims to uncover brand-related discourses (c.f. Keller 2011) in order to investigate the link between moral framing in mediated networks of brand stakeholders and the legitimation processes evolving around an emerging market practice (Giesler 2008; Humphreys and Latour 2013). To gain perspective, the article provides a theoretical introduction into the phenomenon of crowd-funding, discusses existing research perspectives on brand activism and legitimation processes, and empirically examines the social dynamics of branding discourse (Vallaster and von Wallpach 2013). Subsequently, the findings section presents the discursive framing of an activist brand by media reports and three discursive ‘moral coalitions’. The article closes with a discussion on how stakeholder framing charges activist brands with moral meanings, and how rhetoric tactics drive the legitimation processes of emerging market practices.

THEORY

The Phenomenon of Crowd-Funding
Throughout the last decade the public interest in funding models eluding the traditional credit markets has risen quite dramatically (Grimm et al. 2008; Ordanini et al. 2011). Recent alternative funding solutions suggest new principles of financial support for businesses, as traditional (credit) markets fail to take on the risks and costs of providing small, uncollateralized loans for innovative initiatives and investments (Karnani 2007). From a producer perspective, micro-financing solutions and alternative funding models tap into a pressing need for unconventional and non-bureaucratic forms of financing, especially for social entrepreneurs and small and medium-sized companies (Schenk 2012). In this vein, Lawton and Marom (2013) label crowd-funding practices as revolutionary systemic responses that recognize the social power of crowds forming affinities around community initiatives and company projects (c.f. Kozinets, Hemetsberger, and Schau 2008)

The popularity and success of the pooling of money from smaller investors grows particularly in sports, movie, fashion and scientific research industries. Crowd-funding is defined as a “collective effort by people who network and pool their money together, usually via the internet, in order to invest in and support efforts initiated by other people or organizations” (Ordanini 2009; as cited in Ordanini et al. 2011). From a consumer perspective, Ordanini et al. (2011, 462) label consumer investment support as the next possible consumer role in the evolution from “targets,” “information sources,” “co-producers,” “value co-creators” to “investors.” The emergence of alternative funding solutions thus mirrors a wider tendency towards direct consumer participation in creative, yet also risky entrepreneurial activities (Cova and Dalli 2009).

Brand Activism and the Processes of (Moral) Legitimation
As much as any innovative idea, technology, or product, crowd-funding practices are inclined to the processes of gaining commonly acknowledged acceptance—legitimacy—on cultural-cognitive, normative and regulative levels (Humphreys and Latour 2013). Giesler (2008) has pointed towards stages of perpetual structural instability and legitimational struggles accompanying structural transformations in market systems. Accordingly, the way towards “institutional compromises in historical transitions” (Giesler 2008, 751) is paved by cultural debates over countervailing ideals and tacit ideological appeals (Holt 2002; Holt and Thompson 2004).

Firms, consumers, media, and public policy actors are important market catalysts perpetuating cultural debates and stakeholder framing around emerging markets, products or practices (Arsel and Bean 2013; Martin and Schouten 2014). For once, firms drive new market
practices through establishing a physical reality (Humphreys 2010). More than merely endowing legitimacy to an existing consumer practice, physical reality adds “agency that changes practices and co-constitutes a different consumer” (Martin and Schouten 2014, 866). However, brand activism exceeds mere product provision through attributing brand-related action with more abstract moral concerns for what is deemed “as right, good or virtuous” (Caruana 2007, 297). Consumer research has pointed in this context to various tactics of signaling alternative moral preferences on the market, including the use of ideological resources from intellectual fields in resistance practices (Ulver-Sneistrup, Askegaard, and Kristensen 2011), or the proactive provision of a common ideological outlook in alternative market systems of exchange relationships (Thompson and Coskuner-Balli 2007).

In sum, existing research has not yet touched upon the case of activist brands driving legitimation processes of emerging market practices. Living up to the increased public and research interests in the market change potential of crowd-funding solutions, a focus on stakeholder framing allows for further insights into the cultural debates and countervailing ideals related to established and emerging regimes of practices.

**METHOD**

To gain an empirical understanding of discursive dynamics forming around an activist brand (Vallaster and von Wallpach 2013), this project draws on case-related media reports and forum discussions starting from October 2012, when the financial market authority issued its first warnings, until January 2014 when the company was finally ruled to adapt its micro-financing model to legal frameworks. In line with Humphreys and Latour (2013), this article views media as an amplifier of meanings and frames in the digital age that affects the establishment of legitimacy on a sociocultural level. Using key word search, the author sampled all media articles and the respective reader comments available on three of the biggest national newspaper online platforms. In order to capture a heterogeneous yet illustrative group of opinion leaders, the outlets were chosen according to their diverging target groups and online discussion formats, and to their high density of reporting and traffic on the case. Out of the preliminary sample of 68 articles, the most relevant texts were identified according to the number of comments they generated. The final selection of 15 articles with a total of 2,563 quotations was representative in covering the most important events in the recent brand story and in achieving theoretical saturation (Charmaz 2006). Following principles of interpretive analytics of content according to Keller (2011, 2012), the interpretative process of triangulation combined a rich description of the phenomenal structure with the analysis of meaning patterns and narrative patterns to arrive at a thorough description of stakeholder framing of an activist brand.

**FINDINGS**

The case analysis reveals discursive stakeholder framing of an activist brand by media, as well as by three discursive ‘moral coalitions’ (see also table 1). Media reporting sets the arena for legitimation foremost through presenting the hard facts on the proposed funding model and its controversies with established law: financial market authorities threatened the company with penalties for operating a deposit banking business without concession when borrowing about 3,000 million Euro from private persons for a permanent interest rate in return. Media orchestrates the moral configuration of the protagonists through providing steady updates on the actions taken by the owner, the authorities, and further interest groups. The portrayal of the company owner includes, for instance, the campaigning at all official channels, the preparation of an amendment for the national assembly, and finally his compliance to the threatening penalty “while never giving up on the fight.”

As rhetoric tactics, media coverage alternates the detailed clarifications of positions with direct, emotionalizing quotes from the protagonists, for instance, from the owner: “I was so angry; my greatest aim was then to get independent from banks and without debts”, or, from the authorities: “No matter if good people from the region or crooks,” says a speaker, “There are laws to be obeyed and one has to adhere. If not, it is an issue for politics.” Media frames the owner and the authorities as clear opponents with adverse positions, leaving it up to the reader to judge on their credibility: “The question arises: who should be protected from whom?” The owner is portrayed as emotional and fervent, representing in this matter the greater category of small and medium-sized companies. He “fights against the authorities”, which “put the owner off the private credits”, yet stand for creditor protection and adherence to existing laws. Media also brings up the question of authenticity and commercialization (c.f. Gabl and Hemetsberger 2012), visible in the prominently placed heading: “The owner should earn a price for brilliant marketing” [quote from the FMA chairman].

Amongst the most commented news articles are those reporting on the positions of third parties, such as political parties and official representations of banking and commerce sectors, raising questions on liability for crowd-funding solutions more generally. Ultimately, media accounts for support coalitions and greater solidarity in the population: “He [the owner] sees the nation standing behind him.”

**Moral Architects: Building the Greater Puzzle**

The discursive coalition of moral architects builds its moral positioning on adhering to the virtuous principles of the given ruling systems, while simultaneously promoting the pragmatic bottom lines of alternative funding ideals. The coalition both engages in safeguarding and auditing the authorities; on one hand, authorities gain their legitimacy from protecting citizens from risky endeavors, system failures (i.e. non-transparency) and deception. On the other hand, as market flexibility is not inclined in this bureaucratic system, the current model offers little freedom for creativity, self-initiative, imagination and innovation. When viable ideas such as the funding solution proposed by the shoe manufacturer cannot thrive, compliance comes to an end: “We adhere to laws only, if they make sense.”

In terms of solutions, the coalition proclaims an architectural mission that involves connecting piece-meal policies with business realities and civil society demands (Levitas 2013); “He [the owner] also says that rules are good: But adapted to small and medium-sized businesses, not to profit-oriented enterprises and financial aristocracy.”

The coalition pleads for a systemic reform as the creative alternative funding solution taps into the void created by past failures of the global financial market system. Discursive threads circle around the idea of enabling an organized creative chaos, and depict the problem solving process as “a delicate balancing act.”

In rhetoric tactics of objectification, the coalition repeatedly directs the discussion away from emotional conflict talk and towards straightforward problem analysis or progressive imagination of alternatives: “The best and well-thought of variant is, maybe, the democratic bank [...] I mean, it is the question if that is the answer to global capitalism [...] but it’s worth a try.” Furthermore, the coalition praises the funding idea and, in strategies of de-coupling (Salzer-Mörling and Strannegård 2010), disentangles the owner as a person from the project. Eventually, the coalition spreads provoking unresolved queries: “[...] The question remains, how to separate persons acting with juristic integrity, like the owner, from the rest of the liars?”
Moral Architects
Building the Greater Puzzle

**Moral Archeologists**
Uncovering the Badlands
of the Ruling Systems

**Moral Disenchanters**
Crashing the Flight of Fancy

<table>
<thead>
<tr>
<th>Rhetoric Tactic</th>
<th>Moral Architects</th>
<th>Moral Archeologists</th>
<th>Moral Disenchanters</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safeguarding and auditing the authorities</strong></td>
<td>Consciousness-raising</td>
<td>Re-embedding complexity</td>
<td></td>
</tr>
<tr>
<td>- “Authorities inspect and control banks to protect banking customers (if good or bad I am not judging here).”</td>
<td>- “The authority tells you where you are allowed to invest […] Don’t you see how sick this system got?”</td>
<td>- “The problem of the financial crisis is the deficient regulation and that the banks themselves do not understand their business.”</td>
<td></td>
</tr>
<tr>
<td>- “We adhere to laws only, if they make sense.”</td>
<td>- “Who I am supporting with my money as a private person, that is none of Dad State’s” and “Mum Bank’s” business.”</td>
<td>- “Where would we be, when everyone does “pick and choose” and just obeys the laws he likes?”</td>
<td></td>
</tr>
<tr>
<td><strong>Declaring an architectural mission</strong></td>
<td>Declaring an archeological mission</td>
<td>Declaring a disenchanting mission</td>
<td></td>
</tr>
<tr>
<td>- “He [the owner] also says that rules are good: But adapted to small and medium-sized businesses, not to profit-oriented enterprises and financial aristocracy.”</td>
<td>- “He [the owner] stabs the system through the heart. Some have tried it before; they have been suppressed by the authorities.”</td>
<td>- “Why didn’t he choose a legal funding model? He could have achieved the same! Does he really want to play bank? He is no bank, he is a shoe producer!”</td>
<td></td>
</tr>
<tr>
<td>- “I am not generally against such models, but the legislator should provide well-thought-of framework conditions and not a quick-and dirty solution, as was demanded before.”</td>
<td>- “Who is dependent from the banks is in “God’s Hands”, to fight against that is just natural…”</td>
<td>- “[…] choose one of the options […] and do not play the savior of the small and medium-sized ones!”</td>
<td></td>
</tr>
<tr>
<td><strong>Objectification/De-coupling person and project</strong></td>
<td>Defending and praising the brand</td>
<td>Questioning the “blind” believers</td>
<td></td>
</tr>
<tr>
<td>- “It is not about judging the person, but about the financial project.”</td>
<td>- “By the way: … these are awesome shoes!!”</td>
<td>- “Oh my god, what a cult.”</td>
<td></td>
</tr>
<tr>
<td><strong>Progressive imagining of alternatives</strong></td>
<td>- “He is not a lawbreaker, he is a pioneer where others can learn a lot from.”</td>
<td>- “See it from the point of view of the investors: There is somebody, smiling, not mentioning any risks, he makes a few nice promises and collects the money.”</td>
<td></td>
</tr>
<tr>
<td>- “The best and well-thought of variant is, maybe, the democratic bank […] I mean, it is the question if that is the answer to global capitalism […] but it’s worth a try.”</td>
<td><strong>Prompting solidary action</strong></td>
<td>Demasking the brand façade</td>
<td></td>
</tr>
<tr>
<td><strong>Placing provoking queries</strong></td>
<td>- “Do not wish him well, buy shoes!”</td>
<td>- “With that he saves the annoying involvement in equity capital; that when people have something to say when they invest. The guy needs to become a politician!”</td>
<td></td>
</tr>
<tr>
<td>- “What should he do? 1) close his company and lose 100 jobs? 2) look for another solution (which)?”</td>
<td>- “As much as I appreciate the owners’ creative and commendable entrepreneurship, as much I despise the total failure of the authority in all the fiscal scandals of the last decade.”</td>
<td>- “Off-topic, I think people are suspicious, who believe they would be talking for all.”</td>
<td></td>
</tr>
<tr>
<td><strong>Cynicism</strong></td>
<td>Cynicism</td>
<td>Naysaying</td>
<td></td>
</tr>
<tr>
<td>- “Hurray, we go with waving flags to hell!!!!!! The world economy is showing us how it goes, other countries are laughing at our rigid traditions and stubborn resistance […...].”</td>
<td>- “Hurray, we go with waving flags to hell!!!!! The world economy is showing us how it goes, other countries are laughing at our rigid traditions and stubborn resistance […...].”</td>
<td>- “As soon as the project crashes […] then financial experts start to cry”, the “poor investors”, […] and then it is everyone else’s fault (from god to the company to the authorities)…”</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Discursive Coalitions and the Moral Stakeholder Framing of an Activist Brand
Moral Archeologists: Uncovering the Badlands of the Ruling Systems

The second coalition applies an ‘archaeological method’ (Levitas et al. 2013) to its moral positioning in terms of degrading out, exposing, engaging with, and critiquing injustice and oppression in current ruling systems. Discourses of consciousness-raising evoke emotions of anger against restricted autonomy concerning independent funding models and the patronization of authorities: “The authority tells you where you are allowed to invest [...] Don’t you see how sick this system got?” Banks and politics are framed as being in “an own world”, in a “decoupled system”, “offering investments into fantasies”, not caring for the small and medium-sized companies and, more generally, the ‘structurally weak’: “The big ones, they let go, the small ones they want to get!” Corruption, partisanship and inactivity of authorities are interfering with entrepreneurs taking individual initiative and engaging in self-help in times of crisis.

As solutions, the coalition urges investors to evaluate investment risks independently, civil society to create eligible framework conditions, and consumers and brands to fight against inequalities if necessary. The coalition encourages the activist to uncover the badlands of the political and banking system: “He [the owner] stabs the system through the heart. Some have tried it before; they have been suppressed by the authorities.” In the activist brand’s mission, there is hope for suitable financial participation models: “Not bureaucratically, but directly between person and person.”

Rhetoric tactics in this coalition include defending and praising the owner, the idea, the product, and the company: “[...] It is a model for the future, of course not for the banks.” and prompting solitary action: “Do not wish him well, buy shoes!”, “Aux armes, citoyens....”. The traits associated with the owner are pioneer spirit and creativity, honesty, trustworthiness, courage, and endurance when suffering transgression with a good idea. Tactics of mirroring the case compare the situation with other controversial cases in the political history of the country. Finally, next to direct tactics of denunciating and despising the authorities, cynicism covertly supports the idea of self-control and individual freedom: “Dear owner, you have decided to be a bank yourself. That’s ‘cul’! [...] Do not forget to give parts to the powerful—in other words: representatives of the state—or you’ll get into trouble.”

Moral Disenchanters: Crashing the Flight of Fancy

The third mode of discourses, the disenchanting coalition, educates the desire for a better future promised by the activist brand. Countering the moral archeologist position, the coalition defends the existing legal system, and proposes even tougher regulations for financial markets: “The problem of the financial crisis is the deficient regulation and that the banks themselves do not understand their business.” The coalition re-embeds complexity in the debate and pillories the manner how the owner takes up the fight; he tramples the laws, promotes easy taking-in of others’ money without structural requirements, and builds a pyramid game that potentially harms creditors: “Then he [the owner] argues—compelled from the leftist mainstream—against the de-regulation of financial markets just to bring an unleashed product to the market.”

In terms of solutions, the coalition votes against the relaxation of regulation for banking deals in the midst of the financial crisis: “But it is not a solution that amateurs come along with even lesser regulation.”, “If the authorities show their goodwill in this case, tomorrow there will be 100 other companies with their own laws. Pure anarchy!”. The owner should appease himself, choose a funding model within the existing system, and even go to jail for the existing model: “Why didn’t he choose a legal funding model? He could have achieved the same! [...]”

As rhetoric tactics the coalition applies questioning the blind believers through disparaging the public support as a “cult” that turns the activist brand into the unchallenged “hero” and the owner to the desired “messiah”: “The victory of populism and ad writers. Good night democracy!” The rhetoric tactic of “demasking the brand façade” (Holt 2002) entails questioning the owner’s abilities as a sound business man, as well as denouncing the product quality and other company strategies. The coalition portrays the owner as a “stubborn trouble maker”, who is stabbing the company into financial trouble and following selfishly a line of thought: “Off-topic, I think people are suspicious, who believe they would be talking for all.” Naysaying helps playing down the proposed funding solution with worst-case scenarios: “The outcry and wailing of the creditors would start in the moment, when the house of cards begins to collapse.”

DISCUSSION

The case of an activist brand fighting for legitimation of an alternative funding model provides an example of moral discourses gaining traction in daunting times of crisis, or collective uncertainty (Willke 2003). The activist brand steps into collective contingencies and nescience about financial risk evaluation during a global financial crisis, and perpetuates a kind of ‘pop-up’ morality debate laden with heterogeneous moral admonitions and recommendations on the case. In this vein, the proposed alternative funding solution turns for a while into an intermediary between different social order systems of the (financial) market, civil society, and legal regulations and authorities.

The analysis of online stakeholder framing of an activist brand adds two major insights to legitimation and branding research: Firstly, the study unveils how brand activism mobilizes mediated networks of consumers and brand stakeholders to charge the brand with distinct moral positions. Rather than enacting a singular, culturally shared ‘hero model’ on the market stage (Giesler 2008), the three unveiled discursive coalitions endow different roles to the activist brand in the legitimation processes of alternative funding solutions. Moral architects portray the brand as a small piece in a greater puzzle indicating one of many possible ways towards more direct and just forms of cooperation between consumers and producers. Moral archeologists rather picture the owner as an ‘everyman’ (Luedicke, Thompson, and Giesler 2010, 1018) when promoting self-reliance and individual autonomy, and as a pioneer of the future when fighting for justice in a morality play today. Moral disenchanters, by contrast, dash the hope for a better society and depict the activist brand as a ‘lonely rebel’ (Bauman 1995) building up his own, utopian illusions—a ‘house of cards’.

Secondly, the study indicates how three discursive coalitions drive the legitimation processes of the promoted cause with distinct rhetoric tactics. Although all discursive coalitions work with tactics of drawing future scenarios, each coalition endows different objectives to the imagination of the future: Taking up on the cause of organizing a creative chaos, moral architects suggest further funding alternatives as a kind of synthesis to overcome seemingly irreconcilable difficulties in an ideological conflict between the authorities and the activist brand (Husemann and Luedicke 2013). Rather than defining a final solution, the coalition directs legitimation discourse away from the brand case towards greater processes of imaginative thinking about “real utopias”, or, heterotopias of resistance (Chatzidakis, Maclaran, and Bradshaw 2012; Kohn 2003). The archeologist coalition shares with the activist brand the goal of uncovering social injustices within the existing moral system and thus intensifies the
problematization of established regimes of practices. The tactics of cynicism and praising the brand as a legitimate symbol for a wider movement hereby justify the solidary cause of a political form of solidarity (Scholz 2008). The coalition of disenchanters works against these efforts through disclosing the “process of ideological recruitment” (Thompson and Coskuner-But 2007, 147), hence, recommitting legitimation discourse towards established regulations.

The case of the activist shoe manufacturer invites further research to pay attention to the interplay between an activist brand’s targets and tactics and the wider dynamics of ‘moral mobilization’. To expand the unit of analysis from being limited to online inquiries, future brand activism research might consider targeting main protagonists and further stakeholders, including brand fans, creditors, or political parties for moral frame analysis. Ultimately, since the financial market system typically eschews morality from its formal functions (Willke 2003), the present study encourages in-depth analysis of the social dynamics and legitimation processes arising specifically at the intersection between the seemingly contradictory orders of morality and calculation.

REFERENCES
Schenk, Rainer (2012), *Crowdfunding Goes Crowdinvesting*, Munich: GRIN.
Scholz, Sally J. (2010), *Political Solidarity*, University Park, PA: Penn State Press.