Live and let rise

Forgotten brand names are like abandoned mines: Some of them still contain gold that can be brought to the surface. American marketing expert Brian Wansink developed a list of criteria that companies can use to revitalize product lines.

Allan and Clinton Odell, sons of a soap manufacturer in Minnesota, became marketing pioneers in the 1920s. To advertise their Burma Shave shaving cream, the brothers came up with an idea for making signs. But not just any signs. The Odells' signs were typically humorous rhymes placed at intervals along the first highways that were then being built across the country. Each sign displayed one line in a multipart rhyme, and the last sign concluded "Burma Shave." Ultimately, there were at least 7000 of these billboards spread out among 45 states. For decades, they were icons of Americana, representing the period from the Roaring Twenties through the Depression to the Eisenhower era.

Considered aggressive marketing at the time, the strategy paid off. In 1948, Burma Shave dominated the shaving cream market with a 52 percent share. Shortly thereafter, the brand encountered considerable competition and cost pressure. After five years, its market share had dropped to 9 percent. By the early 1960s, Burma Shave was as good as gone, "a ghost brand," as Brian Wansink called it.

Wansink is a professor of marketing at the University of Illinois and the founder of its Food and Brand Lab. "Some of these forgotten brand names are like old mines. There's still a lot of gold in there to be pulled out," he says. To reverse the downward sales trend of fading brand names, companies need to invest money, time, and inspiration back into the product line. "The best way to relaunch a mature brand name is to understand its uniqueness and its market value," says Wansink.

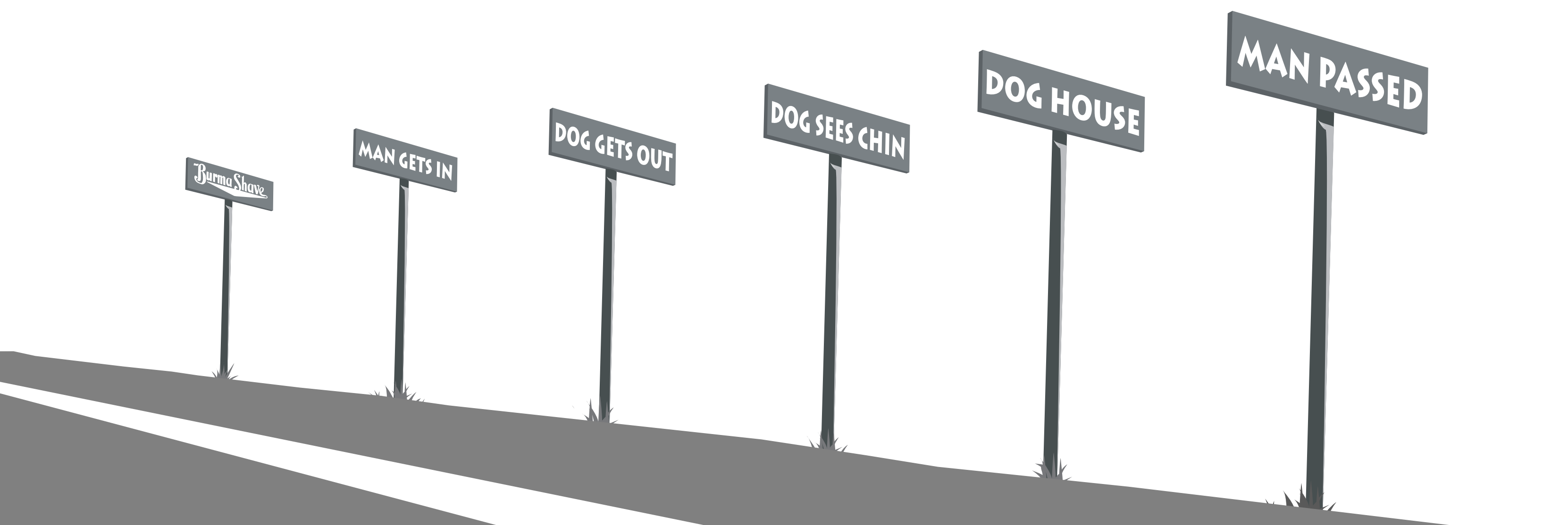
Decades elapsed, until 1997 in fact, before management at American Safety Razor Inc. decided to relaunch Burma Shave. Harking back to the legendary rhyming highway billboards, the marketing strategy banked on the nostalgia factor:

When something's a waste
It's gone in good haste
A good brand though
Should never go
Burma Shave

Numerous brand names like Burma Shave that were abandoned or left to fade away by their owners have undergone a revival in the last several years and are as potent as ever. BMW's new Mini is a remake of the tiny car from the Twiggy age. Riva Yachts is producing powerboats that reflect the glamour of the Italian Riviera during Europe's postwar miracle, from 1945 to 1965. Apple has made a sensational comeback with the iMac and the iPod.

These are just three examples of revitalized brand-name products. In the German market alone, consumers are exposed to some 50,000 brands. Each year, thousands of product lines are discontinued, and industry works to place thousands of new ones in crowded markets, which dramatically increases marketing costs.

What differentiates successfully revitalized product lines from their discontinued, forgotten brethren? According to Bernd H. Schmitt, a professor at the Columbia Business School in New York City and member of Volkswagen's marketing advisory board,



"Successful brands tell a story and generate strong emotional connections. Consumers see them as old friends."

The advantages for companies are obvious: customer loyalty, differentiation from the competition, and a higher selling price. In particular, revitalization can be much more cost-effective for a brand name that has vanished from the public eye than an attempt to establish a new one in an unpredictable consumer-goods market. Products ready for revival benefit from the positive perceptions that consumers already have, perceptions that new marketing strategies can tie into.

If brands are no longer meeting their targeted sales figures, Wansink believes companies have four options: revitalize, "milk," sell, or pull the plug. The central question is which brand names can be cost-effectively revitalized.

To prepare a brand revitalization scorecard, Wansink studied 42 revitalized brands at his Food and Brand Lab. The names he looked at included products such as Altoids Mints, Ovaltine chocolate drink mix, and Aqua Velva aftershave. A major prerequisite was that sales had to increase by at least 500 percent after the relaunch. All brand names and corresponding marketing campaigns were rated by 350 consumers, as were 42 other products that could not be revived.

Results of these surveys showed that brand names can be successfully revitalized if they met the following five criteria:

→ First, the product must be medium- to high-priced. None of the revived brand names was a discount brand or was pushed into the market by means of substantial price discounts. Even overpriced products can be revitalized more easily than underpriced ones.

→ Second, the product needs to be underadvertised. Ninety-three percent of all revitalized products were "sleeper" brands that had not been sufficiently promoted. The latent loyalty of consumers was still present, and they just had to be reminded that the product was still around.

BRIAN WANSINK is an assistant professor of marketing at the University of Illinois and heads the school's Food and Brand Lab. Trained in both journalism and economics, he is one of the most sought after consumer-goods experts in the US.

→ Third, the product has to have broad distribution. Even though they were almost forgotten, successfully revitalized products were able to maintain a certain, if marginal, presence on supermarket shelves. They did not have to fight to reassert themselves in aiming for the market lead.

→ Fourth, the product needs longevity. On average, successfully revitalized products were 53 years old and could thus stir many memories among consumers.

→ Fifth, the product needs a precisely defined distinguishing characteristic. Every marketing expert knows how important it is for a product to have a unique selling proposition (USP) so that it stands out from the competition. Of the successfully revitalized products, 88 percent had this all-important unique characteristic. The selling proposition may have nothing to do with the product's functionality; it could be packaging, the advertising campaign, or a catchy song associated with the brand name.

Klaus Atzwanger is a graduate of the Max Planck Institute in Andechs, Germany, and now a behavioral anthropologist and innovation expert at the University of Vienna, Austria. He cites Apple computers as an excellent example of how a subliminally present, but diluted, brand can be revitalized. "Ultimately, it was the community of Apple fans that held on to the original brand-name image that this computer stands for," says Atzwanger, describing the quiet loyalty of its customers. They saw the brand as unconventional, innovative, user-friendly, creative, and produced with cool design.

By the early 1990s the technical lead of Apple computers over IBM-compatible personal computers had shrunk, and even Windows-based PCs had acquired a graphic user interface. The Apple myth of being a friendly, Californian hippie computer had apparently staled.

Yet since Steve Jobs' return as CEO in 1997, Apple has achieved a phenomenal resurrection, especially because the company developed an innovative product policy in addition to a consistent marketing strategy. Not only did the iMac, and its availability in five candy-like colors, fit in with creative types in agencies and publishing companies, it also reflected the upbeat feel of the late 1990s at the high point of the dot-com era.

Other companies would have been satisfied riding a wave of brightly colored computers until it petered out. Not Apple, which was pushing the motto "Think Different" in its advertising. The portable and digital iPod music player was another bona fide Apple scoop. Within a short amount of time, the small player had a market share of more than 90 percent and became a fashion accessory—a "must have" item touted by women's and lifestyle magazines.

"Apple was successfully revitalized, not because the brand name changed, but because it found its way back to its core," concludes Atzwanger.

Strategic brand management will be the focus of the dossier in the next issue of think:act.