INTRODUCTION
Andersen Consulting was established in 1989 when the consulting practice of the accounting firm Arthur Andersen separated to form an independent business unit. Andersen Consulting faced the extremely difficult task of positioning itself in the Information Technology market space while simultaneously forging a separate identity from its accounting heritage. The business challenge was to retain the positive aspects of the brand equity developed over decades as Arthur Andersen, yet break away from the limitations associated with an accounting brand. What was notable was that before its inception, Andersen Consulting was generating almost $1 billion annually in revenue, yet wasn’t well known in the information technology marketplace. And to those who did know them, they were often thought of accountants, and not up to the task of delivering innovative technology solutions.

In order to bridge this gap, Andersen Consulting used extensive market research to create a brand and naming strategy that would establish immediate credibility in the “consulting” arena, while at the same time leveraging all of the positive aspects with the Arthur Andersen brand. Market research also helped form the strategy for successfully launching the new name and positioning.

In order to build a new identity, Andersen Consulting set a groundbreaking precedent by using sophisticated marketing strategies coupled with the professional services industry’s first large-scale advertising campaign to promote its name, positioning and brand image.

Andersen Consulting’s expertise in marketing and communications quickly set it apart from its consulting competitors, making a name for itself amidst a crowded competitive field ranging from hardware/software providers like IBM to strategy consulting firms like McKinsey. Over the next decade, Andersen Consulting grew from an accounting firm’s offshoot into the world’s largest management and technology consulting organization.

Despite this success, the relationship between Arthur Andersen and Andersen Consulting became strained over time, leading Andersen Consulting to seek its independence as a separate company from Arthur Andersen. In August 2000, following a successful arbitration against Andersen Worldwide and Arthur Andersen, Andersen Consulting was granted its independence. Now the firm faced a new challenge. As part of the ruling granting its independence, the license to use the Andersen Consulting name was to expire December 31, 2000. After spending an estimated $7 billion building the Andersen Consulting brand over a decade, the company now had to find, implement and introduce to the world a new name in a matter of months. Never before had a rebranding of such scope been implemented over so short a timeframe. Moreover, this rebranding also coincided with a new positioning that reflected the organization’s further growth and broadened set of capabilities. The case study that follows tells the evolution of Andersen Consulting to the newly rebranded and repositioned Accenture.

COMPANY HISTORY
In 1913, at the age of 28, Northwestern University economics professor Arthur Andersen founded the accounting firm Arthur Andersen & Co. Arthur Andersen envisioned an accounting firm that offered more than the standard certifications of corporate balance sheets. In his mind, a “thoroughly trained accountant [possessed] a sound understanding of the principles of economics, of finance and of organization.”

Arthur Andersen & Co. created an early version of the consulting unit when it formed the Administrative Accounting group in 1942. The Administrative Accounting practice was charged with developing accounting systems, methods and procedures for Arthur Andersen clients. In the 1950s, Arthur Andersen began offering consulting services to companies wishing to implement information systems, and renamed the unit the Administrative Services Division. Consultants from the company programmed and installed the world’s first business computer for General Electric in 1954. Demand
for information systems rose and by the 1970s the Administrative Services Division broadened the scope of its business beyond “the design and implementation of systems” to include “the conduct of studies to produce the information needed by management to direct the activities of its organization.”

By the late 1970s, Arthur Andersen’s business was becoming increasingly global. A new business structure was needed to address legal, tax and competition issues in several markets. In 1977, the company created Arthur Andersen & Co. Societe Cooperative to govern the different divisions of the company, to maintain the one firm concept and to deliver seamless services across the world. This entity was later to be coined the Andersen Worldwide Organization, finally being shortened to Andersen Worldwide in 1996. In 1979, what was once the Administrative Services Division of Arthur Andersen became the Management Information Consulting Division (MICD). MICD performed a range of consulting services defined as “Information Business -- providing information to people who run things.”

CONSULTING TAKES OFF
The consulting business boomed in the 1980s, particularly because a national recession forced companies to rethink their strategies -- with the help of consultants -- in order to stay competitive. As a result, MICD began generating significant profits for the accounting firm. Though MICD operated as a professional services firm, it functioned as a unit of Arthur Andersen. However, an important distinction should be made, when MICD went to market, they went to market as Arthur Andersen, not as MICD. Consequently, MICD’s identity was directly linked to Arthur Andersen. This link did not necessarily benefit MICD. The qualities typically associated with accounting firms, such as risk-aversion and conservatism, did not match the traits essential for a consulting organization -- innovative, creative, dynamic and strategic. As a result, Arthur Andersen’s MICD division suffered low visibility and suffered from the perception it was not perceived to be a major player in the consulting market. A 1982 recruiting image study conducted by Decision Research advised MICD that its recruiting efforts “must convince recruits that the Consulting Division is not primarily an accounting function.” A 1984 study by Decision Research concluded that MICD’s “image among non-clients [was] undifferentiated from the remainder of the Big 8.”

Image Initiative
To respond to this image crisis, MICD decided to embark on an “Image Initiative” in 1987 to generate awareness and to differentiate itself in the information technology services market space, as well as to distance itself from its accountancy heritage image. A critical component of the Image Initiative was the selection of a new name for MICD. For the renaming project, MICD enlisted the advice of select senior Partners who provided strategic direction and name recommendations. MICD also secured the strategic and brand counsel from the advertising agency Young & Rubicam. To help devise a naming strategy, research was conducted among Fortune 500 senior executives and confirmed “that the audit and tax heritage of Arthur Andersen hampered the competitiveness of the MICD practice.” The research revealed that although the link to Arthur Andersen provided credibility for MICD, many consulting buyers had reservations about employing a unit of an accounting firm that they viewed as “stodgy,” “inflexible” and “old-fashioned.”

The strategy and development of a new name sparked spirited internal debate among the partnership, as there were divergent views on brand equity and its impact on future business opportunities. Basically there were three modes of thought. Those who thought MICD should completely distance itself from its heritage with a distinct and new name. A name such as “Systems Technology Group” appealed to this group. A second group thought it best to borrow equity from Arthur Andersen, yet create a distinct position in the market space. Advocates of this strategy preferred names such as “The Andersen Consulting Group” or “Andersen Consulting.” Finally, others preferred a complete alignment with Arthur Andersen in a name choice, preferring name choices with Arthur Andersen as the cornerstone of the new name.

In the end, relying on the benefits of sound market research, and the counsel of its marketing advisors, MICD chose the succinct “Andersen Consulting” name -- thus providing separation from
Arthur Andersen while at the same time benefiting from its equity. The name also created a clear positioning in the market space with the “consulting” descriptor. When the logo appeared in print, “Andersen Consulting” was followed by the subscript tagline “Arthur Andersen & Co., S.C.” thus the firm retained a link to Arthur Andersen. The association with Arthur Andersen lent credibility and name-recognition to the firm at first, but became a liability as Andersen Consulting encountered greater competition in the consulting market. An article in *The Economist* noted, “The ‘safety-first’ image so vital to accountancy began to hurt the consulting business, which competed in a market where a reputation for innovation was the key to success.”

**EMERGENCE OF ANDERSEN CONSULTING**

The consulting business experienced tremendous growth in the 1980s, ballooning to an estimated $30 billion annual business globally in 1990 from just $3 billion in 1980. While a U.S. recession in the 1980s had driven growth, a similar recession in the early 1990s was not as beneficial to consulting firms. The latter downturn affected consulting firms more severely than the companies they counted on for revenue, partly because the business climate of the previous decade had fostered corporate distrust of consultancies. Additionally, corporations wanted changes implemented, not merely suggested, and not every consulting firm was able to execute the strategy it recommended. Numerous consulting firms posted losses for the first time in years, and many were forced to heed their own advice and downsize. Bain Consulting laid off 17 percent of its staff in 1990, KPMG Peat Marwick cut back on the number of consulting partners in the firm during 1991. Andersen Consulting grew, however, even as the consulting industry faltered. In 1991, the company’s revenues rose 20 percent to $2.26 billion. Andersen Consulting’s revenues grew by 19 percent to $2.7 billion in 1992, a year when the IT consultancy segment grew by under seven percent.

**Systems Integration**

Andersen Consulting rode the wave of this consulting boom, and during its first few years as a separate business unit, Andersen Consulting emerged as one of the premier IT consultancies. In addition to offering standard business consulting, Andersen Consulting offered a range of IT services, from designing complex computer networks that integrated a company’s databases to developing and installing financial trading systems. The IT business yielded high profit margins, which in turn fueled Andersen Consulting’s accelerated growth. The company’s systems integration capabilities were responsible for much of this growth. Systems integration refers to defining, designing, building and implementing complex packaged application or custom technology-based business solutions required to support critical enterprise operations.

Systems integration represented the latest trend in the larger category of Information Technology Services. Andersen Consulting focused on providing systems integration services to a wide range of key industries, including products, financial services, communications, government, health care and utilities among others.

The company also found success with traditional outsourcing avenues as well. In July 1990, Andersen Consulting opened a data processing center. Soon, Andersen Consulting established a strong presence in the outsourcing market, posting strong increases on an annual basis.

**ROLE OF MARKETING**

The newly formed Andersen Consulting set a new standard for marketing a-professional services company. Andersen Consulting is widely credited as being the first professional services firm to advertise aggressively. As Jim Murphy, Global Managing Director of Marketing & Communications said, “In 1989, Andersen Consulting not only created a new management and technology organization, but also created with the help of our communications agency Young & Rubicam, a new advertising category for professional services.” The professional services category historically had formal rules that prevented advertising, but by 1989 this restriction was no longer in place. Still, most professional services firms chose not to advertise feeling it was inappropriate or unprofessional. In 1989, in a bold and unprecedented step, in 1989 the firm began marketing itself as an organization that helped
companies apply technology to create business advantage. The marketing and communications campaign was devised to create awareness of the brand and to communicate a leadership position for Andersen Consulting in the marketplace. A small group of partners knew that marketing activities would be invaluable in Andersen Consulting’s quest to forge an independent identity. Teresa Poggenpohl, Partner and Director of Global Advertising and Brand Management explained that the group of partners “understood marketing in a strategic sense and had the courage to create the brand and invest in it” at a time when branding was not a priority for professional services firms.

**Breakthrough Approaches**

The brand was officially launched with a New Year’s campaign featuring a television commercial that stressed Andersen Consulting’s technology expertise, positioning them as a leader in empowering organizations and individuals to effectively apply technology to their business advantage. The commercial also demonstrated the differentiation that Andersen Consulting sought by its clever tone and manner, thus personifying the organization as creative, driven, far-sighted and innovative. As the camera panned a computer-animated cityscape where the 2000 New Year was being counted down, a voiceover intoned:

One night, not too many years from now, some companies will have cause for celebration. They’ll be the ones who used information and technology not merely as a way to compute, but as a way to compete. Andersen Consulting would like to help you be one of them.

The campaign also featured print advertising to complement the broadcast commercials. One such print ad entitled “Map” consisted of a completely reconfigured map of the United States, with the headline “Sometimes success requires a little reorganization.” The copy offered information technology as a means of overcoming the restrictions or limitations of geography. Andersen Consulting spent approximately $5 million in advertising during its first year, which at the time was a full 50 percent of all media expenditures for the entire consulting category. This level of expenditure, combined with the use of flighted media schedules (alternating periods of high advertising activity with inactivity to create the illusion of a more ambitious advertising program), was highly unorthodox within the consulting industry. The vast majority of consulting companies, favored business relationships, trade shows and credentials brochures to image advertising.

Andersen Consulting’s break with tradition had been the subject of an internal debate, with many partners opposing what they regarded as a costly risk. Once the marketing program was in place, however, it turned out to be instrumental in Andersen Consulting’s early success. Teresa Poggenpohl, Partner and Director of Global Advertising and Brand Management, credited the early image work with being “the catalyst to get senior executive registration of the Andersen Consulting brand, serving as a critical door opener for partners and business development.” Complementing its extensive advertising program, the firm also initiated an aggressive and targeted media relations program. A team of media specialists within Andersen Consulting partnered with Burson-Marsteller, a leading public relations firm to influence industry analysts, leading industry publications and the tier-one business press to position Andersen Consulting as a thought leader in the market space, and to increase awareness among its target audience to support its brand building activities.

**Metrics to Drive Performance**

From the beginning, Andersen Consulting sought consistency in its marketing activities. The firm’s commitment to advertising exceeded other consulting firms in terms of annual investment, and this ad spending drove awareness of the brand. By supplementing the topline advertising with media and analyst relations, thought leadership publications and other image development activities, Andersen Consulting maintained a consistent and integrated marketing program well in advance of competing firms. Andersen Consulting measured the effects of this advertising with annual tracking studies and regular measures of the senior executive target audience’s perceptions of the brand. Market research
was critical in obtaining valuable input from its key target audience, while also measuring the success of its initiatives.

The partners continually demanded proof that the results of the advertising warranted the expenditures. Since the advertising investment was drawn directly from the partners’ potential profits, they needed assurance that their money was well spent. This led to the development of efficient and effective marketing techniques as well as metrics to gauge the effectiveness of the marketing.

From its inception, Andersen Consulting conducted extensive market research focusing on five factors: (1) marketplace awareness -- the measure of brand awareness in each of the major countries across brand attributes, personality traits and service offerings; (2) client satisfaction -- the measure of Andersen Consulting’s performance with its global client base; (3) buyer values – the measure of the key values of its global target audience to understand and stay ahead of market trends; (4) advertising copy testing – the pre and post testing measuring the effectiveness of all print, poster and television advertising concepts and (5) media monitoring – the measure of the number and type of media hits in the leading business and industry press. In 1988, Andersen Consulting initiated a tracking study of market awareness of its name. At that time, on an unaided basis only six percent of respondents nationally knew of Andersen Consulting as a systems integration consultancy, a number that would climb to 37 percent globally in five years (see Figs. 2-4). For comparison, IBM had a 90 percent awareness in the same arena. The firm also conducted annual surveys of its senior executive target audience and tested for advertising effectiveness. Teresa Poggenpohl, Partner and Director of Global Advertising and Brand Management said, “Research is critical to all of our programs. Research and insights evolve our strategy, some enable people to react to our creative, others to measure how we’re doing in terms of driving awareness and perception gains in the marketplace.”

Global Reach
In 1992, Andersen Consulting spent approximately $10 million globally on advertising. That same year, the firm implemented an integrated marketing model, thus integrating its marketing and communications strategies on a global scale. The program involved three different but related areas of focus: image development, market development and business development. Image development entailed research, positioning, advertising, communications, media/industry analyst relations, events and other activities that strengthened the firm’s personality and global brand. Market development involved database marketing, business development centers, market research and other activities that provided an industry market focus, defined best clients and articulated what the firm could offer these clients. For example, in order to facilitate development of new ideas to help clients, the firm established a number of Business Integration Centers, Technology Centers and Solution Centers around the world. According to Jim Murphy, Global Managing Director of Marketing & Communications, these centers “not only . . . fostered innovation for Andersen Consulting, they also built and solidified relationships and enhanced the firm’s brand and positioning in the marketplace.”

The Changing Marketplace
A significant portion of Andersen Consulting’s annual revenue came from its systems integration business. Still, Andersen Consulting executives foresaw further growth beyond computer networking projects. The company wished not only to grow into other consulting disciplines, such as corporate strategy, but also sought to bundle their diverse services together and become “the world’s first and foremost full-service consulting emporium.” The use of this combination of services to improve a company’s operations was known as “business integration.”

Andersen Consulting exhibited its business integration expertise during a consulting engagement with the U.S. pharmaceuticals company Merck. Merck enlisted Andersen Consulting in 1991 to help it market medicines manufactured by the Swedish drug company Astra, makers of the anti-ulcer
medication Prilosec. A team of Merck employees and Andersen Consulting consultants created a marketing department made of 31 decentralized business units. Andersen Consulting designed and installed a computer network that enabled salespeople from every unit to exchange information with every other unit. Astra Merck’s marketing department achieved almost immediate success, as sales of Prilosec grew 50 percent in the first nine months of 1993 and revenues for the year topped $600 million. Though Andersen Consulting was first brought in for a one-time IT consulting engagement at Astra Merck, by 1993 the pharmaceutical company “consider[ed] the consultancy a strategic partner and credit[ed] Andersen Consulting with molding much of Astra Merck’s business plan.” Astra Merck CEO Wayne Yetter explained the partnership: “I started this [relationship] as an IT project, but you can’t really separate IT from strategy, people and business processes.” Andersen Consulting’s managing partner at the time, George Shaheen, defined business integration as:

There is no such thing as an IT project. There is only a business project with an IT content. Certainly IT was . . . key in transforming [the organization]. But success came from using the technology to link the strategy with the operations and the people to obtain real business advantage. Shaheen added in another interview:

I think we’ve been able to proceed expeditiously because for years we realized that experience in and around the business side of the equation is very important along with the technology side.

**Capitalizing on Business Integration**

As the marketplace continued to change, Andersen Consulting anticipated and moved with it, taking a major step in global branding by developing a globally integrated advertising program in 1994. Prior to that year, Andersen Consulting advertising either originated in the U.S. for export to different international markets, or select markets were responsible for creating their own advertising campaigns. As the firm’s business focus became more global, Andersen Consulting began developing an advertising program that projected globally consistent images and messages across all mediums and was powerful in all local markets. The firm conducted rigorous focus group testing in the U.S., Europe, Japan and Australia to determine which ad concepts would help Andersen Consulting achieve the desired image, positioning and messaging. Due to this diligent research approach many advertisements earned the company and its advertising agency, Young & Rubicam many awards over the years, including *The Wall Street Journal* top scoring advertising award, the *Business Week* Award for Excellence in Corporate Advertising and the Forbes Advertising Excellence Best in Category award.

To allow for maximum transferability across cultural boundaries, much of Andersen Consulting’s advertising was metaphor-based. One such metaphorical based ad was called “Shark.” In this advertisement, a school of fish swam in hazardous, predator-laden waters. As the fish swam, they collectively formed together in the image of a shark. The unspoken message emphasized the power that a skillful, team-oriented organization can yield. Most importantly, the ad conveyed that different parts of an organization must be linked and properly aligned to achieve business success.

For efficiency and to ensure a highly targeted strategy for its global campaign, Andersen Consulting sought advertising paths that targeted key prospects and clients where they lived and worked, targeting business publications and business and news television programming. A classic example of Andersen Consulting’s effective and efficient advertising was the company’s development of airport billboard advertising. Andersen Consulting was the first consulting company to embrace airports as a marketing opportunity in the mid-1990s, and, as such, its message stood out, placing billboard style advertisements in prominent, high-traffic areas near airline executive lounges in over 30 airports worldwide. The airport advertising strategy complemented traditional print and television advertising, surrounding a captive audience of key prospects and clients where they lived and worked.

The firm’s advertising appeared in 18 countries in 1994, up from just five the previous year. Also in 1994, another significant development for Andersen Consulting was their international sports sponsorships strategy, becoming a sponsor for the Williams Formula One racing team. In 1994 they
also became the title sponsor of the then titled Andersen Consulting World Championship of Golf. This event evolved into its present day form being one leg of the World Golf Championships entitled the Accenture Match Play Championship.

**Measurable Results**

In just half a decade, Andersen Consulting’s marketing and communications program achieved noticeable results. Awareness had increased by 75 percent in approximately three years in Europe, with the United States increasing its awareness from six percent to 50 percent. Additionally, between 1990 and 1993, total global awareness of Andersen Consulting grew from 32 percent to 79 percent. Awareness levels for the firm as a business reengineering services provider increased from 26 percent in 1993 to 43 percent in 1997. A study conducted in 1997 by industry analyst IDC found that Andersen Consulting and IBM enjoyed the greatest familiarity among technology buyers. The study also ranked Andersen Consulting together with IBM as the two IT consulting firms with the strongest set of attributes.

Clearly, Andersen Consulting’s status as an IT leader was a source of equity that aided the company in its growth during the early 1990s. Other associations for clients and prospects included “creative and innovative in developing applications,” “visionary” and “leader.” Thus, the firm was known not only for its technological capabilities, but also for its strategy consulting. In little over half a decade, with the help of effective advertising and a proven record for results, Andersen Consulting had earned a reputation as one of the premier consultancies in the world. By 1998, Andersen Consulting was the market leader in four major categories in consumer rankings of consulting firms: 1) management and technology consulting, 2) operational strategy consulting, 3) systems integration and 4) business reengineering.

**CONFLICTS WITH ARTHUR ANDERSEN**

As Andersen Consulting continued to prosper, Arthur Andersen was also changing as an organization. A 1990 agreement allowed the accounting unit of the parent company Andersen Worldwide to establish a non-computer consulting practice for businesses with annual revenue under $175 million. The consultants and accountants agreed that each company would provide “separate, complementary services with minimal overlap” in order to limit competitive crossover. As Arthur Andersen expanded its business capabilities over the next several years to include consulting services similar to those offered by Andersen Consulting, the distinction between the two companies was further eroded. This overlap was creating confusion in the marketplace.

**Exploring Marketplace Confusion**

Over time, Arthur Andersen also began using marketing as a tool to build business. Thus, in 1993, Andersen Consulting hired the OmniTech Consulting Group to research client and potential client perceptions of the confusing relationship between Arthur Andersen and Andersen Consulting. OmniTech concluded that by developing a willfully ambiguous advertising campaign, Arthur Andersen was attempting to leverage Andersen Consulting’s brand image. A different study, also conducted by OmniTech, discovered that respondents were capable of differentiating the two brands to a satisfactory extent until Arthur Andersen advertisements were introduced to the group, at which point the differentiation lessened. Ultimately, OmniTech concluded “despite the favorable brand identity for Andersen Consulting, brand confusion is a major and growing issue for Andersen Consulting.”

Since this confusion resulted in loss of potential clients, and could therefore damage Andersen Consulting’s business, the firm kept a close watch on the issue after the OmniTech report. A domestic awareness tracking study from 1994 reported that 41 percent of senior-level executive respondents and 81 percent of CEOs surveyed expressed confusion about the relationship between Arthur Andersen and Andersen Consulting.
Arthur Andersen Business Consulting
Arthur Andersen combined several practices within the firm to create Arthur Andersen Business Consulting in 1994. In compliance with the Securities and Exchange Commission’s auditor-independence rules, Arthur Andersen stated in its SEC filing that its consulting practice “does not perform, or hold itself out as performing, systems integration consulting services, which account for the bulk of Andersen Consulting’s business.” Soon after its formation, however, Arthur Andersen Business Consulting began targeting companies above the $175 million ceiling and offering computer-systems consulting. A memo from an Arthur Andersen partner stated, “With business consulting, we’ll have the ability to sustain our commitment to segments of the middle market -- under $200 million and over -- and parts of the larger global market.”

A research report from the Gartner Group remarked, “If this expansion of services by AA continues, we could see these two organizations becoming direct competitors. This would confuse clients and the market.” Adding to the confusion was the fact that the media at times referred to both Arthur Andersen Business Consulting and Andersen Consulting as “Arthur Andersen Consulting.”

In a 1994 study commissioned by Andersen Worldwide, the research firm Decision Research concluded that the relationship between Arthur Andersen and Andersen Consulting was “unclear to most buyers, even clients of the firm.” A similar study conducted by Landor Associates found “that the existing degree of linkage between the two business units is confused and/or not well understood in the marketplace.” Arthur Andersen commissioned a Global Reputation Study, which reported that Andersen Consulting enjoyed a stronger image than Arthur Andersen, and consequently Arthur Andersen benefited from confusion with Andersen Consulting. Further proof of this benefit to Arthur Andersen was evidenced by awareness tracking studies from 1994 and 1995 (see Fig. 6). Not only did awareness levels for Arthur Andersen move consistently with Andersen Consulting levels, but also the accounting unit enjoyed relatively high levels of awareness for service categories in which the firm had little market presence compared to Andersen Consulting. For example, Arthur Andersen achieved a high awareness score in the “strategy consulting” category despite the fact that the company had almost no corporate strategy practice. Analysts attributed Arthur Andersen’s elevated reputation in this category to confusion with Andersen Consulting. Arthur Andersen’s managing partner at the time, Dick Measelle, agreed that his company benefited from the confusion when discussing an Andersen Consulting ad in a 1994 interview:

If you ask 100 people, “Whose ad that was, who sponsored the golf tournament?” about 40 percent of them would say “Arthur Andersen.” The point is that we benefit from the market image that they have.

A troublesome problem resulting from the confusion was the potential loss of brand equity for Andersen Consulting. If potential clients mistakenly thought Arthur Andersen managed Andersen Consulting, then they would be likely to attribute qualities of one business unit to the other. This meant that in many cases, Andersen Consulting was taking on associations resulting from customer experiences with Arthur Andersen, and vice versa. As noted above, the association with an accounting firm was not beneficial for Andersen Consulting. Conversely, given the amount of time and money Andersen Consulting spent building its brand into a premier global consulting firm, the association with Andersen Consulting aided the brand equity of Arthur Andersen Business Consulting (which was in some areas a competitor of Andersen Consulting).

CAPITALIZING ON SUCCESS
The mid 1990s was a time of great success for Andersen Consulting. From 1994 to 1997, consumer perceptions of Andersen Consulting improved considerably. The percentage of survey respondents that agreed with a characterization of Andersen Consulting as “visionary” increased from 39 percent in 1994 to 54 percent in 1997. The percentage that agreed that the firm was “creative” grew from 44 percent in 1994 to 58 percent in 1997 and the percentage of respondents who considered the firm a “leader” rose
from 48 percent in 1994 to 68 percent in 1997. The firm’s client retention percentage rose from 55 percent to 70 percent between 1993 and 1997 (see Fig. 5). Andersen Consulting reaped financial successes as well. From 1993 to 1998, the firm’s billings grew an average of 20 percent annually, reaching $8.2 billion in 1998. The firm’s revenues continued to grow until they topped $11 billion in 2001.

The positioning of Andersen Consulting’s print and television advertising evolved slightly over time, but the personality of the ads still relied on a clever tone and manner, using a central metaphoric image that suggested a problem businesses often faced, which was reinforced by a question underneath. For example, one advertisement contained a picture of an elephant crossing a precipitous drop by walking on a log placed over the gap. The question: “Who says you can’t be big and nimble?” The ad copy explains that Andersen Consulting possesses the skills to help a “massive, far-flung organization . . . have the balance of a small one.”

“A-to-the-Power-of-C” Rebranding
In an effort to evolve and stay ahead of the marketplace, an 18-month comprehensive review of the company was undertaken in 1998. The review included a global audit of current practices, a competitive analysis and client surveys. This analysis produced a revised positioning to reflect the move to an eCommerce business environment. Andersen Consulting also sought to extend and strengthen its brand image by updating the corporate logo. Previously, the company had removed the “Arthur Andersen & Co., S.C.” tagline from its name and all related materials to emphasize the distinction and separation from Arthur Andersen. Now, the firm wished to overhaul its logo to reflect its new brand positioning and further distance it from Arthur Andersen in look and feel. The new logo used the initials “AC” in a unique way, with a lower-case “c” resting above and to the right of the upper-case “A.” This graphic identity was drawn from the exponential notation in mathematics, so the logo communicated “A” raised to the “c” power. In television spots, the logo would be illuminated by animated beams of light. This lighting effect was intended to symbolically communicate Andersen Consulting’s “energy and vision.”

To convey the lighting effect in print advertising, the letters appeared in either white or silver. Other aspects of the revised branding and logo included the concept of a “foundation line,” which represented a firm business foundation and stability in a changing world, a 24-color palette demonstrating their range of capabilities for diverse application across all marketing and communications materials and a new musical “aural signature” for use in television, video and multimedia applications.

To inform its global audience of its new image, Andersen Consulting committed to expanding and strengthening its global marketing efforts. Midway through 1998, (and continuing over the next two years) Andersen Consulting boosted its global marketing and communications commitment significantly, two-thirds of which was slated for use outside the U.S. The campaign included print and airport poster advertising in 30 countries, with the more expensive television advertising appearing in the major global markets. Half of the budget went towards corporate sponsorships, which included events such as a Van Gogh exhibit in Washington D.C. during the fall of 1998, the 1998 Andersen Consulting Match Play Championship and Formula One auto racing.

In 1999 Andersen Consulting announced a new $44 million advertising campaign aimed at further differentiating the firm from its competitors. The general theme of the print, TV, Internet and airport poster campaign advertised Andersen Consulting’s business integration approach, with particular emphasis on unleashing an organization’s full potential, also reflecting the move into the eCommerce environment. In a digitally animated television spot developed for the campaign by Young & Rubicam, the constellations Sagittarius, Hercules and Taurus joined forces to harness the moon as a voice-over intoned, “Every organization has many stars. But Andersen Consulting can help you integrate all your diverse talents. So that when you reach for the moon, you might actually get it.” An ad appearing in print during 1999 exhibited an letter “e” carved out of ice melting in the middle of a desert. The ad asked the viewer, “Is your eCommerce strategy built to last?” and explained that Andersen Consulting had the expertise to help businesses succeed in e-commerce.
SPLITTING FROM ARTHUR ANDERSEN

In mid-December 1997, Andersen Consulting sought to split from Arthur Andersen. Citing “breaches of contract and irreconcilable differences,” Andersen Consulting filed arbitration with the International Court of Arbitration in Paris that would force the two business units to formally separate.

At issue were the annual payments Andersen Consulting had to yield to Arthur Andersen under the terms of their 1989 agreement and the expansion by Arthur Andersen as a direct competitor into information-technology consulting. When the two firms split in 1989, they agreed that the more profitable of the two would pay the other a portion of annual profits no greater than 15 percent. As the more profitable company, Andersen Consulting transferred over $450 million to Arthur Andersen from 1989 to 1997, with payments for 1997 totaling $173 million. By 1996, Arthur Andersen Business Consulting was offering a range of IT services and directly competing with Andersen Consulting for clients. That year, Arthur Andersen’s chief executive Richard Measelle expressed his firm’s intention of working with clients with sales of up to $2 billion, well above the $175 million limit established after the 1989 separation agreement. Measelle also declared technology would be a “core competency” of the company, and later restated Arthur Andersen’s core objectives:

To pursue unconstrained growth; to provide consulting services, either directly or indirectly to all markets and to have the technology we need to compete.  

After several failed attempts by parent company Andersen Worldwide to reconcile the differences between the two competing business units, Andersen Consulting filed arbitration seeking official separation from Arthur Andersen. Arthur Andersen was willing to part with Andersen Consulting if the consulting firm paid upwards of $14 billion in compensation for use of the Andersen name and use of technology developed by the accounting group. Andersen Consulting countered by demanding return of the transfer payments and seeking damages for Arthur Andersen’s negative effect on the consulting firm’s brand equity.

REPOSITIONING ANDERSEN CONSULTING

Measuring Brand Equity

As the arbitration process advanced, Andersen Consulting developed plans to reposition itself. Andersen Consulting had distinguished itself from its competition over the last several years, and the firm wished to capitalize on this momentum with a new brand positioning. To evaluate the value of the Andersen Consulting brand, the company undertook a brand equity measurement study. The study focused on numerous aspects of Andersen Consulting’s brand equity: corporate image and awareness, personality traits and perceived capabilities, plus client consideration and preference. Using data collected by the research firm BPRI, the study compared public perceptions of Andersen Consulting with four competitors: IBM, Ernst & Young, McKinsey and EDS. In terms of perceived capabilities, McKinsey emerged as the foremost business strategy services company while IBM led the IT services segment. Andersen Consulting however had a strong position in “both” business strategy and Information Technology services which enabled it to post very strong consideration scores, and ultimately lead on brand equity. An overall brand equity model was applied to rank the companies by assigning each company a score in each of four categories (image, awareness, consideration, preference) and averaging the scores. Andersen Consulting staked out a leadership position, achieving the highest score on the brand equity scale (see Fig. 1).


The study revealed that not only did Andersen Consulting possess favorable qualities and attributes that combined to provide strong overall brand equity, but also the company occupied a unique
position in that it offered valued strategic business services and well-regarded IT solutions. Based on results from both studies, Andersen Consulting leadership concluded that the company was “the company that combines strategic insight, vision and thought leadership with IT expertise in developing client solutions.” This unique combination of skills enabled Andersen Consulting to establish points of parity with both technology and strategy firms, while at the same time achieving points of difference. For example, Andersen Consulting’s technology capabilities were a point of parity that enabled the firm to compete for clients with IBM. Since clients viewed IBM as a technology consultant and not a business strategist, Andersen Consulting’s reputation for insight and vision constituted a point of difference.

**Developing a New Positioning**

Over the years, Andersen Consulting had evolved its positioning to better meet the needs of its clients and marketplace opportunity (see Fig. 9). In this sense, Andersen Consulting fostered a fluid and evolving positioning. This evolutionary model came not just from the demands of the marketplace. According to Jim Murphy, Andersen Consulting’s Global Managing Director of Marketing & Communications, the business leadership of Andersen Consulting was “historically uneasy with the status quo. There is a hunger for pushing the next horizon.”

In the months before the arbitration decision, Andersen Consulting was developing a new positioning that sought to formalize its position as a leader in the new economy. To distinguish Andersen Consulting from its competition, the firm developed a positioning platform that captured the company’s vision and strategy -- positioning Accenture as a bridge builder helping companies bridge the gap from the old economy to the new. It also positioned the company as one who helped companies transform trends into business opportunities using its deep global knowledge, its unique vantage point and its breadth and depth of resources and relationships. Behind this idea of partnering with clients was Andersen Consulting’s vision statement: “To help our clients create their future.”

In July 2000, the firm tested its new positioning with employees, partners, clients, potential clients, dot-coms and recruits in key markets worldwide. The response was very positive, and the company forged ahead with the repositioning.

Underpinning this positioning was the company’s vision “to become one of the world’s leading companies, bringing innovations to improve the way the world works and lives.” Andersen Consulting executives saw the firm as a leader in the new economy capable of creating value for companies in innovative ways, of broadening the accepted definition of a consulting firm. The firm’s new positioning was intended to capture that essence. This change in business strategy was realized through extensive market research with senior executives coupled with input from a team of brand experts.

Andersen Consulting’s new positioning included four attributes: agile, visionary, well-connected and passionate. From the point of view of Andersen Consulting, agility referred to the ability to move quickly and in synch the with rapid pace of business in the New Economy. This trait was exemplified by the firm’s speed to value strategy in which Andersen Consulting helped companies deliver business ideas to the marketplace faster. The firm’s reputation for strategic and innovative thinking contributed to the development of the visionary trait. To encourage its people to promote strategic thinking and thought leadership on current business issues and trends, Andersen Consulting published *Outlook* magazine and frequently contributed to other magazines, such as *Chief Executive*. Andersen Consulting also sponsored the Andersen Consulting Customer Contact Forum for the telecommunications industry, The International Utilities & Energy Conference and was an active participant in the World Economic Forum. Andersen Consulting was well-connected due to its global reach and its vast network of partners and proprietary businesses. Finally, a passion for helping companies succeed had long been a cornerstone of Andersen Consulting’s mission.

**Target Markets**

One key difference of the new positioning was Andersen Consulting’s new focus on serving two markets, “Today’s most important businesses as well as tomorrow’s aspiring leaders.” Demonstrating this unique two-fold approach was the fact that as of 2000, Andersen Consulting worked with 91 of
*Fortune* magazine’s 1999 Global 100 companies, as well as over half of the *The Industry Standard*’s 100 most important companies of the Internet economy. For example, Andersen Consulting helped Motorola employees self-manage their human resources processes and transactions through Enet, an intranet-based virtual HR system that was integrated with Motorola’s back-end HR system.

Emerging technology companies, such as ETrade, represented “aspiring leaders” whose business Andersen Consulting sought. To attract future e-commerce leaders, in fiscal 1999 Andersen Consulting developed 25 Business Launch Centres across the globe that offered “everything you need to speed from startup to initial public offering.” The Launch Centres possessed a variety of capabilities, including business model strategizing, organizational structuring, marketing, web site construction and post-launch support such as operations scaling.

**A Network of Businesses**

Strengthening Andersen Consulting’s new positioning was the recent shift in the company’s strategy toward a “network of businesses.” This strategy enhanced Andersen Consulting’s ability to deliver fully integrated and innovative solutions to its clients. The idea was to use its network of businesses approach to strengthen its core consulting and outsourcing expertise through alliances, affiliated companies and other capabilities.

Andersen Consulting’s capability as a strategic partner was exemplified by the creation of an affiliated company with Microsoft called Avanade, formed in March 2000. Avanade was designed to help companies integrate Microsoft technology, particularly Windows 2000 software. Andersen Consulting provided roughly three-quarters of the initial 1,000-member Avanade employee base, which was trained with the skills necessary to understand and implement new Microsoft technology.

**OFFICIAL SEPARATION FROM ARTHUR ANDERSEN**

**Arbitrator’s Ruling**

On August 7, 2000, the arbitration ruling from Columbian lawyer Dr. Guillermo Gamba released Andersen Consulting from any further obligation to Arthur Andersen or Andersen Worldwide – financial, professional or otherwise. Although the arbitrator’s decision required Andersen Consulting to forfeit the annual transfer payments the firm had placed in escrow since 1997 (totaling $530 million) in addition to the $300 million transfer payment for fiscal 1999, this payment was significantly less than the $14.5 billion asked for by the accounting firm. In justifying his decision to award separation to Andersen Consulting, Gamba faulted Andersen Worldwide for improperly supervising the two units since their separation in 1989. Gamba stated in an interview after the ruling:

> Andersen Consulting was right in my opinion when they claimed that [Andersen Worldwide] was not performing its coordinating obligations. That’s the reason the decision favored Andersen Consulting.

In return for its independence, Andersen Consulting did have to make one concession. The license to use the Andersen Consulting name was to expire December 31, 2000. Actually, the organization had begun to explore changing their name in advance of the arbitration decision. Many in the leadership team felt the label “consulting” was somewhat limiting to the future role of Andersen Consulting as an organization. Nonetheless, the challenges would be numerous: Andersen Consulting had to quickly create a new name, effectively transfer equity of the old name to the new one, raise awareness of the new name globally, decisively eliminate confusion between itself and Arthur Andersen and reposition the firm in the marketplace to reflect its new vision and strategy. Never in history had such a large scale rebranding occurred in such a short time frame (see Fig. 8). Within 147 days of the ruling, the company had to unveil a name that was trademarkable in 47 countries, effective and inoffensive in over 200 languages, corresponded with an available URL and was acceptable to employees and clients.
THE REBRANDING AND REPOSITIONING PROCESS

Though the execution of the rebranding and repositioning process was a daunting task, Andersen Consulting executives embraced the opportunity to create a new image for their company. Joe Forhand, Managing Partner of CEO of Andersen Consulting, explained in a press release:

"We are a very different organization today than we were when we formed Andersen Consulting back in 1989, so adopting a new name and brand identity is a logical next step in our growth strategy."

Andersen Consulting was well-prepared for a rebranding project of such scope because, just two years prior, the business had overhauled its visual identity as part of the “A-to-the-power-of-C” rebranding. In looking back, Jim Murphy referred to the 1999 rebranding as in some ways being “a rehearsal of a global brand change.”

To carry out the global rebranding and repositioning, Andersen Consulting supplemented its annual $75 million marketing & communications budget with an additional $100 million. To create interest around the effort, Andersen Consulting tapped the advertising agency Young & Rubicam to develop a teaser advertising campaign in support of the rebranding and repositioning effort. The homepage of the corporate web site was also updated to reflect the upcoming rebranding and repositioning effort. The ads and corporate web site featured a graphic of a partially “torn” Andersen Consulting logo which revealed the message: “Renamed. Redefined. Reborn. 01.01.01.” The firm also developed a series of teaser television advertisements that the company introduced during the Sydney Olympics, which took place in September 2000.

Positioning

In advance of the name change in order to meet changing marketplace demands, Andersen Consulting had completed rigorous testing to develop a new strategic positioning. Once Andersen Consulting determined its new positioning, all that remained was finding a name that reflected the positioning. Teresa Poggenpohl, stated, “The timing [was] excellent because we had just spent several months developing a new brand positioning that support[ed] the firm’s new business strategy and vision.”

Andersen Consulting had a strong reputation from which to launch the new brand. James Murphy, felt that the target audience and general public would readily adopt the new name. “It’s not like we don’t have the credentials,” said Murphy. “Now, we want to transfer the equity that we have built into that name and brand it to a new name.”

The short amount of time Andersen Consulting had in which to execute the change was, in the minds of many inside the firm, the major challenge.

Finding a New Name

Led by Andersen Consulting's marketing and communications department, the search for a new name began immediately following the arbitrator's ruling. With the help of outside branding experts, Landor Associates, as well as through an internal Andersen Consulting name-generation initiative dubbed "Brandingstorming," thousands of name candidates were generated.

From these names, 550 candidates were selected to undergo research based on specific criteria: how well the name fit with the organization's strategy, how distinctive or unique it was and the name's potential for longevity. The research entailed a preliminary round of trademark and URL availability research in the United States, where the majority of the company's business was generated. Timing was of the essence as the company had a little over 80 days to come up with a new name and logo. This would allow enough time to rebrand all aspects of the organization by the December 31, 2000 deadline.

After this legal review, fifty-one names were still viable. These candidates were then subjected to more rigorous research, including native speaker review and linguistic analysis in 47 countries, against 200 languages, to screen for cultural sensitivities and ensure the name carried positive connotations in each market. All the while, these names continued to go through trademark and URL availability searches in the remaining 47 countries where the company operated. The tight deadline compounded the already complex global trademark check.
In addition to time, another challenge was the recent increase in volume of registered Internet domain names. Registration had increased 46 percent over Year 2000 levels and from May to September 2000 only, the number of registered domains had nearly doubled to 17 million, practically one registration per second. As a result, when the 51 names were found to be available globally, the firm began purchasing the URLs for these name candidates in the U.S. After the final name selection, it would purchase the URLs in each country.

The overall name development and search for Accenture was unprecedented -- not only because of the 81 days in which it was conducted, but also because of its scale and scope. For example, typically, any external client or consumer research is limited, if conducted at all during name searches. But, Andersen Consulting wanted to gain its clients’ perspectives on the name candidates. So it tested the 51 name candidates across eight key markets with its senior executive target audience. The objective of the research was to gauge: their overall reaction, the fit with the company’s vision and positioning and measure the name’s uniqueness.

In addition, legal review is typically done with less than 10 lawyers from two law firms across eight countries. For Andersen Consulting, over 70 attorneys from 25 law firms were engaged across 47 countries. All of these additional challenges had to be met and overcome given the incredibly short timeframe the company had to work within.

At the conclusion of this research, the name candidate list was down to 10 names, which were presented to Andersen Consulting’s executive committee for final selection. The executive committee chose the name “Accenture,” which had been submitted by a consultant named Kim Petersen, who worked in Andersen Consulting’s Oslo office. The name rhymes with “adventure” and connoted “an accent on the future.” Petersen explained his submission:

When trying to come up with a new name for the firm, I thought of things like bold growth, operational excellence and a great place to work. Accenture seemed to capture all those things.36

The executive committee selected the name Accenture because it clearly fit the firm’s positioning and vision, in addition, they thought the name was catchy and distinctive. Since an employee created the name, the executives hoped it would build consensus within the firm and speed the adoption of the Accenture name. One Landor Associates executive who worked closely with Andersen Consulting during the name selection process, provided further justification for the selection:

A name must reflect a company accurately, and it must bring that essence into clear, sharp focus. In this instance, Accenture is the optimal solution for this client, because it does reflect their rebranding and repositioning and their future direction by suggesting placing an accent on the future, directly tying into the brand essence.37

Announcing Accenture

Following the specified launch schedule, Andersen Consulting announced its new name on October 26, 2000. The company held an internal global webcast to announce the Accenture name and to answer questions about the name change with its Partners and employees. Managing Partner and CEO, Joe Forehand commented on the new name at the time of the announcement:

Accenture expresses what we have become as an organization as well as what we hope to be – a network of businesses that transcends the boundaries of traditional consulting and brings innovations that dramatically improve the way the world works and lives.38

External activities included an announcement press release, followed by a teleconference with leading media to launch the name to the marketplace. Until the official changeover on midnight of December 31, 2000, the firm retained the Andersen Consulting name and logo, and continued to globally heighten awareness and interest of the new name, through the “Renamed. Redefined. Reborn. 01.01.01” print, poster and television effort.

As a second step in the renaming process, in mid-November, Andersen Consulting launched a new logo to represent Accenture visually. The logo consisted of the word “Accenture” written in lowercase letters, with a “greater-than” symbol above the letter “T” serving to accent the word. The greater-than symbol was included in the design as a means of symbolically pointing forward to the
future. The lower case “a” demonstrated that Accenture was approachable and accessible. Once the logo was revealed, the challenging task of rebranding the organization really began.

**ACCENTURE LAUNCH**

On midnight, December 31, 2000, Andersen Consulting officially adopted the Accenture name. Accordingly, on January 1, the company’s corporate web site was changed from www.ac.com to www.accenture.com. Accompanying the announcement was a massive global marketing program designed to raise awareness of the new name. The program targeted senior executives at Accenture’s clients and prospects, all Accenture Partners and employees, the media, leading industry analysts, potential recruits and academia.

**Internal Launch**

Launching the new Accenture name internally was an equally important and daunting task. Accenture needed to execute a complete and monumental changeover throughout all levels of the organization and ensure that all employees and clients understood the new brand and the new positioning. This process was managed and realized by 55 teams of nearly 2,000 employees across the organization, as well as many more outside individuals and agencies. The firm had achieved 1,200 milestones to make the Accenture name change happen. The new name had to be reflected by the company’s 178 offices in 47 countries, by its 70,000 employees and their 7 million business cards, by its 1,200 proprietary software applications, and by all other documents (including signage and stationary) and 20,000 databases. To keep employees apprised of the rebranding and repositioning process, Accenture began distributing internal newsletters and e-mails, along with special issues of the internal magazine *Dialogue* beginning in August 2000. Throughout the process Joe Forehand kept everyone informed from the arbitration announcement to the selection of the new name with periodic global webcasts.

On January 3, 2001, Joe Forehand welcomed the new year and the new company, “Accenture,” with a global webcast from Australia, the site of the Accenture Match Play Championship. Additionally, when employees returned to work after New Year’s, they found Accenture launch packages which included a letter from Joe Forehand, a brand book that explained the new brand and new positioning and special launch-themed issues of *Dialogue* and *Dialogue Online*, the company’s internal communications web site and magazine. Throughout January, Accenture executed a series of open houses and celebratory events to recognize the new brand at local offices around the world.

**External Launch Efforts: Phase One**

Accenture planned a two-phased marketing strategy for introducing Accenture to its global audience. The aim of both phases was to surround the company’s target audience -- including 40,000 clients and prospects and Accenture’s 70,000 employees, as well as 1.5 million recruits -- with messages informing them about the new name and new positioning. The first phase was a high impact launch on January 1, 2001 using extensive global advertising. In addition to continued media and analyst relations, the launch utilized television, print, poster and Internet placements that linked the Accenture name with the New Year, a linkage that harkened back to Accenture’s first ever advertisements from 1989. The campaign also included print and airport poster advertising. The ads were intended to introduce the new name and transfer equity from its former brand. Additionally, they positioned Accenture as offering a broad range of capabilities across: Consulting, Technology, Outsourcing and Alliances. These capabilities reflected Accenture’s broadened breadth of services. By highlighting each of Accenture’s core capabilities, the firm hoped to illustrate it offered far more than just strategy or IT consulting.

In the U.S., Accenture television spots appeared during College Bowl games on New Year’s Day. Accenture commercials also debuted at this time across other international markets. This repositioning recast Accenture as a company who could bridge boundaries to create the future -- helping their clients bridge the gap from the old economy to the new.

One such television ad opened with the sounds of a New Year’s Eve celebration in Times Square over the backdrop of a mountain range. The camera soon reveals that the celebration is being viewed on a personal digital assistant by a climber perched on the side of a remote mountain. As the
camera pans back to the mountain range, a voiceover says, “To everyone, everywhere, celebrating the future: Happy New Year from Accenture.”

An Accenture branded airship was introduced at the January 2001 Accenture Match Play Championship (formerly the Andersen Consulting Match Play Championship) event in Melbourne, Australia. Since the event coincided with the rebranding launch, the company substantially increased its investment in the Accenture Match Play Championship. Over the course of the five-day tournament coverage, Accenture ran some 300 commercials in its international markets and 100 commercials in the U.S. Print advertisements publicizing the event appeared in major newspapers, business periodicals and golf magazines in the U.S.

As evidenced by the success of the Accenture Match Play Championship, Accenture utilized its sponsorships of other major global sporting events to achieve a high impact internationally. High-profile global advertising opportunities included the Formula 1 Racing Series, several European skiing events, the Six Nations Rugby tournament, the Asian PGA tour, the Accenture Dream Soccer Match in Japan and the Italian Football Championship. By January 2001, television, print, Internet and poster advertisements touting the Accenture name appeared in each of 47 different countries where the company did business. Between January and March, over 6,000 total television commercials spots aired in markets globally. This ad schedule was supplemented by over 1,000 global print ads.

The company utilized innovative print and billboard advertising in addition to television. In Australia, the company placed a “cover wrap” on the magazine Business Review Weekly and placed advertising on bus stops and park benches in Sydney’s business district. The company adorned its Paris office building with gigantic Accenture branding, and several Air France buses bore the new logo. Andersen Consulting placed large-scale outdoor ads in Milan’s Oberdan Square and Rome’s Obelisk, and coated 10 taxis in London with Accenture signage.

In addition to the high profile advertising program, over 43,000 clients received a launch mailing which included creative packaging to announce the new name and positioning, a capabilities brochure outlining the companies service offerings, Outlook magazine (the company’s thought leadership publication) and a letter from Joe Forehand the Managing Partner and CEO. Further, the Accenture Match Play Championship golf tournament hosted 450 clients and Partners. The impact of the launch was noticeable in other ways. Traffic to accenture.com was up 72 percent over a typical week with 27,700 visitors daily. Finally, the media touted the launch impact as the largest rebranding initiative ever undertaken by a professional services company, and the “01.01.01” launch garnered approximately 120 news items globally in just the first two weeks alone.

**External Launch Efforts: Phase Two**

The second phase of the advertising program began in late January 2001 with high-profile television spots debuting in the United States during the Super Bowl on January 28. Provocative print ads were also a part of the mix. The new series of ads presented the viewer (or reader) with a striking fact regarding the future in the form of an unexpected headline, followed by the phrase “Now it gets interesting.” For example, in one print ad a headline appearing as if torn from newsprint and reading “Bacteria Tested As a Digital Circuit: Use In Chips May Dwarf Silicon” was superimposed over a microscope-view of a bacteria colony. “Now it gets interesting” appeared between brackets under the newsprint headline. Jim Murphy explained the purpose of the ads:

> Our goal was to make target audiences take notice of dramatic global changes in the marketplace in a way that positions Accenture as the organization that can help clients take advantage of these changes and turn them into opportunities.39

The advertisements were innovative and striking. They were also interactive as they were integrated with the corporate web site where users could find out more information on how Accenture could help them capitalize on the marketplace opportunities identified in the ad.

Although the Super Bowl television spots were not seen as typical for the broadcast, a study conducted by the Zyman Marketing Group pointed out their beneficial effects. Specifically, the study measured advertising effectiveness by tracking purchase intent before and after consumers viewed the
ads. Accenture’s “Bacteria” spot garnered a 77 percent increase in purchase intent, the most of any 2001 Super Bowl ad. Other Accenture spots -- “Birthday Cake,” “Sports Car,” and “Surgery” -- ranked third, eighth, and twelfth, respectively. Sergio Zyman, founder of the Zyman Marketing Group, said

I believe they were able to accomplish what they set out to do with [the ads] because they focused on their most fundamental need during this launch phase of their brand - to convert a new name into a brand.40

The ads had the desired effect of generating interest in the company. Traffic to accenture.com increased dramatically in the days following the Super Bowl. On that Sunday, overall traffic to the web site doubled. In the week that followed the broadcast, traffic to the advertising section of the web site rose 2,100 percent.

These television spots also aired during several major golf tournaments including The Players Championship in March and the U.S. Open in June.

RESULTS AND RESEARCH
After the launch, the company executed an evaluation of the rebranding and repositioning program as part of its global awareness tracking study with senior executives, its annual brand equity assessment, and its biannual recruitment awareness tracking study. At the end of 2001, one year after the launch of the new brand, the awareness for the Accenture name remained at, or above, previous levels for Andersen Consulting in most countries. Teresa Poggenpohl credited the advertising campaign with driving these levels, saying “We would never have achieved this awareness so quickly on a global basis around the world . . . without advertising.”41

According to research, the results of the advertising, marketing and communications campaigns were impressive. For example, the advertising effect on “consideration” to purchase Accenture’s services increased 350 percent following the campaign. The measurable “brand value” of Accenture also increased by seven percent over Andersen Consulting. Brand equity increased an impressive 11 percent. Awareness of Accenture’s breadth and depth of services had achieved 96 percent of its previous level. Globally, awareness of Accenture as a provider of Management & Technology consulting services was 76 percent of its former level. With a few exceptions, the Accenture name registered immediately with clients, prospects and recruits.

Accenture IPO and Financial Results
In July 2001, once again Accenture looked to the future by offering shares of its stock in a $1.7 billion initial public offering. By making this bold move, Accenture wished to create increased opportunities for growth for its clients, shareholders and people around the world. Through the IPO Accenture believed it was better able to deliver a broader range of capabilities and solutions for its clients. The IPO climate at the time of the offering was not favorable, but Accenture outperformed many of the companies in its market space. By the end of the year, Accenture stock was up almost 80 percent from its IPO price of $14.50. Comparatively, consulting competitor KPMG Consulting’s stock closed down more than 20 percent on the year.

The Need to Update the Positioning
The marketplace underwent dramatic changes as a result of the fallout from the dot-com crash and the general slowdown of the U.S. economy. Money evaporated from the venture capital pool. Companies looked for ways to cut costs as consumer spending declined. Businesses grew hesitant to turn to consulting companies for strategy that they could develop themselves. Derek Young, Accenture’s Australia managing director, said at the time:

The days when you got paid to give advice are finished. Our client management now want outcomes and they want to tie your remuneration to the value you deliver.42

Accenture now sought to “partner” with companies and help them execute their ideas. Accenture also scaled back its marketing during the summer of 2001 as it typically did during the
summer holiday season. At this time, Accenture focused its energy towards developing an evolved positioning that better suited the marketplace and client demands.

**Refining the Positioning**

In 2002, Accenture unveiled an evolved positioning summarized succinctly by the brand essence “Innovation Delivered.” The brand essence was supported by the positioning statement:

> “From innovation to execution, Accenture helps accelerate your vision.”

According to surveys conducted by the company, senior executives from a diverse group of industry sectors and countries identified their ability to execute and deliver on their ideas as the number one barrier to success. The respondents expressed a need for external assistance from consulting firms to help them bring their ideas to life. Furthermore, senior executives named Accenture as the only company positioned to provide this assistance. Additionally, the survey revealed that executives considered consulting companies as a source of validation for innovative ideas generated within a company. The new positioning and brand essence came from these findings.

Accenture stressed that the innovation could come from either the consulting firm or the client, as explained by CEO Joe Forehand:

> We don’t want to back away from being seen as someone who brings the best consulting, innovation, and ideas to clients, but our clients are telling us they have a lot of smart people with good ideas, too. They just need execution. We are uniquely positioned to fit into this intersection of business and technology capability to drive shareholder value for clients... There’s nobody in the industry that can be the best at everything across the whole spectrum of hardware, software, technology services and consulting. Our clients value [a company] that is an independent services organization that can make sure their interests are put first and foremost, but also one that has a network of alliance partners it can bring together.

With the new positioning, the company targeted senior executives of global companies “with the ability to drive change in their organizations.” The type of executive that Accenture targeted understood the importance of moving rapidly to capitalize on emerging opportunities in the ever-changing marketplace. This group of executives also recognized that the pursuit of competitive advantages sometimes required difficult decisions on their part. Accenture would ensure that such decisions were implemented successfully with the right execution, as described by the company’s role with respect to its new positioning:

> [Accenture is a] catalyst to accelerate innovation to results. We spur ideas, put plans into action and help provoke significant change.

Accenture believed its global network of employees and alliance partners, as well as its breadth of services (i.e., Consulting, Technology, Outsourcing, Alliances), represented unparalleled resources to provide clients with innovative solutions.

Furthermore, the company identified personality traits as part of the positioning to be: innovative, smart, collaborative and passionate. Accenture saw itself as an innovator in ideas, technology, execution and collaboration. The company felt it typified a smart company because of its tradition of thought leadership and ability to rapidly develop strategies and execute them. Since it partnered with clients and shared its knowledge and expertise, Accenture viewed itself as collaborative. The company retained the passionate trait from its previous positioning, since it remained driven to help clients succeed and embrace challenges. Finally, research revealed that the passionate personality trait was the best way for Accenture employees to “live” the positioning and bring it to life everyday.

Further building on the “Innovation Delivered” idea, the Accenture signature had been updated to include the phrase “Innovation Delivered” to the existing Accenture logo. Going forward the Accenture “Innovation Delivered” signature would serve as the company’s primary logo, reinforcing how Accenture collaborated with its clients to bring ideas to life.
Bringing “Innovation Delivered” to Life: “I Am Your Idea” Advertising Campaign

The new Accenture global advertising campaign, “I am your idea,” was launched on February 20, 2002 - the first day of the 2002 Accenture Match Play Championship.

The campaign provides a clever and unique perspective. “I am your idea,” speaks from the point of view of the idea itself, giving the idea its own voice and personality. Situations are depicted in which the ideas constantly present themselves, allowing the viewers and readers to see how ideas can take on a voice and personality of their own. In addition, the campaign drives the new “Innovation Delivered” positioning message by illustrating "whether it’s your idea or Accenture’s, we’ll help you turn innovation into results." The advertisements were in response to one of the leading frustrations cited by senior executives -- that great ideas may go unrealized, be it the ideas of clients or Accenture.

One of the television commercials, called “Train,” shows an executive writing his ideas on a luminous slip of paper as he is riding in a high-speed train. When he sees other business people on the train and in the station with similar pieces of paper, he is reminded that there are many other ideas out there. It is then that his idea reassures him with a message of, “You’re actually going to do something with me.”

A print ad from the campaign entitled “Highway” features a highway scene in which the reader has to make a choice. A central sign above the highway reads “I am your idea” with two additional signs underneath. One sign provides direction to a straight path and says “Use me,” and another sign points towards a highway turn-off saying “Lose me.” The copy reads “It’s not how many ideas you have. It’s how many you make happen. So whether it’s your idea or Accenture’s, we’ll help you turn innovation into results. See how at accenture.com”

“The campaign was received very positively during testing with senior executives,” said Teresa Poggenpohl, “Bringing a client’s ideas to life was viewed to be extremely relevant and clear to the senior executives we spoke with. In addition, they found our acknowledgement of clients having ideas to be refreshing and differentiating.”

The advertising campaign appeared in 31 countries and was seen on leading business and television news programs and in leading business publications. It was also supported by airport posters and outdoor advertising.

CONCLUSION

Following a decade of prosperity and growth, Accenture staked a new direction and forged a new identity at the turn of the 21st century. After successful arbitration against Andersen Worldwide and Arthur Andersen the company was able to recast itself under a new name, coinciding with the launch of a new positioning. The rebranding and repositioning of Accenture was unprecedented in scope and timeframe -- the largest rebranding initiative ever undertaken by a professional services firm, being successfully implemented across 47 countries in just 147 days. Accenture launched this rebranding and repositioning to its global audience with a multi-phase global marketing campaign that began before the official changeover occurred on January 1, 2001. The challenge was daunting, but the objectives clear: To reposition the company, transfer brand equity to Accenture, raise awareness of Accenture globally and to eliminate residual confusion with Arthur Andersen. Changes in the business climate in 2001 prompted a refinement to their positioning, one that delineated Accenture’s ability to help companies capitalize on their marketplace opportunities by bringing their ideas to life.

DISCUSSIONS QUESTIONS

1. How would you characterize Andersen Consulting’s brand equity in the late-1990s? What factors and decisions contributed to the building of this equity?
2. Compare the characteristics of Accenture’s brand equity to those of Andersen Consulting. Do you think the rebranding and repositioning of the company successfully transferred the equity from the old name to the new one?
3. How should Accenture follow up on its image and awareness campaign? What should be the next steps in the company’s marketing program?
Fig. 1: Overall Brand Equity Index

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<th>Image</th>
<th>Awareness</th>
<th>Consideration</th>
<th>Preference</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andersen Consulting</td>
<td>6.5</td>
<td>10</td>
<td>9.1</td>
<td>5.8</td>
<td>7.9</td>
</tr>
<tr>
<td>McKinsey</td>
<td>7.2</td>
<td>8.4</td>
<td>9.2</td>
<td>6.4</td>
<td>7.8</td>
</tr>
<tr>
<td>IBM</td>
<td>5.3</td>
<td>4.9</td>
<td>3.6</td>
<td>1.2</td>
<td>3.8</td>
</tr>
<tr>
<td>Ernst &amp; Young</td>
<td>3.8</td>
<td>3.2</td>
<td>5.3</td>
<td>1.9</td>
<td>3.6</td>
</tr>
<tr>
<td>EDS</td>
<td>1.9</td>
<td>0.0</td>
<td>1.6</td>
<td>0.0</td>
<td>0.7</td>
</tr>
</tbody>
</table>


Fig. 2: Unaided Awareness Levels of AC vs. Competitors
(As systems integration consultants)

(Fig. 2 sources: Image Awareness Tracking Study (1998 & 1993), National Awareness Tracking (1993 & 1995) and Global Awareness Tracking (1997 & 1998))
Fig. 5: Andersen Consulting Client Retention Percentage

(Source: Andersen Consulting Marketing and Communications Department)

Fig. 6: Awareness Tracking: Andersen Consulting vs. Arthur Andersen

<table>
<thead>
<tr>
<th>1994 Unaided Awareness</th>
<th>Business Re-engineering</th>
<th>Strategy Consulting</th>
<th>Systems Integration</th>
<th>Organizational Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andersen Consulting</td>
<td>24%</td>
<td>18%</td>
<td>19%</td>
<td>10%</td>
</tr>
<tr>
<td>Arthur Andersen</td>
<td>27%</td>
<td>17%</td>
<td>18%</td>
<td>12%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>November 1995 Unaided Awareness</th>
<th>Business Re-engineering</th>
<th>Strategy Consulting</th>
<th>Systems Integration</th>
<th>Organizational Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andersen Consulting</td>
<td>35%</td>
<td>32%</td>
<td>29%</td>
<td>23%</td>
</tr>
<tr>
<td>Arthur Andersen</td>
<td>31%</td>
<td>22%</td>
<td>25%</td>
<td>18%</td>
</tr>
</tbody>
</table>

(source: 1995 Global Awareness Tracking Study)
Fig. 7: Top 10 IT services providers

<table>
<thead>
<tr>
<th>Rank</th>
<th>Brand</th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IBM Corp.</td>
<td>8.6</td>
<td>9.2</td>
</tr>
<tr>
<td>2</td>
<td>EDS</td>
<td>6.1</td>
<td>6.6</td>
</tr>
<tr>
<td>3</td>
<td>First Data Corp.</td>
<td>3.1</td>
<td>3.1</td>
</tr>
<tr>
<td>4</td>
<td>Computer Sciences Corp.</td>
<td>3.1</td>
<td>3.1</td>
</tr>
<tr>
<td>5</td>
<td>Automatic Data Processing</td>
<td>2.8</td>
<td>2.7</td>
</tr>
<tr>
<td>6</td>
<td>Andersen Consulting</td>
<td>2.7</td>
<td>2.8</td>
</tr>
<tr>
<td>7</td>
<td>Hewlett-Packard</td>
<td>1.8</td>
<td>2.1</td>
</tr>
<tr>
<td>8</td>
<td>Deloitte Touche Tohmatsu</td>
<td>1.7</td>
<td>1.2</td>
</tr>
<tr>
<td>9</td>
<td>PriceWaterhouseCoopers</td>
<td>1.6</td>
<td>1.0</td>
</tr>
<tr>
<td>10</td>
<td>Oracle Corp.</td>
<td>1.6</td>
<td>1.3</td>
</tr>
</tbody>
</table>

(Source: Advertising Age, September 25, 2000)

Fig. 8: Rebranding Launch Timeline

<table>
<thead>
<tr>
<th>Aug 7 - 11</th>
<th>Aug 11 - Oct</th>
<th>Sept - Oct</th>
<th>Nov - Dec</th>
<th>Jan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLANNING</td>
<td>BRAND DEVELOP.</td>
<td>RESEARCH</td>
<td>EXECUTE NAME CHANGE</td>
<td>BRAND LAUNCH</td>
</tr>
<tr>
<td>Arbitration Decision</td>
<td>Name Develop.</td>
<td>Market Testing</td>
<td>Logo</td>
<td>Advertising</td>
</tr>
<tr>
<td>Creative Brief</td>
<td>Brand Line &amp; Descriptor Develop.</td>
<td>Linguistic Analysis</td>
<td>Prelude Ads</td>
<td>Accenture.com</td>
</tr>
<tr>
<td></td>
<td>Launch Plan Develop.</td>
<td>Final Recommendation</td>
<td>Media/Analyst Relations</td>
<td>Media/Analyst Relations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Int./Ext. Events</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Outlook Mag.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Signage</td>
<td></td>
</tr>
</tbody>
</table>

Fig. 9: Brand Positioning Evolution

1988-1991
- Help Apply Technology to Business Advantage

1992
- Empower to Reengineer for Business Advantage

1993
- Empower to Change for Business Advantage

1994-1998
- Continuously Strengthen Performance to Achieve Goals

1998
- Far-Reaching Change for Success

1999
- Help Achieve Value at Speed in the New Economy

2000
- Bridging Boundaries to Create the Future

2002
- Innovation Delivered


REFERENCES

1 This case was made possible through the cooperation of Accenture and Teresa Poggenpohl, Jim Murphy, Brian Harvey, and Chuck Teeter. Keith Richey prepared this case under the supervision of Professor Kevin Lane Keller as the basis for class discussion.


As quoted in “Divorced Andersen Readies New Name.” BtoB, October 9, 2000.


