

Rebranding Strategy: A Case Study Of Star TV

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ABSTRACT

Every company expand themselves for earning profits, gaining market share, making new loyal customer base, tapping new markets. Rebranding is one of the best methods to approach new customers, to step in the new untapped markets. Star T.V. has rebranded it's sports channel and channel rename it's brand ESPN. In November 2014 Channel announced that they are going to make huge investment in India. Star concentrate and understand the concept of language differences and traditional games in India. This paper is a case study of star sport channel which rebrand itself in India for increasing it's market share with the huge investment of Rs20 thousand caror within 3 to 4 years for rebranding new channels. Company added some new channel in it's portfolio so that they can earn maximum profit Paper will analysis the strategy behind rebranding of sport channel and will try to understand branding concepts through rebranding strategy.

KEYWORDS: STAR SPORTS, REBRANDING, BRANDING, PORTFOLIO.

I. INTRODUCTION

Star Sports network jointly owned by Star TV and Fox International channels star sports showing sports programme in India, Singapor, maleshiya, Sri Lanka, Thiland, Indonashia, Pakistan, Bangladesh, Philippines, Hong Kong, and other Asian territory [1]. Star Sports channel is a premier channel in India for sports lovers. Star TV network rebrand it's sport channel with huge investment in India the amount is Rs. 20K Caror. In India Cricket is a passion for the youth but there is lot more from the local side. For promoting cricketing events on university level NDTV and Ministry of HRD have joined hands for the event. Star TV analysis the potential of the market in university cricket which was untapped till date not only university cricket but also woman cricket, ranji matches as well as cricketing events which will not feature India. Star thinks that only 2% consumed in English language other 98% viewers are

proficient in their own local languages. Star identify that there is huge market potential in this area so they have launched a cricketing channel in Hindi only and they are planning to go beyond Hindi in other regional languages. Other channels of star will broadcast international games such as soccer, badminton European soccer leagues, tennis formula-1 racing. Their will be another channel which only provide updates on sporting thrice a day [2]. Star network renamed it's all ESPN channels, subsequent to buyout ESPN Inc's stake in their 16 year old joint venture ESPN Star Sports (ESS) .Star network is not only rebranding it's channel but also they are getting up linking license for three new channels. [3]

II. BRAND

Brand is any name, sign, symbol, logo, tagline which can identifies your product and can differentiate with competitive firms. Brand name always ensures the quality and customer belief. Brands makes your product or service well known to the existing customers and to the new customers. Brand name such as Star TV, Sony TV, Pepsi, Maruti, Honda, Hundai, Toyota, Hindustan unilever, P&G, ICICI Bank, SBI Bank all have their own customers and this is because of brand image. Branding provide manifold advantages to the customer as well as to the company. It creates new customers many time loyal customer who make your customer base more powerful. Customers stand with the company in the hard time of the business. There are certain benefits of Brand –

- Product recognition
- Creating favorable Brand Image
- Loyal customer base
- Quality assurance
- Premium prices.
- Build brand equity
- Brand Extensions
- Lower marketing expenses [4]
- Help in product positioning[5]

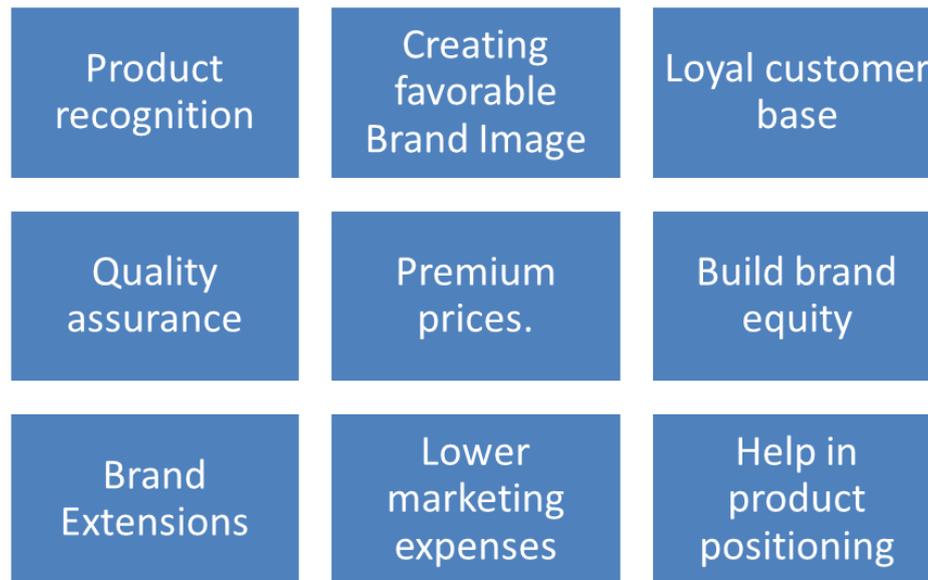


Figure1. Benefit of Brand

- Product Recognition**

Brands provide multiple sensory stimuli to enhance customer recognition. For example, a brand can be visually recognizable from its packaging, logo, shape, etc. It can also be recognizable via sound, such as hearing the name on a radio advertisement or talking with someone who mentions the product.
- Creating favorable Brand Image**

Brands creates positive image in the mind of consumers so consumers can associate with the brand name in long term. Positive image also increases the brand equity of the product or service and companies can easily promote their new products and services with positive brand image.
- Loyal customer base**

It is well known fact is that creating new customers are more difficult than managing exist customers by providing them better goods and services. Loyal customers are those customers who always try to purchase the same brand or try to use services of same company.
- Quality Assurance**

Brand indicates certain kind of quality assurance. Like Toyota is usually known as a synonym of quality. Branded items is always take as a better option than the local products thus customers who prefer quality items they purchase branded items instead of local.
- Premium Price**

Premium prices can be charged for the branded items because of the quality aspect of

the brand and the segment of branded item is usually upper class of society because they are mostly conscious for the price and the quality.

- **Build Brand Equity**

Brand equity refers to the total value of the brand. Strong brands usually has greater amount of brand equity big brands invest more to creating their brand equity by investing on promotions, face value of owner, providing better services, larger market share, and most important base of loyal customers. Big brands have more brand equity and small brands have less.

- **Brand Extension**

Brand is not made in a single day it take time of years. The value of brand or the name helps companies to spread their name with the respect of new product or new services which will give the brand more customers, better range of products and services on both higher and lower side of the corner.,

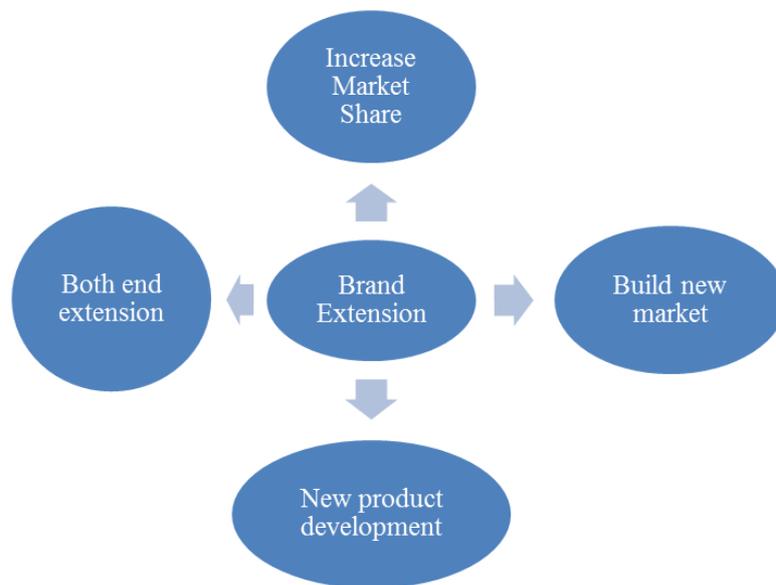


Figure 2 Brand Extension

- **Lower Marketing Expenses**

Branded items because of their good image in the mind of customers have lesser requirement of doing marketing of well establish brands this gives company a lower marketing expenses and company can focus on their new line of products and services.

- **Help in Product Positioning**

Well - known brands capture customers focus and it is known as a capturing the “share of heart and share of mind of the consumer” so it is very easy to position products and services whenever company launched new products. Like Star Sports is

positioned themselves as a place where you can watch cricket in hindi or all cricketing events on one place.

“Capturing consumer’s share of mind and share of heart”

III CONCEPT OF REBRANDING

Term rebranding is used to define brands which have done something new in their existing brands either they have changed in their product or service portfolio or changes in the logos, launching entire range of products, marketing strategy, entry in entire new markets. Rebranding can be define as a “marketing strategy in which a new name, term, symbol, design or combination therofis created of an established brand with the intention of new differentiated identity in the mind of consumers, investors, and competitors.”[6]

IV BENEFIT OF REBRANDING

Companies go for rebranding to gain some key aspects related to the company’s growth. Company tries to rebrand their product or services to maintaining their positive image in the market of to gain more market share or to make new customers for their brand. Key benefits are as follows –

Creating Positive Image

Mostly companies adopt strategy of rebranding if they think that the brand image is going to be negative in customer’s mind or customers are giving the negative feedback to the company for the brand. Then company can come with the strategic move of rebranding. In India a well- known case is UNIT -34 which was rebranded as a Axis Bank.

New market Opportunity

Another reason of rebranding is to utilizing the market conditions and to enter in new untapped market this will provide larger market share and scope to cater larger amount of customers with new products or services. Recently there is a case of Star T.V. who has rebranded it’s sports channels for utilizing the market opportunity available in India.

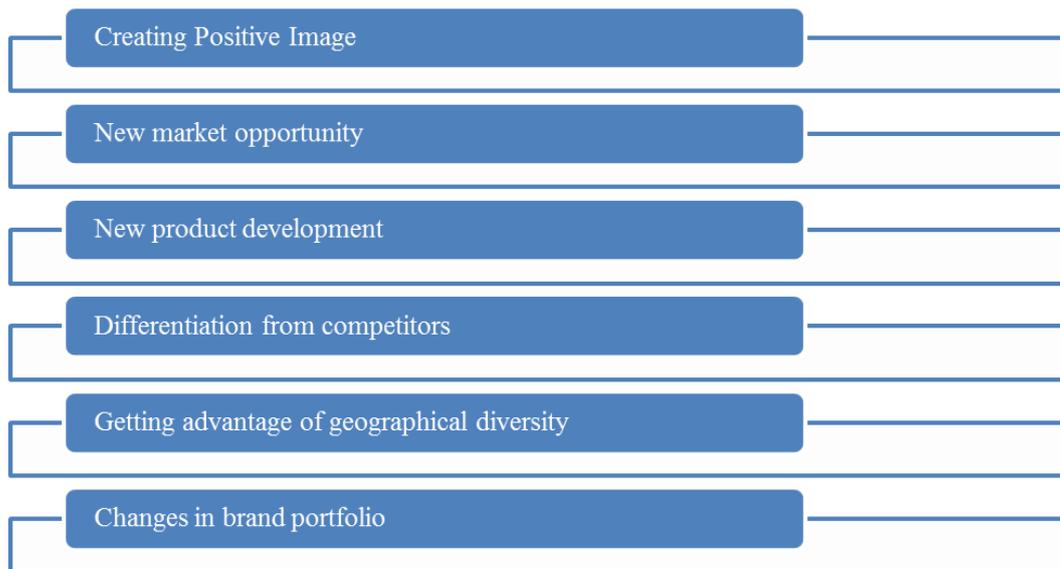


Figure 3: Causes of Rebranding

New Product Development

If companies want to rebrand themselves they must have some new products or services to cater new customer base. Rebranding gives an opportunity to creating new and innovative product or services to create their segments it can be bottom of pyramid.

Differentiation from Competitors

One reason of rebranding is differentiation of the brand from their competing brand through rebranding strategy company enhance their portfolio with the greater competitive advantage. For gaining these advantage companies can include new products, can change their existing products, can rebrand entire brand, can come with the merge some existing brands for gaining distinctive advantage. For example Star TV has launched entire new range of sports channel which will cater different-different markets they have six new sports channel starting from star sport 1 to 4 and star sports HD 1 and star sports HD 2.

Getting advantage of Language diversity

India has significant differences in their languages speaking in various states. This is an advantage for the company who sees this diversification an opportunities for wider market, providing new and better services with existing brand or with the rebranding of the existing brand. Rebranded products and services are meant to be catering the specific market coverage of those regions according to their needs and wants. For example Star TV has rebranded its sports channel Star Sports 3 only for Hindi audience to cover large market and other then this star TV is also plan to cover more regional language in India.

CASE OF STAR CHANNEL

Recently STAR (Satellite Television Asian Region) TV has adopted the concept of rebranding of its sports channel for the purpose of profit and for gaining the market share. Basically STAR TV is owned by the 21st Century Fox. Star India has 48 different channels in eight different languages. Portfolio of Star India before 1993 included six various channels.

Portfolio of Star India before 1993

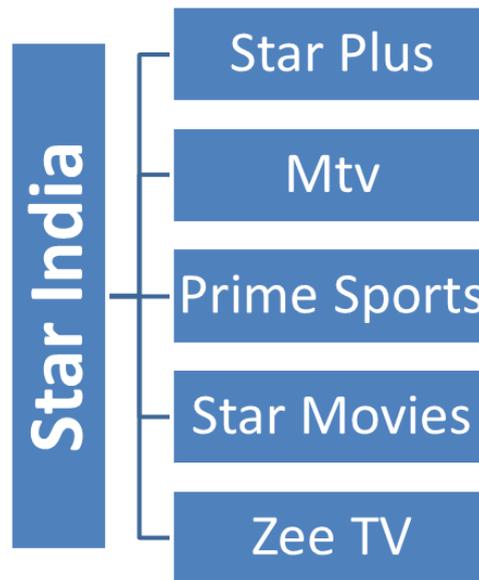


Figure 4: Portfolio of Star India before 1993

Portfolio of Star India after 1993

1993 was very crucial year for the STAR it was purchased by NEWS Corporation 63.4% after some time they purchased remaining 36.4% in 1 January 1993. Presently The portfolio of star TV consist following channels. Next figure shows some of the most important channels of the portfolio in Star TV in this channel I am mentioning Prime Sports which is recently rebranded. On the place of Prime Sport some new channels occupy the place and make the significant change in the portfolio of Star TV. There are some HD channels also included in the portfolio of the Star TV. Some more channels which I have not included in the diagram MAA TV, MAA Music, MAA Gold, National Geographic Channel, Net Geo Music, Net Geo People, Net Geo Wild, Fox india, Fox Crime, Fox Life, Fox Sports News, Cartoon Network India.[7]

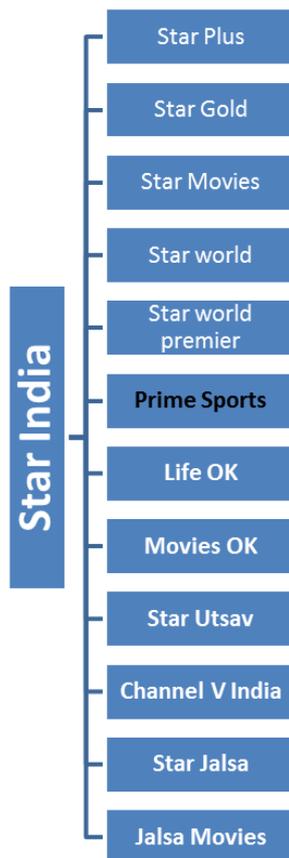


Figure 5: Portfolio of Star TV After 1993

REBRANDING OF SPORTS CHANNELS

When star purchased by the Murdoch and he has an agreement with the Subhash Chandra prohibited Star to creating Hindi program after this agreement Star can only broadcast programs in English language this decision gave Star a huge losses around US \$500 million. That time Murdoch has changed management and he introduce Sameer Nair as a programming chief. He decided to create programs in Hindi language so they can get larger market share.

The same concept is recently adopted by the Star TV for its Sports channels previously known as a Prime Sports which later known as a Star Sports Channel.

Rebranding of Star Sports

Star Sports was formally known as a prime sports on 5th November 2013 Star TV has rebranded their Sports channels with new line of channels and with brand new logo. Now in the portfolio of Star TV there are some new channels which has replaced previous channels. **Star Sports is now Star Sports 1, Star Sports 2, Star Cricket to Star Sports 3, ESPN India to Star Sports 4, STAR Cricket HD to STAR Sports HD 1 and ESPN HD to STAR Sports HD 2**

Star Sports 1 will include all international matches in which one participating team is

India most of the content will be cricket and the language will be English. This channel want to take advantage of Indian cricketing passion by broadcasting cricket match approx. 65% content will be cricket and will cater to those viewers who are English proficient.

Star Sports 2 has 50-60 % content cricket which will cater a new segment in the game. Star Sports 2 with the NDTV is promoting concept of university cricket and channel is coming with the unique concept of broadcasting untapped market such as University Cricket with this this channel will broadcast women cricket, ranji matches, international cricket matches. International cricket matches in which India is not playing. This rebranding strategy is to promote local cricketing events and the game which is very popular among youth.

Star Sports 3 Maximum population in India is a diverse country where language differs in each state if any company want to take advantage of this they will be in profit because this is untapped market before Star Sports 3 there was no single channel was giving cricket commentary in Hindi or all matches in Hindi. The idea behind introducing channel based on the language is to gain maximum profit and maximum market share. Analysis shows that there are only 2% people who can understand English proficiently other 98% population are far better in their local languages.[8] According to the television audience management agency India’s TV viewing population is 266 million in which Rajasthan and Maharashtra account for 80 per cent. The feed in Bengali, Kannada and Malayalam will target 14.4 per cent of India’s TV viewers.

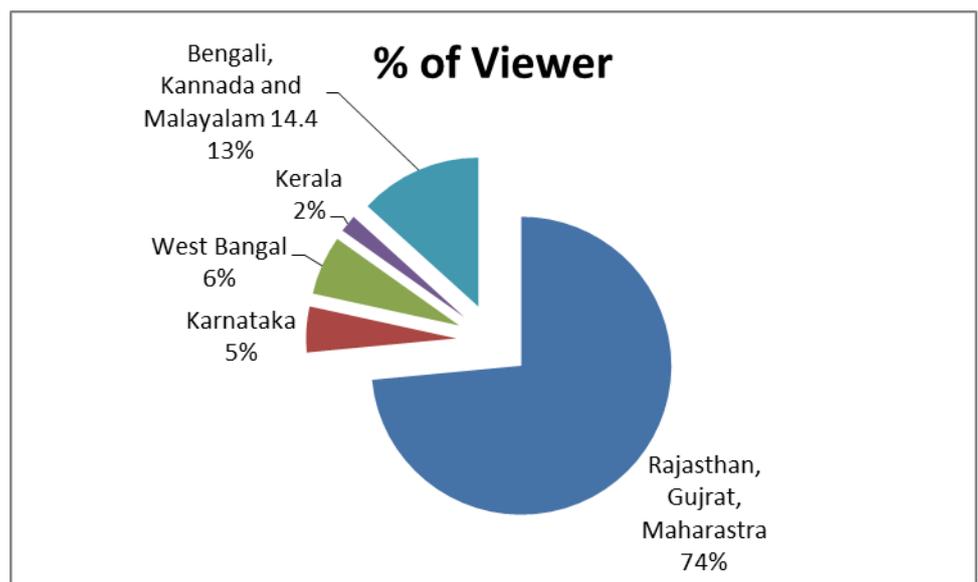


Figure 9: TV Viewership in varieuse state

Star Sports 4 Cricket is not only game which is liked by Indian youth we also like other sporting events like football, tennis, badminton, For catering this segment Star

TV has renamed its channel ESPN with new brand name Star Sports 4. **Star Sports HD 1** it is a new name of Star Cricket HD **and** ESPN HD to Star Sports HD 2 these channel also show the football matches and domestic cricketing events but in HD.

CONCLUSION

Rebranding of any company gives them a large range of changes which can be opted by the company rebranding give a wider area of working which company can cater. Star TV Has correctly identifies the geographical region and they understand the language diversity of the country. Star has invested 20 thousand caror Rs for rebranding of their sports channels in India. Rebranding is the concept of launching brands in new areas with new name and new logo. Brand has its own values and equity each step relating to the brand will impact on their brand equity and brand image.

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