



North Avenue: Selecting a Brand name

One powerful branding signal is the mother of all others; your brand name. As the ultimate power signal, your brand's name is the ultimate conjurer of images and associations. Sometimes you are lucky enough to start with clean slate and get the chance to create a name for your brand. You rarely get a second chance to make a first impression.

- Allen P Adamson,
Managing director, Landor Associates

What brand name North Avenue should select for its proposed retail chain of consumer electronics?

To start with everyone was enthusiastic to be part the task force for this life time opportunity of selecting the name for the big format Retail Chain of Consumer Electronics in India. Finally the stage was reached to have a brand name. The excitement was palpable among team after the exhaustive brand naming process of over 9 months. It was similar to naming ceremony for the new born child in the family. The board meeting was about to start to choose the brand name from the finalized shortlist. Nobody was sure what name finally would be selected. The tension was in the air and every one was speculating about the final name to be selected.

- Head of Marketing
a member of taskforce for Brand naming commented just before the Board meeting

BACKGROUND

In the year 2006, North Avenue Retail Venture Pvt. Ltd. (NV) planning to set up big format consumer electronics stores in top cities across on pan India basis North Avenue board had approved the project after 2 years of due diligence by the team along with consultant KSA Technopak to understand the potential for retailing of Consumer electronics in India, existing competition, business model and financial feasibility of the project. In order to validate assumptions on sales, rentals, margins and supply chain, and understand key potential catchments, project team was asked to study the status of consumer electronics retailing in Top 15 cities across India. During this period of 3 month, the team visited 85 retail outlets and met 6 key suppliers, 25 real estate companies, 3 major financing companies, 4 supply chain companies to get the first hand feel on the situation. This provided Project team with much needed ground level understanding as well as to develop a clearly differentiated customer value proposition. From a retail store perspective, the following were the key offerings planned compared to the current practice in India,

Prepared by Prof. Srikant Gokhale and Prof. Piyush Kumar Sinha, IIMA

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Table1: Current Practice Vs NV offerings

Current Practices in India	Our offerings
❑ Lack of focus on Design	❑ Well designed display for products
❑ No live displays	❑ Interactive Displays for mobile/ camera/Laptops
❑ Stand Alone Selling	❑ Focus on solutions and interactivity of products
❑ No special focus on latest launches in the country	❑ Showcasing of latest products
❑ Poor standards of delivery and installation of products	❑ High importance to services and other value added offerings
❑ Little customer care and service	❑ Wide range of customised promotions and offers

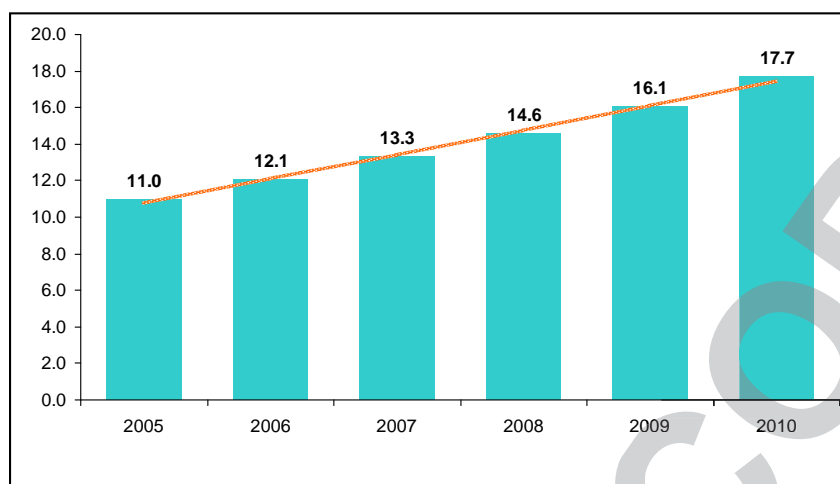
Initial plan was to set up two pilot stores to test the concept and thereafter roll out 20 stores in next 3 years. The plan for next three years was as follows:

- 20 large format stores in top 8 cities by 2010
- Average store size of 15,000 sq. ft. with focus on IT, Mobile, Home Appliances & Audio and Video segment
- More than 3,000 SKUs ranging over 150 key brands across categories.
- To bring world class retailing to India by focusing beyond just products
- Introduce top notch retail design for electronics showroom and provide un-paralleled shopping experience
- High quality customer, delivery and after sales service like first of its kind 24 hours delivery and installation service (Branded as Get Set Go).
- Introduce private label products across product categories for the first time in India by any retailers of consumer electronics.

Consumer Electronics Retailing Overview

The consumer electronics market in India was USD 12 Billion in 2006 growing at 10% per annum. This growth was in line with the GDP growth of Indian economy of around 8%. As per Mckinsey's report the consumption in India in next 20 year will quadruple as the middle class population is expected to go up from existing 75 Million to 583 million making it one of the most attractive retail market. AT Kearney Global retail development index in 2006 declared India as the most attractive retail destination in the world. And The Economist proclaimed India as last final frontier of retail about to open.

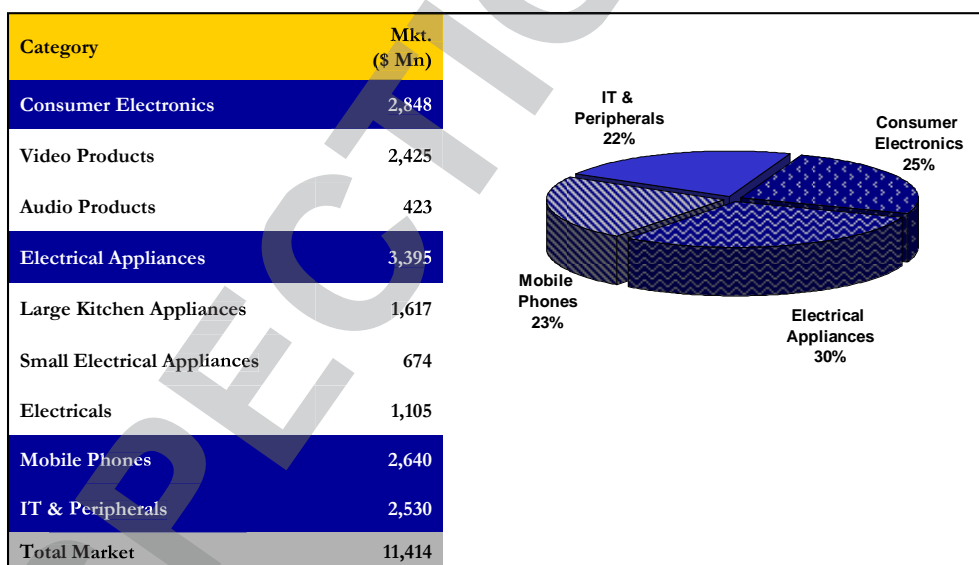
Table 2 : Electronics Market size trends in USD Billion



Market Breakup by Categories

The Consumer electronics market consisted of Audio, Video(TVs), Domestic appliances, Mobile phones and IT and accessories. The largest segment was the appliance category followed by Audio and Video segment (23%). The mobile phones and IT were the fastest growing segments. The breakup by categories is given below:

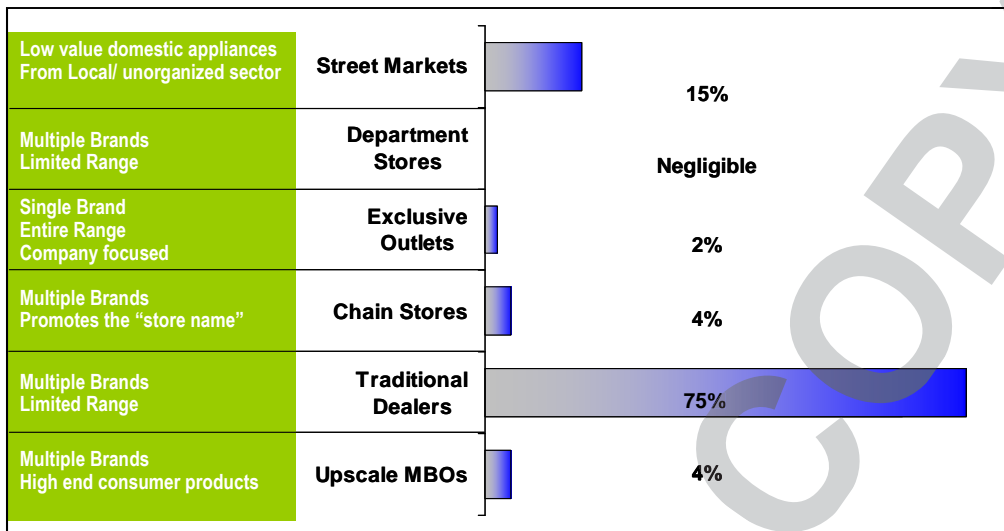
Table 3: Breakup of CE market by major categories



Competition

The organised retailing was at nascent stage and constituted just 7% of over all market but growing rapidly at 30% per annum. There were over 90000 retail outlets selling consumer electronics in India. Traditional dealers constituted around 75% of the total outlets spread across India. There was huge opportunity for Multi brand big format retailing in India on Pan India basis. Below is the break up by outlets type:

Table 4: Types of Outlets selling CE



In the year 2006, the organized players (multi brand outlets) were mostly local chains in each key cities like Sales India (Ahmedabad), Vijay Sales (Mumbai), Girias (Bangalore) and Pai (Bangalore), Dass (Pune), followed by few regional players like Vivek in South and Next in West and North.

The organized retailing was expected to undergo see change with the entry of many big Corporate like Reliance, Tata and Pantaloon into the fray. Tata had recently launched their first Croma store around 15000 sqft. in Juhu and planning to open 50 stores in next 3 years. Reliance had announced the Reliance Digital store opening its first outlet in Ghaziabad in early 2007 and has plan to open 100 outlets in next 3 years. Similarly Pantaloon group led by Kishor Biyani had opened its first consumer electronics outlets under the brand name E-Zone in Bangalore. The local and regional players are expected to expand the business in view of coming competition from these new entrants with deep pockets.

With the opening up of FDI (Foreign direct investment) in Multi brand Retail, the foreign players like Best Buy, Walmart, Carrefour and many others are expected to come. Beside the pure consumer electronics retail players, the hypermarkets like Big Bazaar, Star bazaar, Hypercity and Spencer were expected to have significant share of sales of consumer electronics products from their outlets and providing 20% space to this category within each outlet. In next 5 years the share of organized players due to their aggressive expansion plan is expected to grow to 30% of the total market from existing 7%

Table below shows the evolution of Consumer electronics retailing in India before and after 2006 and how the landscape would undergo change with the onslaught of organized players entering thereby competitive intensity was expected to be quite high in this arena.

Table 5: Evolution of CE retailing in India

Specialty Stores	Vijay Sales, Viveks, Vasanth, Sales India Other Local dealers	Tata Croma, E Zone, Reliance Digital, X-Cite	Best Buy, Circuit City, Other International Retailers
Category Stores	Local Dealers	Jumbo Elect, Mobile Store, RPG Cell Com, Hot Spot, Sony Vaio Stores, M-Port	
Hypermarkets	Big Bazaar	Spencer's Hyper, Hypercity, Reliance Hyper Mart	
Lifestyle Stores		Hometown, Home Centre	
Brand Shops	LG Shoppe, Samsung Digital, Sony World, Nokia Priority Stores, Haier Planet	Moto Store, Sony Ericsson Stores, Canon	



Table 6: Next five years plans of organized retailers

	2005			2010	
	# of Stores	Revenues (\$ Mn)	Sales per store (\$ Mn)	# of Stores	Revenues (\$ Mn)
Reliance				100	2000
Pantaloon				110	500
Tata				10	200
Vijay Sales	9	34	4.0	35	200
Viveks Ltd	52	76	1.0	152	200
Next	50	50	1.0	200	200
LG, Sony, Samsung etc.	224	185	0.8	378	370
AE India				100	890
Total	335	345		1,055	4,560
Total Market		11,000			17,700
Organised as % to total		3%			26%

Beginning of the Brand naming process, March, 2006

After finalizing the business plan and retail concept, the next big issue was the brand name.

A brand name should encapsulate the essence of customer value proposition and what we stand for as an organisation. It should motivate our employees to be associated with and more importantly reason for customers to shop from us. Above all the brand name should be brief, modern, forward looking, positive and likeable. None of us had any background in creating a brand name and were not aware of how to go about it. All along we believed “What is the big deal about the name”. But having confronted the task we now knew the importance of it and geared up to meet this challenge of a life time.

- CEO, North Avenue

Names do matter. Depending upon the category, the name alone can represent the primary reason for the brand's success. A company might spend millions of dollars to develop new product and then give that product a brand name that almost guarantee failure. Along with innovation, a company needs marketing to assure the brand's eventual success and survival. The heart of a good marketing program is a great brand name.

- The Origin of Brands : Al & Laura Ries

Finalisation of Customer value proposition, May 2006

After studying the market situation, understanding the competition and retail outlets and existing gaps, North Avenue wanted to bring a differentiated customer value proposition. The project team along with studied the strategies and best global practices of leading international retailers like Best Buy, Sony lifestyle, Apple, Best Denki, Dixons, Circuit city and many more before localizing it for India. They wanted to bring the best shopping experience and innovative customer services like delivery and installation within 24 hours for India consumers. The team developed the following customer value proposition for the new retailing concept in India:

Table 7: NV's customer value proposition

What is Our Value Proposition ?

"To create excitement for customers in whatever we do"

We seek to do it by offering

- Introducing the latest products: *Cool & New Zone*
- One stop shop for all needs: *Focus on Solution Selling*
- Excellent Shopping Experience: *Gensler Design*
- Providing Product Knowledge and enthusiastic, high-energy sales force: *Customer Engagement*
- Competitive Pricing: *Matching pricing with any retailers.*
- Convenient Hassle free Shopping: *Youth Zones, Home theatre, Demo zones, Customer services, Fast Check-out*
- Value Added Services: *like Tech-force and free Delivery & installation(Get Set Go)*
- Mutual Trust with customer

Based on above value proposition, the brand personality should have following elements. This formed the starting point of the next step of brand name.

Table 8: Elements of Brand personality



Formation of task force for Naming process, June 2006

North Avenue formed a task force consisting of CEO, Marketing Head, Product Management head, HR Head, CRM Head, Retail Operation head along with 3 young newly recruited MBAs from IIMs with a mandate to suggest appropriate brand names for board to take a final call.. All the team members were excited to part of this team as no one had any prior experience in this area. It was not only a great learning life time opportunity but also a great responsibility to arrive at appropriate names.

Kick-starting the process: The offsite meeting June, 2006

To commence the process, an offsite meeting was held in which each member of the team was asked to research on articles, case studies, books or any other reference material so that all of develop common understanding of way forward. During the offsite the team understood brand name process as follows:

Table 9: The Brand Naming process

The Brand Naming Process	
<ul style="list-style-type: none"> • Specifying the Objectives of Branding • Creation of Candidate Brand Names • Evaluation of Candidate Brand Names • Choice of a Brand Name • Trademark Registration 	

From various research articles and references the task force learnt about the various criteria; strategic, linguistic and legal to choose the brand name as well as type of brand names. See Exhibit 1 for details of Offsite meeting deliberations.

In order to understand the brand names and get insights the Marketing team studied the origin of top International brands as well as Indian to see the trend in Brand names in vogue.

Trends in International retail Brand names

- Most of the prominent retail brand names are still family names. Started in early 20th century many of these retail stores were just one shop started by family to start with and later on expanded. Examples Selfridges, Marks & Spencer, Sears, Nieman Marcus.
- During 1950s to 1980s the trends was towards real and coined Descriptive and Associative names to describe the type of retail outlet like Toys R Us, Bed Bath & Beyond, Walmart, Best Buy.
- After 1980s the era of abstract brand name started and they were brief names. For example; IKEA, TESCO, Apple, Next, Borders.

Table 10: Types of Retail Brands – International and Indian

Retail Brands : Top International brands		
	Real	Coined
Family name	Macy's, Tiffany, Lowe's, Woolworth Sears, Selfridges, Marks & Spencers, Neimen Marcus, Barnes & Noble, Harrods, John Lewis, Dean & Deluca, Hamleys, JC Penny, Williams Sonoma	
Abstract	Apple, Oxygen, Virgin, Carrefour, Next, Borders, Old Navy	IKEA, TESCO, SONY, Starbucks
Associative	Target, Gap, Zara, Habitat, Amazon Best Buy, Crate & Barrel, Circuit city, Car Phone Warehouse, Staples	Walmart, 7- Eleven, Forever21,
Descriptive	Bed bath & Beyond, Container store, Body shop, Home Depot, Mothercare, American girl	Toys R Us, Victoria's secret,

Retail Brands : Top Indian brands

Family name	Spencer, Vivek, Vijay, Bata, Neelkamal, Reliance Digital, Arvind, Tribhubandas, Haldiram	
Abstract	Next, Arrow	Croma, Planet M, Raymond
Associative	More, Titan, Lifestyle, Westside, Crossword, Landmark, Guardian	Tanishq, E-Zone, Evok, Welspun, HiDesign, Fab India,
Descriptive	The Mobile Store, Big Bazaar, Home Town, Home store	Shoppers Stop, Ferns & Petal
	Real	Coined

Indian retail brands are following the International trends in brand names. Most of the initial brand names were family and Descriptive and Associative. More recently abstract names are being used.

One of the key learning during the offsite was the importance of brand name and rigor involved through the cases studied. Initially the group thought that we could ourselves create few brand names, test them against the criteria and shortlist them but during the offsite the team realized it was not easy to coin or to bring unique names matching with the values. It was a brain wrecking experience. Moreover whatever name we shortlisted might not pass the legal hurdles as most of the real words were already in use as a brand name.

Initially we all took very lightly the brand name process, We thought it would fast and simple process and it would be great fun coining the names. But after doing the offsite, we realized that it would be very engaging and complex process. It was not easy to rattle out names just like that. The seriousness among the task force member was visible

- Recently recruited young MBA from IIMA, a member of taskforce

During the offsite among many, few suggested brand names as follows were shot down one after another using one of the criteria with either strong negative and positive biases; for example E-Life connoted like a life insurance company. E-point was sounding like appoint and E-city looked very common derivative of Circuit city. Should we have letter E at the beginning for the brand names? Does customer understand E stands for electronics?

Table 11: Initial Brand names rejected at the offsite



The group brainstormed some more likely names (Gizmall, Techomart, E-Galaxy) but everyone felt considering the importance of brand name and ignorance of team on this subject, we needed to involve the professional firms to help us rather than rushing for it ourselves.

Involvement of International Design firm (IDF), July 2006

As retail store design was undertaken by IDF, one of top design firm based out of London, it was decided to involve them in the branding process early on so that they can not only participate in the process but also guide us through the process and incorporate all the branding elements in the store design. Even though initially the brand was suppose to be launched in India but NV had aspiration to open outlets in neighbouring South East Asian countries, Far east as well as at a later stage to take it to Middle eastern countries after creating a strong retail brand. The involvement of IDF in this process was expected to bring the best global practice in brand naming process.

Involvement of Local Advertising firm (LAF), July 2006

North Avenue chose LAF after proper due diligence in shortlisting them based on the work done in this area among 5 other firms to help in the naming process independent of the IDF. The idea was to get a local perspective as they will bring the local understanding of customers or names which makes sense from Indian consumer point of view. LAF besides participating in the naming process would also work on the launch of the brand.

Combination of international design firm along with local advertising firm thought to be great idea to bring the best from both and team was very excited with this once in a lifetime opportunity to engage with these firms to learn about the brand naming process. But everyone knew that we were on long haul and it would be very time consuming and engaging process.

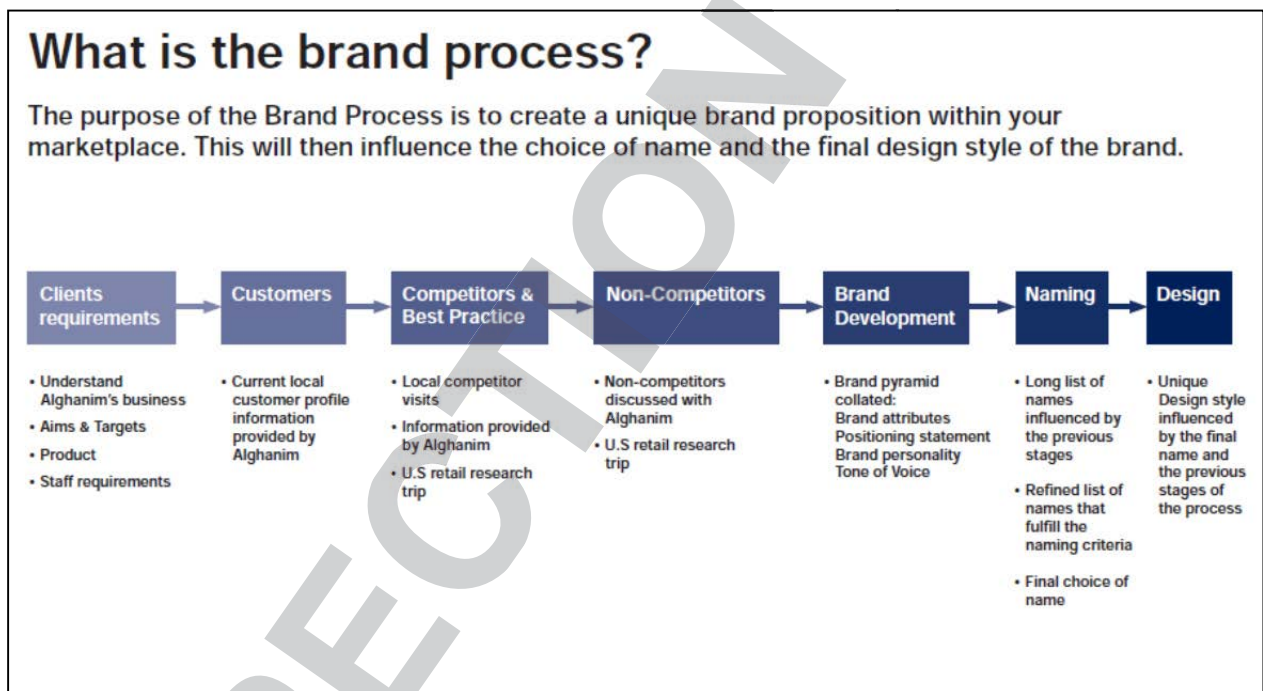
Methodology

North Avenue task force team spent three days each with the LAF and the IDF team separately to take them through the business plan, retailing concept, value proposition and along with field visits to the competition. Each of these meeting were followed by brainstorming session to understand each one’s perspective. They conducted individual interviews with key members of the team. It was decided that they would revert back with the complete process as well as shortlisted names within 45 days time.

Meeting with IDF September, 2006

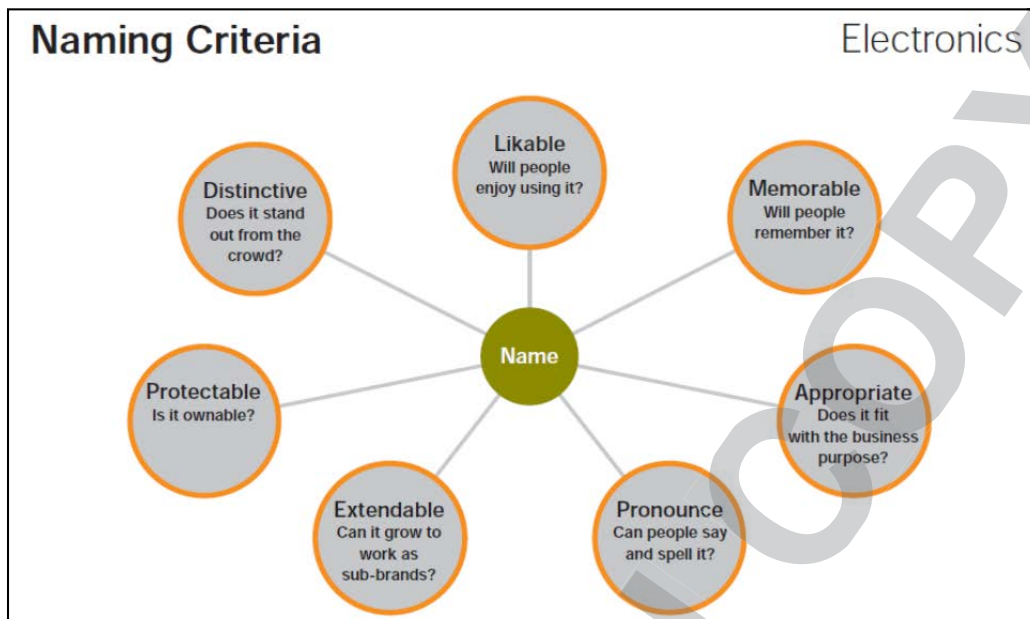
IDF presented their brand naming process along with details of name considered based on the targeted customer as well as the value proposition. They used the following brand naming process:

Table 12: Brand naming process by IDF



In order to generate names they used series of different exercises; market place names, value association, word assembly, customer emotions to create over 100 names which using the brand summary relationship they shortlisted using the following criteria :

Table 14: Naming criteria used by IDF for generating Brand names



Using these criteria and based on the extensive discussions with the taskforce, the following names jointly were shortlisted. IDF were asked to make logo of some of them to see how they look within 30 days.

- Connect & Go
- Power Source
- Pulse
- The Buzz
- Infinite
- One touch
- Xcite
- M- Power

Details of IDF process as well as shortlisted Logos designs are in Exhibit 2.


Meeting with LAF, September, 2006

A similar session was conducted with LAF team with the North Avenue task force team. LAF followed the generation of names based on key differentiators like Hots products, wide range, great shopping experience and targeting youth as the major segment. See exhibit 3 for LAF detailed process.

Table 15: LAF criteria for generating Brand names

What is a Good Name?

- **As consumers, we like names that**
 - **we can relate to**
 - **we see as friendly**
 - **are easy to remember (could be even unusual)**



They used the referencing and word exploitation technique to generate brand names. They created over 60 Brand names which using the dipstick during the meeting as well as using the ranking based on the criteria of relating to the value proposition, the following brand names were jointly shortlisted:

- Ignyte
- Xcite
- Blaze
- Ultimo
- Buzz
- Pulz

Dilemma of the Naming taskforce, October, 2006

Nobody imagined the complexity involved; we were no where near the final shortlisted names. It was like going through the maze. Yes, we learnt a lot through this engagement with LAF and IDF but we were more confused than ever before. The names stopped appealing to us and all names looked the same and boring. There was tremendous pressure on the team as we were nearing the launch. We needed to get out of this stalemate soon.

- CEO, North Avenue commented during an internal meeting of the taskforce

Having gone through more than 200 brand names in last few days, the task force team at North Avenue was confused and was wondering whether they were on right track in naming the brand. Many of the shortlisted names from both IDF and LAF list met many criteria but there was not a single brand name which met all the criteria and was the obvious choice. There were internal conflicts due the bias within the team about each of these brand names. During the internal meeting of the task force, it was decided to have joint one day workshop session with LAF and IDF team together to arrive at consensus regarding the brand names. The pressure was intense on the team to complete the process as it was

leading to delays in launch of retail store, as brand name was the starting point for the store design and to complete branding exercise.

Joint workshop session, November, 2006

This was the first time both IDF and LAF team were meeting face to face to argue the brand names. Each of shortlisted names along with process and criteria were discussed in an engaging way. Each of them presented their case along with initial logos of shortlisted brands and were pushing for their Brand names. After heated and intense debate, the meeting turned out to be inconclusive; as a last resort few brand names were eliminated by consensus to prune the shortlist.

Was it a good decision to involve both the Advertising firm as well as the Design firm in the naming process as each had their own different methodology. Had it led to confusion, delays and high cost or it had helped us in better understanding and rigor of Brand naming process by having different perspective?

- Head of Product Management, a taskforce member

The brand names; Ignyte, Infinite, Xcite, Buzz, Pulse, M-power, Connect and Go and Power Source were shortlisted with no clear winner. As a way forward, It was decided to conduct dipstick Survey to get customer response.

Customer Dipstick Survey November 2006 : AC Nielson

During the joint meeting it was decided to carry out dipstick with customers in 6 cities ; Mumbai, Pune, Ahmedabad, Bangalore, Delhi and Hyderabad. A similar survey was planned in few cities in Middle East using the criteria of Appeal, Cultural fit, Distinctiveness and Relevance to category. It was left for customers to have a final say in the selection of brand name. AC Nielson was given the responsibility to carryout this independent survey within 30 days using a small sample size of 30 targeted customers in each city. AC Nielson collated the customer response and provided the results as follows:

Table 16: Response of AC Nielson Customer Dipstick study

Brand Name	Appeal	Cultural fit	Distinctiveness	Relevance to the category
Ignyte	↓	↔	↑	↔
Infinite	↔	↑	↓	↔
Xcite	↑	↔	↔	↑
Buzz	↓	↓	↑	↔
Pulse	↓	↔	↓	↔
M-power	↑	↓	↑	↔
Power source	↓	↑	↓	↑
Connect & Go	↓	↓	↔	↑

The Final Five Brand Names, December, 2006

Based on the customer dipstick response study by AC Neilson, the final Five names along with logos were chosen by the taskforce for meeting with board of Director to finalise and rank these name. Each of these names had clear tradeoffs based on the criteria. Some of them were very appealing but difficult to pronounce correctly from a customer stand point like Xcite (may be pronounced as x-city) and Infinite(may be pronounced as In-finight). Some were very relevant to the categories but not so appealing or distinct like Power source or Connect & Go. Some of them were distinct like Buzz, Ignyte and M-power but not so relevant to the category.

Table 17: The Final Five shortlisted Brand names



One of the main hurdle ignored by the team so far was legal criteria as it was decided to do legal due diligence only after we get smaller list of names. This important legal hurdle was the availability of brand names for the registration and availability of Domain name for the website. Preliminary search by the team using internet was quite encouraging but still this was giving sleepless night to the team incase of rejection of any name at this final stage. The team had forwarded the final 5 names to the legal team for its due diligence. The results were awaited.

Should we had checked with legal Department much before this final process or now was the right time to check whether such brand name could be registered for the category or was already in use.

- Queried the HR Head on the Taskforce team.

The Board meeting, 15th December, 2006

It was left for senior management team led by CEO along with board members to finalise the brand name. Meeting had started sharp on time, The Task force team members who were not part of the meeting was wondering what name board would choose or how they would rank them as the time was ticking slowly; the tensions and excitement was mounting about the final brand name. But they were happy that D day had arrived and finally they

would have the brand name after undergoing such an exhaustive yet great learning process. Even the IDF and LAF team were awaiting in anticipation and kept calling about the final name; for them it was the beginning of the next stage of branding, store design and preparing for launch strategy. Each of the team member was proud of being part of this initiative; once in a lifetime opportunity. It would be all over soon and time for celebration to start.

We had a long board meeting lasting over 5 hours with the senior management team to rank and finalise the Brand name. We were presented the brand naming process along with the pros and cons of each name based on the criteria. We were impressed by the robustness of the Brand naming process undertaken, involvement of both the IDF and LAF and finally the consumer dipstick done by AC Neilson. This gave lot of confidence about the shortlisted name. It was tough call as there were no obvious winner and each name seemed to fit. Finally we had to resort to voting. A new name was born amidst mixed reaction. We congratulated the team for the new brand name and wished them a great success for the launch.

- Don Eames, Chairman, Board of Director (worked for over 17 years with Best Buy)