2011 International Conference on Social Science and Humanity
IPEDR vol.5 (2011) © (2011) IACSIT Press, Singapore

Review on Models and Reasons of Rebranding

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***Abstract*— The objectives of this paper are to review the current rebranding concepts and rebranding models, as well as the main reasons of the marketer goes for rebranding. Earlier studies of rebranding phenomenon investigated the effect of rebranding toward the performance of the corporation [10, 12]. Boyle [16], Causon [8], Daly and Moloney [3], Kaikati [14], Lomax et al. [15], Muzellec et al. [2], and Stuart and Muzellec [9] discussed in depth the reasons behind the rebranding practice and process based on specific organisation experiences. Melewar et al.'s [13] study focused on the process of rebranding and the impact of rebranding toward preferences of the new image, and sales and share price. Another study by Muzellec and Lambkin [7] on rebranding phenomenon was developed to investigate the impact of rebranding on brand equity. Kaikati and Kaikati [17] has also highlighted strategic options for implementing a rebranding campaign. This paper also highlighted 3 models related to rebranding: A Model of the Rebranding Process [9], Integrating Conceptual Model of the Rebranding Process [15], and Evoiving Conceptualisation of Brand Evolution [18]. Number of literatures (examples [7], [8], [9], [11], [15], [16], [17], [19], [20], [21]) have been identified related to the reasons for rebranding.**

Keywords- Rebranding

I. INTRODUCTION

Rebranding can occur at three distinct levels in an organisation: (1) corporate, (2) strategic business unit, and (3) product level [1]. Muzellec et al. [2] defined rebranding as "the practice of building a new a name representative of a differentiated position in the mindset of stakeholders and a distinctive identity from competitors". Daly and Moloney [3] explained that rebranding consists of changing some or all of the tangible (the physical expression of the brand) and intangible (value, image, and feelings) elements of a brand. Kapferer [4] agreed that brand transfer is made up of many components. Hankinson and Lomax [5] agreed with the explanation that rebranding involves change not only in the visual identity of the organisation but it also leads to real change within the organisation. Rebranding is also about changing image and it is a long-term goal [6]. In order to refine the definition of rebranding, Muzellec and Lambkin [7] defined rebranding as a change in an organisations self-identity and/or an attempt to change perceptions of the image among external stakeholders. The confusion in the rebranding definition occurs because rebranding is a continuing action and involves steps that can be referred to as the process of changing a brand identity and image.

II. OBJECTIVES

The main objectives of this paper are to review the current concepts of rebranding and rebranding models. The second objective of the paper is to identify the reasons of the marketer goes for rebranding.

III. REBRANDING

Rebranding is costly and time-consuming and as the number of corporate rebranding practice increases, the failure rate is high compared to the successes [8] [9]. Kapferer [4] also agreed that transfers of a brand would cause danger such as loss of choices, loyal customers, and market share. However, this strategy is still practised widely by firms to modify the brand, and better corporate rebranding examples can be found [9]. Unfortunately, very few brand researchers have investigated service rebranding in depth. Koku's [10] study was the earliest study that is closely related to rebranding, but the study only emphasised a change in the corporate name.

Rebranding is still under-researched in the academic field [3] [7]. Table 1 shows the recently published and unpublished rebranding related studies. Some of the studies refer to this phenomenon as repositioning or revitalising the brand. Muzellec et al. [2] and Rosenthal [11] claimed that this phenomenon should cover wider areas; therefore, they introduced the term 'rebranding.' Koku [12] explained that while a firm decides to change its name, not only would it change the firm's performance but also the communication between a firm and its consumers.

TABLE I. SUMMARY OF LITERATURE ON REBRANDING

References	Purpose of study	Finding
[5]	To evaluate the effects of rebranding in large UK charities on staff knowledge, attitudes and behaviour.	Rebranding has positive impact on knowledge and attitudes of employees, but effect on the behaviour of employees less.
[7]	To understand the drivers of the corporate rebranding phenomenon and to analyse the impact of such strategies on corporate brand equity.	Rebranding factors: Change in Ownership structure Change in Corporate strategy Change in External environment Change in Competitive position

[13]	To explore France Telecom's visual rebranding program.	The process of rebranding: Problem recognition Development of strategies Execution of action plan Implementation Reviewing the impact
[3]	Continues exploration of Muzellec et al. (2003) study and presents a case history of a company.	Corporate rebranding framework: Analysis – market analysis, brand audit, opportunity identification Planning – communicating to Internal customers, renaming strategy, the rebranding marketing plan Evaluation
[9]	Introduced the concept of rebranding, the motivations for corporations to rebrand, and discussed the issues of the name, logo and slogan.	Rebranding definition
[8]	The process of managing the change programme within the organisation as it rebrands and repositions	Three stages: The education phase The identification phase The implementation phase
[11]	Analyzes the process of renaming postsecondary institution.	Continuous attention to marketing and growth is necessary once an institution does decide to rebrand itself.
[14]	Analyzes the re creation of a global consulting giant by pinpointing the main lessons of rebranding, restructuring and repositioning.	New identity: Communication Names Logo Strategy: phase-in/phase-out
[2]	Investigated the corporate rebranding phenomenon	Rebranding Mix: Repositioning Renaming Redesigning Relaunching
[15]	Qualitative study examines seven UK-based organisations which have re-branded in the past five years.	Conceptual model of the re-branding process: Trigger New Brand Development Project Management Follow-through
[16]	Identify the problems of Shell Retail's rebranding programme.	The nature of convenience retailing chain. The task oriented nature. The geographically dispersed location. Never created significantly positive brand equity.
[12]	Compared the enrolment patterns, before and after the colleges and universities changed their names.	The name change did not affect the enrolment.
[10]	Investigated the financial performance of an organisation during the post name change.	Corporate name change is an effective strategy for firms in the services industry to communicate improved standards.

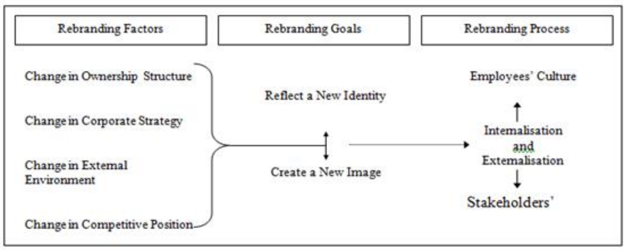
Earlier studies of rebranding phenomenon by Koku [10, 12] investigated the effect of rebranding toward the performance of the corporation. Boyle [16], Causon [8], Daly and Moloney [3], Kaikati [14], Lomax et al. [15], Muzellec et al. [2], and Stuart and Muzellec [9] discussed in depth the reasons behind the rebranding practice and process based on specific organisation experiences. Melewar et al. [13] also explained the process of rebranding, the study also discussed the impact of rebranding toward preferences of the new image, and sales and share price. Melewar et al.'s [13] study focused only on corporate visual identity. The latest study by Muzellec and Lambkin [7] on rebranding phenomenon was developed to investigate the impact of rebranding on brand equity.

Kaikati and Kaikati [17] has highlighted six strategic options for implementing a rebranding campaign. Marketers can select one of the following six strategic options or a combination:

- Phase-in/phase-out strategy;
- Combined branding strategy via one umbrella brand;
- Translucent warning strategy;
- Sudden eradication strategy;
- Counter-takeover strategy; and
- Retrobranding strategy.

IV. Rebranding Models

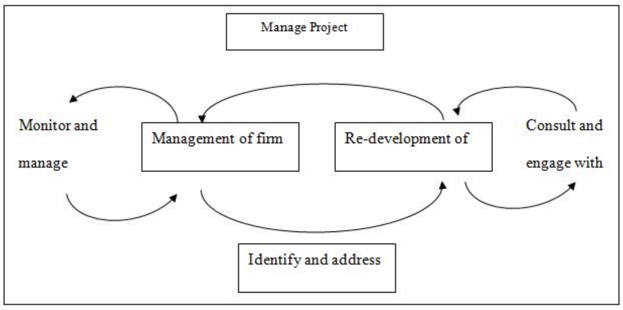
Muzellec et al. [2], Muzellec and Lambkin [7], and Stuart and Muzellec [9] were the only studies conducted on the rebranding phenomenon and suggested the term 'rebranding mix.' Figure 1 illustrates the rebranding process model introduced by Muzellec and Lambkin [9], which identifies three phases in the model: (1) rebranding factors, (2) rebranding goals, and (3) rebranding process. Two of the rebranding goals are image and to create a new identity. In the rebranding process, this model emphasised the involvement of the internal employees in creating the cultural image and the external stakeholders in creating the image. This model has contributed significantly to the understanding of the basic concept of rebranding.



Source: [9]

Figure 1. A Model of the Rebranding Process

Lomax et al.'s [15] working paper was an early study suggesting a conceptual model of the rebranding process, which has not yet been published in any major journal (see Figure 2). This model is significantly different from Muzellec and Lambkin's [7] model. The model gives the big picture of strategic management issues of rebranding and suggests involvement of the stakeholder in rebranding to redevelop the brand. The study emphasises the importance of stakeholders' involvement, both external and internal. The first step of this rebranding process is to identify and address the cause, which leads to reasons to rebrand. This step is similar to Muzellec and Lambkin's [7] study, which refers to the decision to rebrand as the factors of influence. The second step of this rebranding process is evaluating the original brand. The next step is to identify the objective of rebranding either to develop a new image or to gain greater involvement of employees. The final step, the involvement of project management team in monitoring and controlling and follow-up differs from Muzellec and Lambkin's [7] model. This rebranding process is a clear strategic step. However, this model did not explain the role of rebranding in creating brand equity, which has been recognised as important in brand management. In this study the rebranding concept was not discussed in depth and the conceptualisation of the concepts was not investigated.



Source: [15]

Figure 2. Integrating Conceptual Model of the Rebranding Process

Lomax et al.'s [15] and Muzellec and Lambkin's [7] models have some similarities: the model starts with identifying the reasons to rebrand followed by stakeholders' involvement in the rebranding process. Lomax et al.'s [15] model was presented as a system or a continuous process; however, Muzellec and Lambkin's [7] model presented clear aims of the rebranding process. The most critical item neglected by the Muzellec and Lambkin's [7] model, was monitoring and evaluating of rebranding process in all stages.

Boyle [16], Causon [8], Daly and Moloney [3], and Kaikati [14] have identified and discussed specific issues and problems from case studies of firms that experienced the rebranding process. These studies identified important issues such as internal brand, brand identity, and building significant brand equity in rebranding. From the literature review both the rebranding process models introduced, neglected the end result of rebranding, which is brand equity. Therefore, this study is needed to link rebranding to brand equity, since brand equity is the ultimate goal of brand management.

Merrilees [18] highlights the importance of brand evolution as a necessary component of successful marketing strategy. Three key constructs are used as a framework for analysing rebranding decisions, namely brand vision, brand orientation, and brand strategy implementation, it is proposed that the key to successful rebranding is the need to build each of these three components as well as ensuring that they are tightly linked and coordinated (see Figure 3).

Source: [18]

Figure 3. Evoiving Conceptualisation of Brand Evolution

V. REASONS OF REBRANDING

There are just about as many reasons to rebrand a business as there are ways to do it. Some of those reasons are positive (two organisations have merged or a company has significantly expanded its offering), while others are less rosy (the current brand has been tainted in some way or has become outdated). Corporate mergers will often result in complete rebrands. When organisations have failed to establish a brand, or have been through any kind of scandal, total rebranding may also be in order. In these cases, the intent is to erase any previous brand identity and replace it with completely new imagery and messaging. In situations when a brand has been firmly established yet is simply outdated or needs to be refreshed due to the addition of new products or services, tweaking is required, rather than a full-blown rebrand. In these cases, marketer do not want to eliminate the brand value that's been developed over the years, but merely make subtle changes to update it or make it representative of an expanded offering. Another word, it is all about update a tired brand or creates an entirely new identity with a smart rebranding strategy [19].

Duncan [20] also has highlighted that there are many reasons to rebrand. The need for rebranding must first be determined and should be based on the premise that something has changed in the business mix that dictates a need for evolving the brand.

- To keep up with the times and keep pace with changing consumer needs (e.g. services, accessibility, convenience, choice, fashion and technology).
- Because a brand has become old-fashioned and is in danger of stagnation or is already in a state of erosion.
- Due to fierce competition or a fast-changing environment.
- As a means of blocking or outmaneuvering competitors, or a way of handling increased price competitiveness.

- As a result of globalisation.
- As a result of mergers and acquisitions.
- In order to generally improve a brand's competitiveness by creating a common sense of purpose and unified identity, building staff morale and pride, as well as a way of attracting the best talent or even a way of testing new markets or products.
- To decrease business development and operational costs, or a way of countering declining profitability or consumer confidence.
- To signal a change in direction, focus, attitude or strategy.
- Where there are complex product portfolios, considerable advertising and branding clutter, media proliferation and subsequent audience fragmentation.
- To capitalise on new opportunities or innovative mediums such as the Internet.

Table 2 shows the reasons for rebranding by Boyle [16], Causon [8], Gambles and Schuster [21], Kaikati and Kaikati [17], Muzellec and Lambkin [7], and Stuart and Muzellec [9]. From the literature, the rebranding drivers in organisations can be divided into two major categories: external and internal factors.

TABLE II. SUMMARY OF REBRANDING DRIVERS

References	Rebranded Drivers	
	Internal	External
[16]		Increasing disturbance and competitive environment
[15]	Corporate structural change	Concern over external perceptions of the organisation and its activities
[21]	Changes the image of the service	
17]		Economic slowdown
[11]	Upgrading	
[8]	Unite the organisation behind one brand. Align the culture Re-establish and re-energize position Embed the new vision, mission and values	
[9]	Mergers Acquisitions and divestitures Image is outdated New focus or vision New socially responsible image	Shifts in the marketplace Changed economic or legal conditions
[7]	Change in ownership structure Change in corporate strategy	Change in external environment Change in competitive position

VI. CONCLUSION

Rebranding is not just about simply changing the name. It requires much research and funding as well as a lot of hard work. A change in name will not turn a company around, nor will it revitalise a dying product. However, rebranding gave the opportunity to get into an exercise where people could rediscover which behaviours on everyone's part would encompass those values that we think are important. Marketers in the 21st century may find it necessary to relook their brand in terms of its relevancy to consumers and the changing marketplace [22]. McCarthy (2008) stated that "naming the rebranding game if at first you pick the wrong name, you can always try, try again" and there has been a shift from brand image marketing to brand innovation. It is more interactive, involving, authentic and dynamic. This development seemed to happen for a number of reasons:

- It was an advance, the development of new creative approaches.
- There is a surfeit of old-style messaging and advertising resistance.
- It was a response to the opportunities to use new media channels.
- These new channels have also inspired new ideas of what is possible in the old channels.
- It reflects a shift in who is doing brand marketing, towards media, services or retail.
- It responded to more dynamic, fast-evolving business strategies.
- It responded to change and uncertainty in people's lifestyle choices and needing new ideas to live by.

For the future research, few aspects need to be focused:

- Perception and acceptance of consumer on rebranding process.
- Impact of Rebranding on consumer buying behaviour.
- Impact of rebranding on organisation's performance.

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