# PATAGONIA:

# AN ANALYSIS SUMMARY REPORT

### Table of contents

### Definition

### Objectives

### Situation Analysis

### Marketing Strategy

### Conclusion

### Appendix

# 1. Definition

Patagonia, Inc. is an American clothing company that sells and markets outdoor clothing. Patagonia considers itself an "activist company”, and heavily utilises ‘cause marketing’ in order to propagate the brand's values and its products. Central to the company’s culture is its focus on environmental sustainability, and in its pursuit of this objective, Patagonia has encountered the marketing problem of insufficient awareness of this issue. As such, Patagonia must develop new marketing strategies which aim to bridge this gap in environmental consciousness, particularly among audiences which are generally unfamiliar with these issues. It is advisable that Patagonia achieves this through including doubling down upon its unique brand of PR, digital/social and guerrilla marketing tactics.  Through this the company can simultaneously achieve its marketing objective of increasing sales and improving the brand's image, as it presents its products as an ethical and sustainable alternative.

# 2 Objectives:

Patagonia’s commitment to promoting environmental sustainability and ethical production practices is integral to the brands identity. This is personified by its commitment of 1% of annual sales to environmental groups since 1985, and its efforts towards achieving carbon neutrality by 2025. Indeed, the company’s mission statement, “We’re in business to save our home planet”, coupled with its set of core values, guide the company throughout all its operations and business practices. These values include ‘building the best product’, ’causing no unnecessary harm’, ‘using business to protect nature’ and ‘not being bound by convention’. The marketing problem that Patagonia faces is raising awareness for the issues that the company cares about beyond a target audience that is already familiar with these issues. This general lack of awareness and concern about environmental issues is reflected in Pew Research Centre’s Spring 2018 Survey which indicated that only 60% of Australians considered climate change to be a ‘major threat’. Through addressing this problem by increasing awareness about these issues, Patagonia may simultaneously market its products by increasing the demand for environmentally conscious and socially responsible production.

# 3. Situation Analysis

Several unique ethical and environmental circumstances impact the company's approach to marketing its products. These include the current climate crisis, the forces of consumerism, and the current conventions of fashion manufacturing. Notably, these forces have served to impact the direction of Patagonia’s marketing efforts and have been integral in etching the company’s brand identity. The impact of these circumstances is manifested in the development of Patagonia’s subversive marketing campaigns, such as its anti-consumerist newspaper advertisement titled “Don’t Buy This Jacket”, which explained why consumers should not buy the jacket shown in the image, and instead promoted purchasing garments second-hand. Despite this message, the company’s sales rose 30% following the campaign, as public perception of the brand improved in light of its excellent corporate social responsibility. Indeed, as Patagonia has tried to extend the useful life of its products, a practice which subverts the typical approach of planned obsolescence used by many manufacturers today, it has seen its sales rise. Similar initiatives also include Patagonia’s worn wear wagon, a mobile repair shop travelling across the United States to mend clothing, and its DIY repair guides featured on its website, which empowers customers to repair their own clothing. Similarly, Patagonia’s use of guerrilla

# 4. Marketing Strategy

Considering the success of its digital and guerrilla marketing campaigns it is advisable that Patagonia’s marketing strategy doubles down upon this unique approach to marketing. This method has proven to be highly resonant among audiences as it has been both unique and emotionally resonant. Future guerrilla marketing projects could include the development of street art or sculptures as a form of activism or social commentary. The publicity generated by these art pieces could help to raise attention for these issues, a phenomenon which has been observed in the work of street artists such as ‘Banksy’. This would provide a unique and resonant approach to communicating the company’s ideals.

Given there is a generational gap in environmental consciousness and sustainability concern, Patagonia should seek to address their marketing problem by targeting their promotional efforts more towards these audiences. This generational gap was evinced by Van Liere and Dunlap (1980) who largely confirmed an ‘age hypothesis’ whereby age was found to be negative correlated with environmental concern, as they younger people were more likely to embrace the social change necessary for environmental protection, whereas older persons were more established in their habits and less malleable. Thus, in order to best reach these audiences Patagonia should utilise mediums which resonate more with older demographics, and by doing so can broaden awareness of sustainability issues amongst a broader audience. Currently, Patagonia’s advertising portfolio is lacking diversity in the sense that it does not utilise any traditional mass media advertising. As such, it is advisable that Patagonia utilise newspaper advertising as a method to address this demographic, as this represents a both a mass market medium and a format which is more popular with older audiences, a phenomenon which is reflected in Appendix item A (Statista, 2021), which demonstrates greater readership of newspapers among the 65+ age category.

Furthermore, it is advisable that Patagonia expand upon its ‘Patagonia Films’ on its website by expanding its marketing budget in this area, to create more audio-visual content. These videos reflect upon the real-life challenges faced by people across the world in protecting their environment. The purpose of these video stories is to raise awareness about environmental problems and offer solutions for the benefit of individuals and stakeholders. Greater investment in these audio-visual projects would allow for greater diversification of Patagonia’s marketing efforts and would facilitate the extension of the reach of Patagonia’s activism promotional activities to users of video platforms, such as YouTube, which has over 2 billion active users. Notably, YouTube has seen increased popularity among developing countries in recent years, with a burgeoning user base, particularly from India, where sustainability concerns are a huge issue. Hence, creating more original content for video sharing platforms would provide the unique opportunity of targeting these foreign audiences in a way that mass market and guerrilla advertising cannot. Furthermore, extending the company’s presence on video-sharing platforms would present further opportunities for the company to achieve virality, allowing for rapid circulation of Patagonia’s message in a manner which is superior to traditional word-of-mouth.

# 5. Conclusion

 Whilst expansion of Patagonia’s marketing activities in the form of newspaper advertisements, guerrilla marketing, video production and event coordination would be a costly endeavour, it would likely be highly lucrative for the business. Previous marketing activities have demonstrated that Patagonia’s cause marketing has produced a symbiotic relationship between the satisfaction of both the company’s profitability and humanitarian objectives. As such, even despite the cost and limitations inherent to the recommended promotional activities, it is advisable that Patagonia pursue this diversified marketing campaign in order to achieve its desired objectives.

# 6. References

* Deshmukh, R. and Deshmukh, R., 2021. *Patagonia's purpose-driven Marketing Strategy - TheStrategyStory*. [online] TheStrategyStory. Available at: <https://thestrategystory.com/2021/09/14/patagonia-marketing-strategy-mix/> [Accessed 19 October 2021].
* Liere, K.D.V. and Dunlap, R.E., 1980. The social bases of environmental concern: A review of hypotheses, explanations and empirical evidence. *Public opinion quarterly*, *44*(2), pp.181-197.
* Pew Research Center. 2021. *A look at how people around the world view climate change*. [online] Available at: <https://www.pewresearch.org/fact-tank/2019/04/18/a-look-at-how-people-around-the-world-view-climate-change/> [Accessed 19 October 2021].
* Statista. 2021. *Newspaper consumption frequency U.S. by age 2021 | Statista*. [online] Available at: <https://www.statista.com/statistics/1251242/newspaper-usage-frequency-by-age/> [Accessed 1 December 2021].

# Appendix

Chart, bar chart

Description automatically generated