

# **The Emperor's New Brand: How to Fail at Brand Revitalization**

by David Lemley

The first symptom: Relief that the Brand revitalization process is finally over, followed by a vague sense that "something is missing." Continued loss of market share, failure to make customer connections and a continuum of caustic corporate culture are telltale signs that your effort has missed the mark. When profits and sales continue to drop, you find, if you still have your job, there is no choice but to go back to the drawing board. Many retailers go through an exhaustive Brand revitalization process only to find that they have failed to make a difference.

Your customer's perception is reality. If they see you as irrelevant, I have some bad news: you are. Thriving in tomorrow's competitive marketplace will become increasingly difficult for your Brand.

In the three latest retail Brand revitalization projects my firm has spearheaded, members of the client's internal cross-discipline team have pulled me aside to express their concerns around a common theme: "Did you know 80% of all Brand revitalization efforts fail?"

I calmly tell them, "Yep, and I know how we can avoid being part of that statistic."

## **10 Reasons Brand revitalization fails**

### **Lipstick on a pig**

Your effort washes off or ends up on the pillow in the morning. Superficial Brand revitalization has plenty of pretty design changes, maybe a few marketing changes, but no real fundamental change. In reality, the Brand has lost its relevance because of what is going on inside the organization in response to an evolving marketplace. There *is* no reason to believe. The customer doesn't believe, the employees don't believe and management doesn't know what to believe.

### **Blaming the goat**

Retailers and CPG owners that succeed at revitalization begin by getting unstuck from the endless feedback loop they have created. First, stop pounding your ad agency senseless. If they have your account let's assume they are capable, albeit drunken, goats. Paid Media, even the viral social networking kinds, are not Brand positioning.

Uncovering the real reason to believe in your business requires a willingness to avoid middle-of-the-road positioning. (Which means your Brand revitalization effort won't impact the sales figures of that circular you are publishing next week.) You need a plan to help you adjust to changing market conditions without caving in to the demand for short term gain, "blaming the goat" or forgetting the Brand's heritage. Your Brand's dramatic difference should not change with market fluctuations. This difference creates and sustains long-term Brand loyalty.

### **Short Term-er disease**

Pressure to achieve growth often results in high turnover for senior level management. This has created the need for short-term gain. Often the Branding assignment is botched in an effort to lure customers quickly with campaign-based solutions. In cases like Kmart, Circuit City and Linens N' Things this approach ended up costing the company more money than they generated. These wild-mood swings include shifting focus back and forth from Branded (Nike, Dockers, etc.) to private label apparel, spending heavily on circular advertising without alignment on the merchandising and store operations side not to mention actually trying to look, feel and sound similar to competitors.

Okay, last time: your Brand is not the logo, tagline or advertising slogan. Advertising doesn't change what people think about your Brand, it simply directs them to think about your Brand at all.

Your Brand is the ultimate collection of views and opinions people hold about you in their mind. It encompasses everything: quality of experience, look and feel, customer care, retail and web environments and creative execution across all touch-points.

### **Protecting sacred cows**

If you are going through the effort to reposition your Brand, one of two things is happening.

- Business sucks
- Someone above you has said "grow or die"

If your reality is the former, the internal culture is likely blinded to any new possibilities because of unspoken rules that sound like this: "We've always done it this way!" "Our Founder instituted that policy in 1969!"

The rules of retail have changed: It's no longer enough to offer goods and services at a reasonable price. Relevance, energy and differentiation are the coin of this realm. Use your repositioning to stay or become relevant to today's shopper.

My advice: learn to eat meat.

### **Ignoring history**

Many Branding projects forget the DNA of what made the Brand relevant in the first place. A solid effort must include a look at where we have been and what made us great (or hurt us) in the first place. Dig around a bit, especially if you're new (industry statistics make this a likelihood) try to find any Brand strategy documentation left by previous management. Chances are they weren't stupid, they got sucked in by the politics, madness and greed associated with a struggling Brand. A read through your Brand's history will increase your chances of not repeating it.

### **Cookie cutter models**

The Re-Brand 100 website states "Effective re-Brands rely on a creative brief to keep everyone focused as the project progresses." They further recommend, "Include sections for a situation analysis, objectives, target markets, budget and resources, time-frame, etc." While these are important, in my experience I have seen more Brand revitalization efforts flounder, overburdened with business-school functional models and creative

briefs intended on funneling a solution that will make everyone happy (creating a Brand that nobody will hate).

Remember, I have so many choices to cover every single one of my possible needs that I am choosing based upon what it means to me that your Brand exists. In short: functional benefit models do not allow for intangibles such as sense, feeling and meaning — the keys to the Experience Economy.

### **Ignoring the basics**

In her book, *Kmart's Ten Deadly Sins*, Marcia Layton Turner states, "Retailing 101 starts with the notion that a store has three distinct aspects:

1. Design (meaning the premises)
2. Merchandising (whatever you put in them)
3. Operations (what your employees do)

Although a great start, this didn't satisfy me because if it were really this easy then anyone could be a retail leader. I think her description isn't basic enough.

I prefer the "Operational Excellence" model outlined by Ko Floor in *Branding a Store: How to build successful retail Brands in a changing marketplace*:

- Organization (Quality of management, flexible culture and the will to innovate)
- Logistics (supply chain management)
- Administrative Systems (information management)
- Supplier relationships (differentiated merchandising mix)
- Finance (planning/budgeting)

Operational savvy should be the minimum price of entry. And while no longer enough by itself, I believe that mastering the disciplines to keep costs under control gives us the opportunity to prove our positioning and keep our promises.

### **Ignoring the customer**

Navel gazers beware! Consumers are no longer merely looking for a certain product; they are looking for a store experience. Whether in-store or online, we want to be more emotionally involved in our shopping. Shopping used to be about *buying* something, but moving forward shopping is more and more about *doing* something. Retailers are now competing with leisure activities. As a result consumers will have to be persuaded to spend their precious free time on shopping. It's not what you think, it's what they think that becomes true.

### **Limiting the influence of Branding to marketing**

Bill Packard of HP said, "Marketing is too important to leave to the marketing department." Amen, Bill! The best Brand strategies transcend design and advertising disciplines. They help develop new markets, inspire bold product development, expand business opportunities and narrow focus get us out of those businesses we should no longer be in (not to mention streamline operations).

### **Thinking it ends**

Revitalization is an ongoing job. Strong Brands have visionary leaders with the ability to face any level of competition, thrive during economic fluctuations, and grow into

additional markets. Brand revitalization is not for everyone in the same way that survival is not mandatory. You cannot survive floating on the milk-toast tide, assessing your competitors and conducting focus groups to find out what your customers want right now. I ask you, what do you want? What legacy do you wish to leave for future generations? Take the time to think it through. If you, the Brand owner, give your customers, employees, suppliers, managers and investors a real reason to believe that they can easily understand, they will connect your offerings with their lives and needs. You will prosper. If not, they will ignore you and ultimately replace you as you continue to fade into insignificance.

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