# Brand image of company names matters in ways that can't be ignored

*Herbert Jack Rotfeld*
Department of Marketing, Auburn University, Auburn, Alabama, USA

**Abstract**
**Purpose** – This paper seeks to discuss the conceptual problems of family brands, and how conflict of images can work to the detriment of the entire line.
**Design/methodology/approach** – Case examples are presented of a few brands that keep different "levels" of product quality apart by different brand labels contrasting with one company that decided to make it all one name.
**Findings** – Companies often worry more about generating a well-known brand than about what the brand means to consumers.
**Practical implications** – Consumers can discern the value of related brands of hotels or cell phones or internet service belonging to the same company even if they have different names built around distinct images in each category.
**Originality/value** – Names matter beyond simplistic managerial thinking of brand name awareness.

**Keywords** Brand image, Family, Service marketing

**Paper type** Viewpoint

It is now a sign of old age to recall a time when ballpoint pens were unreliable forms of writing. But the memorable US television advertising when Bic expanded distribution of its pens to this side of the Atlantic eventually made the brand name synonymous with a low-cost and reliable pen. College students of the space age would be buying the pens by the package. While the company did not originate the similar concept of a disposable butane cigarette lighter, it was a logical extension of the brand image, as were disposable razors. The name eventually verged on being the generic label for low cost disposable products: pens that you could depend on to write; lighters that you knew would work and complete throwaway razors for a decent shave.

And then came the Bic pantyhose.

The product came into stores at a time when women's styles were shifting to the new fashion item made popular by other innovative companies. It would seem like a good product idea to catch a new popular trend. But the brand name extension was illogical, conceptually impossible and might have helped limit any potential sales that could have been developed for the product. Even the advertising seemed strained, trying to link the positive image of people who lit their cigarettes with a "flick of the Bic" or wrote notes with dependable ballpoint pens. On radio, a woman's voice sang: "I knew the pen would write and the lighter would light, but I never knew that Bic can make my legs sexy". Maybe this was another high-quality, reliable, low-cost product – no woman I know seems to recall it and, obviously, I was not a member of the target market – though "reliability" in this category is not as clear as with writing, igniting or a clean shave. Adding to the conflict, special displays were spotted linking the pantyhose name with pens and lighters, a mix that generated a series of interesting reactions I saw at the places where men were taunted by friends for buying a woman's lighter.

I recall this reference to a consumer item that left the scene in relative obscurity every time a company tries to change a name for a family of products. By one form of logic, the family brand means people can tie together different purchases to buy in a service package. Yet the family name is not needed for combined sales, and the existing images might not fit as readily as the corporate home office desires. The local television cable company might do a good job of delivering broadband internet service, but if the cable service is weak, sales on the other services are harmed. The mere difference of a name can help people see them as two different items even if there are offers that include bundled prices.

As one example, the Marriott hotel chain offers several types of places people can stay: Marriott, Renaissance, Courtyard, or Fairfield Inn are a few of the better known names to sport their logo. Yet this is not a conglomerate that ate different chains of businesses, but a distinctive set of brands. And travelers come to know the differences, where the prices or general types of services are varied; a minor problem at a lower cost brand might be forgiven and not held against others. Members of their frequent traveler programs know that they have a bundle of possibilities, but the different names provide a form of mental insulation for consumers so the low-cost part of the system does not impair the image of the higher end. Another chain suffers from too broad a range

The current issue and full text archive of this journal is available at
**www.emeraldinsight.com/1061-0421.htm**

Journal of Product & Brand Management
17/2 (2008) 121–122

[DOI 10.1108/10610420810864739]

Journal of Product & Brand Management
Volume 17 · Number 2 · 2008 · 121–122

of offerings under the family brand, resulting in inconsistent service attributed to a single hotel name.

On the other side as an example of brand name abuse, the US telephone giant AT&T spent billions to inform customers that they are changing the name of the recently acquired cell phone company, Cingular. It is all "the new AT&T", or so we were told.

The full corporate history of the companies and name changes is too lengthy to repeat here, and quite aside the point. A simple synopsis for non-North American readers would be thus: the name of the old government-regulated telephone monopoly is now held by a growing company that was buying up other companies that provided local or long-distance land lines in different parts of the country, including BellSouth, which owned the growing national cell phone company Cingular. Once bought or merged, the companies become AT&T, a company that tried to build its own brand-name cell phone company in the past with limited success.

The important point is that BellSouth intentionally had a different type of name for the different service of cell phones; Cingular spent huge amounts in advertising and corporate communications as a "younger", consumer-aware company. Admittedly, it is hard to find anyone in this country who'd disagree with the statement that "no one likes their cell phone provider". But Cingular was trying to generate a more positive image for their service, an image apart from the land-line parent BellSouth, and an image distinctive to the cell phone. People were able to buy combined service packages from the two companies with different names, but the distinctive image recognized the differing concerns for people buying in the product categories. AT&T didn't have to put all the services under a single name, but the first act after the merger was completed was a renaming along with an expensive advertising campaign to tell people of the change.

Advertising informing everyone in the USA about the merger did not sell any new products, and did not aim at generating any new customers. It just announced "Here we are!". As the new hot product of 2007 came out linking the iPhone to AT&T, customers outside some stores interviewed by television reporters indicated reluctance to tie themselves to the "old" company. As one person said, "Why couldn't it be with Verizon or Cingular?", you realized the error of the name change. In all probability, AT&T will be a long-term profitable success in spite of the single brand name. Money was wasted announcing the change, though it is possible that it could have been more successful with a strategy that was more aware of the value of a brand image.

As a broader lesson, this is an example of a company that was more focused on the name than what the name means. In these days of product placement and viral marketing, companies of all types focus on brand awareness and an extensive effort to put their name out there (wherever "out there" might be). But it is not just having a name that is important, but the image that the name conveys to consumers.

## Corresponding author

Herbert Jack Rotfeld can be contacted at: Rotfeld@business.auburn.edu