Introduction
When a brand audit reveals the need to adjust the factors affecting the consumers’ brand image of an organization in order to grow, the organization can elect to rebrand, rename, or retire the brand. Little is currently known about the renaming option. Even more significantly, the renaming of a “company brand”, as opposed to a product brand, impacts the brand equity value of the whole organization. This paper investigates the impact that changing a service organizations’ name has on its ability to profitably grow. It analyzes the role of the service brand management process, develops benefit analysis insight in a renaming scenario, and seeks to determine the effect that renaming & repositioning has on brand equity, and offers a model to tie the organizations’ brand identity to the consumers’ brand image to develop consumer co-creation of value. The increasingly marketized field of Higher Education Institutions (HEI) provides a lens to analyze this corporate renaming model.

Literature Review
To determine adherence and continued relevancy of their strategies, tactics, positions and the effects of their marketing efforts, corporations conduct brand audits (Ambler et al., 2002). Successful brand management is critical to avoiding a branding crisis, which can lead to the accumulation of high negative brand equity (Lee et al., 2008). A brand audit revealing an unhealthy brand can result in rebranding, renaming, or a decision to retire the brand. Most often the decision has been to refocus the organization to highlight inherent market strengths (rebrand), with minor adjustments at one end of a continuum, such as tag line, logo, colors, etc., and major changes at the other, such as a full or partial renaming (Daly & Moloney, 2004). Rebranding has on one hand an existing brand, hence a past or heritage to build upon (Muzellec, 2005). Corporate rebranding involves a much wider range of pre-existing associations inside and outside of the organization (Jaju et al., 2006), and it must reposition itself in the mind of the consumer as a new entity, thus signaling that the company has significantly changed something in a way which customers’ value (Stuart & Muzellec, 2004). Repositioning is more challenging than positioning, since while positioning requires that consumers learn what a new brand represents (Kapferer, 1992), repositioning requires that they first un-learn what it no longer represents (Williams & Omar, 2010). Most repositioning literature revolves around product repositioning, with the agreement that a change in image perception is intended. Employees are crucial to communicating corporate brand values, as they are the interface between the external and internal environment, especially in services branding (Schneider and Bowen, 1993; Hemsley-Brown, 1998), thus a large communications effort with all stakeholders is needed to explain the situation prompting the changes (Gotsi et al, 2008; Kulvisaechana & Stiles, 2003). Since the organization’s personnel are the first market of any company (George & Gronroos, 1989), internal marketing must consider how the values of employees who accept the brand promise can align with the brand (Balmer, 2001). Radical name change is defined as when the new name bears no semantic link to the previous name (Robinson & Wu 2008). Wu (2008) noted that radical name changes were generally cosmetic in nature without improvement in profitability, and companies that renamed themselves were characterized by poor reputation and do so to partially rebuild/restore a firm’s reputation (Robinson & Wu 2008). While there has been much work done on rebranding, and financial analysis research conducted primarily on the effects of post-merger brand retirement valuations, little has been done in the area of corporate renaming of service organizations, and it is that gap that we will explore.

Methodology
This project extends the theory of renaming as part of rebranding by utilizing a multiple embedded case study process (Poole et al., 2000). Secondary data was gathered from private
and public sources. Over fifty depth interviews were conducted with administrators, Trustees, faculty, staff, alumni and consultants using semi-structured and open term questions which were recorded, transcribed, and analyzed for common themes and patterns. Case studies in the U. S. Higher Education market were chosen from the same Mid-Atlantic region; all are private institutions, each is in the same range of student size, thus to some extent they are competitors for the same students and stakeholders. Each has undertaken a radical renaming: McDaniel College (previously Western Maryland College), Arcadia University (Beaver College) and Stevenson University (Villa Julie College).

Background on the Higher Education Institution (HEI) Market
There are nearly 4,000 degree-granting colleges in the U.S.; 60% are public while 40% are private – and 40% have fewer than 1,000 students (Kinser, 2006). A competitive market for postsecondary education has developed with multiple stakeholders (Hoxby, 2002; Dill, 2003), and HEIs are moving toward a model of corporatization (Hemsley-Brown and Goonawardana, 2007). In an increasingly marketised and competitive higher education field driven by consumer choice and market orientation, the “corporate brand” has become an important consideration not only for top administrators, but for all employees of the HEI service organization. The issue is not whether HEIs should “adopt market-like behaviors, but whether they will be able to do so rapidly enough to remain competitive” (Pusser, 2002, p106). HEI are motivated to brand themselves for reasons ranging from a need to counteract declining enrollments; broadening the appeal of the school, signifying a merger between institutions; adapting to higher education markets; and to increase prestige (Koku, 1997; Morphew, 2001). The often rare and unique historical pattern and brand heritage of the HEI service brand is due in part to its track record and longevity, and organizational names become increasingly important (Finder, 2005; Morphew et al., 2001). As a service brand HEI brands require greater emphasis on internal marketing (de Chernatony and Segal-Horn, 2003), and brands seem to be essential to the social status of students, alumni, and employees (Hamann, et al., 2007). HEI which changed names had the least effective marketing strategies and reduced their market planning and brand management (Ferguson 1986).

Support for the research principles
Our cases reveal the six principles of a service organization corporate brand renaming process: Stakeholders, Internal Marketing, Heritage, Cost, Timing and Leadership. (fig 1 below) These principles are an outgrowth from the theory of Service Organization Corporate Brand Renaming (SOCBR) model (Williams & Omar, 2009), and is comprised of 5 parts: Motivation Drivers; Decision Factors; Reposition Options; Renaming Process and Repositioning Activities. The model addresses what Ind and Bjerke (2007) refer to as participatory market orientation, by closing the communications loop to the consumer, and by creating co-created organization brand identity and brand image. Irrespective of the motivation to rename, the model shows that three decision factors shape the process, and result in one of three outcomes: 1) rebrand and reposition; 2) rename and reposition, or 3) retire the brand. These three decision factors carry different weights depending upon past, current and future strategic actions and scenarios. In the case where the decision is to rebrand and reposition, the organization must then implement internal roll-out as well as external roll-out marketing activities. Thus the repositioning process will affect the organizations’ brand identity, or the ‘promises” the organization makes to the consumer. At some future point after the rebrand/reposition decision, another brand audit is conducted, and if the conclusion is that the brand is healthy the brand management process is designed to maintain and reinforce the new (repositioned) brand position. However if the brand is still deemed to be unhealthy, the decision factors come into play again, and the decision may now be to rename.
Thus the renaming process is part of brand management responsibility to bridge the gap between the way customers view and value the brand image (customer-based-brand-equity) and how the company wishes the consumer viewed the brand identity (company-based-brand-equity). This paper does not directly focus on the motivation drivers, decision factors, reposition options or reposition activities; rather we will concentrate on the renaming process after a decision to rename has been made.

**Principles of renaming**

The six principles of renaming service organizations were evaluated against the evidence in the three cases. All the principles were supported. Principles 1 & 2 refer to the participants involved with the renaming process, Principles 3 & 4 are more ‘technical’ issues, while Principles 5 & 6 reflect upon the implementation of the renaming process.

**Principle 1: Stakeholders** - All Stakeholders need to participate and not just be consulted, in light of the importance placed on the role of the organization brand name and the variables of a service organization.

“We commissioned a name change committee on which sat faculty, students, administrators, trustees and alums that discussed it, and talked about it, and were involved in the research project in looking at the results of the research. Then everything was reported back to the board of trustees for them to ultimately accept the recommendations coming out of the committee.”

**Principle 2: Internal Marketing** - Internal Marketing is critical, since as a service function customer touch-points, customer co-creation, communication and feedback must be considered transparent to avoid inefficiencies and brand saboteurs.

“Unfortunately I think some of the things that we heard, and some of the other internal communications did not always show [forthcoming with renaming information]. So for example if we had a faculty staff meeting and there is too much emphasis on what was and not enough on what is or what’s going to be, I think that can create dissent.”

“...she can give you a very objective view because she no longer has to spout the party line for this institution.”

**Principle 3: Heritage** - The unique story which forms an organization’s Heritage is a valuable component in the renaming process, and a building block to create Brand Equity. Not only
as a motivation to change the name to resolve negative associations, heritage must also be considered during the new name vetting process, to avoid possible stakeholder resistance.

The college was being renamed after a man associated with the college for 65 years as a student, alumnus, professor, editor of the paper, husband to the daughter of the first Board president, father of a daughter alumnus, Treasurer, vice president/acting president, and trustee.

“...Because [the consultant thought] the name chosen was stronger in terms of our heritage. And the other name was more of a push. It would have been harder for our alums... ...it would have been much harder to explain. It was much more circuitous.”

**Principle 4: Cost** - Renaming is very costly, in both direct and indirect costs, affecting the process and subsequently the repositioning activities.

“...I would say we probably should have allocated more money to continue the momentum that we had, more on a national level in the 3rd and 4th year. We planned pretty well for the first two years but then the budgets pretty much went back to where they were.......We could have gained a lot more if we had a little bit bigger budget to fund year three and four beyond what you normally would.”

“Don’t underestimate the human toll this will take on staffing... ...It just so consuming... ...definitely a 18, 19-hour day for a couple of years.”

Failure to honestly budget will impact the success of the repositioning and can result in sub-optimal post-announcement roll-out marketing activities, and a misbelief that the name announcement alone, rather than the continued development and brand management of the new positioning statement, will suffice.

“The [name change] launch, ...that was really a [one quarter] launch and we did that because we had announced it, we couldn't do anything before that, we didn't have the time to prepare for all of this while we were finishing up the University name change, so we decided to announce it and then we were in full bloom.......But different from what we do mostly, which is pitch products [degrees], we mostly are selling products; we were actually pitching the university itself. That's gone now. That will not be there again. Now we are going to add more to the branding by going back and selling the products themselves.”

**Principle 5: Timing** – The renaming process must not be rushed or it may negatively affect stakeholders and create resistance, yet not drag out and risk losing market place momentum.

“The big problem, [announce without any real stakeholder input]...they had all sorts of flack and problems. It was awful. I mean they lost donors, it was terrible.”

“I can't tell you the number of times I heard faculty, directors, administrators say, good grief, if you want to change the name, just change it. Get over all this nonsense and the spending of money and endless committee meetings that don't amount to anything. If the president wants to change it, he's going to change it anyway so just go change it and be done with it. And that comment, almost verbatim, came from all over the campus.”

“You have to be a masochist to do [the renaming process] over 4 or 5 years.”

**Principle 6: Leadership** - The relationship between the President and the Board of Trustees influences the Leadership of the organization regarding the decision factors to change the organizations’ name, as well as impacting the successful outcome of the process.
“...The name change started and ended right with [the President]. She took the lead, and she got the arrows. The board was 100% on board...we had 100% unanimous vote of the board on the name change...starting with me and the chair of the board, and the nucleus of the new board members, we all stood one together with [the President].”

Renaming is a stressful and arduous process and the leader needs “political capital”.

“I can't overstate the value of [the president] to the institution at the time, because she was beloved, not just by the alums. She garnered tremendous love, affection and support of everybody that worked at the university and I think people wanted to pull this off as much for [her] as it was for anyone else. I'm not sure it would have been as easily or as well accepted had it not been for [her]. I just have to underscore that. People just loved Bette; people would have fallen on their swords ten times if she asked them to.”

Consequently, since not all stakeholders will agree with the decision to rename, the leadership must be able to have a clear goal.

“...and I thought, how ridiculous, what does that, what does that have to do with changing a brand, the fact that the students didn't want it done? Did you think they were going to want to change the name? Do you think that was a good way to make the decision? “

**Discussion and Managerial Implications**

The decision to rename a service organization, rather than to rebrand, should not be taken lightly by the leadership of the organization. The positive associations which are built up over the years or decades are a major component of brand equity value. Brands decline when, due to mismanagement, they are no longer respected. However once the decision to rename has been made awareness of the principles of renaming can determine the effectiveness of the renaming process. If the renaming process is closely controlled, and not very transparent, many if not all stakeholders may become alienated and angry. The same lack of openness and inclusiveness can breed resentment, thus internal marketing is a key factor to avoid brand saboteurs. Unlike a product brand, the manager of an organization service brand needs to be cognizant of the wider range of touch points, especially internal stakeholders and the customer co-creation involved. The organization brand name involves a unique heritage which is embodied in the stories told and retold, and a manager must embrace that heritage during the renaming process in order to reposition all stakeholders to the new, healthy brand name. The leadership and Board of Trustees involved in renaming a service organization cannot underestimate the costs involved – direct, indirect, and soft (people). Brand equity is built up, painstakingly, over a long time horizon, and it cannot be transferred to a new name strictly based on a “one time event”; generating a one-point-in-time expense. It takes more effort to transfer the positive associations of the old name to the new name, and if the renaming budget is underfunded not only will the process be less effective, the organization runs the risk of alienating stakeholders to a degree which can severely impact the organization’s competitive position. Cost is related to timing, i.e. if you rush the renaming process to save money you may experience negative outcomes, or similarly, if you draw out the process you may demoralize your employees and customers and potentially create negative word-of-mouth. Perhaps the most important aspect to consider when renaming involves the leadership of the organization and its relationship with the process of renaming. Renaming signals something is changing and the actions of the leadership heavily influences whether the motivation is more reactive and defensive or whether it is proactive and positive; and how the brand identity and brand image can align to increase brand equity.
References


Wu, Y (2008) “Changing Corporate Names as Brand Name Investments” JEL D82; G30; G39; L14