

REDISCOVERING PURPOSE: HOW CHIPOTLE BECAME VISIBLE, RELEVANT AND LOVED



Teaching Notes

Keywords

Branding, brand equity, brand purpose, brand positioning, chief marketing officer (CMO), customer loyalty, influencers, integrated marketing communications, product management, purpose-driven brands, reputation, social media, strategy, technology

In Summary

- **The Challenge:** To make the Chipotle brand visible, relevant, and loved following a series of food crises and a focus on short-term sales.
- **The Insight:** The emphasis on *real* food gives Chipotle a differentiated and strong sense of purpose that could reignite the brand.
- **The Idea:** Resurrect the brand's founding purpose – an emphasis on *real* – and implement it across the 4Ps.
- **Bringing the Idea to Life:** Chipotle initiated a purpose-driven marketing strategy by relaunching a reformulated product, launching a new campaign with documentary-style ads, introducing a new customer loyalty program, and showcasing real ingredients in restaurants.
- **The Results:** Positive buzz about the Chipotle brand rose +13 points, and negative sentiment declined -1 point from 2018 to 2019. Market capitalization increased from \$8B in 2017 to \$49B in 2021.

Discussion Questions

1. What is *purpose* in marketing strategy?
2. What steps did Chris Brandt take to uncover the brand's essence? What can a Chief Marketing Officer starting at a new company learn from his approach?
3. Why did Brandt decide to resurrect Chipotle's purpose versus creating a new one?
4. How did Brandt and team integrate Chipotle's "why" into its "how"?
5. What early results do you think were most insightful in understanding the new strategy's effectiveness? What other metrics would provide valuable data?
6. What criteria do you think Chipotle used to select its targeted ad placements? What are some placements that would not fit the brand?

7. What are some risks in moving away from discounts and couponing to a rewards program focused on repeat purchases?
8. How did Chipotle translate its purpose to the customer's digital experience?
9. What are the advantages and disadvantages of utilizing influencers as part of Chipotle's marketing strategy?
10. What are the advantages and disadvantages of being extremely selective in the identification of potential brand partners?
11. Why do you think Chipotle waited until 2021 to launch its first Super Bowl ad?
12. Why was Chipotle successful in regaining the "love lost?" What do you think were the risks with this strategy?
13. Which marketing strategies proved most effective in resuscitating the brand? Can those strategies carry them into the future?
14. How has the competitive landscape changed since Chipotle implemented its marketing strategy, and what are emerging threats to the brand's positioning?
15. How can Chipotle maintain its point of differentiation while remaining relevant and loved by consumers?
16. Based on this case study, what advice would you give to another company seeking to implement purpose?

Note: *Data and figures may have been modified and are to be used for educational purposes only.*

Additional Resources

- Center for Brand Purpose - <https://www.ana.net/brandpurpose>
- Kantar, Brand Purpose Report - <https://upg-cd-ncus.kantar.com/north-america/campaigns/brand-purpose>.
- Cone/Porter Novelli Purpose Study - <https://www.candf.com.ng/wp-content/uploads/2024/06/2018-Cone-Porter-Novelli-Purpose-Study.pdf>
- Fast Casual Restaurant Market - <https://www.prnewswire.com/news-releases/fast-casual-restaurants-market-in-the-us-to-grow-by-usd-84-5-billion-2025-2029-driven-by-menu-innovation-and-customization-report-with-ai-powered-market-evolution---technavio-302359613.html>
- Article: ANA Identifies Eight Attributes of Purposeful Brands - <https://www.mediavillage.com/article/ana-identifies-eight-attributes-of-purposeful-brands/>
- Book: *Brand Strategy in Three Steps* - <https://jaymandel.com/brand-strategy-in/>

- Book: *The Future of Purpose-Driven Branding* - <https://prophet.com/2022/09/the-future-of-purpose-driven-branding/>
- Podcast: *Why Authenticity is the Glue that Binds Purpose Activities* - <https://www.ana.net/miccontent/showvideo/id/pp-2024-12-bp-authenticity-is-the-glue>
- Podcast: *With Great Purpose Comes Great Responsibility* - <https://www.ana.net/miccontent/showvideo/id/pp-2024-09-bp-great-purpose-great-responsibility-ep-18>

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