

Rebrand or Refresh: How strong franchise brands decide.

FRANCHISE



Table Of Contents

- 3 INTRODUCTION
- 4 WHAT IS A BRAND ANYWAY?
- 5 WHAT'S THE DIFFERENCE BETWEEN A REBRAND AND A REFRESH?
- 6 REASONS TO REBRAND
 - 7 · EXAMPLES: NETFLIX, DUNKIN
 - 8 · EXAMPLES: OLD SPICE, BIGGBY COFFEE
- 9 REASONS TO REFRESH
 - 10 · EXAMPLE: STARBUCKS
 - 11 · EXAMPLE: FLOOR COVERINGS INTERNATIONAL
 - 12 · EXAMPLE: INSTAGRAM
- 13 SHOULD YOU REBRAND OR REFRESH?
- 14 RECOMMENDATIONS
- 16 PITFALLS FRANCHISORS SHOULD AVOID
- 17 IN CONCLUSION / ABOUT REGROUP

COVER IMAGE



McDonald's energy efficient global flagship restaurant at Walt Disney Resort in Orlando. This is an example of a brand evolving in its execution while not losing its equity.

Introduction

As a franchisor, you know how much work it takes to build an emerging franchise brand. At this point in your business journey, you have successfully grown your system to over 100 units. You have core franchisees who have partnered with you to help build your brand equity, and you probably have set up brand guidelines including your mission, value proposition and brand pillars.

However, as your system grows, you will probably start seeing opportunities to strengthen your brand as you continue to expand. You might even have attracted look-a-like competitors who are threatening to steal some of your share. At this point, franchises should think about the future of their brand and if there is a need for a change.

So, let's clarify some of the misconceptions that franchise marketers might have when it comes to the continued development of their marketing efforts. And whether you should rebrand, refresh, or even just boost excitement for your franchise brand.





What is a brand anyway?

Branding Magazine defines branding as such:

“Branding is the perpetual process of identifying, creating, and managing the cumulative assets and actions that shape the perception of a brand in stakeholders’ minds.”

A brand is what people perceive and experience when thinking about and engaging with a product, service, or even a person. That means a brand is much more than just an organization’s logo, colors, and tagline. It is also their customer experience, their values, their products and services, their employees, and even their view of the world.

Think about the differences in perception that car buyers might have when considering a sedan from Subaru vs. Ford vs. Cadillac. Subaru’s brand stands for durability and the outdoors. Ford’s stands for affordability and hard work. Cadillac’s stands for being distinguished and elite. They are all 4-door cars that will take consumer from point A to point B, but the brand, that is what is being sold.

When it comes to franchises, make no mistake. You are not selling units, you are selling your brand. Franchisees are paying for the equity your system has built over time so that they can jump-start their businesses. Anyone can open a hamburger stand. But when you open a McDonald’s, you are starting out with years of brand equity and an established consumer fan base that will propel your small business.

What's the difference between a rebrand and a refresh?

If you had to narrow it down to one word, we would have to say that what drives a rebrand vs. a refresh is STRATEGY.

HubSpot® does a good job of clearly stating the differences:

"A brand refresh is when a brand attempts to modernize its image while maintaining its core identity and strategy. A rebrand is a complete overhaul of the brand's identity and strategy."

Using fashion as a metaphor can help us better visualize the difference. You can maintain your same essence, but you can change colors, update your accessories, and add features while still staying true to who you are. Or you can completely overhaul your identity and move from preppy to punk. Not only will you look different, you will act differently, communicate differently, and have a different set of values. Now that is more than just an update to stay with the times. It is not changing the very essence of who you are, just how others will perceive you.

In other words, a refresh might be a fresh change of clothes, while a rebrand is a complete overhaul of both style and essence.



Reasons to Rebrand

As you might have guessed, changing your full identity through a rebrand may not only be challenging, but filled with risk. Here are some things that could warrant a rebrand and others that might be solved through a refresh or brand awareness campaign.

MERGERS AND ACQUISITIONS

This is a big one. When you are growing and bringing other brands into your organization, there should be careful consideration of whether you should rebrand. You will need to take into consideration the equity you might gain, as well as the equity you may lose by combining multiple brands. Combining two company cultures will certainly require a look at how your new company will position itself, and if there is a need for a change in messaging or visual identity.

NEW POSITION OR NEW BUSINESS STRATEGY

If you are changing the way you do business or have developed new products and services that appeal to a different audience, you may need to position your brand differently.

CULTURAL SHIFTS

Good brands constantly monitor the marketplace and adjust to new needs and attitudes.

N SERIES

STRANGER THINGS

When a young boy vanishes, a small town uncovers a mystery involving secret experiments, terrifying supernatural forces and a strange little girl.

▶ Play

More Info

Trending Now



NETFLIX

BUSINESS DRIVEN

Netflix is a great example of how a change in business model led to a successful rebrand. And an example of multiple rebrands as the organization changed.

Netflix started as a customer-service based, physical movie renter. They then evolved into a technology company, at the forefront of the streaming movement. The organization had to rebrand to position itself among a different audience, with a different set of needs. User interface and stream ability became more important than customer service. Once movie and TV studios began their own streaming services, they no longer wanted to license their products to Netflix. So, Netflix is now not only a distributor of content, but a content creator.

Sources: [*https://rocketium.com/](https://rocketium.com/) <https://www.forbes.com/>



DUNKIN'

STRATEGY DRIVEN

In 2019, Dunkin' Donuts underwent a rebrand to move from a breakfast-focused quick service restaurant to a beverage led, on-the-go brand. As part of the efforts, they changed their name by dropping "Donuts" so they would be known solely as Dunkin'.

The new name allowed for the brand to maintain the name recognition it had built throughout the years, while also giving them the runway to expand their product offerings. Maintaining the original brand colors was a strategic decision so that customers could easily recognize the updated brand.

Old Spice®

POSITION DRIVEN

In 2010, Old Spice was very successful in changing its position of a traditional brand for distinguished men. This position was preventing them reaching consumers under 50 years old, and had created an impression that Old Spice was the brand your grandfather smelled like.

With the introduction of a body wash product, Old Spice moved to position itself as the brand for young, manly men. The rebrand was a great success; not only helping Old Spice gain market share, but also giving it cultural cache through its clever relaunch campaign aired during the Super Bowl.



We love our coffee.

We love the people
behind our coffee
even more.



CULTURALLY DRIVEN

Originally, Biggby Coffee was named "Beaner's". But as the brand awareness grew, it became apparent that the name had to change because the word "beaner" is a disparaging term against Hispanics.

"We've heard more and more comments about our name, to the point that we had to take a hard look at changing it. We ultimately felt we would be condoning the use of a disparaging term if we chose to do nothing." - Bob Fish, CEO and Co-Founder

So, Beaner's changed to Biggby. They updated their logo, marketing, stores, website, and started positioning themselves differently in the marketplace.

Source: [*https://www.biggby.com](https://www.biggby.com)

Reasons to Refresh

ENTERING A NEW MARKET

When entering a new market with different cultural implications, there might not be a need to overhaul your brand, but slightly tweak it to maintain its essence while still appealing to a new audience.

APPEALING TO A NEW AUDIENCE

If you want to connect with a younger audience, stay in touch with the times, or when your brand starts feeling dated, a refresh might be a better alternative than a full rebrand. Your identity and values are the same, but how you address the needs of your audience may change. The channels you communicate with might drive you to change your messaging.





Throughout the years, Starbucks has been able to provide a consistent brand experience to their customer's while also staying relevant to new generations. They have been able to do so through a series of brand refreshes that modernized their look and feel, without changing the essence of the brand.

As Starbucks evolved, so did their brand. Once their brand was associated specifically with coffee, they tweaked their brand to focus on coffee. When their brand was recognizable throughout the world, they dropped "coffee" from their name and expanded into other offerings. Through it all, Starbucks has not changed who they are and what they believe in; they just have changed their "clothes" throughout the years to align with customer perception.



1971



1987



1992



2011

Source: [*https://brandsonify.com](https://brandsonify.com)





FCI is a mobile flooring franchise who partnered with REGROUP to refresh their brand so that they could generate more name recognition and energize their franchise system. Although their strategy and values remained the same, FCI executed a brand makeover so that their value proposition was better communicated to their audience and franchisees.

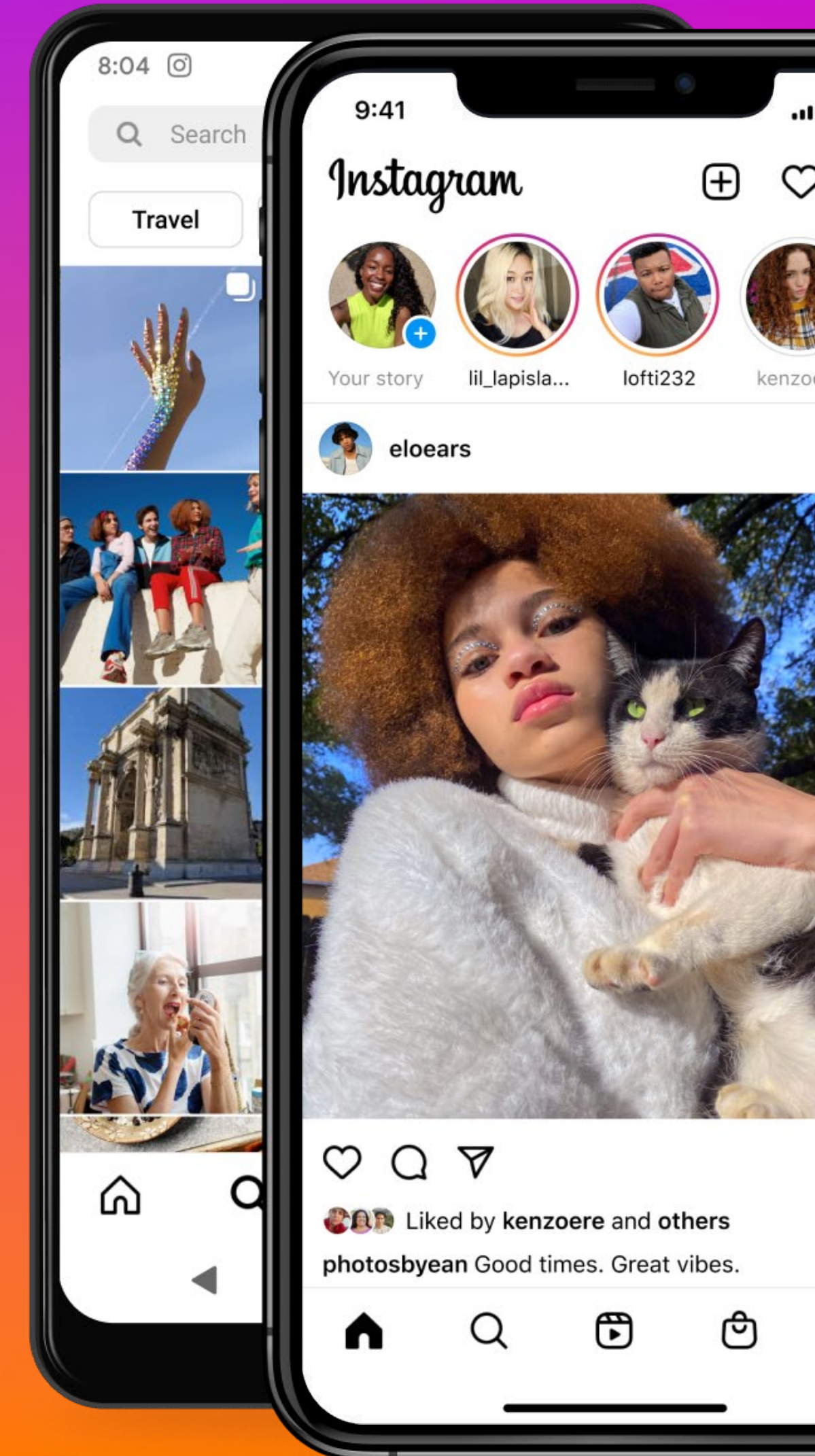
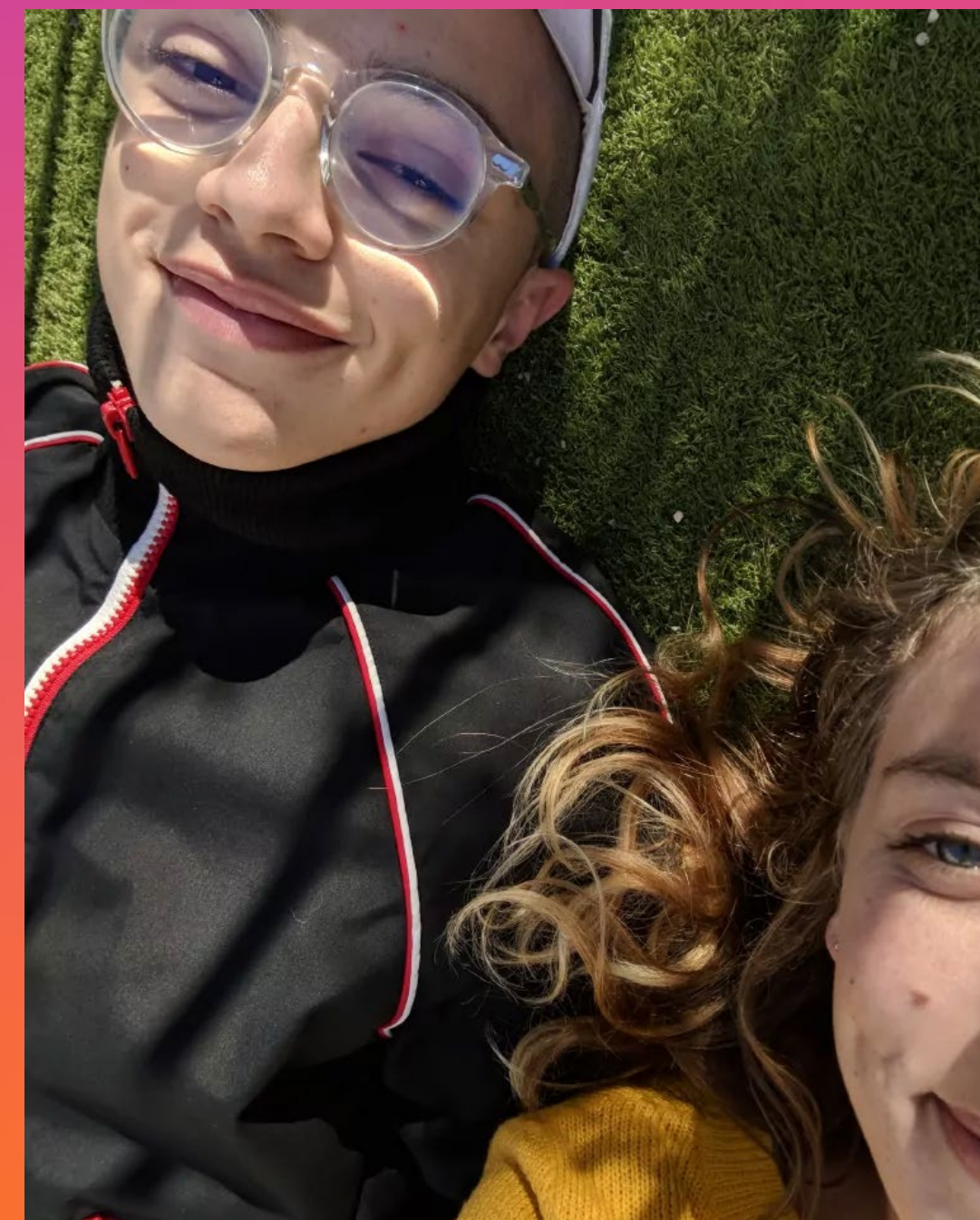
The refreshed approach was launched internally, and extensive training was given to franchisees on the brand pillars and value proposition. The refresh allowed them to build on the foundation the brand was built upon without changing the essence of their identity.



Instagram

In 2016, Instagram went through a brand refresh to update its image to communicate that they were not just a photo sharing app. This led to their logo being changed from the retro camera to a simpler, more modern design.

In addition, to make it easier to execute, the new logo allowed for the brand to maintain its identity while showcasing that they were evolving with the times. The functionality and main identity of Instagram remained the same, but its look and feel were updated.





Should you rebrand or refresh?

Well, you might not need either. You just might need a marketing campaign. Or maybe you just need better brand guidelines and a way to ensure consistency across your franchise system. The truth is that change for the sake of change is always a risky proposition. That is why a thorough discovery process is critical to understand what your brand needs are and how to achieve them. Here are some challenges that can be addressed by focusing on marketing...

STAGNANT SALES

On its own, stagnant sales may not be a reason to rebrand. A marketing campaign reinforcing your brand promises may be enough to drive interest and consideration. Executing an integrated marketing campaign focused on lead generation and conversion might be a more worthwhile investment of your dollars.

LACK OF CONSISTENCY IN SYSTEM

Franchise brands typically run into consistency issues given their decentralized business model and having independent owners in charge of marketing for their locations. That does not mean that there is a need for a new brand to be launched to achieve consistency. In fact, that may even further the problem. Instead, focusing on process and operations may be a better alternative to help drive consistency among franchisees.

NEW LEADERSHIP

Just like when new coaches want to bring in new players to shake up the team, new leadership could be tempted to create a new brand; one that they helped develop. This could be a tricky proposition. Instead of blowing things up, first understand the value of your current brand and what you can highlight and improve. Sometimes communicating differently is all it takes to drive a brand forward.

Recommendations

START WITH THE END IN MIND

What is it that you are looking to accomplish? Additional unit sales? Venture into a new market? Reach a younger audience? Give your system and franchisees a shot in the arm? You need to know where you want to go to build a plan on how to get there.

CAPTURE THE VOICE OF CUSTOMER

The first step in finding out what you need is to hear directly from your customers.

Your customer's perception of your brand IS your brand. So, it is critical to understand the voice-of-customer to know what the true perception is. We have seen too many brands start a rebrand effort and only consult internal stakeholders.

TALK TO YOUR FRANCHISEES

Your franchisees are more than business partners; they are also stewards of the brand you have worked so hard to develop. More importantly, they are responsible for a significant portion of the customer experience, which affects the perception of your brand.

To truly understand what your brand needs, you need to understand how your franchisees are delivering on your brand promises. And what challenges they are facing in the marketplace. You will be much more successful by understanding their concerns about the brand directly.





Recommendations

UNDERSTAND THE CURRENT MARKET

Are market changes affecting your results? Are there technology advances that are affecting your business? How has consumer demand changed?

Given that the market will be constantly changing, it is important to understand how that affects your brand, and what you need to do to future proof your business. The answer might be that you need more than just a refresh.

At REGROUP we look at three dimensions of transformation to ensure we are determining what our clients need. We evaluate business models, customer experience AND marketing. Doing so will provide a more comprehensive roadmap to what needs to happen to change perception of the brand.

BENCHMARK YOUR PEERS

To understand what makes your brand better or different, it is important to have a comprehensive understanding of the competition. Doing so will allow you to see how competitors are positioned, and what customer perceptions are compared to your brand.

Pitfalls Franchisors Should Avoid

NOT SPENDING TIME UPFRONT

We have worked with many franchisors on rebrands, brand refreshes, and marketing campaigns. It is very common for us to hear, “We should have spent more time researching and gaining alignment before we started this process.” We have started many projects only to have to go back and restart because assumptions were made or because we discovered a critical insight that was previously not considered.

Although it may seem that you are saving time by not doing research, customer interviews, and competitive analysis, the truth is that rework will always take more time and effort than spending some extra time upfront.

NOT ALIGNING STAKEHOLDERS

This is a big one as well. Not checking in with other stakeholders before making critical brand decisions leads to unintended consequences that can be very costly in the long run. To ensure that everyone is on board and the marketing initiative is a success, identify all critical stakeholders for buy-in, especially your franchisees.

NOT TRAINING YOUR SYSTEM AND FRANCHISEES

One of your responsibilities as the franchisor is to ensure that your franchisees are well trained on your brand and know exactly how to represent it in their markets. We have seen franchise brands spend millions of dollars on a rebrand and not spend the time to train their franchise system on how to live and communicate it to customers.

FAILING TO HOLD FRANCHISEES ACCOUNTABLE

Finally, as a franchisor, your reach can only go so far. The reason you established local marketing stipends in your franchise agreements is not only to ensure the success of your franchisee, but also to extend the reach of your brand. Allowing franchisees to neglect their marketing commitments, or to create misaligned promotions and communications, will only dilute the brand work your invested so much in.

We are not advocating for ruling with an iron fist. But showcasing to your franchisees the benefits of being aligned in marketing efforts, and how their local marketing spend will push the brand further.





REGROUP

In Conclusion

Navigating the complicated process of deciding whether to rebrand, refresh or promote your brand can be overwhelming. That is where partners like REGROUP come in. We are experts in helping you strategically decide what road to take and guide you along the way so that your efforts are not only effective, but efficient.

REGROUP is a woman-owned, independent, full-service brand transformation agency.

Franchise marketing in our DNA. In fact, our very first client years ago was Tom Monaghan of Domino's Pizza, who needed a new brand identity. For over 20 years, our leadership team helped grow Domino's from an 85-unit regional pizza chain to a 5,000+ unit global powerhouse. We've helped dozens of franchise companies build their organizations, generate increases in year-over-year profits, and facilitate franchisee relationships. We've placed hundreds of millions of effective, efficient media, as well as built toolkits and provided local customization. Up, down, front, back and sideways, we know franchise.

If you are considering a rebrand, refresh or an integrated marketing campaign to energize your franchise brand, we would love to hear more about it. Connect with us in the link below to schedule a free 1hr consultation.

CONNECT

