Aspects regarding rebranding strategies -
A conceptual and practical approach

Moisescu, Ovidiu Ioan

2006
ASPECTS REGARDING REBRANDING STRATEGIES – A CONCEPTUAL AND PRACTICAL APPROACH

Key Words: Brand Strategy, Rebranding, Brand Values

ABSTRACT:
A brand is an extremely valuable intangible asset to any company and it communicates a set of values to its customers, employees, investors, and other stakeholders. Changing that identity or a part of it must be seen as a serious strategic decision, requiring careful planning. A rebranding strategy, which implies often a long-held brand name being discarded, must be profoundly analyzed before implementing it. This paper views rebranding as a permanent process, from revitalizing a current brand to a full name change, involving sometimes alterations in brand values and promises, and outlining some of the main approaches to renaming a corporate brand. It then presents a case history and an assessment of Orange’s rebranding strategy during the last years.

INTRODUCTION
While the number of brands has strongly increased in recent years, brands remain a company’s most valuable assets. Strong brands tend to add both economic and strategic value to their proprietors. The value of this asset is often referred to as brand equity which is the marketing and financial value associated with a brand’s strength in the market. It is the added value a given brand name provides to a product beyond the functional benefits provided. Besides the actual proprietary brand assets, such as patents and trademarks, other major elements like brand name, brand loyalty, perceived quality, brand associations, and others, underlie brand equity.

Robust brands have to evolve to remain desirable. Managing brands for the long term may involve rebranding, companies and their products having to adapt to new market perspectives by providing new identities. Thus, almost any expenditure on rebranding is considered fully justifiable and, in some cases, actually essential to survival. Rebranding is expected to provide an opportunity for a successful transformation.

A brand is a valuable asset, communicating a clear set of values to its stakeholders. Rebranding, by definition changing that identity, must be seen as a serious strategic decision, requiring careful planning. Corporate rebranding - where often a long-held brand name is discarded - would seem to challenge fundamental axioms of marketing. This paper views rebranding as a permanent process, from revitalising a current brand, to a full name change involving alterations in brand values and promises, and tries to outline some of the main approaches to renaming a corporate brand. Finally, a practical framework is proposed through a case study of Orange’s rebranding strategy during the last years along with an assessment of this process.

THEORETICAL BASIS

Brand strategies
When considering brand strategies, various approaches can be identified in the specialized literature. Thus, when a company launches a new product or a new article to enrich its product mix, there can be identified at least two fundamental ways of approaching the subject.

A first approach (Kotler, 2003) outlines two basic brand strategies consisting of establishing a new brand name for a new product and, respectively, putting an existing brand name on additional products launched in the same category (line extension), in a new category of the same industry (brand extension) or in a new industry (brand stretching). Each of these strategies has its own advantages and carries out its own risks. Line extension can coast on the goodwill that it has built up in the category and save the money that it would otherwise have to spend to create brand awareness of a new name and offering. This requires the discipline of adding new items while subtracting unprofitable items from the line. The new items can
cannibalize the sales of the core ones without bringing in much additional revenue to cover the additional costs. They can reduce operational efficiency, increase distribution costs, confuse consumers, and reduce overall profitability. Most brand stretching and extensions imply the risk of diluting the brand image or even compromising it if the new product is a failure. The company name or an existing brand name creates a feeling of more of the same, rather than something new. Creating a new brand name gives more opportunity to establish and circulate a fresh public relations story to gain valuable media attention and talk, and eliminates the risks involved by the other brand strategies.

A second approach of the subject (Riezebos, Kist and Kootstra, 2003) identifies three basic brand strategies: one single brand name for a product, two brand names for a product, and one single brand name for two or more products. Associating two brand names to a product may consist of co-branding on the communication level (a brand name praised in another brand’s marketing communication), co-branding on the distribution level (a brand name distributed through an alliance with another brand), co-branding on the product level (the two brands are originally used in different product classes or are owned by different business units or one of the brands is a component of the product but can be purchased separately), product-brand endorsement (both brand names are originally used in the same product class and are both owned by the same business unit), corporate endorsement (a brand name used along with a corporate brand name as a recommendation), or ingredient branding (one of the two brand names is a component of the product article and it can’t be purchased separately). Allocating one single brand name to two or more products implies line extension (the products belong to the same product class), brand extension (the products refer to different product classes but same product types), or concept extension (the products refer to different product classes and different product types).

Rebranding strategies

To maintain its desirability a brand has to evolve. Managing brands for the long term, in the context of new market perspectives to which any company must adapt, often involves rebranding. Since a brand consists of tangible (the physical expression of the brand) and intangible (values, image, feelings) elements, rebranding is a specific brand strategy consisting of a level of changing those elements (Daly and Moloney, 2004): Minor changes (aesthetics changes) which varies from a simple face lift, to restyling, to revitalising the brand appearance or aesthetics which may have dated and be in need of change. Intermediate changes (reposition) which consists of using marketing tactics especially communication and customer service techniques to favorably reposition an existing brand name, thus giving it a new image. Complete change (rebranding) case in which the name is new to stakeholders, so they don't know what the brand stands for. Therefore the values and image of the new brand must be communicated to all stakeholders through an integrated marketing communications campaign.

When adopting a rebranding strategy, corporate executives can select one of the following six strategic options or a combination of them (Kaikati and Kaikati, 2003): Phase-in / phase-out strategy. The new brand is tied in some way to the existing brand for a specific introductory period. After a transition period, the old brand is gradually phased out. Combined branding. The strategy combines the existing brands. As an example, umbrella branding may be appropriate for some companies while a single banner brand is used worldwide for almost the entire product line of the company. The global brand is sometimes used as an umbrella or endorse brand. Translucent warning strategy. This strategy relies on alerting customers before and after the actual brand name change. This is usually accomplished through intensive promotion, in-store displays, and product packaging. Sudden eradication strategy. This strategy involves dropping the old brand name overnight and immediately replacing it with the new name, with no transition period. This strategy is appropriate when the organization wants to disassociate itself from its old image. Drying brands with no hope of resuscitation are viable candidates for a sudden eradication strategy, but companies have to develop a well-thought-out policy for handling the death and burial of their aging brands. Counter-takeover rebranding. This variant applies usually after an acquisition. While acquirers tend to hold on to their own brand to show that they are the dominant owners, in counter-takeover rebranding, the acquirers reverse roles. They abandon their own brand in favor of the acquired brand, an admission by the acquirers that the acquired brand is more popular and respected than their own brand. Although this strategy is less compelling, it may be appropriate when competitors are aggressively gaining global clout by building up their respective global brands.
Retrobranding. Through this strategy, companies reinstate a name they abandoned some time ago, thus admitting an error and trying to regain lost or potentially lost customers.

Another approach of the rebranding strategies frequently cited in the literature is that of Kapferer (Kapferer, 1992), who sees four renaming possibilities as it follows:

Interim/Dual. This means there is some form of interim arrangement before the new name replaces the old name or legacy brand. If Brand A is taken over by Brand B, an interim arrangement may be that AB comes to identify the interim brand. Eventually A is dropped completely and B remains as the new brand name. This strategy clearly acknowledges the value of the brand equity in the legacy brand and facilitates the absorption of that equity into the emergent brand.

Prefix. This method is appropriate when two or more brands merge but none of the existing brands will be used as the new brand. The new brand is added as a prefix to the legacy brands. After a period, the legacy names are removed and the prefix name remains as the new brand. Again it is intended that the attributes and values of the legacy brands become part of the new brand, as stakeholders are given time to adjust to the new prefix brand before the old ones are removed.

Substitution. As the name suggests, this approach involves substituting or switching from the old to the new name, or indeed to a completely different name. Whereas it may be described as a sharp, swift and clean strategy, it should not be carried out without considerable research. Hasty removal of a name that has positive meanings for stakeholders could result in adverse consequences for the company. As focus group researches demonstrated, customers and employees of rebranded companies might feel sorry to see the old brand go, as it's been part of their life for several years. These remarks show a strong emotional attachment to legacy brands and so well planned communication and reassurance to stakeholders are recommended to minimise confusion and resentment.

Brand Amalgamation. This strategy is typically suited where two strong brands merge. Amalgamating the names brings the strength and values of the two brands together and the resulting equity may be greater than the sum of the parts. However, the amalgamation still needs careful management so that the attitudes of stakeholders of the individual brands are assured and reinforced.

**Stages of a Rebranding Strategy**

In order to be successful, a rebranding strategy should follow certain steps. These steps may be grouped into three fundamental stages (analysis, planning and evaluation) each implying certain aspects that must be accomplished.

![Figure 1 A Corporate Rebranding Framework](image-url)
Analysis. All aspects of marketing planning should be anchored in, and be developed from, a situation or market analysis. In general that should examine quantitative and qualitative issues such as: market size and potential, market attitudes and preferences, and competitor strengths and weaknesses. Specifically brand audits should provide the market's perspective on the brands involved in rebranding, showing their strengths and weaknesses and those of competing brands. Collecting such market information requires the application of standard marketing research and auditing methods. However, internal marketing should also commence by researching management’s and employees’ attitudes in the legacy brand company. The same marketing research techniques used for external research can be used to learn about management’s and employees’ perceptions, attitudes, fears and aspirations.

Planning the Communication to Internal Customers. Having discovered the attitudes of internal customers, a company must now develop both communications and training programs to gain the support and commitment of employees and train employees in the acquiring company’s policies and procedures. Planning the internal communications program should follow the general guidelines for planning integrated external communications.

Planning the Renaming Strategy. One of the four approaches to renaming, interim/ dual, prefix, substitution or brand amalgamation, is recommended. The brand audit should help management decide which of the four to use. However, renaming can be an emotional issue for customer, management and employee. Many times, boardroom sentimentality has ensured that legacy brands have been retained as part of the new brand. Still, the choice of a renaming strategy should be made in an objective manner.

Planning the Rebranding Marketing Plan. To terminate a well-established and well regarded brand, and so a valuable asset, is a serious decision. The rebranding marketing plan follows well laid out principles of marketing planning, from situation analysis, self-analysis, assumptions and scenarios, through planning and implementation, to resources and budgets. It is axiomatic that each element of the mix be planned for the rebranding project. For example, decisions must be made about product benefits, product range, pricing, integrated communications, and all other elements of the mix. There is clearly a close link between participants and the internal training program. Employees play a pivotal role in customer satisfaction and in the achievement of corporate objectives so it is vital that participant roles are clearly defined and that they are trained to achieve both technical and functional quality.

Evaluation. Many opportunities to refine the campaign will have been missed if evaluation is not carried out throughout the planning process. Such staged evaluation allows any aspect of a plan to be altered as the need for such change becomes evident. In addition, a review or overall evaluation should be held at the end to take a more holistic view of the planning process.

METHOD AND RESULTS

The method used in this paper for approaching aspects regarding rebranding strategies consists of a case study and a detailed documentary research of secondary data provided by public access sources (financial statements, press releases and web sites). The centre of this case study is Orange, one of the most powerful international brands in the mobile telecommunication industry, which has been subject to a series of local rebranding strategies in the last years. Besides the case study method and documentary research, an experimental method is approached in order to evaluate the success and business meaning of this strategy.

Early history of Orange and its branding strategy

At the beginning of the ’90-s the mobile telecommunication market was a confusing place for customers. Prices were high, tariffs were complex, people were inundated with technical jargon and the networks were of poor quality. Particularly in the UK, the birth country of Orange, the market was dominated by two big operators - Vodafone and Cellnet – and there was little choice for customers. The focus was on business and high income users. In 1992 a license was awarded for a new operator - Micromtel Communications, formed by a consortium that included British Aerospace and then Hutchison Telecom. Many commentators believed there wasn't room for another operator in the UK market and it was widely expected that this business would fail.
It was clear to anyone that, in order to succeed, the new company had to be different. Microtel researched the market and concluded that service innovation, rather than technological innovation, would be the key. What was needed was a strong brand to set it apart. The challenge was to change the way people perceived mobile phones at that time - from being an expensive, intrusive, unreliable device only used when absolutely necessary, to become something personal, useful, and everyday accepted. In a market characterized by technological complexity and consumer confusion, values like warmth and humanity had a strong impact, so those key elements were considered in order to establish the brand.

Many names were considered including Red, Amber, Pecan, Yello, Orange, and others. The Orange brand had nothing to do with technology or mobile phones. It was based on the simple human need to communicate. Its vision was a wirefree future where people could connect with other people without being tied down by the location of their phone. The idea was: “In the past, people had called places. In the future people would call people”.

On 28th April 1994 the Orange brand was launched in the UK. The launch advertising promised that: "In the future, people will think it strange that voices ever traveled down wires" and "In the future, you won't change what you say, just how you say it". The brand tried to be different and defy conventional wisdom, developed a communication style that used straightforward, everyday language, highlighting customer benefits rather than talking about technology, and, most important, put customer needs first, introducing simple, innovative, and value for money services. This included firsts such as per second billing, talk plans with inclusive minutes, and free itemized billing.

Two years after launching, Orange was one of the main competitors of the British mobile telecom market. The brand strategy adopted at that time consisted of expansion through licenses, avoiding organic development and direct investment. Thus, until 1999, Orange became a multinational brand, being licensed to local companies from Belgium, India, Switzerland, Israel, Hong Kong, and Australia.

History and perspectives of Orange’s rebranding strategy

The year 2000 was the moment of changing the brand strategy. In November 1999 Manesmann took control over Orange, Manesmann being soon after bought by Vodafone. Due to direct competition with Orange in the UK and European competition laws, Vodafone had to sell Orange after taking over Manesmann. Thus, in May 2000, France Telecom bought Orange from Vodafone.

The strategy adopted by France Telecom (FT) was the counter-takeover rebranding. This variant applies usually after an acquisition. While acquirers tend to hold on to their own brand to show that they are the dominant owners, in counter-takeover rebranding, the acquirers reverse roles. FT abandoned its own brand in favor of the acquired brand, admitting that the acquired brand was more popular and respected than its own, in the mobile telecom industry. Thus, FT rebranded all its cellular operation under the Orange name, unifying them with Orange UK and Orange Switzerland, and hence establishing a new mobile telecom company with headquarters in France, called Orange Group SA. The rebranding elevated Orange to a strong international brand, covering at the end of 2005 more than 70 million customers. The rebranding strategy was implemented through several years, but yet not completed throughout all FT’s mobile telecommunication companies.

As it can be seen from Table 1, Orange as a brand is present in 19 countries (15 part of the Orange Group SA and 4 licensed but not owned operations) although Orange Group SA as a company has operations in 20 countries (15 under the Orange brand name and 5 under other brand names).
### Table 1

<table>
<thead>
<tr>
<th>Country</th>
<th>Ownership</th>
<th>Launched</th>
<th>Rebranded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>Majority</td>
<td>1998</td>
<td>as Vista</td>
</tr>
<tr>
<td>Belgium</td>
<td>Majority</td>
<td>1996</td>
<td>as Mobistar</td>
</tr>
<tr>
<td>Cameroon</td>
<td>Majority</td>
<td>2000</td>
<td>as Mobilis</td>
</tr>
<tr>
<td>Dominican Rep.</td>
<td>Majority</td>
<td>2000</td>
<td>as Orange</td>
</tr>
<tr>
<td>Egypt</td>
<td>Majority</td>
<td>1998</td>
<td>as MobiNil</td>
</tr>
<tr>
<td>France</td>
<td>Majority</td>
<td>1992</td>
<td>as Itineris</td>
</tr>
<tr>
<td>Ivory Coast</td>
<td>Majority</td>
<td>1996</td>
<td>as Ivoiris</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Majority</td>
<td>1998</td>
<td>as Antaris</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Majority</td>
<td>1999</td>
<td>as Dutchtone</td>
</tr>
<tr>
<td>Poland</td>
<td>Majority</td>
<td>1991</td>
<td>as PTK</td>
</tr>
<tr>
<td>Reunion</td>
<td>Majority</td>
<td>2000</td>
<td>as FTM</td>
</tr>
<tr>
<td>Romania</td>
<td>Majority</td>
<td>1996</td>
<td>as Dialog</td>
</tr>
<tr>
<td>Slovakia</td>
<td>Majority</td>
<td>1997</td>
<td>as Globtel</td>
</tr>
<tr>
<td>Spain</td>
<td>Majority</td>
<td>1999</td>
<td>as Amena</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Majority</td>
<td>1999</td>
<td>as Orange</td>
</tr>
<tr>
<td>UK</td>
<td>Majority</td>
<td>1994</td>
<td>as Orange</td>
</tr>
<tr>
<td>Austria</td>
<td>Minority</td>
<td>1998</td>
<td>as One</td>
</tr>
<tr>
<td>Portugal</td>
<td>Minority</td>
<td>1998</td>
<td>as Optimus</td>
</tr>
<tr>
<td>Thailand</td>
<td>Minority</td>
<td>2001</td>
<td>as Orange</td>
</tr>
<tr>
<td>Australia</td>
<td>Non owned;</td>
<td>1999</td>
<td>as Orange</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Non owned;</td>
<td>1998</td>
<td>as Orange</td>
</tr>
<tr>
<td>India</td>
<td>Non owned;</td>
<td>2000</td>
<td>as Orange</td>
</tr>
<tr>
<td>Israel</td>
<td>Non owned;</td>
<td>1999</td>
<td>as Orange</td>
</tr>
</tbody>
</table>

Source: www.orange.com

After acquiring Orange, FT rebranded, between 2001 and 2003, 10 of its mobile telecom companies. By 2005, Orange Group had been enlarged through acquiring Centertel (Poland) and Amena (Spain), but restructured through selling its Denmark and Sweden operation which rebranded to its local ex-competitors. Centertel was rebranded to Orange in 2005, and Amena is probably to be rebranded the next year. As it can be seen from the table, there are two countries (Belgium and Egypt) to which the rebranding strategy was not applied, despite the majority ownership, but it is probably just a matter of time. Operations in Austria (One) and Portugal (Optimus) will probably remain unrebranded until a majority ownership occurs.

**Rebranding campaigns in the case of Orange**

Every rebranding process had to enforce to local condition three key issues:
- the brand’s orientation:
  - customer oriented (vs product oriented),
  - emotional oriented (vs rational oriented),
  - simplicity oriented (vs complexity oriented),
- the brand’s values:
  - refreshing (constantly look to do things differently and in a better way),
  - dynamic (trying to make a difference to people’s lives),
  - straightforward (always being direct, clear and easy to understand),
  - friendly (building close relationships with customer),
  - honest (always open and honest),
- the brand’s customer propositions:
tariff and bill (looking at what makes sense for, and is attractive to, a particular customer segment, and developing a tariff that suits them best), service (creating service plans that best suit the customer), distribution (making it easy for customers to get the services whether it is through own retail shops, over the web or from an independent reseller), applications (giving customers access to the best mobile services and applications, from a range of entertainment, news and interactive services), communications (explaining the offer to the relevant customer segment in a way that is consistent with the brand strategy, through advertising on the internet, in print, on television, or on billboards, through PR activity or direct mail), device (designing own phones to be easy to use and relevant to the needs of the customers, best suiting particular customer segments).

Taking the decision to rebrand meant significant changes for each country. Prior to implementing the rebranding strategy, in each business case, all areas of the business were assessed to ensure the rebranded company meets minimum requirements and can deliver the best possible experience for the customer. This implied meeting requirements in areas such as: distribution, customer relationship management, improvements to network quality, and new customer offers. This was seen in the re-branding of Vista Cellular in Botswana. Before becoming Orange, the technical capability of Vista Cellular's network was increased, with new switching technology installed and additional sites constructed to provide greater capacity and expanded coverage. Billing and IT systems were also upgraded to cope with the expected increased load. Once these improvements had been made, the company began its final preparations to rebrand.

One of the most fundamental parts of rebranding was helping employees develop a clear understanding and appreciation of the brand’s values. As part of this, employees participated in brand ambassador programs that showed employees the company and its history, and how to “live” the brand in their everyday roles. The brand ambassador programs were adapted to suit the local culture and the way the company operates. For example, Orange Romania developed an employee program called “trust” to help employees understand what it means to be Orange in their everyday jobs. Similarly in Africa, both the Ivory Coast and Cameroon adapted the core training materials to ensure they were relevant locally. Twenty ambassadors successfully coached and trained all 700 employees in just two months. Meanwhile in the Netherlands, brand ambassadors ran 'understanding and learning' sessions - all part of becoming Orange on the inside.

In order to make the rebranding tangible for the customer new products and services were developed. Prior to becoming Orange France, Itineris had three customer propositions - Itineris (premium brand), Mobicarte (prepay) and Ola (mass-market brand). During re-branding, the company took the opportunity to simplify and streamline its offer, focusing on a single brand with a clear identity. By the time Orange France launched in 2001, it had simplified its tariff plans, introduced flexible talk plans and re-designed its sales literature with an emphasis on clarity and simplicity. A handset upgrade program and several loyalty schemes were also timed to coincide with the launch. In Madagascar, Orange introduced a new range of products and services that focus on making communications accessible and simple for customers and, most importantly, giving them a choice. One initiative offered people a new, simplified pricing structure, while another offered the lowest price on the market with no fixed contract.

Another element of the rebranding processes involved changing the physical environment of the offices as well as shops or point-of-sale kiosks for customers. During rebranding, workplaces were re-designed not only to reflect the Orange look and feel, but also to bring the brand to life. Offices used color, imagery and inspirational words to make them distinctively Orange. The buildings were designed with an emphasis on being open and friendly - reflecting the brand values in the work environment. The brand’s look was applied to all areas of the business from customer literature and marketing materials, websites and external signage to internal publications and stationery.

The way Orange was launched in each market varied - sometimes a teaser campaign was followed by an education phase or a “big bang” approach was adopted. In Madagascar, a teaser campaign introduced people to the Orange brand several weeks before launch with a series of television, radio, press and outdoor adverts explaining that Antaris was becoming Orange. On the day of launch, the campaign began to highlight Orange's new range of innovative products and services - launching a number of firsts in the
Malagasy market. The same phase-in – phase-out was adopted in Slovakia, in opposition with the sudden eradication strategy (“big bang”) applied in Romania.

Evaluation of the rebranding process

In this section, we try to evaluate the effect of rebranding on the performance of the companies involved considering customer number and turnover, through a “before-after” experimental method in the case of France, Netherlands, Romania and Slovakia, rebranded in 2001, 2003, 2002, and, respectively, 2002.

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Customer Number (millions)</th>
<th>Turnover (million euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orange France</td>
<td>2000</td>
<td>14,300</td>
<td>5,690</td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>17,800</td>
<td>6,870</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>19,300</td>
<td>7,650</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>20,300</td>
<td>7,930</td>
</tr>
<tr>
<td></td>
<td>2004</td>
<td>21,240</td>
<td>8,030</td>
</tr>
<tr>
<td></td>
<td>2005</td>
<td>22,430</td>
<td>9,770</td>
</tr>
</tbody>
</table>

Figure 2 Rebranding influence on customer number (millions) and turnover (million euros)
Source: FT Financial results from press releases (www.orange.com)

As it can be seen from figure 2, in the case of France, the rebranding process brought strong customer number and turnover growth to the company. The year of rebranding marks a sudden and sharp increase of the two indicators, growth constantly maintained through the following years. The higher growth rate in the year of rebranding (compared to that of the following years) may have been induced by the new offers that were developed to sustain the implementation of the renaming strategy.

In Netherlands, the year of rebranding (2003) marks a strong revitalizing of customer number after a year of decreasing, while turnover maintains its growing tendency. Still, 2005 is a year with lower growth compared to the preceding years that followed rebranding. This might imply the necessity of revitalizing the brand in Netherlands.
Romania highly benefited from rebranding. After renaming Dialog to Orange in 2000, customer number turned in to an exponentially growing curve, while turnover started a strong and constant growth a year after that.

Slovakia also positively react to rebranding, although in comparison with Romania, the growth that followed the renaming process was not exponential but parabolic. The graphs show that the growing rate in Slovakia is lowering so a revitalizing of the brand through new offerings and services may be necessary.

DISCUSSION

There are specific requirements that must be met before rebranding. Such a strategy should take into consideration the potential reaction of the existing customer base to a brand name change. Simply changing the name but keeping other aspects (values, positioning, products) is worthless. More than a name change, rebranding involves adopting and communicating new values, repositioning and/or new products. Especially in the mobile telecom market, rebranding must be preceded by changing or adapting aspects regarding distribution, customer relationship management and network quality and capacity, and assuring that they meet the promises communicated through the new brand. Rebranding also prior implies a clear understanding of the new brand’s values throughout all the employees of the rebranded company.

When rebranding to an existing brand with an established high equity, the strategy must be well prepared before implementation, especially considering that a failure of extending its name to other businesses could permanently erode its initial value. Since rebranding failures can be expensive, some pitfalls must be avoided:

- the heritage rebranding trap consists of losing customers strongly attached to the old brand; before rebranding, customers believes and attitudes towards the old brand should be ascertained, especially whether customers appreciate the nationality or the regional significance of the old brand;
- following the global rebranding crowd blindly may be costly and counterproductive; multinationals may be tempted to consolidate their multiple regional brands under one global brand to generate cost savings by eliminating duplication of design, production, distribution, and promotion; before rebranding, the brand loyalty in each country must be determined, as such renaming attempts can incur stiff resistance from loyal customers;
- resisting merger rebranding occurs when the newly formed company may be tempted to retain the substantial equity of both old names; thus, the new company attempts to reinforce a perception that this is a merger of equals; it subsequently moves to a shorter name that projects clout with the public;
- the celebrity rebranding snits trap consists of retaining a celebrity spokesmen to sustain the process, but too strongly associating it to the new brand; relying exclusively on powerful celebrities in the rebranding effort might be an extremely risky strategy.

CONCLUSIONS

Brands are much more than simply a name or a logo. They represent values and promises, attitudes and feelings about brands and products. They are recognized as major assets which may have taken years of investment to establish. Changing such an asset should not be undertaken without careful planning. Rebranding may be presented on a simple continuum from minor changes, such as restyling, to complete renaming. It is the latter change that is the focus of this paper. Changing corporate brand names, with all their associated values and promises, is a critical element of rebranding. Four approaches to renaming -interim/dual, prefix, substitution and brand amalgamation- were discussed. Also, six strategic options of rebranding were presented (phase-in / phase-out, combined branding, translucent warning, sudden eradication strategy, counter-takeover rebranding and retrobranding).

The Orange experience outlined the key elements of a corporate rebranding framework. Starting with the situational analysis, continuing with the internal preparation throughout employees and management and the changing and adaptation of business aspects so as to establish compatibility with the new brand to be adopted, the rebranding process involves implementing a certain renaming strategy, specific communication and training tactics, and a continuous evaluation of the process. It is all about a logical sequential framework for a better management of the increasing phenomenon of corporate rebranding.
REFERENCES


x x x — (2006)., www.orange.com