

## **PRODUCT REBRANDING STRATEGIES AND CUSTOMER RETENTION OF BAKERY FIRMS IN RIVERS STATE**

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### **ABSTRACT**

*This study explored product rebranding strategies and customer retention of bakery firms in Rivers State. The aim of this study was to ascertain the nature of relationship that exists between product rebranding strategies (product redesign, product renaming and product repositioning) and customer retention (repeat patronage and customer referrals) of bakery firms in Rivers State. Six (6) research questions and hypotheses were developed to address the objectives of the study. The study adopted the positivism philosophy and the cross-sectional survey research design. The population of this study consisted of 33 registered bakery firms in Rivers State. A study subject of 231 managers were drawn from the 33 registered bakery firms in Rivers State. The census sampling technique was adopted in this study where all the members of the population constitute the sampling frame for the study. A structured questionnaire was used to collect data from the respondents. The data collected were analyzed using descriptive statistics and the Pearson Product Moment Correlation Coefficient ( $r$ ) was used to test the hypotheses. The analysis was performed with the aid of the SPSS version 23.0. The findings showed that product redesign has a significant relationship with repeat patronage and customer referrals of bakery firms in Rivers State. The study also revealed that product renaming has a significant relationship with repeat patronage and customer referrals of bakery firms in Rivers State. The study also found that product repositioning is a significant predictor of repeat patronage and customer referrals of bakery firms in Rivers State. Based on these findings, it is concluded that product rebranding strategies such as product redesign, product renaming and product repositioning have significant relationship with customer retention as measured by repeat patronage and customer referrals of bakery firms in Rivers State. Therefore, it is recommended that bakery firms in Nigeria should adopt product rebranding strategies such as product redesign, product renaming and product repositioning as it would increase their customer retention rate.*

***Keywords: Product rebranding strategies, product redesign, product renaming, product repositioning, customer retention, repeat patronage and customer referrals***

### **INTRODUCTION**

One of the major priorities of any business is to retain its customers and continue to maximize profit. Customer retention is a deliberate move by an organization to keep its existing customers using the resources at its disposal (Hoffman & Bateson, 2011). Customers are the main reason why business exists. Without customers, businesses cannot make profit and survive. Zangmo et al (2013) stated that current customers create extra profit for the company since they reduce operational costs associated with advertising and promotion. Therefore, business firms must do everything within their power to keep their existing customers because they are the most valuable assets that keep the organization going. These customers need to be protected and nurtured for the organization to achieve its goals.

Retaining existing customers is not just a source of revenue to an organization but also a prerequisite for business survival (Hoffman & Bateson, 2011). It is a basic necessity for businesses considering the high cost of acquiring new customers. Reichheld and Sasser in Climis (2013) noted that obtaining new customers requires new expenses for promotion and advertising. Retaining existing customers

helps a company to reduce its operating costs by avoiding the promotion and advertising costs (Lombard, 2009). For this reason, bakery firms need to make customer retention a major priority. Making customer retention a major priority is essential to firms especially those that have created a bad image for themselves over the years. Lombard (2009) noted that firms that have created a bad image for themselves over the years, need to redeem their image by transforming their product into something new and attractive to existing customers. This requires the firm to adopt a marketing strategy that will give their brand a new look. Giving a brand a new outlook cannot be achieved unless the firm implements a product rebranding strategy.

Product rebranding is one of the fastest ways of transforming the image of a product into something new and attractive to customers. It involves the creation of a new name, term, symbol, design, or combination of them for an established brand with the intention to develop a different (new) position in the minds of consumers, competitors and stakeholders (Muzellec & Lambkin, 2006). Blankson and Kalafatis (2019) stated that product rebranding goes beyond changing the name of the product to include giving the product a new outlook. It is a move that is expected to refresh the existing brand to include a change of name, mission, vision and values (Shukla et al, 2014). Such strategy is aimed at creating a fresh line of thought in the minds of consumers. Kuntjara and Lin (2014) stated that product rebranding is aimed at rebuilding a brand identity. The idea behind rebranding is to create a different identity for a brand and from its competitors in the market (Kimberley, 2009).

Product rebranding is considered as a strategic tool for managing brand in this era of change in consumer taste and preference. It helps a firm to retain its customers during this era of changing taste and preference. However, rebranding a product involves a lot of work including funding and research (Cleave et al, 2016). Therefore, a company must be very careful when rebranding its products to avoid possible mistakes in the process. Muzellec et al (2003) stated that rebranding involves four stages namely; redesigning, repositioning, renaming and launching. According to them, redesigning deals with the aesthetics of the brand and the tangible components like style, logo, shape, size and visual appearance. Repositioning is the process of developing a new position in the minds of the consumers. Renaming is embarked upon when the company announce that it will be developing a new strategy, reforming its activity or changing ownership; while launching connotes how the target audience will see the new brand (Muzellec et al, 2003). Slatten and Hedenstad (2015) opined that a firm that adopts product rebranding strategies stands a better chance of retaining its customers. It is against this backdrop that this study examines the relationship between product rebranding strategies and customer retention of bakery firms in Rivers State.

### **Statement of Problem**

The bakery industry in Nigeria is highly competitive due to the large number of bakery firms in the industry. The large number of bakery firms have given customers more options as they can easily switch from one brand to another. The rate at which customers switch from one brand to another has become so worrisome to bakery operators in Rivers State. This increasing switching behaviour has made bakery operators to intensify their efforts to retain their customers. However despite the efforts made by some of these bakery operators to retain their customers, their customer switching behaviour is still very high. This high switching behaviour could be attributed to poor brand image and reputation. Given this situation, it becomes imperative for these firms to redeem their image by rebranding their products to give it a new look and make it more attractive to their existing customers. It is argued in this study that product rebranding strategies can help to achieve customer retention. However, there is no substantial evidence to support this claim as empirical studies that examined the product rebranding strategies and customer retention of bakery firms in Rivers State. Hence, the need for this study.

### Conceptual framework

The conceptual framework of product rebranding strategies and customer retention is shown in figure 1 below:

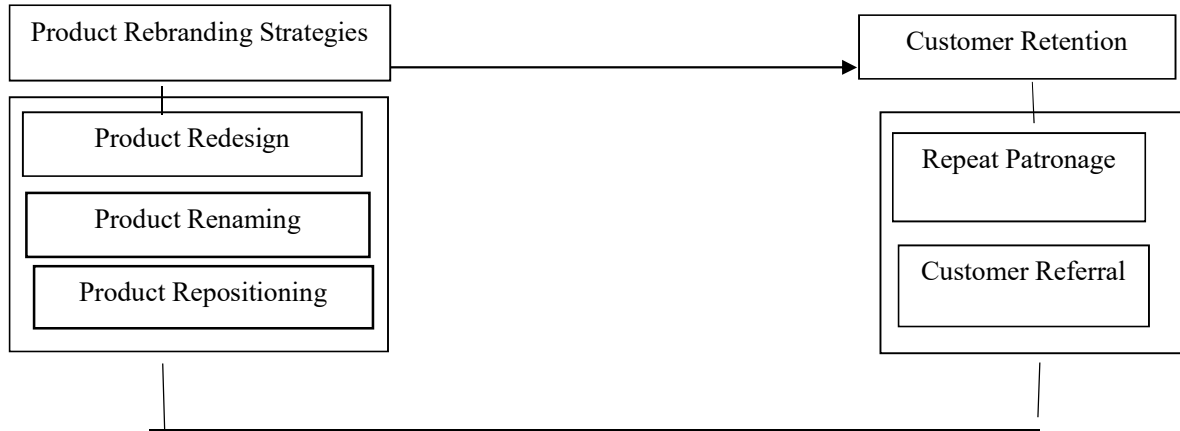


Fig 1: Conceptual framework of product rebranding strategies and customer retention

### Aim and Objectives of the Study

The aim of this study was to explore the relationship between product rebranding strategies and customer retention of bakery firms in Rivers State. The specific objectives are to:

1. ascertain the relationship between product redesign and repeat patronage of bakery firms;
2. find out the relationship between product redesign and customer referrals of bakery firms;
3. determine the relationship between product renaming and repeat patronage of bakery firms;
4. explore the relationship between product renaming and customer referrals of bakery firms;
5. ascertain the relationship between product repositioning and repeat patronage of bakery firms;
6. determine the relationship between product repositioning and customer referrals of bakery firms.

### Research Questions

The following questions were developed to address the objectives of this study:

1. To what extent does product redesign relate to repeat patronage of bakery firms in Rivers State?
2. To what extent does product redesign relate to customer referrals of bakery firms in Rivers State?
3. To what extent does product renaming relate to repeat patronage of bakery firms in Rivers State?
4. To what extent does product renaming relate to customer referrals of bakery firms in Rivers State?
5. To what extent does product repositioning relate to repeat patronage of bakery firms in Rivers State?
6. To what extent does product repositioning relate to customer referrals of bakery firms in Rivers State?

### Research Hypotheses

The following hypotheses are formulated to guide this study:

Ho<sub>1</sub>: There is no significant relationship between product redesign and repeat patronage of bakery firms in Rivers State.

Ho<sub>2</sub>: There is no significant relationship between product redesign and customer referrals of bakery firms in Rivers State.

Ho<sub>3</sub>: There is no significant relationship between product renaming and repeat patronage of bakery firms in Rivers State.

Ho<sub>4</sub>: There is no significant relationship between product renaming and customer referrals of bakery firms in Rivers State.

Ho<sub>5</sub>: There is no significant relationship between product repositioning and repeat patronage of bakery firms in Rivers State.

Ho<sub>6</sub>: There is no significant relationship between product repositioning and customer referrals of bakery firms in Rivers State.

## **Review of Related Literature**

### **Concept of Product Rebranding**

Product rebranding is an innovative effort by an organization to adjust its products in line with the changes and developments in the environment to create a new look (Kaikati, 2003). Daly and Moloney (2004) defined product rebranding as the process of changing the appearance of a product with a view to give it a new look, new identify and new image. The aim of product rebranding is aimed at rebuilding the brand identity (Kuntjara & Lin, 2014). The idea behind rebranding is to create a different identity for a brand and from its competitors in the market (Kimberley, 2009). A firm that wants to rebrand its product must change the product design, rename the brand, change the brand identity, reposition it in the market, and create awareness of the branded product. Changing the product design involves the modification of the product design in order to give it a new outlook that is attractive to customers. Repositioning requires an adjustment of the product image in order to occupy a new position in the minds of the consumers, competitors and other stakeholders. This process does not change the brand but change the image of the existing brand in the minds of the consumers and stakeholders.

Changing the brand identity is an important aspect of the rebranding process because it tends to give the existing product a new identity that is distinguish from the old one. This process involves differentiating the product from competitors' own, building a strong brand recognition and ensuring accessibility (Venkatalakshmi, 2015). Creating awareness of the rebranded product is essential in the rebranding process because without making consumers and stakeholders to know the new brand identity, the rebranded activity will be a wasteful effort. A good product rebranding can help to ensure survival of business firms. According to Merrilees and Miller (2008), product rebranding strategy enables a firm to improve the performance of its product which will in turn attract more customers to the brand. When more customers are buying the product in the market, the company will be able to maximize profit and survive in the midst of competition from their larger rivals. Shetty (2011) opined that rebranding helps to boost public image of a brand. When a brand image increases, it will attract more customers to the product and this will increase sales and market share of the manufacturer.

### **Dimensions of Product Rebranding**

Product rebranding strategies can take the form of product redesigning, product repositioning, product renaming or launching (Griffin, 2002; Muzellec et al, 2003; Merrilees & Miller, 2008; Venkatalakshmi, 2015; Blankson & Kalafatis, 2019). These dimensions of product rebranding strategies are discussed below:

**Product Redesign**

Redesigning product is the first stage of product rebranding. It involves the change in the physical appearance of the product including its shape, size and logo (Merrilees & Miller, 2008). Muzellec et al (2003) stated that product redesigning deals with the aesthetics of the brand and the tangible components like style, logo, shape, size and visual appearance. Changing the product design involves the modification of the product design in order to give it a new outlook that is attractive to customers (Griffin, 2002). Before a company decides to redesign its product, it must first of all identify what it needs to change in the product and the extent of such change will determine the extent of the rebranding process. This can include a radical change of name, logo and even slogan. (Griffin, 2002). The design of a product has a great influence on consumer buying decision. Slatten and Hedenstad (2015) reported that 90% of consumers base their buying decision on the visual effect of a product such as the colour and logo design. However, when people become familiar with the current design of a product, they tend to resist any further change in the product design (Blankson & Kalafatis, 2019). Slatten and Hedenstad (2015) raised the concern that a change in product design immediately raises the concern over the scope of change. According to them, change in product design should be balanced to ensure that there is retention of novelty and familiarity in the minds of the consumers.

**Product Renaming**

Product renaming is the process of giving a product a new identity, new name, new symbol and new logo (Shukla et al, 2014). Kazemi et al (2013) defined product renaming as the process of changing the name of a company's product or brand. Product renaming is a critical element of the rebranding process. Azizo (2019) stated that many companies that rebrand their product attached much importance to renaming. Muzellec et al (2003) stated that product renaming is embarked upon when a company announces that it will be developing a new strategy, reforming its activity or changing ownership. Kazemi et al (2013) gave reasons why companies need to change its product name when rebranding. According to them, companies undergoing rebranding process need to change their brand name when the name is too specific and limiting, outdated, provincial, as well as when the renaming is a temporary solution, or the business is evolving due to merger or acquisition. Product renaming brings about a new brand identity. According to Venkataksmi (2015), brand identity appeals to the sense of consumers and amplifies recognition, differentiation and accessibility. Kazemi et al (2013) stated that identifying with a brand psychologically create positive perceptions among consumers and this motivates them to make purchase the brand.

**Product Repositioning**

Product repositioning is a critical element in any rebranding initiatives as most of the changes made to the existing brand are done with the aim of changing the image of the brand (Lee et al, 2014). By repositioning, it means the process of developing a new position in the minds of the consumers (Muzellec et al, 2003). Azizo (2019) stated that repositioning is essential when a company decides to develop a new position in the minds of their target consumers. Blankson and Kalafatis (2019) posited that product repositioning is meant to adjust the image of the company and ensures that it occupies a new position in the consumers' minds. However, it should be noted that the repositioning process does not change the brand but changes the image of the existing brand in the minds of the consumers. People always react when a company reposition its product (Norlander, 2007). Some companies intend to build a sense of allegiance in the thoughts of consumers while others seek to attain new brand values from existing customers. Lee et al (2014) noted that companies that reposition their product in an effort to acquire a new client base stand a better chance of improving their brand identity in the market. Azmat and Lakhani (2015) stated that brand repositioning has a strong influence on the psychological and competitive position of a firm. Therefore, a company

needs to strike a balance between introducing a new brand into the market and repositioning the visual aspects of the product.

### **Concept of Customer Retention**

Customer retention is the ability to withstand competition through keeping customers for repeat business over a long period of time (Gronroos in Mandina & Karisambudzi, 2018). Mostert et al (2009) defined customer retention as the action taken by an organization to ensure that its existing customers continue to do business with the company. Kagendo (2015) conceptualized customer retention as a practice whereby a selling organization maintains its customers by creating a need and satisfying them consistently. Customer retention is crucial to the growth and survival of an organization. It helps an organization to improve its competitiveness and profitability (Sarwar et al, 2012). Besides, it is cheaper to retain customers than to acquire new ones (Singh & Imran, in Magatef & Tomalieh, 2015). Talak and Albert (2013) agreed with this opinion when they stated that it is five times cheaper to retain customers than to acquire new ones. However, retaining customers is not an easy task for business organizations. It requires a concrete effort from companies and this includes offering products and services that meet or surpass customer expectations (Malla, 2014). Ocloo and Tsetse (2013) noted that companies find it difficult to achieve a high customer retention rate due to the low switching cost. However, successful customer retention starts with first contact with the customer and continues throughout the business lifetime (Amulya, 2013). Danish et al (2015) stated that a company can be able to retain significant number of their customers at the end of the year if they provide quality products and services that meet or surpass customer expectations.

### **Measures of Customer Retention**

In literature, customer retention is measured using various indicators. Therefore, this study measures customer retention using repeat patronage and customer referrals. These measures are discussed below

#### **Repeat Patronage**

Repeat patronage is the willingness and desire of a consumer to re-patronize a particular product, service or organization despite the presence of other competing product, service and organizations (Choi & Chu, 2001). Kozak (2001) defined repeat patronage as a behaviour whereby a customer consistently patronizes a particular product or service provider irrespective of the fact that there are other organizations within the locality offering similar product or services. Repeat patronage is a crucial factor that enhances organizational competitiveness. According to Amelia (2017), repeat patronage gives a company an edge over its competitors. It helps to sustain sales growth and increase profit margin. Garga and Bambale (2016) posited that repeat patronage is the desire of every organization because it helps to sustain the customer base of the organization. An organization that enjoys repeat patronage from its customers stands the chance of achieving business success. Panda (2013) stated that increasing repeat patronage is the key priority for business managers as it helps to sustain the customer base of the firm and increase profit margin.

#### **Customer Referrals**

A referral is a customer who tells his or her friends, family members and colleagues about a product or brand using word-of-mouth marketing tactics (Schmitt et al, 2013). Sometimes, when a customer refers the product or service of a company to his or her friends and family members, and these persons purchase the product or service, the referral will get a reward from the company if the company initiates a referral program (Tuk et al, 2009). Many companies have set-up a referral program to help boost the level of customer patronage and sales (Walsh & Elsner, 2012). Marketers understand that referrals generate more customers for the company than other advertising program. According to a study conducted among B2B marketers on the contributions of referral programs to

their company's leads, it was reported that 78% of the marketers said that referral programs generate good or excellent leads; 60% revealed that referral programs generate high volume of leads; while 54% said that referral programs have a lower cost per lead than other channels (Jin & Huang, 2014). Companies need to encourage customer referrals in order to increase their level of customer patronage and sales.

### **Theoretical Framework**

This study adopted the image restoration theory which was developed by William Benoit in the 1990s. The theory highlights strategies that can be adopted by individuals and organizations to restore their image in a situation where their reputation has been damaged (Benoit & Pang, 2008). The theory tends to emphasize the need for individuals and corporate organizations to protect and redeem their image in an event that has caused serious damage to their reputation (IvyPanda, 2019). Image restoration theory is often used to understand personal or organizational crisis situation and how the victims can restore their image from damaging. The theory outlines the different strategies which individuals and organization can use when faced with a crisis that has damaged their image (Avraham, 2013). These strategies range from denial, evading responsibility to reducing offensiveness among others (Benoit & Pang, 2008). When there is a crisis that poses a threat to the image of a person or organization, the reputation of the accused person or organization is at risk, and the image restoration or repair theory offers a solution to the problem.

The image restoration theory is very relevant in explaining the need for product rebranding as a strategy of retaining existing customers of bakery firms. The image restoration theory believes that bakery firms with a negative reputation need to rebrand their products in order to restore their image and retain their customers. Some bakery firms rebrand their products in order to shed negative images obtained in the past and retain their esteem customers. Lomax et al (2002) opined that the impression and perceptions which external clients such as customers, investors and stakeholders hold about an organization is a strong driver of product rebranding. Here, entrepreneurs can use products rebranding to hide malpractices and shed negative connotations about the company. The image restoration theory argues that bakery firms that held a negative image in the past need to rebrand their products in order to restore their image and retain their esteem customers.

### **Empirical Review**

Previous studies have been conducted in the area of product rebranding strategies and customer retention. For instance, Worimegbe and Ifedayo (2020) examined the relationship between corporate rebranding and customer retention in telecommunication firms in Nigeria. The researchers used corporate identity, repositioning, perceived quality and product features as their dimensions of corporate rebranding and relate each of them to customer retention. The study adopted the descriptive survey research design and used a structured questionnaire to gather data from 322 9Mobile customers at the 9mobile customer care centres in Oyo State with the aid of research assistants. The data collected for the study were analyzed statistically while the hypotheses were tested using simple regression analysis. The findings revealed that corporate reposition, corporate identity and perceived quality significantly affect customer retention while product features was insignificant in explaining customer retention variation in the telecommunication industry.

Muzellec and Lambkin (2006) explored corporate rebranding and how such strategy can destroy, transfer or create brand equity. The researchers adopted the cross-sectional survey research design and used a structured questionnaire to collect data from managers in 166 rebranded companies in the United States. The data collected were analyzed using mean and standard deviation while the formulated hypotheses were tested using simple regression analysis and the SPSS. After analyzing

the data collected from the respondents, the researcher found out that the decision to rebrand is motivated by structural changes especially mergers and acquisitions, which have a fundamental effect on the company's identity and core strategy. The study also revealed that a change in marketing aesthetics affects brand equity less than any other factor like employee behaviour. The study equally revealed that firms that have a link with university can excel in product development and innovative outputs.

Chemayiek (2005) examined consumer's perception of corporate rebranding strategy adopted by Kenya Airways. The aim of their study was to determine the relationship between rebranding and consumers' perceptions of Kenya Airways, and the moderating effect of customer value. The researcher adopted the descriptive cross-sectional survey research design where a structured questionnaire was used to collect data from 384 Airtel/Telkom customers in Nairobi, Kenya. After analyzing the data collected using descriptive statistics such as percentage and frequency tables, mean and standard deviation and influential statistics such as Pearson correlation, regression analysis, ANOVA and SPSS software program, the researchers discovered that rebranding has a significant positive effect on customer perceptions of Kenya Airways. The study also revealed that customer value does not significant moderate the relationship between rebranding and customer perception of Kenya Airways.

Nichell (2019) explored the effect of corporate rebranding on consumers' attitudes and behaviour with a particular reference to the case of Lufthansa rebranding. The researcher focused on evolutionary rebranding of Lufthansa Airlines in Germany and United States, and its impact on consumers' attitudes and behaviour. The researcher adopted the case study research design where data were collected from 446 customers of Lufthansa Airlines in Germany and United States with the aid of a structured questionnaire. The data were collected analyzed using percentage and frequency tables, mean and standard deviation while the linear regression analysis was used to test the hypotheses. The findings revealed that consumers perceive evolutionary rebranding of Lufthansa Airlines as a strategy that has yielded positive results in terms of giving them a positive and memorable flight experience. The study also revealed that brand experience and brand familiarity affect consumers' behaviours towards the rebranding of the airlines.

Muthoni (2018) investigated the influence of strategic corporate branding on customer satisfaction with a particular focus on mobile service providers in Kenya. The study adopted the descriptive research design and the qualitative research approach where questionnaire comprising of both structured and unstructured questions was used to collect data from business practitioners in Netherlands. The data collected were analyzed using descriptive statistics such as percentage and frequency tables, mean and standard deviation and influential statistics such as Pearson correlation, and regression analysis which were computed with the aid of SPSS software program and MS Excel. After analyzing the data collected, the researchers found out that brand association, perceived quality and brand awareness have positive and statistically significant relationship with customer satisfaction of mobile service providers in Kenya.

Nana et al (2019) carried out a study to determine the impact of corporate rebranding on brand equity and firm performance in India. The researchers adopted the descriptive survey research design and the quantitative research approach where data were collected from 73 managers of service organizations with the aid of a structured questionnaire. The data collected were analyzed using descriptive statistics such as percentage and frequency tables, graphs, charts, measure of variance, mean and standard deviation, while the regression analysis and ANOVA were used to test the hypotheses. The finding showed that corporate rebranding has a significant positive relationship

with their brand equity. The study also found a significant relationship between corporate rebranding and firm performance (as measured by profitability, customer satisfaction and customer loyalty).

### Gap in Reviewed Literature

From the literature review, two major gaps were identified. First, it was observed that most of the studies conducted on rebranding strategies were carried out in large organizations while empirical studies that examined rebranding strategies in small firms are absent or limited. Secondly, it was observed that most of the previous studies conducted on rebranding strategies focused on the service industry such as the telecommunication sector and higher institutions while empirical studies that relationship between product rebranding strategies in manufacturing sector such as the bakery firms are limited. This has created a gap in academic literature which this study attempts to fill by exploring the relationship between product rebranding strategies and customer retention of bakery firms in Rivers State.

### METHODOLOGY

This study employed positivist research philosophy and cross-sectional survey research design. The population of this study consisted of all the 33 bakery firms registered with the Rivers State Ministry of Commerce and Industry as at 30<sup>th</sup> April, 2023 (Commercial Department, Rivers State Ministry of Commerce and Industry). The unit of analysis comprised managers of the registered bakery firms in Rivers State. The managers include general managers, production managers, marketing managers, strategic managers, operational managers, sales managers and customer relationship managers. A population of 231 managers of the above mentioned categories were drawn from the 33 registered bakery firms in Rivers State. The census sampling technique was adopted in this study where all the members of the population constitute the sampling frame for the study. A structured questionnaire was used to elicit data from the respondents (managers) regarding their product rebranding strategies and its relationship with customer retention. The questionnaire was structured on a four (4) point modified Likert-scale type which range from Strongly Agree, Agree, Disagree to Strongly Disagree. Two hundred and thirty-one (231) questionnaires were administered to the respondents (managers) of the bakery firms in Rivers State and 188 copies were collected. The data collected were analyzed using descriptive statistics while the hypotheses were tested using the Pearson Product Moment Correlation Coefficient ( $r$ ). The correlation analysis was processed with the aid of the SPSS software program version 24.0.

### Empirical Results and Discussion

The results of the correlation analysis performed between product rebranding strategies and customer retention were presented in this section. The data collected on the predictor variables (product redesigning, product renaming and product repositioning) were correlated with those data obtained on the criterion variables (repeat patronage and customer referrals) using the Pearson Product Moment Correlation Coefficient ( $r$ ). This correlation analysis was processed with the use of the SPSS software program version 24.0. The results of the SPSS correlation analysis are presented in the tables below:

**Table 1: Result of correlation analysis between product redesigning and repeat patronage of bakery firms**

			Product Redesign	Repeat Patronage
Pearson	Product	Correlation Coefficient	1.000	.761**
( $r$ )	Redesign	Sig. (2 tailed)	.	.001
		N	188	188

Repeat Patronage	Correlation Coefficient	.761**	1.000
	Sig. (2 tailed)	.001	.
	N	188	188

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

Source SPSS-generated Output

Table 1 shows the result of correlation analysis performed between product redesign and repeat patronage of bakery firms in Rivers State. The result indicates that product redesign is strongly and positively correlated to repeat patronage ( $r = .761$ ) and the symbol \*\* signifies that this correlation is significant at 0.01 level. As a result of this, we then reject the null hypothesis ( $H_{01}$ ) and accept the alternate hypothesis which states that there is strong positive and significant relationship between product redesign and repeat patronage of bakery firms in Rivers State.

**Table 2: Result of correlation analysis between product redesigning and customer referrals of bakery firms**

			Product Redesign	Customer Referrals
Pearson (r)	Product Redesign	Correlation Coefficient	1.000	.829**
		Sig. (2 tailed)	.	.001
		N	188	188
	Customer Referrals	Correlation Coefficient	.829**	1.000
		Sig. (2 tailed)	.001	.
		N	188	188

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

Source SPSS-generated Output

Table 2 presents the result of correlation analysis performed between product redesign and customer referrals of bakery firms in Rivers State. The result shows a strong positive correlation between product redesign and customer referrals of bakery firms ( $\rho = .829^{**}$ ) and this correlation is significant at 0.01 level as indicated by the symbol \*\*. Based on this result, the null hypothesis ( $H_{02}$ ) is rejected and the alternate hypothesis is accepted. This means that there is very strong positive and significant relationship between product redesign and customer referrals of bakery firms in Rivers State.

**Table 3: Result of correlation analysis between product renaming and repeat patronage of bakery firms**

			Product Renaming	Repeat Patronage
Pearson (r)	Product Renaming	Correlation Coefficient	1.000	.534**
		Sig. (2 tailed)	.	.001
		N	188	188
	Repeat Patronage	Correlation Coefficient	.534**	1.000
		Sig. (2 tailed)	.001	.
		N	188	188

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

Source SPSS-generated Output

Table 3 contains the result of correlation analysis performed between product renaming and repeat patronage of bakery firms in Rivers State. The result shows that product renaming has a moderate and positive correlation with repeat patronage of bakery firms ( $r = .534^{**}$ ) and the symbol  $^{**}$  indicates that this correlation is significant at 0.01 level. Consequently, the null hypothesis ( $H_{03}$ ) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is moderate positive and significant relationship between product renaming and repeat patronage of bakery firms in Rivers State.

**Table 4: Result of correlation analysis between product renaming and customer referrals of bakery firms**

			Product Renaming	Customer Referrals
Pearson (r)	Product Renaming	Correlation Coefficient	1.000	.513 $^{**}$
		Sig. (2 tailed)	.	.001
		N	188	188
	Customer Referrals	Correlation Coefficient	.513 $^{**}$	1.000
		Sig. (2 tailed)	.001	.
		N	188	188

$^{**}$ Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

*Source SPSS-generated Output*

Table 4 presents the result of correlation analysis carried out between product renaming and customer referrals of bakery firms in Rivers State. The result shows that product renaming is moderately and positively correlated to customer referrals of bakery firms ( $r = .513^{**}$ ) and this correlation is significant at 0.01 level as indicated by the symbol  $^{**}$ . Based on this result, the null hypothesis ( $H_{04}$ ) is rejected and the alternate hypothesis is accepted. This implies that we then accept that there is moderate positive and significant relationship between product renaming and customer referrals of bakery firms in Rivers State.

**Table 5: Result of correlation analysis between product repositioning and repeat patronage of bakery firms**

			Product Repositioning	Repeat Patronage
Pearson (r)	Product Repositioning	Correlation Coefficient	1.000	.717 $^{**}$
		Sig. (2 tailed)	.	.001
		N	188	188
	Repeat Patronage	Correlation Coefficient	.717 $^{**}$	1.000
		Sig. (2 tailed)	.001	.
		N	188	188

$^{**}$ Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

*Source SPSS-generated Output*

Table 5 contains the result of correlation analysis carried out between product repositioning and repeat patronage of bakery firms in Rivers State. The result shows that product repositioning is strongly and positively correlated to repeat patronage of bakery firms ( $r = .717^{**}$ ) and the symbol  $^{**}$  indicates that this correlation is significant at 0.01 level. Hence, the null hypothesis ( $H_{05}$ ) is rejected and the alternate hypothesis is accepted. This implies that we then accept that there is

strong positive and significant relationship between product repositioning and repeat patronage of bakery firms in Rivers State.

**Table 6: Result of correlation analysis between product repositioning and customer referrals of bakery firms**

			Product Repositioning	Customer Referrals
Pearson (r)	Product Repositioning	Correlation Coefficient	1.000	.853**
		Sig. (2 tailed)	.	.001
		N	188	188
	Customer Referrals	Correlation Coefficient	.853**	1.000
		Sig. (2 tailed)	.001	.
		N	188	188

\*\*Correlation is significant at 0.01 levels (2 tailed)

\*Correlation is significant at 0.05 levels (2 tailed)

Source SPSS-generated Output

Table 6 presents the result of correlation analysis carried out between product repositioning and customer referrals of bakery firms in Rivers State. The result shows a strong positive correlation between product repositioning and customer referrals of bakery firms ( $r = .853^{**}$ ) and this correlation is significant at 0.01 level as indicated by the symbol \*\*. Based on this result, the null hypothesis ( $H_{06}$ ) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is very strong positive and significant relationship between product repositioning and customer referrals of bakery firms in Rivers State.

### Discussion of Findings

This study discovered a strong positive and significant relationship between product redesigning and repeat patronage of bakery firms in Rivers State. This finding was deduced from the result of the statistical testing carried out on the first hypothesis. The result of the statistical testing confirmed that product redesigning is strongly and positively correlated to repeat patronage ( $r = .761$ ) and this correlation is significant at 0.01 level. As a result of this, we then rejected the null hypothesis ( $H_{01}$ ) and accepted the alternate hypothesis which states that there is strong positive and significant relationship between product redesigning and repeat patronage of bakery firms in Rivers State. This finding is consistent with the research conducted by Mahajan (2014) which reported that redesigning products significantly motivate customers to make repeat patronage of the brand. Slatten and Hedenstad (2015) also supported this finding when they reported that a struggling firm is likely to increase repeat patronage of its brand if it redesigns its product to give it a new look and make it attractive to existing customers.

This study reported a very strong positive and significant relationship between product redesigning and customer referrals of bakery firms in Rivers State. This finding was obtained from the result of the statistical testing carried out on the second hypothesis. The result revealed that a strong positive correlation between product redesigning and customer referrals of bakery firms ( $\rho = .829^{**}$ ) and this correlation is significant at 0.01 level. Based on this result, the null hypothesis ( $H_{02}$ ) is rejected and the alternate hypothesis is accepted. This means that there is very strong positive and significant relationship between product redesigning and customer referrals of bakery firms in Rivers State. This finding is supported by Gyekye (2012) who noted that product redesigning has the capability of making customers to be advocates of the brand. Ruumpol (2014) and Mahajan (2014) also agreed with this finding when they stated that a company is likely to attract new customers if it redesigns its products that are underperforming in the market.

This study found a moderate positive and significant relationship between product renaming and repeat patronage of bakery firms in Rivers State. This finding was derived from the result of the statistical testing carried out on the third hypothesis. The result of the statistical testing revealed that product renaming has a moderate and positive correlation with repeat patronage of bakery firms ( $r = .534^{**}$ ) and this correlation is significant at 0.01 level. Consequently, the null hypothesis ( $H_{03}$ ) was rejected and the alternate hypothesis is accepted. This means that we then accept that there is moderate positive and significant relationship between product renaming and repeat patronage of bakery firms in Rivers State. This finding is supported by Kazemi et al (2013) and Venkatakhmi (2015) as both studies revealed that product renaming significantly influence repeat patronage of a brand.

This study also found a moderate positive and significant relationship between product renaming and customer referrals of bakery firms in Rivers State. This finding emerged from the result of the statistical testing carried out on the fourth hypothesis. The result showed that product renaming is moderately and positively correlated to customer referrals of bakery firms ( $r = .513^{**}$ ) and this correlation is significant at 0.01 level. Based on this result, the null hypothesis ( $H_{04}$ ) was rejected and the alternate hypothesis was accepted. This implies that we then accepted that there is moderate positive and significant relationship between product renaming and customer referrals of bakery firms in Rivers State. This finding is supported by Kazemi et al (2013) who argued that a company will increase its customer referrals if it innovate and rename its product that is underperforming in the market. Azizo (2019) also agreed with this finding when he reported that product renaming make customers to develop the feeling that the product is relatively new and refer the product to the friends and relatives after trying the product or brand.

This study discovered a strong positive and significant relationship between product repositioning and repeat patronage of bakery firms in Rivers State. This finding emerged from the result of the statistical testing carried out on the fifth hypothesis. The result showed that product repositioning is strongly and positively correlated to repeat patronage of bakery firms ( $r = .717^{**}$ ) and this correlation is significant at 0.01 level. Hence, the null hypothesis ( $H_{05}$ ) was rejected and the alternate hypothesis was accepted. This implies that we then accepted that there is strong positive and significant relationship between product repositioning and repeat patronage of bakery firms in Rivers State. This finding is supported by Zekan (2014) who noted that product repositioning has a significant relationship with repeat patronage of a firm. Azmat and Lakhani (2015) also agreed with this finding when they reported that repeat patronage is likely to increase if a firm reposition its products in the minds of the target consumers.

Finally, it was reported that a significant relationship exists between product repositioning and customer referrals of bakery firms in Rivers State. This finding was deduced from the result of the statistical testing carried out on the sixth hypothesis. The result of the statistical testing showed a strong positive correlation between product repositioning and customer referrals of bakery firms ( $r = .853^{**}$ ) and this correlation is significant at 0.01 level. Based on this result, the null hypothesis ( $H_{06}$ ) was rejected and the alternate hypothesis was accepted. This means that we then accepted that there is very strong positive and significant relationship between product repositioning and customer referrals of bakery firms in Rivers State. This finding is consistent with the research conducted by Azizo (2019) which reported that product repositioning motivate customers to refer the brand to the friends and loved ones. Blankson and Kalafatis (2019) also supported this finding when they stated that companies that have repositioned their products in the minds of the consumers are likely to increase customer referrals.

## **CONCLUSION**

Considering the increasing rate at which customers switch from one brand to another and the implication of such switching behaviour on firm survival, it becomes imperative for bakery firms to intensify their efforts to retain their existing customers. This can be done by rebranding their products to give it a new identity. The empirical results of this study confirmed that product redesigning is a significant predictor of repeat patronage of bakery firms in Rivers State. Product redesigning was also found to be a significant predictor of customer referrals of bakery firms in Rivers State. Product renaming was also reported to be a significant predictor of repeat patronage of bakery firms in Rivers State. Product renaming was confirmed to be a significant predictor of customer referrals of bakery firms in Rivers State. Product repositioning was also found to be a significant predictor of repeat patronage of bakery firms in Rivers State. Product repositioning was equally reported to be a significant predictor of customer referrals of bakery firms in Rivers State. Based on these findings, it is concluded that product rebranding strategies such as product redesigning, product renaming and product repositioning have a significant impact on customer retention of bakery firms in Rivers State.

## **RECOMMENDATIONS**

The following recommendations are provided for the study:

1. That, bakery firms in Rivers State especially those whose products have gained bad image over the years should adopt product rebranding strategies as it would give their brand a new identity and attract more customers to their firm.
2. That, bakery firms in Rivers State particularly those whose products are underperforming in the market should adopt product redesigning strategy as it would help to rebrand their products and give them a new look that will attract new customers and retain existing ones.
3. That, bakery firms in Rivers State especially those that are experiencing high rate of customer defection should adopt product repositioning strategy as it would help to increase their customer retention rate.
4. That, bakery firms in Rivers State particularly those that are experiencing huge financial loss should rebrand their products and give it a new name, new logo and new slogan as this would help to retain existing customers but also attract new customers to the brand.
5. That, bakery firms in Rivers State especially those that are determine to build a good image for their brand should innovate their products as this would give their product a new identity and position their product in the minds of their target consumers but would also ensure the survival of the business in the midst of competition from their larger rivals.
6. Finally, it is recommended that bakery firms in Rivers State should adopt modern technology in the process of rebranding their products as this would ensure successful implementation of their rebranding process that would guarantee customer retention.

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