



Three Reasons to Rebrand a Business

Changing a Brand Name can Invigorate Business

Rebranding can help businesses reflect a new company direction, incorporate an expansion of product offerings or overcome challenges.

Changing the brand name of the product or service sold can help companies survive and even thrive in a tough and changing economy. A strong brand stands as a symbol that customers can easily identify a company by. When considering rebranding, the new brand name should help a company stand out from the competition, be relevant, easily identifiable and allow room for growth as the business changes.

The reasons for a business to consider rebranding are plentiful. A merger or acquisition might warrant a brand change or if the current brand becomes irrelevant coming up with an exciting new brand can invigorate business and possibly even improve the bottom line.

Develop a New Brand When Repositioning

Whether through a merger or acquisition, companies frequently must undergo rebranding to signal change to the market and customers. Rebranding provides an opportunity to combine the traits of the current brand used by the company and combine those historic qualities with the new. For instance, a brand known for quality and reliability can use those brand attributes and incorporate with a new brand attribute like innovation.

Rebrand to Overcome Negative Perceptions

When a company is troubled with financial problems or product quality issues, rebranding is one approach to help overcome the negative perception in the marketplace.

For instance, GMAC Financial Services recently developed a new name for their financial banking arm, Ally Bank. In a [press release](#), Sanjay Gupta, chief marketing officer, stated "The Ally brand is founded on three principles: Talking straight, doing what is right for the customer, and being obviously better than the competition." He added that the Ally brand was developed following conversations with customers who want a trusted bank partner amidst the recent financial challenges in the marketplace.

Rebranding provides the perfect opportunity for a business to capitalize on a negative and turn it into a positive for the customer, much like GMAC did with their new Ally Bank brand.

Change Brand Name to Incorporate New Mission

Some companies may outgrow their current mission statement and brand identity. If this happens, rebranding provides the perfect opportunity to develop a new brand name that more accurately reflects the brand attributes the company now embraces.

When rebranding to reflect the new core values of the business, take into consideration the personality of the company, positioning of the brand and the expectations customers have of the brand. Develop a list of brand attributes that the new brand should incorporate and use those traits to help develop a new brand name that reflects the new direction of the company.

Brands provide a powerful connection between a company and their customer. When done right, rebranding can strengthen the relationship between a company and their customers while helping the company continue to grow and prosper.

Another alternative when rebranding a company is to go with a key attribute name. These timeless names work well even when your products and services change. They focus on the benefit behind your company and not the goods it currently offers. Examples include the previously mentioned Best Buy, as well as Sir Speedy, Priceline, Service Masters, TruValue, Comfort Inn, etc. By aligning with your core benefit, you can continually modify your service offerings without having to change your company name.

Re-branding your business can improve your bottom line by conveying your company's core value and brand message. It can shift your sales team's focus from a defensive posture (i.e. explaining common misconceptions about your company,) to a more productive discussion of your key benefits and solutions. If you find yourself limited by a product identified, or geographically-identified company name, rebranding offers the opportunity to clarify your image, while allowing room for future growth.

Next Blog, in April: Brand Repositioning VS Rebranding

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