UNIVERSITY OF SÃO PAULO

POLYTECHNIC SCHOOL

MANAGEMENT ENGINEERING DEPARTMENT

MÁRIO BROERING GALVÃO PEREIRA

The use of design thinking methodology in a rebranding process: a case study

São Paulo

2023

MÁRIO BROERING GALVÃO PEREIRA

The use of design thinking methodology in a rebranding process: a case study

Original Version

Graduation Thesis submitted to the department of Management Engineering of the Polytechnic School of the University of São Paulo for the attainment of the bachelor's degree.

Advisor**:** André Leme Fleury

São Paulo

2023

ACKNOWLEDGMENTS

RESUMO

Esta tese teve como objetivo demonstrar como as ferramentas da metodologia de design thinking podem ser aplicadas na prática para endereçar um processo de rebranding. Para isso, utilizou-se um estudo de caso de um negócio real de varejo de pet shop passando por um processo de rebranding no Brasil. A tese busca realizar uma revisão da literatura sobre temas-chave em inovação, estratégia e design thinking, bem como ilustrar como essas abordagens teóricas podem ser implementadas na prática. Ultimamente, demonstra-se que as ferramentas de design thinking são adequadas para endereçar um processo de rebranding, especialmente devido à sua centralidade no usuário e à busca contínua por suas necessidades. Além disso, a flexibilidade da metodologia de design thinking permite e convida a integração de outros modelos complementares relevantes ao contexto específico do projeto, destacando sua natureza multidisciplinar e colaborativa.

Palavras-chave: inovação; estratégia; design thinking; marca; rebranding.

ABSTRACT

This thesis aimed to demonstrate how the tools of design thinking methodology can be practically applied to address a rebranding process. A case study of an actual pet shop retail business passing through a rebranding process in Brazil was used for this purpose. The thesis seeks to conduct a literature review on key themes in innovation, strategy, and design thinking, as well as to illustrate how these theoretical approaches can be implemented in practice. Ultimately, it is shown that design thinking tools are ideally suited for addressing a rebranding process, especially due to their user centeredness and continuous search for their needs. Furthermore, the flexibility of the design thinking methodology allows and invites the integration of other complementary frameworks relevant to the specific project context, highlighting its multidisciplinary and collaborative nature.

Keywords: innovation; strategy; design thinking; brand; rebranding.

LIST OF FIGURES

LIST OF TABLES

CONTENTS

1. INTRODUCTION

1.1. Context

1.1.1. Innovation, design thinking and rebranding

Innovation is a fundamental factor for the success and growth of organizations, especially in a constantly changing and hyper-globalized world. In this context, Design Thinking has emerged as a powerful and effective approach to drive companies and industries into innovation worldwide. Based on this premise, the aim of this study is to explore the relationship between Design Thinking and innovation applying its methodologies in a real rebranding process for a pet shop company in Brazil, identifying the main concepts and principles applied in this perspective.

The strategic importance of a Brand lies in its ability to differentiate a company's offerings from competitors, build customer loyalty, and establish a lasting relationship with the target audience. An effective branding strategy aligns with the overall business objectives and supports the company's mission and vision.

However, as market dynamics, consumer preferences, and competitive landscapes evolve, there may arise a need for a rebranding process. Rebranding involves a deliberate and comprehensive overhaul of a company's Brand identity, often to adapt to changing market conditions, revitalize the brand's image, or realign with new strategic directions. Rebranding can be triggered by various factors, such as mergers and acquisitions, shifts in target demographics, brand perception issues, or a desire to expand into new markets.

The importance of a well-executed rebranding process cannot be underestimated. It requires a careful analysis of the current Brand's strengths and weaknesses, an understanding of market trends, and a deep connection with the target audience's needs and desires. The process should not be undertaken lightly, as it carries the potential to significantly impact the company's image, customer loyalty, and overall business success.

In this thesis, the Design Thinking methodology will be employed as a human-centered and iterative approach to navigate the complexities of rebranding. By adopting a user-centric perspective, incorporating empathy, creativity, and prototyping, the design thinking process can lead to innovative and meaningful solutions that resonate with customers and drive positive outcomes for the company. Through a comprehensive exploration of the rebranding process utilizing design thinking principles, this thesis aims to provide valuable insights and recommendations to effectively manage the challenges and opportunities inherent in a successful rebranding initiative.

1.1.2. Ethical considerations and the project team

Regarding ethical considerations, it is important to emphasize that as the project was developed concurrently with the formalization of this graduation work, not all practical implications of the rebranding process could be captured.

Furthermore, due to the timing of the work and the project, as well as the fact that the project team was providing independent consultancy services to the company, all private information of the company will be omitted. Therefore, pseudonyms will be used both for referring to the company and the main characters involved in the project development, to ensure the confidentiality of information while allowing academic understanding of the approach used.

Finally, it is important to note that the project team consisted of three main members, whose goal was to manage the entire rebranding process alongside the relevant departments. Thus, the project team was responsible for mediating between different departments, organizing workshops and dynamics with selected departments, proposing discussions and inquiries, presenting the tools and methodology used, conducting interviews, and, ultimately, synthesizing all information collected in the workshops and dynamics for the construction of the proposed models.

The project team was composed of:

- **Isabela Lima, 30, Economist:** responsible for organizing schedules and setting the project's pace, functioning as the Project Management Office (PMO).

- **Rayssa Menezes, 29, Designer:** responsible for synthesizing the key information obtained in workshops, interviews, and dynamics. Preparation of presentation materials and development of visual and graphic materials.

- **Mário Broering, 28, Management Engineer:** responsible for conducting workshops and dynamics, serving as the moderator of discussions and presenter of group dynamics.

1.1.3. Pet shop retail market segment

The pet sector represents a segment of the agribusiness associated with the development of activities related to the breeding, production, and commercialization of domestic animals (to be known cats, dogs, birds, fishes and other small-sized domestic animals). Typically, it is structured and segmented into three primary pillars: industries and participants in the distribution chain of the food sector (Pet Food), veterinary medicines (Pet Vet), and pet health and hygiene care and its accessories (Pet Care).

Contrary to many market segments that experienced a downturn during the COVID pandemic years, the pet market witnessed substantial growth in recent times, both in terms of revenue and the number of animals housed in residences. With the emergence of the pandemic and the boom in pet adoption and acquisition, the industry has experienced double-digit growth rates in recent years. According to Euromonitor (2022), upon global analysis, the pet market reached a revenue of approximately US$149.8 billion in 2022 marking a 3.2% increase from 2021's revenue of US$145.2 billion. In this context, Brazil emerges as the third largest regional market, accounting for 4.95% of the global market revenues in 2022.

The current study presents a case study of a rebranding process in one of the largest pet shop retail companies in Brazil. In this work, the company will be referred to as CatDog, with the aim of maintaining the confidentiality of information.

1.1.4. The company

CatDog is the preeminent retail pet store chain in Brazil, boasting over 230 stores across the Brazilian territory, with a presence in 24 of the 28 states in the country.

Currently, the company offers a range of products for dogs, cats, birds, fish, and other pets, in addition to providing aesthetic services and veterinary medicine.

The company was founded in 2002 by João Pereira, starting with a single store in São Paulo. In 2020, it underwent its Initial Public Offering (IPO) and achieved the position of market leader in its segment. This accomplishment was further bolstered by an expansion strategy involving the opening of new stores and acquisitions within the retail pet sector.

Due to a recent acquisition of an online player and the realization that CatDog was unable to enhance its digital presence, João Pereira decided to initiate a rebranding process for the brand. Consequently, the design challenge that emerged was predicated on the assumption of the necessity for rebranding.

1.2.   Motivation

The justification for conducting this study lies in the need to understand in-depth how Design Thinking can contribute to the innovation process, particularly in a rebranding process. Through this analysis, it will be possible to identify the main benefits and potentialities of this approach, as well as understand its practical application and the challenges faced in integrating it with the innovation process.

CatDog lacked clarity on the aspects that needed modification in the current brand:

- What are the strengths of the current brand that we should retain in the future brand?

- What are the weaknesses of the current brand that we need to address in the future brand?

- How has the current brand failed to connect with its "ideal customer," and why did this occur?

- What would be the implications of the rebranding process (to what extent would it be realized)? How would it affect other business departments?

- In which extent the rebranding could add value to the brand?

Those questions were summarized in a main design challenge question:

Design Challenge: *How can the actual customer feel more connected to the CatDog brand?*

All these questions needed to be answered at the beginning of the process of designing the new brand. This academic research aims to focus on how this rebranding process can be approached using the tools and methodologies of design thinking.

1.3. Objectives

Given the theme and context presented, this work consists of applying the design thinking approach to develop a new brand for CatDog, a pet shop retail company that commercializes products in the market segment and offers pet care services.

The aim of the work is not only to create a new brand through the rebranding process but also to present a case study of the concepts and tools of design thinking, demonstrating their effectiveness in addressing a rebranding process.

1.4. Justification

Design thinking has been propagated as a methodology for the systematization of the innovation process. In today's world, which is changing rapidly and filled with vast amounts of information, it is essential for the survival of any company to create an environment conducive to innovation and have a structured system for fostering creativity.

For the project team, this work provided a deeper understanding of the market segment and served as a practical example of how the tools proposed by design thinking academics can be applied in real-world scenarios.

For the studied company, the work conducted by the project team facilitated the acquisition of a new systematic approach for driving innovation within the company and fostered the creation of an environment conducive to creativity.

For the Polytechnic School and society, the development of this work contributes to the advancement of design thinking approaches by showcasing the real-life journey of a company in pursuit of a system capable of addressing identified innovation

opportunities. It may serve as a reference for the development of other graduation projects and for other rebranding processes, which are becoming increasingly necessary.

For the field of Management Engineering, this work represents an exercise in systemic thinking, fundamental to the industrial engineer. Considering the project and identified innovation opportunity as a complex system, where the elements of its business model interact, managing its variables necessitates a holistic view of the system.

1.5. Document Structure

This document is structured into five main chapters aimed at systematically addressing the rebranding process, demonstrating how it was tackled using design thinking and its tools.

The first chapter introduces the context of the work, including its motivation, primary objectives, and justification. It offers an initial description of the company where the work was developed, as well as considerations about the project team.

The second chapter presents a review of the main concepts used to address the identified problem, covering topics such as innovation, design thinking, strategy, and branding.

The third chapter introduces the method proposed by the author for the project's development.

Chapter 4 recounts the journey of applying the proposed method, detailing the results obtained at each stage of the method.

The fifth and final chapter concludes the work, offering a reflection on the application of the design thinking methodology, as well as suggestions for future developments of the current work.

2. LITERATURE REVIEW

2.1. Innovation: definition and methodologies

Innovation plays a fundamental role in the field of Management Engineering, driving the development of new products, processes, and technologies. Various authors have explored this theme over the years, providing diverse perspectives on the definition of innovation and how to promote innovation.

> Innovation is a multifaceted and essential concept for Management Engineering, encompassing not only product development but also process improvement, adoption of advanced technologies, and the pursuit of creative solutions. Through innovation, organizations can differentiate themselves in the market, increase operational efficiency, and more effectively meet consumer demands (HARMSEM et al., 2020).

The definitions of innovation may vary according to the field of research. Schumpeter (1939), for instance, delved into the theme of innovation in the economic domain and articulated the concept as the introduction of a new good, a new method of production, a new market, a new source of supply, or a new form of industrial organization, which the author called 'the new combination' into economic use, in addition to not just mere imitation or incremental improvement.

Schumpeter's (1939) definition emphasizes the transformative nature of innovation, where it involves the creation and implementation of entirely new ideas, products, processes, or market strategies that significantly depart from the existing norms. He believed that innovation was the driving force behind economic growth and progress, fueling what he called the process of "creative destruction", where new innovations replace or disrupt existing industries and practices.

In Management Engineering and Business Administration, innovation is frequently defined based on a common set of concepts that span across most authors. This thesis will employ the following definition of innovation as its foundation, articulated by its own author, drawing upon the prevalent concepts identified in most researchers:

"Innovation is the process of introducing novel ideas, products, services, processes, or organizational practices that result in significant advancements, improvements, or transformative changes within a specific domain or industry. It involves the creation and application of inventive thinking, research, experimentation, and the successful

implementation of these ideas to address existing challenges, capitalize on emerging opportunities, or fulfill unmet needs. Innovations can lead to increased efficiency, productivity, competitiveness, and value creation, driving economic, social, and technological progress."

It is important to note that innovation can take various forms, such as technological innovation, social innovation, business model innovation, or process innovation. The academic definition of innovation may vary slightly depending on the specific research area or discipline, but the core concepts of novelty, impact, and successful implementation remain consistent across most academic definitions.

According to Drucker (2013), innovation is essential for entrepreneurship and organizational success. He emphasizes the importance of a proactive approach in seeking creative solutions and creating value for customers. Similarly, Kotler (2020) highlights the need to adopt innovative marketing strategies to stand out in the competitive market.

In the specific field of Management Engineering, Rozenfeld et al. (2016) discusses product development management as a key element for innovation. They advocate the use of systematic methods and processes to promote the creation of innovative products, involving different stages from conception to production.

Regarding product design, Baxter (2020) emphasizes the importance of creative thinking. He argues that user-centered and creative approaches are essential for developing innovative products that meet the needs and desires of consumers.

However, innovation is not limited to product development alone. Carlgren et al. (2016) explores an approach to service innovation. They argue that applying design thinking principles can drive the creation of innovative services, considering the needs and experiences of users.

Additionally, Brown (2018) highlights the adoption of a mindset for solving complex problems and finding innovative solutions. He emphasizes the need for empathy, collaboration, and experimentation in the design process.

In a business context, innovation is also related to the company's competence in developing new products and processes. Harmsem et al. (2020) argue that the

company's competencies, especially in product development, play a crucial role in the ability to innovate and adapt to market changes.

Drucker (2013) asserts that the ability to innovate is essential for organizational success. Through innovation, companies can identify new market opportunities, anticipate consumer needs, and create differentiated value. Innovation can be both incremental, with gradual improvements to existing products and processes, and disruptive, with the introduction of radically different solutions.

Tidd et al. (2015) highlight the importance of efficient idea generation and selection processes, as well as an organizational culture that fosters creativity and entrepreneurship. Managing innovation involves creating an environment conducive to innovation, as well as implementing and monitoring innovative projects.

On the other hand, Von Hippel (2016) discusses the importance of end-users as a source of innovation, emphasizing the need to involve them in the product development process. Furthermore, innovation is intrinsically linked to the organization's ability to adapt to technological changes and the competitive environment.

More recently, authors have explored the theme of innovation in customer experience. Pine & Gilmore (1998) define it as the continuous improvement and transformation of the interactions, touchpoints, and overall journey that customers have with a brand or organization and encompasses the creation and implementation of novel strategies, technologies, and processes to deliver exceptional and personalized experiences that meet or exceed customer expectations.

The significance of innovating customer experience has grown significantly in recent years, driven by various factors such as increasing competition, advancements in technology, and shifting consumer demands. Brands recognize that providing a memorable and delightful customer experience is a key differentiator in a crowded marketplace, leading to enhanced customer loyalty, brand advocacy, and ultimately, improved business outcomes.

According to Pine & Gilmore (1998), innovation of customer experience is an ongoing journey for businesses seeking to differentiate themselves in a competitive landscape. By embracing technology, customer-centricity, and continuous improvement,

organizations can forge stronger connections with their customers and create lasting, positive impressions that drive loyalty and business success.

To manage and promote innovation, different frameworks and methods have been developed over time. The main ones are:

1. **Design Thinking:** Design Thinking is a human-centered approach to innovation that focuses on understanding users' needs and problems, generating creative ideas, and prototyping and testing solutions. It emphasizes empathy, collaboration, and iterative problem-solving.

2. **Lean Startup:** The Lean Startup method is an approach to entrepreneurship and innovation that advocates for rapid experimentation, validated learning, and iterative product development. It aims to build minimum viable products (MVPs) to test hypotheses and gather feedback from early adopters.

3. **Open Innovation:** Open Innovation is a collaborative approach that involves leveraging external ideas, technologies, and partnerships to drive innovation. It encourages organizations to look beyond their boundaries and tap into a global network of knowledge and expertise.

4. **TRIZ (Theory of Inventive Problem Solving):** TRIZ is a problem-solving methodology that focuses on identifying universal principles and patterns of innovation to solve technical problems creatively. It provides a systematic approach to inventing new solutions based on the analysis of contradictions and resources.

5. **Scrum:** Scrum is an agile project management framework often used in software development but can be applied to other fields as well. It promotes cross-functional collaboration, frequent communication, and adaptive planning to deliver incremental and valuable outcomes.

These are just a few examples of innovation methods, and there are many other approaches and frameworks available depending on the specific context and goals of the innovation process. This thesis will delve into the Design Thinking method to explore innovation in a real case of rebranding in a Pet Shop company in Brazil.

2.2. Design Thinking and the innovation process: concepts and principles

Design Thinking is an approach that has become increasingly relevant in Management Engineering, offering a new set of concepts and principles to drive innovation and solve complex problems. This approach has its roots in the design field but has been widely adopted in various areas, including Management Engineering and Business Administration, due to its effectiveness in promoting creativity and collaboration.

The origins of design thinking can be traced back to the 1960s, when it emerged as an interdisciplinary approach to solving complex problems. Rooted in fields such as architecture, engineering, and urban planning, this methodology gained traction due to the work of notable scholars like Herbert A. Simon (1969), who laid the conceptual groundwork for understanding design as a systematic and cognitive process. Over the subsequent decades, the philosophy behind design thinking was enriched and deepened by the contributions from various academic disciplines, including psychology, cognitive science, and management science.

As the 20th century progressed, various academic institutions and thinkers expanded upon the foundation of design thinking, striving to codify its principles and processes. Among them, the Design Methods Movement in the 1960s and 1970s played a pivotal role in advocating structured methodologies over the intuitive and heuristic practices that dominated design disciplines. By the 1980s and 1990s, scholars like Peter Rowe (1987), began to dissect the decision-making processes of designers, thereby refining the framework of design thinking and elucidating its universal applicability to diverse problem-solving scenarios.

The transition of design thinking from academic circles to mainstream corporate and entrepreneurial contexts can be attributed to institutions such as Stanford University's d.school (D.school, 2018). Their curricula, emphasizing human-centered design, prototyping, and iterative testing, have profoundly impacted global business strategies and innovation processes. In the contemporary era, design thinking is no longer confined to product or architectural design; its tenets are now employed across industries to foster innovation, enhance user experience, and ensure that solutions are not only technically feasible but also deeply resonant with human needs and desires.

In the ensuing discussion, we will delve into the topic of design thinking from two perspectives: on one hand, we will examine the primary concepts and principles embedded in its theory, and on the other, we will explore the predominant methodologies employed to operationalize it.

2.2.1. Design Thinking principles

In the contemporary discourse on innovative methodologies, design thinking emerges as an interdisciplinary approach to problem-solving, distinguished by its emphasis on human-centric design, iterative processes, and a holistic interpretation of challenges. This approach, deeply ingrained in the fabric of modern innovative strategies, is founded upon key principles that have been the subject of rigorous discussion and elaboration by an array of scholars and practitioners over several decades.

As elaborated by Verganti (2008), central to design thinking is an unwavering dedication to a **human-centered or user-centered approach**, underpinned by an acute awareness of human (end-users) needs, desires, and experiences. Any proposed solution or innovation within this framework is obligated to deeply resonate with its intended end-users, addressing both their overt and covert needs. This implies developing a deep understanding of users through techniques such as observation, interviews, and empathy to identify opportunities for improvement and innovation. Such a perspective is significantly influenced by the contributions of Norman (1988), where he rigorously examines user-centric design paradigms, shedding light on the criticality of intuitive human-device interactions.

Further enriching the design thinking paradigm is the principle of **embracing ambiguity**. This ethos propels practitioners towards a state of open-mindedness, cultivating a disposition that is not only receptive to uncertainty but is also at ease with the inherent ambiguities of the design process. Kimbell (2011) argue that creative thinking is essential for generating innovative ideas and solving complex problems. It stimulates the exploration of multiple options and the search for unconventional solutions through techniques such as brainstorming, free association, and the combination of seemingly disconnected ideas. Brown (2018) emerges as a vocal

advocate of this principle, frequently underscoring the imperative of expansive exploration during the nascent phases of the design process.

The dynamic nature of design thinking is manifest in its **iterative essence**. There's a tacit acknowledgment that both the problem definition and potential solutions undergo evolution and refinement with time. Plattner et al. (2010) emphasize the importance of prototyping and testing solutions in an agile manner, seeking to learn from mistakes and continuously improve. Prototyping allows ideas to be visualized and tested tangibly, enabling validation and refinement of solutions before being implemented on a large scale. Kelley (2013) has accentuated this by ardently advocating for a 'fail fast, learn quickly' approach, emphasizing **rapid iteration and prototyping**.

One must also recognize the burgeoning complexities of contemporary challenges, which invariably necessitate insights drawn from a spectrum of disciplines. As articulated by Simon (1969), design is an activity that transcends traditional academic silos, necessitating a **collaborative effort**. Liedtka et al. (2015) highlight the importance of bringing together different perspectives and skills in a collaborative work environment to promote the generation of diverse ideas and co-creation of solutions. The interaction between professionals from different fields, such as engineers, designers, managers and users, can lead to insights and innovative approaches that would not be achieved in isolation. This collaborative ethos is resonantly echoed in contemporary design thinking methodologies, particularly those championed by prestigious institutions like Stanford's d.school, which emphasize the indispensability of **interdisciplinary collaborations** and the richness of diverse thought.

Lastly, while the merits of contemplative analysis are undeniable, design thinking posits a pronounced **bias towards action**. A tangible, hands-on approach, characterized by real-world experimentation and prototyping, is believed to be a conduit for insights that might elude mere theoretical contemplation. Brown and Katz (2011) emphasize that the design process is not linear but rather a continuous cycle of problem identification, idea generation, prototyping, testing, and refinement. This iterative cycle allows for adaptation and improvement of solutions over time, leading to more satisfactory results aligned with user needs.

In the effort to summarize all the principles that underline Design Thinking definitions, Oliveira & Zancul (2022) proposed (Table 2.1)

Table 2.1: Attributes and principles constituting of design thinking.

Attributes/Themes	Patterned principles
Creativity and innovation	Innovation; creativity; idea creation; discovery opportunities
User centeredness and involvement	User/customer involvement; human-centredness; working with extreme users; end-user profiling; empathy; non-judgment; social
Problem-solving	Problem-solving; wicked problem solving; constraints as inspiration; decision-making; challenge the norm; reframing; optimism
Iteration and experimentation	Iteration; experimentation; prototyping; reflexivity; reflective practice; curiosity; playfulness; energetic; learning-oriented
Interdisciplinary collaboration	Collaboration; stakeholder involvement; multidimensional team; conflict negotiation; interactive process; involvement of outsiders; participatory design; persuasion and communication; openness to differences in personality type and background; democratic spirit
Ability to visualise	Aesthetics; ability to visualise; elegance; style; thinking through doing; bias towards action
Gestalt view	Holistic approach; embracing complexity; integral intelligence; synthesis; systemic model; systems thinking
Abductive reasoning	Abductive reasoning; emergent; generative
Tolerance of ambiguity and failure	Acceptance of failure; ambiguity; handle uncertainty; risk-taking; tolerant of mistakes; openness to the unexpected; comfort with complexity and ambiguity
Blending rationality and intuition	Balance between declarative and modal logic; balance between exploration and exploitation; balance between intuitive and analytical thinking; balance between reliability and validity; divergent and convergent thinking; emotional and rational; integrative thinking
Design tools and methods	Ethnographic methods; personas; journey map; brainstorming; mind map; visualisation; prototyping; experiments

Source: Oliveira, Zancul (2022)

The authors defined design thinking as "an abductive, human-centered approach for problem-solving" (Oliveira, Zancul, 2022), which will be the definition adopted in this thesis. The proposed definition was summarized in a non-normative, comprehensive construct composed of a conceptual definition and a subset of properties that portray tangible design thinking expressions (Figure 2.1).
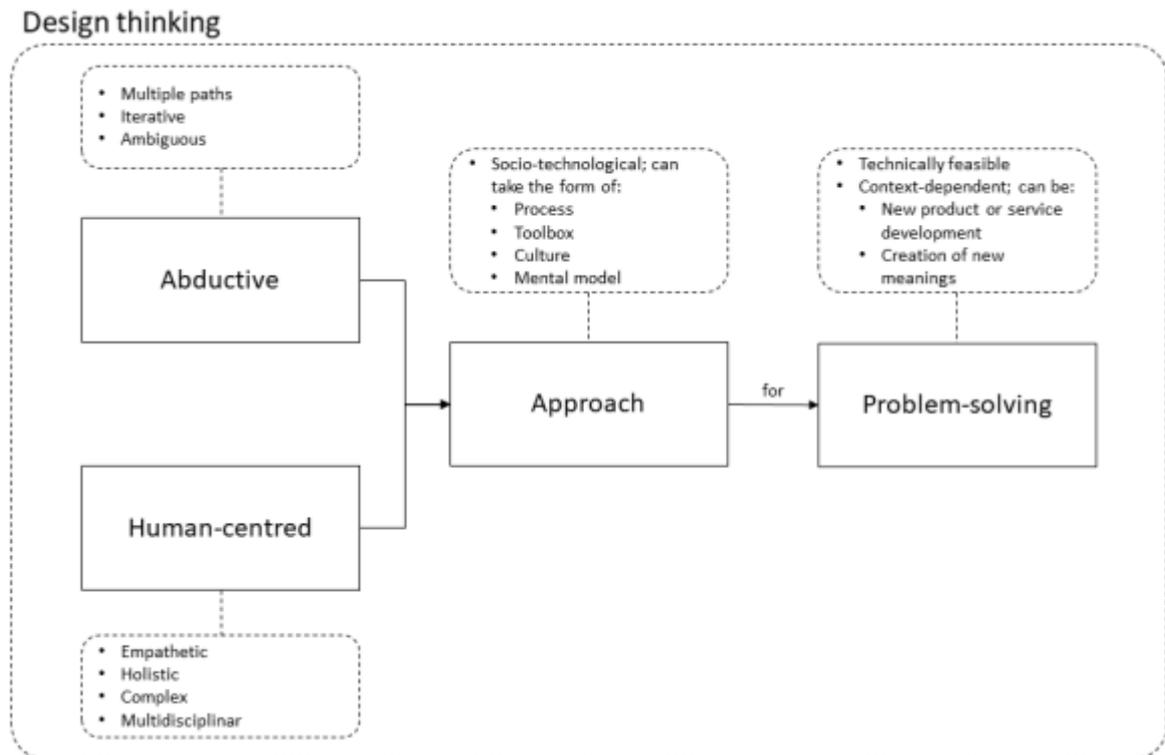
Figure 2.1: Design Thinking construct.

Source: Oliveira, Zancul (2022)

The framework elaborated by Oliveira & Zancul (2022) emphasizes the two main axis where design thinking is rooted in: abductive reasoning and human-centeredness.

As for the abductive reasoning, in the process of design thinking ones' initial focus shouldn't be on deducing outcomes from known mechanisms, as in deductive reasoning, neither inducing definition of mechanisms for desired outcomes, as in inductive reasoning. Instead, design thinking emphasizes concentrating first and foremost on identifying the desired value from solving a problem.

Once the desired value is defined, those involved in design thinking adopt a human-centered perspective and tailor design thinking methodology to devise mechanisms for delivering this value. The desired value and outcome could take various forms such as new products, services, restructured processes, or even the establishment of new needs or meanings for consumers.

The principle of human-centeredness, according to Oliveira and Zancul (2022), is bifurcated into two dimensions: the first one roots itself in an in-depth understanding of human behavior and their desirability, as design thinking focuses on crafting solutions tailored to real user necessities. This dimension justifies the institutionalization of design thinking tools such as journey mapping, personas, among others, that are dedicated to enhancing the comprehension of human behavioral patterns (Micheli et al., 2019).

The second dimension of the human centeredness in design thinking is characterized by its playful and engaging nature for the participants (Liedtka, 2020). This aspect contributes to fostering a stimulating space, essential for collaborative and creative process (Oliveira, Zancul, 2022).

The primary objective for enterprises adopting design thinking is problem resolution. This adoption can guide problem-solving through the assembly of knowledgeable individuals in targeted workshops with predefined activities, or by empowering individuals to employ a human-centered and abductive approach to emergent problems, thereby fostering ongoing problem-solving and creative confidence (Dell'Era et al., 2020).

2.2.2. Design Thinking methodologies and frameworks

Over time, various frameworks and methodologies have been developed to operationalize design thinking. Although practices and tools of design thinking may vary across different environments, as previously discussed, it is important to undergo the predominant frameworks formulated to implement design thinking, and the underlying common set of phases that these frameworks have. This chapter will delve into the predominant frameworks that have been formulated.

2.2.2.1. Stanford University d.School methodology

Stanford's Hasso Plattner Institute of Design, commonly known as the d.school, offers a widely recognized approach to design thinking. The methodology is structured into five non-linear stages (Figure 2.2):
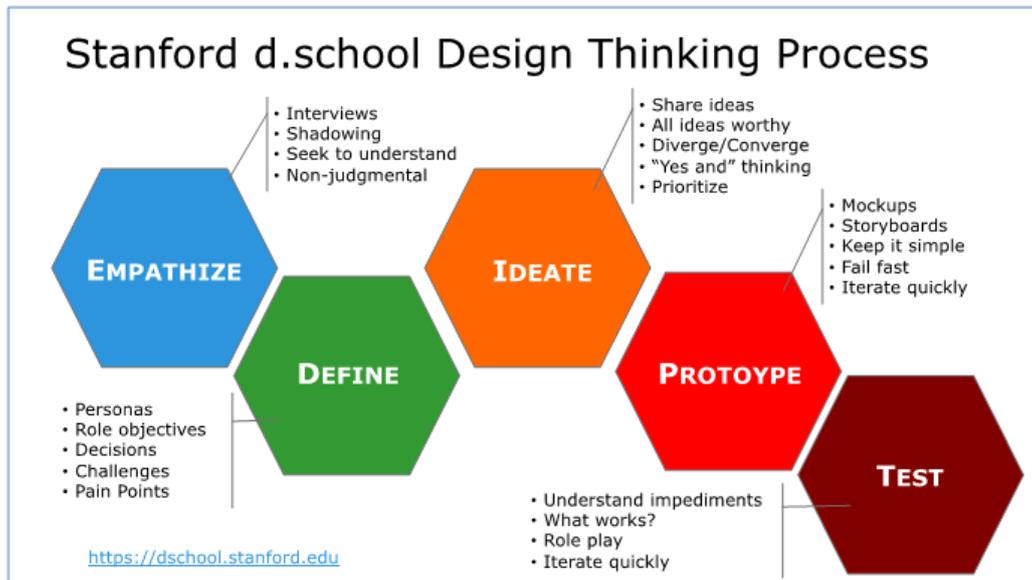
Figure 2.2: Stanford d.Schoold Design Thinking framework

Source: D.School (2018)

- **Empathize:** This phase emphasizes understanding users' needs, emotions, and motivations through observation and interaction.

- **Define:** Synthesize gathered information to define the core problem as a human-centered issue.

- **Ideate:** Brainstorm and generate a plethora of ideas to address the identified problem.

- **Prototype:** Create low-fidelity representations of solutions for experimentation and testing purposes.

- **Test:** Engage with users to test the validity of the prototypes, leading to refinements and improvements.

2.2.2.2. IDEO's Design Thinking framework

IDEO, an international design and consulting firm co-founded by David Kelley, is a significant proponent of design thinking. Their process, while similar to the d.school's, often includes three overarching phases (Figure 2.3):
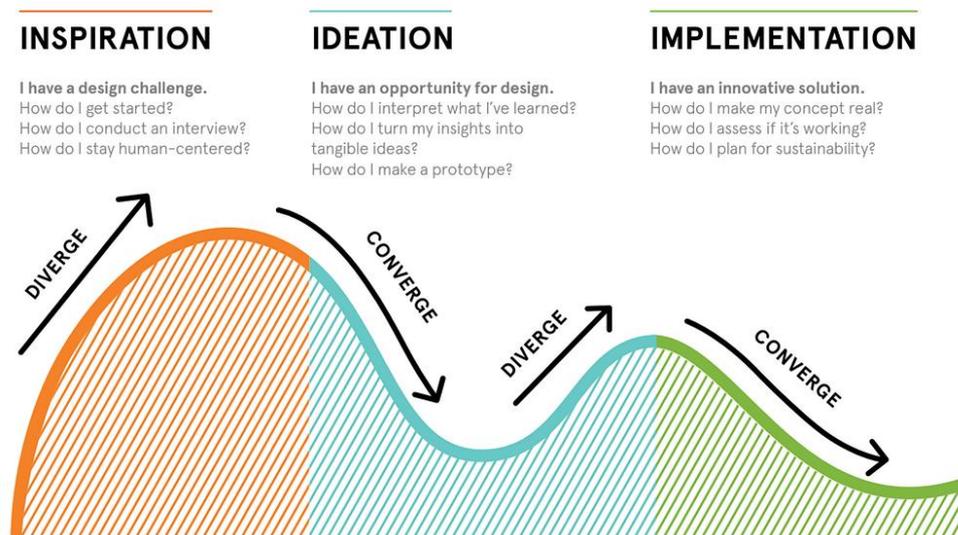
Figure 2.3: IDEO's Design Thinking framework

Source: IDEO (2008)

- **Inspiration:** Similar to the 'empathize' phase, it focuses on understanding the context, users, and their needs.

- **Ideation:** A convergence of defining the problem and brainstorming solutions.

- **Implementation:** This phase incorporates both prototyping and testing, emphasizing the real-world application of the solutions.

2.2.2.3. IBM's enterprise Design Thinking

IBM has adapted traditional design thinking models for larger-scale enterprise settings. Their methodology revolves around three main principles (Figure 2.4):
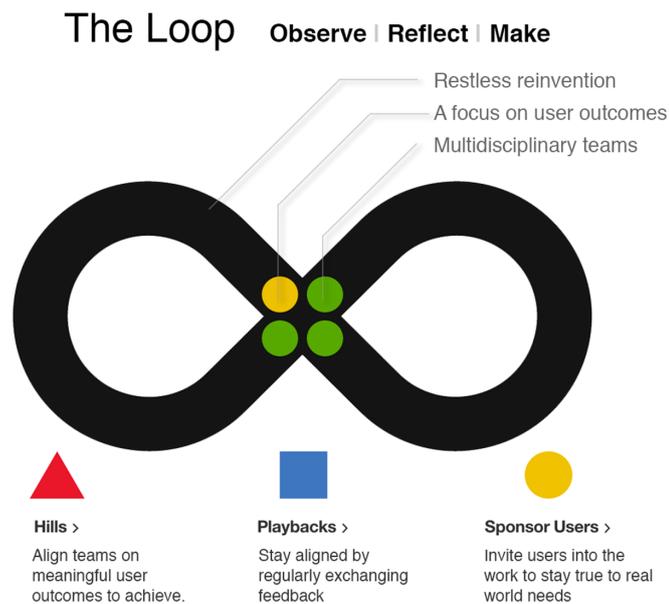
Figure 2.4: IBM's enterprise Design Thinking

Source: IBM (2012)

- **Hills:** These are clear statements about the intended user outcome, guiding the design process.

- **Playbacks:** Iterative presentations where the design is showcased and feedback is collected for refinements.

- **Sponsor Users:** Engaging real users throughout the design process, ensuring continuous feedback.

2.2.2.4. Jeanne Liedtka and Tim Ogilvie's designing for growth approach

Liedtka and Ogilvie (2011) present a design thinking model tailored for business contexts. Their process comprises four stages (Figure 2.5):
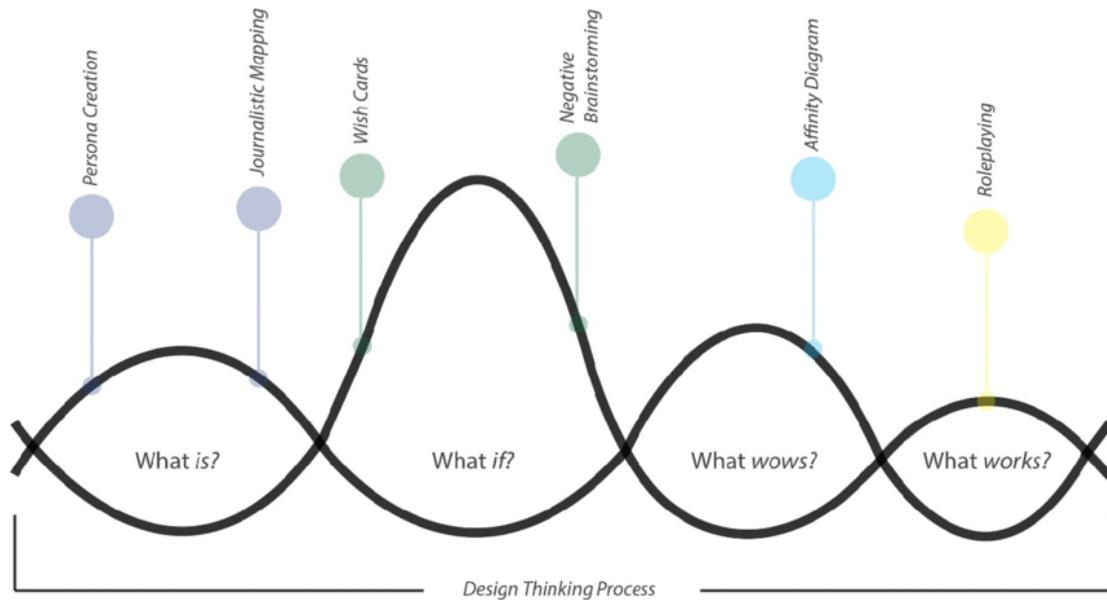
Figure 2.5: Jeanne Liedtka and Tim Ogilvie's designing for growth approach

Source: Liedtka, Ogilvie (2011)

- **What is?:** Exploring the current reality.

- **What if?:** Imagining potential solutions.

- **What wows?:** Prioritizing the most promising ideas.

- **What works?:** Prototyping and testing the preferred solutions.

In summary, while the underlying ethos of design thinking remains consistent, its methodologies have been adapted and refined by various institutions and scholars to cater to specific contexts. Whether it's the d.school's human-centric approach or IBM's enterprise adaptation, the core focus remains on understanding users (need-finding), iterative solution ideation, and real-world testing or solution implementation (Fleury et al., 2016; Micheli et al., 2019). Each methodology, with its unique schematics, provides distinct lenses through which complex problems can be tackled with creativity and empathy. It is important to note, however, that there is no consensus about the most relevant tools and methods to be applied in each project phase (Fleury et al., 2016).

2.3.   Strategy and it tools

According to Porter (1996), strategic positioning ensures that the company maintains its competitive advantage by engaging in activities different from its competitors. To achieve this, it is crucial to understand the market, competitors' positioning, and market competition rules, with the purpose of positioning the company to secure such an advantage. This chapter will delve into the main tools and frameworks used to understand and analyze a company's strategy. Those are: Porter's Five Forces, Blue Ocean Strategy, Mission and Vision and SWOT Analysis.

Recognizing Porter's five forces enables the comprehension of the market and the forces at play within it. The Blue Ocean Strategy assists in the company's positioning by exploring markets away from competition. The importance of mission and vision in defining a common direction for all stakeholders in the enterprise is also addressed. The SWOT analysis provides an approach for evaluating external and internal factors that may impact the company's strategy.

The bibliographic references in this topic aided the task of strategic positioning for the pet shop company. Next, the analysis of Porter's five forces will be presented, helping to understand the market dynamics and the main factors influencing competition within it.

2.3.1.   Porter's Five Forces

According to Porter (2008), in order to comprehend the true competition for profits and opportunities in a market, one must not only limit their understanding to the actions of direct competitors but also consider how other forces within the market interact: consumers, suppliers, new entrants, and substitute products (Figure 2.6). The intensity with which these forces operate will dictate the market's profitability. Understanding their impact is crucial for strategists to determine the best positioning for the company (Porter, 2008).

RIVALRY AMONG EXISTING COMPETITORS:
- Number of competitors
- Diversity of competitors
- Industry concentration
- Industry growth
- Quality differences
- Brand loyalty
- Barriers to exit
- Switching costs

THREAT OF NEW ENTRANTS:
- Barriers to entry
- Economies of scale
- Brand loyalty
- Capital requirements
- Cumulative experience
- Government policies
- Access to distribution channels
- Switching costs

BARGAINING POWER OF SUPPLIERS:
- Number and size of suppliers
- Uniqueness of each supplier's product
- Focal company's ability to substitute

THREAT OF SUBSTITUTE PRODUCTS:
- Number of substitute products available
- Buyer propensity to substitute
- Relative price performance of substitute
- Perceived level of product differentiation
- Switching costs

BARGAINING POWER OF BUYERS:
- Number of customers
- Size of each customer order
- Differences between competitors
- Price sensitivity
- Buyer's ability to substitute
- Buyer's information availability
- Switching costs

Figure 2.6: Porter's Five Forces framework

Source: Porter (2008)

2.3.1.1. Threat of new entrants

The threat of new entrants in the market creates pressure for cost reduction, price reduction, and an increased need for investment to deter the entry of these new companies. This factor leads to markets with low entry barriers having a lower potential for profitability. The threat of new entrants depends on the height of the entry barriers, and the lower the barriers, the greater the threat (Porter, 2008).

2.3.1.2. Bargaining power of suppliers

Porter (2008) indicates that powerful suppliers can capture more value by charging higher prices and reducing the profitability of companies that cannot pass these costs on to end consumers due to intense competition. Suppliers can hold power when there are few substitutes for their services, they offer differentiated products, or when the costs of switching suppliers are high, for instance.

2.3.1.3. Bargaining power of buyers

Powerful buyers, on the other hand, can capture more value by exerting downward pressure on prices, demanding higher quality, and forcing market competition. Powerful buyers have negotiation advantages over other market participants. This situation occurs when there are few high-volume buyers, products have low differentiation, or the cost of switching is low, for instance (Porter, 2008).

2.3.1.4. Threat of substitute products

A substitute product offers an equal or similar function but in a different form. For example, email is a substitute product for paper mail. Porter (2008) states that the threat of substitutes can limit a company's profitability if the company does not differentiate itself from substitutes through product performance, marketing, etc. This threat may arise due to an attractive price-performance trade-off or a low cost of switching to the substitute. Identifying this threat in advance is the most challenging aspect.

2.3.1.5. Rivalry among existing competitors

According to Porter (2008), the rivalry among existing companies also limits market profitability, which can take the form of price discounts, product innovation, advertising campaigns, or product performance. The threat from these rivals varies with the intensity of competition and the basis on which the competition occurs. The intensity of rivalry can be high if the number of competitors is large, the market growth rate is low, exit barriers are high, or if there are objectives in competition beyond profitability.

The analysis of market forces, therefore, allows understanding the potential profitability and the drivers of competitiveness within it, providing a broader view of competition beyond the consideration of direct existing rivals in the market. Once the current market configuration is understood, it is necessary to evaluate a way to obtain strategic advantages over other participants. The Blue Ocean Strategy assists the company in seeking a space in the market that has not been occupied yet.

2.3.2. Blue Ocean Strategy

According to Kim and Mauborgne (2014), two types of markets can be recognized: red oceans and blue oceans (Table 2.2). Red oceans represent traditional markets where barriers and competition rules are already defined and known to all participants. In these markets, the basis of competition mostly revolves around product performance. Due to the market saturation, growth and profitability possibilities are limited, leading products to become commodities.

In contrast, blue oceans represent market spaces that are not yet occupied, offering high growth and profitability potential. These spaces can be entirely new or often created by expanding the boundaries of the existing industry. In these new markets, competition rules are not yet established (Kim; Mauborgne, 2014).

Kim and Mauborgne (2014) propose that while knowing how to compete in red oceans is important, true opportunities for growth and profitability lie in creating blue oceans.

Table 2.2: Blue Ocean Strategy framework

Red Ocean Strategy	Blue Ocean Strategy
Compete in **existing** market spaces	Create **uncontested** market space
Beat the competition	Make the competition **irrelevant**
Exploit **existing** demand	Create and capture **new** demand
Make the value-cost trade-off	**Break** the value-cost trade-off
Align the whole system of a firm's activities with its **strategic choice of differentiation or low cost**	Align the whole system of a firm's activities in **pursuit of differentiation and low cost**

Source: Kim and Mauborgne (2014)

To assist companies in finding these blue oceans, Kim and Mauborgne (2014) developed two tools, the Strategy Canvas and the Four Actions Framework, which will be demonstrated following.

2.3.2.1. Strategic Canvas

It is a diagnostic and opportunity identification tool. With it, it is possible to capture the current state of the market, competitors' positioning, and the nature of competition in that environment, analyzing the positioning of each company concerning the factors

influencing market competition (Kim; Mauborgne, 2014). An example of a strategic canvas for the wine market is provided in Figure 2.7:
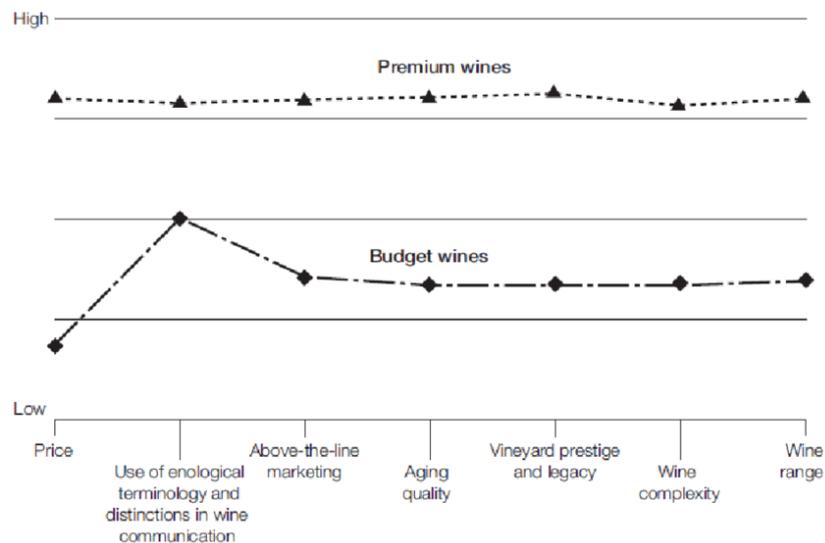
Figure 2.7: Example of strategic canvas for the wine market

Source: Kim and Mauborgne (2014)

A value curve is then plotted, representing each of the competitors and their positioning concerning these factors. In the system proposed by Kim and Mauborgne (2014), higher scores indicate that a particular company offers greater value to the market concerning that factor.

Using the diagram, one gains insight into the current market configuration, and the next step is to define the company's positioning. Kim and Mauborgne (2014) argue that positioning the company to compete directly with existing participants in the market is not a sustainable strategy. The Four Actions Framework is a tool that helps the strategist position the company in market spaces that have not been occupied yet.

2.3.2.2. The four-action framework

According to Kim and Mauborgne (2014), to break the trade-off between differentiation and cost, four questions need to be asked, illustrated in the diagram below (Figure 2.8):
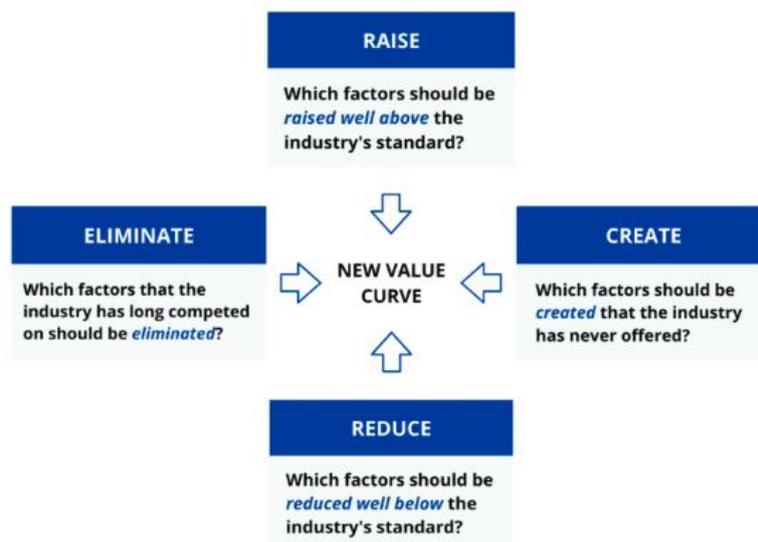
Figure 2.8: Four actions framework

Source: Kim and Mauborgne (2014)

1. **Eliminate:** Consider which factors and functionalities currently offered by market participants can be eliminated without compromising the perceived value of the product. Eliminating certain functionalities can reduce production costs and make the product or service accessible to new customer segments.

2. **Reduce:** Assess which factors and functionalities existing in the market are exceeding customers' needs and can be reduced.

3. **Increase:** Identify areas where it is possible to increase the value offered to consumers by enhancing the performance of specific functionalities of the product or service.

4. **Create:** Evaluate the possibility of introducing new features or functionalities in the product or service that did not exist in the market before, creating advantages and distancing the company from current competitors.

By combining these two tools, new differentiation opportunities can be visualized for the company, leading to a unique value curve and positioning that brings new competitive factors to the market (Kim; Mauborgne, 2014).

In the next section, the concepts of mission and vision for the company will be presented, providing clarity to the company's positioning definitions and offering guidance to employees and decision-makers.

2.3.3. Mission and Vision

> Every business has a mission to fulfill. It must have a vision of the future that guides it. It must define the values it intends to uphold. (CHIAVENATO, 2007).

Chiavenato (2007) asserts that the mission, vision, and values are essential to provide direction and clarity about the business objectives for all stakeholders involved. The mission represents the purpose of the business, the reason for its creation. It consists of three main components: products and services (what the company does), technology (how it does it), and the market (for whom it does it) (Chiavenato, 2007).

The vision refers to the future image of the company, the level it aims to reach within a specific time horizon. With the vision of the future, it becomes possible to understand the objectives and goals necessary to achieve the desired state of the enterprise, according to Chiavenato (2007). Hence, the vision acts as a compass for the team, inspiring and leading everyone towards a common sense of direction.

Collins and Porras (1996) suggest the "five whys" technique for defining the mission. Starting from an initial consensus on the service provided by the company, repeatedly asking "Why is this important?" should help identify the essential motivation of the company within five questions.

After analyzing the market and defining the company's positioning, it is necessary to employ a tool that allows the evaluation of internal and external factors that may influence the venture's success. Therefore, the SWOT analysis presented in the following section will consider the team's strengths and weaknesses, as well as the opportunities and threats that the environment offers.

2.3.4. SWOT Analysis

According to IIBA (2011), the SWOT analysis is a recommended tool for businesses undergoing change processes. Therefore, it becomes essential for the evaluation of new opportunities, new businesses, and products.

The SWOT analysis considers both internal and external aspects of the organization when analyzing Strengths, Weaknesses, Opportunities, and Threats.

Conducting the analysis involves a brainstorming session to complete each section of the SWOT matrix presented in Figure 2.9:

	STRENGTHS Positive characteristics and advantages of the issue, situation, or technique	WEAKNESSES Negative characteristics and disadvantages of the issue, situation, or technique
OPPORTUNITIES Factors, situations that can benefit, enhance or improve the issue, situation, or technique	S-O Strategy/Analysis *Using strengths to take advantage of opportunities*	W-O Strategy/Analysis *Overcoming weaknesses by taking advantage of opportunities*
THREATS Factors, situations that can hinder the issue, situation, or technique	S-T Strategy/Analysis *Using strengths to avoid threats*	W-T Strategy/Analysis *Minimize weaknesses and avoid threats*

Figure 2.9: SWOT Analysis matrix

Source: IIBA (2011)

Strengths and weaknesses represent factors of internal origin inherent to the company and the individuals that compose it:

- **Strengths:** any activity in which the group excels. They can be composed of any factors that the company possesses, which increase its chances of success. These factors should be favored in the proposed model to maximize the benefits they can bring. (IIBA, 2011)

- **Weaknesses:** activities in which the group performs unsatisfactorily or neglects to do. These factors should be addressed to ensure they do not hinder the success of the enterprise. (IIBA, 2011)

After analyzing the internal factors that can influence the company's success, one must look outward and identify opportunities and threats that can impact the definition of the company's business model:

- **Opportunities**: external factors that the group can take advantage of. Since they are external to the company, there is no control over them, and the decision to be made is whether to exploit these opportunities or not. (IIBA, 2011)

- **Threats:** external factors that can harm the group. These factors may compromise the company's chances of success and should be constantly monitored and considered in the proposed model. (IIBA, 2011)

The concepts presented up to this point allow the analysis of the current opportunity and the definition of the appropriate positioning to gain an advantage in the market.

2.4. Brand, Strategy and its importance

As this thesis will apply the design thinking methodology in a rebranding process, it is important to elucidate the concept of brand, brand positioning, its relationship with a company's' strategy, and ultimately, the significance of a rebranding process. This chapter will address the concept of Brand, brand image, brand identity and brand positioning. Following, it will address how the branding strategy should be related with the overall company's' strategy and why a rebranding process is of fundamental importance in an ever-evolving market.

2.4.1. Brand

Different authors have explored the topic of Brands throughout history, mainly in Marketing and Consumer Research fields. According to Kotler (1991), Brands emerged in parallel with trademarks, serving solely and exclusively for the purpose of distinguishing the ownership or origin of a specific product.

However, over time, the concept evolved to encompass the way a company communicates and relates to its customers. According to Kotler (1991), a Brand can be defined as "a name, term, sign, symbol, or design, or combination of them, which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors." (Kotler, 1991).

In a study conducted by Gardner and Levy (1955), consumers were faced with the task of selecting and differentiating between brands that offered identical products or

services. In situations where multiple companies provided indistinguishable offerings, the factor that set one brand apart from another was not solely based on practical functionalities, but also on the symbolic significance it held for consumers. As stated by Gardner and Levy (1955), "People buy things not only for what they can do but also for what they mean." This marked a shift in focus from solely brand communication to a consideration of how consumers perceived brands.

Ries & Trout (1981) define a brand as a unique and identifiable representation of a company, product, or service in the minds of consumers. It encompasses not only the visual elements, such as logos and colors, but also the emotional and experiential associations that consumers have with the entity. Brands play a pivotal role in conveying a company's values, personality, and positioning in the market, shaping customers' perceptions and influencing their decisions.

In essence, Gardner and Levy (1955) state that the inception of branding emerged as a response to the necessity for differentiation amidst competitors and, subsequently, to foster familiarity with consumers. Over time, its evolution has led to its present state, where the defining differentiating element lies in how the consumer perceives the brand. Nowadays, it is common to divide the concept brand into two main pillars: brand image and brand identity, which will be addressed in the following subchapters.

2.4.2. Brand Image

Since the 1950s, the concept of brand image has played a crucial role in marketing and consumer behavior research. However, due to its widespread usage, its definition has been a subject of significant debate and limited consensus. Dobni and Zinkhan (1990) conducted a comprehensive analysis, collating brand image definitions from 28 studies spanning a 35-year timeframe and discovered a lack of unanimity regarding the true essence of brand image.

Nonetheless, most authors acknowledge that consumers' brand preferences are influenced by factors beyond mere physical product attributes. Gardner and Levy (1955) proposition of brand image delves beyond the surface, identifying enduring motivations for consumer purchases. They argued that products possess not only physical but also social and psychological aspects, and that consumers' sets of

feelings, ideas, and attitudes about brands, or their image of the brands, hold pivotal importance in purchase decision-making.

Dobni and Zinkhan (1990) divided brand image definitions into five main categories: blanket definitions, emphasis on symbolism, emphasis on meaning, emphasis on personification and emphasis on cognitive or psychological elements, which will be briefly defined following:

- **Blanket Definitions:** Brand image is the total perception and association consumers have about a brand, influenced by various dimensions like functional, economic, social, and psychological factors. It varies among consumer groups and depends on individual attitudes, engagement with advertising, and market saturation. The brand image encompasses emotional responses, conversations about the product, and other not fully understood elements. These definitions are too broad to contribute to the practical understanding of brand image but are still relevant to acknowledge the abstracts aspects of a brand.

- **Emphasis on Symbolism:** People consume products not just for their function but also for their symbolic meanings. Brand image, from a symbolism perspective, is influenced by pre-conceived ideas and emotions. A product's symbolism aligns well when it reinforces a consumer's self-perception. Beyond its utility, a brand's value lies in its symbolic essence and its ability to boost the consumer's self-esteem and status. Brand image, in this context, encompasses technical features, financial worth, and social relevance.

- **Emphasis on Meaning:** Brand image is shaped by the nonverbal communication perceived by users, serving either as a marketing strategy or a natural differentiation. Users' worldviews and preferences influence their brand choices. If a product aligns with a consumer's values and beliefs, a strong connection is formed. The term "meaning profile" refers to the derived meanings of product categories. According to Jones (2017), branding impacts both our cognitive and emotional responses, influencing our actions by altering our thoughts and feelings.

- **Emphasis on Personification:** definitions underscore the notion of brand personification. Brands, akin to individuals, possess distinct personalities, manifesting as a confluence of material and non-material attributes. Such personification is strategically deployed to resonate with consumers' self-perception. While both brand image and brand identity play pivotal roles in shaping consumer perceptions, they differ fundamentally. As stated by Aaker (1991), Brand image is consumer-constructed, while brand identity emanates from the organization, encapsulating human traits associated with a brand. Further, according do Barwise (2010), brand affiliation can modulate consumer self-perception and robust brands confer intrinsic value by simplifying purchase decisions and facilitating self-expression.

- **Emphasis on Cognitive or Psychological elements:** Gardner and Levy (1955) affirmed that brand image is shaped by consumers' ideas, feelings, and attitudes, with brand personality taking precedence over technical attributes. Echoing this idea, Martineau (1957) stated that brand image appeals to the buyer's persona and mirrors it. Brand image isn't fixed; it's a dynamic construct influenced by individual consumers' knowledge, biases, and predispositions. Given the inherent diversity in consumer cognition, beliefs, and tastes, brand image isn't universal but rather individualistic. This image is determined by consumers based on their experiences and the information they retain from prior engagements, including advertising and societal stereotypes. Consequently, brand image emerges not from the brand itself but from audience interactions and their interpretations.

In synthesizing the literature, it is evident that scholars diverge in pinpointing the paramount dimensions essential for characterizing brand image. Notwithstanding the extensive deliberations over the years concerning its definition, there appears to be a consensus among most researchers that brand image is contingent upon external factors and the interpretations of stakeholders. Essentially, it embodies the external stakeholders' perceptions regarding the brand, influenced by their distinctive past and present experiences, accessibility, and belief structures. The genesis of brand image can be attributed to elements such as names, logos, trademarks, products, services, and identifiable patterns. Furthermore, it is susceptible to modification by several

determinants encompassing quality, price, experiential attributes, emotional resonance, and overall reputation.

2.4.3. Brand Identity

In the realm of brand studies, a mere reliance on brand image is insufficient to encapsulate the entirety of a brand's essence. There exists a discernible disparity between brand image and the actual brand essence, rendering the exclusive use of the former inadequate in conveying the true nature of the brand. Instead of solely depending on consumer perceptions, brand identity should be grounded in the brand's intrinsic ethos and vision, as elucidated by Aaker (1996). As articulated by Kapferer (2002), brand identity reflects the internal aspirations of the brand to external stakeholders, driven by self-perception rather than external reflections.

Tracing the origins of the brand identity concept, it is rooted in design practices. When design agencies embark on the revamping of a corporate emblem or graphic, they adhere to a particular coherence to represent the brand, a coherence termed as brand identity by Olins (1989). In contemporary brand discourse, brand identity transcends mere visual representations. It serves as a temporal dimension of the brand, substantiating its commitments and outlining the desired affiliations it wishes to cultivate among consumers (Aaker, 1991).

Aaker (1991) define brand identity as:

> "a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members. (…) (it) should help establish a relationship between the brand and the customer by generating a value proposition involving functional, emotional, or self-expressive benefits." (AAKER, 1996)

The author subsequently introduces four distinct perspectives on brand identity, positing that a brand must be conceptualized as a product, an organization, an individual, and a symbolic entity. Aaker (1996) contends that delving into a nuanced and comprehensive understanding of brand identity is essential in guiding implementation strategies. After this discussion, a visual depiction of Aaker's Brand Identity Model is provided (Figure 2.10).

Brand Identity Model

STRATEGIC BRAND ANALYSIS

Customer Analysis	Competitor Analysis	Self Analysis
• Trends	• Brand image/identity	• Existing brand image
• Motivation	• Strengths, strategies	• Brand heritage
• Unmet needs	• Vulnerabilities	• Strengths, strategies
• Segmentation	• Positioning	• Organization values

STRATEGIC IDENTITY SYSTEM

BRAND IDENTITY

Extended
Core
Brand
Essence

Brand as Product	Brand as Organization	Brand as Person	Brand as Symbol
1. Product scope	7. Organization attributes (e.g., innovation, consumer concern, trustworthy)	9. Personality e.g., genuine, energetic, rugged)	11. Visual image and metaphors
2. Product attributes			12. Brand heritage
3. Quality/Value		10. Customer/ brand relationships	
4. Uses	8. Local versus global		
5. Users			
6. Country of origin			

VALUE PROPOSITION

• Functional benefits	• Emotional benefits	• Self-expressive benefits

Credibility
Support other brands

RELATIONSHIP

BRAND IDENTITY IMPLEMENTATION SYSTEM

BRAND IDENTITY ELABORATION

BRAND POSITION
The part of the brand identity and value proposition that is to be actively communicated to the target audience

BRAND-BUILDING PROGRAMS

TRACKING

Kilde: Aaker, David A. & Hoachimsthaler: Brand Leadership. The Free Press. 2000.

Figure 2.10: Aaker Brand Identity Model

Source: Aaker (1996)

Aaker (1996) delineated a series of "brand identity traps," essentially pitfalls leading to fragile brand identities. These traps underscore the imperative of contemplating the brand within a more expansive framework, offering insights into what aspects a brand identity should and should not consider. While a company's brand image – the consumer's perception of the brand – provides invaluable insights, it should not be the sole determinant of a brand's identity. Contrary to the proactive and forward-looking nature of brand identity, brand image is largely reactive, drawing from past experiences

54

and associations. Succumbing to the brand image trap is dangerous as it inadvertently empowers consumers to dictate the brand's identity (Aaker, 1996).

In sculpting a brand's identity, vital importance should be accorded to encapsulating the brand's intrinsic ethos, essence and values. The external brand image ought to serve as merely one among several inputs rather than as the central defining element of brand identity.

Echoing this sentiment, Kapferer (2009) suggests that brand managers should introspectively discern which facets of the brand image resonate authentically with the brand's core values. Subsequently, they should cultivate these facets, while staying faithful to the brand's original, internal principles. Another potential snare arises when there is an undue emphasis on pinpointing a brand position and a communicative message at the expense of a holistic brand identity. Overemphasizing brand positioning – the aspect of brand identity and value proposition actively communicated to the target market – risks overshadowing the broader brand identity.

To describe a brand's identity, Kapferer (2009) developed the brand identity prism framework, in which the author describes the six facets a brand should be described and defined in order to obtain a robust brand identity. They are: (i) the physical facet and (ii) the personality facet of the brand. It also emphasizes (iii) the relationship facet, and (iv) the cultural facet of the brand. Finally, the last two facets are the (v) customer reflection and (vi) the customers' self-concept.

Subsequently, it will be provided a visual depiction of the framework, as well as the definition of each facet (Figure 2.11):
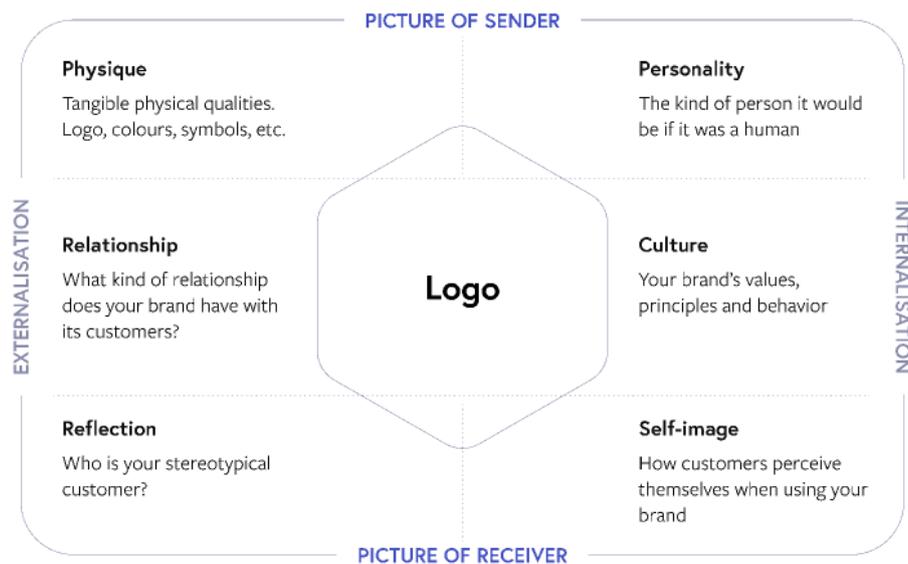
Figure 2.11: Kapferer's Brand Identity Prism

Source: Kapferer (2009)

- **Physique** is the way a brand presents itself externally (visual of physical appearance including shapes, color, text, logo);

- **Personality** is the way the brand communicates itself to others, what are their values how and how they have chosen to be communicated to others;

- **Culture** represents the fundamental values of the brand, its mission, and vision on which the brand's behavior is based;

- The **relationship** is the external core values, meaning what the customers aim to receive from using the brand besides from the product itself;

- **Reflection** is how the company sees their ideal customer;

- **Self-image** is the way the customers see themselves, their own values, and who they are as a person.

By dissecting these facets, one can delve deeper into the essence of a brand, beyond its superficial identifiers such as name and logo, which are emblematic of a product, service, or organization. Kapferer (2009) posits that the Brand Identity Prism serves to

elucidate the brand's reason for existence, what it intends to create in the market (relationship), its tangible communication aspects (physique), all underpinned by its cultural motivations (culture).

In essence, brand identity encapsulates the self-concept of the brand and its desired perception among its target audience. This identity is not only manifested through the tangible elements of the brand but also mirrors the corporate vision, principles and values. Brand identity germinates from the manner in which a firm elect to define itself, grounded in the perceptions held by its internal stakeholders, and it delineates the brand's presentation to the external world.

2.4.4. Brand Positioning and the Rebranding Process

According to Ries and Trout (1981), brand positioning is the strategy of designing a company's offering and image to occupy a distinctive place in the target market's mind. This distinctiveness becomes a competitive advantage, influencing consumer preference and purchase behavior. Kotler and Keller (2012) further elaborate that effective brand positioning communicates the brand's unique benefits and differentiators, distinguishing it from competitors. The positioning should be clear, credible, and appealing to the target audience, thus fostering brand loyalty.

In order to determine a brand's positioning, Urban and Hauser (1993) advocate for the use of perceptual maps. A brand positioning map, often referred to as a perceptual map, is a visual representation that showcases how consumers perceive a brand relative to its competitors on certain attributes or dimensions. This tool provides a crucial strategic framework for marketers to identify potential gaps in the market, gauge the competitive landscape, and craft effective positioning strategies.

A perceptual map is a visual representation used in marketing to display and compare consumer perceptions of different products or brands along multiple dimensions, typically based on attributes that are important to consumers. It allows businesses to identify gaps in the market, track how brand positioning changes over time, and strategize how to differentiate their products from competitors. By plotting various products on the map, companies can understand how consumers perceive their offerings relative to others in the marketplace, and make informed decisions about

product development, positioning, and marketing strategies (Urban and Hauser ,1993). An example of perceptual map over the streaming platforms can be seen in Figure 2.12.
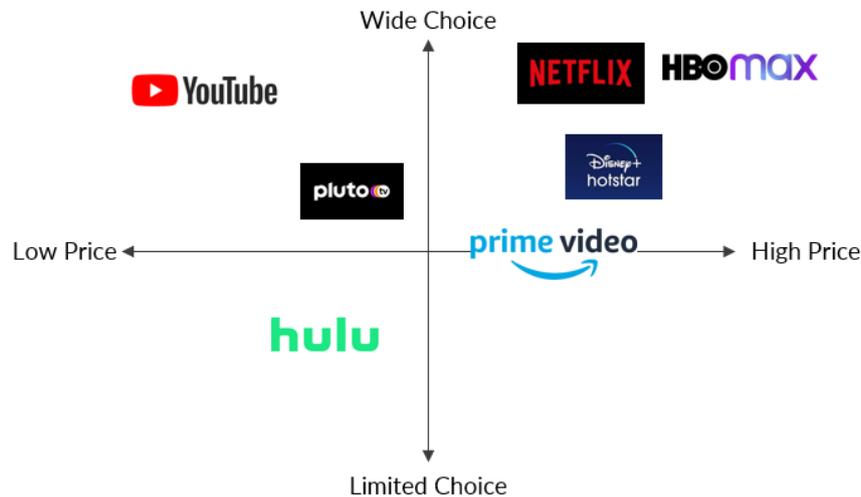
Figure 2.12: Example of a perceptual map over streaming platforms

Source: elaborated by the author, illustrative (not based in real data)

However, while a brand may have enjoyed a strong, relevant positioning at one-point, various factors can necessitate a rebrand. These can include:

- **Market Evolution**: According to Merrilees & Miller (2008), changing consumer preferences or behaviors can render a brand's positioning less relevant.

- **Company Mergers and Acquisitions**: Lomax & Mador (2011) stress that organizational changes such as mergers can necessitate a rebrand to create a cohesive new identity, explore synergies and eliminate market confusion.

- **Reputation Management**: Muzellec & Lambkin (2006) pinpoint that in the wake of scandals or negative publicity, a rebrand can be essential to rebuild trust.

- **Strategic Repositioning**: to tap into new markets or appeal to different consumer segments, Kapferer (2012) advocates that brands might choose to rebrand.

Kapferer (2012) suggests that rebranding isn't merely about changing a logo or tagline. It's a comprehensive process that must involve a deep introspection into the brand's core values and principles, and needs to be fully resonant with the company's strategy, vision, mission, and values. Muzellec and Lambkin (2006) stress the importance of understanding the implications of rebranding. It can lead to confusion or alienation among loyal customers if not executed thoughtfully. However, when done right, rebranding can rejuvenate a brand, making it more relevant and competitive.

3. RESEARCH METHODOLOGY

In this chapter, we elaborate on the research methodology employed in the current study, providing a comprehensive exposition of the methods and techniques utilized. This detailed elucidation aims to clarify the research question and outline the systematic procedure implemented in conducting the investigation. The primary objective is to furnish critical information that facilitates the understanding of the study by other scholars and practitioners in the field.

The chapter aims to elucidate the 5W1H of the project, namely:

- **What?** What will be done in the project - 3.1 Research site and design challenge.

- **Who?** Who conducted the project - 3.2 The project .

- **When?** When the project was developed - 3.1 Research site and design challenge.

- **Where?** Where the project was developed - 3.1 Research site and design challenge.

- **Why?** Why the project was developed - 3.1 Research site and design challenge.

- **How?** How the project was developed - 3.3 Research strategy.

3.1.   Research site and design challenge

CatDog is the preeminent retail pet store chain in Brazil, boasting over 230 stores across the Brazilian territory, with a presence in 24 of the 28 states in the country. Currently, the company offers a range of products for dogs, cats, birds, fish, and other pets, in addition to providing aesthetic services and veterinary medicine.

The company was founded in 2002 by João Pereira, starting with a single store in São Paulo. In 2020, it underwent its Initial Public Offering (IPO) and achieved the position of market leader in its segment. This accomplishment was further bolstered by an expansion strategy involving the opening of new stores and acquisitions within the retail pet sector.

Due to a recent acquisition of an online player and the realization that CatDog was unable to enhance its digital presence, João Pereira decided to initiate a rebranding process for the brand. Consequently, the design challenge that emerged was predicated on the assumption of the necessity for rebranding.

However, CatDog lacked clarity on the aspects that needed modification in the current brand:

- What are the strengths of the current brand that we should retain in the future brand?

- What are the weaknesses of the current brand that we need to address in the future brand?

- How has the current brand failed to connect with its "ideal customer," and why did this occur?

- What would be the implications of the rebranding process (to what extent would it be realized)? How would it affect other business departments?

- In which extent the rebranding could add value to the brand?

Those questions were summarized in a main design challenge question:

Design Challenge: *How can the actual customer feel more connected to the CatDog brand?*

All these questions needed to be answered at the beginning of the process of designing the new brand.

This academic research aims to focus on how this rebranding process can be approached using the tools and methodologies of design thinking. It is important to highlight that the project was developed concurrently with the development of this academic work, between the months of May and November 2023. Consequently, there will be limitations in terms of analyzing the results obtained and the consequences of the rebranding process.

3.2.   The project team

The project was developed through a partnership between the business departments of CatDog and the project consultants. The project consultants, who will be briefly described later, were responsible for presenting the tools and methodology to be used, conducting the workshops and interviews, synthesizing ideas, information, and insights obtained in different phases of the project, and coordinating the schedule and participants for each stage of the project.

The business units and their key representatives were tasked with generating ideas, participating in workshops, engaging in project stages, and making decisions about the directions to be followed by the project team. It is important to emphasize that the project team acted as a facilitator for the project's realization, supporting the synthesis of ideas and mediating between different departments. However, as the project had a consultancy nature, the final decisions were ultimately made by the company members.

The project team consisted of three principal characters:

- **Isabela Lima, 30, Economist:** responsible for organizing schedules and setting the project's pace, functioning as the Project Management Officer (PMO).

- **Rayssa Menezes, 29, Designer:** responsible for synthesizing the key information obtained in workshops, interviews, and dynamics. Preparation of presentation materials and development of visual and graphic materials.

- **Mário Broering, 28, Management Engineer:** responsible for conducting workshops and dynamics, serving as the moderator of discussions and presenter of group dynamics.

The involved business units were:

- **Marketing** (including visual merchandising, communication, customer relationship management, and market insights departments);

- **Sales** (encompassing store operations, e-commerce, and customer service departments); and

- **Commercial** (involving supply and inventory management departments).

These business units were involved to obtain a holistic view of the business and to facilitate collaboration between different departments, gaining insights from various business perspectives.

In addition to these departments, and given the project's scope, the CEO, João Pereira, was involved in validating and approving some of the project stages and its final validation, ensuring that the rebranding process was aligned with the strategic direction and brand identity envisioned by him.

3.3. Research strategy

The design challenge was approached using the following phases and tools (adapted from Fleury et al., 2016):

1. **Need-finding / Understanding customer**

   a. Secondary research: market insights and benchmarking

   b. Primary research: stakeholders' interviews

   c. Primary research: empathetic immersion and observations

2. **Iterative solution Ideation**

   d. Affinity Diagram

   e. Persona

   f. Customer Journey Mapping

   g. Point of View

   h. Brainstorming

   i. Sketches

3. **Solution implementation (real-world testing)**

   j. MVP

   k. Validation

These models and tools were employed as one of the possible methodologies for implementing Design Thinking in practice. However, other tools may be utilized to

address each stage of the process. By correlating each tool with the IDEO methodology (Figure 2.3), previously described, we have a concise model of the stages carried out in the successive phases of the project (Figure 3.1):
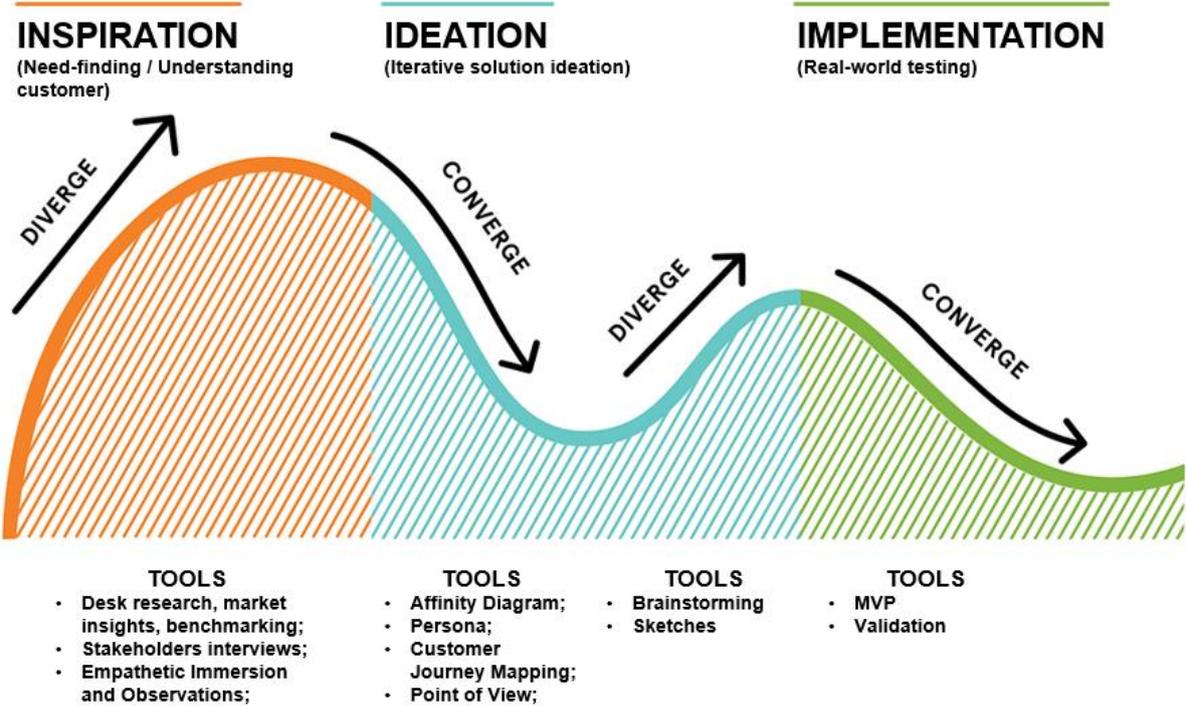
Figure 3.1: Stages and tools used in the project.

Source: elaborated by the author

The following section will provide a succinct theoretical explanation of each of the tools employed in the project.

3.3.1. Secondary research: market insights and benchmarking

Secondary research, also known as desk research, involves the collection and analysis of existing information gathered and published by others. It is an essential method used in the early stages of the design thinking process, primarily during the empathize phase, complementing primary research by providing broader context and insights.

These methods are key to gaining a deep understanding of users and the context in which a product or service will be used.

Main Attributes of Secondary Research:

1. **Existing Information**: This type of research utilizes already available data such as market reports, academic studies, industry publications, competitor analyses, and online resources.

2. **Broad and Comprehensive**: Secondary research typically covers a wide range of topics and offers a comprehensive view of the subject matter, including market trends, customer demographics, and industry benchmarks.

3. **Time and Cost-Efficient**: Since the data have already been collected, secondary research is often more time and cost-effective compared to primary research.

4. **Foundational Understanding**: It provides a foundational understanding of the market and industry, which is crucial for framing primary research and design thinking initiatives.

5. **Benchmarking**: Part of secondary research involves benchmarking, which is comparing one's business processes and performance metrics to industry bests or best practices from other industries.

Objectives of Secondary Research in Design Thinking:

- **Contextualizing the Problem**: Secondary research helps in understanding the broader context in which a product or service will exist, including market dynamics, customer segments, and competitive landscape.

- **Informing and Framing Primary Research**: The insights gained from secondary research can inform and guide primary research efforts, helping teams to ask better questions and focus their investigation.

- **Identifying Market Opportunities**: By analyzing existing market data, secondary research can uncover gaps in the market or areas for innovation.

- **Risk Mitigation**: Understanding the broader market and industry trends helps in mitigating risks associated with new product development and strategic decision-making.

- **Enhancing Customer Understanding**: It can provide a deeper understanding of customer needs, preferences, and behaviors, especially when primary research is limited.

In summary, secondary research in design thinking involves analyzing existing data to gain a broad understanding of the market and industry. Its main attributes include utilizing existing information, providing a comprehensive view, and being time and cost-efficient. The primary objectives are to contextualize the problem, inform primary research, identify market opportunities, mitigate risks, and enhance customer understanding, making it a crucial component of the design thinking process.

3.3.2. Primary research: stakeholders' interviews

Stakeholder Interviews are a key method used to gather in-depth insights from individuals who have a vested interest in the outcome of a project or product. Stakeholders can include customers, users, team members, partners, or anyone else who is directly or indirectly affected by the project. These interviews are an essential part of the empathize phase in the design thinking process.

Main Attributes of Stakeholder Interviews:

1. **In-Depth Conversations**: Unlike surveys or questionnaires, stakeholder interviews are typically in-depth and conversational, allowing for a deeper understanding of the stakeholders' perspectives, experiences, and needs.

2. **Diverse Perspectives**: They involve engaging with a variety of stakeholders, each offering unique insights based on their relationship to the product or project.

3. **Open-Ended Inquiry**: Stakeholder interviews often use open-ended questions to elicit detailed responses, encouraging stakeholders to share their thoughts and feelings in their own words.

4. **Empathy Building**: These interviews are a tool for building empathy, as they allow designers to understand the stakeholders' viewpoints and experiences on a more personal level.

5. **Flexible and Adaptive**: The format of these interviews is usually flexible, allowing the interviewer to adapt questions based on the flow of the conversation and the responses of the interviewee.

Objectives of Stakeholders Interviews in Design Thinking:

- **Understanding Stakeholder Needs and Challenges**: The primary objective is to understand the diverse needs, challenges, and expectations of all stakeholders involved. This understanding is crucial for creating solutions that address the needs of all user groups.

- **Identifying Opportunities for Innovation**: By gaining insights into the stakeholders' experiences and pain points, these interviews can reveal opportunities for innovation and improvement.

- **Building Consensus and Alignment**: Stakeholder interviews help in building consensus among various parties involved, aligning them around common goals and understanding.

- **Informing Design Decisions**: The insights gained from these interviews directly inform design decisions, ensuring that the solutions developed are not only innovative but also aligned with stakeholder needs.

- **Facilitating Effective Communication**: Conducting interviews helps in establishing effective communication channels between the design team and stakeholders, fostering a collaborative environment.

In summary, Stakeholder Interviews in design thinking are crucial for gaining a comprehensive understanding of the needs, experiences, and expectations of all parties involved in or affected by a project. These interviews are characterized by in-depth, open-ended conversations that build empathy and provide diverse perspectives. Their main objectives include understanding stakeholder challenges, identifying innovation opportunities, building consensus, informing design decisions,

and facilitating communication, all of which are essential for developing user-centered and effective solutions.

This phase involves the identifying, selecting and interviewing the main stakeholders involved in the process. The choice of method was semi-structured interviews, to give the researcher the possibility of converging consensually agreed upon information. "They ask open-ended questions and probes for in-depth responses about people's experiences, perceptions, opinions, feelings, and knowledge; interview data consists of verbatim quotations with sufficient context to be interpretable" (Patton, 2015). With the objective of understanding the interviewee's vision and experience in order to comprehend their thinking, Patton (1990) believes that it is via the use of a semi-structured or guided interview that more comprehensive and complete results are obtained.

The main finality here is to empathize with the customers, identifying its underlying characteristics and consumer behavior, and main pain points. However, it is crucial to emphasize that all key stakeholders, whether internal or external, should be interviewed, as they will be impacted by the process itself. Furthermore, as previously highlighted in the literature review, in the development of a brand identity, it is important to consider not only the external brand image as perceived by its customers but also its intrinsic ethos, essence, values, and the aspirations of the brand and its internal stakeholders.

3.3.3. Primary research: empathetic immersion and observation

Observation and Empathetic Immersion are two closely related techniques used primarily in the initial stages of the design thinking process, particularly in the empathize phase. These methods are vital for gaining a deep, empathetic understanding of users and their contexts.

3.3.3.1. Observation

Main Attributes:

1. **Direct and Passive Viewing:** Observation involves watching users in their natural environments, without direct interaction, to understand their behaviors, interactions, and routines.

2. **Unbiased Data Collection:** It focuses on collecting unbiased, unfiltered information about how users interact with products, services, or their environment.

3. **Nonverbal Cues:** Attention is given to nonverbal cues and actions that might not be captured through interviews or surveys.

4. **Real-time Insights:** Observations provide real-time insights into user behavior and context.

Objectives of Observation in Design Thinking:

- **Gathering Authentic User Data:** To collect authentic data on how users interact with a product or service in their natural setting.

- **Building Empathy:** To develop a deeper empathetic understanding of the users' experiences and challenges.

- **Identifying Unarticulated Needs:** Observing users can reveal needs and pain points that they might not verbally express.

3.3.3.2. Empathetic Immersion

Main Attributes:

1. **Personal Experience:** Empathetic immersion involves personally experiencing the user's environment and context, often by using the product or service oneself.

2. **Deep Empathy Building:** This method aims to foster a profound emotional connection with the user's experiences and challenges.

3. **Contextual Understanding:** It provides a deeper understanding of the physical, social, and emotional context in which the user operates.

4. **Immersive Engagement:** It involves a more involved and longer-term engagement compared to observation, often requiring active participation in the user's activities.

Objectives of Empathetic Immersion in Design Thinking:

- **Experiencing the User's Perspective:** To gain first-hand experience of what it is like to be a user of a product or service.

- **Identifying Deeper Insights:** To uncover deeper insights and understandings that might be missed through observation or interviews.

- **Enhancing Solution Relevance:** To ensure that the solutions developed are deeply relevant and truly empathetic to the users' actual experiences and needs.

In summary, Observation in design thinking involves passively watching users in their environment to understand their behaviors and needs, while Empathetic Immersion involves actively immersing oneself in the user's context to gain a deeper emotional and experiential understanding. Both are used to build empathy, gather authentic user data, and identify unarticulated needs, thereby ensuring that the solutions developed are deeply relevant and genuinely address the users' real-life challenges.

3.3.4. Affinity Diagram

An Affinity Diagram is a tool used to organize and categorize large amounts of data, ideas, or information gathered during research. It helps in synthesizing and analyzing qualitative data, such as observations, insights from interviews, and user feedback. This tool is particularly valuable in the 'Define' phase of design thinking, where it aids in identifying patterns and themes from complex data sets. The primary attributes and the process of creating an Affinity Diagram include:

1. **Data Collection:** Initially, data is gathered from a variety of sources. This can include ideas generated from brainstorming sessions, customer feedback, user observations, or any other qualitative data.

2. **Idea Recording:** Each piece of data or idea is recorded on a separate card or sticky note. This allows for easy manipulation and organization in later steps.

3. **Grouping Similar Items:** The collected ideas are then grouped based on their natural relationships or similarities. This step is typically done collaboratively in a team setting, allowing for a range of perspectives to identify connections between data points.

4. **Creating Categories:** The groups are then each given a category name that captures the essence of the ideas within that group. These categories help in understanding the data at a more abstract level.

5. **Analyzing and Interpreting:** Finally, the organized data is analyzed to derive insights, identify patterns or trends, and make decisions or develop strategies based on the categorized information.

Objectives of Affinity Diagram in Design Thinking:

- **Synthesizing Qualitative Data**: One of the primary objectives is to synthesize large amounts of qualitative data into coherent themes, making it easier to identify patterns and insights.

- **Facilitating Understanding**: By visually organizing data, affinity diagrams help teams better understand the user research findings, making complex data sets more manageable and comprehensible.

- **Aiding in Problem Definition**: The organized data helps in clearly defining the problem spaces, ensuring that the design solutions address the actual needs and challenges identified during research.

- **Encouraging Team Collaboration and Consensus**: The collaborative nature of creating an affinity diagram helps in building team consensus and a shared understanding of user needs and challenges.

- **Guiding Subsequent Design Phases**: The insights gained from the affinity diagram inform the ideation and prototyping phases, providing a solid foundation for generating solutions that are closely aligned with user needs.

In summary, an Affinity Diagram in design thinking is a tool used for organizing, categorizing, and synthesizing complex qualitative data. Its main attributes include thematic clustering, visual organization, and collaborative creation. The objectives of employing an affinity diagram are to synthesize data, facilitate understanding, aid in

problem definition, encourage team collaboration, and guide subsequent design phases, making it an essential tool in the design thinking process.

3.3.5. Persona

A persona is a fictional character created to represent a user type that might use a product, service, or brand in a similar way. Utilized extensively in user-centered design and marketing, personas help design and development teams understand their users' needs, experiences, behaviors, and goals. In the context of design thinking methodology, the primary objective of constructing a persona is to foster empathy and a deep understanding of the end users. By developing personas, teams can step into the shoes of their users, gaining insights that drive more effective and user-centered design solutions. Personas help in visualizing the user's world, making abstract needs and requirements concrete, and guiding the ideation and development process to align with what users truly need and value.

Main Attributes of a Persona:

1. **Demographic Information**: This includes age, gender, occupation, education level, and other demographics that contribute to a realistic profile.

2. **Behaviors and Patterns**: Details about the user's behaviors, habits, and patterns related to the product or service.

3. **Goals and Motivations**: Insights into what the persona aims to achieve and what motivates their interaction with the product or service.

4. **Challenges and Pain Points**: The difficulties or issues the persona might encounter, which the product or service aims to solve.

5. **Contextual Details**: This encompasses the environment in which the persona will use the product or service, their social context, technological proficiency, and other situational factors.

6. **Psychographics**: Personality traits, values, attitudes, interests, and lifestyles that shape the persona's interaction with the product or service.

Objectives of a Persona in Design Thinking:

- **Empathy**: Personas help design teams empathize with users, understanding their needs, experiences, behaviors, and emotions.

- **Focus**: They provide a clear focus on who the design is for, preventing the trap of designing for too broad an audience or for the designers themselves.

- **Guidance in Decision Making**: Personas can guide feature prioritization, design choices, and strategies based on what would best serve the user.

- **Communication Tool**: They serve as a common point of reference for team members and stakeholders, ensuring everyone has a shared understanding of the target user.

- **User-Centricity**: Encouraging a user-centric approach in the design process, ensuring that user needs and perspectives are central to product development.

In essence, personas are a foundational element in design thinking, serving as a practical and empathetic tool to bridge the gap between user needs and product design.

3.3.6. Customer Journey Mapping

Customer Journey Mapping is a visual or graphical interpretation of the overall story from an individual's perspective of their relationship with an organization, service, product, or brand, over time and across different channels. It's a tool used in design thinking and user experience design to gain insights into how customers interact with a product or service and to identify opportunities for improvement.

Main Attributes of Customer Journey Mapping:

1. **Touchpoints**: These are the various points of interaction between the customer and the product/service, including physical, digital, and emotional interactions.

2. **Phases**: The journey is typically broken down into different phases, such as awareness, consideration, purchase, and post-purchase phases.

3. **Emotions**: Mapping out the emotional highs and lows that a customer experiences throughout their journey. This helps in understanding the customer's motivations, frustrations, and satisfactions.

4. **Channels**: The various mediums through which the customer interacts with the service or product, such as online, in-store, through an app, or over the phone.

5. **Pain Points and Opportunities**: Identifying areas where customers face issues or challenges, and opportunities for improvement in the customer experience.

6. **Moments of Truth**: Key interactions or moments that are particularly significant in shaping the customer's overall perception of the brand or service.

Objectives of Customer Journey Mapping in Design Thinking:

- **Empathy Building**: It helps in gaining a deep, empathetic understanding of the customers' experiences, needs, and challenges.

- **Identifying User Needs**: By mapping the customer journey, teams can identify unmet needs and areas of friction that may not be immediately apparent.

- **Enhancing Customer Experience**: It provides insights into how to improve the customer experience at various touchpoints.

- **Guiding Solution Development**: The journey map acts as a guide for developing solutions that are closely aligned with the user's experiences and expectations.

- **Cross-Functional Alignment**: It helps in aligning different departments or teams within an organization around a common understanding of the customer's experience.

Overall, customer journey mapping in design thinking is a strategic approach to understanding and addressing the holistic experience of a customer, ensuring that the solutions developed are user-centered and effectively meet the needs of the target audience.

3.3.7. Point of View (POV)

A Point of View (POV) is a critical component that articulates a clear, focused problem statement based on insights about the user. It is user-centric, insightful, actionable, narrowly focused, and reflective of the problem space.

To construct a POV, you typically follow these steps:

1. **Gather User Insights**: Start by gathering qualitative data about your users. This involves conducting interviews, observations, and empathy exercises to understand their needs, desires, experiences, and challenges.

2. **Identify User Needs**: From your research, identify the specific needs of your users. These needs should be actionable, human-centered, and based on real insights.

3. **Articulate Insights**: Distill your observations into key insights. An insight is an interpretation of the data that reveals something about the user's desires, motivations, or behaviors.

4. **Define the Problem Statement**: Using the insights and identified needs, craft a problem statement. This statement should be concise, focusing on the user's needs and the insights you've gathered. It should answer the following questions:

   a. Who is the user?

   b. What is the need or problem?

   c. Why is this need important (insight)?

For example, a POV statement might be, "A busy working parent (who) needs a quick and healthy meal solution (need) because they want to maintain a healthy lifestyle for their family but struggle with time constraints (insight)."

Objectives of POV in Design Thinking:

- **Guiding Problem-Solving**: It serves as a clear reference for ideation, ensuring solutions are relevant and address the user's needs.

- **Fostering Empathy**: It maintains a strong empathetic connection, ensuring solutions meet users' needs.

- **Encouraging Focus and Clarity**: It provides clarity and focus, preventing the design process from becoming too broad.

- **Inspiring Creative Solutions**: It acts as a springboard for innovative ideas during ideation.

- **Bridging Research and Ideation**: It translates insights from user research into a clear problem statement that inspires creative solutions.

A well-constructed POV in design thinking is a focused, user-centric statement based on deep user insights. It articulates a specific problem and guides the ideation process, fostering empathy, maintaining focus on user needs, and inspiring innovative solutions.

3.3.8. Brainstorming

Brainstorming is a collaborative idea-generation technique used to quickly generate a broad range of creative ideas to address a specific problem or challenge. It's a fundamental tool in the ideation phase of the design thinking process.

Main Attributes of Brainstorming:

1. **Quantity Over Quality**: The primary focus is on generating as many ideas as possible, under the principle that a large quantity of ideas increases the chances of producing a novel and effective solution.

2. **Freedom from Judgment**: During brainstorming sessions, all ideas are accepted without critique. This creates a safe environment for creative risk-taking and encourages the sharing of more novel or unconventional ideas.

3. **Collaborative and Inclusive**: Brainstorming is inherently collaborative, involving team members from diverse backgrounds and disciplines to encourage a multifaceted approach to problem-solving.

4. **Time-Bound Sessions**: Brainstorming is typically conducted in time-bound sessions to maintain energy and focus, ensuring that the process is both dynamic and efficient.

5. **Encouraging Divergent Thinking**: Participants are encouraged to think divergently, exploring a wide array of possibilities without constraints, which can later converge into more focused and feasible solutions.

Objectives of Brainstorming in Design Thinking:

- **Idea Generation**: The primary objective of brainstorming in design thinking is to generate a large pool of ideas, from which innovative solutions can be developed.

- **Fostering Creativity and Innovation**: By encouraging participants to think freely and beyond conventional boundaries, brainstorming fosters a culture of creativity and innovation.

- **Building Team Collaboration**: Brainstorming sessions encourage collaboration and collective thinking, leveraging the diverse perspectives and expertise of team members.

- **Encouraging Open Communication**: The non-judgmental nature of brainstorming encourages open communication and the sharing of ideas, leading to a more inclusive and participatory process.

- **Facilitating Problem Reframing**: Through the rapid generation of ideas, brainstorming can help teams to reframe the problem or challenge in new and unexpected ways, often leading to more effective and user-centric solutions.

In summary, brainstorming in design thinking is a vital technique for generating a wide range of ideas, fostering creativity and collaboration, encouraging open communication, and facilitating the reframing of problems. It serves as a foundational step in the ideation phase, setting the stage for the subsequent selection and development of the most promising ideas into viable solutions.

3.3.9. Sketches

Sketches are quick, informal drawings used to visually explore and communicate ideas, concepts, or solutions during the ideation and prototyping phases. Sketches in design thinking are not about artistic perfection but about conveying ideas in a tangible form.

Main Attributes of Sketches:

1. **Rapid and Rough**: Sketches are typically quick and rough, prioritizing speed and idea generation over detail and accuracy. This allows for a fast exploration of ideas.

2. **Visual Communication**: They serve as a visual language, translating abstract thoughts into concrete images, making it easier to understand and communicate ideas.

3. **Iterative**: Sketches are iterative by nature. They can be quickly altered or discarded, encouraging continuous exploration and refinement of ideas.

4. **Inexpensive and Accessible**: Sketching requires minimal resources — usually just paper and pen — making it an accessible and low-cost tool for idea development.

5. **Engaging and Collaborative**: Sketching can be a collaborative activity, engaging multiple stakeholders in the idea generation and refinement process.

Objectives of Sketches in Design Thinking:

- **Idea Exploration and Visualization**: Sketches help in exploring and visualizing a wide range of ideas quickly and efficiently. They enable designers to think visually and explore different concepts and solutions.

- **Facilitating Communication**: Sketches serve as a powerful communication tool, especially in diverse teams where verbal descriptions might fall short. They help in conveying complex ideas in a simple and understandable manner.

- **Encouraging Creativity**: The informal nature of sketching encourages creativity and free-thinking, as there's no pressure to create a 'perfect' or final product.

- **Enabling Rapid Iteration**: Sketches facilitate rapid iteration of ideas, allowing designers to quickly explore and discard various options, refining concepts as they progress.

- **Involving Stakeholders**: Through sketching, stakeholders can be actively involved in the design process, as it provides a common visual ground for discussion, feedback, and co-creation.

In summary, sketches are a crucial tool for ideation and prototyping. They provide a quick, accessible, and effective means of exploring, communicating, and iterating on ideas, fostering creativity, and involving diverse stakeholders in the design process.

3.3.10. MVP and Validation

A Minimum Viable Product (MVP) is a development strategy focused on creating a product with the minimum set of features necessary to engage early adopters and validate a product concept early in the development lifecycle. The MVP is essential in design thinking as it aligns with the iterative, user-centered approach that is central to this methodology. The validation is a crucial phase that follows the creation of a Minimum Viable Product (MVP). It involves testing the MVP with real users to gather feedback and insights. This process is essential for verifying that the product meets user needs and expectations, and for determining the next steps in the product development cycle.

Main Attributes of MVP:

1. **Minimalism**: The MVP includes only the core functionalities that are necessary to make the product viable and to deliver value to the user.

2. **User Feedback**: An MVP is designed to gather user feedback as quickly as possible. This feedback is vital for understanding user needs and preferences.

3. **Iterative Development**: The MVP is not a final product but a starting point for product development. It allows for iterative testing, learning, and refining based on user input.

4. **Speed to Market**: The focus on minimal features allows for a quicker development cycle, enabling the product to reach the market faster.

5. **Risk Reduction**: By testing a simple version of the product idea, the MVP approach helps in minimizing the risks associated with product development, particularly in terms of time and resource investment.

Objectives of MVP and Validation in Design Thinking:

- **Validating the Product Concept**: The primary objective of an MVP in design thinking is to validate the product concept with real users. This helps in ensuring that the product meets the actual needs and preferences of its target audience.

- **Learning from User Feedback**: MVPs are essential for gathering user feedback, which is invaluable for understanding user behavior, preferences, and requirements. This feedback guides subsequent iterations and enhancements.

- **Efficient Resource Utilization**: By focusing on minimal features, MVPs ensure efficient use of resources, avoiding over-investment in features or functionalities that might not meet user needs.

- **Enhancing User-Centric Design**: MVPs facilitate a user-centric approach to product development, focusing on delivering real value to the end-user and continuously improving the product based on user insights.

- **Fostering Agile Development**: The MVP aligns with agile development principles, emphasizing flexibility, rapid iteration, and responsiveness to change.

In summary, the MVP is a strategy to build a product or a concept with just enough features to satisfy early adopters and to provide feedback for future product development. It embodies principles of minimalism, user feedback, iterative development, speed to market, and risk reduction, aiming to validate the product concept, learn from users, utilize resources efficiently, enhance user-centric design, and foster agile development practices.

Table 3.1 concisely presents all the tools, their main attributes, and objectives within the design thinking process.

Table 3.1: Design Thinking tools, its main attributes and objectives.

Design Thinking Stage	Tool	Main Attributes	Objectives in Design Thinking Process
Inspiration	**Market insights and benchmarking**	- Existing Information - Broad and Comprehensive - Time and Cost-Efficient - Foundational Understanding	- Contextualizing the Problem - Informing and Framing Primary Research - Identifying Market Opportunities - Risk Mitigation - Enhancing Customer Understanding

	Stakeholders' interviews	- In-Depth Conversations - Diverse Perspectives - Open-Ended Inquiry - Empathy Building - Flexible and Adaptive	- Understanding Stakeholder Needs and Challenges - Identifying Opportunities for Innovation - Building Consensus and Alignment - Informing Design Decisions - Facilitating Effective Communication
	Empathetic immersion and Observation	- Direct and Passive Viewing - Unbiased Data Collection - Nonverbal Cues - Real-time Insights - Personal Experience - Deep Empathy Building - Contextual Understanding - Immersive Engagement	- Gathering Authentic User Data - Building Empathy - Identifying Unarticulated Needs - Experiencing the User's Perspective - Identifying Deeper Insights - Enhancing Solution Relevance
Ideation	**Affinity Diagram**	- Data Collection - Idea Recording - Grouping Similar Items - Creating Categories - Analyzing and Interpreting	- Synthesizing Qualitative Data - Facilitating Understanding - Aiding in Problem Definition - Encouraging Team Collaboration and Consensus - Guiding Subsequent Design Phases
	Persona	- Demographic Information - Behaviors and Patterns - Goals and Motivations - Challenges and Pain Points - Contextual Details	- Empathy - Focus - Guidance in Decision Making - Communication Tool - User-Centricity
	Customer Journey Mapping	- Touchpoints - Buying Phases - Customer Emotions - Touchpoints Channels - Pain Points and Opportunities - Moments of Truth	- Empathy Building - Identifying User Needs - Enhancing Customer Experience - Guiding Solution Development - Cross-Functional Alignment
	Point of View (POV)	- Gather User Insights - Identify User Needs - Articulate Insights - Define the Problem Statement	- Guiding Problem-Solving - Fostering Empathy - Encouraging Focus and Clarity - Inspiring Creative Solutions - Bridging Research and Ideation
	Brainstorming	- Quantity Over Quality - Freedom from Judgment - Collaborative and Inclusive - Time-Bound Sessions - Encouraging Divergent Thinking	- Idea Generation - Fostering Creativity and Innovation - Building Team Collaboration - Encouraging Open Communication - Facilitating Problem Reframing
	Sketches	- Rapid and Rough - Visual Communication - Iterative - Inexpensive and Accessible - Engaging and Collaborative	- Idea Exploration and Visualization - Facilitating Communication - Encouraging Creativity - Enabling Rapid Iteration - Involving Stakeholders
Implementation	**MVP and Validation**	- Minimalism - User Feedback - Iterative Development - Speed to Market - Risk Reduction	- Validating the Product Concept - Learning from User Feedback - Efficient Resource Utilization - Enhancing User-Centric Design - Fostering Agile Development

Source: elaborated by the author

3.4.   Ethical Considerations and Validation

For the ethical considerations of this study, it is imperative to emphasize that as CatDog was finalizing its rebranding process at the time of this study's publication, and in alignment with the ongoing projects related to the rebranding, the names of all participants and stakeholders involved in this research have been omitted to preserve CatDog's identity. The company itself had its name redacted to mitigate market risks associated with the publication of this study within a specific timeframe. Similarly, any numerical data used in this study that is not of public nature has been randomized to ensure no compromise in understanding the processes and conclusions drawn from the data, while maintaining the confidentiality of private information.

However, it is crucial to acknowledge that all individuals involved in this project were aware of its academic purpose and impending publication, and that the project is a real-life implementation.

4. RESEARCH RESULTS

4.1. Secondary research: market insights and benchmarking

4.1.1. Market scope, size and growth

The pet sector represents a segment of the agribusiness associated with the development of activities related to the breeding, production, and commercialization of domestic animals (to be known cats, dogs, birds, fishes and other small-sized domestic animals). Typically, it is structured and segmented into three primary pillars: industries and participants in the distribution chain of the food sector (Pet Food), veterinary medicines (Pet Vet), and pet health and hygiene care and its accessories (Pet Care).

Contrary to many market segments that experienced a downturn during the COVID pandemic years, the pet market witnessed substantial growth in recent times, both in terms of revenue and the number of animals housed in residences. With the emergence of the pandemic and the boom in pet adoption and acquisition, the industry has experienced double-digit growth rates in recent years. According to Euromonitor, upon global analysis, the pet market reached a revenue of approximately US$149.8 billion in 2022 marking a 3.2% increase from 2021's revenue of US$145.2 billion. In this context, Brazil emerges as the third largest regional market, accounting for 4.95% of the global market revenues in 2022.
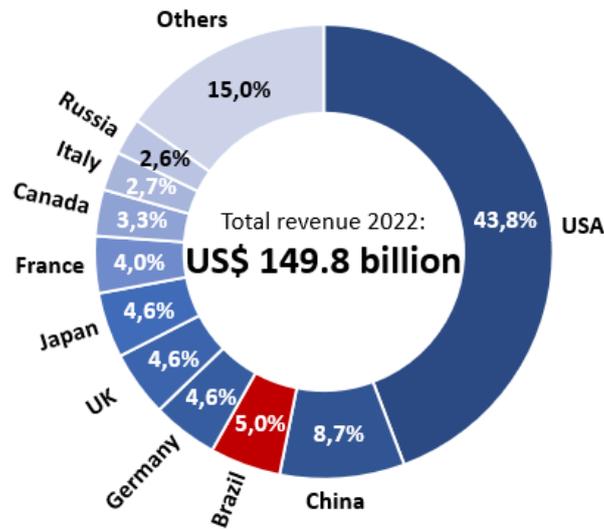
Figure 4.1: Pet market revenues per country.

Source: Euromonitor (2022), elaborated by the author.

Examining Brazil's historical series based on data sourced from Euromonitor and the Brazilian Pet Institute (IPB), it is evident that the segment has witnessed significant growth since 2018, maintaining this trajectory even during the pandemic years. It is noteworthy that the average annual growth rate in the overall market revenue was more pronounced than the average annual growth in the pet population during this time (an average annual increase of 15.3% in total market revenue between 2018 and 2022 compared to an average annual 2.5% rise in the total number of pets over the same
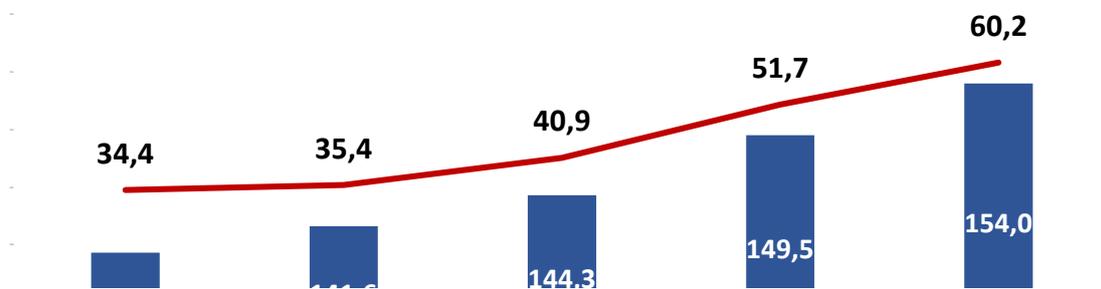
Figure 4.2: Brazilian pet market total revenues and pets' population, 2018 - 2022.

Source: Euromonitor and IPB (2022), elaborated by the author.

period). This indicates a trend towards a higher average expenditure on pets in the country.

Table 4.1: Annual growth rates in pets' population and total market revenue, 2018 – 2022.

	Population	Revenues
2018 / 2019	1,7%	2,9%
2019 / 2020	1,9%	15,5%
2020 / 2021	3,6%	26,4%
2021 / 2022	3,0%	16,4%
Average Annual Growth Rate	**2,5%**	**15,3%**

Source: Euromonitor and IPB (2022), elaborated by the author.

Beyond the notable growth observed from 2018 to 2022, leading market analysts such as Morgan Stanley, Bloomberg, Mordor Intelligence, and Euromonitor, among others, forecast continued growth through 2030. Projections estimate an annual compound growth rate between 5.6% to 8.0%, marking it as one of the highest predicted growth rates across all retail segments. In essence, this suggests that the market size will double by 2030, presenting a significant opportunity for major enterprises in the retail sector of this segment.

The predicted growth rates are primarily attributed to shifts in consumer behavior and pet market trends that were accentuated during the pandemic. The main trends in the pet market will be discussed in the subsequent chapter.

4.1.2. Pet Market Trends

The pet market has undergone significant transformations over the years, standing out as one of the most rapidly evolving markets in recent history. This evolution can be primarily attributed to the shifting dynamics of the relationship between humans and pets, which has substantially evolved over time. This altered perception of the bond between pets and their owners has precipitated notable shifts in the market, both in terms of consumer behavior and the types of products retailed.

4.1.2.1. The pet-human relationship

The relationship between humans and pets' traces back to ancient times when humans predominantly lived in tribal societies. Researchers posit that this relationship initially emerged from a mutualistic bond between the species: pets assisted their human counterparts in hunting, while humans provided shelter and protection for their pets.

Over time, this dynamic evolved, transitioning pets into roles of companionship. From this point, pets no longer primarily served as aides for survival but became companions, fulfilling a social role and even attaining a status symbol in society.

More recently, there has been a marked shift in this relationship: humans have transitioned from being pet owners to pet parents. This transition signifies a profound change in how pets are perceived by humans. They have moved from being seen merely as companions to being recognized as family members, in an increasingly pet humanization movement.

In Brazil, there has been an increase in couples who choose not to have children or only one child and seek the company of a pet. The Brazilian Institute of Geography and Statistics (IBGE) reports that households in Brazil now feature a higher number of pets than children. Longevity and solitary lifestyle in big cities make pets important in people's lives.

This transformation in the relationship between humans and pets has led to notable shifts within the pet market. The changes are not only evident in the sustainable growth demonstrated in the increasing number of pets acquired per household but also in the evolving consumer behavior within this market.

4.1.2.2. Pet food and pet care

The shift toward pet parenting from ownership, has influenced the purchasing decisions of pet products. Pet owners are increasingly conscious about their pet's health. This leads to major changes in the pet food purchase decision and more investment and attention to pet care.

Regarding the pet food market, consumers demand clean labels due to increasing health consciousness for their pets. Currently, pet owners are resolute about knowing the food constituent information of the various pet food products. As a result, some pet

food companies claim transparency in the sourcing and processing of ingredients. Also, there was an increasing premiumization of this market, as consumers demand more healthy products for their pets. This led directly to a higher average expenditure in pet food per household.

Regarding pet care services, there is a notable increase in health plans for pets. Preventive pet health is becoming increasingly important for leading players in the local industry. According to the country's news websites, the demand for this service has increased by 300% between 2022 and 2023, reinforcing the trend towards anthropomorphizing pets and an increase in average spending on them. Other services that are also experiencing a rise in demand include leisure and wellness for pets, such as pet yoga, pet therapy, and others.

4.1.2.3. Pet owners purchasing behavior

One of the most rapidly growing segments in the pet market is online sales. According to data from Brazilian Pet Institute (IPB), there was a 130% surge in e-commerce for pet products during the pandemic years, from 2020 to 2022. The increase was from BRL 1.44 billion to BRL 3.3 billion between January 2020 and March 2022, according to a survey conducted by IPB.

While this trend was accentuated during the pandemic years due to imposed confinement measures, it had been emerging in prior years with the entry of major online-exclusive retailers into the country.

Additionally, the largest players in the pet retail market began loyalty programs for routine monthly home deliveries and invested substantial amounts in developing websites and applications to facilitate online product purchases.

Despite the end of the pandemic and the return of consumers to brick-and-mortar stores, the online commerce of pet products has not waned. The share of online pet product purchases in 2023 continued to account for 12% of the total revenue, according to data from IPB. This underscores an enduring shift in consumer purchasing behavior, indicating a sustained preference for online shopping.

4.2. The Company and the competitive landscape

4.2.1. CatDog history and background

CatDog is the preeminent retail pet store chain in Brazil, boasting over 230 stores across the Brazilian territory, with a presence in 24 of the 28 states in the country. Currently, the company offers a range of products for dogs, cats, birds, fish, and other pets, in addition to providing aesthetic services and veterinary medicine.

The company was founded in 2002 by João Pereira, starting with a single store in São Paulo. In 2020, it underwent its Initial Public Offering (IPO) and achieved the position of market leader in its segment. This accomplishment was further bolstered by an expansion strategy involving the opening of new stores and acquisitions within the retail pet sector.

Some historical facts are important to understand the company's current moment to justify its need for a rebranding:

2002: CatDog is founded with a single store in São Paulo, Brazil.

2014: Entry of an investment fund in CatDog's group, initiating its expansion strategy.

2018: Arrival of CatDog in the five macro-regions of Brazil. CatDog is the first pet shop retail company to accomplish it.

2020: Initial Public Offering of CatDog.

2021: The company acquires a major pet shop retail online distributor to expand its presence in the e-commerce. The company evolves to offer its customers an omnichannel experience.

2022: CatDog opens over 50 new stores in Brazil and becomes the market leader of the segment in the country, with a presence in 24 over the 27 states of the country.

As can be discerned from the company's historical background, CatDog is currently in a phase of expansion, both through the inauguration of new stores and the acquisition of other market players. Consequently, the firm aims to establish itself as the market leader in the segment and extend its brand presence to other countries.

4.2.1.1. Mission and Vision

To comprehend the strategic positioning of the company and the local competitive landscape, it is essential to elucidate the Mission and Vision as defined by the company. As stated on its official website, CatDog articulates its Vision and Mission as follows:

Mission: *To create value in interactions with those passionate about pets, enhancing the well-being of the relationship between the pet and its family.*

Vision: *To be globally recognized as the premier pet segment ecosystem by 2025.*

It is important to emphasize that the company identifies as fundamental elements of its vision both the aspiration for international expansion and the creation of a comprehensive ecosystem for the relationship between pets and their owners.

4.2.2. The competitive landscape in Brazil

The pet shop retail sector in Brazil is highly concentrated, with four major players essentially dominating the entire market. Among these is CatDog. To characterize the local competitive landscape, it's crucial to provide a brief description of each of the other three companies, emphasizing its main elements. It's noteworthy to consider that their names will be omitted to maintain data anonymity, given the potential market risks for CatDog, which is currently concluding its rebranding process at the time of this thesis' composition:

- **Pet Shop Company 1:** it's the second major pet shop retail chain in Brazil, with more than 150 stores over the country. This is the most comparable pet shop retail chain from CatDog's perspective, as its offering consists basically in the same products and services as the company's.

- **Pet Shop Company 2:** consists in a pet shop retail chain that focuses on premium products and services. With over 100 stores over the country, this chain is highly concentrated in the southeast states of Brazil and has minor presence over the north and northeast states.

- **Pet Shop Company 3:** consists in a pet shop retail chain that operates over the entire country but does not have any physical store. It is basically an online

distributor of pet products, that has increased significantly its market share in the pandemic years, representing one of the major risks for CatDog.

To further understand CatDog's competitive landscape, it is useful to analyze the pet shop retail market in Brazil from a Porter's Five Forces perspective.

4.2.2.1. Threat of New Entrants

Although the pet market in Brazil has promising size and growth rate, the threat of new entrants in the market is low. This is given mainly due to high entry barriers, as it is needed a high capital expenditure to create a pet shop retail chain in the country.

Moreover, the access to distribution channels in Brazil is difficult, as for the country's dimensions and its lack of transport infrastructure. As for the pet market, there is already a distribution channel consolidated in the country that is dominated by its major players. A possible new entrant would have to develop its own distribution channel from the scratch, which rises the entry barriers.

For these reasons, the threat of new entrants is generally considered low. This landscape has undergone some changes during the pandemic years, where players with a stronger online presence gained opportunities to capture market share. They achieved this by leveraging distribution networks already established by other companies, such as Amazon. Nevertheless, this shift has not been sufficient to dismantle the high entry barriers in the market. Consequently, the risk posed by the entry of new players continues to be perceived as low.

4.2.2.2. Bargaining Power of Buyers and Suppliers

As CatDog is a pet shop retail company, it basically commercializes products from its suppliers. Nowadays, the company counts with over a thousand suppliers for the 1500 different SKUs the company sells. Despite the high number of suppliers, none of them are large enough to stand out relative to others, and their products are easily replaceable.

Given CatDog's leadership position in the market, the negotiation and bargaining power often tilts more in favor of the company than its suppliers. These suppliers grant differentiated commercial terms to CatDog to have their brands showcased in Brazil's

largest pet product distribution network. For these reasons the Suppliers' bargaining power is low.

In terms of buyers' bargaining power, it is crucial to note that CatDog operates on a B2C (Business to Consumer) basis. As a market leader, the company has a substantial number of buyers (more than 1 million unique customers visit their stores monthly in Brazil), who generally exhibit recurring purchase behaviors with smaller orders.

Although the market is characterized by low switching costs, the company has been introducing services to elevate these costs, such as loyalty programs that offer exclusive discounts.

Furthermore, as previously discussed, this is a market where price sensitivity has been decreasing significantly in recent years due to the trend towards the premiumization of pet products. For these reasons, the bargaining power of buyers is also considered to be low.

4.2.2.3. Threat of Substitute Products

As a risk of substitute products, a trend has been identified towards the entry of players operating entirely digitally. This allows them to have a significantly lower cost structure, without prioritizing physical stores.

However, players operating entirely digitally have not yet achieved considerable market notoriety, not only because they are new, but also because they do not reach a large segment of customers who still have the habit of purchasing in physical stores.

This seems to be the most significant market risk at present, hence the strategic redirection towards increasing online visibility.

4.2.2.4. Rivalry among Existing Competitors

As explored above, the pet market retail in highly concentrated in Brazil, with the presence of four major players, including CatDog. Although their offerings are not the same, companies compete for the same audience.

Due to high market concentration coupled with a low cost of switching between companies, this market has long operated based on price competition. Currently, incumbent companies are proposing distinctive experiences for their customers to

move away from price competition: loyalty programs with access to exclusive promotions and discounts, the development of pet centers that offer more than just products (such as grooming services, pet adoption, and sometimes even recreational areas), among others. These strategies aim to foster customer loyalty and move beyond mere price competition.

As discerned from the analysis of Porter's Five Forces, the high concentration of players in the pet shop retail sector grants a significant advantage to the incumbents. This is compounded by the minimal bargaining power of suppliers and buyers, resulting in a market that is predominantly profitable.

However, these striking growth rates are being threatened by the entry of players primarily operating online, which allows them to maintain a lower cost structure and capitalize on the digitization trend accelerated by the pandemic years.

It is also feasible to assert that CatDog competes in a Red Ocean, tapping into an existing demand and striving to outperform its competitors through strategies that sometimes focus on price competition and at other times on differentiating the customer experience (such as through loyalty programs, scoring systems, rewards, among others).

Nevertheless, it is understood that, in comparison with its competitors, there is still room for CatDog to gain a foothold in the online market, especially given its strength in physical store presence. These analyses were concluded after developing CatDog's value curve in relation to its competitors, through research conducted with specialized consultancy aimed at ranking brands on certain attributes (Figure 4.3).
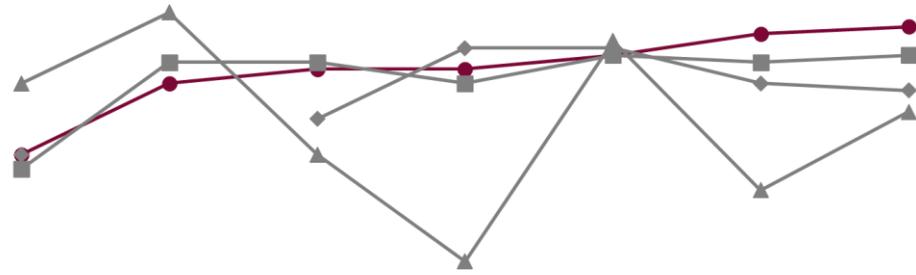
	Quality	Facilities	Range of Products	Price	Availability of products	Location	Name Recall
CatDog	3	4	4,2	4,2	4,4	4,7	4,8
Pet Shop Company 1	2,8	4,3	4,3	4	4,4	4,3	4,4
Pet Shop Company 2	4	5	3	1,5	4,6	2,5	3,6
Pet Shop Company 3	3		3,5	4,5	4,5	4	3,9

Figure 4.3: Value Curve for Pet Shop Retail Companies in Brazil.

Source: elaborated by the author.

Furthermore, a positioning map, also constructed through the research, was used to establish CatDog's current market position relative to its competitors and to highlight potential shifts accompanying the rebranding (Figure 4.4).
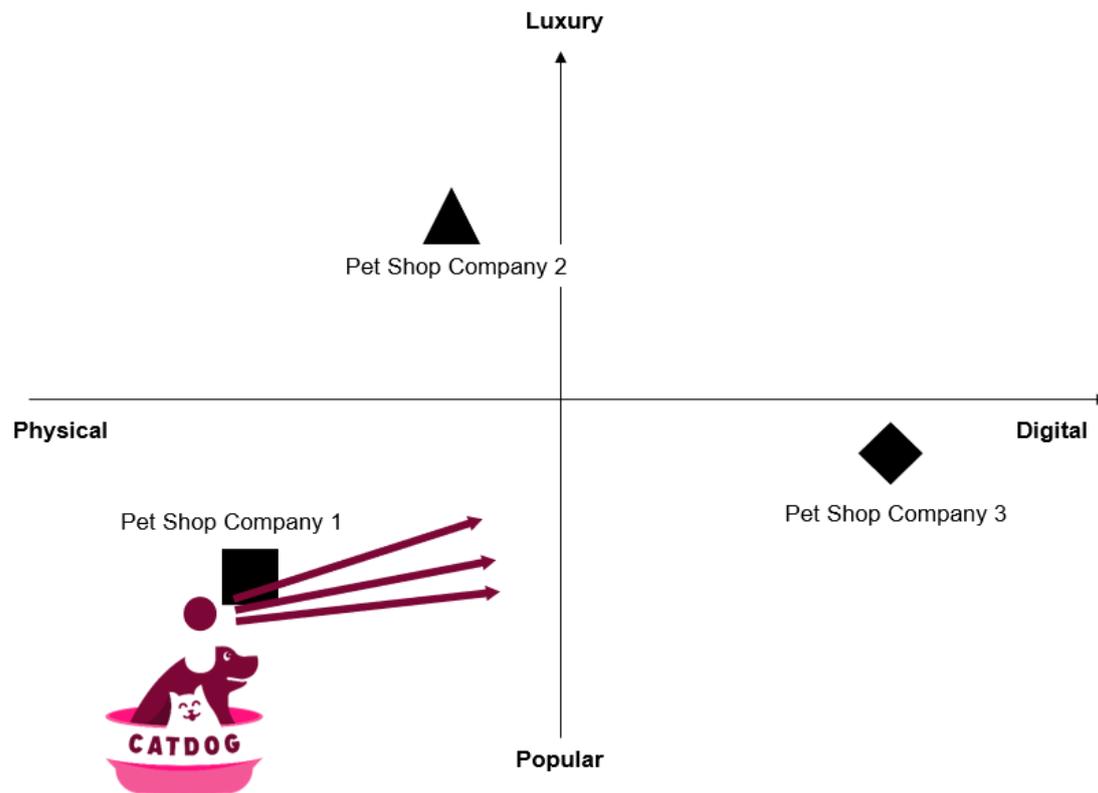
Figure 4.4: CatDog current positioning map and intended brand repositioning.

Source: elaborated by the author.

4.3. The need for a rebranding

The need for rebranding arose from two main reasons. The first, and more apparent, was the acquisition of an online competitor. This fact alone, as emphasized by João Pereira, would suffice for a rebranding:

> "(…) Recently, we acquired an online competitor. This was a move to increase our digital presence, as we realized that our brand was failing in expanding its online share, even after the years of the pandemic. Initially, we decided to maintain both brands in parallel so as not to harm either of them, although we were already communicating the merger. Now, we understand that it is time to merge the brands in a way that creates synergy between the strengths of each(…). We want the existing trust in CatDog to also permeate the digital mediums, thus consolidating our differentiated and market-leading position. The ultimate goal is to promote a *phygital*, omnichannel experience for our customers, who should feel 'at home' whether they are shopping in our physical stores or through our digital channels." (João Pereira, 2023, verbal information)

The second reason for the need for rebranding stemmed from the recognition of a shift in the customer profile of the store. Marcelo Valente, Head of Marketing, observed:

> "Our brand still communicates very strongly with children and adolescents getting their first pets, but we understand that our customers are no longer just this demographic. Previously, our pets were considered our best friends, but now they are seen as part of the family. Consequently, our customers desire their pets to be treated and represented with diligence, affection, and care, fully aware that our brand will provide the best for their so-called 'children'." (Marcelo Valente, 2023, verbal information)

For these reasons, the design challenge already emerged as a necessity in the rebranding process. However, internal stakeholders lacked clarity regarding the extent of the process. Therefore, the design challenge was framed as follows:

Design Challenge: *How can the actual customer feel more connected to the CatDog brand?*

4.4. The rebranding process using Design Thinking methodology

In this chapter, we will explore how the rebranding process was addressed using the methodology and tools of Design Thinking.

With the design challenge formulated, the first step was to turn to the available information: this included market information and its trends, as previously discussed, as well as data on customer behavior and purchasing patterns. The key findings from these observations will be discussed in the following sections.

4.4.1. Primary research: stakeholders' interviews

As a means of sensitizing the project team to the current state of the brand, as well as to begin gathering insights about consumers and their relationship with the company, the first step involved conducting a series of semi-structured interviews with key stakeholders identified in the project.

The purpose of this stage is to raise awareness among the project team and to access qualitative information, enabling the interpretation of the main identified pain points and their causes. It also aims to foster empathy between the project team and the stakeholders.

To obtain a comprehensive view of the studied topic, as well as the context in which the company operates, the project team decided to interview a range of stakeholders, both internal and external. Table 4.2 lists all the stakeholders interviewed.

Table 4.2: List of Stakeholders interviewed by the project team

Internal / External Stakeholder	Name	Function	Appendix
Internal	João Pereira	Founder and CEO	A.1
Internal	Marcelo Valente	Head of Marketing	-
External	Focus consumer group	Final customers	A.2
External	Marcos Antônio	Instructor of pet yoga	-
External	Luiz Galvão	Veterinarian	-

Source: elaborated by the author.

The methodology of semi-structured qualitative interviews was chosen to allow the project team flexibility in their approach with stakeholders and to enable a comprehensive and in-depth interpretation of the researched topic. The interviews with the company's main stakeholders were conducted by the project team itself. Interviews with customer focus groups were carried out by specialized consultants.

It is possible to categorize the stakeholders into three main groups: the CatDog team (internal stakeholders), End Customers, and Experts. Interviews with each of these groups served distinct purposes.

The CatDog team was interviewed to gather internal perceptions about the current brand, as well as future visions for the company and its strategic directions.

End customers were interviewed to identify their main pain points concerning the current brand identity, as well as to understand their current purchasing behaviors, mapping their buying journey.

Finally, experts dealing with pets were interviewed to externally and unbiasedly gather perceptions about market trends and the evolving relationship between humans and their pets.

Conducting interviews with these three distinct groups aims to comprehensively and holistically understand the design challenge, accessing perspectives from stakeholders who are directly involved and impacted by the project, as well as related

actors who can provide abductive insights, i.e., those that identify trends related to the market but that are not observed in the specific context of the project.

Excerpts from these interviews will be utilized throughout this thesis, primarily in the development of tools suggested by the design thinking methodology. These quotations will be appropriately referenced with quotation marks.

Appendix 0 provides access to the main excerpts of the semi-structured interviews that were recorded.

4.4.2. Primary research: empathetic immersion and observation

The Observation and Empathic Immersion phase consisted of three days during which the project team experienced the routine of the store. During these days, the entire project team was allocated in different stores of the retail chain, with the aim of getting to know and experiencing the day-to-day business, as well as understanding the customer in their natural modus operandi, to try to access pains and perceptions that are not directly vocalized when interviewed formally. Moreover, the goal was to live the journey of a customer to foster empathy with them and to understand their pain points in practice.

For this purpose, the project team frequented different stores in a manner that they would not be identified as members of CatDog. Over these three days, they were to pass through the stores evaluating a series of pre-determined questions based on their personal perceptions and observations made during the experience.

The questions that all members of the project team were to answer consisted of:

1. What is the profile of the customer who frequents the store?

2. What is the customer's sentiment during their experience in the physical store?

3. What are the main pains of the customer observed in their shopping journey at the store?

4. Which parts of the store do customers show most interest in? In which do they not demonstrate interest?

5. What are the stages and steps that comprise a consumer's experience in the store?

6. How was the service in the store?

The project team was also requested to record every experience, whether lived or observed, that was of notable importance, regardless of the reason. All these perceptions, notes, and observations were subsequently synthesized using the Affinity Diagram, where all members of the project team compiled their notes, separated those they considered of greater importance, and finally synthesized them into the model.

4.4.3. Assessing current brand identity

The outcome of the observations and interviews was the identification, based on Kapferer's Brand Identity Prism, of the key characteristics that constitute the current brand, as well as its strengths and weaknesses in relation to identified market trends. Figure 4.5 below illustrates the main brand attributes identified by the project team, based on the observations and interviews collected.
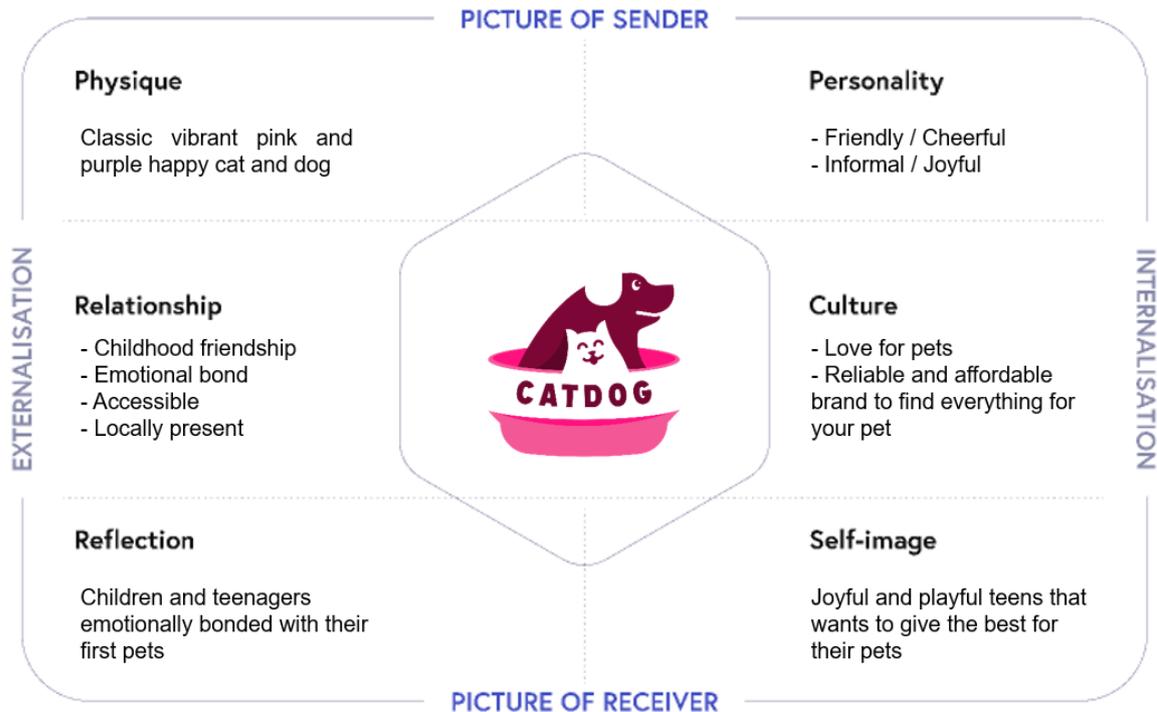

Figure 4.5: CatDog current brand identity

Source: elaborated by the author

In general terms, it was observed that customers have an emotional connection with the brand, evoking childhood memories and a sense of 'comfort'. This is reflected in the brand's communication style, which is somewhat childlike, informal, and joyful.

Despite an extensive network of stores, the brand currently projects an image of being a 'local brand', as if its stores were sufficiently accessible to be considered neighborhood shops. Furthermore, another notable characteristic that emerged in the interviews was the brand's perception as accessible, meaning that any consumer, regardless of income bracket, can engage with it.

Briefly describing each quadrant of Kapferer's brand identity prism, we find:

- **Physique:** The brand's physical manifestation is a "classic vibrant pink and purple happy cat-dog". This unique combination of colors and animals symbolizes a blend of energy, playfulness, and comfort. The vibrant pink and purple hues evoke a sense of fun and creativity, while the imagery of a smiling cat-dog character represents the brand's approachable and happy nature.

- **Personality:** The brand's personality is friendly, cheerful, informal, and joyful. This is reflected in its tone of voice, marketing materials, and overall brand communications. The brand comes across as a warm and approachable friend, always ready to offer a cheerful experience, and it communicates in a relaxed, conversational manner that resonates with its audience.

- **Relationship:** The brand nurtures a relationship akin to childhood friendship, characterized by an emotional bond, accessibility, and a local presence. It's like a childhood friend who grew up in the neighborhood, always approachable and reliable. This relationship fosters a sense of trust and comfort among consumers, making them feel that the brand is a dependable part of their community.

- **Culture:** The brand's culture is deeply rooted in a love for pets, positioning itself as a reliable and affordable choice for pet-related needs. This culture is built around the notion of care and companionship, emphasizing the joy and responsibility of pet ownership. The brand aligns itself with values like trustworthiness and affordability, appealing to those who seek a dependable source for their pet care needs.

- **Reflection:** The brand reflects an image of children and teenagers who are forming their first bonds with pets. It portrays young pet owners who are learning about responsibility and companionship through their interactions with pets. This reflection targets a demographic that is in the early stages of pet ownership, capturing the innocence, excitement, and learning experiences that come with it.

- **Self-image:** The self-image projected by the brand is that of joyful and playful teens who want to provide the best for their pets. This segment of consumers sees themselves as caring, enthusiastic, and eager to ensure their pets' happiness and well-being. The brand mirrors this image, catering to the aspirations and attitudes of these young, dedicated pet owners who are committed to giving their pets a joyful and healthy life.

4.4.4. Affinity Diagram

Based on data gathered from semi-structured interviews, both with the focus group of customers and internal stakeholders of CatDog, the primary pain points in relation to the current brand were identified.

These pain points were initially listed by the project team and subsequently clustered into three main axes or subjects correlating with the brand perception. These are:

1. **In-store Shopping Experience:** The interviews revealed a sense of discomfort in the physical stores, described as overly vibrant and noisy.

2. **Brand Image or Identity:** There is a perception of overly childish communication that, while emotionally appealing, lacks a sense of seriousness.

3. **Online Shopping Experience:** Challenges were noted not only in locating the digital sales channels but also in the low usability of both the application and the website.

These perceptions were recorded in the Affinity Diagram (Figure 4.6):

| Brick-and-mortar store experience | Brand Image / Identity | Online Shopping Experience |

| Stores are too vibrant and noisy | Customers do not feel welcomed in the stores | | Brand relates excessively with childhood | Brand do not relate with actual "pet parents" | Brand do not have online awareness | Official Website is unknown and difficult to navigate | Mobile Apps shopping experience is not smooth |

Colors are excessively vibrant

Advertisement Campaigns do not relate with the actual customer | Communication uses childish language | Lack of sense of community

Figure 4.6: Affinity Diagram for CatDog.

Source: elaborated by the author.

It is crucial to emphasize that at this juncture, the company recognized that the three axes of pain identified through primary research would be addressed separately by different project teams. This thesis will focus on the pain points identified in relation to the brand identity.

However, it is also important to note that the other two pain points (in-store and online shopping experience) were only identified due to the primary research conducted as part of the rebranding process. That is, it was a collateral effect of the endeavor to better understand the current customer, their needs, and pain points.

4.4.5. Personas

To synthesize the characteristics of customers identified in the initial research, as well as to foster empathy with them, Personas were developed. In the case of this project, two main personas were identified, representing distinct customer clusters, yet sharing some common characteristics. The developed personas are Illustrated in Figure 4.7.
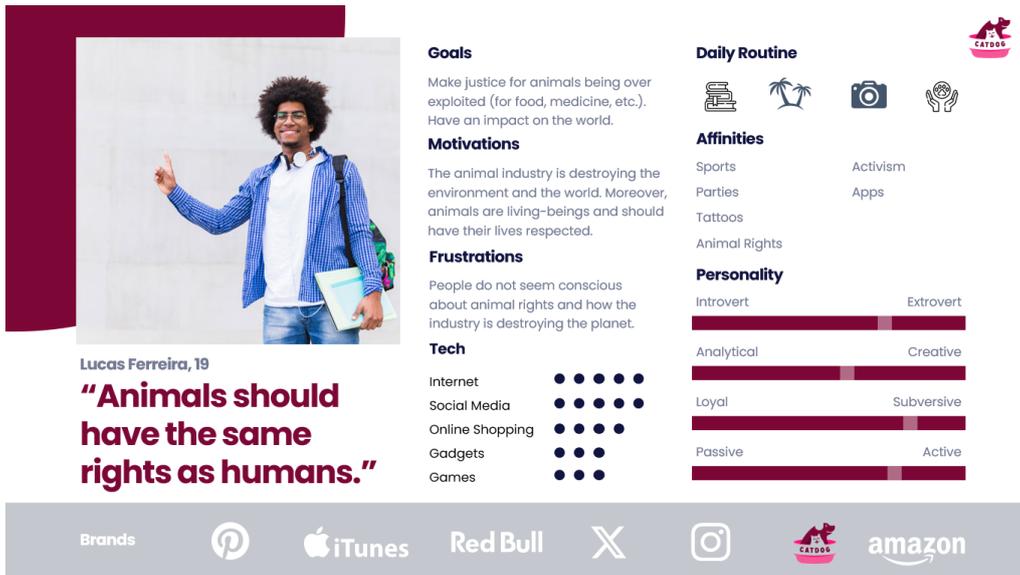
(a) Persona 1: Lucas Ferreira, 19.

(b) Persona 2: Carlos Rezende, 49.

Figure 4.7: Personas developed for CatDog

Source: elaborated by the author

Lucas is a young 19-year-old university student. He owns two small dogs, Luck and Ralph, as pets. He is an avid advocate for animal rights, a stance that reflects in his lifestyle choices: he is vegetarian and highly conscious about environmental

preservation. Lucas believes that "the example starts at home" and insists that his 'children' (as he refers to Luck and Ralph) have the very best: health plans, healthy food with verified origins (his 'children' also do not consume any animal-derived products).

Lucas enjoys celebrating festive occasions and giving unexpected gifts to Luck and Ralph, who are always thrilled with the surprises.

Carlos, on the other hand, is a 49-year-old Financial Advisor. In addition to a pair of children, he has two cats and a dog: Kitty, Mica, and Maya. Married for 20 years, Carlos now seeks to spend as much time as possible with his family. "Everyone has to be included," as Carlos often says. For this reason, he is particularly concerned with finding places that welcome all members of his family, "whether they are human or non-human."

Carlos appreciates practicality but has not yet fully adapted to the digital world. For him, the most convenient option is to have the necessary stores located around the corner from his home or on the way to work.

Despite their differences, particularly regarding purchasing behavior, Lucas and Carlos share similar characteristics that align them with the concept of a "pet parent".

A "pet parent" persona typically describes someone who considers their pet as a cherished member of their family. This persona goes beyond the traditional idea of an owner who provides for their pet's basic needs. Instead, a pet parent is deeply invested in their pet's well-being and happiness, often going to great lengths to ensure their pet has a fulfilling life.

Some common characteristics of a "pet parent" are:

- **Emotionally Invested:** They form strong emotional bonds with their pet and often refer to themselves as their pet's "mom" or "dad."

- **Health-Conscious:** They are highly concerned about their pet's diet, exercise, and regular check-ups with the vet to ensure they are in peak condition.

- **Socially Connected:** They might create social media accounts for their pets, celebrating milestones and sharing their pet's life with friends, family, and followers.

- **Knowledgeable:** They are well-informed about their pet's breed, behavior, needs, and the latest in pet care trends.

- **Financial Commitment:** They do not hesitate to spend money on their pet's health, comfort, and entertainment, including premium food, grooming, daycare, and even pet insurance.

- **Personal Sacrifice:** They are willing to adjust their lifestyle to accommodate their pet's needs, such as choosing pet-friendly vacation spots or living in a more expensive, pet-friendly apartment.

- **Anthropomorphizing:** They often attribute human characteristics to their pets, interpreting their pet's actions and expressions as if they have human thoughts and emotions.

- **Protective:** They are very protective of their pet's safety, often using leashes, fences, and microchips to keep them safe.

- **Involved:** They engage in activities with their pets, such as dog parks, pet training classes, or cat cafes, to stimulate their pet's socialization and mental engagement.

- **Advocates:** They often advocate for animal rights and may be involved in rescue operations, fostering, or other community activities related to animal welfare.

This persona reflects a modern, compassionate, and proactive approach to pet ownership, where the pet is seen as a full-fledged family member whose needs and happiness are paramount.

Figure 4.8 illustrates the key differences in purchasing behavior between Lucas and Carlos.

PERSONA	TRIGGERS	PRICE SENSITIVITY	CHANNEL	BEHAVIOUR	BUYING CYCLE	LOYALTY
Lucas	The pet is missing something (necessity – food, hygene – or gadgets) **Commemorative dates**	**Medium** to Low	**App** **Website** Brick-and-mortar stores	**Immediate Availability** **Range os products** **Promotions / Discounts** Convenience	**Biweekly**	**Emotional bond** **Part of Community** **Subscription program** to have access to **promotions**
Carlos	**The pet is missing something**	**Low**	**Brick-and-mortar stores**	**Immediate Availability** **Convenience** (getting to the store and finding the products) **Standardized** and re**curring** purchases	**Monthly**	**Reliability of the brand** **Proximity** **Subscription program** to have access to **scheduled delivery**

Figure 4.8: Lucas versus Carlos purchasing behaviors.

Source: elaborated by the author

4.4.6. Customer Journey Mapping

The objective of mapping the customer journey is to identify all the pain points of customers throughout the purchasing journey, and at all touchpoints with the brand. To develop a synthesized view of CatDog customers' shopping experience, the project team primarily relied on their primary research. Figure 4.9 presents a synthesized view of the macro stages identified in the customer's purchasing journey, its steps, the brand touchpoints, and how customers feel at each part of the process. A more detailed view of the Consumer Journey Map can be found in Appendix B.1.
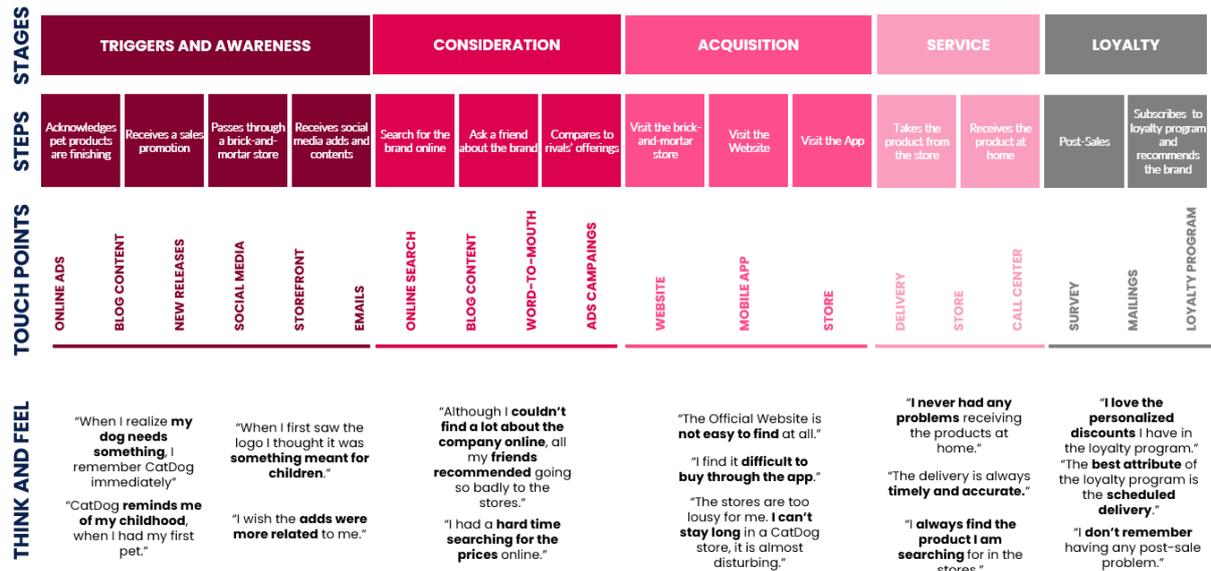
Figure 4.9: Synthesis of Customer Journey Map for CatDog.

Source: elaborated by the author.

Broadly, the consumer journey was divided into 5 macro stages: triggers and awareness, consideration, acquisition, service, and loyalty. Each of these 5 macro stages was detailed in different steps, representing the actions of the customers, as follows:

- **Triggers and awareness:** Recognize that pet products are running out, receive a sales promotion, pass by a brick-and-mortar store, receive social media ads and content.

- **Consideration:** Search for the brand online, ask a friend about the brand, compare it to rivals' offerings.

- **Acquisition:** Visit the brick-and-mortar store, browse the website, use the mobile app.

- **Service:** Collect the product from the store, receive the product at home.

- **Loyalty:** Engage in post-sales activities, subscribe to the loyalty program, and recommend the brand.

As evidenced by the consumer journey map, the primary pain points for CatDog's customers are in the Triggers and Awareness and Acquisition stages. Here, it was identified that CatDog has erratic communication with its customers (who do not resonate with the language used), as well as a troubled shopping experience both in physical and digital channels.

Furthermore, it was observed that the brand lacks a significant online presence, with customers reporting difficulties in finding official digital sales channels and experiencing issues while making purchases.

As previously mentioned, the consumer journey within digital sales channels and physical stores, and the steps to improve them, will be addressed by other dedicated project teams. However, everything related to the brand identity, such as how customers perceive it and its communication style, will be addressed in this project.

4.4.7. Point of View (POV)

With the pain points identified, the Point of View (POV) technique was used to converge on a problem statement, an insight gained by the project team from the collected information about the end customer, based on identifying their main needs concerning their relationship with CatDog.

To construct an effective Point of View (POV), it's important to clarify: who is the user? What is the need or problem? Why is this need important (insight)?

In the case of this project, we had:

- **User:** Pet parents, as described in the Personas.

- **Need:** To feel that their pets are receiving dedicated and assertive care, and that everything provided to them is of the best quality.

Insight / Problem Statement: *The pet parents have an emotional relationship with the CatDog brand, which they associate with childhood and their first pets. While this presents itself as a strength of the current brand, the pet parents feel that the brand's communication is somewhat infantilized, lacking a sense of seriousness. Currently, they are looking for a dedicated and careful brand, capable of providing everything necessary and of the best quality for their so-called 'children'.*

107

4.4.8. Brainstorming

The brainstorming session was conducted based on Kapferer's brand identity prism model. With the primary and secondary research completed and the main pain points identified, it was time to start designing potential solutions for the identified design challenge and problem statement. For this purpose, the project team conducted a brainstorming session focused on the six facets that make up Kapferer's Brand Identity Prism.

As an initial sensitization step, a SWOT analysis was carried out based on the main trends, strengths, and weaknesses identified so far (Figure 4.10).

INTERNAL FACTORS	EXTERNAL FACTORS
STRENGTHS - Emotional bond - Childhood memories	**OPPORTUNITIES** - Growing online sales - Brand name recall - Market leadership position
WEAKNESSES - Lack of online presence and awareness - Erratic communication - Sense of lack of seriousness	**THREATS** - Entry of new digital players - Changes in customer behavior and profile - Lack of sense of community

Figure 4.10: SWOT Analysis for CatDog current brand.

Source: elaborated by the author.

Subsequently, a brainstorming session dedicated to each of the prism's facets was conducted. The results of this brainstorming can be seen in Figure 4.11.
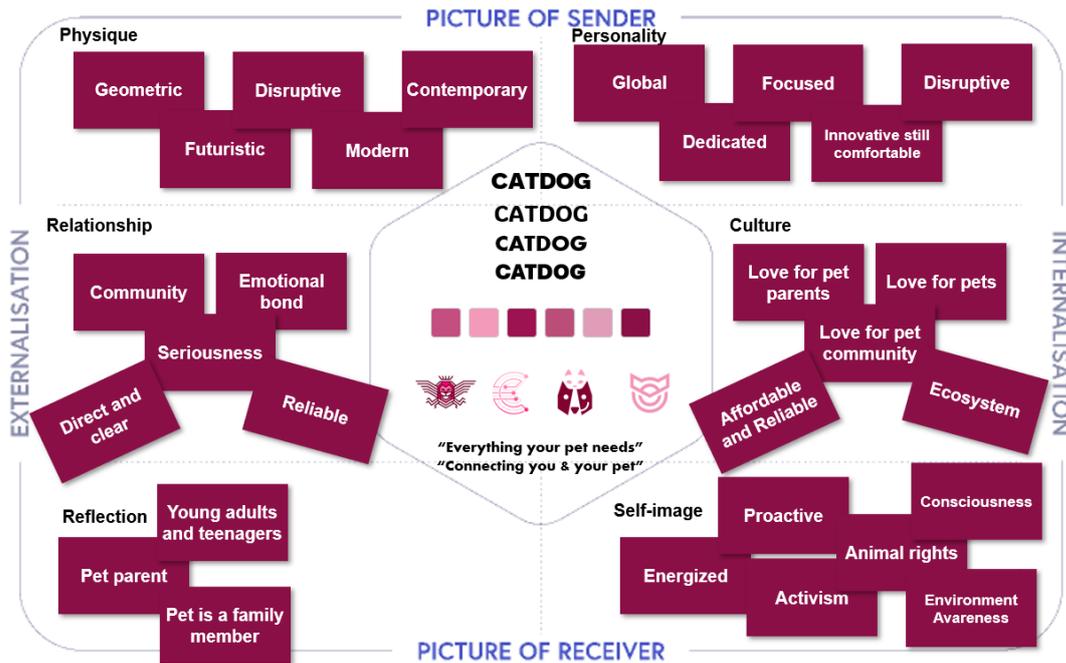
Figure 4.11: Brainstorming over the future CatDog brand identity

Source: elaborated by the author.

It is important to remember that the purpose of the Brainstorming section is the generation of ideas free from any form of judgment, to subsequently evaluate which ones will be pursued or not. At this stage, the quantity of ideas is valued over their quality. This approach aims to foster not only Innovation and Creativity but also open communication and collaboration in multidisciplinary teams.

The ideas generated and raised in the Brainstorming sessions have been consolidated into Sketches, which will be discussed in the following chapter.

4.4.9. Sketches

Sketches serve as a fundamental step for alignment among the various stakeholders of the project. The information gathered in the awareness-raising stages was synthesized using design thinking tools, and the conclusions and insights obtained so far served as input for the brainstorming session, whose objective was to generate various solution paths for the addressed problem.

With the brainstorming conducted on Kapferer's Brand Identity Prism, the subsequent step was to validate, with key internal stakeholders, which brainstorming ideas resonated most with their strategic vision of the brand. After this initial decision funnel and the selection of the best ideas, the design of sketches for new logos began, based on the main elements identified in the brainstorming.

The purpose of the sketch is to provide a quick, low-cost visualization of the potential solutions drawn up, aiming to align communication among the project stakeholders and to rapidly iterate the designed solutions.

For CatDog, several logo sketches were made for validation with key internal stakeholders, of whom they selected two main ones (Figure 4.12).

a) New CatDog brand sketch 1

b) New CatDog brand sketch 2

Figure 4.12: Sketches for the new CatDog brand logo
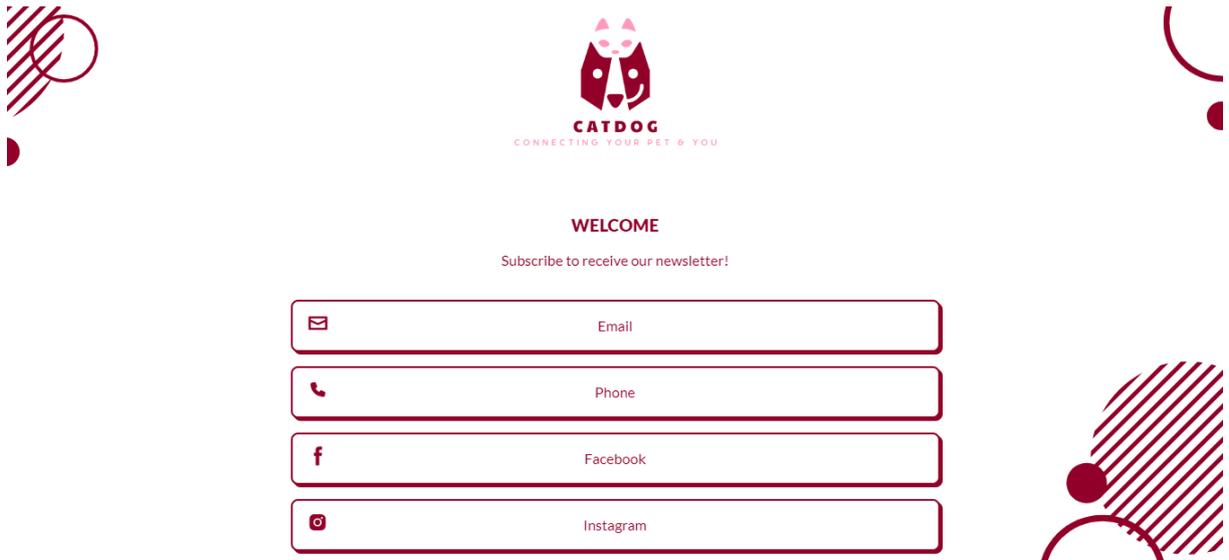
Source: elaborated by the author

4.4.10. MVP and Validation

With the two brand sketches previously approved by internal stakeholders, the development of a Minimum Viable Product (MVP) followed. The MVP aims to validate the new brand concept in a quick and cost-effective manner, enabling the collection of customer feedback for iterating the solution towards greater accuracy, if necessary.

In the case of the developed brand, the primary point for testing was the brand's online presence or its visibility in digital medias. To test if the new brand met the necessary requirements for better engagement with its customers, provisional online pages were developed, both on social media and a dedicated webpage, where customers could temporarily sign up to receive a newsletter about the upcoming developments in the brand. Figure 4.13 illustrate the online pages developed as an MVP for validating the proposed solution.

The validation was conducted through an A/B test, which involved splitting the communication to similar customer bases (in terms of demographic profile), presenting one or the other proposed sketch. Then, it's measured which version has a higher conversion rate, that is, a higher percentage of customers showing interest in the brand activation and in the subscription for the newsletter.

As a result of the A/B test, the conversion rate of the sketch 1 (Figure 4.12a) was found to be approximately 10 times higher than that of the sketch 2 (Figure 4.12b). Thus, it was concluded that the proposed new brand could be successful in enhancing the digital presence of the CatDog brand.

a) New CatDog brand Website (MVP)
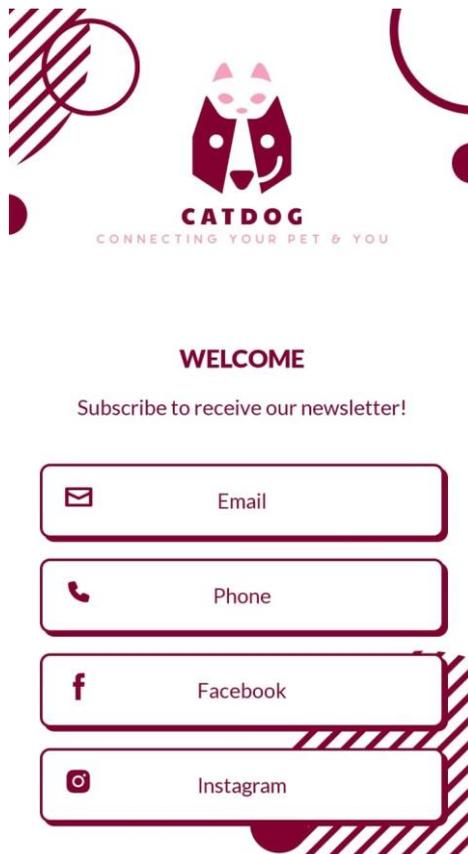
b) New CatDog brand Mobile App (MVP)

Figure 4.13: CatDog website and Mobile App, developed as MVP.

Source: elaborated by the author.

Finally, the main attributes that compose the new brand identity are presented, always based on Kapferer's brand identity prism.

4.5.   The new CatDog brand

The new CatDog brand was synthesized in the Kapferer's Brand Identity Prism (Figure 4.14):
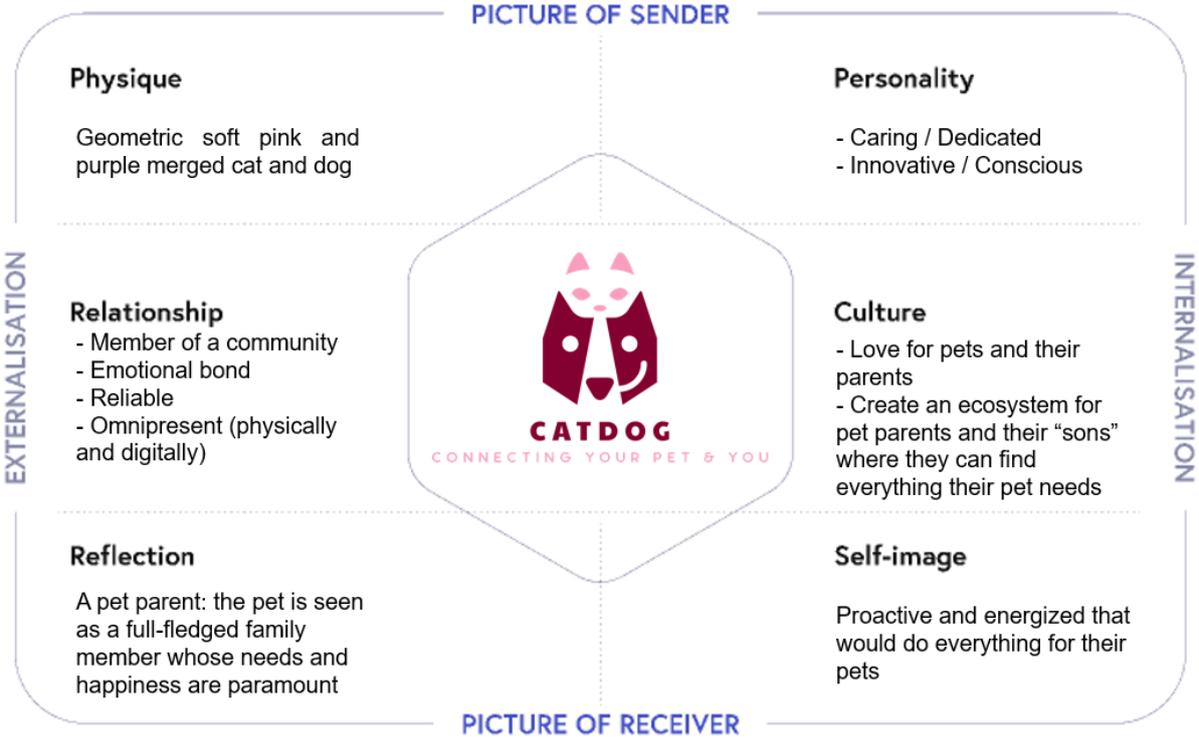
Figure 4.14: New CatDog brand Identity Prism.

Source: elaborated by the author.

A brief description of each quadrant of the identity prism will be provided, followed by an analysis of the key differences between the new brand identity and the previous one:

- **Physique:** The brand's physical appearance is characterized by geometric designs, merged with soft pink and purple hues, forming a cat-dog hybrid. This design choice symbolizes a harmonious blend of attributes from both animals,

conveyed through modern and aesthetic geometric shapes. The color scheme imparts a sense of gentleness and warmth.

- **Personality**: The brand's personality is caring, dedicated, innovative, and conscious. It demonstrates a deep commitment to pet care and well-being, constantly innovating in its approach. The brand's communication and actions reflect a high level of awareness and consideration for the needs of pets and their owners.

- **Relationship**: The brand positions itself as a member of the pet-parenting community, establishing an emotional bond with its consumers. It's seen as reliable and omnipresent, not just in physical locations but also digitally, making it a constant in the lives of pet owners.

- **Culture**: The brand culture revolves around a love for pets and their parents, aiming to create an ecosystem for pet parents and their "children." This culture is dedicated to providing everything a pet needs under one roof, emphasizing the importance of nurturing and caring for pets as family members.

- **Reflection**: The brand reflects the image of a pet parent who views their pet as a fully-fledged family member. The focus is on the needs and happiness of the pet, paralleling the care and attention a parent gives to their child.

- **Self-Image**: The self-image projected by the brand aligns with proactive and energized pet parents. These consumers are depicted as individuals who are always ready to go above and beyond for their pets, emphasizing a dynamic and devoted approach to pet care.

Comparing this brand identity with the previous one, several differences and similarities emerge. In terms of physique, both brands use a pink and purple color scheme, but the new brand adopts a geometric approach, symbolizing a more modern and structured identity compared to the playful and whimsical cat-dog character of the first brand.

For the personality, while the first brand is characterized by a friendly and joyful personality, the new brand focuses more on being caring, dedicated, and innovative, suggesting a more serious and thoughtful approach to pet care.

In the relationship and culture, both brands emphasize a strong community connection and a culture of love for pets. However, the new brand places more emphasis on being omnipresent and creating an ecosystem, suggesting a more integrated and comprehensive approach to pet care.

Finally, regarding reflection and self-image, both brands see their customers as dedicated pet parents, but the new brand focuses more on the pet parent as a proactive and energized individual, highlighting a more active and involved role in pet care.

Overall, while both brands share a common ground in their love and care for pets, the new brand positions itself as more modern, structured, and comprehensive in its approach to pet care, compared to the more playful and joyful personality of the first brand.

It is crucial to emphasize that all decisions made and detailed in this project must be translated into a communication and marketing plan aimed at further elaborating on the practical actions of communicating the new brand, as well as the tone that would be adopted. Additionally, all other departments would be impacted in some way by the launch of the new brand and should establish their individual transition plans.

5. CONCLUSION, LIMITATIONS AND FUTURE DEVELOPMENTS

This study aimed to demonstrate, through a real case study, how the methodology and tools of design thinking can be applied to address a rebranding process. In this context, the case of CatDog was analyzed. Due to recent acquisitions and a perceived shift in consumer profile, CatDog required a rebranding process. To understand CatDog's market segment and competitive landscape, strategic analysis tools such as Porter's Five Forces and the blue ocean model were employed, forming part of the secondary research of the design thinking process.

The study then illustrated how the rebranding process was approached using various design thinking tools, including stakeholder interviews, observation and empathic immersion, affinity diagramming, personas, customer journey mapping, point of view, brainstorming, sketches, MVP, and ultimately, validation. These tools proved effective in addressing a rebranding process, given their focus on the end consumer and methodologies that foster empathy for them.

Rebranding is a highly strategic process for a company, primarily in a constantly evolving and highly mutable market. For the survival of companies today, it is essential that their brands are in line with market trends and communicate in an assertive and personalized manner with the most latent needs of their customers. This necessitates a holistic and agile approach to brand management, where understanding consumer psychology, cultural shifts, and technological advancements becomes paramount. If poorly executed, a rebranding can lead to nearly irreparable damage to a company, undermining the relationship built with customers over years. Therefore, the design thinking tools were extremely effective in identifying the latent needs of customers due to their inherent user-centeredness.

Evidence of this was that, although the project was contracted to reformulate the brand identity, two other pain points were identified as by-products of the design thinking process and its continuous effort to understand the clients: the in-store shopping experience and the usability of the app and website. These pain points will be addressed in future separate projects.

Another notable aspect of this project was its interdisciplinarity. At various points, the project team relied on other models to complement the tools promoted by design thinking, such as the value curve and Kapferer's brand identity prism. This complementary use of models is welcomed in design thinking, which values interdisciplinary collaboration and the fostering of creativity and innovation. Another element characterizing its interdisciplinarity is the involvement of various business units within the project's scope.

Basing on the definition of design thinking proposed by Oliveira and Zancul (2022) - "Design thinking is an abductive, human-centered approach for problem-solving" - it can be said that its tools fit perfectly well in a rebranding process, with all its peculiarities.

However, it is important to emphasize that this study also had its limitations. Due to the concurrent timing of the project with the development of this thesis, it was not possible to measure the effective results of the rebranding process. This could be done by comparing revenue flows before and after the launch of the new brand, for example. Furthermore, it was not feasible to analytically capture the public's reception of the new brand. Despite evidence from the Validation phase that the new brand aided in directing efforts to increase CatDog's digital presence, it was not possible to ascertain, during the period of this work's development, whether this was effective (measures such as conversion rate and number of customers enrolled in the loyalty program would provide evidence for this). Likewise, it was not possible to identify any potential unexpected side effects of the brand change. All of these could be themes for future developments.

In a study conducted by Dell'Era et al. (2020) based on how 47 Italian consulting firms offer design thinking to their clients, the authors defined four typologies of design thinking. Each "type" of design thinking identified by the authors is used in a specific context and serves to address a distinct challenge (Table 5.1). This study demonstrates how design thinking is utilized in practice.

Table 5.1: Four kinds of design thinking; adapted from Dell'Era et. Al. (2020)

Design Thinking Typology	Creative Problem Solving	Sprint Execution	Creative Confidence	Innovation of Meaning
Addressed challenge	Inspire insights able to lead the development of creative and original solutions that can meet emerging users' needs	Accelerate the development process and reduce market uncertainty to quickly make and launch new solutions on the market	Promote innovation mindsets to engage employees with a new set of approaches, practices, and methodologies able to stimulate innovation and change	Create new visions that represent radical reinterpretations of the strategic direction to follow
Contextual factors	Complexity and dynamism of user behaviors; demand for more sophisticated and personalized solutions	Tension towards execution and continuous updating; digital technologies empowering different experimentation strategies	Entrepreneurial opportunities for individuals; value of work-life balance and personal purpose in the job	Easy access to innovative ideas; abundance of alternative options

Source: Oliveira, Zancul (2022).

In the context of this thesis, it is evident that the case study addressed predominantly falls into the typology of design thinking for creative problem-solving, as we are dealing with a market with dynamic consumer behavior and emerging needs, and the methodology was used as a systematic and holistic way to understand this entire scenario and generate a new brand in an original and creative manner. However, the project also partly served to promote a mindset of innovation and change within the company, enhancing its creative confidence.

BIBLIOGRAPHY

Aaker, D. A. (1991), Managing Brand Equity, New York: The Free Press.

Aaker, D. A., Joachimsthaler, E. A. (2000), "The Brand Relationship Spectrum: The Key to Brand Architecture Challenge", California Management Review, Vol. 42, Part 4, pp. 8-23.

Anagnostopoulos, C., Parganas, P., Chadwick, S., & Fenton, A. (2018). "Branding in pictures: using Instagram as a brand management tool in professional team sport organisations.", European Sport Management Quarterly, 18(4), 413-438.

Bjögvinsson, E., Ehn, P. and Hillgren, P.A. (2012), "Design things and design thinking: Contemporary participatory design challenges", Design Issues, Vol. 28 No. 3, pp. 101–116.

Björklund, T., Maula, H., Soule, S.A. and Maula, J. (2020), "Integrating Design into Organizations: The Coevolution of Design Capabilities", California Management Review, Vol. 62 No. 2, pp. 100–124.

Brenner S. N. (1995), "Stakeholder theory of the firm: Its consistency with current management techniques.", In Nasi J. (Ed.), Understanding stakeholder thinking: p. 75–96.

Brown, T. (2008), "Change by design: how design thinking transforms organizations and inspires innovation. New York: Harper Business.

Brown, T. (2008), "Design thinking", Harvard Business Review, Vol. 86 No. 6, p. 84–92.

Brown, T. and Katz, B. (2011), "Change by design", Journal of Product Innovation Management, Vol. 28 No. 3, p. 381–383.

Brown, T., & Wyatt, J. (2009), "Design Thinking for Social Innovation. Development Outreach", 12(1), p. 29–43.,

Buchanan, R. (1992), "Wicked problems in design thinking.", Design issues, 8(2), p. 5-21.

Carlgren, L., Rauth, I. and Elmquist, M. (2016), "Framing Design Thinking: The Concept in Idea and Enactment", Creativity and Innovation Management, Vol. 25 No. 1, pp. 38–57.

D.school. (2018), "Bootcamp Bootleg".

Dam, R. & Siang, T. (2019a)., "5 Stages in the Design Thinking Process". https://www.interaction-design.org/literature/article/5-stages-in-the-design-thinking- process

Dell'Era, C., Magistretti, S., Cautela, C., Verganti, R. and Zurlo, F. (2020), "Four kinds of design thinking: From ideating to making, engaging, and criticizing", Creativity and Innovation Management, No. August 2019, pp. 1–21.

Design Management Institute - What is Design Management (n.d.). Retrieved January 30, 2020

Dobni, Dawn and M. Zinkhan, George (1990) ,"In Search of Brand Image: a Foundation Analysis", in NA - Advances in Consumer Research Volume 17, eds. Marvin E. Goldberg, Gerald Gorn, and Richard W. Pollay, Provo, UT : Association for Consumer Research, p. 110-119.

Dorst, K. (2010), "The Nature of Design Thinking", Design Thinking Research Symposium, p. 131–139.

Dorst, K. (2010). The nature of design thinking. In Design thinking research symposium. DAB Documents

Dorst, K. (2011), "The core of 'design thinking' and its application", Design Studies, Elsevier Ltd, Vol. 32 No. 6, pp. 521–532.

Dorst, K. (2019), "Design beyond Design", She Ji, Elsevier, Vol. 5 No. 2, pp. 117–127.

Drucker, P. F. (1984). Our entrepreneurial Economy, Harvard Business Review, HBS Number: 84105.

IDEO. (2011), Design Thinking for Educators, available at: http://designthinkingforeducators.com/.

IDEO. (2015), The Field Guide to Human-Centered Design

IIBA. (2011) "Um guia para o Corpo de Conhecimento de Análise de Negócios™." (Guia BABOK®). [S.l.]: IIBA, p. 266

Kapferer, J. N. (2002). Is there really no hope for local brands?. Journal of Brand Management, 9(3), 163-170

Kapferer, J. N. (2009). Kapferer's Brand-Identity Prism Model. European Institute for Brand Management, 24, 2014

Kapferer, J. N. (2012). The new strategic brand management: Advanced insights and strategic thinking. Kogan page publishers 144

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. Journal of marketing, 57(1), 1-22.

Keller, K. L. (1998), "Strategic Brand Management: Building, Measuring, and Managing Brand Equity", Prentice-Hall, New Jersey. 34.

Keller, K. L. (1999), "Managing Brand for the Long Run: Brand Reinforcement and Revitalisation Strategies", California Management Review, Vol. 41, pp. 102-124. 35.

Keller, K. L. (2003), "Brand Synthesis: The Multidimensionality of Brand Knowledge", Journal of Consumer Research, Vol. 29, pp. 595-600. 36.

Keller, K. L., Lehmann, D. R. (2006), "Brands and Branding: Research Findings and Future Priorities", Vol. 25, No. 6, pp. 750-759.

Kelley, T., & Littman, J. (2005). The ten faces of innovation: IDEO's strategies for beating the devil's advocate & driving creativity throughout your organization. New York: Currency/Doubleday.

Kim, W. C., & Mauborgne, R. (2014)." Blue ocean strategy, expanded edition: How to create uncontested market space and make the competition irrelevant." Harvard business review Press.

Kotler, P. (1972). A generic concept of marketing. Journal of marketing, 36(2), 46-54

Kotler, P. (1991) 'Marketing Management' Prentice-Hall, Englewood Cliffs. 7th Edition.

Kotler, P., & Keller, K. L. (2016). A framework for marketing management (p. 352). Boston, MA: Pearson.

Liedtka, J. (2015) , "Perspective: Linking Design Thinking with Innovation Outcomes through Cognitive Bias Reduction", Journal of Product Innovation Management, Vol. 32 No. 6, p. 925–938.

Liedtka, J. (2020), "Putting Technology in Its Place: Design Thinking's Social Technology at Work", California Management Review, Vol. 62 No. 2, p. 53–83.

Liedtka, J., & Ogilvie, T. (2011). "Designing for growth: A design thinking tool kit for managers." Columbia University Press.

Lloyd, P. (2020), "You make it and you try it out: Seeds of design discipline futures", Design Studies, Elsevier Ltd, Vol. 65, p. 167–181.

Magistretti, S., Ardito, L. and Messeni Petruzzelli, A. (2021a), "Framing the microfoundations of design thinking as a dynamic capability for innovation: Reconciling theory and practice", Journal of Product Innovation Management, No. January 2020, p. 1–23.

Magistretti, S., Tu, C., Pham, A. and Era, C.D. (2021b), "Enlightening the dynamic capabilities of design thinking in fostering digital transformation", Industrial Marketing Management, Elsevier Inc., Vol. 97 No. May, p. 59–70, 2021b.

Martin, R., & Martin, R. L. (2009). The design of business: Why design thinking is the next competitive advantage. Harvard Business Press.

Maxwell, J. A. (2012). Qualitative research design: An interactive approach (Vol. 41). Sage publications.

Maxwell, J. A. (2013), Qualitative research design: An interactive approach, Thousand Oaks, London and New Delhi: Sage Publications

Oliveira, M., Zancul, E. (2022), "Unveiling the Construct of Design Thinking: An Exploratory Study", Vol. 2, 10.1017/pds.2022.5, Proceedings of the Design Society.

Sharma, A. (2012), "Designing Empowerment – Design Thinking for Social Impact", Swan, K.S. and Zou, S. (Ed.) Interdisciplinary Approaches to Product Design, Innovation, & Branding in International Marketing (Advances in International Marketing, Vol. 23), Emerald Group Publishing Limited, Leeds, pp. 195-205.

Simon C and Sullivan M W (1993), "The Measurement and Determinants of Brand Equity: A Financial Approach", Marketing Science, Vol. 12, No. 1, p. 28-52.

Tschimmel, K. (2018, September). Evolution 62 toolkit An E-handbook for practical Design Thinking for Innovation. Lisbon; retrieved from Mindshake.

Verganti, R. (2008), "Design, meanings, and radical innovation: A metamodel and a research agenda", Journal of Product Innovation Management, Vol. 25 No. 5, pp. 436–456.

Wrigley, C., Nusem, E., & Straker, K. (2020), "Implementing Design Thinking: Understanding Organizational Conditions.", California Management Review, 62(2), 125-143.

Yin, R. K. (2009). Case study research: Design and methods (Vol. 5). Sage

A   APPENDIX A

In this appendix, several key excerpts from the interviews conducted with the company's stakeholders are presented. Given that the interview exceeded one and a half hours in duration, a decision was made to transcribe it in its entirety in this thesis. Other segments of the interviews have been utilized throughout the thesis to support the analyses presented herein. Excerpts from the interviews with the CEO (João Pereira) and the focus group of customers will be included.

A.1.   Stakeholders' Interviews: João Pereira (founder and CEO)

Project Team: Good afternoon. It's a pleasure to have the opportunity to discuss the evolution of your company. For our readers who may not be familiar with your journey, could you start by introducing yourself and giving us a bit of background on your role within the company?

João Pereira: Good afternoon, and thank you for having me. I'm the founder and CEO of our company, which has been a labor of love and passion from the very beginning. It's been an incredible journey to steer this company from its inception as a small pet shop to becoming a leading pet care brand in Brazil. Over the years, my role has evolved, but my commitment to improving the lives of pets and making our customers happy has remained steadfast. As a leader, I've had the privilege of working with an amazing team to innovate and expand our services to meet the changing needs of pet owners.

Project Team: That's quite an impressive journey. Reflecting on the current brand perception, what do you see as the main challenges facing your company today?

João Pereira: As we've grown, so has our customer base, and with it, their needs and expectations have evolved. Our brand has always been associated with a youthful, exuberant energy, which served us well in the past. However, the challenge we face today is that our brand's child-like perception is out of sync with the maturing market of pet owners. These individuals see their pets as members of their family and expect a brand that not only understands but also caters to their needs with sophistication and

empathy. Our goal now is to pivot our brand to meet these expectations without losing the essence that made us a beloved name.

Project Team: With the recent IPO, there must be a lot of changes at the strategic level. Can you discuss how this is shaping the future direction of the company?

João Pereira: Absolutely. The IPO was a strategic milestone for us, signifying our transition from a privately held to a publicly traded company. It's brought about a fresh perspective on how we approach growth and innovation. There's a renewed focus on accountability, not just to our board and investors but most importantly to our customers and their pets. The capital we've raised is being directed towards enhancing our offerings, both in-store and online, and ensuring that our rebranding efforts are robust and resonate with our consumers.

Project Team: As the consumer base shifts towards an older demographic, how is your company responding to this trend?

João Pereira: Our response is multifaceted. We're enhancing our product lines to include more premium options, such as organic pet food and advanced health care products. Additionally, we're training our staff to provide expert advice that goes beyond basic pet care, turning our stores into hubs of knowledge and support for pet parents. We're also rethinking our store design to make it more appealing to adult consumers while maintaining an inviting atmosphere for all family members.

Project Team: How is the humanization of pets influencing consumer spending, and how is your company capitalizing on this trend?

João Pereira: The humanization trend is a key driver in the pet industry. We see it everywhere, from the type of products being sold to the services being offered. People are looking for human-grade pet foods, comprehensive insurance plans, and even mental health support for their pets. To capitalize on this, we're expanding our services to include pet counseling and behavior training, offering products that are tailored to the emotional and physical well-being of pets, and ensuring our staff are trained to assist pet owners in making the best choices for their furry family members.

Project Team: You've mentioned the evolution of the physical store experience. Can you delve deeper into this transformation?

João Pereira: Our stores are becoming more than just places to buy pet supplies; they're becoming community centers for pet owners. We're introducing more in-store events, such as adoption days, pet nutrition workshops, and even first-aid classes for pets. We're also redesigning our spaces to be more open and inviting, with areas for pets to play and interact. We're looking to foster a sense of community among pet owners, where they can share experiences and advice.

Project Team: With the acquisition of a minor online player, how do you plan to strengthen your position in the online pet market?

João Pereira: This acquisition is a cornerstone of our online strategy. It gives us immediate access to a platform that is already established, with a loyal customer base. We're integrating our own unique brand identity and product range into this platform, which will allow us to offer a more comprehensive online shopping experience. We're also using this as an opportunity to innovate how we connect with customers online, through personalized services and a more intuitive user interface.

Project Team: How do you believe the recent IPO and the acquisition will enhance your company's growth and innovation strategies?

João Pereira: These moves are critical for our growth and innovation. The IPO has provided us the capital to invest in new technologies and infrastructure, which will help us to scale our operations. The acquisition, on the other hand, catapults us into a competitive position online, allowing us to leverage technology to better understand and serve our customers. Together, these strategies are poised to not only enhance our growth but also reinforce our commitment to being at the forefront of pet care innovation.

Project Team: Looking at the rebranding process, how do you plan to address the challenges you've outlined and reposition the company in the market?

João Pereira: Our rebranding is about telling a new story. It's about taking the essence of what made us successful – our love for pets and commitment to quality – and translating that into a brand image that speaks to today's pet parents. We're looking at every touchpoint with our customers, from our logo and store design to our online presence and customer service. This rebranding is our opportunity to refresh our

identity and ensure that it communicates our values and resonates with our matured consumer base.

Project Team: Finally, what are your highest expectations for this rebranding project, and how do you see it influencing your company's approach to innovation?

João Pereira: My highest expectation for this rebranding project is that it will redefine who we are in the eyes of our consumers and within the marketplace. I anticipate that this will not just change our image but will catalyze a fundamental shift in our company culture. We are embracing design thinking as our approach to innovation, which will permeate every aspect of our business, from product development to customer experience. This rebranding is more than a change of colors or a new logo; it's about embedding a culture of continuous innovation, where every team member is empowered to think creatively and focus on delivering exceptional value to our customers. I expect this to usher in a new era for our company, an era where we set new standards in the pet care industry and consistently exceed expectations.

A.2. Stakeholders' Interviews: focus group

Moderator: Good morning, everyone, and welcome to our focus group session. Today, we're here to discuss your experiences with the CatDog brand, your relationships with your pets, and how you engage with pet care retail, both in-store and online. Please start by telling us about yourself, your profession, your age, and introduce us to your pet.

Emily, 24, Graduate Student: Hi, I'm Emily, a 24-year-old graduate student studying environmental science. My furry roommate is Benny, a curious 4-year-old Beagle who has an obsession with sniffing out and hoarding my socks.

Lucas, 26, Graphic Designer: Hey there, I'm Lucas. I'm 26 and work as a graphic designer. I have a spirited tabby named Whiskers, who is three and has the bad habit of drinking water from any glass he can find.

Mariana, 37, Marketing Manager: Hello, I'm Mariana, 37, and I manage a marketing department. My life is pretty much run by Cassie and Leo, my two Border Collies, aged five. They're full of energy and have a passion for agility courses.

Rafael, 39, Architect: Good morning, I'm Rafael. At 39, I'm crafting spaces for living as an architect. My serene companion is Duchess, my six-year-old Persian, who gracefully endures my long working hours by napping on my drafting table.

Isabela, 42, Chef: I'm Isabela, a 42-year-old chef with a flair for wholesome, home-cooked meals, a value I extend to my pet care. Max, my seven-year-old Golden Retriever, is more than a pet; he's the taste tester for all things kitchen-related, albeit he's not great at criticism.

Moderator: Thank you for your introductions. Let's begin with your general perception of CatDog. What comes to mind when you think of the brand, and how does it relate to your current needs as a pet owner?

Emily: CatDog feels nostalgic to me, like a throwback to childhood pet stores. But my needs have shifted towards sustainability and environmental impact, which doesn't seem to be CatDog's focus right now.

Lucas: It's definitely a recognizable brand, but I feel like it hasn't quite grown up with me. I'm looking for convenience, modernity, and a shopping experience that fits into my digital-first lifestyle.

Mariana: They've been a reliable source for the basics, but as my dogs have matured and my understanding of their needs has deepened, I find CatDog's offerings a bit too generic and not specialized enough for advanced care.

Rafael: I've always seen CatDog as a bit of a one-size-fits-all store. While that's great for new pet owners, my needs have evolved towards more curated and high-end products for Duchess, which I don't really find at CatDog.

Isabela: CatDog is fun and vibrant, but I'm in a place now where I'm more focused on health and longevity for Max. I want a store that offers high-quality, nutritious options, not just the colorful, playful variety.

Moderator: As the retail landscape changes, particularly with the growth of online shopping, how have your habits shifted, if at all, and what role does CatDog play in this new context?

Emily: Since the pandemic, I've moved almost entirely online for Benny's supplies. CatDog's physical stores don't seem to match their online experience, and I find that other retailers are more in sync with what I'm looking for in terms of an easy, eco-conscious online shopping journey.

Lucas: I think online shopping for pet supplies is unbeatable in terms of convenience. CatDog has the potential, but their online interface and the product range could use a refresh to keep up with purely digital competitors.

Mariana: My shopping habits have indeed shifted online. While CatDog's community presence is strong, I think their digital footprint could better reflect their in-store service quality. It's about bringing that personal touch to the online space.

Rafael: I appreciate the tactile experience of in-store shopping, but online is where I turn for Duchess's specific needs. CatDog's online presence doesn't quite offer the premium selection I'm looking for, and I think there's room for them to bridge that gap.

Isabela: I value the convenience of online shopping, but I don't want to compromise on the quality of products for Max. CatDog's online offerings seem like an afterthought rather than a core part of their business strategy.

Moderator: Considering the importance of sustainability and healthy products, how does CatDog's current range meet your expectations? Do you feel they are aligned with the growing trend towards eco-friendliness and wellness in pet care?

Emily: I think there's a growing opportunity that CatDog could seize. As someone who's studying environmental science, I'm very conscious about the products I choose. CatDog seems a bit behind the curve on this front.

Lucas: I've noticed some eco-friendly options at CatDog, but they're not as prominently featured as I'd like. For a younger demographic interested in sustainability, it doesn't really hit the mark.

Mariana: The wellness trend is important to me, especially for my active dogs. CatDog has some healthy options, but I think they could definitely expand their range and make it a highlight rather than a niche.

Rafael: In terms of premium and health-conscious products, CatDog isn't the first place I look. I think they cater more to a traditional market, which is fine, but there's a segment of pet owners who are looking for more specialized wellness products.

Isabela: I try to make healthy choices for Max, much like I do in my cooking. CatDog's offerings feel a bit mainstream when I'm looking for organic, grain-free, or other specialized diets that are better suited for Max's health and my peace of mind.

Moderator: We've talked about shopping habits and product offerings. Now, let's discuss spending. Do you anticipate spending more on your pets in the future, and what would you expect from CatDog to accommodate this?

Emily: Definitely. Benny is a family member, and I'm willing to invest more in his health and happiness. I'd like to see CatDog offer a wider selection of high-quality, sustainable products that are worth the extra cost.

Lucas: My spending has increased as Whiskers has grown. I expect CatDog to keep up with this trend by offering more advanced tech products for pets, like smart feeders or health monitors, which I'm willing to pay a premium for.

Mariana: As my dogs age, I'm prepared to spend more on their health and wellness. I'd expect CatDog to provide more specialized services, maybe even partnerships with veterinary experts or personalized nutrition plans.

Rafael: My expenses for Duchess have certainly grown over the years, and I see that trend continuing. I'd like CatDog to offer a luxury line for discerning pet owners who view their pets as family and are willing to invest in that relationship.

Isabela: Max's well-being is paramount, and I'll always invest in what's best for him. If CatDog can provide a holistic approach to pet care, encompassing nutrition, health, and even mental stimulation, I'd be willing to spend more there.

Moderator: Let's explore CatDog's in-store experience. Can you share how you feel when you visit a CatDog store, and what changes or enhancements would make you feel more comfortable and at home?

Emily: The stores are lively, but sometimes it feels a bit too much. A calmer, more natural ambiance that reflects a focus on pet health and sustainability would be welcome.

Lucas: I find the vibrant colors and layouts a bit overwhelming. A more modern, sleek design with digital touchpoints would make the shopping experience feel more tailored and personal.

Mariana: The store's energy is good for a young family, but as a professional, I'm looking for an environment that's a bit more refined, where I can discuss my pets' needs without the extra noise.

Rafael: I appreciate a store that feels like a community hub, but a touch of sophistication would make it more appealing. Quiet corners where one could consult with pet care experts would be a great addition.

Isabela: The playful atmosphere is fun, but not always conducive to serious shopping. Spaces that mimic a home setting, showing how products would fit into my life with Max, would enhance the experience.

Moderator: Now, let's shift gears a bit. We've discussed CatDog's offerings and your general shopping habits. I'd like to understand more about how you see your pets in your lives and how that influences your expectations of pet care retailers. Could you elaborate on that relationship and its impact on your consumer choices?

Emily: For me, Benny isn't just a pet; he's a key part of my daily routine and well-being. Retailers like CatDog need to recognize the emotional weight we place on our pets. I expect them to provide products that are good for his health and for the planet we share.

Lucas: Whiskers has been my companion through significant life changes, so I view him as a family member. That's why I look for retailers that offer more than just products. I want expert advice, a sense of community, and assurance that what I'm buying is the best for him.

Mariana: Cassie and Leo are my adventure partners. We spend weekends hiking and exploring, so I need a retailer that understands that active lifestyle and offers products for their safety and nutrition that can keep up with our pace.

Rafael: Duchess is like my shadow, always there, adding comfort and luxury to my life. Retailers should cater to that deep bond by providing an upscale experience that matches how I care for her—high-quality food, elegant accessories, and grooming services that reflect her status in my life.

Isabela: Max is at the center of my world, similar to how I approach my work with a focus on quality ingredients and a healthy lifestyle. I expect retailers to offer me options that align with a holistic approach to pet care—everything from food to mental stimulation toys.

Moderator: That's insightful, thank you. Let's talk about technology and innovation in pet care. How important are these elements to you when choosing where to shop for pet supplies?

Emily: Technology is crucial, especially for managing Benny's life while I'm busy with my studies. Innovations like automatic feeders, activity trackers, and even pet-safe cleaning products make a big difference. Retailers who offer these show me they understand my needs.

Lucas: I'm a techie by trade and by choice, so I'm always looking for the latest innovations for Whiskers. Retailers need to keep up with technology not just in their products but also in how they interact with me as a customer—think smart apps for managing purchases and pet care.

Mariana: I'm not as tech-focused, but I do appreciate when innovation makes my life easier. For Cassie and Leo, things like GPS collars for our outdoor trips or advanced grooming tools are a must. Retailers who stock the latest and greatest have my attention.

Rafael: I love elegant solutions that blend seamlessly into my life. For Duchess, that means smart litter boxes, chic yet intelligent feeders that complement my home's design. Retailers that offer such sophisticated options are the ones I frequent.

Isabela: With my hectic schedule, any technology that helps me ensure Max's well-being is important. Retailers that offer innovative products and make it easy for me to understand and use them are invaluable.

Moderator: Moving on, let's discuss CatDog's brand atmosphere and in-store design. We touched on it earlier, but I'd like to delve deeper. How does the current design affect your shopping experience, and what design elements could improve it?

Emily: The bright colors and cluttered shelves can be distracting. I'd prefer a more minimalist design, with clear sections for health-focused products, tech gadgets, and eco-friendly goods. That would make my shopping trips quicker and more productive.

Lucas: As a designer, I value an aesthetically pleasing environment. The chaotic layout of CatDog is a bit much. A sleeker, more cohesive design with interactive digital displays would make shopping more enjoyable and efficient for me.

Mariana: The store's layout feels aimed at a younger audience. I'd appreciate a pet retailer that feels more like a specialty store—organized, with areas dedicated to nutrition, training, and outdoor activities.

Rafael: I find the current setup lacks a certain sophistication. Incorporating a more boutique-like feel, with tasteful displays and quieter spaces for contemplating purchases, would align better with my shopping style.

Isabela: The family-friendly vibe is nice, but it doesn't resonate with me. I'd like to see a section that feels like a high-end pet health food store, where I can discuss nutrition with knowledgeable staff in a more serene setting.

Moderator: It seems there's a consensus that a more mature and refined store design would enhance your shopping experience. Now, I'd like to talk about community and educational events. How important are these to you, and what types of events or programs would you like CatDog to offer?

Emily: Community events are great for socializing Benny and meeting other pet owners. Workshops on sustainability in pet care or talks by environmental activists would catch my interest.

Lucas: I'm all for community-building. CatDog could host events on pet photography or design, merging my personal and professional interests. It would be a unique way to engage with the brand.

Mariana: Educational events around pet fitness or agility training would be fantastic. It would show that CatDog understands the active side of pet care and supports it.

Rafael: I'd be interested in events that offer a more cultured experience—perhaps wine and cheese nights where pet owners can socialize while learning about gourmet pet diets or luxury pet care products.

Isabela: Cooking classes that focus on preparing healthy pet meals would be right up my alley. It would be a delightful way to integrate my profession with my role as a pet parent.

Moderator: Your feedback on events is very helpful. To wrap up, could you each share one expectation you have for CatDog in the future that would enhance your loyalty to the brand?

Emily: I expect CatDog to evolve into a brand that prioritizes sustainability as much as pet care. Showing me they care about the planet will make me a loyal customer.

Lucas: Embrace technology, both in products and customer experience. Make shopping easier, more personalized, and tech-forward, and you'll have me as a regular.

Mariana: Focus on specialized care. Offer products and services that cater to active pets and their owners, and I'll be more inclined to choose CatDog for all my pet-related needs.

Rafael: I'm looking for luxury and convenience. If CatDog can provide high-end products alongside tech-savvy solutions, it would become my go-to retailer.

Isabela: Health and wellness should be at the forefront. Present me with a holistic approach to pet care that aligns with my cooking philosophy, and I'll be a customer for life.

Moderator: Thank you all for your candid responses and for taking the time to share your experiences and expectations. Your insights are invaluable and will contribute greatly to our understanding of how CatDog can better serve its customers.

B APPENDIX B

B.1. Customer Journey Mapping