Opportunities and threats of rebranding a fashion catalogue

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Opportunities and threats of rebranding a fashion catalogue

Bachelor thesis

The following thesis has been written by Anouk Guibert.
# TABLE OF CONTENTS

1. GENERAL INTRODUCTION OF THE THEME

   1.1. INTRODUCTION ................................................................. 6
   1.2. PROBLEM DEFINITION .................................................. 7
   1.3. PURPOSE, AIM AND OBJECTIVES ...................................... 8
   1.4. CHAPTER STRUCTURE .................................................. 8
   1.5. RESEARCH METHODOLOGY ............................................. 9
   1.5.1. DESK RESEARCH .................................................. 9
   1.5.2. FIELD RESEARCH ................................................ 10
   1.6. SCOPE AND LIMITATIONS OF THE RESEARCH ........................ 10

2. BRANDING AND WHAT’S IN A NAME

   2.1. HISTORY OF BRANDING ................................................. 11
   2.2. BRAND, BRANDING: WHAT DOES IT MEAN? ........................ 12
   2.3. WHAT IS A BRAND NAME? ITS IMPORTANCE AND RELEVANCE ... 13
   2.4. WHAT IS REBRANDING? ............................................... 16
   2.5. REASONS TO REBRAND? .............................................. 18
   2.6. PRAXIS MODELS OF REBRANDING ................................... 20

3. THE BRAND ‘MEA’

   3.1. CATALOGUE WORLD ................................................... 22
   3.2. HISTORY AND ORIGIN OF THE BRAND ‘MEA’ ....................... 23
   3.2.1. BACKGROUND AND OBJECTIVES .................................. 23
   3.3. TARGET GROUP ....................................................... 25
   3.3.1. THE ‘MEA’ CUSTOMER - WHO BUYS AT ‘MEA’? ............... 30
   3.3.2. ‘MEA’ TOWARDS CUSTOMERS .................................. 30
   3.4. MEA AS A BRAND .................................................... 31
   3.5. ACTUAL PROCESS AT ‘MEA’ .......................................... 31

4. THREATS AND OPPORTUNITIES OF CHANGING A BRAND NAME ....... 33

   4.1. EMERGING RISKS OF CHANGING A BRAND NAME ................. 33
   4.1.1. EMPLOYEE COMMITMENT ....................................... 34
   4.1.2. PARTICULAR PROBLEMS OF CHANGING THE BRAND NAME FOR THE FASHION CATALOGUE ‘MEA’ ................................................. 35
   4.1.3. COSTS ............................................................... 36
   4.2. OPPORTUNITIES OF CHANGING A BRAND NAME .................. 37
   4.2.1. PARTICULAR OPPORTUNITIES OF CHANGING THE BRAND NAME FOR THE FASHION CATALOGUE ‘MEA’ ................................................. 38
GENERAL INTRODUCTION OF THE THEME

1. Introduction

Brands, logos, slogans – wherever you look. Our everyday life is dominated by brands that advertise their products being the best, the second best, the newest, the most wanted, all aiming at influencing our shopping/buying behaviour, our perception and our opinion on specific brands or branded products. ‘Brands play a daily role in our lives from the product decisions and choices we make to the people we choose to speak or associate with’ says Uche Okonkwo (2007, p. 8). We are influenced by brands through advertisements and publicity, maybe more than we would like to admit.

When we think about a product of any category, probably many of us will automatically have in mind names of famous brands of this category. Thinking for example about tissues, people will bear in mind brands like Tempo, Zewa Softies, or Kleenex, depending on their origin. Only some will come up with No-name products. This reflects how strongly brands and their names are rooted in the consumers’ minds. Clearly visible makes this the example of the Walkman, originally produced by Sony. Can you spontaneously think of the correct product name? ‘Portable audio cassette player’ would be the right term, but who ever says so? This shows that some brands even have become proprietary eponyms for certain product groups. So is Tempo in Germany a generic description for a paper tissue, Kleenex the equivalent in the US. Aspirin is worldwide known for painkillers and the brand name used instead. The list is endless, yet specific to every country or language area.

Brand names appear to have become a self-evident part of our society; they set free a plenitude of product information without the need to go into detail about the proper
product. Next to the brand name an almost endless number of facets contribute to the success of a product. Nevertheless, the brand name is often considered as the soul of the branded goods. But is this right? Is the brand name a kind of prevision for the success of a product or is the brand name a flexible, replaceable attribute, just as alterable as package size or marketing means? In literature we find the statement that rebranding by changing the brand name will lead to the loss of values of the old brand name and that changing the brand name even ‘potentially nullifies those years of effort and can seriously damage or even destroy the equity of the brand’ (Muzellec and Lambkin, 2006, p. 804). Several practise examples in the past have shown that companies do accept the risk and change names. One of the most known examples is the brand name change of the chocolate bar Raider that was switched to the name Twix. The slogan ‘Aus Raider wird Twix – sonst ändert sich nix (Raider becomes Twix – nothing else changes; see picture 1) has even partly become popular in common speech and is still today known by many people. But also many other examples of company and product name changes can be listed: The gas station chain Texaco became DEA, the car rental agency interRent became Europcar, the chocolate candy Treets became M&M’s, the car manufacturer Datsun became Nissan, the dishwasher agent Calgonit became (in most countries) Finish, and so on.

The present paper concentrates on the question why companies are rebranding, which risks they expose themselves, and how such a change can be implemented. Furthermore, the paper wants to clarify how a rightly conducted brand name change can become a chance for the company, and which strategy should be adopted to gain a positive result.

As a specific example the fashion catalogue ‘mea’ will be used, which is part of the German mail order company OTTO. Mea will undertake a name change in the near future and serves as an example to illustrate the findings of this paper. Moreover, the paper wants to highlight specific threats and opportunities of the rebranding process and tries to provide ‘mea’ with a recommended procedure for a positive brand name change.

1.2. Problem definition

Mea, a specialty catalogue of the German mail order company OTTO, is currently handling a legal problem concerning their brand name. If they lose the court case they will be obliged to change their brand name almost immediately. This leads to several problems and the necessity of prior research to cope with the situation. This paper will adequately deal with the arising needs and identify opportunities and threats for such a rebranding process. Even so the judgement has not be pronounced yet it is of great
importance for the OTTO company, and specifically the department of the ‘mea’ catalogue, to be able to handle the rebranding campaign in a short time span.

This research paper will be concerned with showing off possibilities that ‘mea’ has as a brand when changing its name and what risks can result from the forced rebranding campaign. Further, recommendations concerning an appropriate strategy for implementing the rebranding campaign will be given.

To answer the main underlying question ‘What are the opportunities and threats of rebranding a fashion catalogue?’ several sub questions may be considered in order to approach specific findings that will form the goal of this piece:

- What is a brand?
- What is branding? Where does it originate?
- What’s in a name? What is the importance and relevance of brand names?
- What means rebranding? For which reasons could this be necessary or useful? And how could this be done?
- What makes ‘mea’ special and what needs to be taken into consideration while rebranding?

1.3. Purpose, aim and objectives

The purpose of this thesis is to identify chances that a rebranding campaign can mean for a company, while giving a general understanding of branding and its historical background. It also aims to display risks that can occur while rebranding a brand, by showing of real business examples. This research will then be used to formulate recommendations regarding the rebranding process of the fashion catalogue ‘mea’.

1.4. Chapter structure

The paper is divided into six chapters. Chapter one is handling the organisational part of this paper by introducing the topic and displaying how this paper has been structured.

Chapter two provides the reader with a general understanding of the terms brand and branding. Moreover, the term rebranding is introduced and fully explained to prepare the reader for the main topic of this paper. Reasons why companies rebrand and some examples are displayed to broaden the subject.

Chapter three concentrates on the fashion catalogue ‘mea’ that forms the specific example of this paper. The catalogue in terms of history, development, and characteristics, as well as the target group, in terms of who buys at ‘mea’ and how does ‘mea’ react on customer
wishes, are explained. It further displays ‘mea’ as a brand and shows the actual process concerning the rebranding campaign.

Chapter four discusses the threats and opportunities of rebranding. It displays firstly general risks and chances and then related to the ‘mea’ catalogue.

Chapter five shows different strategies of rebranding and identifies further possible strategies for renaming ‘mea’.

Chapter six recaps the main findings of the paper and gives recommendations for the ‘mea’ catalogue for the rebranding campaign.

1.5. Research methodology

The importance of rebranding increases because of steadily changing market conditions due to globalisation, an accelerating world and a constantly changing environment. Nevertheless is rebranding a relatively young topic in literature. Journalistic writing covers name changes of companies in daily papers, but academic journals lack of founded contributions to supplement the few existing articles on rebranding (Muzellec and Lambkin, 2006). Due to this small number of sources and studies almost none general conclusions resulting in methods of approach, guidelines or principles for rebranding could be found to the point of time the present paper has been written. This makes it obvious that further research of rebranding is necessary to fill the existing gaps.

1.5.1. Desk research

The present paper tries an attempt to gather the existing literature and give the reader an overview of the topic. Therefore the mentioned academic articles and case studies serve as main source for covering the rebranding part of the present paper. Additionally, daily press has served for an external view of the topic and provided several business examples, completed by articles on the Internet. Useful have also been books of branding experts that helped to clarify terms and definitions. Books concerning the topic of mail order, name finding, and general marketing books have been source of several chapters of this paper and useful for the current purpose. Location for research and finding appropriate literature has been the library of the Amsterdam Fashion Institute, the library of the Universiteit van Amsterdam, the library of the University of the Federal Armed Forces Hamburg (HSU Hamburg) and the library of the University of applied sciences Hamburg (HAW Hamburg). Articles, posts, surveys and websites on the Internet have provided next to actual also specific information for several chapters, and have been a very useful source.
1.5.2. Field research

Specific information was also gained during the internship period at OTTO in the ‘mea’ department (September 2009 – February 2010), which provided an insight into the business practice, information flow and culture of OTTO. An extended contract proceeding the internship made it possible to follow actual processes at OTTO, related to the brand name change. Information has also been gathered though interview with OTTO employees, which clarified on internal procedures and form part of this paper. Particularly, interviews with different hierarchical levels but also in different departments have been conducted to assure information from different point of views and complete the literature review. Departments have been namely the buying department and the sales department as these were the most relevant. In this case qualitative research has been chosen over quantitative research methods as the goal was to identify specific information about rebranding ‘mea’, internal processes and individual opinions about the actual fact of changing ‘mea’s’ name. The aim was getting a picture of the current status within the company concerning the name change and thus individual interviews were appropriate. Furthermore, internal information of OTTO has been widely used, which comprises amongst others market research studies from 2006 until now and target group analyses, which have been conducted by an economic research company.

1.6. Scope and limitations of the research

The paper will mainly concentrate on the German market as the main market for the brand in question. It will further focus on the speciality of the fashion catalogue ‘mea’, but could be translated into other markets and for other catalogues. However, this would be great to analyse but goes beyond the scope of this paper. The literature that had been used is multinational and chosen regarding usefulness, but is restricted to the author’s choice. A major limitation results from the fact that the rebranding process of ‘mea’ happened simultaneous to the writing of the paper, therefore the actual process could not completely taken into account. Moreover, this paper concentrates on the name change as part of rebranding, not elaborating the change of logo or slogan that are also subjects of rebranding.
In this chapter the brand as such will be outlined and defined, intending to give the reader a general understanding of brands and branding. In addition, the importance of brand names will be expound and revealed how brand names could be composed in the best way. Further the topic of rebranding will be handled and reasons for such a drastic change will be outlined.

2.1. History of branding

Branding can be traced back to the Greek and Roman cultures. Back in time they used various means to display their ownership and distinguish their products. To differentiate products such as wine and pots, metals or ointments they mainly used their own names branded for example on the pot (Room, 1998). ‘The origin of the term brand comes from brandr, the Norse word for fire. It means to burn the mark of the producer onto the product that they made’ (Ritson 2006). Coming back to the Greek and Roman cultures: messages were written or drawn on signs showing the different competences of people, such as shoe making, to attract potential customers. This can also be seen as the first stages of advertisement and marketing, in which the names of the service providing person played the major role (Room, 1998).

The development of branding progressed during the industrial revolution in the beginning of the nineteenth century. ‘...the consequent development of advertisement and marketing techniques made a selection of good brand name of great importance.’ (Room, 1998, p. 14), whereas rising demand for new products, from household goods to electrical and mechanical devices (Room, 1998), implicated a greater need for differentiation. Names were the easiest and most significant way to distinguish the various new brands, marketers determined that these should be ‘memorable, pronounceable, original and, in many instances, directly or indirectly descriptive of the product it denoted’ (Room, 1998, p. 15).

Branding as we know it today, has developed towards a ‘refined and indispensible business concept for any enterprise that desires long-term benefits’ (Okonkwo, 2007, p. 14) and is essential in nowadays consumer world. The importance of brands has even reached the point that brands are assets to the company that own them. ‘This asset comes in an intangible form and results in added financial and social benefits for the businesses’ (Okonkwo, 2007, p. 103). Interbrand has set up a procedure to rank brands according to their value. They yearly release different studies amongst others ‘the best global brands’. Important for this paper is the fact that brands can have distinctive

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1 Interbrand is a leading international brand consultancy specializing in brand services.
values but only if they have reached a certain level of awareness. The topic of brand awareness will be discussed later in this paper.

2.2. Brand, Branding: what does it mean?

Coming to brands, literature is not concurrent. ‘‘Brands’’ and ‘‘Branding’’ are among the most abused and misunderstood terms in the business vocabulary’ says Uche Okonkwo, expert for luxury fashion branding (2007, p. 102). It seems that these terms miss clear differentiation and understanding among both business employees and consumers. One internationally agreed legal definition for brands does exist though: ‘Brands are a sign or set of signs certifying the origin of a product or service and differentiating it from the competition’ (Kapferer, 2004, p. 11). However, this definition is not found as such in literature nor used by branding researchers, as it seems to happen that every person has its own interpretation. Two of the worldwide experts on brands define brands this way:

Jean-Noel Kapferer: ‘‘A brand is a name that influences buyers’’ (2004, p.11)

David A. Aaker: ‘‘A brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of one seller or a group of sellers, and to differentiate those goods or services from those of competitors. A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical.’’ (1991, p. 7)

These statements lead to the conclusion that the brand name plays a major role while speaking about brands. It is the part of a product or service that makes it recognisable for consumers, who in turn can build their opinion about the product and thus enhance brand awareness. Brand or name awareness though is part of the brand equity - ‘‘a set of brand assets or liabilities liked to a brand, its name or a symbol, that add or subtract from the value provided by a product or service to a firm and/or to that firm’s customers’’ (Aaker, 1991, p. 15). David A. Aaker stated further in his book ‘‘Managing brand equity’’ that assets and liabilities that underlie brand equity must be linked to the name and/or symbol of the brand and can be lost when the brand name or symbol changes. Even so assets (and liabilities) differ from brand to brand they can, according to Aaker, be grouped into five categories:

1. Brand loyalty
2. Name awareness
3. Perceived quality
4. Brand associations in addition to perceived quality
5. Other proprietary brand assets – patents, trademarks, channel relationships, etc.
Figure 1 summarises the concept of brand equity, showing the five categories of assets that underlie brand equity as the basis. The figure shows also that brand equity creates value for both the customer and the company. The important statement for this paper is the described fact that the brand name builds a main pillar of brand equity. Any variation of the brand name would therefore affect the brand equity strongly.

Branding however means ‘selecting and blending tangible and intangible attributes to differentiate the product, service or corporation in an attractive, meaningful and compelling way’ (Brandchannel.com). Concluding one could say: ‘Branding is not about getting your consumer to choose you over the competition. It’s about getting to see you as the only solution.’ (L. Aldisert, cited in Dennis and Harris (2002), cited in Okonkwo, 2007, p.102).

2.3. What is a brand name? Its importance and relevance

Basically, a brand name is ‘a word, name, symbol, etc., esp. one legally registered as a trademark, used by a manufacturer or merchant to identify its products distinctively from others of the same type and usually prominently displayed on its goods, in

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2 Further info can be found in ‘Managing brand equity’ by David A. Aaker, page 16.
The brand name is the first contact of a customer with a brand, thus should evoke all the associations that make up the brand (Okonkwo, 2007). It helps customers further to identify their favourite products and make a defined choice. People will often choose a familiar brand exactly because of this familiarity. They assume that a familiar brand is probably reliable or of reasonable quality and will therefore be given buying priority. This shows how important brand or name awareness is, which is also important to build brand equity as we have seen earlier.

Susannah Hart from Interbrand UK Limited stated in her chapter within the book ‘Brands – the new wealth creators’ (1998, p. 34): ‘The brand name is arguably the most important element of the branding mix’. Thus a brand lives through its name, expresses their company image, their culture and especially creates a connection to its customer. Through out the live span of a brand changing the brand name can become necessary under some circumstances: this might be because of a merge, for the good of entering new markets, to rejuvenate the image, to become a coherent global brand or in the worse case because of legal reasons (Kapferer, 2004). This change of a brand name contains several risks but also opportunities, which will be outlined in chapter four.

But why is a brand name so important? Hart has defined some key roles a brand name performs (1998, p. 34):

- ‘It identifies the product or service, and allows the customer to specify, reject or recommend brands. In this way a strong brand name becomes part of everyday life.
- It communicates messages to the consumer. In this role the name can be either an overt communicator, for example Rentokil or Sweet ‘n’ Low, or a subconscious communicator.
- It functions as a particular piece of legal property in which a manufacturer can sensibly invest and which through law is protected from competitive attack or trespass. Through time and use, a name can therefore become a valuable asset.’

This illustrates the importance of brand names and explains why companies invest so much effort and money in brand name creation.

As we have seen earlier in this paper the importance of brands and brand names has emerged over a century ago. According to Room (1998, p.16-18) seven name categories originated during the time of the industrial revolution:

- ‘Names based on a personal name, weather that of the investor, patentee, shopkeeper, or some other person associated with the product, for example Cook’s tours, Edison Phonograph, Hammond Typewriter and Jaeger Underwear.’
- ‘Names based on a place name, often that of the original place where the product was invented, sold or developed, for example Columbia Bicycle, New England Mincemeat […].’
‘Invented scientific names, usually based on Latin or Greek (or even both), for example Caligraph Typewriter (‘beautiful writing’), Cuticura Soap (‘skin care’), Gramophone […]’

‘‘Status’ names derived from fine-sounding English words, for example Crown Pianos, Diamond Dyes, Gold Dust […]’

‘‘Good association’ names, often ones that have a true or purported story of origin, for example Ivory Soap, Quaker Oats, Sunlight Soap […]. (All associations here are of purity and wholesomeness).’

‘Artificial names that may or may not resemble real words, for example Kodak, Uneeda Biscuit […]’

‘Descriptive names, for example Rampler Bicycle, Shredded Wheat […]’

Today name creation is way more difficult then it was back in time. Not taking into account family names or origin names (latter can be used today only very restricted as brand names), in general, only three categories stay available for creating new brand names (Samland, 2006):

- **Art names** (artificially formed, unknown names until now)
- **Lexical names** (terms, that can be found in an encyclopaedia)
- **Abbreviations, combinations, acronym and numbers**

Examples for art names:
- Coloneum (cinema and TV studio area in Cologne),
- Toggo (a children TV channel in Germany)

Examples for lexical names:
- Newstime (news programme on a German TV channel),

**Picture 3** A: ancient advertisement of the Ivory soap, B: Logo of the brand Kodak, C: ancient advertisement of the Edison phonograph
Examples for abbreviations, acronyms: JOY’S (apple juice-beer mix beverage)

VOX (German TV channel),
Secartis (for Security-Arts-International-Systems)

These are the basic classes within which a wealth of direct or indirect borrowings is available (Samland, 2006).

Anyhow, finding a new brand name is very difficult today due to the abundance of brands nowadays – more than 25.5 million brands are registered worldwide (Samland, 2006). Another current problem when searching for a new name is the availability of Internet domains. According to representatives of the Endmark International Namefinding GmbH domains (but also names that can be registered) with monosyllabic words are not available at all, disyllabic words almost not anymore. Also in other fields such as the animal and plant sector or the Greek-roman mythology almost no names are available for use (Samland, 2006). Without going into the process of creating a brand name, it is clear that it is a complex and difficult process. Because of these difficulties to create and register a new brand name many legal problems occur. In Germany, more than 1.2 milliard Euro are spend yearly for damage payments, not taking into account direct brand piracy (Samland, 2006). Mostly juridical problems, such as older rights on the name by some other company, too similar brand names, etc., are behind the obliged brand name changes. Small start-up-companies are very often the sufferer of this problem. According to the study of VDI in 2001 environ one quarter of the 1000 questioned start-up-companies were forced to change their name within their first 12 months of existence (in Samland, 2006). But also huge settled companies have to deal with these difficulties: Such as it happened to the car brand Volkswagen before introducing their model TOURAN. They had trouble with the owner of a small garage from Hamburg, Germany that registered his name Ali Turan in December 2000 as a brand for cars and their reparation. Because of the similar phonetic Mr. Turan was paid a six-digits sum and several Volkswagen cars in order to use TOURAN as the brand name for the new model. Most of the time the press does not mention such ‘details’ but they happen regularly in small and in big companies.

2.4. What is rebranding?

Literature covering the topic of rebranding and their process is relatively little (Lomax, Mador, Fitzhenry, 2002, J. Kaikati and A. Kaikati, 2003, Muzellec and Lambkin, 2006), even so rebranding seems to be a frequent practice in real-world. The necessity of further research results from the rising number of companies that rebrand yearly. Already in 2001 rebranding increased worldwide by 7% from a year earlier to an amount of 1.993 rebranded companies. Splitting this up, the USA lead with 1.761 name changes, in
Europe the UK was first with 65 name changes. Then came Canada with 41 changes, followed by Germany with 29, France with 24, and Japan with 21 name changes (J. Kaikati and A. Kaikati, 2003). Considering the rising number of rebranding companies, the decreasing number of available names as shown in paragraph 2.3, and the lack of existing guidelines regarding the rebranding process companies are forced to act as own sees fit. Companies don’t have principles and only a few business examples that are described to serve as models (refer to paragraph 2.6). Additionally, a survey conducted by the branding and identity consultancy Enterprise IG states that the rebranding momentum is accelerating when the economy slows down (J. Kaikati and A. Kaikati, 2003), which would mean that we have to expect plenty of companies rebranding in the near future.

Rebranding can be executed on three different aspects:
- the name (where the present paper concentrates on),
- the logo
- or the slogan.

It can further be split into product rebranding and corporate rebranding, whereas product (re)branding mainly focus on consumers, and corporate (re)branding concentrate on employees, customers, investors, suppliers, partners, regulator, special interest groups and local communities (Hatch and Schultz, 2003 in Gotsi and Andriopoulos, 2007).

Rebranding can further occur on different levels:
- Corporate rebranding, business,
- unit rebranding
- and product rebranding.

**Figure 2** Rebranding in a brand hierarchy
However, the change can occur on one level, several levels, or all levels. In figure 2 the three existing levels have been visualised. In the given examples, CGNU becoming Vivendi or Philip Morris becoming Altria, we see that only the corporate level has been rebranded. Whereas in the example of Mannesmann Mobilfunk D2 (now Vodafone Germany) also the business unit is affected. And then there is product rebranding such as Raider becoming Twix (Muzellec and Lambkin, 2006). This paper will mainly concentrate on business unit rebranding, regarding the fashion catalogue ‘mea’.

Muzellec and Lambkin describe: ‘a possible characterisation of rebranding is... the creation of a new name, term, symbol, design or a combination of them for an established brand with the intention of developing a differentiated (new) position in the mind of stakeholders and competitors’ (2006, p. 805). Thus rebranding seeks to send a signal to its stakeholders (Stuart, 2003) when referred to corporate rebranding, and ‘amongst the formal signals, corporate rebranding is probably the strongest possible way to signify that something in the company has changed’ (Kapferer 2002 in Muzellec and Lambkin, 2006). This could be visualised by a change of name, logo, or slogan.

2.5. Reasons to rebrand?

Reasons for the implementation of a new brand name, a new logo, a new slogan or a new image can be individual and different in their source, but in practise we find common reasons. Muzellec and Lambkin have attempt to categorise these reasons into four categories, namely change in ownership structure, change in corporate strategy, change in competitive position and change in external environment (2006). The author has assigned the reasons to rebrand, found during research, into the different categories.

**Change in ownership structure:**
Merging, thus the creation of worldwide companies can be a reason, such as in the case of Ciba-Geigy and Sandoz that merged into Novartis, or Alcatel that result from the joint venture of ITT and CGE (Kapferer, 2004). Acquisition is another obvious reason to rebrand. A specific example is using rebranding as a tactic to enter a foreign market. According to Kapferer the electrical equipment market is a typical example. ‘Desperate to grow internationally, Merlin-Gerin bought the famous Yorkshire Switchgear company as a way to penetrate the British market’ (Kapferer, 2004, p. 356).

**Change in corporate strategy:**
When brand names are too specific to a certain product which prevents the brand from starting new activities, or entering the international market, a new (corporate) name will be a solution. This was done in the case of Philip Morris that became the Altria Group. BSN became Danone, which gave them international recognition over night (Kapferer, 2004). Another noticeable reason is that the international markets have become to a great
extent homogeneous. This leads to the fact that many companies replace their local brands by the global one, such as in the case of Raider and now Twix. The same reason is valid for Pal that became Pedigree, for the paint brand Valentine that became Dulux, and for Shell that named their lubricant Helix, which offers the customer in all European countries a recognisable product (Kapferer, 2004). Other problems such as difficulties with existing names – for example translation problems in new markets or a negative image transfer – can justify the implementation of a new brand name (Samland, 2006).

Changes in competitive position:
If a brand has become old-fashioned, is in danger of stagnation or is already in a state of erosion a new name could revive the brand and resurrect it (Flynn, n.d.). Moreover, many companies rebrand because they have the feeling that their image is outdated (Stuart, 2003).

Changes in external environment:
The worst case though is when name change becomes necessary because of legal reasons such as a lost court case. This has been the case for example at Yves Saint Laurent that had to change their perfume line Champagne in several countries into Yvresse. Or the sportswear brand Best Montana that had to change into Best Mountain because of a lost court case against the luxury brand Montana (Kapferer, 2004). Renaming also happens for as simple reasons as an occupied web domain (Zindel, 2001).

Despite the fact that reasons to rebrand are various, ‘Muzellec et al. (2003) and Muzellec and Lambkin (2006) found that structural factors such as mergers and acquisitions were the main drivers of rebranding, with brand image improvement ranked lower’ (Merrilees and Miller, 2008, p. 539). Figure 3 shows the above mentioned reasons classified in a table to provide the reader with a quick overview (Muzellec and Lambkin, 2007).

<table>
<thead>
<tr>
<th>Change in ownership structure</th>
<th>Change in corporate strategy</th>
<th>Change in competitive position</th>
<th>Change in external environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mergers and acquisitions</td>
<td>Diversification and divestment</td>
<td>Erosion of market position</td>
<td>Legal obligation</td>
</tr>
<tr>
<td>Spin-offs and demergers</td>
<td>Internationisation and localisation</td>
<td>Outdated image</td>
<td>Major crises or catastrophes</td>
</tr>
<tr>
<td>Private to public ownership</td>
<td>Sponsorship</td>
<td>Reputation problems</td>
<td></td>
</tr>
</tbody>
</table>

Figure 3 The four driving forces of corporate name change
2.6. Praxis models of rebranding

As stated earlier in this paper, academic research is limited in the field of rebranding, and no models of rebranding exist. But some business examples can be mentioned and used as models, regarding the brand name:

The example RAIDER to TWIX:
Nothing was changed but the name (Kapferer, 2004). When Raider changed to Twix no changes occurred within the company or with the product itself.

![Picture 4 A: Chocolate bar Raider (name before rebranding), B: Chocolate bar Twix (after rebranding)]

In short:
- the name changed totally, but the logo typeface and the packaging didn’t change which made it possible to be recognised instantly by consumers
- high degree of advertisement used to communicate the change to their consumers
- goal: to create a global brand, reduce costs, increase sales and gain more market share
- values: customers were prepared for the change and accepted it easily
- problem: loss of a known brand name

The example PHILIPS to WHIRLPOOL
A merger was behind the name change in the example of Philips to Whirlpool. Affected was the domestic appliances division of Philips that changed in terms of organisation and structure and successively the name. Later Whirlpool bought Philips’ remaining interest of 47% (Kapferer, 2004).

In short:
- name change because of a joint venture
- the name merged first for a dual branding phase into Philips Whirlpool, after some time remained solely Whirlpool on the products.
- goal: to attain a significant global company size (by merging) and introduce the brand Whirlpool in Europe.
- values: dual naming gave saliency (brand awareness) to Whirlpool, customers and customer loyalty was maintained
problem: values held by one brand will not be transferred to the other by dual branding (from Philips to Whirlpool)

The example CHAMBOURCY to NESTLÉ
In the example of Chambourcy to Nestlé the reason for a name change was a takeover. With the acquisition of the Chambourcy brand, a French brand of dairy products, Nestlé was able to move into the ‘ultra fresh’ dairy market. This was necessary to keep their desired image of a modern healthy producer and not only standing for dry and frozen products (Kapferer, 2004).

In short:
- name change because of a takeover and thus product extension of Nestlé
- only the umbrella brand changed (into Nestlé) – not the product names (of Chambourcy’s products)
- no advertisement campaign
- goal: to introduce Nestlé into the ‘ultra fresh’ segment
- values: through slowly increased appearance of the Nestlé brand and adoption of the former logotype, similar advertisement tag line and the creation of products with the Chambourcy name (used as product name) customer were not disturbed.
- problem: possibility that customer do not except Nestlé for ‘ultra fresh’ products and sales decrease

(source: Kapferer, 2004)

Considering these business examples name changes do have multiple reasons and the way they are carried out are different for every case. The performance of rebranding has to be chosen individually for a company and adapted according to their needs, but the four examples can be taken as exemplary models. Rebranding strategies will be further expanded upon paragraph 5.1.
This chapter will give information about mail order business, the brand ‘mea’, their history, target group insides and their problematic, and display the actual situation of ‘mea’s’ rebranding process.

3.1. Catalogue world

The mail order business in Germany goes back to the 1870’s were the rural population was prime target group. Amongst others was Witt (selling underwear) one of the first distance sellers in Germany. But also in other countries distance selling was a growing sector. In France mail order started in 1867 by Aristide Bocicaut with the department store Bon Marché. In the USA the first mail-order house Montgomery Ward was founded in 1872. In England it took until 1932 to open the first distance seller, the Littlewoods Mail Order Store Limited (Mattmüller and Hauser, 1999).

Mail order business can be found in all economic trade levels, namely in retail sales and wholesale trade. According to the Bundesverband des Deutschen Versandhandels, characteristics of mail order trade are: firstly the medial-based offer (through catalogues, brochures, online means or also by salesmen. Secondly, of course the fact of distance buying (bridgeover of the distance of vendor and consumer through placing an order by phone, post or online). And thirdly the shipping of the goods to the consumer by means of own possessed or outside drop-off service.

It is also possible to differentiate between:

- specialty distance seller, that concentrate on one product for example shirts,
- sector distance seller, that concentrate on one type of business for example clothing,
- and general distance seller, that sell cross over from clothing till car components.

OTTO (and also ‘mea’) would be one of the latter category (Mattmüller and Hauser, 1999).

Nowadays, due to different media means and evaluation of the mail order branch the distance selling business comprises (see figure 4): the multi-channel seller, the producer-seller, the internet-pure-player, the pharmacy distance seller, the teleshopping seller, the salesmen direct seller. Figure 4 The different distance selling businesses
distance seller with roots in store business the Ebay Power seller and the salesman direct seller (bhv - Distanzhandel in Deutschland 2009).

Today the mail order business has a share of 7.4% of the Germany retail sales; and made a profit from 29.1 mrd. Euros in 2009 (bhv - Distanzhandel in Deutschland 2009). Despite the Internet having gained much importance in recent years, catalogues are still widely used by consumers. A study by the Bundesverband des Deutschen Versandhandels reflects this clearly by showing that 67% of the consumers who ordered online had previously consulted the paper catalogue (bhv - Distanzhandel in Deutschland, 2009).

3.2. History and origin of the brand ‘mea’

Under the current name ‘mea’, the German mail order company OTTO has launched in 2007 a specialty catalogue concept (see picture 7) reaching at a constantly rising target group: the ‘modern ager’. ‘OTTO has developed this new concept for the ‘mea generation’, for women who have experience of life and who are full of joie de vivre and who sense by intuition what is good for them’ (OTTO online). This group of women, defined by their lifestyle and not necessarily their age, are called the ‘modern ager’. The ‘mea’ catalogue is a lifestyle concept offering fashion, sportswear, shoes and interiors to the mature woman between 38 and 58 years. The catalogue appears four times a year (spring, summer, autumn, winter). Since February 2010 ‘mea’ has also gone online with its own website www.mein-mea.de where the whole product range is presented. The page displays special offers, additional pictures and videos, as well as fashion news that are giving added value to the consumer.

3.2.1. Background and objectives

- OTTO had developed a specialty catalogue concept for the rising target group ‘modern ager’ (38-58 years), who has money to spend.
- The catalogue runs under the name ‘mea’ (Mode – fashion, Emotionen – emotions, Ambiente – ambience).
- Under the motto ‘Inspiration through personality’ the theme of individuality has been given priority through four varying leading figures, who present as “testimonials” stylish, fashionable trends and ideas for the well-being of female consumers and for a beautiful home. Each character represents two ‘chapters’ of the catalogue: trends and brands, shoes and sportive, classic feminine and lingerie, and balance and ambience. The characters vary per catalogue edition, but are always women, who are in the middle of life. They show appealing fashion, talk about their experiences and their journey through life and give styling tips and practical suggest-

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3 The age range is not emphasised within the catalogue, but serves company internal to create an appropriate product offer for the target group.
Picture 7 The ‘mea’ catalogue summer 2010
ions for everyday life. They are people the potential consumer can identify with. Examples are shown in picture 8.

![Picture 8](image)

**Picture 8** Four women and ‘mea’ represent new ideas for fashion and living.

- The structure of the catalogue has adapted the format of a women magazine, including tips, ideas and fashion suggestions and is printed on high-quality paper to give an appealing image and create intimacy.
- The catalogue includes, on approximately 200 pages, eight so-called shops: Trends, Labels, Shoes, Sportive, Classic feminine, Lingerie and Beachwear, Balance, and Ambience. Thus, up to around 80 per cent of the range consists of fashion, supplemented by accessories and furnishing offers, so that integral ‘mea’ worlds are created.
- The 80% of fashion within the catalogue comprises different brands that can be divided into brands and private brands (held by OTTO). The brands are amongst others S.Oliver, Esprit, Seidensticker, complemented by sundry sport brands such as Nike or Adidas. The private brands are mainly Cheer, Boysen’s, Laura Scott and Vivien Caron. The latter can be named the brand that suit the target group of the ‘modern ager’ best.

### 3.3. Target group

The target group ‘modern ager’ comprises women from age 38 up to 58 which is the most growing age group in Germany in the coming years (see figure 5). According to a recent study of the Statistisches Bundesamt Germany the number of people aged 30 till under 50 constitute 49% of the German population. The study says further that between 2017 and 2024 the German population will consist of 40% aged 30 till 50, and 40% aged 50 till under 65. As the ‘mea’ concept is at this point of time focusing on the German market the figures amplify the need of a special care of this target group.
According to market researcher NPD Group, 65% of online apparel sales go to women over age 35 (Binkley 2009). Papers and magazines are full of articles naming the ‘baby boomers’ the generation with the most influences on retail sales. Their shopping behaviour is showing astir interest in fashion. This is also mirrored in figure 6, showing that woman of 35 age and up shop what they want, when they want. This generation is willing to spend money and has the means to do so. Looking for example at the denim sector, we see the exact same picture: woman between 35 till 54 are an extremely interesting age group to target, see figure 7, as they drive sales to a great extent (Cotton Incorporated online).

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4 ‘Baby boomers’ are named the high-birthrate generation of the years 1950-1965 in both Europe and America. The term ‘Baby boomers’ is used by marketers as the description of a specific age group/target group. Characteristic for this target group is having a great spending power and experience with many different product groups. Moreover, they often have assembled fortunes during their lives. This makes ‘Baby boomers’ very interesting for companies (onpulson online).
In order to profit from this growing target group OTTO launched the ‘mea’ catalogue to respond to the special needs of this very specific target group, as offer has been limited until then, in both the OTTO assortment and stationary trade.

To identify the positioning of ‘mea’s target group the Sinus-milieus of the study VerbraucherAnalyse has been used. According to this study the following could be determined: For the ‘mea’ concept the **strategic target group** can be found within the modern milieus (see figure 8). More specifically, the **modern middle** serves as **leading milieu** that symbolises the wishes, dreams and desires of the target group. Further the **modern middle** gives guidelines for product assortment, production, such as location and model choice, and communication. The final target group amount to all that milieus that orientate themselves at the **leading milieu**. The orientation can take place on the basis of social position and/or value level. This leads to the following strategic target group: **the middle class, the post-material, the experimentalist and the hedonist** (see figure 9).

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5 This study is one of the biggest market-media studies, established since 1982 by the German Axel Springer AG and Bauer Media Group. It shows a detailed insight into the attitude, interests and the consumers’ behaviour, as well as media utilisation. Basis of each issue of the VerbraucherAnalyse is a verbal and written survey of more than 30,000 representatives of the German population.
Considering another essential study, the analysis ‘Best Ager-Typen’ of 2004, developed by the economic research company IFWF (Institut für Wirtschaftsforschung), six different women types that are significant for OTTO and their ‘mea’ concept could be defined. Research showed that from these six types three of them are relevant for the ‘mea’ concept, as these women types suit the OTTO brand. They were also prioritised because of their market potential and their liking for mail order. In table 1 the reader can find detailed information about their motto/attitude and socio-demographic parameters. In Appendix B visual examples can be found.
Bringing together the Sinus-milieus of the Verbraucheranalyse-study and the ‘Best Ager-Typen’-study we see that the three relevant types stand clearly within the determined target group that has been defined for market positioning (see figure 10). The world of the modern middle of the ‘Best ager’ is visualised in Appendix A.

<table>
<thead>
<tr>
<th>Susanne (type 4)</th>
<th>Renate (type 1)</th>
<th>Sabine (type 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The convenience orientated woman, but searching for something new</td>
<td>The selective woman (with sense of style)</td>
<td>The conservative woman</td>
</tr>
<tr>
<td>Still is the family her first priority but she starts to trial herself to a greater extent.</td>
<td>At home it should be nice, with herself she is rather careful</td>
<td>‘I buy so I am’ (expert). Her appearance is very important to her.</td>
</tr>
</tbody>
</table>

- Approx. 45-49 years old
- Middle education
- middle net household income
- no children at home
- working

- Approx. 50-54 years old
- middle education
- middle net household income
- no children at home
- working

- Approx. 45-49 years old
- rather high education
- high net household income
- Children at home
- Fulltime working

**Table 1** Defined target consumer groups

**Figure 10** The sinus milieus with the relevant types of the ‘Best ager study”
3.3.1. The ‘mea’ customer - Who buys at ‘mea’?

The ‘mea’ customer is generally self-confident and proud of what she has managed in her life. She has a well-groomed appearance and her everyday life with employment and children runs smoothly. She is financially secure, keeps up hobbies and social contacts and has an opinion that she represents in conversations. The ‘mea’ customer doesn’t feel old ‘like her mother’, but neither young ‘as her daughter’ this is also reflected in her fashion approach: she is without model, searching for guidance. Despite her self-confidence the ‘mea’ customer senses incertitude and violability. On the one hand she fears that her life stands still, on the other hand it is getting too versatile. The ‘modern ager’ woman is anyhow unconfident what is wearable at her age and what not. She searches for a not yet existing model. The ‘mea’ catalogue is an attempt to fill this gap.

3.3.2. ‘mea’ towards customers

Considering the above mentioned facts several guiding principles had been formulated for the ‘mea’ catalogue that are being followed within their concept. These are based on the recognition of the customers needs, their wishes and their desires, and are reflected in ‘mea’s’ product assortment.

Age taboo
- age is not a open vocalised topic
- the woman react sensitive upon age restrictions and ‘too old’ pictures
- ‘age less’ clothing with a fashionable touch is demanded

Desire of flexibility
- the ‘mea’ customers want to experience themselves as flexible
- they take a very active part in fashion purchase, bricks-and-mortar as well as online
- they appreciate fashion as development impulse: something is moving and can pull them in

Desire of foothold
- movement is desired but not everything should change
- the achievements of life should not be put at risk
- the ‘modern ager’ searches for foothold, protection, guidance and order. They do not want to stand aside
3.4. Mea as a brand

Kapferer states: ‘most brands start not as brands but as a name on an innovative product or service’ (2004, p. 61). From chapter two it can be concluded that brand awareness is actually the mean to measure the degree of popularity amongst consumers, and the brand name the most important mean to create brand awareness. ‘Mea’ is a brand name, but has it created much name awareness yet? In a market research study by the economic research company IFWF (Institut für Wirtschaftsforschung) 6 consumers were asked if they had ordered from the ‘mea’ catalogue before. Several consumers answered with ‘no’, even if they actually did before. But when showing them the printed catalogue they remembered having ordered from it. This leads to the assumption that the name ‘mea’ has not yet found its way into consumers mind, thus possesses a low degree of name awareness. But the distinctive catalogue layout, on the other hand, left apparently a mark on the consumers mind. This finding shows that the concept and layout, thus the visual part of the catalogue is pointing in the right direction. Additionally, ‘mea’ is ‘only’ used as a catalogue title but not used to brand a physical product. This means that the consumer doesn’t have the chance to name a purchased product being ‘from mea’, as all articles within the ‘mea’ catalogue are from other (private) brands. Anyhow, this might not be the overall solution for creating name awareness, as the opposite works in the example of the OTTO catalogue, which doesn’t actually offer products under the name OTTO. However, a name should express the brand values and create a connection to its consumers. Although ‘mea’ is a name that is accepted by the target group and does translate the desired values such as being ageless, it is nevertheless not widely recognised. Until now almost only those consumers know the name ‘mea’, that order regularly and frequently from the catalogue or via the website. The fact of low name awareness could comprise risks but also simplifies the rebranding process, which will be discussed later on.

3.5. Actual process at ‘mea’

After the announcement that ‘mea’ is handling a legal process, important processes had been started to find a suitable alternative to replace the ‘mea’ name. The agency Endmark had been assigned to develop name alternatives incorporating the specific characteristics of the ‘mea’ target group. Several name alternatives have been created and fours of these have been analysed in a market research study. These were namely:

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6 The information about this study and its outcome has been collected during an interview with the team leader of the buying department Mea/modern ager.
cascaja, ilomée, yloma and m&e (see picture 11). Unfortunately the outcome has not been very positive regarding internal acceptance, neither regarding consumer reaction. Consumer reaction has been tested in panel discussions by the economic research company IFWF (Institut für Wirtschaftsforschung)\(^7\).

However, during the time the author was writing the present paper a new name for the catalogue ‘mea’ has been found internally and imposed by upper management. The new name will be ‘my mea’, thus only a modification of the existing name. Reason to choose this name has been mainly the lack of time for extensive further name research. The name hasn’t been tested by market research methods, which has to be seen critical. No reliable information is available about how consumers react on the name and if it is accepted amongst them. Critical is also the fact that that ‘my mea’ is an anglicism, which has been proved by market research studies to be problematic amongst target consumers. Even terms like ‘selection’ or ‘labels’ were not understood. Consequently, no anglicism is used through out the catalogue. By turning the title into an anglicism consistency of this procedure is damaged and put into question. Additionally, in case of loosing the court case the question if the new name is still to close to the name of the claimant will occur and implicate renegotiation. However, the decision of the legal process has not been pronounced yet but upper management has decided to introduce the new name on the next possible date. This will be august 2010 so that not much time is left to prepare the change. A new cover incorporating the new name is under construction as well as communication means to advertise it.

\(^7\) The study has been conducted by the economic research company IFWF (Institut für Wirtschaftsforschung) in March 2010 under the name *qualitative-psychological effect analysis of name and logo alternatives for ‘mea’*. Interrogated have been 44 participants divided into four group discussions and 12 in-dept-interviews. The participants were 50% active orderer within the ‘mea’ catalogue and 50% active orderer within the OTTO main catalogue, buying mainly from the ‘modern ager’ assortment. The study took place in Hamburg, Berlin and Cologne, Germany.
This central chapter deals with the risks that can occur while changing a brand name. Specific risks for the fashion catalogue ‘mea’ are further displayed. Followed by highlighting opportunities that arise from such a change, and specified chances for the ‘mea’ catalogue.

4.1. Emerging risks of changing a brand name

Earlier in this paper we have seen reasons why companies chose to rebrand by changing its name. The author wants now to elaborate the risks that go along with such a name change. Reportedly a brand name change could destroy value of the market share (Kapferer, 2004) or even nullify the effort that has been put into the brand name for years (Muzellec and Lambkin, 2006) and can actually destroy the brand’s equity. Even so it might be possible to transfer some of the values from the old brand name to the new, this is not guaranteed.

- Additionally to the high level of reputation risk (Muzellec and Lambkin, 2006) rebranding a company tend to be a very expensive business venture (Clavin, 1999; Dunham, 2002 in Muzellec and Lambkin, 2006, Gotsi and Andriopoulos, 2007).
- The loss of customer confidence in the company or its products is a risk that should not be underestimated. To counteract strong communication towards the consumer could be used to prevent from damage.
- Consumer resistance belongs also to the risks of rebranding. The example of UK’s Royal mail that had been rebranded into Consignia demonstrates this clearly. Not only a great investment of over two million British pounds had been necessary to achieve the name change towards Consignia, but an additional one million pounds to change it back into Royal mail. Reasons to retrobrand were non-acceptance of the British and internal employee resistance, who even launched a campaign to boycott the new name (Haig, 2003 in Muzellec and Lambkin, 2006; Strategic Direction, 2008). This example also underlines the expense of rebranding. However, the internal resistance and lack of understanding by employees due to inadequate and insufficient information of the

8 Please refer to paragraph 5.1 for further details.
management should be a topic with great importance in every rebranding process and is further extended in paragraph 4.1.2.

The risk of losing market share can be illustrated best by the example of the washing-up liquid Fairy/Dawn. In year 2000, P&G decided, in favour of the international brand Dawn, to rebrand Fairy in Germany under the international brand name. This resulted in an immediate loss of market share from 11.9 per cent to 4.7 per cent (Kapferer, 2004); and a turnover loss of 8 million US Dollar in 2001 (Schroiff and Arnold, 2003 in Kapferer, 2004). After one and a half years P&G decided to relaunch the product under the Fairy name whereby market share increased again (Samland, 2006).

The degree of change is nevertheless a factor that also plays a major role in evaluating the risks of rebranding. So will it be of smaller importance when one replaces ‘Jif’ by ‘Cif’ (cleaning products) or just a change in lettering, then a complete changeover of the name and iconography (Strebinger, 2008).

4.1.1. Employee commitment

Rebranding a company doesn’t only mean changing the name/logo/slogan and in many cases changing the image or culture of a company. Rebranding involves people. Not only consumers are affected but also employees have to deal with the change and not only on management level. Unfortunately, in real-world business the people that actually work with the brand, that are close to consumer wishes and respond to their needs are often the last to know from the rebranding campaign (Dowling, 1996 in Stuart, 2003). Most of the recent literature about rebranding describes the topic of employee involvement and the problematic that occurs from not taking into account that ‘employees are important brand ambassadors’ (Strategic Directions, 2008). A common mistake has also been seen in developing new names, logos or slogan without actually creating a meaning of these, that could be communicated to its employees (Jevons et al., 2005 in Gotsi and Andriopoulos, 2007). In a study performed by Gotsi and Andriopoulos one of the interviewees (a corporate communications director) noted: ‘We published our name and this little card summarising our new values and that’s all that we did. . . Staff don’t know what they need to change in their behaviours and this contributes to the crisis of identity with our employees in terms of buying into the new image’ (2007, p. 348). This clearly describes the necessity to integrate staff to gain their support and understanding. Executives need to inform their employees about reasons for rebranding and keep them updated about the actual rebranding process say also J. Kaikati and A. Kaikati. And continuing: ‘by communicating extensively, top management can anticipate employee support in the name change process’ (J. Kaikati and A. Kaikati, 2003). This also
underlines one of the findings in a study of Lomax et al. (2002) (that examined seven UK-based companies that had rebranded in the past five years) where ‘including staff in the development process, to ensure commitment to the change’ is listed as one of the critical success factors when rebranding a company. The degree to which employees are involved varies of course, as it must be appropriate to the specific needs and situation of the individual company. In the above-mentioned study of Lomax et al. (2002) the examined companies show different attempts. A small company involved all employees and decisions where made by majority voting. In a larger organisation one day workshops were organised to consult mixed samples of staff on similar issues. Another company used mixed project teams to ensure that staff views on values and operational issues were adopted. Less involvement showed companies were the name change was confident and held secretly and was therefore only announced at company conferences. Concluding that involving employees in the internal process of a name change has great advantages, companies might figure out ways that are appropriate for them and work together with staff for a successful result.

**Particular problems of changing the brand name for the fashion catalogue ‘mea’**

Currently ‘mea’ is a fashion catalogue with a concise name that results in a good consumer acceptance according to a market research study of the IFWF. Due to external circumstances the name has to change, which brings along several specific risks, on top of the risks mentioned in the previous chapter, which include a high level of reputation risk (Muzellec and Lambkin, 2006); a high amount of costs (Gotsi and Andriopoulos, 2007); possible loss of consumer confidence in the company or its products; possible consumer resistance to the name change; possible internal resistance to the change and possible loss of market share.

Concerning the particular risks for ‘mea’ it firstly has to be considered that the ‘mea’ catalogue and therefore the ‘mea’-name has just been introduced in 2007 to its consumers. The brand has yet not had a long time to establish itself in the consumers’ mind. It might disturb the consumer to a high degree that the brand they just have met is undergoing such a major change. Further comes the problem that many new and rebranding companies face: the limited name availability. As seen previously monosyllabic names are almost not available anymore. Internet domains with three letters that are melodic neither exist that much nowadays. Even disyllabic names are hardly enforceable (Samland, 2006). Further are from about 100 names only one or two legally available (Samland, 2006), and these may then not be right for the new company’s name. If ‘mea’ wants to stay close to the short name scheme it will not be easy to find

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9 The study has been conducted by the economic research company IFWF (Institut für Wirtschaftsforschung) in 2007 under the name *qualitative-psychological concept test „MEA“. Interrogated had been 44 participants divided into four group discussions and 12 in-dept-interviews. The participants were 50% active orderer within OTTO catalogues and 50% inactive orderer. The study took place in both Hamburg and Cologne, Germany.
appropriate alternatives. Moreover, market research by the IFWF\(^{10}\) has shown that the ‘mea’ consumer does react very negative on changes within the catalogue. A name change is a major change and it has to be assumed that it will disturb the consumer. Furthermore, if it comes to the legal obligation of changing the name no return to the previous name is possible, as it has been possible in the example of Fairy or Royal Mail.

### 4.1.2. Costs

Apart from the risk of a profit collapse after rebranding, the rebranding process is by itself already an expensive business venture. Different sources of costs have to been considered, sometimes mounting up to millions of Dollars, especially in the case of corporate rebranding (Stuart, 2003). In the example of BearingPoint (formerly KPMG Consulting) a list had been drawn up with elements that had to be changed worldwide on the day of switch. This included:

- ‘ticker symbol changed to BE in the New York Stock Exchange;
- a uniform global website;
- 16.000 new business cards printed;
- 16.000 e-mail addresses changed;
- 500 sign replaced in 200 offices;
- and 20.000 launch announcement packages sent to clients and associates’ (BearingPoint online in Muzellec and Stuart, 2004, p. 478-479).

Summarised it costs between 20 million and 35 million US Dollar (Dunham, K. J. (2002) in Muzellec and Stuart, 2004). Cost that should also not be underestimated are ‘hidden or opportunity costs’ (Muzellec and Stuart, 2004, p. 479). These costs occur ‘by keeping employees doing things necessary to the rebranding, but diverting them from everyday job’ (Muzellec and Stuart, 2004, p. 479). Other costs, or better the loss, that should also be taken into account comes from burying the old brand name. As stated earlier in this paper, brand names can advance to assets that are listed with a specific value on the company’s balance sheet; this value will be lost after rebranding.

In the case of ‘mea’ costs do not reach such a high amount but are additional cost that the company has to carry. To the point in time the paper has been written the rebranding campaign is actually taking place. Therefore some cost are known, others can only be estimated:

- The cost for the agency that has been ask to create new name alternatives for ‘mea’ amount to approximately 30.000 Euros.
- The market research study to test the name alternatives cost also around 30.000 Euros.
- The development of a new logo for the new name will cost about 10.000 Euros.

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\(^{10}\) Information about the outcome of these studies has been gathered in an interview with the head of the mea sales department.
To lock the Internet domains for the new name in countries the catalogue is doing business, but also for prospective countries costs about 300 Euros per year.

For advertisement not much external costs will arise as this can be done internally by the advertisement department of the OTTO company, but anyhow employee capacity will be necessary and does cost.

For the implementation not much additional cost will arise as this will also be handled internally.

The existing Internet site will just have to be updated and linked with the new name, this will be handle by the new media department.

However, until now the process has cost a lot of capacity but the effort and money that has been spend leaves a lot to be desired.

4.2. Opportunities of changing a brand name

Having seen the risks of rebranding in this chapter a brand name change can however also mean an opportunity for a company. When a company is rebranded the unique chance is given to improve or adjust at the same time e.g. the marketing mix and other factors that might not function as desired.

This could be for example the product offer that needs to be altered in order to reach the focused target group. This could mean the company needs to rearrange their offer by eventually cutting off or adding products to their range and thus use the moment of rebranding to communicate with their consumers.

It might also be that the actual product offer is right but that the company is targeting the wrong age/target group. This could be corrected by advertising the new name in a way the desired target group will react on.

Conceivable is also that the place where the product is sold might not be the best choice and has to be altered, thus the chance to expand distribution channels is given. So can for instance a company that was not active in online sales advertise this new selling channel while advertising the new name. Other conceivable distribution channels to diversify could be shop-in-shop concepts or catalogues (such as H&M did).

Company internal it could be the department/company structure or the flow of work or communication that needs a makeover and can be changed while the company is anyway on the move. Companies could also for example invest in becoming more sustainable and use this to advertise the new company name. However, practically everything that demands a change to improve company performance could be considered and adjusted during the rebranding process, which is an opportunity that a company should use.

On the product name level the rebranding process can be used to adjust the layout, the packaging, the price, the place where the product is sold, or the promotion means.
Another chance can be seen in globalising the brand name, thus establishing one name for the product in all its active markets. This leads to cost-savings through bundling budgets (e.g. product layout, production, advertisement campaigns, distribution) and towards an international image. A positive effect will be that consumers can find their favourite products all over the world, which will enhance customer loyalty and brand awareness. While creating one international name it should be paid attention to pronunciation and translation of the name in other languages. The company Clairol faced this problem when introducing their curling iron under the name ‘mist stick’ in Germany that was well selling in England. The German translation for ‘mist’ is ‘manure’, that might be the reason why the product didn’t sell that well in Germany too (Samland, 2006).

It is also possible to drop a negative image by rebranding and thus creating a new and more appropriate image for the company. It might then be possible to reach the desired target group and enhance sales, customer loyalty or whatever is desired. With a new image it would also be possible to widen the existing target group in favour of growth or entering new markets and become internationally known.

Conceivable is also that a brand name change would enable to alter a company’s vision and mission to respond better to the existing target group and/or stakeholders and thus redirect in the direction the company desires to move on.

Focussing only on the name, it might be possible that the present company name is outdated and thus not appropriate to the company’s image and therefore attracting not the wanted target group. By a name change this could be corrected.

### 4.2.1. Particular opportunities of changing the brand name for the fashion catalogue ‘mea’

When addressing ‘mea’ it has to be considered that the name change is not voluntary. After analysing ‘mea’s current situation it can be concluded that they reach their target group by offering an appropriate product range. They understand their consumers and created a brand portfolio for the catalogue that respond to the specific needs, wishes and desires of the ‘modern ager’. The price range they are operating at is also appropriate and well balanced for the target consumer. As the brand name change is forced and could come at short-notice the company should however ask themselves ‘What positive outcome can we gain anyhow from this current situation?’

### On the outside

- It might be possible to engage new consumers while rebranding. Due to intensified marketing means (e.g. newsletters, postal announcements, increased number of catalogue dispatch, flyers, announcements in other catalogues from OTTO, etc.) to announce the new catalogue title of ‘mea’ new consumers can be attracted and pulled in.
The ‘old’ consumer base should be kept but can also be reactivated during the process of promoting the new brand name. Thus consumers that haven’t ordered for a long time, but are still in the customer database, can be rewon as active consumers by sending them the new catalogue and piquing their interest again.

Another factor that is important to consider is the low degree of name awareness of the name ‘mea’. Due to that fact the impact of the rebranding campaign will probably be lower and the loss of consumers could be less severe.

Concerning the place of sales for the product range of the ‘mea’ catalogue the possibility to remove the inconsistency between the offline and online name of ‘mea’ is given, which will result greater brand consistency. Until now the catalogue is called ‘mea’ whereas the website runs under the name mein-mea.de (translation: my mea). However, the new website (created in February 2010) is a development in the right direction as it follows the same concept as the catalogue: giving consumers guidance and inspiration in their fashion choice. As the ‘mea’ online shop is uncoupled to a great extent from the OTTO website the special needs and desires of the target group can be translated and realised on the own website.

The rebranding process requires extended advertisement. This need to create awareness for the new catalogue name (through advertisement) is a unique opportunity to start creating a successful brand from scratch. If handled right, it is possible for the rebranded catalogue to actually gain brand awareness and become a brand that can be used to expand for example into retail stores and become an important pillar of the OTTO company.

Additionally, rebranding the catalogue name can clear the way to break into the international market. Of course a name that works internationally has to be chosen for this purpose. However, ‘my mea’ is suitable for that, even so it would be necessary to cut off the subline in other markets. By creating a brand that can operate internationally the opportunity to diversify is enhanced and should definitely be considered in further processes.

Moreover, the ‘mea’ concept is operating in a market niche. They have quite a pre-eminent position in the market due to the fact that almost no other explicit offers exist for the specific target group. By rebranding and choosing a name that suits the target group perfectly, stands out and creates an added value they can enforce there position in the market niche and extent their concept.

On the inside
Integrating employees in the whole rebranding process would enhance their commitment towards the brand and the new brand name which is really important as stated in paragraph 4.1.2. For the name finding process it might be a chance to involve employees who work with the brand on a daily basis and integrate their opinions, ideas and knowledge about the target group. It would further strengthen the attachment between employees and the company and create a positive sense of unity.
As revealed in interviews with OTTO employees of the ‘mea’ buying department there has been the idea to create a stronger link between brands that are offered in the ‘mea’ catalogue and the new catalogue title. By choosing a private brand of OTTO to become the new title of the ‘mea’ catalogue it would enable to strengthen the consumer-brand relationship by making it possible to actually wear the brand (related to the catalogue name). It could enhance consumer loyalty and reach greater brand name awareness, but this should be clarified in a specific study. ‘Mea’ displays currently different private brands of OTTO that are sold in multiple catalogues; one of them is the brand Vivien Caron. This brand is strongly orientated along the ‘mea’ concept, targeting the ‘modern ager’ and producing suitable collections that stand for this specific target consumer. Vivien Caron has according to a study by the IFWF \(^\text{11}\) already gained recognition value amongst their core target group and might have been a possible choice. The opportunity is seen here in using existing resources available within OTTO to reduce for example name development costs and above all profit from the existing brand name awareness.

\(^\text{11}\) The study has been conducted by the economic research company IFWF (Institut für Wirtschaftsforschung) in 2007 under the name *qualitative-psychological concept test ‘MEA’*. Interrogated had been 44 participants divided into four group discussions and 12 in-dept- interviews. The participants were 50% active orderer within OTTO catalogues and 50% inactive orderer. The study took place in both Hamburg and Cologne, Germany.
This chapter outlines the different strategies that a company could use to implement a new brand name. Followed by showing off the possibilities that the ‘mea’ catalogue has to rename.

5.1. Types of renaming strategies

In their paper ‘A rose by any other name: rebranding campaigns that work’ J. Kaikati and A. Kaikati (2003) give strategic options for implementing a rebranding campaign. Due to limited information on this topic this seem to be the only available information on implementation strategies. Therefore, companies should use these strategies only as guidelines.

The strategies are:
1. phase-in/phase-out
2. combined branding strategy via one umbrella brand
3. translucent warning strategy
4. sudden eradication strategy
5. retrobranding strategy

1. Phase-in/phase-out strategy

This strategy works with an introductory phase, which means that during the phase-in stage the new brand is linked to the existing brand for a specific time period. In the phase-out stage the old brand is slowly removed so that only the new brand remains. Using an example: Disneyland Paris was named during its beginnings as Euro Disney. For finally rebranding it into Disneyland Paris several stages were necessary: from Euro Disney into Euro Disneyland into Euro Disneyland Paris into finally Disneyland Paris (J. Kaikati and A. Kaikati, 2003).

2. Combined strategy

This strategy combines the existing companies somehow. For example, umbrella branding may be appropriate for some companies while a single banner brand is used worldwide for almost the entire product line of the company (J. Kaikati and A. Kaikati, 2003). As umbrella or endorsed brand the global brand is often used. An example would be the National BankAmericard that used to distribute their cards under 22 different
names worldwide before they decided to rebrand them all into Visa (J. Kaikati and A. Kaikati, 2003).

3. **Translucent warning strategy**
With this strategy consumers are informed before and after the brand name change. To do so, intensive promotion and advertisement, in-store displays, and product packaging are necessary. This was the case when the chocolate bar Marathon was rebranded as Snickers in the UK. Only through informing consumers of this change directly with taglines on the wrapping paper (before rebranding: “known worldwide as Snickers”, after rebranding: “formerly known as Marathon”) the rebranding procedure was successful (J. Kaikati and A. Kaikati, 2003).

4. **Sudden eradication strategy**
This strategy is appropriate when a company wants to change their image completely, when they want to refrain from their previous image, and is also useful for dying brands. To do so the old brand name is dropped from one day to another and replaced immediately with the new brand name. No introduction period is used (J. Kaikati and A. Kaikati, 2003).

5. **Counter-takeover strategy**
Used after acquisitions, where not the name of the buying brand is maintained but the name of the acquired brand is used as the new company name. This is done when the acquired brand name is more known and possesses greater brand name awareness. This might be used when trying to enter foreign markets. An example is the brand Orange. Initially launched by Hutchison Telecom as a wireless carrier in the UK in 1994, France Telecom bought them in 2000 and rebranded all its French cellular operations under the Orange name (J. Kaikati and A. Kaikati, 2003).

6. **Retrobranding**
This is actually a strategy that can be found quite often in real-world business. This strategy is used when companies that have rebranded in the past come to the point to admit that the previous name was more appropriate and re-rebrand in favour of
the ‘old’ brand name (J. Kaikati and A. Kaikati, 2003). Examples for this phenomenon have been given earlier in this paper: the Royal Mail (rebranded into Consignia and back to Royal Mail) or the washing-up liquid Fairy (rebranded into Dawn and back into Fairy).

5.2. Potential renaming strategies for the fashion catalogue ‘mea’

Finding the right strategy to introduce the new name for the fashion catalogue requires to look at several aspects:
1. As mentioned before consumers reacted negative on changes regarding the catalogue in the past.
2. There is no need to communicate a new concept or image, only a name change. This means that product offer, pricing strategy and layout of the catalogue stay the same.
3. The time before implementing the new name is rather short (approximately 4 month). Fourthly, not much money should be spend to introduce the new name as no additional budget is available.

Considering the strategies presented in the previous paragraph as well as the above mentioned problematic different approaches would be necessary to extract the right strategy for rebranding ‘mea’. In the following the possible strategies are exploited:

1st potential strategy: The phase-in/phase-out strategy
This strategy would be suitable to respond to the consumers’ reluctance to changes, as in this strategy an introductory phase guarantees a slow habituation of the new name. On the other hand this strategy might not be very appropriate for a fashion catalogue, thinking about realisation. Moreover, this strategy takes a lot of time that might not be given at the point of time. But maybe a variation of the strategy is conceivable such as combining the new title with the subline ‘by mea’. This would prepare the consumers and make them more responsive (Valentino, 2007 in Del Franco, 2007). The practicability of this possibility depends of course of the new name. With the actual new name ‘my mea’ this is not realisable.

2nd potential strategy: The sudden eradication strategy
Because of the limited time for the name change and the actual legal problematic the sudden eradication strategy should also be a strategy to consider. The advantage of this strategy would be a quick and straight name change, and would not affect the catalogue anymore however the lawsuit will end up. However, this strategy is meant to be used when a company wants to disassociate from their old image, which isn’t the case with ‘mea’.
3rd potential strategy: The translucent warning strategy

Considering that the name change will be carried out with the next catalogue appearance in August and the last issue has already been released the translucent warning strategy is not applicable for the print medium, when sticking to the date of change. Online consumers could still be notified though by newsletter or e-mail announcement letter. Therefore, this strategy could be appropriate for the ‘mea’ catalogue, because it allows to prepare consumers for a change, and could even involve them, for example by asking them for feedback and giving them the feeling to be vital in the process. Due to the fact that especially loyal consumers need to be ‘warned’ to maintain their loyalty (new consumers will not be much concerned with a name change) this strategy could be appropriate. Anyhow, also for this strategy time is needed that might not be given, but maybe a variation of the strategy could be possible.

The remaining strategies (combined branding strategy, counter takeover strategy, retrobranding strategy) aren’t in any aspect suitable for the name change of ‘mea’ and aren’t therefore further examined.

Howsoever the final strategy will be designed, being one of the presented or a completely new one, it will be necessary to inform the consumer, to explain them why changes are happening to make them understand. A consistent and frequent marketing message must be sent out. This might be by a bind-in card within the catalogue (possible with the translucent warning strategy) to make an announcement of the coming changes (Valentino, 2007 in Del Franco, 2007). Possible would also be a note on the first page such as an editorial. Or separate flyers in the package that will be sent to the consumer. Possible are also messages on invoices and statements, footnotes on e-mail campaigns (Valentino, 2007, in Del Franco, 2007) and announcement letters to existing consumers.
This chapter recaptures the main findings of this paper and gives recommendations for the ‘mea’ catalogue. It is therefore divided into a general conclusions part and a conclusions and recommendations part for the ‘mea’ catalogue.

6.1. General conclusions

Throughout this paper it has become visible that the topic of rebranding is missing in academic research despite the fact that rebranding seems to be a common process in today’s economy. Only a few researchers provide literature about the topic from which many are case studies and personal experiences. Missing are in particular methods, models and strategies that companies can follow when they rebrand and help them to decide for an appropriate approach. Future research on rebranding is therefore highly recommended, with emphasis on strategies for conducting a rebranding campaign.

Brands accompany us throughout our entire life. We can differentiate them, understand their meanings, allocate them values and develop brand preferences. Brand names, logos and slogans help us to do so. Focus of this paper was on the brand name which tends to be crucial to a brand and is often seen as the most important part of a brand. A brand name is the part of a product or service that helps consumers to identify and recognise them (Hart, 1998, Aaker, 1991). It further communicates messages and values and builds a main pillar of brand equity (Aaker, 1991). A brand name is also a legal property which is protected through law (Hart, 1998). Over time a brand (name) can gain brand awareness amongst consumers and can thus become an actual valuable asset to the company that owns the brand. By changing the brand name the brand equity is affected to a great extent (Aaker, 1991) and the value of the old brand name can be damaged and even lost (Muzellec and Lambkin, 2006). In course of the paper the problematic of finding new brands names has become clear. So are monosyllabic names almost not available anymore, and even dissyllabic names are hardly enforceable (Sumland, 2006). From about 100 names only one or two are legally available which makes it difficult for companies to find appropriate names that are not too long (Samland, 2006). This is valuable for start-up companies but also for companies that need or want to rebrand. The topic of rebranding has been covered quite detailed in this paper. Rebranding means to actually change the name, the logo, or the slogan and further the image and culture of a company.
Rebranding is an increasing phenomenon in the real-world but on the other hand a subject that is not widely covered in academic research (Lomax et al., 2002, J. Kaikati and A. Kaikati, 2003, Muzellec and Lambkin, 2006). Due to missing guidelines how to handle a rebranding campaign and only a few business examples companies are forced to act according to their own perceptions. As a study by the branding and identity consultancy Enterprise IG states the branding momentum is accelerating when the economy slows down (J. Kaikati and A. Kaikati, 2003). This is the case with today’s economy. Therefore further studies on rebranding are from crucial importance, when the number of rebranding companies will rise in the near future. The reasons of rebranding can be categorised in four categories:

- change in ownership structure,
- change in corporate strategy,
- change in competitive position
- and change in external environment (Muzellec and Lambkin, 2006).

Included in the fourth category of reasons the ‘change in external environment’ are legal obligations. The praxis example that this paper is focusing on is facing such a legal obligation, namely a court case. Meant is the fashion catalogue ‘mea’ that is part of the German mail order company OTTO, reaching at the target consumer female ‘modern ager’. These women are between 38 and 58 but are evaluated in terms of lifestyle and living conditions. The catalogue follows a magazine layout by offering fashion, sportswear, shoes and interior. Due to the obligation of name change the company has to find firstly a new name and secondly an appropriate strategy for implementing it. A new name has been found internally, namely ‘my mea’ which only means a modification of the existing name. Referring to the strategy, the paper has shown five strategic options defined by J. Kaikati and A. Kaikati (2003). Three of these would be usable for the company to implement their new name:

1. the phase-in/phase-out strategy,
2. the translucent warning strategy
3. and the sudden eradication strategy.

Central to this paper were the opportunities and threats that have been defined in general and in particular for the ‘mea’ catalogue within this paper. **Risks of rebranding** a company are:

- A high level of reputation risk (Muzellec and Lambkin, 2006)
- A high amount of costs (Gotsi and Andriopoulos, 2007)
- Possible loss of consumer confidence in the company or its products
- Possible consumer resistance to the name change
- Possible internal resistance to the change
- Possible loss of market share
Specifying the risks for the ‘mea’ catalogue it has to be taken into consideration that the catalogue has not had a long time to establish itself (as it was just created in 2007), a change could therefore strongly disturb consumers. Limited name availability is a problem they face and could result in abandoning a monosyllabic name. Additionally, market research has shown that consumers react negatively on change which forms a bad starting position for a rebranding campaign.

**Opportunities of rebranding** can be seen in:

- Improving or adjusting e.g. the marketing mix and other factors that might not function as desired while rebranding. This could be: adjusting the product offer, aligning the target group, diversifying by adopting additional distribution channels (online, catalogues, shop-in-shop, etc.), redesigning the company/department structure.
- With a name that fits the target group perfectly and has the power to evolve it is possible to extent the market niche they are operating in.
- Globalising the brand name, which leads to costs-savings and towards an international image and enhanced brand awareness.
- Consumers are able to find their favourite products all over the world which leads to increasing brand loyalty and brand awareness.
- By dropping a negative company image or an outdated company name the opportunity to re-target the desired consumer with an appropriate new image and name is given.

Specifying the opportunities for the ‘mea’ catalogue it has to be taken into account that it is a forced name change. Anyhow, chances do exist. While announcing the new name by several marketing means it might be possible to attract the attention of potential new consumers and the ‘old’ or previous consumer can be reactivated. Additionally, greater brand consistency can be reached by aligning the inconsistency between the offline and the online name of ‘mea’. Until now the catalogue is called ‘mea’ whereas the website runs under www.mein-mea.de (translation: my mea). In addition, choosing a name that works internationally would clear the way to break into the international market. Enhancing employee commitment could further be a chance reached by the rebranding process. By integrating them in this process the attachment between employees and the company could be strengthened and evoke a positive sense of unity.

### 6.2. Conclusions and recommendations for ‘mea’

The fact of lacking sources has been the major limitation of this research, therefore no comparison of methods or strategies regarding the rebranding process could be conducted and no choice of these could be recommended. This literature research does rely on the existing sources but does not provide any own research. Therefore the
recommendations for rebranding the ‘mea’ catalogue could only be based on the available literature and are therefore rather limited.

Companies have to carefully balance the risks and chances of rebranding. It might seem to be an easy attempt but reality proved the opposite. Many companies struggle with the rebranding process due to missing guidelines and positive examples. Anyhow, in the case of the ‘mea’ catalogue there was no choice and time was short to find a replacing name.

‘My mea’ – the new catalogue name
On the first sight the chosen name ‘my mea’ seems to be a logical choice as it relates closely to the name ‘mea’. According to Strebinger the risks of rebranding are much smaller in this case (2008). Also in favour of choosing only a slightly different name is the fact that consumers would be disturbed from only a little amount to almost not due to the low brand name awareness of the name ‘mea’ 12. By keeping the same letter type and colour the change will be less obvious to consumers. Positive about the new name ‘my mea’ is its international character, due to the English prefix. This can become essential when thinking about breaking into the international market in the coming years.

To actually introduce the new name a combination of the phase-in/phase-out strategy and the translucent warning strategy is advisable. The phase-in/phase-out strategy should be used in a variation by starting the rebranding process with a smallish ‘my’ in front of ‘mea’ and enlarge it successively to the size of ‘mea’ in the next catalogue editions. The translucent warning strategy should be used to inform consumers prior to the change and give them reasons why the name is changing so that they understand and accept it. The name change to ‘my mea’ could easily be explained with ‘going international’ due to the English prefix. By using the consumer database to send a newsletter per e-mail, announcing the rebranding campaign, consumers will become curious about the new name. By adding a lottery, some gift coupons or percentages at the next order the attraction and interest in the name change can be enhanced. This potentially will result in more frequent visits of the Internet site of the ‘mea’ catalogue and thus enhances sales amongst consumers. Another positive aspect of this procedure would be the reactivation of consumers that haven’t ordered for a while, but who will be attracted by the newsletter and the advertising means. Additionally, postal letters with the same content should be send out to inform consumers of the change that are not reachable by e-mail. As this is quite expensive it should be kept to the necessary amount. To leave more time to plan the change and marketing means carefully, which is from crucial importance, the date of the actual change should be delayed for at least one catalogue edition.

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12 According to a study by the IFWF several consumers did not remember the present catalogue name, but only its layout. For detailed information please refer to paragraph 3.4.
The author of this paper feels that information about the change should definitely also be provided within the catalogue edition where the new name will firstly appear on. To do so, the theme of change and becoming international, by adding ‘my’ to the name, could also be translated in a little series of product offer. The series could display trends from i.e. New York, Paris, Milan, and London to show how international the catalogue has become. However, the cities should not be too fancy and show that ‘even’ the ‘mea’ (now ‘my mea’) consumer can wear these trends to not scare them off. Accompanied by an explanation this could be a possible way to visualise the change, make the consumer understand why the catalogue will be renamed and provide an additional benefit.

However, a problem of only modifying the name comes from a problem that already the name ‘mea’ was struggling with: the missing name awareness. By adding ‘my’ this problem will not be solved without a great effort due to the similarity of the names. Therefore the name ‘my mea’ doesn’t create an added value thus doesn’t seize the chance to develop an improved brand with an enhanced brand value. Moreover, the subjective choice of the name ‘my mea’ hasn’t been approved in market research. Thus no valuable information about consumer reaction is available which makes it stepping blind into a new brand identity. Additionally, the new name ‘my mea’ is not widely accepted amongst employees that work with the decision. Even so it could be assumed that ‘my mea’ will be accepted because consumers accepted ‘mea’ it is not advisable to base such an important decision on assumptions. Also critically seen by the author of this paper is the fact that upper management has chosen a name with an English prefix, even so it has been proofed in market survey that consumers have enormous troubles with anglicisms. This decision is therefore not well-thought-out and contains a high amount of risk of failure. Moreover, the possibility to turn the newly created brand into a store concept or a collection brand is not that high as the name doesn’t have an obvious meaning and isn’t incisive. Only with a great effort and a high amount of marketing means it might be possible to turn ‘my mea’ into a well known brand name.

Staff contact
Refferring to employee commitment it could have been a strategic option to integrate staff in the rebranding process. This opportunity has not been taken until now, which is seen very critically by the author of this paper. While decisions about the new name came from the upper management with no integration of employee knowledge and experience the actual rebranding process has to be handled by those. Two different groups of staff have to be considered when communicating the rebranding campaign:

- people of the departments that will work closely with the decisions and translate these into a product, mainly the sales, the advertisement and the buying department;
- and employees that do not have direct contact with the rebranding campaign, but need to be informed anyhow.

13 For further info please refer to paragraph 3.5
Regarding the first group information flow has been different per department. The sales department has been informed directly by upper management, which signifies a positive information flow and gives the sales department the chance to interact directly with the decision taker. The other departments have been informed successively through the following management layers. Nevertheless, it has been a communicatory process to decide for the new name and no integrating process, which should have been the case. Especially the buying department has not been informed officially even so this department works close to the consumers as they are filling the catalogue with products and do the texting (fashion tips, ideas, etc.). This leads to the current situation where they feel misunderstood and excluded of the rebranding process, which results in demotivation and non-acceptance of the new name. In further procedures it is advisable to involve employees so that they can actually feel part of the rebranded product and stand behind it. It is essential to integrate staff to gain their support and understanding, which will result in a smooth internal transfer from one name to another. To catch up the missing integration of staff that works closely with the new name management should:

- Firstly make an announcement to official introduce the new name and inform staff. Further, management should ask employees for their support and contribution in the rebranding campaign. This could be done in a meeting in one of the conference rooms at OTTO’s premises.
- Secondly, employees have to be shown how important they are and that their ideas count. Management can learn from staff and should take this opportunity.
- And thirdly, open communication is essential, so that innovative ideas can find their way to the place of decision. Therefore employees should be given the chance to communicate their ideas to upper management by mail/phone etc.

To inform the rest of the company’s employees it is company’s habit to distribute gadgets together with the new catalogue at the main entrances of the OTTO premises. As costs for rebranding are already high this is a suitable solution for internal communication. Possible gadgets could be sweets imprinted with the new name as well as on the package, imprinted pens, post-its, or other things that are useful at a workplace. However, the important aspect here is that staff needs to be informed and know about the name change. So they can spread the word and serve as communicators to the outside world.

Other possible direction
The concept for the ‘modern ager’ is pointing in the right direction and should be kept for further development. Anyhow, the author of this paper believes that the creation of an entirely new name would have been the right decision for the catalogue. By doing so

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14 Information has been gathered in multiple interviews with employees of the buying department.
it would have been possible to build a brand from the beginning and consider the multiple aspects that the brand will eventually need to perform in the future years:

- international character for diversification in other markets
- basic requirements to become a collection brand
- basic requirements to emerge into a store concept

By continuing on developing new names (as the previous names have been rejected by consumers in market surveys and weren’t accepted company internal either) the possibility was given to found an entirely new name that stands for this specific target group and has a meaning to them. Through that means a name could be found that:

- leaves a positive connotation with the target group,
- has recognition value,
- and is easily pronounceable.

Choosing a well-researched name provides the possibility to build and enhance name awareness with it. Name awareness is further a crucial criterion to transform the name into a brand. By building a successful brand it would be a future possibility to turn the brand into a store concept, which suits OTTO’s diversification plans to expand further into the stationary retail business (Wieking, 2006) or break into the international market. To reduce the risk of loosing consumers while rebranding and evoking a negative feedback on the first place the new name could be promoted with the addition ‘by mea’ for the first editions after the name change to draw a bow to ‘mea’. However, with a name that fulfils all the above mentioned criteria the chance to develop a brand that possesses the suitable requirements and stands out from the crowd the ‘mea’ concept will not suffer from the rebranding process but grow. The author truly believes the ‘mea’ concept can be turned into a widely known brand. It is a great concept and has the advantage that it is operating in a market niche. This unique chance happens now and should be taken.

However, the decision of the new name for the ‘mea’ catalogue has been taken and has to be handled. And maybe also ‘my mea’ evolves to a known brand. With the right strategy and investments this might be possible since ‘a satisfied customer is the best business strategy of all’ (Micheal LeBoeuf).
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LIST OF TABLES, FIGURES AND PICTURES

TABLES
Table 1 Defined target consumer groups

FIGURES
Figure 1 Brand equity
Figure 2 Rebranding in a brand hierarchy
Figure 3 The four driving forces of corporate name change
Figure 4 The different distance selling businesses
Figure 5 Best ager statistic
Figure 6 Shopping behaviour per age group
Figure 7 Jeans sales January till August 2006
Figure 8 The sinus milieus. A: modern middle (leading milieu); B: target group
Figure 9 The strategic target group
Figure 10 The sinus milieus with the relevant types of the ‘Best ager study

PICTURES
Picture 1 Advertisement of the rebranding campaign of Twix
Picture 2 The ‘mea’ catalogue
Picture 3 A: ancient advertisement of the Ivory soap, B: Logo of the brand Kodak, C: ancient advertisement of the Edison phonograph
Picture 4 A: Chocolate bar Raider (name before rebranding), B: Chocolate bar Twix (after rebranding)
Picture 5 Logo Chambourcy, Nestlé
Picture 6 Chambourcy product
Picture 7 The ‘mea’ catalogue summer 2010
Picture 8 Four women and ‘mea’ represent new ideas for fashion and living
Picture 9
Picture 10 The ‘mea’ catalogue spring and summer 2010
Picture 11 Name alternatives for the ‘mea’ catalogue
Picture 12 A: Logo of the Royal mail (before rebranding and after retrobranding), B: Logo of Consignia (after rebranding)
Picture 13 Logo before and after rebranding
Picture 14 Logo Disneyland Paris before and after rebranding
Picture 15 Chocolate bar Marathon (before rebranding), and Chocolate bar Snickers (after rebranding)
Picture 16 Logo of the brand Orange
Picture 17 Washing liquid Fairy and Dawn (before and after retrobranding)
Appendix A: The world of the modern middle of the Best ager

Appendix B: Examples of the target group types of the mea catalogue
   Renate (type 1)
   Sabine (type 5)
   Susanne (type 4)
Appendix A: The world of the modern middle age

Die Lebenswelt des Moderne-Mitte Best Agers passt zur Marke OTTO
Appendix B: Examples of the target group types of the mea catalogue

RENATE (type 1)
Sabine: Collagenbeispiele

Im Mittelpunkt

Einzelstücke
Susanne: Collagenbeispiele

Verjüngung

Nebeneinander