

## Article

# Brand Revitalization of Heritage Enterprises for Cultural Sustainability in the Digital Era: A Case Study in China

Chenxi Li <sup>1,2</sup>, Zhengyan Cui <sup>3</sup>, Jing Chen <sup>1,2,\*</sup>  and Ning Zhou <sup>1,2</sup>

<sup>1</sup> School of Economics and Management, Beihang University, Beijing 100191, China; chenxili@buaa.edu.cn (C.L.); zning80@buaa.edu.cn (N.Z.)

<sup>2</sup> Key Lab of Complex System Analysis and Management Decision, Ministry of Education, Beijing 100191, China

<sup>3</sup> School of Business Administration, Henan University of Animal Husbandry & Economy, Zhengzhou 450046, China; zhengyancui118@gmail.com

\* Correspondence: jechen@buaa.edu.cn

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**Abstract:** Many heritage enterprises have been struggling with severely declining brands in the digital era and are in desperate need of brand revitalization. Resolving the decline of heritage brands is not only a commercial issue but also a cultural sustainability issue because a living heritage brand can be considered an example of the preservation and even inheritance of a certain culture or history. While the prior literature has largely overlooked the cultural dimension of sustainability and the management of heritage enterprises from a brand revitalization perspective, this study investigates how a heritage enterprise achieves brand revitalization for cultural sustainability in the digital era. Using a Chinese heritage enterprise as a case organization, we identify three key processes of brand revitalization (i.e., redefining the heritage brand, communicating the updated image to consumers, and reconstructing the market boundaries of the heritage brand) for achieving cultural sustainability and examine the detailed mechanisms of each process. Our findings suggest that many brand revitalization efforts rely heavily on the use of various digital technologies. Theoretical and practical contributions are also discussed.

**Keywords:** brand revitalization; heritage enterprise; heritage brand; cultural sustainability; social media; case study

## 1. Introduction

Many heritage enterprises have been struggling with severely declining brands in the digital age. A heritage enterprise is essentially an enterprise with a heritage brand [1,2] whose positioning and value proposition are based on its heritage [2,3]. The decline of heritage brands is largely due to heritage enterprises' inability to adapt to recent drastic digital-technology-driven changes in technology, R&D, product updates, and operational modes. Although many heritage brands are still successful (such as Tong Ren Tang in China and Coca-Cola in the USA), the phenomenon of heritage brands' decline has become more prominent than ever [4] and has even led to the collapse of certain well-known heritage enterprises. For example, the Nanjing Guanshengyuan Food Company of China went bankrupt because, in its attempts to adapt to the changing times, it abandoned the core values of its products. Similarly, the collapse of the Eastman Kodak Company was caused by adherence to outdated rules and inability to adopt innovations that would enable it to change with the times.

Resolving the decline of heritage brands is not only a commercial issue but also a cultural sustainability issue. As the core and featured essence of a heritage enterprise, the legacies that a

heritage enterprise possesses are often of great cultural and historical value [5]. Thus, a living heritage brand, similar to other historical artifacts, can be considered an example of the preservation and even inheritance of a certain culture or history [6]. For instance, China has had a history of producing alcoholic beverages for over 4000 years. Every heritage enterprise that specializes in Chinese liquor production (e.g., Maotai) contributes to the preservation of the Chinese liquor culture; therefore, specific cultural associations are embodied in the production, sales, and consumption of Chinese liquor products.

To address the issue of brand decline and achieve cultural sustainability, a heritage enterprise must strive for brand revitalization. Considering the targets of preserving a firm's heritage and achieving cultural sustainability, brand revitalization in this study refers to capturing lost brand equity through enterprises "returning to their roots" to reverse the recession trend and regain a competitive advantage [7]. Prior studies have been limited in their discussion of such issues. First, cultural sustainability is an underexplored dimension of sustainability compared with other dimensions (i.e., environmental, economic and social). Second, the extant brand revitalization literature rarely discusses the internal heterogeneity issue of brand revitalization; in other words, the revitalization of a heritage brand is different from that of a typical brand [8]. Above all, the extant literature provides limited guidance for heritage enterprises to revitalize their brands and achieve cultural sustainability. Therefore, this study poses the following research question:

How does a heritage enterprise achieve brand revitalization for cultural sustainability in the digital era?

To address this research question, an in-depth case study was conducted regarding the brand revitalization journey of a Chinese enterprise with a rich historical and cultural heritage, and three key processes and their specific mechanisms were identified. Our findings make significant contributions to the literature of cultural sustainability and brand revitalization. First, this study contributes to the sustainability literature by elucidating the importance of the cultural dimension and investigating how heritage enterprises can achieve cultural sustainability. Second, this study contributes to the literature of brand revitalization by illustrating the revitalization process of a heritage brand. Last but not least, this study sheds light on how to revitalize heritage brands through the use of digital technologies. This study also provides valuable insights for practitioners.

## 2. Theoretical Background

### 2.1. Cultural Sustainability

Cultural sustainability refers to "the recovery and protection of cultural identities" and relates to the preservation of culture, including cultural beliefs, cultural practices, and heritage conservation [6,9]. As an element of long-established cultures, cultural heritage includes the legacy of physical artifacts and the intangible attributes of groups or societies that are inherited from previous generations and passed to future generations [10].

Cultural sustainability matters because it can significantly shape individuals' decision making and the development of social policies [6,11]. The preservation of culture means preserving elements of the past in the present and future. Because decisions made within a given social context are significantly affected by the shared beliefs of society, cultural sustainability ensures that individuals can live within the cultural framework inherited from the past and therefore leads to consistency among different generations [6,11]. Additionally, cultural sustainability can provide viable options or solutions within the scope of social policy [11]. The supreme importance of preserving cultural heritage and achieving cultural sustainability is widely recognized internationally, as reflected in the World Heritage movement of the United Nations Educational, Scientific and Cultural Organization (UNESCO), as well as extensive heritage preservation work on different levels in many countries, such as Australia, Canada, China, Egypt, India, the USA, and Japan.

In the sustainability literature, cultural sustainability has typically been categorized under one of the three key dimensions of sustainability: social sustainability [12,13], while the other two dimensions are environmental and economic sustainability [14]. However, due to the growing importance of cultural sustainability within the social, environmental, and economic fields, researchers have recently begun to advocate considering cultural sustainability a separate dimension [6,15]. In other words, cultural sustainability is becoming an integral part of sustainability as a whole. Moreover, cultural sustainability is considered essential for the stable operation of an entirely sustainable system [13].

However, compared with other dimensions of sustainability (i.e., environmental, economic and social), cultural sustainability has been much less studied [13]. This theoretical gap in the literature is significant given the increasing importance of cultural sustainability [6]. As such, the prior literature provides very limited knowledge regarding how cultural heritage organizations (such as heritage enterprises) can achieve cultural sustainability.

## 2.2. Heritage Enterprises and Heritage Brands

A heritage enterprise is essentially an enterprise with a heritage brand [1,2]. Here, a heritage brand is a brand with positioning and value based on heritage, and is a component of brand equity [2,3]. A heritage brand has specific and highly recognizable cultural attributes and an inherent important value based on a common heritage within the time frame ranging from “the past” to “the present” and even to “the future.” Therefore, heritage brands contain a great historical and cultural value, which links them closely to cultural sustainability [5]. However, there has been little research on the brand management of heritage brands.

A heritage brand has incomparable competitive advantages in relation to other brands because of its characteristics, including track record, longevity, core values, use of symbols, and important history [3]: (1) a heritage brand has great cultural value [5]; (2) the long-term continuity of the original products and services has fostered a strong reputation for the heritage brand [2]; and (3) the heritage brand has an exclusive brand image and brand traits [16].

Many heritage enterprises have realized the importance of their cultural heritage. However, they have neglected the task of managing their brand to keep in pace with the times and therefore face the embarrassing situation of decline or even failure. In the latest iteration of the industrial revolution, the digital technology characteristics of communication and interactivity have led to environmental changes that have accelerated the decline of heritage brands [17]. Globally, many heritage brands are currently struggling against decline. For example, in China, according to the Ministry of Commerce of the People’s Republic of China (MOFCOM), the number of “China Time-honored Brand” (CTHB) enterprises fell from around 16,000 in 1949 to 1128 in 2016 [18]. Moreover, according to People’s Daily, one of China’s most authoritative media outlets, only 20%–30% of the remaining heritage brands are still growing; most suffer from poor operating conditions, and for some, even though the brand still exists, no products remain on the market. Similar situations exist in other countries, such as Japan and France [19,20].

Given the role of heritage brands as critical carriers of cultural heritage, the revitalization of heritage brands has both an economic and cultural significance [5]. Although many heritage enterprises need to revitalize their heritage brands to regain a sustainable competitive advantage, the literature contains very few discussions about how to achieve such a goal [21].

## 2.3. Brand Revitalization

Brand revitalization is a critical issue in long-term brand management. Many experts and business managers believe that any brand will encounter issues related to decline during its long-term operations and these problems may lead to the demise of a brand [22,23]. The existing research often uses the brand evolution theory to explain why brands decline [23]. The most common theoretical explanations are the product life cycle framework, which comprises of the four stages of introduction, growth, maturity, and decline [24], and the product evolution cycle framework, which comprises managerial

actions, environmental factors and competitor actions [25]. In addition, scholars categorize the reasons for brand decline in three sets: *the offer, the target and communication* (p. 141, [21]). The existing studies highlight the loss or depreciation of brand equity as the essence of brand decline [7].

To resolve this issue, existing research suggests that it is possible to replace a declining brand by introducing a new brand [26] or revitalizing the existing brand [27]. Revitalizing a declining brand is a better option than the high cost and high risk of launching a new brand [28] for the following reasons: (1) technological advancements and imitations will soon eliminate the advantages of the first mover, but an enterprise can rely on consumers' emotional connection to a longstanding brand to gain a competitive advantage [29], and (2) in an increasingly turbulent environment, consumers' nostalgic tendencies are enhanced [17]. Therefore, brand revitalization is often the basic approach to restore and increase the value of brand equity and ultimately to address the decline of a brand [7].

However, not all brands are able to undertake revitalization or are worthy of such efforts. Wansink [30] proposed five conditions for brand revitalization: (1) medium- and high-price premium brands are easier to revitalize than inexpensive brands; (2) if consumers are highly loyal, then they need only to be reminded to turn to the brand again; (3) the distribution scope is large, but if the brand has come to be displayed at the bottom of the shelf, then it is possible to revitalize it by changing the product display position; (4) if the brand has a long history, then it is deeply remembered among the core customers, who can play an important role in promoting the initial brand revitalization; and (5) the brand has obvious characteristics, such as its products, communication, packaging and style.

Due to their historical and cultural heritage, heritage brands meet the above brand revitalization conditions. At the same time, to achieve cultural sustainability, heritage brands prefer to "*return to their roots*" through brand revitalization. The existing literature on the revitalization of heritage brands mainly focuses on two aspects. On the one hand, based on the consumer perspective, scholars have studied the connotations, driving factors and mode selection of heritage brand revitalization. They have emphasized the influence of nonproduct factors on brand identity and brand revitalization and believe that a brand relationship based on emotional connection and nostalgic tendencies is the key factor of heritage brand revitalization [31]. On the other hand, based on the brand value management perspective, scholars have focused on brand management, brand marketing, brand history and cultural connotations [8]. They have explored the composition of brand value, influencing factors and the relationship of brand value to brand performance. They have also emphasized that the effective coordination and allocation of the assets and organizational rules and structures of the organization can enhance brand equity to promote heritage brand revitalization.

Although some studies have focused on heritage brand revitalization, important theoretical gaps remain to be filled. First, few studies have focused on the internal process heterogeneity of brand revitalization; that is, the revitalization of a heritage brand is different from that of other ordinary brands [8] in two ways: the constraints and the objectives. Regarding the constraints of brand revitalization, ordinary companies are more flexible in their decision-making process during brand revitalization, while heritage enterprises must achieve brand revitalization under the premise of inherited heritage brand equities (such as a cultural heritage) that could already be "out of date." Regarding the objectives of brand revitalization, ordinary companies typically aim for market and financial growth, while heritage enterprises must consider not only financial performance but also cultural sustainability—that is, whether the company retains its brand heritage.

Second, existing research has ignored the important role of technology in heritage brand management [31]. Digital technology is no longer a secondary factor in creating value but an important source of value creation [32]. Hence, enterprises, especially heritage enterprises, must make full use of digital technology to achieve brand revitalization.

### 3. Research Methodology

#### 3.1. Method Selection and Case Selection

This study adopts the case study method for three reasons. First, it investigates how a firm revitalizes its heritage brand for cultural sustainability through the use of digital technologies, which is an appropriate research question for a case study [33]. Second, since the revitalization of heritage brands is an underexplored research phenomenon, adopting an exploratory research methodology is necessary [34]. Third, the management of heritage brands is a complex process that is deeply embedded in a particular context; hence, adopting the case study method is appropriate for insightful theoretical development [35].

We use three criteria for our case organization. First, the case organization must possess at least one heritage brand that is related to culture. Second, the case organization must have experienced both significant brand decline and significant brand revitalization. Third, the heritage brand revitalization processes of the case organization must be closely related to the application of digital technologies. Accordingly, we chose Fengtong Antique Inkstone Co. Ltd. (FT) as our case organization for three reasons. First, FT has a heritage brand certified by the Chinese government. Second, FT experienced a severe brand decline in 2010 and gradually achieved brand revitalization through attempts that began in 2014. Third, the use of digital technologies played a critical role in FT's brand revitalization, thus providing rich insights into how heritage enterprises achieve brand revitalization in the digital era.

#### 3.2. Data Collection

We use onsite interviews and participant observations as our primary source of data. In total, we spent six months to conduct ten semi-structured face-to-face interviews, which lasted an average of 60–90 min. The informants comprised the top management and middle management that had in-depth knowledge on FT's history, performance and brand revitalization journey. For each informant, we made inquiries about: (1) FT's brand image and market performance before and after its brand decline started; (2) FT's strategic planning and detailed executions conducted across time for its brand revitalization, as well as the effects of these efforts; and (3) the roles of digital technologies in the firm's brand revitalization process. These interviews were digitally recorded into a document for subsequent data analysis. We also collected archival data as secondary data to corroborate our interviews, including FT's official website, social media accounts, internal documents, online articles, magazines, and books. Based on data from multiple sources [36], we carried out our data analysis and verified our findings through data triangulation [33].

#### 3.3. Data Analysis

Data analysis was conducted simultaneously with data collection to exploit the flexibility offered by the case study method [37]. Based on the collected data, this study divided the events and activities into two phases: heritage brand decline and heritage brand revitalization. The preliminary theoretical model was validated and revised in three independent steps.

First, the collected data were decomposed into themes (e.g., culture, digital technology, and values), examined, compared for similarities and differences, and categorized [38,39] until a final set of themes was developed. This “open coding” method was conducted to eliminate unrelated data based on the value of the comments collected and their potential for variance [39]. Second, we ensured that each piece of evidence that was used to construct the case study was triangulated by at least two sources of data [40] to eliminate bias in our interpretation. Third, we repeatedly checked the alignment of existing theories, data, and emergent findings [35]. The data analysis followed an iterative process of shifting the research focus among the empirical data, relevant literature, and emergent findings until theoretical saturation was reached [39].

#### 4. Case Description and Analysis

Fengtong Antique Inkstone Co. Ltd. (FT) is an inkstone manufacturer founded in 1980 and located in Yi County, Baoding City, Hebei Province, P. R. China. For almost four decades since its establishment, the company has specialized in the development, production, and marketing of traditional Chinese inkstone products. With its exquisite handcrafted inkstone and unique design philosophy, FT enjoys a strong reputation in the field of Chinese calligraphy and painting. It has won the first place in China's national "Hundred Flowers Awards" as well as "arts and crafts design awards," "time-honored brand" status, etc.

However, the development of FT was not a smooth journey. FT started to face a severe drop in brand reputation and product sales in 2010 because it could not respond quickly to environmental changes. In 2014, FT changed its corporate strategies and gradually revitalized its brand through the application of digital technologies, leading to an enhanced brand reputation and increased sales volume. Given our research focus on brand revitalization, this section will introduce the development of FT in two periods: the brand decline stage and the brand revitalization stage.

##### 4.1. The Heritage Brand Decline Stage: 1980–2014

Originating in China, inkstone is a stone mortar used for the grinding and containment of ink. For skilled calligraphers and painters, a good inkstone is as important as the quality of the ink because the inkstone affects the quality and texture of the ink that is ground upon it. Inkstone is deeply significant in Chinese culture and has a long history. As early as the period of Yangshao culture (7000–5000 years ago), the grinder was invented to mill mineral pigment. By the time of the Southern and Northern Dynasties (420–589 AD), ancient Chinese scholars had started to use the term "the Four Treasures of the Study" to denote the brush, ink, paper, and inkstone used in Chinese calligraphic traditions. This denotation remains well known to the Chinese people in the present day.

Reverence for literature and the relevant tools (including the inkstone) has been passed down from generation to generation in China. Over time, many rules and techniques for making inkstones were developed and popularized, and different kinds of Chinese inkstones emerged successively. For instance, Yi inkstone, which is the type of inkstone produced by FT, is considered the origin of Chinese inkstone. As one of the famous Chinese antique inkstone categories, Yi inkstone dates back to the Warring States period (475–221 BC) and is historically referred to as "Duan in the south, Yi in the north."

From the time of its establishment in the 1980s, FT accumulated loyal customers and a strong reputation through various initiatives. For instance, FT often organized "inkstone culture selection" activities for customers to learn and understand the inkstone culture, thus successfully increasing its brand awareness and cultivating positive interactions with its customers. Meanwhile, to promote customers' trust, FT built an "inkstone quality testing laboratory." This laboratory not only was used by the firm to control the quality of the raw materials for making inkstones but was also open to consumers to test the quality of FT inkstones themselves.

These initiatives gradually established a deep impression among customers of FT as a high-end and reliable brand, which promoted FT's sales volume and reputation on a large scale. Moreover, with its exquisite handcrafted inkstone and unique design philosophy, FT was rated by many media as the representative of inkstone masters owing to its "traditional, professional and cultural deposits." Since then, FT has become the bellwether of the Chinese inkstone culture.

However, since 2010, as the broader Yi inkstone industry started to compete through mass production and underselling, FT decided to follow the same competitive approach. Accordingly, FT purchased a machine-engraving production line to replace its traditional, purely hand-made inkstone process to improve efficiency and achieve mass production. Moreover, FT closed its "inkstone quality testing laboratory," which increased production efficiency by omitting the quality testing stage.

As time passed, the mass production and underselling mode gradually caused a massive loss of FT's existing high-end customers (unit product price > around 750 USD). Instead, FT's customers



turned to wholesalers and low-end individual producers (unit product price < 300 USD). Consumers' brand awareness of FT also gradually changed. Specifically, consumers' impression of FT changed from "superior inkstone master" to "inferior quality," "low-end and cheap," "fancy appearance," and "lack of connotation."

#### 4.2. *The Heritage Brand Revitalization Stage: 2014–2018*

In 2014, FT started to explore solutions to reverse the decline of its brand. FT realized that the business strategy in the industry of inkstone had become polarized. Some inkstone firms with a poor reputation focused on low-end markets: they made efforts in marketing and sales but ignored the maintenance and management of their brands. Others with a good reputation in the industry either held fast to their specific and purely handcrafted product or sought a modern creative design. Through an in-depth analysis of the inkstone industry, FT determined that its traditional cultural heritage, such as its unique design philosophy and purely handcrafted products, was the key element that differentiated it from its competitors. However, due to customer demands for new design elements and more value added, FT decided that it should not only restore those traditional advantages but also innovate in response to the digital era. Therefore, FT made a series of efforts to revitalize its brand by leveraging digital technologies.

First, to restore the strong traditions of its prosperous period, FT adjusted its handcrafted production processes by abolishing the machine-engraving production line and restoring the purely handcrafted system. FT also carefully refined its inkstone production techniques and turned them into detailed executable steps to ensure that each step could be implemented precisely according to the traditional handcrafting process and the design blueprint. Moreover, FT reopened the "inkstone quality inspection laboratory" and expanded the sample sizes in the laboratory so that different aspects of the inkstones could be examined and evaluated, thus ensuring the high quality of its raw materials. FT also reopened the laboratory to consumers to improve their trust in FT by demonstrating its professional handcrafting.

Second, to satisfy consumers' various aesthetic and functional needs, FT began to develop new products in addition to its traditional inkstone products. On the one hand, FT applied its design expertise to the development of a new product category, and these innovative products sold out soon after being launched. On the other hand, FT also took initiatives to leverage various Chinese cultural elements to generate new forms of inkstone products, such as an integrated fish tank and tea tray product and an integrated lamp holder and candlestick product. These products not only enriched FT's product series and expanded its market scope but also had positive impacts on its brand reputation.

Finally, FT leveraged digital technologies to promote its brand with enhanced customer awareness. On the one hand, it used digital media to document and spread brand stories. Specifically, as a master in the handcraft inkstone industry, FT established the "Digital Historical Museum of Inkstone Culture" with 3D videos to demonstrate its more than 30-year corporate history, classic works, and completely traditional handcrafted inkstone production processes. FT also created brand micro-videos for classical historical events, such as the sources of inspiration for famous inkstones. Those micro-videos were published on online platforms such as Tik Tok (the most popular short video app in China) to arouse longtime customers' memory of FT as an inkstone master. In addition, FT opened an official public account on WeChat (the largest social networking mobile platform in China) to cultivate in-depth interactions with customers. Through the WeChat platform, FT frequently broadcast its new values (such as handcrafting and culture) to its customers. Moreover, through such platforms, customers could place orders and provide feedback to the firm, which helped FT in product improvements and development.

By restoring its traditional advantages, developing new products and conducting digitalized brand promotion activities, FT gradually retrieved its market share in the high-end segment. In 2017, 72% of its annual revenue came from the sales of high-end products. The firm's brand influence and

sales volume also increased. FT intended to further invest in various forms of digital marketing to continue to increase the influence of its heritage brand.

## 5. Discussion

As illustrated in the case description, FT underwent a significant brand decline when it began to face extensive changes in its industry in the digital era. Initially, the firm blindly disregarded its valuable heritage equities, such as its handcrafted inkstones, unique brand history, and brand culture. However, the firm eventually managed to leverage various digital technologies and achieve brand revitalization, which not only brought it considerable profits but also sustained the longstanding inkstone culture.

Based on our case analysis, we identified FT's three key processes of brand revitalization for achieving cultural sustainability as well as the detailed mechanisms of each key process (see Table 1 for a summary). Note that many of FT's efforts relied heavily on the use of various digital technologies. In this section, we will elaborate on our findings.

**Table 1.** The three key processes of a heritage enterprise's brand revitalization for cultural sustainability in the digital era.

Key Processes of Brand Revitalization	Detailed Mechanisms
1. Redefine the heritage brand	(1) Reactivate the heritage entities and distance the brand temporally from modernity (2) Recombine values (3) Reshape identity association
2. Communicate the updated image to consumers	(1) Communicate new brand values to consumers through digital media (2) Cultivate and mobilize enthusiastic consumers through social media platforms
3. Reconstruct the market boundaries of the heritage brand	(1) Extend the product line (2) Extend the brand

### 5.1. Redefine the Heritage Brand

A declining heritage brand often faces a mismatch between the existing connotations of the brand and what consumers expect from it. As such, to achieve brand revitalization, a heritage enterprise must first redefine its brand. In other words, the firm must examine the current connotations of the brand (e.g., the value that it delivers) and update them when necessary to enhance the popularity of the brand. Specifically, this process involves three mechanisms: (1) reactivating the heritage equities and temporally distancing the brand from modernity, (2) recombining values, and (3) reshaping identity association. Through these mechanisms, a heritage enterprise can redefine and shift the meanings associated with its heritage brands to facilitate brand revitalization, as FT reshaped the meaning of its inkstone from a functional tool to a "cultural art" infused with handcrafting, culture, and usability. Next, we will discuss these mechanisms individually.

**Reactivating the heritage equities and temporally distancing the brand from modernity.** Many of the heritage equities that a firm possesses have a great economic and cultural value [5] and differentiate the heritage brand from its competitors [8]. Failing to recognize the value of such heritage equities may lead directly to the decline of a heritage brand [17]. Hence, a heritage enterprise seeking brand revitalization must first examine the heritage equities that it already has and reactivate the valuable brand equities that it wrongly abandoned. FT reactivated its heritage equities by restoring its handcrafted production techniques and reframing its brand history from the date of its founding. Regarding the former issue, FT carefully broke down the handcrafted inkstone production into detailed executable steps to ensure that each step could be implemented precisely. Regarding the latter issue,



one of our interviewees, an executive manager of FT, confirmed the firm's efforts explicitly: *"We began to emphasize our founding date to tout the origins of the firm's Yi inkstone historical lineage."*

In addition, a heritage enterprise may choose to temporally distance its brand from modernity to enable the public to "selectively forget" [41] the influence of the brand-declining period and to bridge the firm's history from the past to the future. As an executive of FT explained, *"We discreetly distanced ourselves from the mechanical production crisis, which made consumers have a negative brand association with FT. To escape this dilemma, we emphasized our history and applied these historical elements to future activities."*

**Recombining values.** The mechanism of recombining values deals with the *"multiple qualities that we have not seen together before in quite this combination"* (p. 170, [42]). By doing so, a heritage enterprise may re-examine its existing value propositions, reactivate several potential value propositions, and combine them with new values and meanings, thus shaping the uniqueness of its brand [43].

First, a heritage enterprise must review its heritage entities and reactivate potential value propositions that have been set aside. In the case of FT, the firm realized that it had overlooked the values of its brand heritage, especially the hand-made craftsmanship and its longstanding mastery of Yi inkstone production, which directly caused the decline in its product quality and the loss of its heritage. These values could significantly differentiate the firm from its competitors. Hence, FT reincorporated these elements into its value proposition by (1) returning to the handcrafted inkstone production process and discontinuing the machine-made production process and (2) reinforcing its "Yi inkstone master" image, which represented "traditional, professional and cultural deposits" in handcrafted inkstones, by reopening the "inkstone quality inspection laboratory" to strictly control the quality of its raw materials and handcrafted inkstones.

Second, a heritage enterprise must recombine the reactivated values with its preexisting value propositions, forming a new set of brand values that are suitable for brand revitalization. In the case of FT, the firm retained its preexisting value proposition of "usability" and incorporated reactivated values from its heritage, such as hand-made craftsmanship and the inkstone cultural legacy, to form a new set of brand values featured as "elegant lifestyle." The firm realized a significant cultural shift related to craftsmanship [44]; that is, the improvement of its materials changed consumers' perception of its product quality, which stimulated high-end artisanal market demands and the pursuit of handcrafted cultural trends [45]. As the CEO of FT stated, *"Usability is not sufficient for customers. We have to give them more, which must be in line with the customers' demands."* Therefore, FT integrated the notions of hand-made craftsmanship and inkstone culture with usability to reshape the meanings attached to its heritage brand. By doing so, it distinguished its handcrafted inkstones from machine-made inkstones and shifted the meaning of inkstones from usability to cultural art.

**Reshaping identity association.** To shift the meaning of a heritage brand and its products not only relies on efforts to reactivate heritage entities and recombine values but also depends on whether the heritage enterprise can successfully create the intended impression of the heritage brand and its products among consumers, that is, whether the heritage enterprise can reshape its identity association [46]. When the original identity association of a certain brand or product is changed, consumers' subsequent responses to that brand or product change as well [47]. Reshaping identity association becomes a necessary mechanism to help consumers personally identify with the brand [43]. In the case of FT, the firm reframed its handcrafted inkstone as an expressive tool that mirrors consumers' taste in the brand revitalization stage. As one FT executive stated, *"When you buy our handcrafted inkstones, it's no longer just to practice calligraphy. It represents your personal taste in culture and elegance first. Accordingly, this will help you gradually integrate into the appropriate circles."* The new identity association of handcrafted inkstone appealed to a much larger consumer group and more high-end consumers, ultimately promoting FT's sales.

## 5.2. Communicating the Updated Image of the Heritage Brand to Consumers

After redefining the connotation of the heritage brand, a heritage enterprise must engage with the firm's existing and potential consumers to deliver the updated brand image to them. Without

communication with the consumers, the intended new image of the heritage brand would be only an anticipated public image but not the actual public impression. Achieving this impression involves two mechanisms: (1) communicating new brand values to consumers through digital media and (2) cultivating and mobilizing enthusiast consumers through social media platforms.

**Communicating new brand values to consumers through digital media.** After updating the values and meanings of a heritage brand, a heritage enterprise must communicate the new brand values to both old and new customers [43]. In the digital era, such communication depends on digital media for sufficient influence and effectiveness. In the case of FT, the firm established a public WeChat account to promote and emphasize its new brand values to customers. It also produced brand micro-videos to promote its classical culture and craftsmanship on Tik Tok to strengthen consumers' understanding of the new brand values.

**Cultivating and mobilizing enthusiast consumers through social media platforms.** Compared with typical consumers, enthusiasts prefer to seek higher levels of information; they serve as key opinion leaders and actively participate in activities to “*maintain, conserve, or enhance a product*” (p. 54, [48]). Since enthusiasts continue to ascribe value to heritage equities (e.g., brand history and culture), a heritage enterprise should pay more attention to such customers, especially during the decline of a brand. Specifically, a firm may make efforts to foster the growth of the enthusiast group and mobilize enthusiast consumers for further value creation. Such efforts depend largely on the use of social media platforms in the digital era.

FT made significant efforts in both aspects. On the one hand, it attempted to attract and cultivate new consumers as “enthusiasts.” In particular, it reopened the “inkstone quality inspection laboratory” for potential enthusiasts to experience its handcrafted production process. As one executive stated, “*If the new consumers see our handcrafted production process, they will always appreciate it. Because it’s delicate and rigorous.*” Moreover, FT developed a virtual program that allows consumers to experience every step of the handcrafted process online. These activities helped it attract and cultivate a wider range of consumers to become enthusiasts.

In addition, FT mobilized its enthusiast consumers through various digital approaches for stronger bonding, word-of-mouth brand promotion, and even more potential benefits. In particular, FT established a “Digital Historical Museum of Inkstone Culture,” which vividly demonstrates the enterprise’s historical and cultural heritage through brand stories, the handcrafted inkstone production process, its design philosophies, etc. By educating the public with carefully developed brand knowledge, the digital museum helped FT strengthen its bond with enthusiasts and regain the trust of mass consumers in terms of the “historical authenticity” of the brand [49]. The firm also established online groups for inkstone lovers to communicate with each other to strengthen the emotional bond between passionate customers and the heritage brand [50]. Through these digital approaches, FT provided channels for enthusiasts to express their passion and promote the brand to a wider group of potential customers. Moreover, the enthusiasts serve as third-party arbiters of the value and authenticity of the Yi inkstone for potential consumers, similar to art appraisers and wine connoisseurs. Through the approaches above, FT could better connect with its consumers, better understand the emerging tastes and preferences of potential consumers, and ultimately make the brand popular again.

### 5.3. Reconstructing the Market Boundaries of the Heritage Brand

With the original brand image redefined and delivered to consumers, a heritage enterprise must reconstruct the market boundaries of its heritage brand to leverage the aforementioned efforts and better achieve brand revitalization. Specifically, this process involves two mechanisms: product line extension and brand extension.

**Product line extension.** Product line extension essentially involves using established brand names to introduce new products or to modify the product configuration in the existing product category to satisfy certain market segments [51]. When launching a new product that is closely related

to existing products, the company usually has mature production processes and capabilities that enable it to produce the new products at a relatively low cost and risk [51]. In the case of FT, to develop new products to satisfy consumers' emerging need to demonstrate higher aesthetic taste and a unique personality, the firm attempted to infuse traditional Chinese cultural elements, such as Buddhism, Taoism and Confucianism, with modern elements to formulate new products, such as Breathing Inkstone, in its inkstone product line.

**Brand extension.** Brand extension essentially involves using established brand names to launch new products [52] that often extend beyond the original product category. For a well-known brand, the brand extension may reduce the necessary new product introduction expenses, therefore expanding product profitability [53,54]. Additionally, when extending its products to a new category, a firm may enhance its brand awareness among a wider consumer group, which is also beneficial in the long run. In the case of FT, the firm used its brand to launch new product categories, such as the incense holder. Therefore, consumers have more opportunities to purchase and use FT products.

## 6. Conclusions

This paper identifies three key processes of heritage brand revitalization for cultural sustainability and discusses in detail the specific mechanisms involved in each process. In this section, we will discuss the theoretical and practical implications of this study.

### 6.1. Theoretical Contributions

First, this study contributes to the sustainability literature by investigating how to achieve sustainability in a rarely investigated context (i.e., revitalization of heritage brands) from an understudied perspective—cultural sustainability. While the extant sustainability literature has largely focused on the environmental, economic and social dimensions [6,14], discussions of the cultural dimension are limited and tend to focus on how to protect cultural heritage sites. This study explores a new context of achieving cultural sustainability, that is, how to protect declining heritage brands, which represent precious cultural heritages in possession of firms [10]. Our findings demonstrate the key processes and mechanisms of revitalizing heritage brands, thus improving our understanding of how to achieve cultural sustainability.

Second, the study contributes to the literature on brand revitalization by investigating the revitalization processes of a special type of brand—the heritage brand. The extant literature on brand revitalization has typically overlooked the heterogeneity of different brands and discussed how to revitalize brands in general. Few studies have discussed how to differentiate brand revitalization based on the characteristics of different types of brands [8]. This study addresses the theoretical gap by investigating the revitalization process of heritage brands because the revitalization of heritage brands has a unique goal compared with that of regular brands—to protect the heritage entities of the brand for cultural sustainability. Through the case study, we identify three key processes and discuss in detail the specific mechanisms of the three processes. The findings contribute to an understanding of how heritage enterprises can revitalize their brands for cultural sustainability.

Finally, this study contributes to the literature on brand revitalization by highlighting the importance of digital technologies. Prior studies have overlooked the importance of technology in managerial efforts for brand revitalization [31]. However, with the changing times, digital technology is no longer a secondary factor in creating value but rather is an important source of value creation [32]. Hence, this study highlights the importance of digital technology in the revitalization process of heritage brands. This emphasis is particularly valuable given the growing importance of emerging digital technologies as core drivers of industrial development as well as the economic and cultural significance of heritage brands [55].

## 6.2. Practical Implication

This study also has practical implications. First of all, for heritage enterprises facing serious brand decline and struggling between their brand heritage and the everchanging market demands in the digital era, this study highlights the importance of preserving their brand heritage (i.e., achieving cultural sustainability), and suggests that it is possible for these enterprises to achieve brand revitalization in the digital era without abandoning those heritages. Moreover, this study provides a process model and a set of actionable prescriptions for managers of heritage enterprises to execute their brand revitalization strategies and achieve cultural sustainability. The government can also leverage our findings to develop policies to maintain a sustainable system at the macro level. Finally, this study highlights the importance of digital technology in managing heritage enterprises, as digital technology provides heritage enterprises with new approaches not only to exploit their longstanding heritage brand entities (e.g., promote an enterprise's brand heritage to a much larger group of potential customers through digital media), but also to explore their potential new heritage brand entities (e.g., conduct marketing research upon enthusiastic consumers through social media platforms to develop new product lines and new product categories).

## 6.3. Limitations and Future Research

This study is not without limitations. First, while it investigated a brand revitalization process with smooth and continuous development, other situations could emerge during the brand revitalization process, such as trial-and-error and much more radical changes. Future studies may explore the driving factors, development processes and mechanisms of brand revitalization in such situations. Second, different processes and mechanisms of brand revitalization could exist. For instance, for heritage enterprises producing different types of products (e.g., utilitarian vs. hedonic products), they may have different paths or leverages to achieve brand revitalization. Hence, future research may investigate the processes and mechanisms of brand revitalization in other heritage enterprises in order to uncover the processes or mechanisms that have not been identified in this case study.

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