

Rebranding organisations

With the enormous amount of resources and time required to build a brand, the question invariably arises: when is it time to rebrand?

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DECIDING WHEN TO REBRAND ORGANISATIONS is probably not that different from human makeovers, which are often linked to milestones in people's lives. Divorced women who change their hairstyles and their names; middle-aged men who swap their family cars for sexy, sporty models – these people are ditching symbols of their old lives and choosing new ones that represent who they are today and where they're going.

The same goes for organisations. At a very basic level, an organisation must think about its brand and what it communicates every time it changes form, focus or direction.

Business strategy

When a business fundamentally re-thinks its business strategy, it should re-think whether its brand reflects this change. A brand is the face of the business strategy – and defines the relationship an organisation's stakeholders has with it. It is a promise made, and a promise kept. Therefore, that promise must be aligned with the business strategy. Re-think does not necessarily mean change.

Transnet

In the instance of the rebranding of Transnet, the largest state-owned logistics and transport company in Africa, and a critical player in South Africa's economy, it is important to note that, in 2004, Transnet embarked on a major restructuring (i) related to the nature of the organisation's core business resulting in the transformation of Transnet from a diversified conglomerate into a focused and integrated freight transportation company, and (ii) to reposition Transnet to respond adequately to South Africa's economic challenges.

Insights from a comprehensive research study found that:

- (i) The name, Transnet, with its inherent equity and global recognition, should be retained;
- (ii) Transnet should refresh its brand image to reflect, *inter alia*:

- Customer centricity;
- Transparency;
- Competitiveness;
- Improved communication; and
- Business unit alignment.

Therefore, the brand promise of Transnet – which previously related to moving people and cargo, and which didn't quite address Transnet's role as a catalyst in the economy, had fundamentally changed and a new brand had to reflect that reality.

(iii) The underlying business units of National Ports Authority, Spoornet, Transwerk, Petronet and SAPO, although they were wholly owned businesses of Transnet, did not present a unified face to the market, thus promoting the perception of an unintegrated offering.

The new brand, modern, yet corporate and globally on a par with its peers, reflects a new, dynamic Transnet with the core businesses of ports, rail and pipelines all aligned under the mother brand, Transnet.

The new corporate brand signals the end of a three-year transformation, repositioning Transnet as an organisation that sets the pace for economic growth.

Mergers and acquisitions

When companies merge, more often than not it is either to complement or enhance their offering or to reinforce their existing offering. That situation often leads to a merger not only of the products and services