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## Will it mean jack? RadioShack rebranding itself "The Shack"

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RadioShack announced on Monday that it will rebrand itself as The Shack, although the company name won't change.

Dropping "radio" could make sense, said Mara Devitt, a partner at McMillan/Doolittle, a Chicago retail consulting firm, noting that "radio" may have "last-century" connotations. "It's an effort to bring themselves into the 21st century," Devitt said. "People definitely call it 'the shack.'" Lee Applbaum, chief marketing officer for the Fort Worth consumer electronics retailer, called the move a way of "contemporizing" perceptions of the brand. "Our customers, associates and even the investor community have long referred to RadioShack as "The Shack," so we decided to embrace that fact and share it with the world," Applbaum said in a statement. "The Shack speaks to consumers in a fresh, new voice and distinctive creative look that reinforces RadioShack's authority in innovative products, leading brands and knowledgeable, helpful associates."

RadioShack didn't provide details of what it called "a new brand creative platform." But Wendy Dominguez, a RadioShack spokeswoman, wrote in an email that "our customers will experience the campaign through television, print and digital media, as well as a three-day launch event taking place in New York City and San Francisco," starting on Thursday.

Calling it The Shack, however, may not mean jack, unless bigger changes are in store. "Consumers aren't going to be fooled by name changes," said Neil Stern, a retailing strategist with McMillan/Doolittle in Chicago. "But they will respond to substance."

RadioShack has in recent weeks announced a that it would underwrite Lance Armstrong's American Pro-Tour cycling team and add T-Mobile to the 4,000 stores. "We have tremendous equity in consumers' minds around cables, parts and batteries, but it's critically important that we help them to understand the role that we play in keeping people connected in this highly mobile world," Applbaum's statement said. "You will see a real focus on mobility and wireless products from leading brands in our new advertising."

Other companies have followed customers' lead in rebranding themselves: FedEx, for example successfully rebranded itself because that's what customers actually called it. "I'm interested in seeing what the new logo is like and if people are able to make the leap," Devitt said. "I think their greatest risk is consumers wondering where RadioShack went."

Of course, Stern said, he couldn't think of a worse brand name than the old one, combining the words radio and shack.

But despite the name, Stern said that when he studied RadioShack more than a decade ago, the company had 97 percent unaided brand consumer awareness.

Name changes can buy companies flexibility to shake up the products or services it sells. Kentucky Fried Chicken introduced new products to accompany its new brand, KFC.

Of course, the strategy can flop.

"A few years ago, K Mart did a similar thing when they came out with the Big K," said Elten Briggs, a University of Texas at Arlington marketing professor. "They haven't had great success with that."

But rebranding can be easier than retraining customers, Briggs said, giving companies a clean slate.

Said Stern, "I think you can go where the customer allows you to go."