



A Framework for Brand Rejuvenation: Private Universities in Malaysia

Khan Nasreen,^{1*} Tan Boo Chen,² Khan Shereen,³ Sarwar Abdullah⁴

^{1*, 2, 3, 4} Multimedia University, Faculty of Management, Persiaran Multimedia, 63100, Cyberjaya, Malaysia

ABSTRACT

Objective – University branding becomes critical issue due to increasing number of private universities in Malaysia. Although education efforts in Malaysia has been continuously progress, institutions have difficulties to maintain as a powerful brand in competitive industry.

Methodology/Technique – Bringing back a brand that consumers already familiar can save a lot of money. While some of institutions are able to maintain its brand image, some are still struggling even to meet the break even and unable to reposition the brand. While there are past studies and experiences on brand knowledge structures in hand, it is still confusing stage for how one could rebuild the brand image to achieve the intended positioning.

Findings – The academic literature is particularly sparse in addressing this, and it is a confusing issue for the practitioners. The research discovers the theoretical foundations that relate to rebranding concepts and most critical factors that contribute to rebuilding the brand image of private institutions in Malaysia.

Novelty – The current study seeks to shed light on the challenges of undertaking a rebranding exercise and introduce a framework that caters to the needs of brand managers at higher education institutions in Malaysia.

Type of Paper: Review.

Keywords: Brand Rejuvenation; Corporate Culture; Consumption Experience; Social Media; IMC.

JEL Classification: A10, A30, A39.

1. Introduction

Brand management is crucial in the wake of the billions of dollars lost to organizations due to brand erosion, as well as the resulting loss in confidence of stakeholders. A number of studies reveal that many brands that were leading the market many years ago are still in that position today due to their continuous development in providing value to their customers (Conlon, 2016).

* Paper Info: Revised: January 12, 2019

Accepted: March 05, 2019

* Corresponding author: Khan Nasreen

E-mail: nasreen.khan@mmu.edu.my

Affiliation: Faculty of Management, Multimedia University, Malaysia

Developing a brand identity requires firms to assess their strengths and weaknesses, to develop brand strategies that deliver a positive experience. Although an institution may have a good reputation, a lack of

brand awareness results in missed opportunities to connect with potential customers (Hanoverresearch.com, 2015). Therefore, changes must be made to regain market share (International Trends in Higher Education, 2015; Horwitz et. al., 2005).

There is an increasing number of private universities in Malaysia, as well as some branch campuses of foreign universities. Although academic development in Malaysia can be considered as a progressive step for the country, institutions often face difficulties in maintaining powerful brands in a competitive academic environment. Higher education institutions should therefore rebrand themselves in order to face the challenges in a dynamic environment (Judson et al., 2009).

Although there are some past studies and experiences on brand knowledge structures, it is still unclear what the best method for rebuilding a brand image is. Although some organizations have attempted a wide range of actions, there is little certainty about how consumers perceive a brand as being congruent with, or connected to, the self (MacInnis & Folkes, 2016). Academic literature in this area is particularly sparse and it is considered a perplexing issue for practitioners. This research examines the theoretical foundations of brand rebuilding and identifies the most critical factors that contribute to rebuilding the brand image of private institutions in Malaysia. The purpose of the study is to explore the factors of brand rejuvenation to develop a framework that caters to the needs of brand managers in higher education institutions in Malaysia.

2. Literature Review

Brand Rejuvenation refers to the major refurbishment of a brand, starting with its position in the marketplace through to a creative renaissance of the brand's identity using skillful marketing techniques (Chen, 2006). According to Aaker (1991), rejuvenation of a brand is less riskier and costly than developing a new brand, which can cost millions of dollars and is likely to fail. In addition, rejuvenation of a brand has been shown to increase customers' purchase intentions and improve customer loyalty towards the brand (Chen et. al., 2011).

2.1 The Factors that Contribute to Brand Rejuvenation

Riezebos (2003) states that consumers' form a perception towards brands when they start evaluating their personal experiences with the brand. Researchers claim that rebuilding brand image in the mind of consumers is achieved by effective interactive marketing communication (Keller, 2009), consumption experience (Riezebos, 2003), social influence (Riezebos, 2003) and corporate culture (Kotter & Heskett, 1992).

2.1.1 Interactive Marketing Communication (IMC)

Interactive marketing communication is a powerful tool for building brand image and to encourage customers to engage with a brand (Keller, 2009). A number of past studies suggest that various types of marketing communications improve brand equity. For instance, Schultz et. al. (1994) recommends that firms should use certain types of marketing communications to achieve brand equity. Research by Villarejo-Ramos (2005) further proves that customers will not be loyal simply as a result of advertising strategies, however, there is casual relationship between sales promotions and brand loyalty. Further, Kotler and Keller (2011) identify a number of IMC tools and Mongkol (2014) concludes that there is direct correlation between the integrated marketing communication and brand equity. However, advertising may not be an appropriate IMC tool to enhance brand equity. He recommends that future researchers should select the right mix of integrated marketing communication tools in order to improve brand equity. Subsequently, Luxton et. al. (2017) confirms that IMC has a considerable impact on the effectiveness of campaigns and consequently improves financial and marketing performance.

2.1.2 Consumption Experience

Nowadays, creative advertising campaigns alone does not guarantee a powerful brand image; it is the delivery of positive customer experiences that improve brand equity (Kimpakorn & Tocquer, 2010). According to Malik et al., (2012), the quality of customer service as a brand image factor plays a crucial role in the consumption experience. When customers are satisfied with the service they receive, they will form a positive image of the brand in their minds. On the other hand, Sirapracha and Tocquer (2012) strongly suggest that firms should deliver a positive customer experience as it encourages the customer to build long term relationships with the brand. Similarly, Siitonen (2017) reveals that the firms that deliver positive service experiences that customers will expect the brand image to improve. Although some studies prove that customer experience plays a crucial role in building brand image, the implications of customer experiences should be carefully managed (El Naggar & Bendary, 2017).

2.1.3 Social Influence

In comparison to traditional marketing, consumers nowadays are taking a proactive role in marketing as an active influencer. This trend gives power to consumers in building brand image, particularly on social media platforms (Hutter et. al., 2013). Hence, brand equity is no longer valued in terms of the amount of money invested in marketing communication; it is now a matter of social influence in an online environment that is highly controlled by consumers (Severi et. al., 2014). This means that when customers share their positive or negative experiences, this will have an impact on brand image (Riezebos, 2003). However, Hutter et. al. (2013) argues that the effect of social media on consumers' perception towards brands requires further in depth examination. Recently, Grubor and Milovanov (2017) confirmed that social media communication has an impact on firm brand equity. In the same way, Stelzner (2014) further reveals that consumer opinions on social media have a bigger impact on brand image.

2.1.4 Corporate Culture

A university is a service-oriented organisation that exists in an increasingly competitive environment. Throughout the years, organisations have recognised that brand messages conveyed to employees are as equally important as those expressed to customers (Judson et. al., 2009). University management should therefore develop a corporate culture that reflects the organization's missions to maintain a credible image (Schiffenbauer, 2001). Due to the ever changing environment of market competition, companies may need to change their overall corporate culture to improve their brand image and survive in the marketplace (Alvesson & Svenigsson, 2008). Recent research recommends that the popularity of its brand image and culture has helped in the success of company (Das & Ara, 2014). Thus, it has become essential for higher education institutions to consistently monitor their image in order to survive in a competitive environment (Küçüksüleymanoğlu, 2015). There is no doubt that university image is one of the most important decisions in the selection of the right university. However, there are few limited studies that demonstrate that corporate culture helps to improve the loyalty of a brand (Yang, 2010).

3. Underpinning Theories

Brand revitalization refers to the idea of refreshing the visual aspects of a brand. Babu (2006) claims that brand revitalization is the same as brand rejuvenation and considers it as "revamping of a brand." The powerful image of a brand depends on how consumers experience the brand. In order to create the desired image, company managers must develop the right marketing programs to improve the value of the brand.

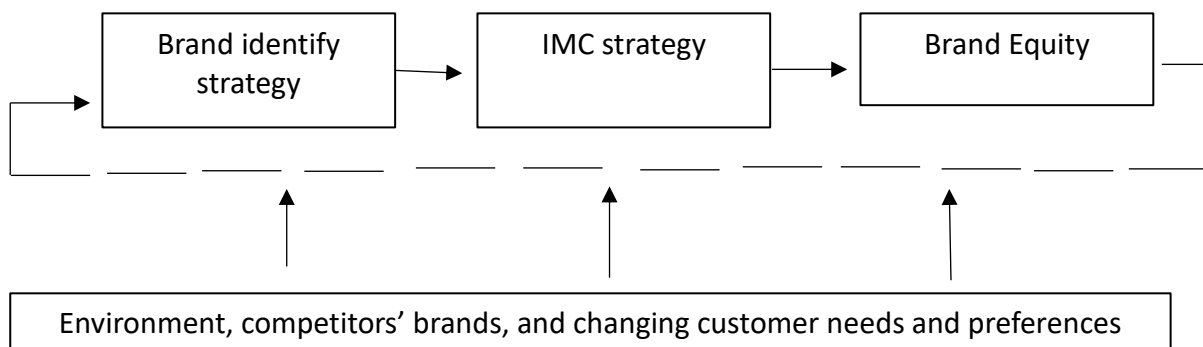
3.1 Brand Equity Model

According to Aaker (1991), “brand equity is a set of assets and liabilities linked to an organisation’s name and symbol”. He further groups the brand assets and liabilities into four categories. These are: brand loyalty, name awareness, perceived quality and brand associations. It is assumed that these categories create the value of brand and ultimately influence consumer’s purchasing decisions. Aaker further states that organizations must continuously monitor their brand image to survive in a competitive environment.

3.2 Customer Based Brand Equity

Keller (1993) points out that firms must prioritize the continuous development of their brand. He also highlights that building brand equity requires the integration of market-controlled communications (IMC) such as advertising, promotions, publicity, public relations, direct marketing, and personal selling (Kotler & Keller, 2011). Other researchers such as Schultz et. al. (1994) and Seric et. al. (2014) confirm that IMC contributes to a firm’s brand image. Based on previous research, Madhavaram et. al. (2005) proposes the below model.

Figure 1. Model Developed by Madhavaram et. al. (2005)



Source: Model Developed by Madhavaram et. al. (2005)

3.3 Theory of Brand Touchpoints

Designing customer experiences plays an important role in defining the success of a company, by improving the value to consumers. The theory of brand touchpoints emphasizes the importance of customer interaction and customer experience with the brand in a direct and indirect manner (Neslin et. al., 2006). Direct experience refers to consumers’ consumption experience whilst indirect experiences refers to communication with consumers. Carbone and Haeckel (1994) suggest that positive consumption experiences improve the brand image in the minds of consumers.

3.4 Conformity Theory

“Conformity refers to any change in behaviour caused by another person or group” (Deutsch & Gerard, 1955). The author identifies two key reasons why people conform. One is an informational influence in which a person is unsure and looks to the opinions of others who are more knowledgeable and informed. The other is a normative influence in which a person follows another’s opinions to avoid punishment. Empirical studies have proved that the opinions expressed by others have an impact on brand image, as a powerful source influencing consumer perceptions of a brand (Cascio et. al., 2014).

3.5 Concept of Organizational Culture

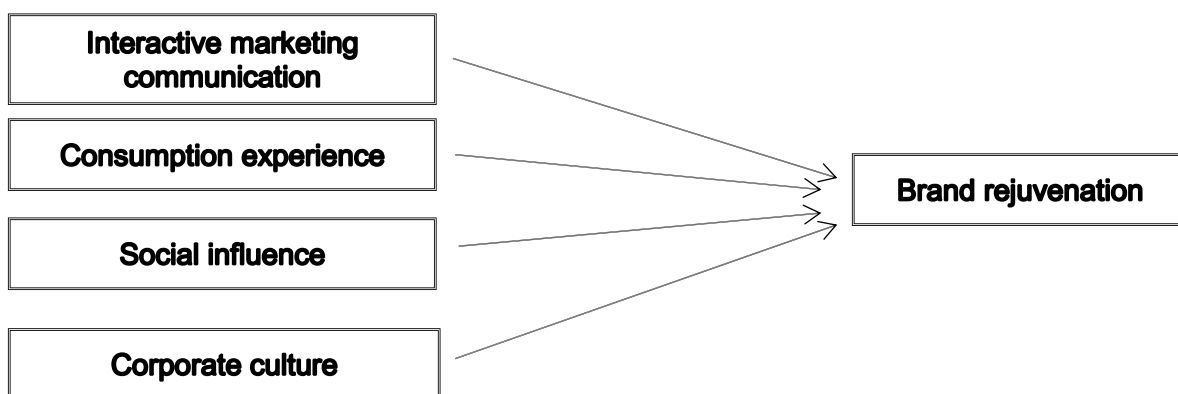
This concept describes the behaviour of individuals and groups within organizations (Schein, 1992). Schein considered the culture of stability and unity as necessities to most societies in which changes occur over time. Modern corporations nowadays need to consistently communicate their brand value to customers to survive in a competitive environment. Some empirical studies suggest that organizational culture improves corporate image for both external and internal customers (Hatch & Schultz, 1997)

4. Conceptual Framework

No matter how successful a brand is, every brand risks the possibility that it will eventually become unsuccessful. Recently, university branding has become a critical issue due to the increasing number of private universities that are struggling to meet their targeted number of students. Competition among private universities is therefore intensifying with increased supply which exceeds market demand (Szekeres, 2010). Branding in universities, or indeed rebranding, is more complicated than ever particularly in circumstances where most universities provide the same programs with similar facilities. When a corporate brand embarks on brand rejuvenation, it is important that the company changes its corporate culture to suit (Alvesson & Svenigsson, 2008).

Marketing communication also plays a significant role in building brand equity. Universities employ various marketing strategies to attract students. A number of previous studies (e.g., Foroudi et. al., 2014; Kitchen et. al., 2008) recommend that IMC is the antecedent of university brands, however, the type of IMC tool that best improves brand image has not yet been determined. On the other hand, Berry (2000) claims that word-of-mouth communications are becoming increasingly important, particularly for service organisations in which experiences are intangible in nature. Grubor et. al., (2017) states that social media communications improves all of the elements of brand equity. However, Sirapracha and Tocquer (2012) criticize the point of view that service firms should provide positive customer experiences as the only factor affecting brand image. Based on critical reviews of past theories and current research, the proposed model of this study conceptualizes that interactive marketing communication, consumption experiences, social media influence and corporate culture contribute to the brand rejuvenation of private universities in Malaysia.

Figure 2. Conceptual Framework that Contributes to Brand Rejuvenation



- H1: (a) Interactive marketing communication contributes to brand rejuvenation
 (b) Consumption experience contributes to brand rejuvenation
 (c) Social influence contributes to brand rejuvenation
 (d) Corporate culture contributes to brand rejuvenation

5. Research Methodology

This study will be conducted using extant scales from past literature, modified to reflect the study topics from the recommendations of preliminary face-validity. A cross sectional study will be used and quantitative research methods will be carried out in order to meet the research objectives of the study. Pilot testing will be carried out on 30 students in order to test the reliability of the measurement. The target respondents of this study are the students from private universities in Malaysia. Convenience sampling method will be used as this study aims to investigate the impact of the most critical factors of brand rejuvenation. A structured questionnaire with a sample size of 500 respondents will be distributed to the students from private universities in Malaysia. The main analysis is exploratory analysis, confirmatory factor analysis and structured equation modelling.

6. Conclusion

Due to the number of universities increasing both locally and internationally, competition amongst universities is highly intense, more than ever before. Some private universities are trying their best to maintain the number of students they have while some fall short of their target. There is no doubt that marketing techniques are essential for differentiating between universities to potential students (Hemsley-Brown & Oplatka, 2006). Students have been considered as the most important actors in a university; therefore, attracting students is one of the most important issues for those institutions (Wang et. al., 2012). Therefore, rebuilding a strong brand enables a university to stand out from its competitors and be more appealing to its current and potential students.

While some studies prove that brand image enables a university to stand out from the others, it is still ambiguous how those institutions can rebuild their brand image to achieve success. It is therefore important to understand the factors that contribute to brand rejuvenation. Although IMC has a positive impact on brand image, it is still unknown which type of IMC tools have the most significant impact. In addition, social media should be used as a brand communication strategy. However, in the past decade, awareness of customer experience has gradually increased. Some brands have made use of effective and creative advertising campaigns, as well as delivering positive customer experiences.

7. Future Research

The brand rejuvenation model and its importance for service marketing has been neglected in previous research. There is no evidence in the present literature concerning the method by which a company may rejuvenate its brand, particularly in the context of the education industry. The present study highlights the critical factors that influence brand image, with a particular focus on private universities in Malaysia. This paper addresses the knowledge gap in an attempt to develop a framework that identifies the relevant factors including: interactive marketing communication, social media influence, consumption experiences and corporate culture. This framework may be tested by future researchers to empirically understand how to effectively rejuvenate a brand. This study also provides important insights for further exploratory studies on brand rejuvenation in the context of the higher education industry.

In addition, this research may also help brand managers to understand the nature of their brand and the opportunities for strategically rejuvenating their brand image. Under the service dominant logic paradigm, brands are co-created with their customers. Hence, it is crucial that managers understand the factors contributing to the rejuvenation of a brand image to clarify the importance of brand rejuvenation for service – oriented organizations in competitive industries.

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