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The effects of visual rejuvenation through brand logos

Brigitte Müller [a,*], Bruno Kocher [b], Antoine Cretttaz [c]

[a] Faculty of Business and Economics, University of Lausanne, 1015 Lausanne, Switzerland
[b] Department of Marketing, HEC Paris, 1 rue de la Libération, 78351 Jouy-en-Josas, France
[c] Nestlé Purina PetCare, Rue d'Entre-Deux-Villes 10, 1800 Vevey, Switzerland

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ABSTRACT

This research investigates the phenomenon of brand revitalization by exploring the effects of logo similarity and type of logo on brand modernity and brand loyalty. An experiment involving 385 respondents shows that logo redesign affects the perception of brand modernity. The proposed model highlights the importance of certain logo characteristics in explaining logo attitude and demonstrating the effects on brand modernity, brand attitude, and finally, brand loyalty. Results contribute to filling the gap of existing theory in this research field.

1. Introduction

Previous studies often compare brands to human beings. Researchers investigate, for example, brand personality (Aaker, 1997), brand–consumer relationships (Escalas, 2004; Fournier, 1998) and human representations of brands such as Mr. Peanut and the Michelin Man (Aggarwal, 2007). The anthropomorphic theory states that people have a natural tendency to "anthropomorphize" brands, thus assigning human characteristics to non-human objects and events (Guthrie, 1997). Following the same logic, one may compare a brand's life cycle to a human's life cycle, which at one point encounters the issue of ageing. A brand has a date of birth (launch of the brand), childhood (first years), goes through puberty (potential problems arise in the early stages), gets married (through mergers and acquisitions), reproduces (through brand extensions), grows older (market share decreases, sales vanish), and finally dies one day (through inappropriate and inefficient management) (e.g. Aaker and Joachimsthaler, 2000; Ewing et al., 2009; Hem et al., 2003; Lehu, 2004). However, as several researchers argue, contrary to human beings, properly managed brands may live for centuries (e.g. Plummer, 1990). In other words, brands confront a plethora of challenges during their lifespan, pinpointing the importance of proper brand management over time if they want to live as long as possible (Berry, 1988). One way to handle these hurdles and to keep brands up-to-date is through rejuvenation. According to Keller (2003), a change in brand elements (notably brand logos) may revitalize a brand perceived as outdated.

Brand revitalization represents the focal point of this research. More specifically, this study explores the impact of change in visual identity on perceptions of brand modernity, brand attitude and brand loyalty. First, the article develops literature on ageing brands and one of the potential remedies, rejuvenation. Then, an experimental study explores the impact of rejuvenation on brand modernity, brand attitude and brand loyalty. The second objective is to assess which logo characteristics influence logo attitude and whether logo attitude affects brand modernity, brand attitude and in turn brand loyalty. Finally, the discussion of the results concludes with future research avenues.

2. Conceptual background

2.1. Ageing brands

To determine whether a brand is in the ageing stage, companies must identify the precise moment at which the brand is considered old and pinpoint indicators revealing that the brand is indeed in this final stage. Lehu (2004, p. 136) states that "a brand is considered as an old brand as soon as consumers begin to neglect it. This is not because the brand's products lack quality, but simply because they taste, sound or look old compared to the new ones". Keller (1999) talks about declining sources of brand equity when assessing the consequences of ageing brands. According to this author, older brands show signs of weakness when their brand knowledge structures begin to erode: brand awareness decreases and brand image gets worse (e.g. positive associations lose their strength and/or uniqueness; negative associations are linked to the brand).

* Corresponding author.
E-mail addresses: Brigitte.Muller@unil.ch (B. Müller), Kocher@hec.fr (B. Kocher), Antoine.Cretttaz@purina.nestle.com (A. Cretttaz).

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A major distinction between the notions of “ancient/aged” and “old” exists (Bontour and Lehu, 2002). A very ancient brand, launched far in the past, can still be more fashionable, young and modern in the minds of consumers than a recently introduced brand. For example, one may perceive Dr. Pepper and Coca-Cola (launched respectively in 1885 and 1886) as much more stylish and trendy than many other “younger” brands (Bontour and Lehu, 2002). Stated differently, a positive correlation between chronological age and perceived age may be inexistent. Moreover, when judging the age of a brand, managers should be extremely careful about the signals they take into account when making such a judgment. For example, a brand image ages much faster than brand notoriety. If managers rely on notoriety to assess the brand's age, they may discover the issue of ageing long after the first signs actually appeared. Finally, the consumers targeted by a brand do not systematically correspond to the brand image. A brand that targets older consumers can benefit from a young and modern image, whereas a brand designed for young consumers may appear old.

According to Lehu (2004, p. 148), several reasons for ageing may exist since “each brand has a unique history, a specific life cycle and a customized mix of ageing causes”. In some cases, an ageing brand may become problematic for a company. In fact, ageing brands tend to suffer from lower sales, loss of market share, difficulties with distribution channels and consumers may discard them from their evoked choice set (Lehu, 2004).

When encountering such problems, ageing brands can face two very different fates. On the one hand, they might simply die out. This phenomenon can be due to a strategic decision made by the brand managers to put a stop to the brand, but also to inappropriate and/or inefficient management or to market factors. As Ewing et al. (2009, p. 333) argue, “a brand is subject to market forces that drive a senescence process rather than being in control of its own destiny. The eventual death of most brands is inevitable”. On the other hand, managers might want their brand to be present on the market as long as possible. The brand equity accumulated over the years might be a sufficient rationale for the managers to continue investing money and/or time in these brands. Marketers adopt several strategies to maximize the potential outcomes of ageing brands. One of these techniques is to capitalize on nostalgia (Brown et al., 2003; Holbrook, 1993; Muehling and Sprott, 2004; Pascal et al., 2002). This method, also known as “retro-marketing”, attempts to evoke nostalgia and to remember the “good old days”, to (re)conquer old and new consumers. Brand managers can also discover and communicate new usage situations and new market opportunities for the brand (Aaker, 1991; Wansink, 1997; Wansink and Gilmore, 1999; Wansink and Ray, 1996). Advertising breakfast cereals as an afternoon alternative to cookies is an example of this method (Wansink, 1997). Finally, marketers can try to revitalize the brand through visual identity. This technique uses the visual depiction to keep a brand up-to-date.

2.2. Visual identity and brand logos

Updating visual identity represents one of the most frequent methods to revitalize an ageing brand (Bontour and Lehu, 2002; Keller, 2003). Flexibility and rapidity of implementation are the principal reasons for the popularity of this means. This research focuses on one of the potential elements of visual identity, namely brand logos. As Henderson and Cote (1998, p. 15) state, “most companies periodically update their logos in order to maintain a fresh, modern look”.

A logo is a “graphic design that a company uses, with or without its name, to identify itself or its products” (Henderson and Cote, 1998, p. 14). According to Keller (2003), a logo is among the most powerful brand elements due to the impact on brand knowledge and, consequently, brand equity. Indeed, logos are one of the main instruments to communicate image, gain attention, increase recognition and differentiation of the brand as well as a means of provoking an emotional response (Aaker, 1991; Henderson and Cote, 1998; Kapferer, 1997; Melewar et al., 2005; Pittard et al., 2007).

Rejuvenation takes advantage of the versatility of logos. Unlike brand names, companies have the possibility to adapt or update their logos over time (Keller, 2003). As Collins (1977, p. 337) argues, “the name is the one unchangeable part of the marketing mix”. On the contrary, updating a logo is easier, notably through aesthetic changes. In addition to the versatility benefits, logos are a means of transmitting affect to the product or the company. Keller (2003) reports on a study carried out by Schechter (1993). In this study, consumers give their impressions on companies based on name only or based on name and logo. Findings show that some brands benefit from the image communicated by logos, whereas for other brands, the adjunction of the logo is detrimental. Henderson and Cote (1998) pinpoint characteristics that logos should possess to elicit certain specific responses. For example, to create positive affect, logos need to be moderately elaborate. According to these authors, elaborateness comprises complexity, activeness and depth. Consequently, the authors recommend that companies should not choose over simplified logos.

However, brand managers need to be cautious when modifying logos. Even though research argues that updated logos might have a positive impact on consumers, the literature is scant on how to adapt or modify logos (for an exception, see Walsh et al., 2010). As Merrilees (2005, p. 202) argues, “there are not many explicit theories of brand evolution or rebranding”. More specifically, current research does not consider the degree of newness introduced. When introducing a new or an updated logo, companies need to be aware that consumers still have the previous version of the logo in mind. On the one hand, some researchers present incremental changes as the optimal solution. According to Keller (2003), an overly radical change may either annoy consumers or spoil the image created through past investments. On the other hand, minor changes may miss the purpose if consumers do not perceive these modifications. Past research does not provide a clear answer to the degree of change that a new logo should introduce. Companies are aware of the importance and impact of logos and seek advice and recommendations for rejuvenating their company image. The lack of recommendations is consequently problematic. However, managers do not fear to invest massive amounts of money when rejuvenating their visual identity (Melewar et al., 2005). According to the managing director of the corporate identity firm Landor Associates, creating or remaking a logo for a big brand “usually costs $ 1 million” (Keller, 2003, p. 197). Moreover, from a managerial point of view, logo modifications are particularly challenging. Managers confront logo selection and modification only sparsely throughout their careers. Expertise in this domain is often lacking (Henderson and Cote, 1998). Therefore, rebranding can be a very perilous strategy causing serious damage to brand loyalty and brand equity (Ellwood, 2006; Gotsi and Andriopoulos, 2007; Hatch and Schultz, 2003).

This research intends to help managers understand the consequences and help them take better decisions when modifying or updating brand logos. The degree of logo change has an impact on brand modernity, brand attitude and brand loyalty. A first step assesses this expected outcome. In a second step, a structural equation model studies the strength of the link between the aforementioned variables. Henderson and Cote (1998, p. 18) point out the impossibility to “propose hypotheses about the effects of design on responses to logos”. Hence, this research does not propose hypotheses concerning the effects of specific design characteristics. However, the present study explores the impact of several logo characteristics on logo attitude, brand modernity, brand attitude and the subsequent effect, brand loyalty.