

CHAPTER 4 : ANALYSIS AND RESEARCH RESULTS

Chapter 4 discusses on the analysis and the research results from the methodology adopted.

This thesis aims to answer three research questions :

1. Why do companies conduct corporate rebranding exercise ?
2. What was the impact of the corporate rebranding exercise through corporate logo changes on their market value ?
3. How successful was the corporate rebranding exercise through corporate logo changes for the company ?

The discussion on the analysis and results will be presented according to the research questions that have been explained in Chapter 1.

4.1 Results

4.1.1 Reasons for Corporate Rebranding

Based on the findings, there are a total of 23 companies that have changed their corporate logo from the year 2001 to 2010.

Table 2 : Malaysian companies that have changed their logo from 2001 to 2010

	Company	Date of Announcement	Company Status
1	Malayan Banking Berhad	19-Mar-03	Public Listed *source : www.maybank2u.com.my
2	Bonia Corporation Berhad	16-Feb-05	Public Listed *source : The Edge Newspaper
3	Telekom Malaysia Berhad	13-Apr-05	Public Listed *source : http://202.71.108.103/about- tm/newsroom/2005/050413.asp
4	MMC Corporation Bhd	25-Apr-05	Public Listed *source : http://www.mmc.com.my/conten t.asp?menuid=100042&rootid=1 00003&PressId=33
5	Affin Holdings Berhad	15-Mar-06	Public Listed *source : http://www.affinbank.com.my/n ews/170406.htm
6	MISC Bhd	31-Mar-06	Public Listed *source : http://www.affinbank.com.my/n ews/170406.htm
7	Sunway Holdings Berhad	7-Jul-06	Public Listed *source : http://www.sunwaycity.com/Cor porate_Profile.aspx
8	CIMB Bank Bhd	7-Sep-06	Public Listed *source : http://www.cimbpartners.com/in dex.php?ch=g2_ir&pg=g2_ir_ne ws&ac=147&tpt=partner
9	BIMB Holdings Berhad	21-Aug-07	Public Listed *source : http://web6.bernama.com/financ e/news.php?id=280447
10	Sime Darby Berhad	28-Nov-07	Public Listed *source : http://www.simedarby.com/
11	UMW Holdings Bhd	12-Feb-08	Public Listed *source : http://www.umw.com.my/news/

			PressReleases/Pages/080818_news_release11.aspx
12	RHB Bank Berhad	7-May-08	Public Listed *source : http://www.rhb.com.my/corporate_profile/about_us/logo/main.html
13	CSC Steel Holdings Berhad	11-Sep-08	Public Listed *source : http://www.cscmalaysia.com/index.asp
14	PLUS Expressways Berhad	24-Oct-08	Public Listed *source : http://www.plus.com.my/
15	IJM Land Bhd	21-Feb-09	Public Listed *source : http://www.ijm.com/v2/investor/ir_announcement.html
16	Axiata Group Berhad	2-Apr-09	Public Listed *source : http://www.axiata.com/media-room/media-releases?nid=3
17	Malaysian Resources Corporation Berhad	26-Jun-09	Public Listed *source : http://www.mrcb.com.my/main/index.php
18	Syarikat Takaful Malaysia Berhad	11-Nov-09	Public Listed *source : http://www.takaful-malaysia.com.my/corporate/aboutus/Pages/bursaannouncement.aspx
19	CNI Holdings Berhad	24-Dec-09	Public Listed *source : http://www.cniholdings.com.my/about/
20	Eon Capital Berhad	12-Jan-10	Public Listed *source : http://www.eonbank.com.my/
21	Wah Seong Corporation Berhad	18-Mar-10	Public Listed *source : http://www.wahseong.com/
22	Proton Holdings Berhad	21-Apr-10	Public Listed *source : http://www.proton.com/
23	Theta Edge Berhad	2-Aug-10	Public Listed *source : http://theta-edge.com/pdf/PReng-

The 23 companies included in the thesis represent 7 different industries which are shown below :

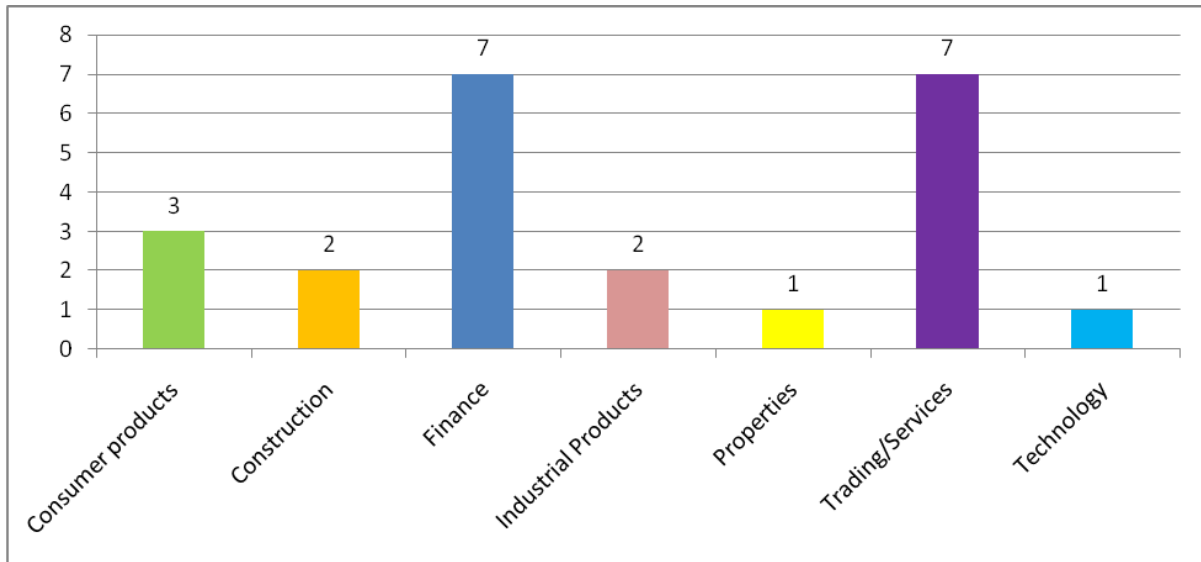


Chart 1 : The industries for the companies which have changed their logo during the period 2001 to 2010.

The largest category is the finance and trading/services industry. One of the reasons that these industries have rebranded themselves is due to consolidation, with many mergers taking place, for example RHB Bank and Sime Darby. A study undertaken by ReBrand™ also points out that financial service is the industry that is most likely to rebrand, followed by the food industry. However, in Muzellec, Doogan and Lambkin (2006)'s study, IT-Telecom companies were most likely to rebrand (22.3%), followed by the finance and insurance industry (16.3%). This was due to the pace of technological change and the wave of consolidation that has taken place in recent years for those companies (Muzellec, Doogan and Lambkin, 2006). The study by Interbrand which measured the relative importance on industries to rebrand was that luxury goods, food and beverage and financial services placed

more importance in rebranding compared to information technology (only 21%). Though there were only one company that has changed their corporate logo from the finding of this thesis, there may be more IT companies in Malaysia following the footsteps of rebranding as the industry grows and matures. Muzellec, Lambkin and Doogan (2006) also found that companies from the finance and insurance industry rebrand due to consolidation, with many mergers taking place, which is found to be consistent with the current situation in Malaysia. In the study by Horsky and Swyngedouw (1987) which examines the type of companies that are more likely to be successful in changing their name, the researcher found that these companies are companies that utilize more corporate advertising. The advertising is aimed at strengthening the corporate name and identity. From the survey of *Fortune* “500” industrial and “250” nonindustrial companies, a high percentage came from financial institutions (52% life insurance, 32% banking) and low for consumer durables.

A summary of the reason behind the change of corporate logo is presented below :

	Company	Date of Announcement	Rationale
1	Malayan Banking Berhad	19-Mar-03	The new corporate logo will reflect the nature of the company's business as well as synergize with the Maybank Group's brand
2	Bonia Corporation Berhad	16-Feb-05	The new logo reflects Bonia's new corporate vision and business mission and to be in line with the new strategies implemented to prepare for emerging retail challenges and opportunities in the future.
3	Telekom Malaysia Berhad	13-Apr-05	The rebranding exercise is to inject a new vitality to the organisation's overall image as well as instilling a fresh approach to its customer service culture. It aims to keep up with the rapid changes in the market place and technology and the last visual identity change was done in 1990.

4	MMC Corporation Bhd	25-Apr-05	Announcement of the new logo which features a fresh design incorporating three icons, integrated into a single symbol, together with the MMC name
5	Affin Holdings Berhad	15-Mar-06	The new logo aims to reflect Affin Bank Berhad's new business model that is based on the theme "Banking Without Barriers". As one part of the rebranding exercise, the new corporate logo reinforces the organisation's position as a medium-sized bank of prominence.
6	MISC Bhd	31-Mar-06	The logo aims to provide a visual representation of the renewed bold, vibrant, dynamic organisation. It symbolises a more contemporary MISC which is to be bold in approach and geared to create great partnership with all the stakeholders. It also comprises the innovative and progressive spirit as a leader in a fast changing industry.
7	Sunway Holdings Berhad	7-Jul-06	The new logo represents the strategic transformation at Sunway to synergize all its entities into a single dynamic force that propels the company into the forefront as a local and global conglomerate.
8	CIMB Bank Bhd	7-Sep-06	The new logo which is presented in 3 distinct colours represent different product ranges and market segments of the organisation. It reflects a combination of forward thinking, transparency and solidity, important characteristics of the Group universal banking business.
9	BIMB Holdings Berhad	21-Aug-07	Unveiled its new corporate logo to change the mindset of Malaysians and show that the bank is for everybody and not just Muslims
10	Sime Darby Berhad	28-Nov-07	The new logo represents the merger that took place and as a promise of how the company would move towards a global stage.
11	UMW Holdings Bhd	12-Feb-08	The new logo displays a new colour range to emphasize the importance of diversity.

12	RHB Bank Berhad	7-May-08	The essence of the new RHB brand identity logotype reflects the surge of change within the Group. The new corporate brand image and values represent the Group's efforts to streamline its core businesses and operational support in projecting the RHB brand as a single unified banking group. It also highlights RHB's driving characteristics which are modern and contemporary, confident and institutional, progressive and dynamic, fresh and vibrant and, warm and friendly.
13	CSC Steel Holdings Berhad	11-Sep-08	The unveiling of new logo is to refresh its image and brand name
14	PLUS Expressways Berhad	24-Oct-08	The launching of its new corporate logo to reflect a renewed sense of commitment and dimension
15	IJM Land Bhd	21-Feb-09	The rebranding exercise is to streamline the property business into one entity which is IJM Land Bhd. The change will change the perception that the people have of IJM which is just the contractors.
16	Axiata Group Berhad	2-Apr-09	The organisation undertook the rebranding exercise to establish itself as an independent regional identity with its own distinct aspirations and strategies. It would like to mark its presence as a key regional player in the mobile telecommunications market.
17	Malaysian Resources Corporation Berhad	26-Jun-09	With the new logo, MRCB hoped to achieve robustness in its products offering and increase the market value.
18	Syarikat Takaful Malaysia Berhad	11-Nov-09	The new logo represents a new modern, young and energetic look for the company.
19	CNI Holdings Berhad	24-Dec-09	The corporate rebranding is to instigate holistic experiences and instill a sense of dynamism as the company moves for greater heights.
20	Eon Capital Berhad	12-Jan-10	The change of logo is to give a more vibrant look and a range of brand promises it aims to provide for the customers.
21	Wah Seong Corporation Berhad	18-Mar-10	The new brand identity symbolises the company's passion for excellence and commitment to mutually beneficial partnerships. The new brand is also a tool for WSC to communicate to the global industry it is an organisation that is professional, dynamic, modern, progressive, unique, bold, confident yet friendly.
22	Proton Holdings Berhad	21-Apr-10	The new logo aims to give a new look to the company after 25 years in service and to be emerged as stronger, more confident and more sensitive towards the industry and its stakeholders.

23	Theta Edge Berhad	2-Aug-10	The organisation rebranded itself to remain relevant in a competitive industry. It also aims to adapt to changes by enhancing of the organisation's core competencies, creativity, innovation and skills of its personnel
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The findings in this study show that more companies have conducted a change of corporate logo from the period 2006 to 2010 compared to the period 2001 to 2005. This could be due to the reason that companies were still recovering from the 1998 financial crisis that impacted a lot of companies. As corporate rebranding is a costly investment, companies were reluctant to invest in rebranding themselves. However, there were companies who have decided that it is crucial to rebrand during this period in order to prepare themselves for the coming years. Relating to Muzellec and Lambkin (2006) summary of reasons why companies rebrand, the 23 companies were placed in the different reasons as to why these companies have rebranded themselves :

Change in Ownership structure	Change in Corporate Strategy	Change in Competitive position	Change in external environment
Mergers and acquisition Sime Darby Berhad UMW Holdings Bhd Theta Edge Berhad	Diversification and divestment/refocus Malayan Banking Berhad Bonia Corporation Berhad Affin Holdings Berhad Sunway Holdings Berhad CIMB Bank Berhad RHB Bank Berhad Plus Expressways Berhad IJM Land Bhd Syarikat Takaful Malaysia Berhad EON Capital Berhad	Erosion of market position None	Legal obligation None
Spin-offs and demergers	Internationalization and localization	Outdated image Telekom Malaysia	Major crisis or

None	Axiata Group Bhd Wah Seong Corporation Berhad	Berhad MMC Corporation Berhad MISC Berhad CSC Steel Holdings Berhad Malaysian Resources Corporation Berhad Proton Holdings Berhad CNI Holdings Berhad	catastrophes
Private to Public ownership		Reputation problems BIMB Berhad	
None			
Sponsorship			
None			

Table 3 : Reasons for corporate rebranding through change of corporate logo

From the findings of this thesis, majority of the companies changed their corporate logo is because the management felt that the logo is outdated and the company wanted a more refresh looking logo that will present themselves to be more modern. Some of the companies also changed their corporate logo because there was new alignment to the vision and mission for the company and the new logo aims to represent that change.

It was also found that more companies started to change their logo after 2006 compared to the earlier years and majority of the companies that have changed their logo are from the finance and services/trading companies, which amounts to 61%.

4.1.2 Impact of Corporate Rebranding Through Corporate Logo Changes on Market Value

From the analysis taken using the Capital Asset Pricing (CAPM) model to measure the expected return, some companies obtained positive abnormal return and some obtained negative abnormal returns. The results of the return obtained are presented below :

	Organisation	Industry	Event Date	Actual Return (R _i)	Expected Return	Beta	Market Return (R _m)	Risk Free (R _f)	Risk Premium	Abnormal Return
1	Malayan Banking Berhad	Finance	19-Mar-03	0.73%	1.19%	0.6050	0.14%	2.79%	-2.65%	-0.46%
2	Bonia Corporation Berhad	Consumer Products	16-Feb-05	0.00%	3.22%	-0.2622	-0.25%	2.50%	-2.75%	-3.22%
3	Telekom Malaysia Berhad	Trading/Services	13-Apr-05	3.07%	0.26%	1.4160	0.92%	2.50%	-1.58%	2.81%
4	MMC Corporation Bhd	Trading/Services	25-Apr-05	-1.04%	-2.23%	1.4974	-0.66%	2.50%	-3.16%	1.19%
5	Affin Holdings Berhad	Finance	15-Mar-06	-0.69%	2.27%	0.2960	-0.01%	3.23%	-3.24%	-2.96%
6	MISC Bhd	Trading/Services	31-Mar-06	-0.52%	1.63%	0.4964	0.01%	3.23%	-3.22%	-2.15%
7	Sunway Holdings Berhad	Construction	7-Jul-06	2.04%	-2.37%	2.1280	0.60%	3.23%	-2.63%	4.41%
8	CIMB Bank Bhd	Finance	7-Sep-06	0.00%	-1.38%	1.3998	-0.06%	3.23%	-3.29%	1.38%
9	BIMB Holdings Berhad	Finance	21-Aug-07	-1.67%	0.26%	0.7297	-0.96%	3.57%	-4.53%	-1.93%
10	Sime Darby Berhad	Trading/Services	28-Nov-07	0.00%	-0.30%	1.1242	0.12%	3.47%	-3.35%	0.30%
11	UMW Holdings Bhd	Consumer Products	12-Feb-08	0.00%	1.77%	0.5968	0.72%	3.33%	-2.61%	-1.77%
12	RHB Bank Berhad	Finance	7-May-08	3.10%	2.32%	0.4188	0.87%	3.36%	-2.49%	0.78%
13	CSC Steel Holdings Berhad	Industrial Products	11-Sep-08	-0.85%	-0.60%	0.7417	-2.04%	3.54%	-5.58%	-0.25%
14	PLUS Expressways Berhad	Trading/Services	24-Oct-08	-0.37%	-1.49%	0.7041	-3.61%	3.55%	-7.16%	1.12%
15	IJM Land Bhd	Properties	21-Feb-09	-2.67%	-3.24%	1.6161	-1.10%	2.38%	-3.48%	0.57%
16	Axiata Group Berhad	Trading/Services	2-Apr-09	4.18%	2.55%	1.440	2.36%	1.93%	0.43%	1.63%
17	Malaysian Resources Corporation Berhad	Construction	26-Jun-09	0.81%	-1.91%	2.153	0.15%	1.94%	-1.79%	2.72%
18	Syarikat Takaful Malaysia	Finance	11-Nov-09	1.59%	1.44%	0.248	-0.31%	2.02%	-2.33%	0.15%

	Berhad									
19	CNI Holdings Berhad	Trading/Services	24-Dec-09	-4.55%	3.12%	-0.655	0.27%	1.99%	-1.72%	-7.67%
20	Eon Capital Berhad	Finance	12-Jan-10	0.43%	0.34%	0.762	-0.13%	1.86%	-1.99%	0.09%
21	Wah Seong Corporation Berhad	Industrial Products	18-Mar-10	4.13%	2.12%	0.0307	0.00%	2.19%	-2.19%	2.01%
22	Proton Holdings Berhad	Consumer Products	21-Apr-10	-0.22%	2.26%	0.0823	-0.17%	2.48%	-2.65%	-2.48%
23	Theta Edge Berhad	Technology	2-Aug-10	2.58%	-0.56%	1.294	0.20%	2.80%	-2.60%	3.14%

Table 4 : Calculation of the abnormal returns of 23 companies from the period 2001 to 2010.

Table 5 presents the abnormal returns calculated for the 23 companies from the period 2001 to 2010. It is observed that 14 companies showed a positive abnormal return and 9 companies showed a negative abnormal return.

4.1.3 Measuring Success of Corporate Rebranding through Corporate Logo Changes

Figure 4 depicts the development of the cumulative average abnormal returns during the event window [-5,+5].

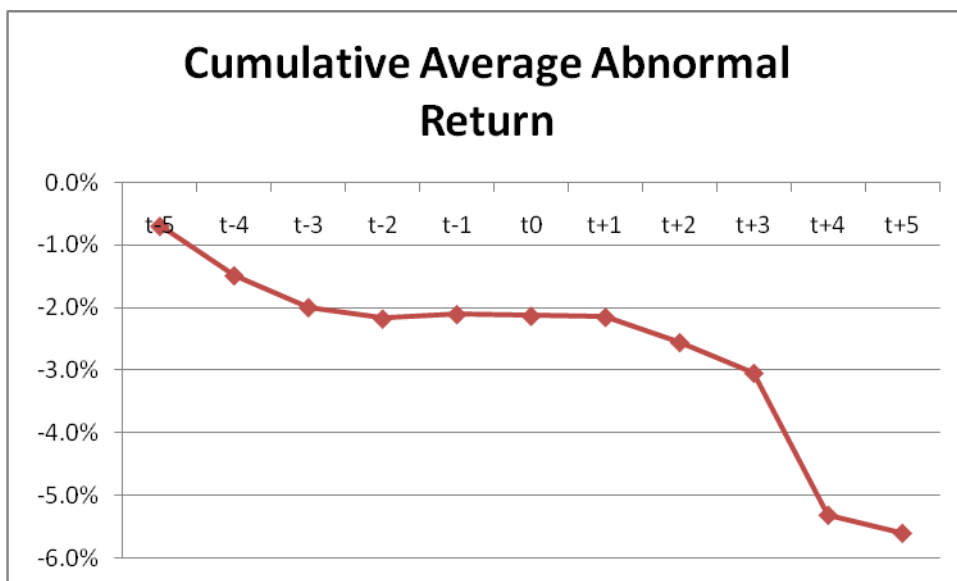


Figure 6: Cumulative Average Abnormal Return for the overall sample of 23 change of corporate logo announcement within the event window of 11 days.

Day 0 is the day when the announcement of the change was disclosed in the media. The cumulative average abnormal return in [-5, +5] is negative, -5.6%. This shows that the corporate rebranding exercise through corporate logo changes have not been very successful once it has been calculated on a cumulative basis for all 23 companies. This is consistent in Karbhari, Sori and Mohamad (2004) study on name changes for failed and non-failed firms where investors in Malaysia are generally cautious about corporate name changes. Though

the element in this study is change of corporate logo, it can be learned that changing of any elements in branding in Malaysia had no impact on shareholder wealth unless the announcement was accompanied by news of an approved corporate restructuring scheme. Unless companies do so, then these companies may not experience a wealth increase, which is what has been observed through the stock prices. It is also identified that the change in corporate logo is not to be taken lightly and companies must take serious efforts in doing so.

4.2 Testing of Hypothesis

Overall, our results do not allow rejecting the null hypothesis of no abnormal return in the event window, and particularly, there is no evidence that the announcement of the change of corporate logo has a positive impact on company's value.

Company		Timeline											
Timeline	t-5	t-4	t-3	t-2	t-1	t0	t+1	t+2	t+3	t+4	t+5	Total	
n = 23													
1	Malayan Banking Berhad	-2.07%	-0.94%	0.07%	-1.07%	-2.26%	-0.46%	-1.50%	1.42%	-1.19%	-0.77%	-0.89%	-9.66%
2	Bonia Corporation Berhad	0.40%	-6.71%	-3.09%	0.85%	-3.12%	-3.22%	-3.35%	-7.00%	0.60%	-6.86%	0.54%	-30.96%
3	Telekom Malaysia Berhad	-0.27%	2.78%	0.63%	0.49%	1.22%	2.80%	2.18%	-0.48%	0.64%	2.52%	1.32%	13.83%
4	MMC Corporation Bhd	1.75%	1.52%	1.05%	-2.05%	2.35%	1.20%	2.21%	5.39%	0.51%	0.37%	-0.98%	13.32%
5	Affin Holdings Berhad	-2.94%	-1.79%	-2.31%	1.32%	-1.65%	-2.96%	-1.54%	-0.88%	-4.33%	-2.28%	-1.54%	-20.90%
6	MISC Bhd	-1.75%	-1.62%	-1.57%	-1.60%	-1.65%	-2.15%	-1.04%	-0.76%	-2.19%	-1.75%	-1.34%	-17.42%
7	Sunway Holdings Berhad	2.67%	2.61%	6.69%	1.44%	4.77%	4.40%	1.80%	3.70%	2.81%	4.03%	2.53%	37.45%
8	CIMB Bank Bhd	0.57%	0.08%	1.04%	1.92%	2.37%	1.37%	1.17%	1.43%	1.59%	2.72%	0.04%	14.30%
9	BIMB Holdings Berhad	4.58%	1.91%	-6.39%	-0.86%	1.12%	-1.93%	0.16%	-0.95%	4.49%	-2.79%	-3.37%	-4.03%
10	Sime Darby Berhad	1.40%	1.73%	-0.35%	-0.47%	0.38%	0.30%	-0.21%	-3.24%	3.21%	-3.67%	2.21%	1.29%
11	UMW Holdings Bhd	-1.87%	-1.88%	-0.66%	-1.34%	-1.59%	-1.77%	-1.58%	-1.28%	-0.97%	0.24%	-1.47%	-14.17%
12	RHB Bank Berhad	-4.40%	-1.83%	-1.68%	-2.06%	-1.11%	0.78%	-0.87%	-2.96%	-5.21%	-1.74%	-1.99%	-23.07%
13	CSC Steel Holdings Berhad	-3.41%	0.94%	-1.29%	-0.41%	-0.51%	-0.26%	-0.26%	-4.31%	0.47%	-1.12%	-0.98%	-11.14%
14	PLUS Expressways Berhad	-0.29%	-1.38%	-0.98%	0.01%	-0.04%	1.13%	0.03%	-2.29%	-3.10%	-1.12%	-3.96%	-11.99%
15	IJM Land Bhd	-1.29%	1.94%	3.01%	3.39%	-0.64%	0.57%	4.55%	-2.34%	-0.34%	3.41%	0.59%	12.85%
16	Axiata Group Berhad	4.12%	0.44%	-3.68%	2.58%	4.68%	1.63%	0.54%	6.22%	-0.77%	-27.32%	-0.20%	-11.76%
17	Malaysian Resources Corporation Berhad	-1.18%	-3.14%	2.54%	6.56%	0.58%	2.72%	3.84%	1.56%	0.60%	-2.46%	5.98%	17.60%
18	Syarikat Takaful Malaysia Berhad	-1.75%	-0.72%	-2.45%	-1.66%	-0.84%	0.14%	-2.33%	2.43%	1.37%	-6.70%	0.13%	-12.38%
19	CNI Holdings Berhad	-3.39%	-7.95%	0.88%	-7.59%	1.47%	-7.66%	-2.84%	1.60%	-3.50%	-3.21%	1.41%	-30.79%
20	EON Capital Berhad	-1.19%	0.00%	0.83%	0.62%	-0.68%	0.08%	-0.67%	-0.61%	-0.67%	-1.26%	0.28%	-3.27%
21	Wah Seong Corporation Berhad	-2.51%	-3.73%	-1.68%	-2.12%	-2.13%	2.01%	-1.32%	-2.12%	-4.12%	-0.53%	-0.94%	-19.19%
22	Proton Holdings Berhad	-2.71%	-1.86%	-2.24%	-3.31%	-2.33%	-2.48%	-2.08%	-2.27%	-1.43%	-2.27%	-2.24%	-25.22%
23	Theta Edge Berhad	-0.42%	1.44%	-0.11%	1.17%	1.23%	3.15%	2.69%	-1.54%	0.25%	0.34%	-1.76%	6.45%
Total Abnormal Return (AR)		(15.95%)	(18.16%)	(11.74%)	(4.19%)	1.63%	(0.61%)	(0.42%)	(9.28%)	(11.28%)	(52.22%)	(6.65%)	

for time-t											
Average AR (Total AR/n)	(0.007)	(0.008)	(0.005)	(0.002)	0.001	(0.000)	(0.000)	(0.004)	(0.005)	(0.023)	(0.003)
Cumulative Average Abnormal Return (CAAR)	(0.007)	(0.015)	(0.020)	(0.022)	(0.021)	(0.021)	(0.021)	(0.026)	(0.030)	(0.053)	(0.056)
T-test on AAR p-value (degree of freedom, n-1), Two tailed	(0.223)	(0.254)	(0.164)	(0.059)	0.023	(0.009)	(0.006)	(0.130)	(0.158)	(0.731)	(0.093)
	0.8255	0.8019	0.8712	0.9535	0.9819	0.9929	0.9953	0.8977	0.8759	0.4725	0.9267
t-test on CAAR p-value (degree of freedom, n-1), Two tailed	(0.223)	(0.478)	(0.642)	(0.701)	(0.678)	(0.686)	(0.692)	(0.822)	(0.980)	(1.712)	(1.805)
	0.8256	0.6374	0.5275	0.4907	0.5048	0.4998	0.4962	0.4199	0.3377	0.1000*	0.0832*

*Null hypothesis rejection significant at the 10% level.

Table 6 : Cumulative Abnormal Return for 23 companies from the period t-5 and t+5

4.3 Background to the Case Study

Interviews were conducted on two companies to provide insights from the management's perspective of corporate rebranding.

Pos Malaysia Berhad

An interview was conducted with Pos Malaysia Berhad's (Pos) Corporate Communication Head, Ms. Pat Wahid on the 9th of March 2011 at the Pos's office. The interview was conducted to find out more about the change of Pos's corporate logo in 2009. Based on the interview conducted, a few reasons were provided by Ms. Pat Wahid as to why the decision was made to change the logo and how the change was implemented.

Pos Malaysia Berhad is the exclusive provider of mail services in Malaysia with more than 175 years of existence in Malaysia. Pos has restructured its entire operation unit into three (3) strategic business units in 2003 which consists of PosMel, Pos Laju and PosNiaga. Pos aims to continue to improve the efficiency and effectiveness of the postal service in Malaysia and over the recent years, Pos has grown more in its electronic postal network.

When it became a corporate entity in 1992, the company understands the importance of its logo as a form of its corporate identity. In 2002, Pos marked the threshold of a new era for the Postal Services Department. There was a development of a new corporate identity, personality and image which were encapsulated in Pos's new logo.

According to Ms. Pat Wahid, the decision to change the corporate logo was not an easy decision by the management. Ms. Pat Wahid listed a few reasons of the corporate rebranding in Pos's perspective :

1. The corporate image and brand does not match;
2. The corporate image and brand has not evolved together
3. Competition has increased greatly over the recent years due to the increase usage of electronic mails (e-mails);
4. Globalisation;
5. Failure to deliver the brand value that the company was supposed to deliver previously

There were fundamental steps taken by the Corporate Communication Department to ensure that the change of logo was done properly. Firstly, an assessment was conducted to decide on the impact of the change of corporate logo. Benefits and costs of the change were identified. Most importantly, the reason behind the change was analyzed. From the interview, the reason of the change is symbolise the shape of things that are to come for Pos. It heralds a new era of postal service in Malaysia and its commitment to realise Malaysia's goals outlined in Vision 2020.

When the change was conducted, the Corporate Communication Department communicated the decision of the change to all the employees of Pos to ensure that there is buy-in. There were forums and meeting sessions for the employees to post up any questions that they may have on the change. This went on for 6 months within Pos. According to Ms. Pat Wahid, it was not sufficient for the employees to just know about the change in corporate logo. The values and the brand promise were also needed to be internalised in the actions of the employees. Assessment was conducted every six months with the Unit Heads to measure the successfulness of the change. Overall, Ms. Pat Wahid has said that the change of corporate

logo was successful because the brand promises that the company aims to deliver has been delivered through the services that the company has provided.

Emery Oleochemicals Sdn Bhd

An interview was conducted with Emery Oleochemicals Sdn Bhd's (Emery) Head of Corporate Communications and the CEO Office Mr Ruj Purnariksha on the 17th of February 2011 at the Emery's office. The interview was conducted to find out more about the corporate rebranding exercise conducted. Emery has completed the rebranding exercise just over two (2) years and to measure on the successfulness of the rebranding exercise, Emery did a Brand Health Index Exercise with their global customers to understand Emery's brand positioning.

Emery was formerly known as Cognis Oleochemicals (M) Sdn Bhd and is now equally owned by Sime Darby Plantation Sdn Bhd and Thailand's PTT Chemical International Pte. Ltd. Emery in Malaysia manages the overall administrative functions of its international affiliates in the Americas, Europe and Asia. With the new joint venture, a whole new image needed to be designed to present its new name and identity. The focus of Emery is on customer intimacy, global integration, strategic investment and research and development to continuously provide innovative solutions to the customers and grow the business with them.

The new branding of Emery would mean a new culture to the organisation. In the interview, Mr. Ruj shared about the corporate rebranding exercise which he was involved in. As this was a joint venture between two (2) companies of different cultures, the first step taken for this exercise is to identify the right name for the company. According to Mr. Ruj, the name "Emery" was adopted because of its founder, Mr. Emery. Mr. Emery founded the small

company back in the 1900s before it was sold off to other companies. Mr. Ruj believed that the name “Emery” represents a rich heritage and history within the organisation.

For this corporate rebranding to be successful, the employees and a makeover of the company was required. Employees were shared about the successful stories and the history during the rebranding exercise to ensure that they understand about the new culture. Mr. Ruj shared that there was difficulty conducting the rebranding exercise for this joint venture as the two (2) companies were of different culture. Therefore, instead of using one culture and not the other, Mr. Ruj said a new culture was established within the organisation. New core values were also created within the organisation – competitive advantage, innovation, partnership and trust. Each of these core values play an important role as a brand promise Emery aims to deliver. A summary of the core value and its explanation are as below :

1. **Competitive Advantage** (*“we strive to be the best and provide value-added advantages to our stakeholders”*)
2. **Innovation** (*“we embark on the continuous improvement and offer innovative solutions to our stakeholders”*)
3. **Partnership** (*“we seek win-win collaboration with our stakeholders to derive synergies. Your success is our success”*)
4. **Trust** (*“we display integrity, responsibility and accountability to deliver results and satisfy our stakeholders’ expectations”*)

As part of the corporate rebranding exercise, Emery also created new diaries, booklets, murals which carry the new identity. These channels were used to enhance a better understanding of its new corporate identity.

To measure the successfulness of the corporate rebranding exercise, Emery conducted a Brand Health Index exercise which was used to compare Emery and its competitors according to regions. This is shown in the Appendix, “Emery Oleochemicals Brand Health Survey, 18th January 2011”.

Having analysed the two (2) case studies, it is noted that a corporate rebranding exercise is not an easy decision to be made and it requires proper consideration by the management. It also points that the corporate rebranding exercise is a long term process and the results may not be evident immediately. For example, it took 2 years for Emery to obtain the results through its Brand Health Index report. Just as it has been discussed in Chapter 2, the rebranding exercise requires the involvement of all units in the company and that the communication of the change must be done correctly and accurately, internally and externally. The communication plays an important part as a signalling device to ensure that the gap of the perception of the change will be narrowed as much as possible.