

Rebranding of German Bakery, Pune : A Case Study

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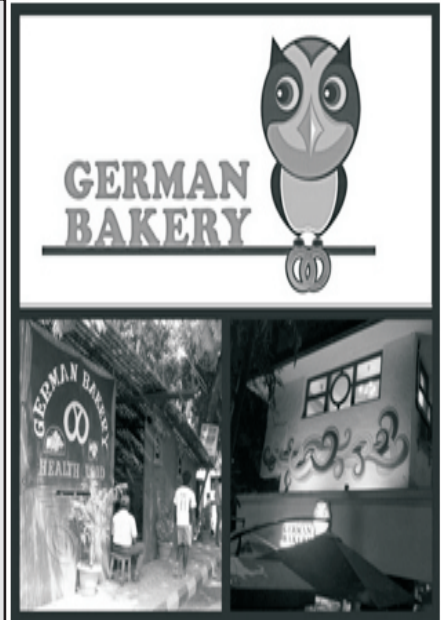
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Abstract

Recently, after 3 years, the German Bakery reopened its doors to its patrons. Eagerness hovers, but within the lines of prudence and security checks. The 2010 blasts that killed 17 and injured at least 60 people right there creates a certain curiosity to visit the German Bakery. While it was once a humble cafe with communal seating and self-service; the new German Bakery is now a swanky cafe with well informed waiters and an extended menu. It has been rebuilt and restructured to make the emotional people of Pune forget the dark past that it holds. This case study analyzed the current branding strategy of the German Bakery and made a comparison with its pre-existing model, that is, the model followed prior to February 2010. The case study aimed to highlight the concept of rebranding in the context of marketing strategies adopted by the German Bakery, and examined the steps taken by the owners to revamp and safeguard its premises post the 2010 blasts. The case study also took into account the customers' feedback about the revamped German Bakery, Pune.

Keywords : rebranding, marketing strategies, terror attack, German Bakery

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February 13, 2010 is one date that has been brutally etched into the memories of the people of India in the name of the atrocity that occurred at German Bakery situated in the heart of Pune. The highly publicized terrorist attack that led to the death of 17 and to the injury of 60 more is one of the most horrific acts of terror that the country has witnessed. This incident also led to the German Bakery becoming one of the most iconic places in Pune, giving it an unprecedented amount of public attention. With this incident, the German Bakery found an opportunity in disguise, which gave the owners an opportunity to expand and rebrand the bakery. The bakery, upon its opening in May 2013, has enjoyed immense support from the population of Pune, and the city welcomed its reopening with open arms. This is the underlying concept of the case study, and it basically provides an analysis of the rebranding of German Bakery and the strategies that went into it, along with the comparison of German Bakery as a brand-pre 2010 and in 2013.

Case Methodology

The objective of the case is to delve into the two versions of the German Bakery and gain an insight into the various

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changes that have been brought about. A total of 35 respondents were assessed by means of simple random sampling. The respondents comprised of the patrons of the German Bakery, new customers, locals and foreigners, and customers of different age groups. A questionnaire was used to conduct semi-structured interviews of the customers as well as structured interviews with the owners and managers. Secondary data were collected from articles in leading newspapers, journals, and from the Internet. The present case study aims to identify the importance of rebranding as a marketing tool and identifying the elements that have been implemented in German Bakery post the terror attack in February 2010.

Rebranding : The Concept

Rebranding is referred to as the repositioning, revitalizing, or rejuvenating of a brand and in some cases, a brand is even 'reborn'. Muzellec, Doogan, and Lambkin (2003) presented their paper as a first attempt to explore the marketing issues of relevance to the rebranding phenomenon. They defined rebranding as the practice of building a new name representative of a differentiated position in the mind frame of the stakeholders and a distinctive identity from competitors. So, in general, rebranding represents updating or changing the image of a brand in the minds of the different stakeholders involved.

Muzellec et al. (2003) stated that rebranding in an organization can take place on the corporate level, the business unit level, and the product level, the most critical of which is the corporate level, which represents a company's identity as a whole. Daly and Moloney (2004) presented a rebranding continuum made up of three main categories: minor changes, intermediate changes, and complete change. Minor changes focus on aesthetics and vary from a simple face lift, to restyling, to revitalizing the brand appearance or aesthetics, which may have dated and be in need of change. Intermediate changes focus on repositioning and use marketing tactics, especially communication and customer service techniques to favorably reposition an existing brand name, thus giving it a new image. Finally, a complete change involves getting a new name and brand, and all the necessary marketing communications involved to make all stakeholders aware of this change. More specifically, rebranding has been categorized into different types based on name, logo, and slogan change. There may be five types of rebranding: A new name and logo, a new name, a new logo and slogan, a new logo only, and a new slogan only (Stuart & Laurent, 2004).

With the objective of developing a new differentiated identity in the minds of the consumers, rebranding is used as a marketing strategy. At times, to distance themselves from negative connotations due to some previous instances, organizations are forced to go in for rebranding of their brand by making radical changes in a brand's logo, name, image, marketing strategy, and advertising themes. There might be various challenges faced by the organizations in the entire process of rebranding. The potential reasons for rebranding are :

- differentiation from competitors,
- elimination of a negative image,
- lost market share,
- emergent situations.

February 13, 2010 is one date that has been brutally etched into the memories of the people of India in the name of the atrocity that occurred at German Bakery that is situated in the heart of Pune. The act of terrorism led to the manifestation of terror in the hearts of the people all over the country. This highly publicized terrorist attack led to the death of 17 and to the injury of 60 people more is one of the most horrific acts of terror that the country has witnessed. According to Wikipedia (n.d.) :

The site of the bombing was the German Bakery, a two-decade-old popular establishment in Pune. The bakery, situated on the ground floor of a corner building in the Koregaon Park area of Pune, was reduced to rubble, though the rest of the building was left intact. At the time of the explosion, the bakery's limited seating areas were full of students and foreign visitors from the nearby Osho Ashram. (2010 Pune bombing, para 4)

This incident also led to the German Bakery becoming one of the most iconic places in Pune, giving it an unprecedented amount of public attention. The bakery, upon its opening in May 2013, enjoyed an immense support from the population of Pune, and the city welcomed its opening with open arms. After the unfortunate blasts in 2010, German Bakery had an incredible opportunity to totally revamp its existing structure and functioning and had an opportunity to implement a total rebranding strategy for revamping itself.

Background - German Bakery : 1988-2010 (Pre Rebranding)

After travelling from Germany, Klaus Gutzeit, a German citizen on a pursuit to travel, opened the first German bakery in Kathmandu. It was called Pumpernickel Bakery after the famous German country bread of the same name. However, Gutzeit soon fell out with his Nepali partner and opened another bakery in nearby Patan called 'Woody's Pumpernickel'. Later, he left Nepal and moved to Goa's Anjuna Beach, where he sold bread at the flea market. He became famous, and word reached the foreign residents of Pune's Osho Ashram. They first got him to supply them bread from Goa, and then to move to Pune. German Bakery opened in Koregaon Park in 1988-89, in partnership with Dnyaneshwar Kharose and Nepal citizen Ram Gopal Karkee. This is the story of the historical beginning of the German Bakery, which was to become an icon later on in time. The German Bakery in the year right before the blast was a modest bakery, catering mainly to local residents, with the nearby Oshoites forming a major part of the clientele. The bakery was mainly occupied by locals as well as tourists alike, coming in to enjoy a modest meal along with the favourite bun maska and chai (This background was narrated to us by Mr. Pankaj Kohli and has been given on the official website of the German Bakery).

➡ **The Ambience :** The wooden seats and tables were literally on the road itself and the only thing that divided the open road from the sweet bakery was a bamboo like fence and a makeshift roof which sheltered the bakery from the scorching sun. With the bakery's growing popularity, the owners decided to put up a bamboo wall and paint it green in keeping with all the healthy snacks and drinks they sold. The green bamboo wall was a bit like a sky roof and there was nothing very imposing and barricading about it. The *place* was a small one with a humble counter over which the 'self-service' sign hung. The menu was also not elaborate at all; it was a modest assortment of a few varieties of bread with coffee and tea, a few cakes, and probably a few fruit juice servings to add to it. The place had a very rustic feel to it with long benches and tables acting as seating. The bakery looked and felt very small and cozy and was an ideal hangout, especially during the rains and in the evenings. The German Bakery had a very communal seating approach which helped in accommodating large groups and helping them with healthy discussions over a cup of coffee. Keeping all this aside, there was also a shady side to the German Bakery pre - 2010. With the number of foreigners coming in, the place had become somewhat a “hippie joint”. There were also rumours about German Bakery being a joint for drugs with shady strangers coming in and sitting there for hours with a cup of tea.

The *aura* of German Bakery was such that it aimed at creating a very simple experience with people coming in to just eat and go and did not really focus on the overall package. The staff employed was bare minimum in number, with a lot of Nepalese employees coming in to earn a livelihood. Right from the guy at the juice counter to the bakery chef, the German Bakery did a minimalistic job in creating an overall consumer experience. It was more the feel of the place that appealed to its patrons. The German Bakery also contributed to the earnings of the nearby shops, especially local artisans as well as the local handicraft shops, which to an extent relied on the patrons of the German Bakery for their major sales. The security arrangements were obviously not given much emphasis as it was not really ever meant to be a really high profile place to be targeted by anyone. There was never really any restriction on anyone coming in, and anyone from a youngster to a 70 year old could come in and enjoy their snacks.

"You entered and there was a cash counter on the left and the wooden display cabinet with breads and cakes right there, and the place was always buzzing. Nepali guys working at the back helping with 'chai-wai and juice.' Then, on this length, it was shaded and a single row of benches and tables were present. All in all, a very closed space - not very bright. It was a spot, people didn't care, they just came and sat." Chef Shailendra, Head Chef, German Bakery.

➡ **The Clientele :** The place was a soft target with zoned out folks from the Osho Ashram with musical instruments and granola bars, tie and dye skirts, and wooden beads. The place was often filled with people smoking pipes, with an aroma of a concoction of coffee and tobacco filling the air. Often, people were seen sitting with guitars and strumming their tunes.

The place was a hotspot for the patrons of the Osho Ashram, so much so that some even had tables reserved for their seating every day. The people coming in did not care about fancy crockery or well-dressed staff, all they cared about was for a relaxed environment with freedom to sit and enjoy a cup of coffee and have a square meal. The crowd also comprised of people working in nearby offices who would gather at the place in the evenings or probably catch a break from their monotonous routines. The German Bakery catered to all sections of people who wanted to be in a fuss-free environment and have a good time.

"I was a child when German Bakery was a place where not to go. That's one of the peculiar things. We have so many people coming in now with families and children, and they're totally in love with this place because of the current look, and the moms have said to us that we don't mind our daughters coming here. Earlier, only the boys would feel comfortable. That's a complete turnaround from the past." - Kunal Udane, Present Owner, German Bakery

German Bakery of 2013 (Post Rebranding)

The German Bakery reopened its brand-new doors (with metal detectors!) last year to the public in May 2013. The reopening of the popular food joint in Koregaon Park area in Pune city was delayed for a long time, and the bakery has literally risen from the ashes. The reopening of the bakery has itself been a great initiative after the blasts in 2010 and has been a tribute to those who lost their lives in the tragic blasts. The café now has a whole new look after it has been redone. It has redefined the concept of the German Bakery altogether.

➡ **The Ambience :** The entrance of the German Bakery has changed to a side entrance guarded by intense security checks and metal detectors. Customers are greeted warmly by the staff waiters who have been employed, against the previous self-service concept. The décor is classy, with blue floor tiles and white tables and chairs that are beautifully designed to look and give the café a Mediterranean look. One of the most noticeable things is the artwork along the walls of the café, each hand painted by local artists.

The outdoorsy feel provides a fresh look to the café. The area has also widened from 400 square feet to about 1600 square feet, double storeyed. A private room has also been added for a private party. The glass displays have delicious options of cakes and breads that the bakery offers to the many customers who choose the take-away option for their orders. This café has a swanky look to it now for the same people who like their bun maska and chai, and even fancy items have been added to the menu. The city's youth as well as middle-aged population gathers at this popular hangout spot.

➡ **The Clientele :** The café boasts of regular groups of people who enjoy the new look of the German Bakery. The Oshoites have already made it their go-to place for their snacks, and the tradition carries on. What is new is the young group of people as well as families that visit the German Bakery. They did not do so before. It also has its Sunday regulars who enjoy their teas and hearty breakfast options.

➡ **The Menu :** The menu has had a drastic change with the rebranding of the German Bakery. It wanted to be known to people as a place where not only snacks, but options of a meal are available too. Around 40 new items have been added to the menu. They have everything from Lebanese pita and hummus to Italian pastas and pizzas. The German Bakery now has a competitive menu with other cafes in the vicinity as compared to the previous limited menu. The dishes that have been included now can satisfy even any well-travelled person's taste palate.

German Bakery: Pre and Post Rebranding

Based on the primary research conducted by interviewing the officials of German Bakery, the following inferences were made:

➡ **The Concept :** The entire concept of the bakery was changed after the rebranding of the bakery. The concept of the place changed from a self-service one to a full service café with a full-fledged staff and array of chefs and waiters.

➡ **The Entrance :** Earlier, the entrance was from the main road, but now, the entrance is from the side.

➡ **Improved Security Measures:** Post the tragic blasts, the bakery has improved its security measures with two guards stationed at the new entrance with metal detectors to check the handbags and wallets of the customers coming into the bakery.

➡ **The Ambience :** The whole ambience of the bakery has changed. Previously, from being a small and modest bakery, it has transformed into a modern swanky café with artistic interiors, enhanced menu, and a great new look.

➡ **The Logo:** The logo forms an important aspect of rebranding, and with the new 'Owl with the pretzel' logo, the bakery owners have tried to cultivate it as a brand (Figure 1).

➡ **May Peace Prevail on Earth :** The new German Bakery has a pillar as a tribute to the victims of the blast as well as a sign of peace. The pole says 'May Peace Prevail on Earth' in four languages, that is, English, Hindi, Mandarin, and German.

➡ **The Menu:** With Chef Shailendra of Stone Water Grill coming in to revamp the menu, the menu has come miles from the old one which was restricted to tea, coffee, fruit juices, modest cakes, and a few food items to an elaborate spread from risottos to smoothies.

➡ **The Interiors:** There has been a conscious effort to lend an artistic feel to the place with a variety of artwork decorating the walls. A lot of glass as well as blue tiled tables have been used to bring in a fresh look to the place.

"This is the new German Bakery. Puneites are emotional people, and this will help them forget the past." He then fishes out his card, with the owl on it, holding a pretzel. "Even the mascot was chosen to represent the end of a dark night. The pretzel has been retained to keep the German connection alive." - Vijay Shewale, Co-Owner, German Bakery

Figure 1. Exhibit of the New Logo of German Bakery, Pune



The place seems like an art lover's paradise, and this metamorphosis is commendable and is highly appreciated by the customers visiting the bakery.

➡ **Area:** The German Bakery was expanded from an area of 70 sq. ft. to 700 sq. ft., which is a huge change, with an entirely new upper floor added to the bakery. The bakery now has expanded the seating area, with a totally new section added to it. Hence, the bakery moved from an outdoor seating concept to an outdoor cum indoor seating concept place.

➡ **Possible Future Extensions :** With the owners planning to bring in new merchandising strategies to capitalize on the iconic brand that they're dealing with is something that was not even on the brink of the horizon in the previous German Bakery's scenario.

➡ **Social Media Presence:** With the bakery's presence on the social media website Facebook, the owners are planning to keep in sync with the times and gain a competitive advantage over their rivals and also utilize the online promotion tools to stay in touch with their consumer base.

Findings and Implications

On the basis of the customer survey conducted with a sample size of 35 respondents, the following inferences were deduced by us. A lot of customers who had visited the old German Bakery as well as the rebranded one responded positively to the fresh new look that the café now has. About 78% of the respondents liked the overall new concept from what it was before. The café now has a warm and lively environment that people have appreciated against the 12% who still believed that the cozy old place had its own charm. Majority of the customers visited the Bakery on a monthly basis (58%). Many of respondents were first timers as well since the bakery reopened last year in May 2013. Daily and weekly customers are the residents staying in the nearby vicinity as well as the Oshoites. The German Bakery reopened with a whole new concept. It was observed that a majority of the people appreciated the new concept of the café, right from the décor and the extended menu, and especially the fact that it is a full service café now rather than the self-service one it used to be. The new concept has a wider group of people that it appeals to as compared to the older version.

The German Bakery created a lot of curiosity amongst the people when it reopened. Many people visited this place after it reopened. Does it stop there? 81% of the respondents wanted to visit the bakery again, which means that the café has lived up to the customers' expectations, and it is not just a one-time visit for the buzz created. The German Bakery has certainly created a hype by reopening its doors to the public with a whole new concept. It has shed all apprehensions the customers had to visit the site of the tragic blasts 3 years later. It has freshened up the image by creating a bright and lively atmosphere, and a safe and secure environment where patrons can enjoy even a traditional bun maska and chai combination that brings back the old charm of the German Bakery as well. The café now has an eager staff to please every customer who walks through those heavily guarded doors for every occasion or outing.

Conclusion

Even though the spine-chilling hauntings of the Pune blast remain etched in people's memories, the response to the new and revamped German Bakery has been phenomenal. The success story of the revamped German Bakery is dictated by the footfalls it has received right from Day 1 of its opening. The consumer response does show that people miss the old German Bakery, but they also show a very welcoming response to its rebranding. We observed that people who were patrons of the old German Bakery, especially the older Oshoites miss the old place and the charm associated with it, but the others seem to be in love with its new avatar. So while there is a mixed reaction to

the new look, the footfalls and the buzz it has managed to create clearly speaks volumes about its success story. Without fail, it can be explicitly quoted to be a successful rebranding endeavour. While some do miss the old charm, but the warm response to the rebranded German Bakery shows its successful transition from conservative to modern.

Though rebranding is never a smooth sailing, it gets complicated by the moment, and rebranding means making changes in almost everything from the scratch and leaving nothing untouched which can hint to the older brand. Rebranding is not essential for every business with changing times, but at times, the situation demands the necessity of a rigorous approach that helps businesses to reap the positive side of rebranding. As a parting note, it can be noted that while terror does divide us and terrify us as in the case of the 2010 German Bakery bombings, nothing can scare us away from humanity to step forward and unite again, and the success story of the revamped German Bakery will be etched as one fine example of it in history. And with every passing day, this is reaffirmed with the German Bakery standing tall and strong.

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Appendix 1

Feedback from some of the customers of the German Bakery, Pune :

“I like the garden like area, chairs, and the safe and serene ambience created even after such a tragic event. Good job!” -Edlyn Saptist & Nikita Das

“I miss the prices of the old menu. Most of the things are available at nearby places with an even better ambience.” -Mohit Aggarwal

“Friendly atmosphere, excellent cakes, good food, clean is how I'd describe the German Bakery.” -Kathrin, Oshoite from Germany

“It's nothing like the previous German Bakery. It's more social. The waiter was very polite and hospitable and made sure the right cup of coffee was served, thus making our afternoon pleasant.” -Nikhita Patel

“Great food, Great ambience, Great service!” -Surajit Aggarwal

“I like the theme, the new logo, very well done! Mazel Tov!!!” -Harshita Sanghvi

“It's a good thing the German Bakery is back. It brings a sense of challenge to the terrorists and a pride to the people.” - Dr. Heenal

"Good quality – crazy menu- amazing staff- good service- feels good and secure.” -Sandeep Dharma