

# Rebranding – How to Avoid Failure

## A New Logo Won't Be Enough to Change What Customers Think of Your Company

By CHRISTINE PILCH

If you've been watching your company's revenue numbers stagnate or drop, you may have thought about changing your image. Rebranding might be a good solution, but you have to first understand the market position you have now, the one you want, if your goal is reasonable, and whether or not you're willing to commit to a prolonged effort.

Most importantly, you have to actually *change*.

Your brand is entirely about public perception. It is the feeling the public has when they think of your company or product, and it sums up all their experiences with it. Unfortunately, it doesn't much matter whether or not you agree with this public perception. That's the first sticky issue you have to deal with.

Take Buick, for example. Even the multi-million-dollar endorsement contract given to Tiger Woods hasn't been enough to reinvigorate a tired line of "grandpa" cars because longstanding public perception places Buick as a middle-class luxury car for the 60-and-over set. As a result, Buick is whittling down its U.S. product line to a mere three vehicles expected by 2009.

Is something similar happening to you? Chances are you've built your business from the ground up, and you know all your product's features and benefits. But sometimes your perceptions aren't shared by the public. A funny thing about people is that they tend to figure things out and form opinions on their own. Once formed, it is difficult to change an impression without great effort and justification.

It is common for business owners to think that a new corporate look will change perception. Unfortunately, without actually

offering something new, a fresh logo, letterhead, signs, and business cards won't change what your customers get when they do business with you or their experience when they interact with you, so the new look will just come off as an empty shell. If your customers' experience was unremarkable or second-rate before, it

lamenting two stops, one for her and one for the kids, McDonald's billboards and commercials started popping up with premium salads. It was sheer genius. Kids could still get their nuggets, burgers, and fries while Moms could get something they perceived to be healthy.

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will just become unremarkable or second-rate with a new look.

That's the key — you have to actually change your customers' experience to make rebranding effective. Rebranding is an opportunity to go after the market that you want. It is the time to establish a clear differentiation between your business and the competition. Then you can clearly and consistently communicate your re-energized brand promise to your customers.

Consider McDonald's, arguably the world's master brander. It is currently rebranding itself as the one-stop, fill-'em-up shop for the breakfast market, after successfully tackling the health-conscious mom market. When many busy mothers on the run started looking for healthier food options a few years ago and

watching Dunkin' Donuts and Starbucks own the coffee market, so it aggressively went after a piece of that by bringing in premium roast coffee. It also offered a free small cup from 5 to 7 a.m. to entice people to try it risk-free.

Phase two of the chain's breakfast market takeover is currently underway as it launches its new breakfast item line, full of donuts, muffins, and other products McDonald's has traditionally ignored. It's the old one-stop convenience tactic again. Since McDonald's now has a foothold in the U.S. coffee market, it wants to negate its customers' motivation to go elsewhere for their morning muffin. McDonald's has become very much about eliminating customers' reasons to stop at the competition, and has committed to this strategy.

That's another key factor in rebranding. You have to stay the course. If you change course and mix your messages, all you'll do is confuse the market. That is why it is so critical to do your homework upfront and plan your efforts.

Your baseline work has to start with a thorough understanding of who your customers are, what they get from you, and why you are the best choice for your product or service. Good, solid research and a carefully planned strategy will clarify your market position and direct all subsequent efforts. Many business owners skip this positioning step and jump right into ad development. That's a risky tactic because it is akin to firing an arrow with your eyes closed and expecting to hit your target.

Once you know the specifics of who you are talking to and fully understand what they want or need, you can then develop marketing messages that appeal specifically to them. Branding is all about delivering messages that your target audience is attracted to, so your rebranding effort must take its roots in the specifics of your target market.

Another great example of successful rebranding is Drakkar Noir fragrance. L'Oreal hired Dale Earnhardt Jr. as the fragrance's spokesman, and the 2002-05 campaign featuring him increased sales 46% and shot the cologne from 18th most popular to third with the promise, "Feel the Power." Previously it was just another male fragrance, but the enormous clout of one of NASCAR's most popular personalities helped position Drakkar Noir as more testosterone-intensive than any other fragrance. Success wasn't accidental. The

deliberately crafted promise of ultimate masculinity drove sales. Using a NASCAR star was a gamble for a cosmetics company, but L'Oreal's executives believed in this strategy.

That's another important, mandatory element critical to rebranding success — executive buy-in. A change in direction must come from the top down and become compulsory. Only company executives have the clout to enforce your new rebranding initiatives. A total commitment throughout your organization is absolutely crucial

for success.

It's sad to see a company with inconsistent printed and electronic materials and forms, and a mish-mash of disconnected graphics coming out of different departments, and this happens frequently in small businesses. If rebranding is going to be successful it must be instituted company-wide with detailed instructions about what is and is not acceptable for logo usage, fonts, and messaging. Continuity and consistency are cornerstones of successful branding. They establish an expectation for customers, and inconsistency

looks unprofessional.

Your customers also have expectations about your company that are based on the way they have been treated in the past and their experiences with your products and staff. If you choose to rebrand your company or product, you have to actually reposition it and change something, or your rebranding effort will become a disappointing display of emptiness.

Define your new niche or how you're going to re-approach your existing one, chart a new marketing strategy based upon what

your customers want and what your competition may not be providing, and then stay the course. Persistence will pay off if you tap into a specific market desire or need. If you aren't willing to commit to real change, your rebranding effort will have little chance of success. ❖

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