Senior Project

The Effects of Rebranding

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Executive Summary

Rebranding is known to be one of many highly effective methods used by companies to stay relevant and fresh amongst their competitors in the market. Although it is widely used, if not implemented properly, rebranding does not always bring the desired results. Most companies that experience a fall out of the market, strong competition, a need to renew and refresh, a change in identity, or a need to completely remove a factor due to irrelevancy - turn to rebranding as a solution. No matter the issue, a common factor is that a company not functioning at its best potential results in a low financial performance.

In this paper, we examined the relationship between rebranding and financial performance, and that rather than finding a direct correlation connecting the two, we discovered a much more complicated, indirect pathway in its stead. Our research then led us to create a practical, straightforward model for companies to refer to when seeking to rebrand. The model was first developed from our findings - making it purely theoretical. So, in order to prove its accuracy, we enlisted two well-known, recently rebranded Saudi companies to examine our model for both practicality and correctness in relation to their own rebranding experience. The results from both companies were very positive. Many factors from the model were actually applied to the process - and after checking the model, both parties agreed that it was both thorough and accurate, and one they would definitely use to assist them in any future rebranding projects.

Introduction

Everyday, companies are losing their significance and market value in the world of business. With the rise of competition in the market, it is almost impossible to stay relevant. Rebranding is one of the most common and successful marketing strategies used by companies to rejuvenate their brand and keep it relevant in a rapidly changing market. However, taking the step to rebrand is a risky move to make for any company because it requires reshaping the brand as a whole, not only readjusting. Rebranding a company requires changes in the brand's structure, architecture, and how the customer views the company overall. The act of rebranding a company, product, or service can be one of the most important decisions one makes as a strategic marketer, since it can make or break the company. With that being said, the purpose of this paper is to develop a model linking rebranding to a company's financial performance and testing its reliability and validity with real world companies. Marami and Albahri are the two companies we chose that have gone through the trial of rebranding. We made sure to choose one B2B (business to business) company and one B2C (business to consumer) company in order to show how diverse rebranding can be and how one model can apply to both.

Research Purpose

Studying the complicated yet exciting aspects of rebranding at our university sparked an interest in us to further explore its real-life effects on financial performance and whether there was a direct link. Much to our surprise, we discovered that the link between the two was neither direct nor simple. Instead, we learned that it included many internal and external elements of a company. These elements are as follows: brand awareness, brand equity, consumer attitudes, repositioning, consumer perception, change in consumer demand, employee satisfaction, consumer satisfaction, and consumer loyalty.

Research Objectives

Our first objective was to find direct links between rebranding and financial performance; however, contrary to expectations, we did not find a direct relationship. We then decided to develop a working model that companies could refer to when rebranding.

Literature Review

1) The Effects of Rebranding on Brand Awareness

Brand awareness is the extent to which consumers are able to remember or recognise a brand. It is mostly lead by brand equity. *Brand equity* is "a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers" (Aaker, 1991). Akaker's explanation is described by one case study as "the most comprehensive definition of brand equity available in literature."

"Brand equity is taken into consideration to be a reflection and image of the company, which is why researchers have explained that the main goal of rebranding is to enhance brand equity" (Aaker, 1991; Koku 1997a; 1997b; Boyle, 2002; Causon, 2004; Muzellec and Lambkin, 2006). And in order to change up a brand it is recommended to sustain the accuracy of brand equity. (Keller, 2000; de Chernatony and Cottam, 2006) maintains that "firms will always need to take opportunities to change a brand in order to sustain the accuracy of brand equity."

There are a number of reasons why companies rebrand; however, based on the trials and experiments we found, out of the four common dimensions of rebranding - repositioning, renaming, redesigning, and relaunching – not all seemed pertinent. *Muzellec (2003) reports:* "After many tests, only 3 (dimensions) seemed to be relevant: repositioning, redesigning, and communicating."` Researchers also concluded in other studies that these four dimensions impacted rebranding in distinctly opposite ways. For example, Mei Teh and Goi (2012) writes: "Repositioning and communicating have a positive influence on brand equity, but redesigning negatively influences brand equity."

"In 2006, (Muzellac and Lamkin) states that "whether a re-branding follows from corporate strategy or constitutes the actual corporate strategy, it aims at enhancing, regaining, transferring and/or recreating the corporate brand equity." (Osman, 2008) also expressed that "the aim of rebranding is to improve the image." Without a doubt, most studies consider rebranding as a key factor marketers must pay attention to in order to revive a brand that is becoming obsolete.

When a company achieves a high brand equity (reputation), the brand name is highlighted as well, resulting in a high financial performance. Business equity is a crucial concept in business practices, and along with academic research, marketers can use it to gain competitive advantages through a successful brand. The competitive advantage of firms that have brands with high equity include the chance and opportunity for successful extensions while still maintaining a barrier against promotional pressures from competitors. In conclusion, building and achieving high brand equity is considered to be an important part of brand building.

Based on our findings that take into account a company's financial performance, a universally agreed-upon factor by most scholars is that in order for a company to excel and improve in financial performance, a competitive advantage is needed. This view is supported by Aydin and Ulengin (2015) who writes: *"Increasing financial performance of a firm can be done by creating sustainable competitive advantage among competitors."*

Our conclusion is that marketing, as well as the 4Ps, play an important role in rebranding, and whatever competitive advantage it is able to achieve usually results in higher brand equity and thus higher financial performance. This leads us to believe that companies should strive

toward achieving any form of competitive advantage over their competitors in order to attain recognizability with their consumers in the market. This is what leads to brand awareness: seeing a brand and remembering a specific detail about it that stands out compared to other brands - something they have that their competitors lack. This, in turn, leads to a better name, image, and brand equity amongst consumers - because when something is different in a positive way, and stands out amongst its competitors, it will be highly attractive to the eyes of the consumer, causing them to sway in that brand's direction over others. This, consequently, leads us to the first factor that helped us in developing the model:

Rebranding aims to acquire a competitive advantage by spreading brand awareness which leads to better brand equity.

2) The Effects of Brand Equity on Financial Performance

One of the most common ways to gain competitive advantage is by appealing to the customer in a way that other companies are not. This is where brand equity comes into play. There are many different definitions of brand equity, but we believe it is best defined as follows: "A set of brand assets and liabilities linked to a brand; it's a name and symbol that adds to or subtracts from the value provided by a product or service to a firm and/or that firm's customers" (Aaker, 1991).

It is expected that in the long run, these positive transformations can lead to improved firm performance. "Brand equity and its elements help customers in interpreting and processing information to create confidence in purchasing decisions and also enhance customer satisfaction (Aaker 1991; Davis 2000; Ambler 2003).

There are many ways brand equity appeals to consumers. To some a brand name directly relates to a product's perceived quality. The more famous the brand name, the better the quality. So, you could say that brand equity plays an important role in a consumer's decision making process. To better understand how brand equity affects the consumer, we looked at the Keller and Lehmann (2003)'s study which establishes that "investments in marketing programs and advertising can alter the consumer's brand awareness, association, and attitudes towards the product/brands. These in turn lead to attachment and finally an intention to purchase."

We agree with Aydin and Ulengin's (2015) conclusion that "the performance of the firm is intuitively expected to be improved as a result of a stronger brand and higher brand equity."

Finally, studies we found regarding this topic all lead to the second factor that helped us in developing the model: positive brand equity influences financial performance in a positive

way. When you have a strong brand equity, your brand name immediately holds higher value. This is how many companies are able to sell their products for higher prices, as well as how customers view the brand itself. High brand equity equates to instant prestige, which leads to consumer recognition in the market, and concludes with an increased financial performance.

This conclusion is quite obvious. The law of attraction definitely relates to branding as positive attracts positive: The positive brand equity that a company gains can lead to more people talking about them; thereby, attracting more media coverage which in turn leads to a higher recognizability in the market and a growth in consumer product interest.

Brand equity influences consumer attitudes which in turn affects financial performance.

3) The Effects of Rebranding on Consumer Perception

According to (Oliver 1981): “Consumer satisfaction results from comparisons between a consumer’s expectations about a product and his actual experience.”

In a study about the effects of rebranding on customer loyalty, its focus included a very specific rebranding aspect: name change.

Aaker (1991) writes: “Brand name, as a symbolic component, is important since it serves as a communication tool for customers awareness.“ Selnes (1993) adds that “a brand name is an intangible signature of physical entity, acting as a surrogate of services, related more to the company's reputation than to the lines it sells.”

A brand name is a good source of information for consumers in their pre-purchase evaluation. When a consumer is loyal to a certain brand, they do not need to evaluate their pre-purchase every time. This is why strategic marketing is aimed at gaining customer loyalty. This being the most important behavioral component a customer has. (Kotler, 1994; Turley and Moore, 1995; Sheth and Mittal, 2004; Grace and O’Cass, 2005)

Rosenthal (2003) explains: “Repositioning is different from rebranding because reposition is done in the consumer’s mind. In repositioning, the brand is not changed but the image of that brand changes in the consumer’s perception. When there is a change in consumer demand and products, then repositioning is the best strategy for companies to position themselves again in market.”

Anja H. Bjorkdhal (2004) elaborates: “The reason for rebranding can also be that if the customers are considering the brand boring and they are lacking interest in that brand even though there are different integrated marketing communications, but it reduces the power to convey its message to their potential customers, then in this situation repositioning needs to be

done in order to attain customers and to find a new and improved identity in the market." Therefore it is suggested that "changing the corporate brand name may lead to a modification of customers perception" (Muzellez and Lamkin, 2006).

Kilic and Dursun (2006) note: "Academics suggest that the change of a company's name should be done only when there are no other alternative solutions." While, Muzellec and Lambkin (2006) claim that "rebranding is all about creating a new image and position in the consumer's mind and establishing a new name slogan, tagline, or design to maintain brand value."

From the studies we gathered it is clear that there is not just one form of rebranding, but many. Rebranding can include repositioning, redesigning, and many other forms. When connecting rebranding to customers, we commonly think of repositioning because that is what most companies try to achieve when rebranding. They want to reposition themselves in the minds of consumers so that when customers think of a certain product, they think of their brand. Repositioning is known to be one of the most successful and common ways companies use to stay relevant in the market. If successful, a company is able to make consumers link their line to a product. For example, when fast food is mentioned, the first thing that comes to many people's minds is McDonalds, indicating that McDonalds has been highly successful in becoming the brand people often link to a specific type of product. This conclusion leads us to the third factor that helped us in developing the model:

Rebranding includes repositioning. Repositioning directly affects a consumer's perception of a brand, which in turn affects a consumer's demand and thus, financial performance.

4) The Effects of Rebranding on Employee Satisfaction

A common mistake made when rebranding is at the time the company first launches its campaign to spread awareness of their new changes. Companies often enthusiastically communicate the changes to their consumers and stakeholders, but forget the importance of first thoroughly communicating these changes to their employees. This strategy often fails. Uninformed employees who are not strongly committed to and knowledgeable of the changes to be made cannot effectively communicate them to their customers. The less involved these employees identify with the new brand, the less successful the rebranding will be. "The stronger employees' identification, commitment and loyalty to the brand, the more successful the rebranding strategy will be as the more probable that managers and employees will act in accordance with the corporate brand values." (Harris & de Chernatony, 2001).

Mitchell (2002) writes: "Internal branding is about creating an emotional connection between employees and the organisation that transcends their personal experience, to create a brand vision in employees' minds that mobilises support for the brand in every decision they make." In other words, when employees feel an emotional attachment towards the brand, it creates a strong connection that leads to brand commitment. "*Brand commitment* is the level of psychological attachment of employees to the brand that can influence their willingness to exert extra effort towards reaching the brand's goals (Burmann & Zeplin, 2005)."

It has also been said that "employees can make or break an organisation's brand, thus overlooking internal branding can significantly reduce the potential impact of the organisation's external brand experienced by customers" (Sartain, 2005). When employees have a strong emotional connection to the brand they naturally work better and excel within their workforce.

In agreement, Pujaisri, et al (2009) writes: “Brand performance depends on how employees perform their roles in delivering the brand promise based on the brand standards.” This relates directly back to rebranding. An important factor to consider in rebranding is both the internal and external audiences: “During the rebranding process, there is a need for internal and external branding to communicate the new brand vision to external and internal stakeholders. In retailing, employees’ role is to balance the expectations of management, whilst delivering the new brand promise to customers” (Punjaisri & Wilson, 2007 ; Arnold, *et al*, 2009).

According to Beus and Matanda (2010), “lack of support from employees can result in failure of the rebranding strategy.” This is particularly shown in a 2010 study: “The more employees are informed about brand changes, the more comfortable they are in communicating the brand values to customers. Thus, internal promotion of the brand not only allows employees to understand the brand, but encourages employees to take ownership of the brand through their organisational responsibilities.” They found a “positive association between the identification an employee has with a brand and their support for the brand, as well as employees’ satisfaction” which correlates to brand commitment” (Devasagayam, *et al*)..

Although positive customer interaction is highly important, we should not forget that employee satisfaction must come first - as it is from this foundation that the employee will express the new brand’s image, whether directly or indirectly, to the consumers. In other words, when rebranding, how an employee feels about his work affects his performance in the workplace, whether positive or negative. Thus, the fourth factor that helped us in developing the model:

Satisfied employees lead to Satisfied Consumers.

5) The Effects of Customer Loyalty on Financial Performance

The connection between customer loyalty and financial performance plays a crucial role in rebranding and in business in general. However, from the information gathered, an important fact has been overlooked: that in order to obtain customer loyalty, customer satisfaction must be reached and “satisfaction has been found to increase customer loyalty” (Vesel and Zabkar, 2009; Akhter et al. 2011).

It must be remembered that an unsatisfied customer will never result in a loyal one. In fact, some analysts claim that “customer satisfaction is the most influential factor on customer loyalty” (Kanning and Bergmann, 2009; How and Amin, 2010).

Olivia, Oliver, and MacMillan (1992) point out that “when satisfaction reaches a certain level, loyalty increases dramatically; at the same time, when satisfaction declined to a certain point, loyalty dropped equally dramatically.”

Yi (1990) provides the example that “if a bank repeatedly satisfies a customer, this customer will continue to realise his / her transactions in that particular bank.”

In fact, customer satisfaction and loyalty is the best indicator of how a business will look in the future. A number of studies have found a direct correlation between the loyalty a customer feels towards a company and a company’s increase in financial profitability (Hallowell, 1996; Chi, 2005).

Chi and Gursoy (2009) explains: “It is believed that customers recognize and value remarkable service when offered to them, and, over time they will exhibit loyalty behaviors. A satisfied customer turns into a loyal one, and a loyal customer, in time, will lead to higher sales and therefore, higher financial returns for the company.”

Businesses should regard this knowledge seriously. Nowadays, in such a competitive business environment, all assurances of survival have disappeared. According to (Cooli, 2007; Fathollahzadeh, Hashemi and Kahreh, 2011): “The only advantage a company can have against competition is to be able to predict, understand, and fulfill the needs and expectations of its customers. In return, its customers’ loyalty can help the company survive and flourish…and increase the value and reduce the costs of a business.”

Thomas and Tobe (2013) also emphasize that “loyalty is more profitable” - pointing out that the expenses to gain a new customer are much more than retaining existing ones.

Another aspect to customer loyalty is that “besides buying more, they (customers) also work as a network to reach other potential customers by sharing experiences” (Hague & Hague 2016).

Khadka and Maharjan (2017) states that “satisfied customers usually rebound and buy more,” and most importantly: “Those companies that are succeeding to satisfy the customers fully will remain in the top position in a market.”

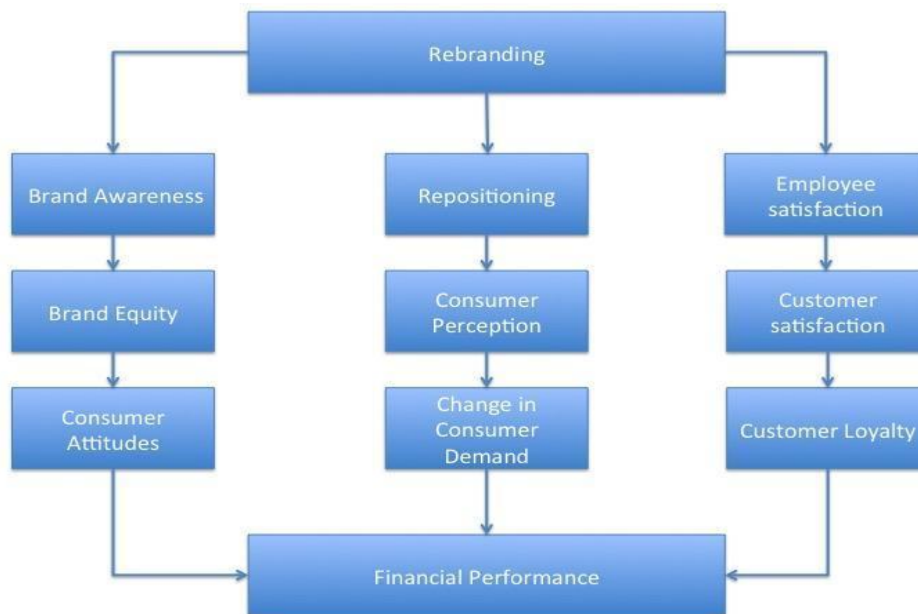
Customer satisfaction is a significant element in service delivery because understanding and satisfying customers needs and wants can engender increased market shares from repeat purchases. In support of this point, Rosenberg & Czepiel (2017) claims that “customer loyalty and satisfaction is vital for modern day business for two main reasons. First, customers are a scarce resource. It is far easier to obtain from an old customer than from a new one. Second, customer loyalty and satisfaction has a positive effect on the profitability revenues of the company.”

In other words, “Customer satisfaction is a key component of business profitability because once the customer reaches their satisfaction level, it may influence them to consume the service continuously. Keeping a customer satisfied and happy through premium service leads to loyalty and results in positive feedback, positive recognition. Moreover, they share their experiences with other people, which creates the possibility of new customers.” (Khadka and Maharjan, 2017). Attracting new and existing customers who are happy with your service leads to an increase in financial performance - the final factor that helped us in developing the model:

Customer loyalty does lead to better financial performance. However, in order to gain customer loyalty we need to first gain customer satisfaction.

Research Model

This model was thoroughly researched. It was conducted from each hypothesis found in our research, and as a result, we were able to connect each aspect to the most solid connection between rebranding and financial performance.



Based on our model and research, we conducted the following list of questions to help us deduce the accuracy of our model - what parts should be kept, added, or removed based on accuracy and relevancy.

Questions

The following questions are the ones that were used during the interviews. They are all connected to the model.

5W's:

1. **What was the reason that lead you to rebrand?**
2. **When did you rebrand?**
3. **Why did you choose this time to rebrand?**
4. **What strategy did you use when rebranding?**
5. **How did rebranding affect the company's financial performance?**

Open-ended Questions:

1. **What factors were most affected by your rebranding process?**
2. **Did rebranding affect your customer satisfaction?.**
3. **What was something you aimed to change but couldn't change during the rebranding process?**
4. **What factors did you not aim to change during rebranding and ended up having to change them?**

Questions Related to the Model:

(Brand Awareness > Brand Equity > Consumer Attitudes)

1. Did the rebranding process affect brand awareness?
2. Did the level of brand awareness affect the brand's equity?
3. Were consumer attitudes affected by your newly acquired brand equity?

(Repositioning > Consumer Perception > Changes in Consumer Demand)

1. Did the rebranding process help you reposition the brand? Or was the reason only to make sure the brand was correctly positioned in the consumers mind?
2. Did your rebranding process include the repositioning of your brand in the consumer's mind?
3. Was your repositioning process effective enough to affect your customers' perception of your brand?
4. Did the effect of the customers' perception affect their level of demand for your products?

(Employee Satisfaction > Consumer Satisfaction > Consumer Loyalty)

1. Was your rebranding process directed towards improving employee satisfaction?
2. Were you able to distinguish a direct connection between employee satisfaction and customer satisfaction?
3. Was there any indication that lead you to believe that the more satisfied your consumers were, the more loyal they become towards your brand?

Final Question:

Please look at the model. Do you think it applies? Do we need to add or remove something?

Research Methodology and Results

Qualitative Research

After identifying what the study questions were, it was clear that conducting interviews would be the best method for this research.

“Interviews are a fundamental data collection method used in qualitative health research to help understand people's responses to illness or a particular situation.“ (Hutchinson & Wilson, 1994)

Interviews are a commonly known technique used by researchers in studies of all topics. They are known to be efficient and more specific than other techniques, as well as more thorough. Interviews are especially helpful for getting to the story behind an individual participant’s experiences. An interviewer is able to follow up on in-depth detailed information surrounding a specific topic. In this particular research, it was useful because of the more one-to-one time spent with participants. This allowed them to be forthcoming with detailed information that would not have been directly given using any other method. The personal contact that comes with interviews allows the interviewers to use their people skills and that, in return, affects the participants’ emotional responses. The interviewees become more comfortable in sharing further detailed information.

Although the interviewing method has many advantages and is quite favored and used by many, like most processes, it still has a few disadvantages.

Those disadvantages include not being able to reach as wide a variety of audience as one would when using, for example, a survey. This is mostly due to the nature of interviews. Also, interviews are known to be the most time consuming of all methods, seeing that they require both parties to find the time to set up meetings. Another factor is that by conducting an interview in an organization's headquarters, it is less likely that the interviewee will mention their failures. They, of course, want to represent their company in the best light possible. As mentioned previously, a significant part of an interview is the emotional interaction between the interviewer and the interviewee. This can work out to be a disadvantage as well as an advantage, considering that if the participant feels an interviewer is not to his liking, he may refrain from giving information.

Data Analysis

The questions that were asked during the interviews all related to the case's title "The Effects of Rebranding." In the interviews, the questions led to detailed discussions regarding how rebranding affected the companies and if the aspects mentioned in the model (or any others) were directly affected by their own rebranding process, including our main research goal: Does rebranding affect a company's financial performance?

This paper also worked to make sure that the links made in the model were correct and placed in the right order. Our main issue was to conduct a model that was thorough yet still broad enough to equally apply to both B2B and B2C organizations. It was also very important that the model flowed from one aspect to the next, resulting in the relationship between rebranding and financial performance.

When conducting the model, the aspects mentioned needed to be relevant to the main goal of relating rebranding to financial performance. Though many other aspects would have been useful when mentioning the effects of rebranding, it was very important to us that we only included the ones that directly affected each other and lead to a difference in financial performance.

The participants were of two very different natures, one being B2B and one being B2C. This diversity lead to receiving a wider variety of answers, and in turn, proved that the model conducted applied to both industries.

The first interviewee was from the B2C industry: Mr. Fadi Abu Baker, president of Marami Company. Commonly known in the region for specializing in snacks for both children and adults, Marami recently went through a major change, not only in their product design, but also in the product itself. In 2017, the idea to rebrand was addressed, and in 2018 the implementation began. The reasons to rebrand were twofold: the first being to position the brand into a new segment in the market, making it interesting to the older generation as well as widening the spectrum regarding their target audience. The focus was on the millennial generation, seeing as they are the most influential and active consumers today. The second reason was to increase the brand's appeal - creating a fresh look that combined both the nostalgia of a childhood brand with a new updated look- one no longer visually childish, but with an appeal to all ages, consequently attracting the attention of a wider audience. Knowing that these two reasons had existed for a while led us to the next question: Why 2017 specifically? Apparently, the company's

performance was starting to go down, so a new target audience was needed. With a goal of a high return, the strategy used was simple: penetrate the market and try to compete.

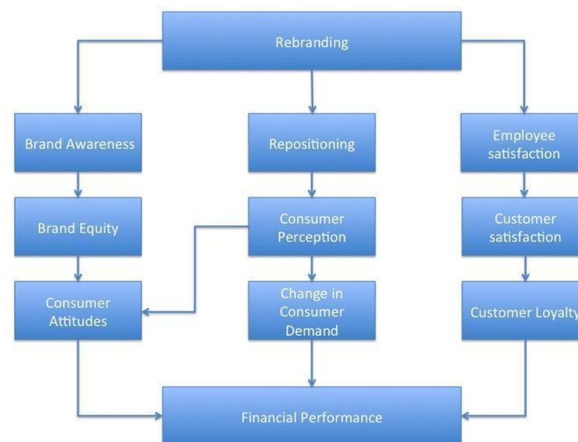
The rebranding's results affected the company's financial performance. The following questions related to what specific aspects rebranding directly affected, and in turn, lead to higher profits. According to the answers that were collected, the factors affected by rebranding were brand awareness, customer satisfaction, return on investments, and the cost of goods produced.

From here, the questions took on a more specific format, asking if the line of connection between the following nine aspects (divided into three categories) was correct. The first - whether brand awareness lead to brand equity and if that, in turn, lead to a difference in consumer attitudes. The answer was as follows: Yes, during the rebranding process, brand awareness will definitely lead to a boost in brand equity; consequently, giving consumers the idea that the brand is now more prestigious than what it was previously.

The second line of connection was whether rebranding allowed Marami to reposition themselves in the consumer's mind and if that affected their perception of the brand. "If yes, were you able to see that in the change in demand for your product?" The answers were as follows: Rebranding helped to reposition the brand in a whole new way in the consumers' minds. This resulted in people perceiving the brand in a different, more positive light. Thus, leading to an increase in demand.

The third and final line of connection was whether rebranding affected employee satisfaction - if they were able to connect the level of employee satisfaction to the level of consumer satisfaction, and whether there was an indication that the more satisfied the employees, the more loyal they

became. The answer was as follows: “Yes, the more sales that were made, the more employees got paid. The more recognition the brand got, the more proud the employees became.” So, employee satisfaction did in fact lead to consumer satisfaction and supplier satisfaction. The more satisfied the employees, the better the work moral - resulting in better interactions between the supplier and the company. Customer loyalty did lead to an increase, and people were exceedingly satisfied with the new brand image - believing that the brand did pay attention to their needs with a clear sign of their willingness to satisfy. The result lead to brand loyalty. After asking the previous questions, participants were asked to study the model that had been conducted and to decide if it was correct, as well as reliable and if anything needed to be adjusted or changed. Marami expressed that the model conducted was up to standards and especially applicable to their rebranding process - suggesting a simple addition: an arrow linking consumer perception to consumer attitudes and leading to the following updated model.



The second interviewee was from the B2B industry: AlBahri Company’s CEO Mr. Abdullah AlDubaikhi. AlBahri is widely known in the region - targeting a slightly different type of audience - and known to be one of the world’s leading transportation, as well as logistics companies. AlBahri was first established as the official national shipping carrier of Saudi Arabia.

It has played a primary role in the growth and transformation of the international shipping industry through a continuous and uninterrupted focus on innovation, as well as delivering technology-driven, value-added commitment onshore and offshore. AlBahri's last rebranding began in 2016, when internally they noticed that all the different parts of the company were running as their own individual firms - each one with its own marketing, financial, and other departments. The core external reason that lead AlBahri to rebrand was the desire to unify all of the company's sectors under one big umbrella so that customers fully understood that they were dealing with one company when contacting different departments.

While the strategy and approach they chose was to make a big announcement, addressing repositioning and awareness was very important to them as a B2B company. This entailed changing their logo to a less aggressive version and using colors that would appeal to today's generation, as well as to the global companies they worked with - making communication easier.

Their rebranding outcome highly impacted the company's financial performance. A few questions were asked regarding the particular aspects that they felt were directly affected by rebranding and, in turn, lead to higher profits. According to the answers we collected via the interview, the factor that was affected by rebranding was recognition. The company became more distinguishable, leading their consumers to identify it as one large company with many departments.

As we moved forward, the questions took on a more specific format, asking if the line of connection between the following nine aspects (divided into three categories) was correct. The first - whether brand awareness lead to brand equity and if that, in turn, lead to a difference in

consumer attitudes. The response was in agreement with the statement and that after the rebranding and unifying of the company, a definite increase in awareness occurred, which helped customers distinguish who AlBahri was as a whole. Consequently, the process made it easier to link all the positives and negatives to one name - and since a major positive was an increase in brand equity, it resulted in making their customers feel a lot more assured and willing to deal with AlBahri, seeing that they now knew with whom they were in contact.

The second line of connection was whether rebranding allowed AlBahri to reposition themselves in the consumer's mind and if it affected their brand perception. We then asked them if they agreed with the statement and to express whether they were able to see any effects or change in the demand for their services.

During the rebranding process, the company was able to reposition itself in the consumers' minds. This change in the consumer's perception of prestige and trust made AlBahri into a first choice sea transportation organization, positively affecting consumer demand.

The third and final line of connection was whether rebranding affected employee satisfaction, and if they were able to connect the level of employee satisfaction to the level of consumer satisfaction. And if so, was there an indication that the more satisfied the employees were, the more loyal they became. Because AlBahri's rebranding was not only external but also internal, during the unification of departments process, the company's employees were taken into consideration. They set a day whereby all the workers and staff members came together under one roof and group activities were conducted to announce and recognize any achievements and/or breakthroughs reached by AlBahri and their employees. This action gave the staff a

feeling of belonging and motivation towards the company. Consequently, leading to satisfied customers that felt both prioritized and appreciated through customer services and any other interaction with the company's staff members. As a result, the positive interactions customers had with employees did, in fact, lead to customer loyalty.

Participants were then asked to study the model that had been conducted and decide whether it was correct, reliable, and if anything needed to be adjusted or changed. Their response was that no changes or adjustments were needed for the model conducted.

Research Findings

Rebranding a product requires a firm to not only follow the aforementioned conducted model, but also to be aware of the associated risks that come along with rebranding. Namely, the first step of the model entails fostering brand awareness, which will subsequently improve/create brand equity, and thereafter alter consumer attitudes in a way desirable by the company. Simply put, the consumer must be aware of the brand initially, and then the firm must ensure that the brand name alone holds a high degree of commercial value, which will positively affect the way people feel about the product. As such, rebranding is vital in the way that it affects the perception people have towards the product. However, the firm must specifically define the perception that it wants to alter, because if it does not do so successfully, then it might end up altering this perception in an undesirable and harmful manner. In fact, studies show that in most cases, altering the wrong aspects of a product, eventually leads to losing specific market segments, and thus deteriorating company sales and financial performance. When rebranding, the main goal is to enhance financial performance, but the link between rebranding and financial performance is

not a direct one, but rather indirect. For instance, if Marami that sells chips begins to notice declining product sales from consumers in a market segment it desires - namely, people between the ages of 20-40, then the firm may attempt to rebrand this product in a way that appeals to this segment in a positive manner. This will in turn, if implemented successfully, raise consumer awareness about the product in the said segment and build brand equity, thus skyrocketing sales, and positively affecting financial performance. However, this can go wrong at any given point of this process. Namely, if the firm does not gain the attention of this market segment, it may lose some of another segment it is targeting, since it may perceive the alternative brand unsuitable for its needs. Even if the firm gains the brand awareness of the targeted segment, it may fail to gain brand equity, which will affect the firm's long term ability to retain these consumers - thus affecting the sustainability of the sales it might successfully gain in the short run. This will undeniably have an indirect adverse effect on the firm's financial performance.

The second aspect of change that the conducted model mentions is repositioning. Repositioning the brand in consumers' minds is a vital part of rebranding a product successfully. Thus, when a firm aims to rebrand its products, it aims to reposition the said product in a new section of the market and to target the segments that the product is designed for in a more focused manner. For instance, Albahri wanted to ensure that a specific service was delivered to a specific market segment of oil production companies - in addition to targeting a specific geographic location. However, the firm only succeeded in attaining one the former of the two market segments. In this case, the company should put more effort into understanding the segment they are unable to attain. As such, the firm should ensure that the new brand successfully repositions itself in a way that gains as much of the market segments as it possibly can. Therefore, the brand tends to be

more distinctive in a consumer's mind as to where it stands in the market, how it portrays itself, and what links people should connect it to. Consumer perception is vital when a firm seeks to rebrand successfully; if a firm fails to do so, then the brand might end up failing to reposition itself, which could possibly transform the consumers' thoughts in a negative way towards the product, thus leading to a decline in sales. In other words, if a firm does not reposition properly, then tit might eventually lead to a further fall in the demand for their product, which will affect the firm's financial performance poorly. Although the firm's main goal of rebranding through repositioning is to prosper in the market segments it targets, these risks may cause the firm to suffer greatly in the long run if not taken into consideration.

Finally, the third and most vital part of rebranding is normally overlooked by many companies that aim to successfully rebrand. In order to further improve a firm's financial performance in the long-run, a firm must begin by targeting its employees. Specifically, the company must ensure that the employees throughout the corporation are enthusiastic about the product being sold prior to the rebranding process. The employees must be appropriately compensated for their efforts, and the firm must create a suitable corporate culture that fosters enthusiasm and passion from the entire chain of employees towards the new brand. This may be attained through the strategic management of the company. Although, to many, this may seem like a negligible part of rebranding, it can be the difference between making or breaking the financial sustainability of the firm with regards to the said product. Thus, prior to satisfying the customer, the firm must initially ensure that the employees selling the product interact with the consumer in a way that portrays the product in the exact way that the firm aims, thus perpetuating the vision of the new brand, and in turn increasing sales. In short, employee satisfaction is crucial to the firm's

financial sustainability, since the employees are in constant interaction with the customers and embody what the product stands for by delivering the image of the new brand as it is intended to be delivered. This will, as a result, lead to long-term customer loyalty, which will inevitably have positive effects on the company's financial performance. When a company focuses on employee satisfaction as a means of improving the image of their brand, this results in attaining customer loyalty in the long-run. As such, paying employees higher than the minimum wage and ensuring that they interact with their customers properly, will satisfy the customers in the long-run, and thus lead to improved financial performance. In short, the firm must be willing to invest more and spend more on their brand in the short-run, in order to gain sustainable growth through properly perpetuating this new brand.

Limitations

Although this was carefully conducted research, limitations and shortcomings were unavoidable. Bearing in mind that there was so much to be researched about the subject, lack of time was a major restriction, because both parties to be interviewed had a very busy schedule. Setting up a suitable time for everyone was almost impossible, not to mention the time taken up through transportation.

Overflow of information was also another restriction, as we had a wide pool of information from both B2B and B2C companies. We tried to make this research as narrow and specific as possible to keep it from becoming too broad.

Furthermore, our research could not find studies directly linking rebranding to financial performance. This is why it was necessary to adjust our searches with more specificity in order to find articles that are related to the topic, even if partially.

Due to the lack of studies on certain specific topics, another limitation we faced was the trial and error process in trying to create an accurate and applicable model for companies that would sum up the indirect connection between rebranding and financial performance.

Conclusions, Implications, and Recommendations

In conclusion, it is clear that the effects of rebranding go way beyond financial performance; in truth, it affects almost all areas of a company. Some of the most important aspects directly affected by rebranding and included in the model are brand awareness, repositioning, and employee satisfaction. These main aspects are what most companies would say they target during the process of rebranding, unlike other aspects that are affected as a consequence to the rebranding process in general. In the end, the goal for any company is to increase profits and enhance financial performance, whether it is done by rebranding or otherwise, but it is important to consider that the relationship between the two is an indirect one.

Furthermore, when the rebranding model is properly implemented by a firm, it not only taps into its market segments more effectively, but also eventually leads to financial sustainability, opening up specific potential opportunities that the company may exploit to expand. As such, the effects of rebranding can prove to alter the fate of a firm from that of a stagnant company to that of a prosperous company that is willing and able to succeed on multiple fronts, in addition to redefining its brand into an imperative value-yielding source for the firm to depend on. However, with that in mind, there are also a set of associated risks that the company faces when rebranding. If the model is not implemented properly, then the firm may either fail to retain current consumers, fail to tap into new market segments, and/or fail to reach financial sustainability. As such, the firm’s strategy must be extremely intricate and properly anticipated so that the new brand can transform the firm and become sustenance that the firm can feed off of.

With that being said, the brand equity that the firm accumulates over time is extremely difficult to sustain, and thus a firm should ensure that its corporate culture and quality remains in an upward trend over time, in terms of product quality, employee service quality, and customer retention by constantly promoting the brand in a suitable manner. Ultimately, rebranding is not merely a process that is done overnight, but is rather a long-term venture. As Warren Buffett once said, “It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently.”

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