

Yahoo - Strategic Plan Evaluation

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1. Background Information

Our group chose to evaluate Yahoo's 2019 rebranding campaign due to their declining relevance and their history of poor rebranding efforts in 2013 followed by a second attempt in 2019. Yahoo's former CEO Marissa Mayer, who was mainly responsible for the former 2013 rebranding, wanted to keep the color scheme and exclamation point consistent with its logo while still changing the overall visual look. According to leaked reports, Marissa Mayer apparently micromanaged the design team causing some vital employees to quit (Cody, 2013). As a result, a lot of the failures of the rebranding stemmed from the former CEO placing herself in that crucial role. She worked with Yahoo's design team as well as an intern to design the new logo over just one weekend. She insisted on changing the colors that the professional design team had spent so long working on at the last minute. Perhaps, if she hadn't tried to micromanage and put extreme stress on the design team to completely start from scratch in such a short period of time, the rebranding would not have gotten as much backlash and negativity. When discussing her knowledge on Adobe Illustrator, Mayers even admitted, "I'm not a pro, but I know enough to be dangerous," (Newton, 2013). After this 2013 misfortune, Yahoo wanted to ensure that their 2019 rebranding would go smoothly.

2. Five Steps of Strategic Planning Analysis

2.1 Introduction

After a disastrous and strategy-lacking rebrand in 2013 and years of waning influence, Yahoo was desperate to reposition itself in the market and turned to design

studio Pentagram to design their 2019 rebrand. Since the brand's 2013 mishap was largely coordinated by its former CEO in an in-house agency and nearly void of strategic thinking, Yahoo wanted to be sure no detail went without consideration in 2019 (Cody, 2019). Whether or not this effort paid off is debatable and will be discussed. Here, we analyze Yahoo's 2019 rebranding effort in light of the five steps of strategic planning. Although we could not find published information about how Yahoo went through these steps to develop their strategic plan, we can study its campaign's deliverables to infer how they developed their rebranding.

2.2 Target audience

With this campaign, Yahoo wanted to target those who would be most likely to use its updated product; young adults 20-35 years old who are heavy internet users and want access to all their internet needs in one space. These people use the internet frequently for their jobs or school as well as for leisure (Clement, 2019). This target market is present on multiple large social media platforms like Facebook, Instagram, and Twitter, and typically look for their news, weather, sports, and finance information from internet sources (Clement, 2019; Mitchell, Gottfried, Barthel, & Shearer, 2016). These people live fast-paced lives with developing careers and many are beginning families. This means that this audience values convenience, time-saving measures, and ease of use. According to Inntopia (2019), the average age of Yahoo users is 39. So with this rebrand, Yahoo wanted to expand their market and gain new users as opposed to strengthening those already existing, to whom email might not be as important an element in their daily lives. Yahoo selected this group as its target audience because they are likely already users in the category of internet services and could hopefully be

persuaded to break their established internet routines in favor of one that promises to have all they need in one place.

2.3 Target audience decision making

Most adults 20-35 have at least some memory or experience of what Yahoo is; some may feel nostalgic about the brand's prominence at the dawn of email, and some may have moved on to what they feel are more updated email services that include stronger search engines. Considering that it had three million users hacked in 2013 and a data-selling incident as recently 2018, many tech-savvy young adults do not think highly of Yahoo and may feel that this mistake is a sign of the email service being outdated (Gartenburg, 2019). This group values convenience and relies on the internet and email for much of their information and communication: they need it to be trustworthy and operate exceptionally (Clement, 2019). For a brand in which they confide their personal information and on whose information they might make major decisions, this audience will choose based on past experience and others' recommendations. Choosing which email interface will become a part of one's daily work and leisure routine has a high degree of involvement, despite most services being free. So why then would they choose Yahoo, an email/internet information brand that seems to be in its decline and which has possibly breached their trust?

To combat this type of decision making that seems to be unfavorable considering the brand's equity, Yahoo had to make the product of its rebrand recognizable but considerably different. In partnership with Pentagram, they wanted to provoke the nostalgia of Yahoo's heyday in the 90's while also proving that it had a makeover inside and out and can now keep up with the modern internet climate (Pentagram, 2019).

Through visuals, they needed to show that Yahoo had kept its strongest elements and ditched the rest. This duty was placed on the brand's classic Y, exclamation point, and color purple with a revamped typeface that Fast Company (2019) calls "crisp and friendly." Was this element along with its fresh animations and 22.5 degree angle enough to convince the audience that any negative opinions they had about Yahoo are in the past and they can confidently decide to become users of the new Yahoo, one that maintains its late-90's spirit and pushes its service towards the future?

2.4 Positioning

Yahoo is the 3rd most popular search engine, holding 3% percent of the market share, with Bing holding 5% and the lion's share going to Google at 88% (Slefo, 2019). However, unlike the other 2 search engines, Yahoo's search bar isn't its most prominent feature on its main webpage, occupying a relatively small strip at the top. Instead, users are greeted with popular news articles, trending searches, and weather information. Tabs at the top connect to other Yahoo extension sites like Yahoo finance or Yahoo shopping, with most being news related. Yahoo mail is also displayed at the top right corner. While Google has Gmail and other services reminiscent of Yahoo's, most aren't on display on its main webpage, foregoing them for simplicity. Bing has some news at the bottom of its page and gives the users the option to scroll down for more, but the search bar is still the focal point and has the most space around it. Both Bing and Google position themselves as primarily search engines, while Yahoo positions itself as a hub of news and relevant information first and a search engine second. However, as Yahoo lost relevance in the past decade, it needed a revamped look to show it's in tune with the modern-day internet and not a vestige of the wild west days. Moreover, it

needed to advertise its multi-functionality and establish itself as a trustworthy hub of customizable information.

2.5 Communication strategy

In redesigning the Yahoo logo, Michael Bierut hoped to capture Yahoo's quirky energy but also lend the search engine website a new refined look. The italicized extra bold roman font would carry a sense of 'momentum and excitement' with the 22.5-degree angled slants in the Y and exclamation point, without looking like a childish startup's design from another internet era (Long, 2019). In addition, the new redesign would allow the website to be functional across a variety of platforms, with "Y!" also acting as a stand in for Yahoo. Yahoo finance could be abbreviated with Y! Finance, and so on, giving it a streamlined look and making it flexible for messaging. Alongside the rebranded logo, Yahoo also launched its Yahoo mail app, and extended Yahoo mail's functionalities, adding "views" that lets users find what they're looking for more readily such as attachments and coupons, giving the app "single hand functionality" and making it easier to unsubscribe to emails (Ha, 2019).

2.6 Media strategy

As Yahoo has not published all the details of their campaign, it is difficult to assess all the mediums through which they advertised. However, looking into Pentagram deliverables, some clues emerge. Alongside the rebrand on their main website, a line of merchandise advertising the "Y!" was launched, and some out of home advertising was employed with the side of the building painted over with a big "Y!" and benches in cities advertising "Y! finance" (Yahoo – Story, n.d.). The rebrand was

also displayed on social media via Yahoo's account and was noted on both Version's and Yahoo's news (Verizon, 2019; Yahoo!, 2019). The redesign also garnered a lot of media attention, though not all good, with some claiming Yahoo was trying to tell people "it's not dead" (Gartenberg, 2019).

3. Campaign Evaluation

This particular rebrand campaign had a few major goals: bring relevance back to a largely outdated online brand, attract a younger demographic to the site and finally to signal a strategic shift for the company as a whole. These goals to "refresh" the brand were expressed by the brand identity group Pentagram, who has worked on multiple tech company rebrands in the past and created the deliverables for this campaign (Yahoo – Story, n.d.). These aforementioned goals are important for Yahoo, which is an internet company that began early in the internet boom but was not able to keep up when the world shifted to digital. Yahoo has been working to climb back to relevance for the past twenty years with multiple acquisitions and other previous rebrands. Time and time again other search engines like Google and Bing were a step ahead and Yahoo lagged behind. According to a Market Realist study conducted over one year between 2016-2017, Yahoo only captured 13% of the search engine market share and only 7.2% of email market share (Yahoo – Story, n.d.). Let us examine whether Yahoo's most recent rebranding campaign was a success or not.

When looking at the first goal of the campaign, "bring relevance back to Yahoo sites," by all accounts this campaign failed (Yahoo – Story, n.d.). The Verge online review of the Yahoo rebrand called its new typeface "... a lowercase, sans-serif type that makes it resemble a startup that's just bought its first print ad campaign on the

subway.” (Gartenberg, 2019.) This is not a glowing review for an internet company that has been in business for over two decades. The rebrand’s goals were to bring relevance and respect back to the brand of Yahoo and if people’s first reactions are “Is that a new company?,” the rebrand has not been a success. This particular logo refresh is their third try in just ten years. These frequent changes do not build a deep confidence or create brand loyalty from their users. Users who are committed to Yahoo already have been thrown through more rebrands and revamps than any other internet email and search service provider’s customers have been. This does not help Yahoo’s case.

Let us examine the next goal of the campaign, “to attract a younger demographic to the Yahoo site.” Yahoo has been hemorrhaging money due to lack of advertising spending over the last ten years (Newton - 2019.). Every quarter, less people are using the site so there is not enough traffic for advertisers to find it worthwhile. This rebrand campaign might be one of Yahoo’s last-ditch efforts to attract new users to its platform. We think that this rebrand did not result in the traction Yahoo executives were hoping for as the researching group found this rebrand from a Google search of “worst ad campaigns in 2019.” None of the college-aged researchers knew about Yahoo’s rebrand and most had never used Yahoo. While the new logo looks decent, it by itself is not enough to capture younger users who don’t already use their services. The redesign may look more professional, but there is not enough of an incentive for users to switch to using Yahoo’s services, and there is little appeal for younger audiences to use the service over Google.

Finally, the rebrand was hoping to show a large-scale strategic shift for the company. The rebrand rolled out along with significant changes to the Yahoo email platform online and mobile and with the announcement they were shedding the companies Tumblr and Flickr (Wilson - 2019.). While this may benefit the company if their current users like the changes implemented and spread those feelings to their circles of influence, it also risks angering users who don't want to relearn how to navigate the website. We think these changes will more likely drive more people off of the platform than bring new ones in. A large part of Google's appeal is its simplicity, and if users deem Yahoo as too cluttered or confusing, they may opt to switch.

4. Alternative Solution For a More Effective Campaign

The newest Yahoo campaign consisted of many flaws which caused it to be unsuccessful. Between the constant rebranding, new logos, and not being able to reach their target market, the advertising campaign was certainly ineffective. This campaign had the potential to be effective by focusing more on advertising across social media platforms rather than billboards, keeping the overall number of times rebranding to a minimum, and selecting a more visually attractive logo.

Yahoo has been a substantial search engine website since 1994. For a brand that has only existed the last few decades, Yahoo has already done more rebranding than many other brands that have been around for longer. Yahoo has come out with yet another new logo for the 3rd time in just the past 10 years. The problem with constant updates and altering the brand is that it may compromise any established brand loyalty. People that have been with Yahoo! from the start may be scared away by these constant changes. Rebranding might be a viable and good strategy, as many brands

have successfully altered a past logo to make themselves more modern. However, there have been so many variations to the Yahoo logo that it is hard to keep up; they've changed the brand's color from red to purple, then the font from serif to sans serif, and now to a more geometric styled logo that is highly italicized. One review said, "The new logo lacks the personality of the 2013 design, with a lowercase, sans-serif type that makes it resemble a startup that's just bought its first print ad campaign on the subway" (Gartenberg 2019). Yahoo's campaign had the potential to be more effective had they not changed the logo. If they focused their goal on bringing attention to the new services they are offering with the new campaign, Yahoo could have kept their logo the same. The Yahoo logo is already recognizable and with too many alterations it could be confusing to consumers.



Yahoo's main objectives with their latest advertising campaign were to appeal to a younger audience and bring attention to their new, diverse services. Yahoo's campaign centered around amplification. By creating categories of Y! Sports, Y! News, Y! Weather, and even Y! Finance, users can pick and choose to personalize what they view through Yahoo. This new campaign has been promoted on billboards and short video clips on the internet. This caused Yahoo! to miss their mark of reaching the younger adult demographic. In order to reach their target market, Yahoo! could have advertised more on social media platforms, especially in promoting ynews. Most of the younger generation receive their news from social media platforms such as Twitter and Snapchat. According to an article by The American Press Institute, "Millennials also appear to be drawn into news that they might otherwise have ignored because peers are recommending and contextualizing it for them on social networks.." One approach Yahoo could take, would be partnering with Snapchat to have a Y! News subscription pop up with the other news providers within the Snapchat app. This would get the younger generation to start reading articles through Yahoo news and could lead to a Yahoo subscription, and promote brand recognition. This holds true for sports and weather as well. If Yahoo had posted more sports-related articles to social media platforms such as Twitter and Facebook, this could have led to a more successful campaign reaching more younger adults.

5. Conclusion

When studying Yahoo's most recent rebranding campaign, our group was unable to find any direct information on the brand's strategic planning process. However, based on reviews of the campaign by news outlets like FastCompany and the Verge as well as

a report from the rebrand's design team at Pentagram, we were able to outline what we believe to be Yahoo's strategic reasoning. Targeting young adults, Yahoo wanted to give its brand and product a makeover that rid itself of the poorest parts of the "old" Yahoo and produced a still-recognizable "new" Yahoo. To convey this, Yahoo wanted to be positioned as fresh and updated: a better, newer model that could gracefully combine all its users' internet priorities in one place and compete with Google. It employed simple, highly visual typography-based images and animations to spark brand recognition and association with its new benefits. Yahoo placed these ads where its potential users would apply it, the internet, as well as in out-of-home settings that exposed it to professionals who might value its qualities. Though seemingly well thought-out, this plan did not fare exceedingly well after its execution.

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