

Article for Fast Company

Thoughts on Re-Branding

by Bill Schley and Carl Nichols: Authors of *Why Johnny Can't Brand*

- When does a company *know* it's time to re-brand?
- What process should they take to go from old and tired to current and relevant?
- What are some hits and misses in re-branding recently?

When does a company *know* it's time to re-brand?

Except in rare instances, which we'll mention in a minute, it doesn't.

Like most branding "principles" there's little that's black and white on this issue. Re-branding is a judgement call that *far too often*, companies undertake prematurely or unnecessarily, shooting their brands in the foot instead of launching them to the new heights predicted by the change meisters. In fact, pre-mature re-branding is a serious disease that's generally caused by three factors—

- 1) The NMD Phenominon (New Marketing Director) -- who feels the need to justify his being hired by putting his stamp on a new campaign, regardless of whether the current one is successfully building brand equity or not.
- 2) The Steinbrenner Syndrome (As in George Steinbrenner) Acting on the short-sighted urge, because of impatience, to meddle with a brand structure that's not broken, and would indeed build equity over time and exposure--because management demands more instant gratification.
- 3) FT-itus—(False Tired itus). There's a notion among managers that brands become "tired" over a finite period of time and need to be refreshed. This notion is caused by projecting the managers' own familiarity or boredom with a campaign onto the public, who may be experiencing an entirely opposite effect. Great brands work *because* of familiarity and repetition of a great, original idea of value, not in spite of familiarity and repetition. People love this familiarity and the trust it builds over time and through consistent performance.

Changing core brand components (tagline, look and feel, key visuals, naming, etc.) too early and too often is one of the "12 Great Amateur Mistakes" noted in our book "*Why Johnny Can't Brand.*" The only chance your carefully planted brand sapling has to grow into a mighty tree, is not to pull it out by the roots every

6-12 months the way too many companies do, vaulting themselves back to the starting line every time, short-circuiting any equity that might develop, and ultimately confusing their public.

Professionals fundamentally understand this and for them, re-branding as a last resort vs. a first. They are well aware that great brands, the household names, often remain unchanged and fully effective for decades. And there are too numerous accounts of great, abandoned campaigns—that still, stubbornly, score the highest in current recall and awareness studies—even though the advertising hasn't run for 25 years. As a result, many companies finally wake up, stop trying to fight the brains of their public who are still playing the original messaging in their heads like a song, and resurrect what they should never have re-branded in the first place.

In fact, last night we saw a Saab commercial that featured jet fighters flying past their new convertible named Aero. The announcer said—"Saabs are built by aircraft engineers," (doesn't that make you believe in the design and quality?) The "new tagline" is *Born from Jets*. This campaign is a resurrected classic that Saab had departed from for many years. Saab is indeed the Swedish Jet Aircraft Manufacturer who also builds cars. A Saab dashboard looked and felt like an aircraft cockpit. Saab, recently purchased by General Motors, was losing its identity. They brought back their original Dominant Selling Idea – *The cars built with Jet Plane Standards*.

We also noticed that KFC has been going back to Kentucky Fried Chicken in recent campaigns. Another return to heritage story.

So after all the above, when do you know you should re-brand? As a flight instructor once said to a student who was strapped into a parachute and asked, "when will I know if I should jump," the instructor replied "ONLY if you look out the door and see the soles of my shoes."

In other words, the decision to re-brand is black and white when your brand equity has suffered a hit or a disaster that's turned your brand impression inalterably negative—usually because of bad product performance, a decline in service, or some other mishap (like a major technology or market shift) that may or may not have been in your control.

ValuJet was literally flying high the day before it's famous crash into the Everglades because of faulty operating procedures. Instantaneously, the brand ValuJet no longer meant low cost, convenient airline. It meant death in a swamp. ValuJet made the decision to rename itself, re-build its entire identity. Today it's doing well as AirTran.

ValuJet is an extreme case.

A less extreme but relevant example of the right decision to re-brand was Cadillac. Cadillac finally accepted the reality that through old, tired, uninspired product style, performance and marketing, it had driven itself into a dead end with no room for a U-Turn. The brand that once meant the pinnacle of American personal success, now meant blue hair grandmothers going 20 miles under the speed limit in St. Petersburg. It meant shabby construction and sluggish handling that had literally dropped off the radar of consideration if you were looking for a luxury car. It reached a low point when GM thought it could fool its customers with what was called “badge branding”—building Cadillacs on Chevy frames, then adding leather seats and a Cadillac emblem. GM was fooling no one except itself, delivering slow death to the brand, while the Europeans and Japanese were adding the coffin nails with quality, innovation and panache of their own.

Cadillac had nowhere to go but up. It did two critical things:

- 1) It began the now famous “Breakthrough” Campaigns, set to the Music of Led Zeppelin—hip, energetic, youthful and familiar rock n roll. But most importantly,
- 2) it radically changed the design and engineering of the product. So that the new ads didn’t point me to the same old thing. It said, this is the challenging breakthrough. See it, drive it and believe it.

Cadillac with models ranging from the Escalade to the STS and hot new sports coupes has been resurgent—a model re-branding success story.

The process of going from old and tired to current and relevant

There is *one overarching thing* to remember here: Re-branding is not a matter of painting new tail colors on the airliner, then delivering the same old crappy service. That re-brands nothing. You have to do what Cadillac did. You have to re-engineer the performance, the tangible experience, the perceived value at trial—you have to change the walk—then do the talk. A “brand” is ultimately not a logo, set of colors and a tagline. All those communications components do is invite the audience to think about the brand the way you want them to. The brand has to perform as advertised, or great communication only accelerates your destruction. With some exceptions for extremely image dependent products like fashion or perfumes for example, 90% of the brand happens in the product experience. 10% in the telling about it.

Some big re-brand hits and misses

Again, Cadillac. BP oil has re-branded itself now as the “green” oil company. Can’t tell you how this has quantitatively affected sales or perception, but we hear, anecdotally, that the effort is positive. For one thing, other major oil companies like shell are trying to emulate them now, the sincerest form of flattery. BP is thinking about the long term equity of their brand.

Misses? ATT trying to convince the world that suddenly, it was the world’s networking company, not too long ago. Another key reason re-branding’s fail, aside from changing too early and often, is the lack of credibility factor. A successful brand idea is superlative, important and *believable*.

You can’t just slap slogans on your company and product and attempt to advertise it—if the public can’t believe it coming from you. If a brand proposition isn’t credible for any reason, it’s automatically dismissed by the customer. It’s as good as invisible. That was one of ATT’s problems.

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