

# THE GOOD, THE BAD AND THE UGLY OF rebranding



Whether iSnack 2.0 was a publicity stunt from the start or a genuine renaming gone wrong, it's provided a great case study in branding and rebranding.

## STORY SHARON WILLIAMS

The renaming of iSnack 2.0 to Cheesybite has provided a highly amusing spectacle. Whether or not the antics employed by Kraft were a ploy to gain publicity or a genuine naming gone wrong, the company has successfully launched its new product with hundreds of thousands of dollars of free publicity.

While I understand this was a launch of a complementary product to an existing household name, the whole debate got me thinking about the wisdom versus the perils of rebranding, especially when it might affect an existing, universally known and loved local brand, such as Vegemite. I mean what can go wrong with a brand as strong as Vegemite? There isn't much to stuff up. Or is there?

### REBRANDS THROUGH THE AGES

In a two-minute office poll, we came up with a list of rebrands that inspired significant media debate and opposition at the time. These included the reformulated Coke in the 1980s, the *'Where the bloody hell are you?'* Australian tourism campaign and the British Airways image update in the mid-90s. It would seem however that the short-term pain endured will often offer long-term gain, especially if you consider the huge kick to product awareness.

When New Coke was launched in 1985 to replace the original, much loved, existing Coke formula, there was a huge public outcry. The new drink was considered a failure and the original formula reinstated. Although I would argue that this was a 'bad' or poorly researched rebranding exercise, the overall result was very positive

for the original Coke formula, with a major spike in sales. The advertising agency and head honchos at Coke might have taken a lot of flack, but was the product damaged? Not that I can see.

### REBRANDS GONE WRONG

Then consider the campaign to market Australia to the world. *'Where the bloody hell are you?'* was not popular with Australians when it was launched and, even more importantly, not popular with anyone anywhere, as the tourists stayed away in droves. GFC or poor tourism campaign, the campaign itself became well known, with opinions and blogs turning up everywhere. Unlike Coke, it would be interesting to see if the customers showed their displeasure by searching out the product despite the campaign. And maybe Australia will get on the holiday agenda for many for whom the campaign failed for first time round. Let's hope the next \$20 million the Government is planning to spend on a new branding campaign is perhaps better researched!

### REBRANDS FOR MERGERS

A different circumstance is when two companies merge and there is a solid argument in favour of rebranding for e.g. the launch of BHP Billiton in 2001. In this case, there is an overall sense of double the strength of two iconic names, greater efficiencies in advertising, marketing and general business costs. There is almost a window in which the market expects changes to be made to the look and feel of the brand as the new company revises business objectives and positions itself for future growth and success. At the time, the company received a lot of criticism for the estimated \$400,000

rebranding spend, but I am not aware of any damage at all was done to the brand of either or both of these two companies. A good outcome overall.

Rebranding is an expensive and time-consuming exercise, yet it is easy to understand the temptation of a rebrand when things aren't going so well; decreasing sales, increasing competition,

**“A rebrand needs to clearly reflect who you are and what you offer in a timely, relevant way”**

hard to get staff. Going for a fresh start might sound enticing, but unless circumstances are really bad, or a company is in some kind of damage control, then a rebranding exercise can confuse and alienate existing customers, contribute to worsening sales and worse of all, end up costing you money, reputation and customers.

### WHO YOU ARE AND WHAT YOU OFFER

A rebrand, at its core, subscribes to the same principles of any branding exercise. It needs to clearly reflect who you are and what you offer – in a timely, relevant way. The core values and company's key messages must translate across to the new brand with the same or more vigour and transparency as the original brand you are seeking to replace. The new brand must be attractive to your target market and pose an obvious connection. Much of the criticism leveled at iSnack 2.0 is that it was a geeky, 'techie' name in no way connected to the product, blatantly seeking to capitalise

on trends in an altogether unrelated field (iPod, iPhone); criticism that is still out there being discussed.

When you think you have the answers and creative genius, check it by doing your market research! Focus groups, staff, customer audits, comprehensive checks to ensure your new name is not trademarked elsewhere, and if yours is a global company or product that it does not translate into an offensive term in another language. Good will and reputation can take many years to build up. To risk losing it is both foolish and expensive.

### TAKE OLD BRAND INTO ACCOUNT

The new branding should flow across all facets of your business and take into account the goodwill (or not) associated with the previous brand. If the so-called emergence from the GFC is making you really determined to push ahead with a rebrand, then it must go further than just your logo, to include every aspect of your business that touches your customers for e.g. existing and new brochures, stationary, online and hard copy materials and the website.

I have often noticed a rebrand will commonly adopt the previous logo, making subtle changes rather than starting from scratch, like when Channel 9 removed the nine dots from its logo, or when GE subtly altered its 'meatball' logo by minimising the curlicues and making the look more chunky and solid.

### WILL VEGEMITE BE HARMED?

So, will Vegemite be harmed by Cheesybite? Probably not. My prediction is that in a year's time, this will all be water under the bridge. Of course, people might not like the product itself and it will fail on its own merits, but that won't be blamed on the failed naming exercise. Will people remember the iSnack 2.0 name? As a point of derision and bad branding, perhaps. I can see it becoming a university case study of what not to do and how not to do it, or perhaps a PR study of what to do! But, like New Coke, while the campaign itself was a disaster, it has certainly generated the kind of PR and general publicity that will ensure the product is known everywhere! And, as in the \$20 million about to be spent rebranding Australia, it keeps us entertained, keeps a lot of people employed and a lot of media inches filled with commentary! **DB**

—Sharon Williams is the CEO of Taurus Marketing ([taurusmarketing.com.au](http://taurusmarketing.com.au)) and a member of our Expert Panel.