

## THE IMPORTANCE OF SIGNAGE IN REPOSITIONING YOUR BRAND

As a marketer, we don't often give signage the attention that it is due. We tend to take it for granted, and don't realize that, from a consumer standpoint, it is one of the key symbols and communicators for our brands.

We all know of the importance of signage in driving awareness of our location and in identifying the name of our outlet and location.

Today, I believe it is widely recognized that great signage is critically important to retail locations. It is our beacon.....it attracts customers....and hopefully it shouts that we're open and ready to respond to our consumers' needs.

Whether you are in the grocery business, selling hardware or a quick-service restaurant, you need to create awareness of your business. Today, I will focus most of my comments on the restaurant industry...for it is the one that I know best, and it is also a business where signage is a critical element in successfully driving traffic. While many of your speakers provide strong empirical data and research-based insights, today I'm going to provide a marketer's insight into what signage can do to elevate the brand, and what you as professionals in the signage industry can do to help in that process.

My experience in the restaurant business spans many years, and many varied concepts. Early in my career, I worked in the field-marketing side of the McDonalds system. As my career evolved, I held marketing and general management positions for Burger King; S &A Restaurants (Steak and Ale and Bennigan's); KFC; Boston Market; and Einstein Bagels. Today, in my role as a leadership consultant and executive coach, I still work in the restaurant industry with seasoned companies like Wendy's, as well as with new concepts rolling out in our crazy, but exciting, industry.

Those concepts were varied in their products, customer base, locations and appeal. But one thing was common to all of them. Signage was a critical factor, and we didn't look at a location without taking into account the signage opportunities — and understanding how it could create awareness of our location, and drive the consumer to purchasing our products, and reinforce the key elements of our brand.

I understand that signage is important, and, in fact, a past Burger King study indicated that almost 1/3 of people became aware of their restaurants when they "saw it while passing the facility". Obviously the signage was critical to building this awareness. It is an ongoing billboard for your restaurant. Moreover, it is an advertising investment that you make once, and yet it continues to work for you....24 hours a day, 7 days a week.

It not only drives awareness, it drives traffic too. I don't think anyone disputes that. In a day and age when people are trying to figure out how social media works, and what is the future of television and print, there is little doubt that signage is here to stay. A study from the University of San Diego in the late 90's showed that signage around various retail outlets instantaneously brought approximately a 4.75% increase in sales. So whether you're trying to drive sales, or build awareness of your location, or impact consumer-impulse shopping behavior...there is little doubt that strong signage is a proven benefit.

But I know that you know that. I'm preaching to the choir. There is little doubt that good signage — that is visible and has “pop”-- will positively impact business. But today I want to talk about the other key benefit of strong signage — both outside the restaurant and inside it as well. That benefit is building the brand and reinforcing the brand positioning.

Let's step back and look at what brand positioning is all about. Brand positioning is simply the sum total of all the elements that define the benefits of the brand. Brand positioning is not an advertising slogan. Rather it is the total messaging that the brand elements convey about the brand. What elements are we talking about? The list is broad. It includes the facility, the staff, the pricing, the packaging, the advertising and other marketing elements, the location, the uniforms, the shopping experience, the ambience,...and on and on. Oh, and one of the most visible elements that supports the brand positioning is the SIGNAGE.

Let me take you through some examples I worked with during my career, for I think you'll see how this can be a powerful tool. I have three examples for you today. The first is a situation where we changed the signage as part of an effort to reposition the brand. We changed the name and the look, and were successful in the transition. The second is one where we just changed the name to modify the brand position. And finally, I'll show you one where the signage was used from Day 1 to elevate the brand position.

In 1987, our research showed that Kentucky Fried Chicken was a tired brand. People liked the flavor of our fried chicken, but, with the emerging healthier trends, and the concern about weight and diet, the sole focus on fried chicken was becoming a problem. In addition, the restaurants were tired; they felt dated, and one consumer described it as feeling like “dinner at Grandma's”.

We knew it was time for a change. But how do you change a brand that has been highly successful, and was linked to a single product? We did an extensive rebranding study, and realized that we had to maintain some of our heritage, but do it in a more modern way that indicated we were updating the brand and making it more relevant to

today's consumers. We looked at many new names....some focused on Kentucky...some focused on chicken....some focused on home cooking. But in the end, our research showed that the name the consumers felt recognized the tradition of the brand, but took it into the more modern times, was simply KFC. We needed to graphically do this in a way that was much more contemporary, and didn't focus as much on the name or the longstanding visual of the bucket of chicken.

So we developed many options....some of which just focused on the letters KFC. Others used the Colonel, because he was the most famous symbol for the brand, and he represented the legacy of KFC. In the end, the signage with the greatest appeal was the profile of the Colonel with the more contemporary colors and lettering for the KFC brand.

This was not an insignificant or an inexpensive change, but it is one that clearly moved the brand from the 1950's to the 1980's. We coupled the new signage with a program called "Light and Bright" that improved the décor and exteriors of the restaurants to signal that the concept was changing. It said we aren't just traditional southern fried chicken....but we're today's modern place for chicken...of all types.

The move was a big success, and helped to elevate the consumer ratings of the brand. It also gave us the credibility and "license" to introduce new products beyond our traditional meals and buckets of chicken. With this as a platform, KFC introduced its first rotisserie chicken, expanded its sandwich line, and began to rebuild its business.

In hindsight, I think the signage was a critically important factor in repositioning the brand. It was not just a logo change, but it was signage throughout the facility. Obviously, the major outside signage signaled the change, but inside, reinforcement of the new image with interior signage also reinforced the change once people came into the units.

New signage not only signals that something NEW is happening in the restaurant, but it also needs to signal WHAT is changing. What message do you want to send? In our case, the brand positioning was about more contemporary food, but reminding people that we hadn't moved away from our iconic recipes of the past.

Over the next few years, we continued to upgrade the concept and introduce new products to support our more progressive brand, and I believe our logo and signage changes helped give us that license with the consumers.

The second signage change I want to examine with you is another chicken chain. In the late 1980's, a new chicken chain was getting a lot of notice. It was called Boston Chicken, and it started in the Boston suburb of Newton as a takeout restaurant with great rotisserie chicken and wonderful side items. People quickly took note, and the chain was sold to investors for more rapid expansion. The chain took off like a rocket,

and was the hottest restaurant chain going in the early 1990's. In fact, it grew from a couple hundred restaurants to more than 1400 restaurants in four years. Things were going well.

Then Wall Street began to raise questions about the concept, as it thoroughly examined its profitability and its future potential for growth. The chain was still a strong success with consumers — but less so with the financial community.

In an attempt to broaden the appeal of the concept, and to be able to tell a story about aggressively expanding its customer base, the chain decided to change the name from Boston Chicken to Boston Market. The idea was simple. We wanted to convince people that we could credibly offer more than chicken. In fact, we were beginning to offer ham and homemade meatloaf. They also wanted to expand the other items, and offer takeout salads, breads, etc. Thus, the idea of a market, rather than a chicken store, seemed to tell the story.

So a decision was made to change the logo and all signage and move away from Boston Chicken to Boston Market. This was no small expense, and the signage was one of the largest expenses. However it also involved packaging, uniforms, advertising, all in-store material and signage—and the total bill was \$50 to \$100,000 per restaurant.

The idea was to reposition the concept to become a food market with a wide variety of great-tasting, freshly prepared foods. However, the main thing that really changed was the name. The signage still looked fundamentally the same. The signs looked very similar. In essence, the signage didn't shout change, much less help to reinforce what the new positioning was.

The net result was kind of a yawn on the consumers' part. There was no appreciable improvement in sales, and the customer base was not materially broadened. In hindsight, I think part of that was due to the subtlety of the change. The signage did nothing to reinforce to people the freshness or the breadth of the new menu. It didn't even reinforce much change.

In the end, it was a significant expense, for very little long-term gain. I'm sure the sign companies loved it, because it provided a great revenue stream for awhile...but overall, I think it looked to people like a questionable expense.

The final example I want to talk to you about is Einstein Bros. Bagels. In the early 1990's, we decided to get into a new business, and picked the emerging bagel business. We saw this was an industry with good margins; it offered an on-trend (low fat) item, and the coffee side of the business could piggyback on the success of Starbucks and the growing coffee business.

We started Einstein Bros. by purchasing four small, entrepreneurial bagel companies, each of which did something very well. One had strong product expertise; one did excellent marketing; one had great training, etc.

In the end, we took the best of all of these concepts and created Einstein Bros. Bagels. However, before we decided on a name and look, we wanted to establish several things with the name and look of the brand. First of all, we wanted it to be fun, and have a bit of whimsy. To some degree, we wanted to be the anti-Starbucks, and not take ourselves too seriously. We found people want to start off their day with a smile on their face, and the morning is not the time for “heavy messaging”. We also wanted to have legitimacy in the bagel business, and frankly, the Einstein Bros. name helped us to do that. The logo used the two Einstein Brothers as our icons. One was a bagel expert, and one was a coffee expert.

The signage had to incorporate these positioning elements of a fun place with great product quality.. We wanted the signage to be whimsical, but credible. We wanted it to scream hot, fresh bagels, but let people know that this was a relaxed place.

You’ll see on the Einstein Bros. signage, that we’ve captured this image. Even some of the inside signage captures those elements, and reinforces the positioning we want for the concept.

Our basic positioning was Einstein Bros. Bagels is a fun place to start your day with great bagels and coffee. And that’s what the signage is all about.

The concept did very well, and again, grew rapidly to several hundred restaurants. By 1997, it was the largest bagel-restaurant concept in the United States, and today, there are still over 600 Einstein Bros. Bagel restaurants serving customers.

I strongly believe that its signs helped to set the tone for the brand and the consumer experience. It reinforced fun, fresh bagels, and an enjoyable “get your day started” experience.

So while these are nice, interesting stories about signage and logo development, what is the message for the group today?

Simply put, my message is that signage is a tremendous extender of the brand, and is one of the first elements consumers see with regard to the brand’s positioning. Yet most of the sign companies that I dealt with throughout my career focused on their gross impressions, or their visual impact, or their color schemes, highway presence, etc.

While, of course, these things are important, I really think you have the opportunity to focus on the contribution you make to elevating a brand's positioning. Now this says that you have to have people who live and die brand positioning, and who know as much about a brand as the client does. You may do that in house, or you may outsource that talent. But you need to become brand experts, not just signage experts.

In today's world, where your technology is rapidly changing, and digital signage has changed the flexibility of the look and feel you can demonstrate, you want to be a natural extension of the marketing and advertising of the brand.

You should be finding ways to make the brand come alive....ways to communicate the right brand personality to the consumer. You should be going to clients and challenging their thinking about changes they can make in their signage to give their brand a unique competitive advantage. Be challengers; don't be implementers.

These days, I work with many client organizations, and I would tell you that about 90% of them want to know who they can work with who can "challenge their thinking". And I would say that about 2/3 of them actually mean it.

But to challenge them, you have to become subject experts about marketing, brand positioning, and how to make signage a MAJOR tool in their marketing toolbox.

I hope these three examples today have helped demonstrate the role signage CAN play in helping position or reposition a brand. They were real-time examples that I saw influence the consumer perception of big brands. Signage is a significant expense in the restaurant industry, and if you don't leverage it for all of the power you can, people will underestimate the role of signage. I've seen it work where signage was a cost-efficient way to move the brand forward; and I've seen it where it was an merely an expense that helped change a name. Signage is powerful, and it can be an often-overlooked element in the marketing mix. Give yourself credit for the importance of signage, and invest in making yourself brand-marketing experts.

So go out there and give clients what they say they're looking for — thought-provoking ideas to use signage to change consumer perceptions. Be aggressive in actively working to make signage extend that brand....so that signage isn't just an expense, but instead it is a wise investment.