

# Research paper

## Brand deletion

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### Abstract

*Most large consumer goods firms that manage and market an array of brands regularly address strategic questions related to brand portfolio management such as how to maintain and grow brands, which brands to add and which ones to delete. While many firms have weak brands that need to be deleted, the crucial decision to delete a brand is often complex and difficult for managers. Despite the importance of brand deletion, there is limited research in this area. This study is one of the preliminary attempts to understand the phenomenon of brand deletion theoretically. In this qualitative study, data were collected through in-depth semi-structured interviews with brand professionals and, in addition, supplemental archival data was used. The domain and role of brand deletion is defined and explained in detail. Along with this, various attributes of brand deletion are revealed. Informants also discussed how brands are deleted. Furthermore, product deletion and brand deletion are compared and contrasted to substantiate that they are different from one another in various respects.*

### Keywords

*brand deletion, brand portfolio management, grounded theory, kill the brand, product deletion, attributes of brand deletion*

### INTRODUCTION

Brands are rare and inimitable, intangible resources that significantly contribute to firm performance and have the potential to produce a comparative advantage, which, in turn, may provide a position of

sustainable competitive advantage in the marketplace.<sup>1-4</sup> Not all brands, however, remain strong and profitable across their life cycles. It is not unusual for several brands in a house-of-brands portfolio to fail to contribute to the value of the brand

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portfolio or, even, to devalue the brand portfolio. According to informants in this research, weak brands do not achieve the purpose for which they were created and/or are not able to perform one or more of their functions and thus become candidates for deletion. For example, currently, P&G is in the strategic process of deleting over 100 weak brands from its portfolio in order to speed up growth by focusing on the top 70 to 80 essential strong brands that contribute 90 per cent of sales and 95 per cent of profits.<sup>5</sup> In the car industry, Pontiac was terminated in 2010 after 84 years of production,<sup>6</sup> Oldsmobile was finally discontinued in 2004 after a life of 106 years,<sup>7</sup> and Hummer and Saturn were deleted from GM's portfolio. Deleting such weak brands is critical to brand management in order to protect and enhance the value of other important resources such as the firm's overall brand portfolio and its strong brands.

Despite knowing that brands are performing poorly, firms are reluctant to delete them because 'brand deletion is a traumatic process . . .'.<sup>8(p.88)</sup> Research, however, shows that companies can reduce hidden costs associated with managing weak brands, improve their bottom lines and prevent dilution of brand portfolio value by deleting weak brands.<sup>9-13</sup> Unwieldy brand portfolios, bloated with weak brands, can constrain other valuable firm resources and elevate the complexity of internal processes in various functional areas.<sup>14,15</sup> Brand deletion reduces hidden costs due to diseconomies of scale in multi-brand portfolios<sup>16,17</sup> and enhances profits<sup>18</sup> as resources devoted to weak brands are redeployed to augment the value of strong brands.<sup>19</sup> Despite numerous financial, operational and strategic advantages, however, firms are reluctant to delete weak brands.<sup>20</sup>

While the literature strongly supports the importance of brand deletion

to brand portfolio management, there is relatively little research on the phenomenon of brand deletion itself. Research that explores brand deletion focuses mainly on the criteria for brand deletion<sup>21-23</sup> and the consumer's perspective of brand deletion.<sup>24</sup> The product deletion literature offers some insights into processes and strategies for reducing the size of a firm's product portfolio.<sup>25-30</sup> While brand deletion and product deletion are often related activities, they are not identical. That is, a firm may choose to delete a product and keep the brand when the product is weak and the brand is well known. Conversely, a firm could also decide to keep a strong product and delete a weak brand, relaunching the product under a new brand name. Thus, a better and clearer understanding of brand deletion is needed.

The aim of this research is to address this gap in our understanding of brand portfolio management by exploring the phenomenon of brand deletion. Data were gathered from 15 brand professionals across multiple industries with experience in managing house-of-brands portfolios in order to develop a better understanding of (1) what is brand deletion?; (2) how are brands deleted?; and (3) how is brand deletion different from product deletion? The findings contribute to the marketing literature by filling in an important theoretical gap in the area of brand portfolio management. This study is also of practical import as it provides a clearer understanding of the nature and role of brand deletion for brand managers.

## METHOD

In order to explore the nature and role of brand deletion in brand portfolio management, a grounded theory approach is employed as there is a need to understand

the phenomenon in detail from the perspective of informants experienced with the phenomenon. The method is iterative where generative questions guide the research, but they do not limit the collection of data. As data are collected, theoretical concepts are developed, linkages between concepts are identified and a theoretical understanding of the phenomenon emerges.

### Sample

The primary data source comprises depth interviews with 15 brand professionals (Table 1) from different firms across several countries and industries. Brand professionals were chosen as essential informants because they work very closely with brands, are knowledgeable about brand portfolio management and are important decision makers. Theoretical sampling was used to select informants and determine sample size.<sup>31,32</sup> Sampling stopped when theoretical saturation was reached, that is when no new properties of the phenomenon emerged, indicating that further interviews would not generate any new information.<sup>33</sup> Interviews were supplemented by analysis of archival data in the

form of information sources about brand deletion that were (1) recommended by informants and (2) collected through a search of business and trade popular press articles. Table 2 provides a description of these supplemental data sources.

### Data collection and analyses

A semi-structured interview protocol, which included a series of open-ended questions, was used to guide interviews. The interview started with basic questions about the informant's career, job profile, brand management experience and managerial level and role. Thereafter, informants were asked to describe the current brands or brand portfolios they managed and activities involved in brand portfolio management. These questions served as grand tour questions and set the direction for the interview.<sup>34</sup> As informants described brand management activities and their experiences, several other questions were asked to probe responses and elude richer details about the brand deletion phenomenon.

Interviews conducted by telephone or video conference were on average 60 minutes long and were audio-recorded and

**Table 1** Informant profiles

Participant	Designation	Industry	Country	Work Experience
Zara	Brand Manager	Consumer goods	Canada	9 years
Juan	Brand Consultant	Multiple	Colombia	20+ years
Raj	Brand Manager	Consumer goods	India	4 years
Daan	Brand Consultant	Multiple	Netherlands	30+ years
Yash	Brand Manager	Consumer goods	Singapore	7 years
Shan	Brand Manager	Consumer goods	Sri Lanka	4 years
Aziz	Brand Manager	Consumer goods	UAE	12 years
Bob	Brand Consultant	Multiple	USA	30 years
Tim	Brand Director	Durables	USA	20+ years
Zach	Brand Head	Durables	USA	20+ years
Luke	Brand Head	Durables	USA	20+ years
Eva	Brand Manager	Consumer goods	USA	5 years
Mary	Brand Manager	Durables	USA	8 years
Owen	Brand Manager	Consumer goods	USA	5 years
Kim	Brand Manager	Consumer goods	USA	5+ years

**Table 2** Archival data sources

Source	Brand deleted	Company	Category	Form of brand deletion	Date
ICMR Case Study The Associated Press The Guardian	Path to Growth strategy — 1600–400 brands	Unilever	Several	Killed, Sold	1999–2005
Los Angeles Times CNN Money	Jif and Crisco	P&G	Peanut Butter & Cooking oil	Sold	Oct 2001
Advertising Age	Physique	P&G	Shampoo	Killed	Nov 2005
P&G Corporate Announcement Reuters	Folger's	P&G	Coffee	Sold	Jun 2008
Huffington Post Reuters	Pringles	P&G	Chips	Sold	Feb 2012
MSN Money Reuters	Bertolli and P.F. Chang's	Unilever	Frozen Foods & Cooking oil	Sold	Jul–Aug 2012
Reuters The Wall Street Journal	Skippy	Unilever	Peanut Butter	Sold	Jan 2013
Los Angeles Times The Augusta Chronicle	Plymouth	Chrysler	Cars	Killed	Nov 1999
CNN Money ABC News	Oldsmobile	GM	Cars	Killed	Apr 2004
Edmunds Auto Observer NBC News	Saturn	GM	Cars	Killed	Apr 2009
Woodshop News Woodworker's Journal	Delta	Stanley Black & Decker	Woodworking tools	Sold	Jan 2011

then transcribed verbatim. Interview transcripts and archival data were uploaded in QSR International's NVivo 10, a software application that facilitates systematic data coding and qualitative data analysis. Data analysis involved marking essential points as codes, sticking closely to the data, then grouping codes into similar concepts and finally developing and relating categories in a meaningful way in order to theoretically understand the phenomenon.<sup>35,36</sup>

To ensure trustworthiness of findings, interpretive research and grounded theory criteria were applied at every stage of the research process. These criteria include credibility, transferability, dependability

and confirmability.<sup>37</sup> The interviews were conducted in a professional manner using appropriate interviewing techniques and covering a diverse sample of brand professionals whose experiences with brands and brand management incited deeper insights about the brand deletion phenomenon. The data thus collected through interviews were also supplemented by archival data for triangulation. Written protocols, diagrams and memos were used to ensure systematic data collection and analysis. Further, interpretations made by the researchers were reviewed not only by experts in this research method but also by the informants through member checks.

## FINDINGS

### What is brand deletion?

According to the informants, brand deletion is defined as discontinuing a brand from a firm's brand portfolio. They also used terms such as 'eliminate', 'getting rid of', 'throw away' and 'disappear' to describe brand deletion. 'Delete' and 'discontinue', however, were the most used terms across all informants.

### *Role of brand deletion in brand portfolio management*

A framework explaining the role of brand deletion in brand portfolio management emerged from the interviews (Figure 1). Informants reported that their firms regularly measure the performance of their brands on various performance metrics to ascertain whether the brand is performing its role in the brand portfolio and fulfilling the purpose for which it was created. Luke, the head of a global car brand, sheds some light on this process:

'Every single day we analyze our brands. For each brand we have performance metrics from profitability to market share to customer promotion scores, quality scores, trends of different models, etc . . . We also have these scores specific to market levels e.g. Detroit market versus Texas market. We also measure what the competitors are doing and make sure we know what is happening in the market to ensure that we deliver on the individual customers' needs. We have everything from staff meetings to systems that show us what's selling and what's not selling, what dealers are stocking, why are they stocking that.'

This regular analysis surfaces several underlying symptoms of brand underperformance. Brand managers use these measures to identify brands that are not doing

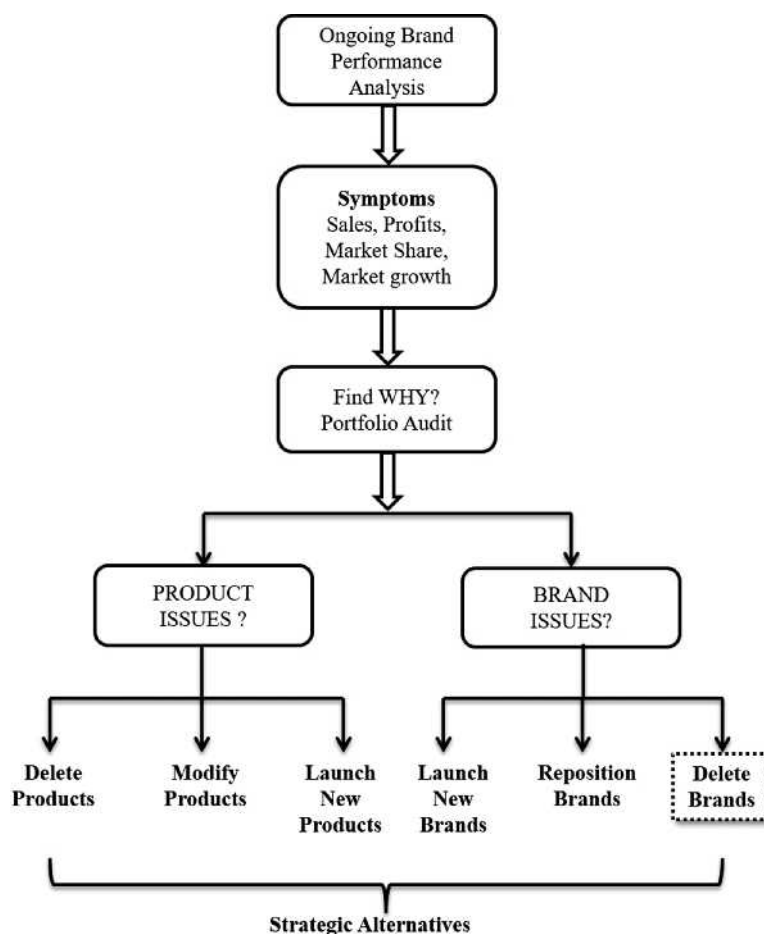
well on these performance metrics. Then, because the brand and product are intertwined, they look at the problem with a two-pronged approach: (1) Is the underperformance due to product issues? (2) Or is the underperformance attributed to issues related to the brand itself? After evaluation, if there are product issues but the brand is strong, brand managers tackle the problem by adding a new product, updating or modifying the existing product, or deleting the existing product and replacing it with a better product. If the brand is underperforming and the product is strong, managers then consider strategic alternatives on the brand side, such as launching a new brand to represent that product, repositioning the existing brand or deleting the existing brand and rebranding that product under a strong brand.

### *Attributes of brand*

Brand deletion is one of the strategic alternatives that brand managers need to consider while optimising their brand portfolios, and therefore it is imperative to understand its underlying attributes. Informants described five attributes of brand deletion: (1) strategic nature, (2) frequency, (3) formalisation, (4) emotionality and (5) time duration.

### *Strategic nature*

Informants repeatedly mentioned that brand deletion is an essential 'business decision' and is 'highly strategic' in nature. For example, Zara, a brand manager managing the Canadian market of a global toy brand, stressed that 'brand deletion is more than important in your business cycle. It is very strategic'. Similarly, Bob emphasised, 'When I say brand deletion decision, it is not just a brand decision; it is a business strategy decision'. Again Juan, a brand



**Figure 1** The role of brand deletion in brand portfolio management

consultant from Colombia, pointed out, 'Brand deletion is of capital importance and top priority for any given management because it is not only today's source of revenues but it's also about the future of the company.'

In all these examples, brand deletion was highlighted as a critical strategic choice for a business. Since brands are important intangible resources that significantly influence firm performance,<sup>38–40</sup> most large corporations in consumer markets that own large brand portfolios make corporate-level decisions based on their brand portfolio performance.<sup>41–43</sup>

Basically, brand portfolio strategies impact and influence other strategic areas of a firm. And since brand deletion is one of the strategic choices in brand portfolio management, the importance and strategic nature of brand deletion is evident from the preceding arguments.

### Frequency

Frequency of brand deletion is the rate at which brands are deleted in a firm over a period of time. Informants stated over and over again that brand deletion is an infrequent and 'rare' strategic choice in brand



portfolio management. They used terms including 'last resort', 'reactive' and 'not often' to describe the frequency of brand deletion. For example, Zara describes:

'It is neither done on a regular basis nor it is a drastic decision that one fine day something happened, and we delete a brand. And it cannot happen on a basis of just one situation . . . This is a reactive strategy as you cannot be proactive in these things. The pressure arises when you have a difficult situation . . . Deleting a brand is a very strategic decision and cannot be taken on a yearly basis.'

Owen, a brand manager for a US-based health foods company, also agreed that ' . . . deletion does not happen often . . . So, brands are not deleted at regular planned intervals. They are deleted when the situation calls for [it]'.

When probed further about why brand deletions are rare, informants attributed the infrequent nature of brand deletion to the emotional attachment to the brand and the controversy that could arise with deleting a brand. Brand professionals were also of the opinion that there are so many resources invested in a brand over the brand's lifespan that sunk cost fallacy<sup>44</sup> also creates hesitation in deleting a weak brand and delays the decision. Firms invest a considerable amount of resources in building their brands over years, and when the brand does not meet its goals, firms get trapped in the sunk cost fallacy. Instead of deleting the brand, they remain committed to the weak brand based on past investments, ignoring the current unfavorable cost-benefit ratio. For example, Yash said,

'I think typically in the company, brand deletion is sort of the last resort because it leads to a lot of controversy . . . I think it's much more common that the brand is

left to languish in the market without any support but actively making a call to remove a brand from the market is quite rare . . . I think brand deletions are extremely rare.'

Mary, a brand manager in a US-based consumer durables company, stated that 'it (brand deletion) is not that often and it is not a good thing when it occurs because we have poured a lot of money, development, and human resources into it [the brand]'.

### *Formalisation*

Informants also linked the infrequent nature of brand deletion to the lack of formal procedures for deleting brands. In organisational research, a firm's decision-making structure is comprised of three dimensions — specialisation, centralisation and formalisation.<sup>45,46</sup> Of these three, formalisation can be defined as the degree to which a firm uses standardised rules and procedures to prescribe behaviour, establish relationships and carry out decision-making.<sup>47-49</sup> Formalisation, as a determinant of decision-making, impacts decision-making speed,<sup>50</sup> rationality<sup>51</sup> and efficiency.<sup>52</sup> Literature also shows a positive and significant relationship between formality of the planning process and performance.<sup>53,54</sup> In the product deletion scenario, it has been found that a formalised process enhances managerial effectiveness by preventing sick products from hanging in the product line and by thwarting procrastination, hesitation, reluctance and half-hearted efforts in the elimination process.<sup>55,56</sup> Unlike in the case of product deletion, however, informants highlighted the fact that brand deletion is not a formalised decision-making process. For example, according to Yash, 'It's more like when a situation arises; there is no drum beat process that we follow where every one year or so we do a portfolio analysis and do a brand deletion'.

### Emotionality

Informants mentioned that they feel an attachment towards the brand they work with and that makes the entire process of brand deletion very stressful and emotionally charged. Similarly, informants also mentioned how depressing it is to separate themselves from the brand they have launched and managed over a period of time. Brand attachment is defined as ‘the strength of the bond connecting the brand with the self . . . involves thoughts and feelings about the brand and the brand’s relationship to the self’.<sup>57(p.2)</sup> An individual develops a sense of oneness with the brand, which establishes cognitive links that connect the brand with the self, and this bond is not just cognitive but also emotional in nature.<sup>58–60</sup>

Individuals experience complex feelings about the brand, such as happiness from brand-self proximity, pride from brand-self association, and anxiety and sadness from brand-self separation.<sup>61</sup> For example, Zara revealed that ‘[t]here are people who are really attached to the brand. My brand is my baby, and I live my brand all the time. I would never buy competition product . . . It (brand deletion) is a very sensitive issue’. Similarly, Daan, a Netherlands-based brand consultant, shared his experience: ‘This is in my experience indeed an emotionally charged decision in the company when market developments urge the company itself to delete the once so successful brand.’ The emotionality associated with brand deletion is further described by Yash:

‘So okay, first of all brand deletion is always very emotional and controversial decision because usually the people whom you are recommending to that we remove this brand are often the people who have launched this brand at some point in time in the past. I think

typically in the company, brand deletion is sort of the last resort because it leads to a lot of controversy . . . Now sometimes because of emotional reasons I talked about, more than any strategic reasons, we continue to put good money after the bad . . .’

Along with informants, archival data sources also highlighted the emotional nature of brand deletion. For example, an archival data source, *Los Angeles Times* (1999), quoted Chrysler’s President Jim Holden about Plymouth’s deletion: ‘This was an emotional decision because Plymouth will always be an important part of our heritage.’ Edmunds Auto Observer (2009) also quoted GM’s CEO, Fritz Henderson: ‘Eliminating the Pontiac division was a tough decision and an intensely personal one for many at the auto company because of its heritage . . . But it is one that needed to be taken.’

Informants and archival data sources both emphasised that individuals often get attached to the brands they manage. Individuals also often draw significant meaning about who they are from their professional identity, and thus, when an individual’s job competence is doubted, it directly attacks his/her identity at a fundamental level and thereby becomes an emotionally threatening experience.<sup>62</sup> Informants stated that they create and nurture the brand, and thus when they face the situation where their brand becomes weak and have to decide whether to get rid of it, it becomes a sensitive and controversial situation. ‘Brand managers whose careers are wrapped up in their brands, never take easily to the idea (of brand deletion).’<sup>63(p.88)</sup>

### Time duration

Time duration refers to the temporal dimension of brand deletion and signifies



the importance and complexity of this strategic choice. Time duration is the actual length of time taken by the firm to delete a brand from its portfolio; this time period includes all the time required for the firm to analyse why the brand is not performing well, evaluate alternatives, decide whether to delete the brand, and if they decide to delete the brand, then also the time taken to implement the brand deletion. According to the informants, this is a very time-consuming decision and cannot be made and implemented overnight or in a short span of time. Indeed, the time duration of this decision ranges from a few months to a few years, depending on how many brands are being deleted and how much these deletions would impact the firm and other brands in the portfolio. The long time duration for brand deletion arises because of its strategic nature and lack of formal procedures. The decision takes time as the management wants to confirm that they made a sound decision by deleting the brand because they want to ensure positive outcomes and avoid negative consequences of that deletion. For example, according to Zara, 'This (brand deletion) is very strategic and cannot happen overnight; it might take three to six months to take such decisions and implement them. They might even take a few years to take this decision'. Luke further emphasised the long time duration of brand deletion, saying,

'This entire process from start to end took at least two to three years because when federal regulations come into play, we know that the product needs to be changed, we start looking at performance in business, sales forecast, etc . . . and start looking at a tradeoff between two different strategies. And those conversations were happening I bet you three to four years in advance . . .

When you take such a long time, you are making a solid decision about what you are going to do because it's purely based on the investment and modifications that need to be made. Your suppliers have a 12–18 months of tool-build time before you actually produce the unit. So you need to know what you are doing about two years prior to that . . . You also have to be ahead of what is really happening in the market.'

The informants' comments are buttressed by archival data sources, The Associated Press (2002) and The Guardian (2002), in the context of Unilever's path to growth strategy of pruning their brand portfolio from 1,600 to 400 brands. Both sources quoted a Unilever spokesperson as saying, 'labels to be discontinued most likely would be national or regional brands, and that the selection process likely would take several years . . . the plan would take three to five years to complete'.

In summary, brand deletion — despite being highly strategic in nature — is an infrequent, last resort strategy in a firm. Brand managers consider themselves as creators and custodians of their respective brands. They revealed that they create and nurture the brand and share a relationship with the brand. Hence, when the brand is ailing, they first try to cure the ailment, attempt to make the weak brand viable, rebrand or reposition it rather than quickly decide to delete it. At the same time, informants reported that brand rationalisation should be made a regular activity in every firm so that 'no firm ends up with a lot of garbage in the brand portfolio' (Zara). They also revealed that letting a brand languish in the market without any support (ie financial, marketing and sales support) is more common than deleting a brand.

## How are brands deleted?

Informants also differentiated how brands are deleted: (1) by killing the brand and (2) by selling the brand. Participants reported 'killing the brand' as discontinuing the brand from either selected target markets or from all markets. Yash, a brand manager, managing the Asian market of a global consumer goods giant, describes killing a brand in the Indian market thus: 'So in the sense we actively pulled it out, stopped its production, I mean, let's not even make it available in that market anymore. We just do not play with the [X] hair care brand in India anymore.' Another example of discontinuing a brand from a selected target market was presented by an archival data source, *Advertising Age* (2005), which reported that Pert and Physique hair care brands became the fourth and fifth hair care brands P&G shed in three years following the discontinuation of Vidal Sassoon in North America in early 2003.

A brand might continue to be available to consumers, if the firm decides to delete the brand from its own portfolio, but sell it to another company. A firm generally sells the brand if it is still profitable, has a good brand image and holds brand equity in the market but is no longer a strategic fit for the company. Strategic fit is central to sustainable competitive advantage because it is specific to the firm and, therefore, challenging to imitate.<sup>64,65</sup> Focusing on brands that have a strategic fit with the firm's objectives strengthens this valuable resource by allowing the firm to allocate more resources to strong brands, which in turn enhances a firm's competitive position in the marketplace and, thereby, ensures superior financial performance.<sup>66,67</sup> Bob, a US-based brand consultant, provided the example of Skippy peanut butter:

'Unilever said we are not focusing on that side of business anymore though it is a nice business and it can be better than what we do with it. So it is better for us to sell that business off. So they sold it off to another company who can manage it better. So that's deleting a brand from their portfolio. They might not be killing it.'

Other examples of brand deletion by selling the brand include Hummer, which was deleted from GM's portfolio and was sold to China's Sichuan Tengzhong Heavy Industrial Machinery Co.<sup>68</sup> Although Hummer is deleted from GM's portfolio, it is still available in the market through the Chinese company that now owns it.

## Is brand deletion different from product deletion?

Although the terms 'product deletion' and 'brand deletion' are used interchangeably in business, they are very different from one another. The informants also, at times, used them interchangeably, and when this was pointed out, they realised they were doing so. Yet they emphasised that while brand deletion and product deletion are confused with one another, they are very different processes. Further inputs from brand professionals enabled us to compare and contrast these two strategic alternatives. For example, Zara emphasised:

'Deleting a product is an on-going process. It happens every year. [For example] Air Freshener businesses keep bringing new fragrances every time. That's the need of the category. Consumers need variety and you have to provide it . . . Deleting products is a yearly exercise which everybody should do. However, deleting a brand is a very strategic decision and cannot be taken on a yearly basis. They might even take a few years to take this decision. It is also a very sensitive issue.'

Juan also highlighted this difference as follows: 'I think product deletion and brand deletion are two different processes. Perhaps they both come from brand architecture and portfolio review. But they are different strategies at the end.' Further, Yash said,

'I think product deletion is something that keeps happening in an organization because we need to keep in touch with fast evolving consumer needs . . . So products keep coming and going. But brand is like the classical saying – tinker with the dazzle as less as possible. Brand deletion is a rare event and we would not change anything of an equity driver so easily. We cannot delete a brand so lightly. Whereas product deletion is accepted widely and is required to stay in the business . . . product deletion is triggered by consumer needs and is a process led by R&D. However in case of brand deletion, it is triggered by a business need and is led by brand and marketing.'

Product deletion is generally a well-planned, proactive and formalised process in firms, whereas brand deletion is

a reactive, last resort strategy that does not have a formally defined process in most firms. Generally, both involve the top management and cross-functional teams; however, the triggers for both are different. Product deletion is generally triggered by consumer needs and is a process led by the research and development and/or the product development function. Brand deletion, however, is generally triggered by business needs and is led by the brand and marketing function. Table 3 summarises the distinction between brand and product deletion (based on the inputs from the interviews).

Since brands and products are interconnected, informants talked about scenarios in which brand deletion and product deletion intersect in different ways, which led to the development of a  $2 \times 2$  conceptual framework<sup>69</sup> (Table 4).

First, when a firm decides to *delete a brand and its product at the same time*, it is a *complete deletion*. Some examples from the P&G's brand portfolio are Thrill dishwashing liquid (completely deleted in the 1970s), Wondra hand lotion (completely

**Table 3** Differences between product deletion and brand deletion

	<b>Product deletion</b>	<b>Brand deletion</b>
Definition	Discontinuing a product from a firm's product line	Discontinuing a brand from a firm's brand portfolio
Nature	Proactive — Planned well in advance	Reactive — Relatively less planned
Frequency	Relatively frequent and conducted at regular intervals	Rare, relatively infrequent and not conducted at regular intervals
Formalisation	Formalised process	Non-formalised process
Led By	R&D and Product team	Brand and Marketing team
Triggered by	Operational problems, poor quality, raw material problems, new variants replacing the old ones	Lack of strategic fit with overall portfolio and firm objectives, brand redundancy, diluted brand image
Examples	<ul style="list-style-type: none"> <li>Fashion — Fall collection products replace Spring collection products</li> <li>Pharmaceuticals, Food and Beverages — Launch new improved product formulations and delete old products</li> </ul>	<ul style="list-style-type: none"> <li>Fast moving consumer goods — Moving from proliferation strategy of local/regional brands to global brands involving deleting local brands.</li> <li>Cars — Loss-making brands leading to bankruptcy need to be deleted</li> </ul>

deleted in late 1980s), Sunny Delight orange drink, Sunshine margarine and Monchel beauty soap. Other examples of complete deletion are Plymouth from Chrysler's portfolio and Oldsmobile from the General Motors brand portfolio. When a brand and product are both deleted simultaneously, it is a bigger and more important strategic choice, and such decisions are not taken frequently on an annual or regular basis. As Mary mentioned, 'Deleting a brand in our world is much bigger a thing because in that case you are probably deleting a whole portfolio of products along with the brand'.

*Deleting products and retaining the brand*, however, is more planned, periodic and frequent in nature. This involves deleting products or Stock Keeping Units (SKUs) that are not doing well, do not meet the changing consumer needs, and/or if there is a product reformulation in that product line. In these cases, the product variant is deleted, whereas the brand is still intact and serves as a label on other products in the portfolio. For example, the Cappuccino product variant of Trident chewing gum was deleted. Traditionally, people chew gum to have a fresh breath, but coffee does exactly the opposite of that. The product variant did not do well in the market and thus was deleted. The Trident brand, however, still exists. As Juan stated, 'The product being deleted and brand being retained is more common. Product portfolio review and cleaning up leads to discontinuance of a few items from the portfolio or this could be a category too.' Raj, a brand manager working for an Indian consumer goods giant, further revealed,

'Normally, in multi-brand companies, one brand stretches across various categories. For example, we have [X] soap, [X] shampoos, [X] deosticks, etc . . . Now at any point any of these products might not work but the

[X] brand is very strong. So, they can delete the product but not the brand.'

Another example would be fashion houses that plan to delete the fall collection and then launch the spring collection, which is further deleted in summer. The fashion brand name, however, is the same in every seasonal collection. Similarly, new product formulations in fast moving consumer goods also lead to deletion of the old products, but the brand is still retained.

The third scenario where the *brand is deleted while the product is retained* is called *rebranding*, that is relaunching the same product under a different brand name. Participants and archival data sources revealed that firms face this scenario more often than complete deletion. For example, Juan pointed out that ' . . . when a company abandons a brand and continues with the product, it has to be renamed or re-launched under a different brand name. Perhaps they want to change the brand name but keep the good product'. Luke also shared his experience with this scenario:

'So what I did was to pull that vehicle (commercial van) from the [X] brand and bring it over to the [Y] brand which meant we needed to discontinue the [X] brand and basically invest in the product to build features that Class 1 commercial van customers require. Then we rebranded it as [Y].'

Also, car firms that faced redundant products under different brand labels decided to consolidate their brand portfolio by deleting brands, retaining their best products and relaunching those vehicles under fewer brand names. Similarly, Mars decided to relaunch one of its best-selling chocolate bars, 'Marathon', under the global 'Snickers' brand name. Thus, the

**Table 4** Scenarios where brand deletion and product deletion intersect

<i>Strategic choices</i>	<i>Product deleted</i>	<i>Product retained</i>
<b>Brand deleted</b>	Complete deletion eg Thrill dishwashing liquid	Rebranding a product eg Marathon was rebranded as Snickers
<b>Brand retained</b>	Regular product deletion eg Trident Cappuccino Gum	No deletion

product was retained, but the Marathon brand was not associated with the chocolate bar thereafter.

In summary, brand deletion is not product deletion. A brand and a product might be deleted simultaneously, but brand deletion and product deletion are not the same. Product deletion is a well-planned, formalised process in firms that is undertaken at regular intervals and is led by the R&D or product development team. On the other hand, brand deletion is infrequent, non-formalised and reactive in nature and is led by the brand and marketing team.

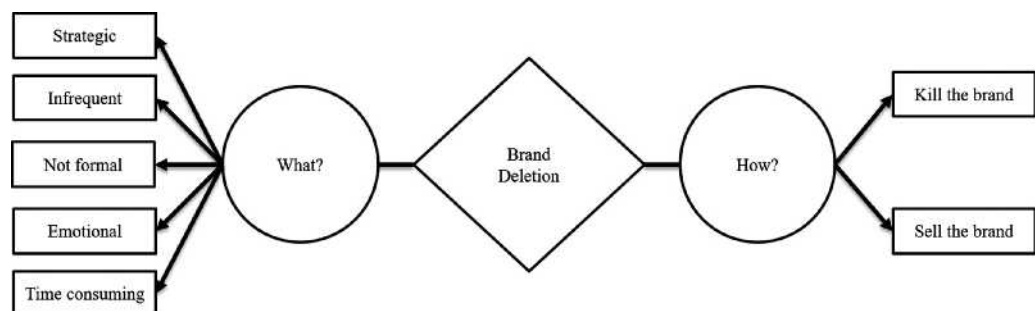
## IMPLICATIONS

The focus of this study was to understand and explicate the important yet under-researched marketing phenomenon of brand deletion. The grounded theory analysis highlights the fact that while brand deletion is very strategic in nature, it is generally a last resort, infrequent

strategic alternative exercised by firms (Figure 2). This research also clearly differentiates between the concepts of brand deletion and product deletion and presents a  $2 \times 2$  conceptual framework of scenarios where these strategies intersect (Tables 3 and 4).

## Theoretical implications

While a large share of research in the area of brand portfolio management focuses on creating and acquiring brands, brand architecture, brand equity and firm performance, and brand characteristics, brand deletion is scantily researched. Using grounded theory, this study explores the relatively under-researched area of brand deletion and enhances the understanding of this complex and critical marketing phenomenon. First, it defines the domain and role of brand deletion, then highlights its attributes, discusses how brands are deleted and ultimately explains the differences and intersections between brand

**Figure 2** Attributes and Forms of Brand Deletion.

and product deletion strategies in detail. This not only clarifies the ‘what?’ and ‘how?’ questions related to brand deletion but also simplifies the complexity arising from the intertwined nature of brand and product deletion. The findings from the research are also generative in nature because they guide future research by providing a theoretical basis for brand deletion.

Furthermore, this study extends the concept of ‘contra-resources’ from Resource Advantage (R-A) theory in the context of brand portfolio management. While successful brands enable the firm to gain a comparative advantage in resources, weak brands are ‘contra-resources’<sup>70(p.12)</sup> that are detrimental to the firm’s market offering and, ultimately, financial performance if the firm fails to modify, sell or delete the brand from its brand portfolio. ‘Just as a crust of barnacles on the hold of a ship retards the vessel’s movement, so do a number of worn-out items in a company’s product mix affect the company’s progress.’<sup>71(p.1)</sup>

### Practical implications

Today, in this highly competitive information age, the role and importance of brand managers has become not only crucial but also complex.<sup>72</sup> Brand managers can benefit by using the findings of this study for understanding the importance and nature of the complex and traumatic strategic choice of brand deletion. Deleting weak brands releases blocked resources that can be reallocated to the strong power brands in the portfolio in order to create higher economies of scale in manufacturing and marketing and to optimise inventory.<sup>73</sup> Focusing on essential brands and deleting marginally profitable brands provides several growth opportunities for the essential brands. This research aids brand managers

in understanding and systematically considering deletion of brands in order to channelise firm resources in building brand portfolios comprising strong brands, which will contribute to a firm’s superior financial performance.

At the same time, the study provides insights into the challenges associated with brand deletion including the emotionality associated with the decision and the lack of a formalised decision-making process. Findings also provide a better understanding of the intersection and differences of brand deletion and product deletion. This is useful to brand managers charged with oversight of the health of their firms’ brand and product portfolios.

### FUTURE RESEARCH DIRECTIONS AND CONCLUSION

This study relies heavily on participant interviews and archival data instead of actual observations. Future research could study these components by observation of behaviour over extended time periods in brand meetings where brand deletion decisions are actually made. A longitudinal approach would also allow examination of important documents and plans companies use to arrive at the brand deletion decision. Such research could also provide a process view of the brand deletion phenomenon.

While the study is based on diverse data collected from brand professionals in different industries and countries, brand deletion is explored only in the context of consumer packaged goods and consumer durables. In the future, researchers could investigate the brand deletion phenomenon in the service industry context.

This research, in the context of discovery, is still in its nascent stage, and a significant amount of empirical work needs to be done to establish the plausibility and



acceptability of brand deletion in various contexts.<sup>74</sup> For example, what is brand deletion in the context of a 'branded house' firm? This research is one of the early steps taken to obtain a better understanding of this scantily explored, yet very crucial phenomenon and thus also opens several avenues for future research in this area of brand portfolio management.

Finally, if firms draw their attention to this neglected and complex area of brand management and strategic decision-making, brand deletion might no longer remain a traumatic ordeal for the firm. If planned and executed properly, it would result in a firm fortified for growth.

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