I Don’T Know You Anymore: the Dark Side of Brand Logo Change and Mitigating Its Negative Effects

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Extant research has explored consumer reactions to changes in brand logo design, yet it has neglected to delineate theory for the change itself. The present research addresses this gap by focusing on brand logo change, in general, rather than on changes in design.

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EXTENDED ABSTRACT

Despite following brand management strategy to maintain a contemporary brand logo (Keller 2008), many firms have experienced negative reactions from consumers after a brand logo change. For instance, in January 2009, Tropicana simplified the logo design on its orange juice carton and then watched its revenue decline approximately 20% after six weeks. Due to the rapid drop in sales, Tropicana abandoned the brand logo change (Dailey 2010). Similarly, The Gap, in 2010, unveiled a new brand logo noticeably different from the familiar navy blue square with white text. After approximately one week, The Gap reverted back to its better-known brand logo due to many of its customers feeling betrayed as expressed on social media (Goldwert 2010). Interestingly, many of the reactions on social media were personal such as, “How dare you!” and “You have such little respect for your customers” (Halliday 2010). Clearly, consumer responses to brand logo change go beneath the surface of the design aspects. Given consumers’ strong reactions to brand logo change that may contradict normative brand management, research is needed to understand the underlying theories driving consumers’ responses to brand logo change.

Recent research, yet limited, has explored consumer responses to changes in brand logo design. For example, participants report stronger perceptions of modernity when exposed to an existing (vs. previous) brand logo (Müller, Kocher, and Crettaz 2013). Other brand logo change research has manipulated specific design aspects. In particular, Walsh, Winterich, and Mittal (2010) examine participants’ reactions to the logo shape changing from angular to round in varying degrees (i.e., none, moderate, and high). Although brand logo change research has briefly addressed consumer responses, the existing studies have primarily examined reactions to change in visual traits rather than to change in underlying brand associations tied to brand logos. In other words, previous brand logo change research, to the best of our knowledge, has overlooked consumer responses to the change, in general, and its effect on brand attitude. Importantly, we are able to focus on the change itself by not presenting any particular logo design adjustments in our experimental studies.

The present work addresses the lack of direct attention to change by first examining consumer responses to brand logo change for various brands and the moderating effect of a consumer’s brand identification. Our central premise is consumers should find brand logo change unfavorable since strongly held brand associations and awareness are tied to brand logos and hard to change (Keller 1993, 2008). We also posit consumers with higher brand identification will have stronger unfavorable responses due to their greater degree of incorporating brand meaning in their identities. To further insight into brand identification, we consider the underlying process for consumer responses to brand logo change. Indeed, we expect the context of a brand logo change to impact brand attitude through consumers’ state brand identification. Supporting our expectation is previous research having established a context can activate any of the identities consumers hold (Oyserman 2009).

We also explore a potential moderator that can attenuate consumers’ unfavorable responses to brand logo change. Specifically, we examine whether a reminder of past brand logos buffers negative reactions to brand logo change since previous research has demonstrated past information helps inform the present (Belk 1991; Gilovich 1981). When presented with a reminder of past brand logos, consumers will draw brand associations related to the past (e.g., change is natural) that will enable them to process the reasoning for the change. Lastly, we test for the aforementioned proposed psychological mechanism; namely, conceptual fluency.

REFERENCES