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Logo evolutions and brand revolutions

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Times change. Business change. Markets change. And customers change, so despite pervasive thinking that brand owners should take a conservative approach to changing logos there comes a time when the devices used to symbolise companies should evolve as well.

The biggest argument for keeping logos the same is the massive investment ploughed into branding year after year. And don't get me wrong, this is a good argument but it's not the only argument that should be considered when considering a logo change. The amount of money spent on media advertising each year is about R25 billion. This includes spending on cinema, radio, television, internet, outdoor and print media but excludes PR, promotion, sponsorship and other strong brand drivers.

The huge investment in promoting brands isn't the only reason why a conservative approach is favoured when it comes to the evolution of logos. Other factors that further persuade this position include the cost of changing logos and how the new logos can and do affect brand loyalty and consumer perceptions of the brand.

Brand change for business growth

So why do brand owners change logos? There are as many reasons as there are brand managers but the most compelling reason is of course market share and business growth. That given how do you ensure that changing logos doesn't alienate consumers?

At a more human level there's the fact that a lot of people really don't like change and feel unsettled when things are different. Obviously this becomes exponentially worse the more sudden and far reaching that change is. People generally don't like change because change brings with it feelings of loss and impermanence that can evoke a fear response within people.

The human or customer response to change is perhaps one of the most important aspects to bear in mind when it comes to considering changing logos, and there is a good way to work through this that does enhance brand loyalty greatly.

Knowing that people are averse to change, brand champions need to understand the psychology of change and how to take customers along on the journey of a brand evolution and/or logo change. Experts in change management theory say that when change happens the way of overcoming fear and negative emotions in customers is to ensure that brand owners are participative and inclusive.

The advice here is to be authentic, open and honest and to communicate well and often with people. It's the good old adage of under-promising and over-delivering in terms of managing expectations.

Engaging customer conversations

Social media enable customer conversations so these are good spaces for engaging consumers about what you are doing with your brand evolution, how you are doing it and to invite their involvement and participation so that they are a part of the journey.

This allows people to express their views and creates a channel through which the change can be well managed and moderated. It also enables brands to share what will replace the loss, and to encourage customers to own, embrace and love the new.

One of the best examples of the loss that is created when logos change is the furore that surrounded the evolution of the Pick 'n Pay brand. Humans are not always rational beings. That doesn't mean that we're always irrational, it rather means that we bond emotionally to brands and changes to those brands can evoke negative feelings.

More so Pick n Pay is not an arm's length brand. It is a brand that is a part of many consumer's day, lives and experiences. Pick n Pay has a long history of consumer advocacy which has helped endear it to consumers, and when the logo changes consumers think that other things will change to.

Consumer inspired revolution

In mid-November 2007 on a summery Monday morning Pick n Pay rolled out its brand evolution which included a new logo, pay-off line and a completely fresh new look. The brand's new slogan was 'Inspired by You' and the new logo, which was part of a R110 million modernisation, was part of a consumer inspired 'revolution' aimed at making Pick n Pay more competitive and even more market focused.

The retailers worked with leading UK-based brand experts Landor for two years prior to the new logo launch and brand evolution, and this extended way beyond mere advertising but included product and service extensions. This meant that the proof points of the brand evolution weren't just marketing hype but were tangible customer benefits that were part of the new logo launch.

Speaking about the changes they had made Pick n Pay said: "The rebranding exercise was in no way simply a cosmetic 'facelift', but rather an important signal of the deeper underlying transformation, change and revitalisation that the business was - and still is - undergoing. Importantly it's all about the customer - and about turning insight into customer needs into action responses to those needs. The rebranding process gave us an opportunity to refresh, revitalise and re-energise the business, and most importantly to refresh the customer shopping experience when it all comes together on the shop floor. New talent was brought into the business to serve as a catalyst for the new culture of "Fresh Thinking" and innovation."

Given that social behaviour rests on a careful balance of co-operation and serving own and other's self interest, what's made the Pick n Pay brand evolution a revolution for growth is that it has been all about growing by making things better for the consumer. This is being achieved by making the brand evolution a driver for recommitting to brilliant products and good old customer service.

The profit in changing logos

Has this worked for Pick n Pay? Financial performance in the retail sector obviously depends on a wide range of issues so it's difficult to say how much of an effect the new brand strategy is having. However in a tough recessionary climate Pick n Pay's 2010 financial results were solid. Turnover was up 9,8% to R54.7-billion while profits rose by 10,5%.

This is fairly remarkable considering that at the time of the logo change BizCommunity ran a poll asking people what they thought of the new and old logos. 52% of the people who participated in the poll said that they didn't like the new logo, 32% they did like the new logo while 15% declared that they weren't sure about how they felt about the change. Some 2044 BizCommunity readers participated in this poll.

What the financial results show is how consumers have voted with their purses. Yes, consumers are resistant to change but if you back this up with solid action and authentic evidence that the change is in their favour, they become accustom to it and realise that their self interest is being served. By going beyond the superficial to make real changes that included product enhancements, store improvements, product extensions Pick 'n Pay made this more than just a logo change, they made it a strategy for change that paid off.

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