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# Unveiling Contemporary Trends: An In-Depth Analysis of the Impct of Rebranding an Brand Perceptions and Consumer Behaviour

## Introduction

A logo is an essential element of a company's brand identity as it serves as a visual representation of the brand. It is a symbol or design that encapsulates the company's values, personality, and mission, and it is often the first thing that a consumer notices when interacting with a brand. It is a visual representation of company's identity, which plays a critical role in creating a strong brand image in the minds of consumers. A well-designed logo can help a company build a strong brand and create a lasting impression in the minds of consumers.

Rebranding is the process of changing the image, name, logo, or messaging of a company, organization, or product in order to give it a new and improved identity (Chen & Hu, 2020).

There are many reasons why a company might choose to rebrand, such as a merger or acquisition, a change in company direction, need to appeal to a new demographic, or following a new trend. Rebranding can be a complex process that involves not only changing the company's name and logo, but also their marketing strategy, messaging, and even their product offerings.

Rebranding objectives:

- increase brand awareness and recognition;
- increase brand loyalty;
- expand the target audience.

Some companies may only update their logo or visual identity, while others may undergo a more extensive overhaul of their brand strategy, messaging, and marketing, which makes the topic relevant and of current interest.

**Research Problem:** Impact of logo renewal as a part of rebranding strategy on brand awareness and recognition.

**The object of the research** is logo renewal as a part of rebranding strategy**.**

**The goal:** To analyze the impact of logo renewal as a part of rebranding strategy on brand awareness and recognition. The hypothesis suggests that despite frequent logo changes, the fundamental goal of increasing brand awareness may not always be achieved. The research focuses on logo rebranding's impact on brand awareness and recognition, aiming to analyze its effectiveness as an advertising management tool.

## Current trends in branding

In the fast-paced world of marketing, staying relevant is crucial for the success of any business. However, the blind pursuit of trends in branding can prove to be a double-edged sword. There are potential pitfalls that companies may encounter when succumbing to the allure of following trends without careful consideration.

Trends in branding often emerge as responses to the evolving preferences of consumers and the dynamic nature of the market. The promise of increased visibility, engagement, and contemporary appeal can be irresistible to companies seeking to revitalize their image (Taylor & Schreiber, 2017).

One of the most significant risks associated with blindly following trends is the potential loss of authenticity. Each company has a unique identity, values, and story. Rapidly adopting trends that do not align with these core elements can result in a diluted brand identity.

Branding trends often have a finite lifespan, driven by the ever-changing tastes of consumers and the cyclical nature of design and marketing. Companies that hastily jump on the bandwagon of a trending aesthetic or messaging approach may find that their efforts become outdated quickly (Wolfe, 1998).

The widespread adoption of popular trends can lead to a homogenization of brands within a particular industry. When numerous companies embrace the same visual style or messaging strategy, they risk becoming indistinguishable from one another. This lack of differentiation hampers a brand's ability to stand out in a crowded market (Shen & Lin, 2021).

Consumers are becoming increasingly savvy and discerning in their interactions with brands. A company that habitually chases trends may be perceived as lacking a coherent, stable identity. This inconsistency can breed skepticism among consumers, who may question the company's commitment to its values and mission. Over time, this skepticism can translate into a loss of credibility and market share (Zhao et al., 2018).

The key lies in striking a balance between staying current and maintaining a strategic, timeless brand identity. Companies should carefully evaluate trends, considering whether they align with their core values and resonate with their target audience. (Hwang & Koo, 2021).

The contemporary branding landscape is marked by a dominant trend – minimalism. Key Trends in Minimalist Branding include: simplified logos, monochromatic palettes, flat design, typography focus, subtle animations, authentic imagery, environmentally conscious and branding through simplicity:

By embracing simplicity, brands not only craft visually compelling images but also establish connections with modern consumers. The impact of these trends extends beyond aesthetics, influencing how brands navigate the dynamic market landscape. Minimalism, as a design philosophy, reflects and shapes the future trajectory of branding in the 21st century, forging authentic and memorable brand identities.

## Methodology and research results

This research focuses on the recognition of company logos after undergoing renewal through a rebranding strategy. The study employs a quantitative research method, utilizing numerical data collection and mathematical analyses to observe trends and patterns. The investigation targets logos of various companies that have undergone rebranding, categorizing them based on the frequency and extent of changes made.

The online questionnaire, designed for simplicity and quick participant engagement, includes demographic questions and tasks to identify current logos among multiple options.

Specific questions inquire about current logos of well-known companies like Burger King, BMW, IKEA, KIA, Starbucks, Audi, Adidas, and Ferrari. These questions aim to gauge participants' ability to recognize logos post-rebranding and identify common misconceptions.

The research results revealed that logo recognition among consumers can be a challenging task. Thus, the data turned out to be as follows. Of the eight well-known company's logos that were presented in this study, in five cases respondents chose the wrong option and in only three cases did the majority choose the right one. The most vivid examples are presented below.

### *1. BMW*

In BMW's case, the logo has changed a total of five times in the brand's history: in 1917 (option 1), 1933, 1953, 1963, 1997(option 5) and 2020, following the trends of minimalism. The carmaker has unveiled a new logo that, for the first time in the past 100 years, no longer features the black ring. The latest rebranding saw the company settle for option number 3, which was chosen by only 16.9% of those surveyed (see figure 1). In comparison, options 2 and 4 had nothing to do with the brand and were created to make it more difficult and 32%, the made-up logo seemed the most convincing, which was almost double the result of the correct option. However, the greatest number of respondents – 46.1% – chose a real logo which has been around for 3 years and is no longer relevant.

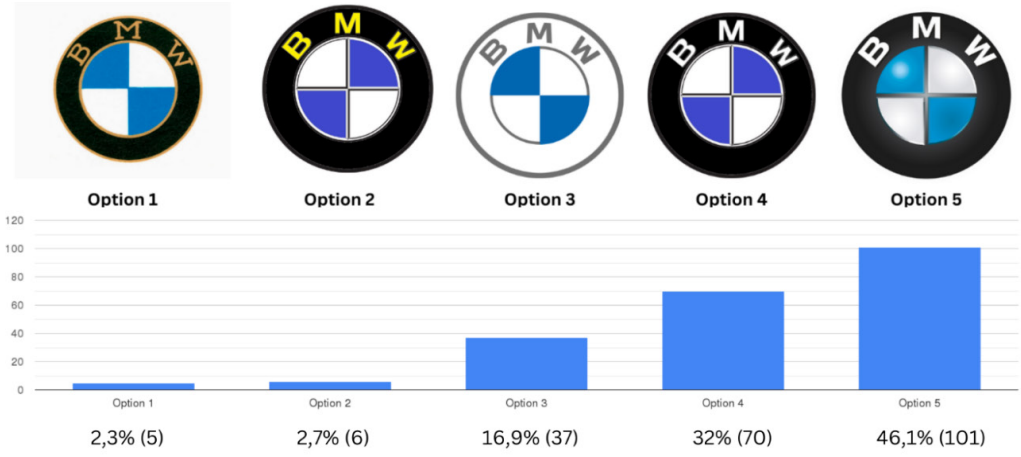



*Fig. 1.* **Visual representation of results for the BMW case**

## *2. Ferrari*

The case of the Ferrari logo is one of the most interesting in my view. The question clearly articulates the need to choose the logo of the company Ferrari, which manufactures cars. The correct choice is option 3, which was chosen by only 12.8% of respondents (see figure 2). A majority of 34.2% chose the logo belonging to the Formula 1 team, rather than to the car manufacturer. Another interesting situation in this question is that 24.2% chose a logo unrelated to the company in question. Option 2 is the Porsche logo, in which only the name of the brand is changed and 24.2% chose it, the logo of a competitor company, which is almost 2 times more than the number of respondents who chose the right answer.

This confusion may be due to the fact that both the Italian and German brands have a horse standing on its pounce in the centre of the logo. In both cases, the animal is black and the background is yellow, and they gallop in the same direction. But despite all the similarities, the companies have their identities and differences, such as the shape of the logo, hues, the presence of sectors and other elements in the logo of Porsche and the colours of the Italian flag in the logo of Ferrari.

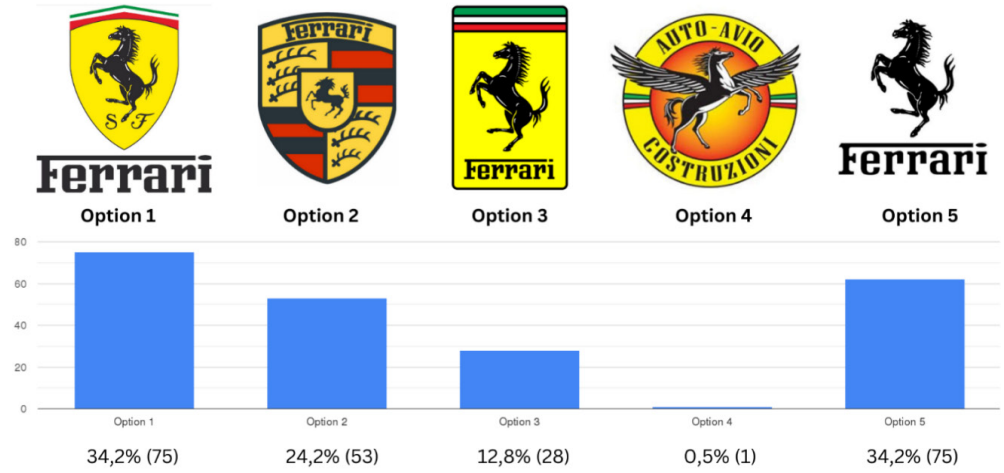



*Fig. 2.* **Visual representation of results for the Ferrari case**

## *3. Adidas*

Adidas has the lowest correct variant recognition rate of all the companies whose logos took part in this survey, with only 10.5% indicating the correct variant, which is presented in option 5 (see figure 3). One of the possible reasons for such a low result may be the relatively short lifespan of the new logo, the last rebranding was in 2022, which means that the logo is only one year old.

Another important reason for the difficulty in identifying the logo may be the fact that now there are in fact four Adidas logo options for different destinations within the same sports brand (adidas originals – option 2; adidas performance – option 4; adidas style – option 3) used simultaneously: one head logo and three destination logos, some of which also have their own logos not linked to the overall company graphic. Whenever you see sportswear, trainers or equipment with three stripes, the affiliation to a single brand is instantly recognisable. On the other hand, if you ask ordinary people to choose among the four main logos, let alone explain the meaning of each one, the results are unlikely to match reality, which has only been confirmed by this study. After all, the company itself is extremely illogical in branding its products and shops. Even products from the same collection can have completely different logos. In the same way, several logos can be placed simultaneously in the design of shops and offices. Or products from one product line (such as Adidas Originals) can be sold in shops with a sign for another product line (Adidas Performance).

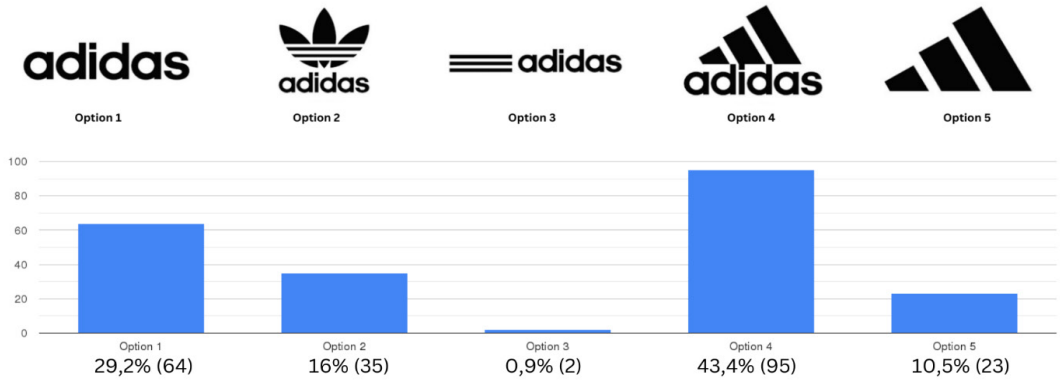



*Fig. 3.* **Visual representation of results for the Adidas case**

A consistent brand identity helps companies build brand recognition, which is crucial for building brand loyalty and increasing sales. When consumers see a consistent logo design across all marketing channels, it creates a sense of trust and familiarity, making them more likely to engage with the brand.

## Summary of the research results

The study found that companies that frequently change their logos may experience a negative impact on their brand recognition. Respondents in the study were shown logos of well-known brands and were asked to identify them. In many cases, respondents selected the wrong logo for a particular company, indicating a lack of familiarity with the brand's identity. However, the study also showed that companies that maintain a consistent logo design and branding strategy over a long period of time tend to have better logo recognition among consumers.

In the cases where the answers were correct, the logo tends to stay the same for a long time without significant changes. In the case of IKEA, the logo has hardly been worn out for more than 40 years; before that, for another 20 years, logos differing only in colour but retaining the usual idea and logo design were used. As for Audi in the 114 years that the company's logo has existed, 111 years it has been associated specifically with rings, which is a big part of the brand's history in principle. Therefore, it is not surprising that the majority chose the right option.

In other cases, however, the most common mistake was to choose a logo that was no longer relevant, outdated and no longer used by the company to present itself or its products. In the case of Adidas, the existence of multiple logos that are actively used by the company at the same time contributes to the difficulty for consumers to associate products with a particular company, and as a consequence, the presence of doubts about the quality and authenticity of products.

It's important for companies to effectively communicate and promote any changes to their brand identity to ensure that consumers are aware of them and can easily recognize them. Companies should take steps to

ensure that their logos are distinctive, recognizable, and memorable, in order to minimize the risk of confusion and increase customer loyalty.

## Conclusions

A brand's logo is a visual representation of its identity and plays a critical role in creating a strong brand image in the minds of consumers. When consumers are not able to recognize a logo accurately, it may indicate a lack of familiarity with the brand, which could affect their purchasing decisions.

The results of this study on logo recognition proves the theory that people are not able to recognize recent logos as effectively as they could with older logos. Additionally, was found that the more often companies change their logos, the lower the awareness of those logos among respondents. This suggests that frequent logo changes may not be beneficial for brand recognition and can potentially harm a company's brand equity.

For example, a successful rebranding campaign can increase a brand's visibility and recognition, making it easier for the brand to enter new markets or launch new products. A rebrand can also create a new brand identity and personality that resonates with consumers, which can make it easier to extend the brand into new categories or segments.

On the other hand, a poorly executed rebrand can have negative consequences for brand stretching. If the rebrand is confusing or fails to resonate with consumers, it can undermine the brand's existing equity and make it more difficult to extend the brand into new markets or categories. Additionally, if the rebrand is too radical, it can create a disconnect between the brand and its existing customer base, making it more difficult to retain customer loyalty.

Strategic branding requires a careful evaluation of trends, ensuring that their adoption aligns with the company's identity and long-term goals. In a landscape characterized by rapid change, the true challenge lies in crafting a brand that remains relevant while staying true to its unique narrative.

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**UNVEILING CONTEMPORARY TRENDS: AN IN-DEPTH ANALYSIS OF THE IMPCT OF REBRANDING ON BRAND PERCEPTIONS AND CONSUMER BEHAVIOUR**

**Summary**

Rebranding is a common strategy in today's competitive market, often involving changes to a company's visual identity, including its logo. This paper investigates the impact of logo renewal as part of rebranding on brand awareness and recognition. Using a survey with 219 respondents, participants were asked to identify current logos of famous brands. Results showed that frequent logo changes led to decreased recognition, with minor changes being more memorable than complete redesigns. These findings underscore the importance of strategic logo redesign and communication, as frequent changes can pose risks to brand identity. Businesses and marketers can use this insight to maintain strong logo recognition and enhance brand identity.

**Keywords:** brand awareness, aided brand recall, brand loyalty, brand renovation, rebranding.