



Putting Your Brand in a New Package



Introduction

It sounds exciting: a brand ushers in a new look and new messaging, with the right public relations channels trumpeting the news. The brand enjoys new life, with previously-unreached segments of the market becoming loyal fans of the product. Revenues soar and executives engage in a well-deserved round of high fives.

While this kind of reception is what every company hopes to achieve when they go through a rebranding process, the reality is often vastly different than the expectation. There are many pitfalls that throw a rebranding off course. From not having a clear

purpose in mind for rebranding to using a rebranding to solve deep business management missteps, it is not the answer in most situations.

Before embarking on a rebranding process, some extensive company soul searching needs to occur. Leadership needs to ask questions about the purpose of a rebrand, as well as determine what the cost could be if the rebrand isn't successful. They will also need a clear path from conception to the brand debut and a plan for how they'll get everyone, from employees to customers, on board.

“A brand does not exist within a company or organization. A brand exists in the minds of customers.” — Lucidpress

Asking the Right Questions

There are questions that, when presented and addressed before a rebrand, can help the company determine if the time and reasons are right for the process:

Is there a rebranding budget available?

Many companies underestimate the cost of rebranding their company. It is not simply sketching a new logo. It involves a full and clear understanding of the company's values and brand messaging before the design process begins. The design involves not only the logo, but the look of the website, the tone of communications and the ways in which changes will be communicated. The process will take at least several months.

What is the potential for loss?

While the marketing team may dream about new market segments and growing revenue, there's a chance of rebranding failure, with the loss of sales. Worse yet, a company may lose a loyal following that prefers their old look, values and messaging. It's a good idea for companies to ask whether their existing customers would come along if they were to engage in a rebranding process.

Will it make a difference?

Changing a color scheme or a logo is not enough to justify rolling out a rebranding. The new look should signify something more: a new product or service focus, new values, a different voice. It may be that a company has decided to pivot to being environment-friendly in every part of its business practices or that they've decided to make their products all-natural in order to stand out in a crowded industry. Those changes are worthy of a rebranding.

How will success be measured?

It's critical for brands to understand what they are trying to achieve through a rebrand. Using the above example, if the company is prioritizing the environment, they may decide to initiate a program where empty product packaging can be sent in for a rebate or a discount on a next purchase. Counting the number of customers that engage in this program might be a good metric. For a company that is looking to capture new segments of the market with a rebrand, they may establish goals for new sales in those segments and determine how they fare once the new branding is debuted.

What problems will the rebranding solve?

A rebranding generally indicates that there are areas of challenge, weakness or opportunity that warrant a roll-out of a completely new brand. The company needs to be clear what the rebranding is meant to achieve.

**Before rebranding,
a company must look
at what problem they
are trying to solve,
and if rebranding is
the right solution.**

The Right Time to Rebrand

Asking the above questions is just the beginning of the conversation. Even if each question is answered agreeably, it isn't an indicator that all systems are go. While the company may be ready from a business perspective, that doesn't mean it's a good strategy. The next step is to consider whether rebranding is appropriate from a strategic marketing perspective.

A company may be ready for a rebranding if one or more of the following circumstances warrants a major investment in overhauling the brand:

The industry is crowded with lookalikes.

It often happens without intention: brands begin to all look alike. For example, Netflix and YouTube both feature black and red in their logos, offering a brand that wants to stand out with an electric blue logo a perfect opportunity to shine.

This effect can also occur when rebranding becomes contagious in an industry, and each brand mimics the style of the brand before them, or they utilize trendy looks. The effect is as if none of the brands had undergone the process, because none of them have achieved differentiation.

It's time to go after a new audience.

If a brand's logo is designed around a look that is associated with a particular decade, it may require a rebranding to reach new generations, unless it carries a retro appeal. If there's a new segment of the market that won't connect with a company's branding, rebranding may be necessary.

Old Spice reinvented itself in recent years with tongue-in-cheek advertising. "Smell like a man, Man" features an attractive, young, fit man encouraging women to get their men away from their flower-scented body washes and

buy them the masculine-scented Old Spice deodorants and body washes. The brand, which was traditionally favored by the 60+ crowd is now a favorite with men of all ages. Part of their secret is appealing to the women who tend to be the ones buying their husbands deodorant and body wash.

The brand is expanding or contracting.

If a company runs a shop called, "Pretzels and More," the "more" may not be enough to capture the fact that they are now expanding to a full-service, pretzel-themed restaurant. Likewise, if a company currently offers roofing, windows and siding, but they have determined that they'll narrow their business to take advantage of better profits with windows, they may need a rebranding.

The brand doesn't communicate values.

Sometimes it's appropriate for a company to rebrand in order to capture important values in their branding. A company that celebrates diversity as a core part of its identity may want to redesign their logo to include an element that communicates diversity. If, over the history of a company, it has become central to their practices that they support local foster families, there may be an opportunity to include that in their branding.

Bad press or bad behavior.

There are situations in which a representative or the public face of the company has engaged in behaviors that reflect poorly on the company. Even once that representative has been replaced, the company may bear the brunt of public disapproval. A rebranding can help emphasize what has always been good about the company, while distancing the brand from the individual that caused an issue. An example of a successful rebranding is the LIVESTRONG Foundation, which rebranding after the Lance Armstrong Foundation was too closely associated with the cycling scandal that involved, of course, Lance Armstrong.

There's been a merger or acquisition.

If the company has acquired a new business asset or if they are merging with another business, this is a good time for a rebranding that clearly communicates the message of the new brand.

Results from the Landor M&A Brand Study found that among S&P Global 100 companies in the last decade, 74% had gone through a rebranding after acquiring a business asset.

The Wrong Time to Rebrand

There are a few indicators that should flag a rebranding as a poor investment. With rebranding requiring multiple months and extensive funds, companies should watch for signs that their rebranding is poorly timed or attempts to address problems that rebranding cannot solve:

There is a bigger business problem.

While a rebranding can be a reboot and allow a brand to fully reinvent itself, it can't solve certain problems. For instance, if a product or a service is becoming obsolete, brand messaging won't make it relevant. Another example is if a company doesn't know exactly what it is offering to the public, they won't be effective at rebranding.

A good example of this is Radio Shack, which navigated multiple technology advances from the CBs of the 1970s to radios, tapes and CDs of the 1980s and '90s. Once the new millennium dawned, however, consumers began to get foggy on what exactly Radio Shack was

selling. Unfortunately, Radio Shack was just as lost, killing their only remaining asset: name recognition. They became The Shack and lost their place in the market because nobody knew what to associate The Shack with in the marketplace.

The new branding doesn't offer anything new.

Whether it's a new name that is a synonym of the old name, a color scheme that's almost identical or messaging that doesn't effectively communicate new values, many rebranding efforts fall flat. In many cases, it not only doesn't capture a new segment of the target audience, but loyal customers are also left confused and perhaps suspicious or skeptical, wondering what has changed about the brand they had loved.

The now-famous example of Tropicana secured its place in marketing textbooks when, in 2009, the unnecessary rebranding of the orange juice caused sales to plummet 20%, according to *AdAge*. Consumers loved the image

of the orange with the red-and-white straw stabbed into it, and there was no good reason for Tropicana to abandon that look. Consumers revolted.

The new brand is overcomplicated.

Companies often misjudge the value that a new brand offers. It may be that, to the customer, the new brand represents a hassle. Potential customers that had been considering a switch to the brand are confused and wonder where the old brand has gone.

This effect often occurs when a company decides a descriptive name needs to be replaced by something more exciting, or that offers a new level of sophistication or introduces an element of cool. Customers and leads alike aren't sure who the brand is, or what they do. When a name like "South County Podiatry" is replaced by "Sure Steps," there's more room for consumers to wonder what the business is. It could be a preschool, life coach, shoe store or tutoring service, just to name a few.

Getting Started

Once a company has adequately explored their reasons for rebranding, determined that it is indeed valuable to move forward, and verified that there is ample budget and other resources, it is time to begin the process. The following is not a complete strategy for rebranding, but only represents some of the initial steps to be pursued:

Examine company values and brand message:

Before a company creates a brand design, they need to understand the values and message that will form the foundation for the design. It is critical to take time to consider what shapes the company's business goals and how they'll use a product or a service to solve a problem.

Determine who the target audience is:

A company must think about who is most likely to use the product or service. They'll need to drill down further, dividing the audience into segments and then developing buyer personas. Learning as much as possible about these segments, they'll establish clear ideas about what messages the segment wants to hear and what the consumers' common needs and challenges are that the company can help solve.

Assemble the design team:

Design touches every part of rebranding, from the color scheme on the company logo to the look and feel of the images that will be placed on the website. The company will need consistency in its voice, themes and colors across every touchpoint with customers, so this is a big undertaking. Designers will work to create a look that is attractive in every format and size when attempting a new logo and color scheme.

Rolling out the rebrand:

The company will debut the new brand, effectively coordinating both internal and external messaging around the rebrand. Internal and external customers need to understand the background and purpose of the rebrand, as well as what the rebranding means and what it doesn't. Common concerns may include whether the company has been sold, and whether they can still get the products or services they love.

Conclusion

Many companies engage in a rebranding process for the wrong reasons, or at the wrong time. For brands that are undergoing a major change, such as a merger, a pivot in their product offering or a major change in values or leadership, a rebranding makes sense. They still need to be sure that they have the time and funding to contribute to the long and costly process of rebranding, as well as a commitment to secure buy-in across the organization when it's time to roll out the new brand.

When the circumstances and time are right, rebranding is an exciting way to capture a new market segment, reenergize enthusiasm in existing customers and differentiate a brand that was previously lost in a crowded industry. Rebranding can be the beginning of a new life for a stagnated company.



About SJC Marketing

SJC Marketing is a full-service marketing, communication and content creation company. They offer professional communication solutions for small businesses and non-profits. With a team of writers, marketing professionals and social media experts, they offer targeted and highly-focused content and marketing plans. The focus of SJC is delivering high-value strategies and unique content that are backed with research and creativity.