

SUSTAINABLE STRATEGIES, DIGITAL CIRCULAR ECONOMY, AND BRAND PURPOSE RECONFIGURATION IN RETAIL

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ABSTRACT: The transition to a digital circular economy poses a paradox for established (legacy) brands: how can they reconfigure their purpose to thrive in the recommerce sector, abandoning their linear logic? Existing literature addresses brand purpose and recommerce separately, undertheorizing how purpose can function as a strategic mechanism to mitigate consumer distrust, a central barrier in the digital secondhand market. This article fills this gap by proposing a conceptual model that explains how an authentic purpose, focused on circularity, shapes consumer behavior. Through an inductive case study of IKEA, we verify how a genuine purpose transcends ethical value, acting as a catalyst that amplifies the dimensions of hedonic, social, and functional value. Fundamentally, it operates as a risk mitigator, reinforcing trust and perceived functional value. We conclude that brand purpose, when authentically operationalized, becomes the central strategic asset for creating multidimensional value and success in circular retail, offering a roadmap for leadership in the sustainable digital economy.

Keywords: Brand Purpose. Circular Economy. Sustainability Strategy. Recommerce. Consumer Behavior. Digital Economy. Consumer Trust.

1. INTRODUCTION

The contemporary retail paradigm is at a strategic inflection point. The traditional maximization of profit as the dominant corporate purpose is increasingly challenged by a new generation of consumers, investors, and regulators who demand a deeper commitment to social and environmental responsibility [1,2]. This transformation, driven by the urgency of the transition to a circular economy [3], represents a structural reconfiguration of social expectations. At the epicenter of this change is the secondhand sector, or recommerce, a market whose projected growth significantly surpasses that of traditional retail [4].

Despite its growing relevance, academic literature presents a limited understanding of how established brands (legacy brands), in particular, can navigate this transition successfully. While literature on brand purpose proliferates, it tends to focus on new ventures or remains at

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a purely conceptual level [5]. On the other hand, research on recommerce details consumer motivations [6] but undertheorizes the strategic role of the brand in overcoming barriers such as perceived risk and social stigma [7]. Thus, a theoretical and practical "anomaly" emerges: how can a brand, whose legacy was built on a linear volume model, reinterpret its purpose to become a credible asset and value generator in the circular economy?

This article addresses this gap. Our objective is to develop a conceptual model that explains how the reconfiguration of an authentic brand purpose, focused on circularity, influences the value perceived by the consumer and the brand's performance in the recommerce sector. To do this, we turn to an in-depth case study of IKEA, the world's largest furniture retailer and a paradigmatic example of the complex journey of an established brand towards sustainability. We argue that an authentic and operationalized purpose transcends mere communication, functioning as a strategic mechanism with a dual function: (1) it mitigates the risks perceived by the consumer, functioning as a seal of trust and quality; and (2) it amplifies the dimensions of value (ethical, hedonic, social, and functional), transforming the purchase of a used good into an experience of community participation and conscious consumption.

The main contribution of this work is, therefore, the construction of a grounded theory that positions brand purpose as the antecedent strategic variable that unlocks value in the recommerce market. The article is structured as follows: first, we review the relevant literature; next, we present our inductive methodology; subsequently, we develop the conceptual model and a set of theoretical propositions from the analysis of the IKEA case. Finally, we discuss the theoretical and managerial implications, the limitations of the study, and an agenda for future research.

2. Literature Review

To substantiate our conceptual model, this section critically analyzes and reorganizes the existing literature in three interconnected domains. First, we discuss the evolution of brand purpose, from a peripheral concept to a strategic pillar, focusing on its imperatives of authenticity and systemic integration. Second, we explore the emergence of recommerce as a central paradigm in the circular economy, detailing the mosaic of value perceived by the consumer, which includes both significant motivations and barriers. Finally, we synthesize these streams to expose the theoretical anomaly that this study addresses: the scarce understanding of brand purpose as a strategic mechanism to unlock value in secondhand retail.

2.1. The Evolution of Brand Purpose: From Strategic Pillar to Authenticity Challenge

The evolution of marketing thought reveals that brand purpose has moved from being a mere ethical accessory or a social responsibility tool to a structuring axis of marketing and branding strategy. Contemporary literature positions purpose as a differentiating lever in an increasingly competitive, volatile, and value-driven market environment [8]. In the domain of commercial organizations, purpose often remains subordinate to the imperative of profitability, with pro-social objectives being instrumentalized only to the extent that they contribute to generating demand or mitigating risks [9]. However, the growing valuation of intangible assets such as reputation and brand equity [10] has forced a reassessment. Purpose thus ceases to be a communicational prop to become the engine of organizational strategy and innovation [11].

Within the fifth generation of Integrated Marketing Communications [8], a paradigmatic shift is observed: brands no longer compete solely on the basis of the functionalities of their products or services, but through an expanded value proposition that balances People, Planet, and Profit. Brand purpose thus emerges as the strategic expression of this vision, condensing the organization's identity, mission, and long-term commitment.

Although the concept of organizational purpose dates back to the origins of strategic thinking, its systematic application in the field of marketing is relatively recent. Traditionally, corporate purpose was understood as an organization's reason for being beyond profit-making [2], a definition often vague and difficult to operationalize. To clarify this concept, more recent literature has introduced more robust approaches, such as the conscientious purpose-driven branding (CPB) model, which seeks to distinguish genuine purpose from other often-confused practices, such as Corporate Social Responsibility (CSR) and Cause-Related Marketing (CrM) [1]. The distinction is fundamental: while the latter are often mobilized as tactical or peripheral initiatives, purpose, in its most evolved form, constitutes a long-term structural commitment, rooted in the core of the business model[1].

For purpose to transcend the rhetorical plane, the literature converges on the need for it to be authentic, integrated, and communicated coherently. Authenticity, in this context, is not just a matter of perception, but the verifiable result of coherence between the declared purpose (communication), business operations (value chain, product design), and brand activism (public actions). The lack of this coherence inevitably leads to accusations of hypocrisy and destroys consumer trust. A purpose perceived as opportunistic loses legitimacy [12]. This

perceived authenticity is a catalyst for consumer-brand congruity (self-brand congruity), which describes the alignment between the brand's identity and the consumer's self-concept [1].

The growing demand for purpose from consumers has created a perverse incentive for inauthentic communication. "Greenwashing" (exaggerated or false environmental sustainability claims) and "woke-washing" (performative adoption of social causes for marketing revenue) are the main challenges to brand credibility [1].

For purpose to transcend the rhetorical plane and translate into real value – symbolic and economic – it is necessary to meet three structuring and interconnected conditions:

1. Authenticity: The purpose must emerge from the brand's essence, reflecting its history and concrete practices. Authenticity, in this context, is not just a matter of perception, but the verifiable result of coherence between discourse and action.
2. Transversal Integration: An effective purpose cannot be confined to institutional discourse. It must permeate all dimensions of the business, from product design to the consumer experience. In this logic, brand activism emerges as the tangible expression of purpose. Purpose represents the "why" of the brand, while activism represents the "how," that is, the concrete actions that demonstrate the brand's commitment to certain values. [11]
3. Coherent and Relational Communication: The brand's narrative must be intelligible and resonant, supported by concrete actions and performance indicators that allow stakeholders to validate the commitment over time.

This alignment transforms purpose into an intangible asset of high strategic value, capable of generating sustainable differentiation and driving value co-creation.

The literature has focused on the challenge of sustainable transformation for established companies [13,14]. These companies generally have structural advantages such as greater investment capacities [15] and economies of scale [16]. However, they also face significant barriers, namely organizational inertia that limits their ability to promote radical innovations [17,18]. Overcoming these tensions is one of the main contemporary strategic challenges [19].

In this context, conscientious brands emerge, integrating sustainability as a central element of their identity and value proposition [12]. These brands recognize their insertion in interdependent ecosystems, composed of multiple stakeholders [20,21], and seek to involve them in defining sustainable solutions [22].

The traditional dichotomy between established companies (slow but robust) and start-ups (agile but limited) proves insufficient. Many corporations operate brand portfolios, which requires careful management to avoid cannibalization between traditional and sustainable brands [23,24]. The growing social and regulatory pressure forces the reformulation of these portfolios with brand strategies consistent with new consumer values [25]. Although the importance of these brands is growing, research on how they contribute to the sustainable transformation of established companies remains limited [26,27], making it urgent to deepen this knowledge.

Articulating a purpose is only the first step. The real challenge, and where many brands fail, lies in its authentic and consistent execution. Authenticity, in this context, is the stakeholders' perception that a brand is true to itself and its declared values, a rigorous alignment between what it says (purpose talk) and what it does (purpose practice). In recommerce, authenticity is the antidote to skepticism and the foundation of long-term loyalty.

The risk of "purpose-washing" is immense. A platform can celebrate sustainability but have a massive carbon footprint due to inefficient logistics, or it can neglect vendor verification, allowing the circulation of counterfeits. Such inconsistencies, quickly exposed in a hyper-connected world, destroy the credibility of the purpose. To avoid this trap, the purpose cannot be a silo of the marketing department. It must be the organizing principle of the company—a concept that has been associated with corporate activism [11], not in a political sense, but in a proactive and intentional action to solve a problem. This requires systemic integration. It means that the success metrics of logistics managers must include carbon efficiency; product teams must design features that increase transparency (e.g., item history); and customer service must be trained to resolve disputes in a way that reinforces community trust.

This systemic integration is facilitated by a clear normative framework within the company. Marketing agencies play a crucial role as intermediaries, helping companies to delineate and execute this purpose to amplify perceived authenticity [28]. This process involves translating the Corporate Purpose (the general why) into the Brand Purpose (the specific promise) and, subsequently, into the mission (what the company does to fulfill it) and the vision (the future it wants to create). Each strategic and operational decision must then be evaluated based on its coherence with this normative framework. The final goal is to measure and communicate the real impact. Brands with purpose must go beyond financial metrics and report the amount of waste diverted from landfills, the extension of product life, and the

savings in water and CO₂ emissions. These metrics are the tangible proof of the purpose's execution, transforming the brand into a credible agent of change.

The brand's purpose in the secondhand sector is not an option, but a fundamental strategic necessity. In a market built on the premise of trust, purpose functions as the primary mechanism for its creation, maintenance, and defense. It mitigates risk, creates value beyond the functional through congruence with the consumer's identity, aligns the brand with the multifaceted motivations of consumers, and offers a robust basis for differentiation and long-term loyalty. Its effectiveness, however, depends radically on an authentic, transparent, and systemically integrated execution. A purpose that does not translate into operations, policies, and measurable metrics is, at best, irrelevant and, at worst, a toxic liability for the brand's reputation.

2.2. The Dynamics of Recommerce and the Mosaic of Perceived Consumer Value

Recommerce is an essential component of the circular economy, which aims to extend the useful life of products through reuse, repair, and resale [29]. Its implementation can take various forms, from C2C markets to integrated business models where the brands themselves manage the secondary life cycle of their products—the so-called branded recommerce [30].

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This latter approach, exemplified by IKEA's "As-Is" program or Patagonia's "Worn Wear," is strategically significant. Research suggests that by internalizing the secondary market, companies align their economic incentives with sustainability objectives. A recent model demonstrates that branded recommerce can lead companies to design more durable products, as the brand now captures part of the residual value of these products [30]. This internalization of value creates a virtuous cycle: more durable products are more attractive in the secondhand market, generating more revenue and reinforcing the brand's quality reputation. This dynamic contrasts with the planned obsolescence models typical of the linear economy. IKEA, by offering spare parts and encouraging resale, signals a move away from the "disposable" model and a commitment to product longevity [31].

The value that a consumer extracts from purchasing a used item is intrinsically multidimensional. The literature identifies that consumers are motivated by a complex mosaic of values. Works like [6] identify the *what*: economic, critical, and hedonic-recreational motivations. On the other hand, research [32] shows the *how*: the marketing strategies that

retailers use to "frame" used goods and appeal to these motivations (e.g., framing as "environmentally friendly" or "creatively experiential").

The decision to buy a used product is a complex equation, where the consumer evaluates a multidimensional set of benefits and costs. Academic literature and industry reports paint a clear picture of this mosaic of value:

Economic Value: The most obvious motivation is savings. However, it goes beyond the low price; it includes the search for a "good deal" (bargain hunting) and access to higher quality products at a lower price [6].

Ethical/Sustainable Value: The growing environmental awareness has transformed buying secondhand into an act of conscious consumption. A survey by Humana [33] revealed that the environmental benefit is the main reason for 73% of its customers to buy secondhand. This aligns with the notion that a brand's purpose can resonate with consumers' personal values [8].

Hedonic/Social Value: The experience of shopping secondhand is often de-scribed as a "treasure hunt," a journey of discovery that provides pleasure and satisfaction [6]. Furthermore, the act of buying (and selling) on platforms like Depop fosters a sense of community and identity, a social value that transcends the mere transaction [7].

Functional Value: This refers to the utility and quality of the product. In the secondhand sector, this value is intrinsically linked to the perception of risk: will the product work as expected? Is it durable?

However, this mosaic of value is counterbalanced by significant barriers. Research [7] highlights the stigma associated with poverty, the fear of contamination ("disgust"), and the uncertainty about the quality and origin of the product as crucial inhibitors. It is precisely at the intersection between the amplification of value and the mitigation of these barriers that the strategic role of the brand needs to be better understood.

2.3. The Theoretical Gap: Purpose as a Strategic Mechanism in Recommerce

The contemporary consumption landscape is defined by a fundamental tension: a growing awareness of sustainability collides with an endemic distrust in institutions, including corporations, which reaches historic lows. This "trust deficit" is particularly acute in the recommerce sector, an ecosystem that flourishes or perishes based on trust between strangers [34]. The intersection of the two streams of literature analyzed re-veals a gap and a theoretical

"anomaly" [5]: the literature on brand purpose, although it discusses authenticity, rarely tests it in the high-skepticism environment of recommerce; in turn, the recommerce literature identifies barriers of trust, but undertheorizes how a brand purpose, properly operationalized, can function as the main mechanism to overcome them.

This article proposes that an authentic and integrated purpose transcends communication and becomes a fundamental strategic mechanism with a dual function: to mitigate perceived risk and to activate psychological mechanisms that encourage consumption.

First, as a Trust Generator and Risk Mitigator. The biggest obstacle in recommerce is information asymmetry and uncertainty regarding quality and authenticity. A brand with a credible and transparent purpose functions as an implicit guarantee. The re-search [34] on the role of "product history" in online secondhand retail corroborates this idea, demonstrating that providing a narrative about the origin and journey of the product increases trust and perceived benefits. The brand's purpose is, in essence, the macro-story that frames and lends credibility to all the micro-stories of individual products. When a platform invests in robust verification systems, buyer protection, and conflict resolution, it is not just offering a service; it is executing its purpose of creating a safe ecosystem, which directly reduces the consumer's perceived risk.

Second, as an Activator of Multidimensional Value and Disposition for Consumption. A well-articulated purpose is capable of activating multiple goal frames, according to the theory [35]. In recommerce, this is particularly powerful: an effective purpose simultaneously activates the Normative Frame (feeling that one is doing the right thing for the planet), the Gain Frame (the economic benefit of buying cheaper), and the Hedonic Frame (the joy of discovery). Additionally, it fosters "perceived readiness," a psychological state in which the consumer feels ready to adopt a new sustainable behavior [36]. The purpose is what connects these three frames in a coherent narrative, transforming the purchase of a used item into participation in a movement for more conscious consumption.

Therefore, a well-communicated purpose in the context of recommerce can, simultaneously: reduce perceived risk, strengthen the consumer's willingness to try circular models, and enhance the perceived value in various dimensions.

4. Case Study: The Strategic Reconfiguration of Purpose at IKEA

IKEA constitutes a paradigmatic example of strategic brand transformation in the global retail context, showing how a consolidated company seeks to reconfigure its organizational purpose to respond to the contemporary challenges of sustainability. Its trajectory highlights both the transformative potential of purpose and the contradictions that emerge from the attempt to align economic growth with environmental and social responsibility.

3.1. From Democratic Functionality to the People & Planet Positive Strategy

Historically, IKEA's foundational purpose [37]—"to create a better everyday life for the many people"—was based on a value proposition centered on democratic design, which aimed to make functional, aesthetically pleasing furniture available at accessible prices. Although this positioning demonstrated a relevant social commitment, it operated within a linear business model (extract-produce-consume-discard), whose global scalability proved to be unsustainable from an environmental perspective.

Recognizing the need for transition, IKEA repositioned its purpose through the *People & Planet Positive* strategy, a movement that expands its original vision by explicitly incorporating ecological sustainability and social well-being as structural pillars. This reformulation aims to empower individuals and communities to adopt healthier and more sustainable lifestyles, respecting planetary boundaries and ensuring intergenerational equity [38].

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The new strategic orientation is outlined in [39] the Inter IKEA Group's *Sustainability Strategy*, applicable to the entire value chain and brand franchising system. This document guides decision-making, anchoring it in a logic of shared value creation and positive impact—economic, social, and environmental. The vision remains centered on "improving the everyday life of the many people," but the approach evolves towards a circular business model, where regeneration, efficiency, and justice are guiding principles.

The strategy identifies three interdependent and systemic challenges:

Climate change and biodiversity loss, requiring accelerated decarbonization of operations and regeneration of natural ecosystems.

Unsustainable consumption patterns, with global imbalances in resource use and increased waste.

Growing social inequality, which threatens community cohesion and economic stability, especially in a context of ecological transition.

Aligned with the United Nations' Sustainable Development Goals (SDGs), the strategy is structured around three priority action axes:

1. **Healthy and sustainable living:** Making sustainable lifestyles accessible, desirable, and economically viable for all. The company is committed to offering products and services that promote energy efficiency, waste reduction, and physical and mental health.
2. **Climate, nature, and circularity:** Moving towards a circular and regenerative business model, with goals such as: halving GHG emissions by 2030 (compared to 2016), achieving "net-zero" by 2050 and eliminating landfill waste, and exclusively using renewable and recyclable materials. This vision is anchored in robust commitments to eco-efficiency, circular design, and energy transition.
3. **Justice and equality:** Ensuring respect for human and labor rights throughout the value chain, promoting diversity, inclusion, decent work, and positive social impact in communities. Proactively promoting human rights and decent work throughout the value chain, ensuring ethical business practices, inclusion, diversity, and community resilience. This dimension integrates everything from internal policies of fair remuneration to the active defense of inclusive practices in marketing and the supply chain.

Among the most significant commitments for 2030 are:

Circularity as a design principle: all IKEA products will be designed according to circular principles, with exclusively renewable or recycled materials, promoting longevity and reusability.

Product life cycle support services, such as repair, resale, and parts replacement, bringing IKEA's model closer to a logic of recommerce and regenerative consumption.

Global elimination of disposable plastics in stores and restaurants by 2020 — a symbolic, but strategic, step to reposition the brand in alignment with sustainable practices.

Promotion of plant-based food in IKEA stores, with products like the vegetarian hot dog, reinforcing the role of retail in changing more sustainable eating behaviors.

70% reduction in the climate footprint per product, with science-based targets and a focus on the entire value chain, including suppliers and the use of the product in the consumer's home.

Clean logistics: achieving zero-emission home deliveries by 2025. Expansion of affordable domestic solar solutions to 29 IKEA markets by 2025.

This set of initiatives aligns with what Kotler designates as brand activism: actions that go beyond passive social responsibility and translate into a real transformation of behaviors, production structures, and social contexts [40]. IKEA aims to be climate positive, meaning it will reduce more GHG emissions than those generated by its value chain, integrating carbon capture and storage, renewable energies, and profound changes in the industrial processes of its suppliers.

According to Torbjörn Lööf, CEO of the Inter IKEA Group, this change is only possible through network collaboration and social innovation, involving all stakeholders — from raw material producers to end consumers [41].

As observed in [40], brands with a clear strategic purpose not only generate loyalty and reputation but also create sustainable value ecosystems, where consumption is rethought as an act of citizenship. IKEA is advancing on this path with a coherent, measurable, and systemic impact-oriented strategy.

The operationalization of this strategy is ensured by structural mechanisms such as codes of conduct (IWAY), continuous training, collaborative innovation, and reporting and monitoring systems based on ESG indicators. IKEA also assumes an active role in public advocacy, collaborating with governments and non-governmental organizations to promote sustainable policies.

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3.2. IKEA promotes the transition from a "disposable" consumption model to sustainable and circular solutions

The reconfiguration of IKEA's purpose transcends the rhetoric of corporate social responsibility, manifesting itself in strategic decisions and corporate activism actions [42]:

Circular Economy: Products are designed to facilitate repair, reuse, and recycling. The *Circular Hubs* and the offer of spare parts are integrated into the goal of total circularity by 2030 [43].

Materials and Energy: The commitment to the exclusive use of renewable or recycled materials and a positive climate footprint reflects an operational reconfiguration. The sale of solar panels in stores illustrates the empowerment of consumers as agents of the energy transition.

Sustainable Food: The introduction of plant-based products in IKEA restaurants (such as the vegetable protein meatballs) is a strategic action to reduce the carbon footprint of the food offer, aligning health, taste, and sustainability.

IKEA was one of the first companies in the retail sector to establish a climate plan aligned with the Paris Agreement, in 2016. This early commitment demonstrates a re-configuration of corporate purpose, where sustainability emerges not only as an ethical requirement but as a strategic foundation for competitive advantage [40]. The Swedish company understood that the future of its accessibility and market relevance depends on the systemic integration of circular practices throughout its value chain.

One of the paradigmatic cases of this strategy is the mattress circularity project in the Netherlands. In this country, with approximately 17 million inhabitants, it is estimated that 1.7 million mattresses are discarded annually, representing a significant environmental liability, due to their volume and high carbon footprint [44]. In response, IKEA, in coordination with a local entrepreneur and the Dutch government, developed a reverse logistics system. New legislation banned the incineration of mattresses and required consumers to drop them off at collection points. This legal framework made large-scale collection viable, allowing IKEA to direct them to separation and recovery facilities, where the materials are classified into three or four reusable categories and reintroduced into the production chain.

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This model represents a robust example of innovation oriented towards circularity, revealing how synergies between public policies, entrepreneurship, and global retail can generate positive environmental impact. Sustainability, far from being a cost, constitutes a cost control tool, a brand differentiator, and an ethical imperative [45].

In the words of Jesper Brodin, CEO of Ingka Group — the holding company that controls most IKEA stores — "the only way for IKEA to be successful in the future is to be in a hurry to become sustainable. We need to be smarter about how we use energy and materials across the value chain. And that's the only way we can continue to be accessible" [44]. This statement clearly expresses the strategic reorientation of the brand, which now considers sustainability as a vector of long-term economic and social viability.

Additionally, IKEA demonstrates a strong commitment to the circular economy in post-consumption. The high turnover of its products and the recurring presence on second-hand platforms like eBay illustrate the longevity and residual value of its furniture. This phenomenon reinforces the brand's value perception and consolidates IKEA as a circular

ecosystem, where democratic design, accessibility, and sustainability are articulated as central elements of its value proposition.

This repositioning reveals a contemporary approach to purpose-oriented marketing, in which the brand assumes an active role in transforming consumption habits, value chains, and cultural norms. It is, in the words of [40], "branding with meaning," where symbolic value is co-created with consumers and legitimized by the company's ethical and transformative action.

IKEA recognizes, however, that the transition to a sustainable model requires multistakeholder collaboration and transparency. The brand adopts a stance of strategic humility, stating that it "doesn't have all the answers" and committing to continuous learning, open innovation, and the co-creation of systemic solutions.

4. Results and Discussion: The Reconfiguration of IKEA's Purpose as a Strategic Mechanism

This section presents and discusses the research results, following an inductive logic. First, the empirical evidence collected from the IKEA case study is detailed, which serves as the foundation for the theory. Subsequently, a conceptual model that emerges from this analysis is developed, articulating the theoretical propositions that explain the phenomenon. Finally, the theoretical and managerial implications of the model are discussed, as well as its limitations and avenues for future research.

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4.1. The Empirical Evidence: IKEA's Journey Towards Circularity

The analysis of data collected between 2016 and 2024 reveals a fundamental strategic reconfiguration in the IKEA brand's purpose. The company, historically anchored in a purpose of "democratic design"—focused on accessibility and functionality through a linear business model (extract-produce-discard)—confronted the inherent unsustainability of its global scalability.

The empirical evidence shows that the turning point was the adoption of the *People & Planet Positive* strategy. This movement transcended traditional Corporate Social Responsibility (CSR), repositioning sustainability as a central pillar of the business model. The analysis of corporate reports and leadership statements [37], indicates that this transition was not merely cosmetic, but a redefinition of the brand's "why," integrating circularity as a vector of long-term economic viability.

The concrete results of this reconfiguration are manifested in multiple strategic actions that constitute the primary data for this analysis:

Design for Circularity: The goal of designing all products according to circular principles by 2030 [43] represents a fundamental change in the value chain, prioritizing longevity, reparability, and the use of recycled or renewable materials.

Operationalization of Recommerce: The creation and expansion of "Circular Hubs" (previously known as "As-Is" or bargain sections) in physical stores is a tangible manifestation of the commitment to reuse. These spaces not only offer second-hand, ex-display, or slightly damaged products at reduced prices, but also function as a collection point for used furniture, which IKEA buys back from customers to resell. This initiative internalizes the secondary market, a model known as branded recommerce [30].

Innovations in Reverse Logistics: The paradigmatic case of the mattress circularity project in the Netherlands, developed in collaboration with the government and local partners [44], illustrates how IKEA is investing in complex systems to enable the collection and reprocessing of materials on a large scale, transforming an environmental liability into a value stream.

Brand Activism: Actions such as the elimination of disposable plastics, the promotion of plant-based food alternatives (e.g., vegetable protein meatballs), and the investment in solar energy solutions for consumers [42] function as tangible proofs of the new purpose. These initiatives align the brand's discourse with verifiable operational practices, mitigating the risk of greenwashing accusations [46].

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The statement by Jesper Brodin, CEO of Ingka Group, that "the only way for IKEA to be successful in the future is to be in a hurry to become sustainable"[44], corroborates the strategic centrality of this transition. The data indicate that sustainability has moved from being a cost center to being seen as an engine of innovation and an imperative for the future relevance and accessibility of the brand.

4.2. Development of the Conceptual Model and Theoretical Propositions

From the analysis of this empirical evidence, a conceptual model emerges (Figure 1) that explains how the reconfiguration of an authentic brand purpose, focused on circularity, becomes a strategic mechanism for value creation in the recommerce sector. The model postulates that Brand Purpose (defined by its authenticity and communication) is the

antecedent variable that (a) amplifies the Perceived Value by the consumer in multiple dimensions and (b) mitigates critical Barriers to consumption, resulting in superior Brand Performance.

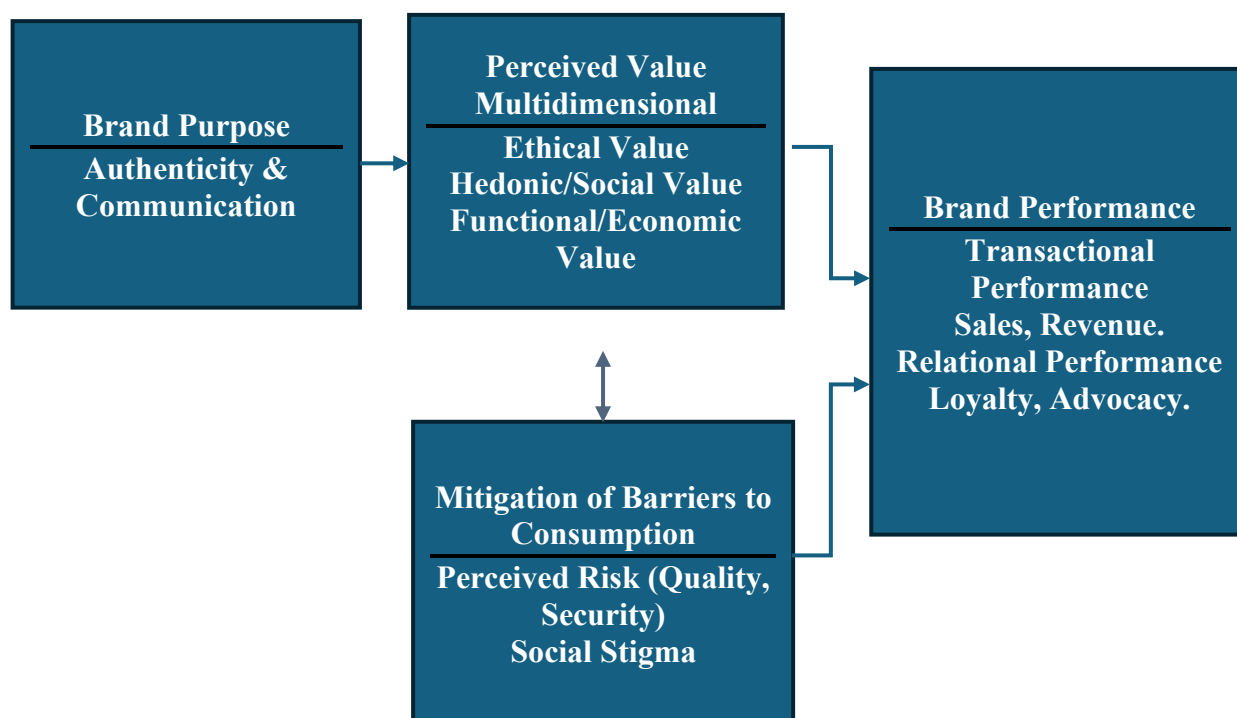


Figure 1. Conceptual Model of Brand Purpose in Recommerce.

The diagram illustrates the proposed causal relationships, where Brand Purpose acts as an antecedent variable that, by amplifying Perceived Value and mitigating Barriers, leads to superior Brand Performance.

Next, the theoretical propositions that emanate from the interaction between the evidence from the IKEA case and the existing literature are articulated.

Proposition 1: An authentic and circularity-focused brand purpose primarily reinforces the perceived ethical value, acting as a foundation for other dimensions of value.

The analysis suggests that IKEA's People & Planet Positive strategy aligns the company's values with the growing environmental awareness of consumers [33]. By purchasing a product from the "Circular Hubs," the consumer is not just making an economic transaction; they are actively participating in a solution to a global problem, which confers a profound ethical value to the purchase [29]. This ethical dimension, anchored in the

authenticity of IKEA's actions (e.g., design for durability), functions as a pillar that legitimizes and gives meaning to the other dimensions of value.

Proposition 2: The brand's purpose transforms and amplifies the hedonic and social value, converting the transaction into a community experience.

The IKEA case demonstrates how recommerce can be elevated from a simple individualistic "treasure hunt" to an experience with collective meaning. The company frames the purchase of second-hand goods not as an isolated act of saving, but as a contribution to a shared mission. The integration of "Circular Hubs" into the store experience and communication campaigns that celebrate the "second life" of products transform the transaction, enriching the experience with a social and emotional bond. The consumer "saves" an item from waste, participating in a conscious consumption community promoted by the brand.

Proposition 3: The purpose of an established brand functions as a risk mitigation mechanism, increasing the perceived functional and economic value.

One of the biggest barriers to second-hand consumption is the uncertainty regarding the quality, hygiene, and durability of the product [7]. The IKEA case reveals that the brand acts as a powerful risk mitigator. By placing its seal on a resale program, IKEA offers an implicit guarantee of quality. Its reputation functions as a seal of trust that reduces the consumer's perception of risk. This risk mitigation directly increases the perceived functional value (the product is reliable) and the perceived economic value (the price is fair for the quality offered), overcoming the typical information asymmetry of C2C markets.

Proposition 4: The accumulated multidimensional perceived value, catalyzed by purpose, leads to superior performance, both transactional and relational.

The logical consequence of the previous propositions is that the accumulation of value in the ethical, hedonic, functional, and economic dimensions increases the propensity to buy, generating transactional performance (sales, revenue). More importantly, as trust and the emotional connection with the brand are strengthened, relational performance is generated. Loyalty and brand advocacy increase, creating a more valuable and resilient customer life cycle. Purpose, therefore, is not just a differentiator, but a driver of sustainable growth and brand equity.

5. CONCLUSION

As the second-hand market transitions from a niche to the mainstream, the rules of the retail game are being rewritten. This article argues that brand purpose is a central element in this new equation. More than a marketing trend, a clear, authentic, and well-executed purpose is a fundamental strategic vector that allows brands to build trust, create multidimensional value, and foster lasting relationships with their consumers. By integrating purpose into the heart of their recommerce business model, companies are not just selling used products; they are offering consumers the opportunity to participate in a larger story—a story of conscious consumption, community, and shared value.

For companies like IKEA, the "massive reconstruction" necessary for circularity is also a massive opportunity to deepen and evolve their purpose. In doing so, they not only respond to the demands of a changing market, but also build a more loyal customer base and a truly sustainable and resilient business model for the future. Success in this new era will not belong to those who simply sell used goods, but to those who sell a purpose in which consumers can believe and participate.

Theoretical and Managerial Implications

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The discussion of these results generates significant implications. From a theoretical point of view, this study contributes in three main ways:

1. **Positions Purpose as a Strategic Variable:** In contrast to approaches that treat it as a communication element, our model positions brand purpose as an antecedent and strategic variable with measurable effects on value and performance, especially in the context of recommerce.
2. **Integrates Perceived Value Holistically:** The model suggests that the dimensions of value are not independent. The ethical value, anchored in purpose, acts as a catalyst that amplifies the other dimensions, creating a holistic value experience.
3. **Connects Brand Theory with the Circular Economy:** It offers a framework for analyzing how the principles of brand management (trust, authenticity, community) are crucial for the logic of reuse, a still-emerging field in marketing literature.

Practical implications for sustainable brand managers

Audit and Articulate Purpose: The purpose must evolve from the brand's essence. IKEA's journey from "Democratic Design" to "Circular Design" is an example of how to evolve an existing purpose authentically to respond to contemporary challenges.

Operationalize Trust: The brand must function as a seal of quality. This requires investment in rigorous curation, reconditioning, and transparency processes regarding the condition of used products, mitigating risk and building trust.

Foster Experience and Community: The second-hand retail space, whether physical or digital, should be a celebration of purpose. Creating repair workshops, community events, or sharing platforms transforms consumption into an act of participation.

Limitations

It is crucial to acknowledge the limitations of this study. Being a single case study, the results seek analytical generalization, not statistical generalization [47]. The proposed conceptual model is a theoretically robust framework that should be tested, refined, or challenged in other contexts.

Perceived authenticity is a fundamental variable. A purpose that is seen as greenwashing can have a devastating effect on trust. The denunciation of the export of textile waste to countries in the Global South [48] is a stark warning: a brand that promotes circularity but participates, even indirectly, in such practices will see its purpose nullified.

Future Research Directions

1. **Empirical Validation of the Model:** Use Structural Equation Modeling (SEM) to test the proposed relationships, developing and validating scales for the constructs.
2. **Comparative Case Studies:** Analyze models like Patagonia's "Worn Wear" or H&M's "Rewear" to understand how the implementation strategy of purpose varies and what its relative impact is.
3. **Experimental Research on Authenticity:** Manipulate signals of authenticity (e.g., impact reports vs. vague slogans) to measure their effect on trust and willingness to pay.
4. **Analysis of the Spillover Effect:** Econometrically investigate how a prominent second-hand offer affects the perception and sales of new products from the same brand, looking for evidence of cannibalization or a "halo effect" of sustainability.

Abbreviations

C2C	Consumer-to-Consumer.
CC BY	Creative Commons Attribution.
CEO	Chief Executive Officer.
CO ₂	Carbon Dioxide.
CPB	Conscientious Purpose-Driven Branding.
CrM	Cause-Related Marketing.
CSR	Corporate Social Responsibility.
ESG	Environmental, Social, and Governance.
GHG	Greenhouse Gas.
IMC	Integrated Marketing Communications.
IWAY	The IKEA Way of Purchasing Products, Materials and Services.
MDPI	Multidisciplinary Digital Publishing Institute.
SDGs	Sustainable Development Goals.
SEM	Structural Equation Modeling.
SSRN	Social Science Research Network.

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