When Is It Time to Rebrand? Lessons from Meta, Block and More

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The past few years have brought countless changes to our lives. After the onset of the pandemic, many companies adapted and pivoted to a new business model at an unprecedented pace. Others took it upon themselves to shake things up, giving themselves a new name, look and sometimes domain name in the process. And many found themselves in both categories, adjusting their public-facing side to mirror changes occurring internally. Among these companies were Facebook — now Meta — and mobile payment company Square — now Block.

Why now? While companies rebrand for a host of reasons, there are a few catalysts behind this recent wave. Below are potential explanations for the shifts, along with takeaways if you plan to build on the momentum of the current moment and rebrand your own business.

Rebrands that reflected internal changes

Companies tend to rebrand when their name or image becomes outdated due to external or internal changes. Internal changes that prompt companies to rebrand include a different customer base they want to attract, new products/services or a merger or acquisition.

In October 2021, Facebook CEO, Mark Zuckerberg, announced that

the media titan would be rebranding to Meta, a nod to the emerging metaverse. Block, formerly Square, also changed its name to better encapsulate its expanded product portfolio and growing interest in blockchain technology. Both rebrands signal to investors that the companies will be dedicating more resources to exploring these new frontiers, demonstrating that they're more than the technologies synonymous with their former names. Once positioned as self-contained platforms, Meta and Block are now major players leading the tech industry forward.

Mergers and acquisitions that tend to cause internal reshuffling also push companies to rebrand. 74% of S&P Global 100 companies rebranded an acquired asset within seven years of the acquisition – and for good reason. Brand Finance studied all public acquisitions from 2015 to 2020 with a deal size of over $500 million and found that acquisitions that weren't rebranded brought a 56% greater likelihood of serious business damage to the acquirer. Rebranding in the wake of a major internal shift can help to establish a new company culture and reorient both employees and customers.

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Rebrands sparked by social shifts

On the other hand, external societal shifts can make companies question their long-term relevance, also spurring them to rebrand. The rebranding of Dunkin Donuts to simply Dunkin, for instance, can be explained by a larger shift in Americans' perspectives toward food. Research from Archer Daniels Midland found that 77% of Americans plan on taking steps to be healthier in the future. Hoping to stay relevant during this shift, characterized by a plant-based diet surge and growing wariness of sugar, Dunkin Donuts decided to drop the word Donuts from its name in 2019, becoming simply Dunkin.

While Dunkin's rebranding can be attributed to greater health

consciousness, a shift in social consciousness can explain changes to the brands formerly known as the Washington Redskins and Aunt Jemima. In summer 2020, the Black Lives Matter movement continued to spark intensified conversations around race. Both Aunt Jemima and the Washington Redskins received backlash for using language and imagery rooted in racial stereotypes and changed their names to Pearl Milling Company and the Washington Commanders, respectively. Brands that traded in unflattering racial stereotypes risked appearing tone deaf or outright offensive as public awareness around issues of race shifted. What was once tolerated or ignored became unacceptable and behind the times.

But perhaps the pandemic has ushered in the greatest changes of all. According to McKinsey, 75% of Americans have changed shopping behavior and brands as a result, and countless brands had to pivot their brand or value proposition to adjust to a new audience and consumer needs. While Meta's rebrand was both a way to capitalize on an emerging market and distance themselves from controversy associated with the Facebook name, it's hard to imagine this strategic move would've been made so quickly had we not been stuck at home for a full year. Commenting on the benefits of the metaverse, Zuckerberg said it will be "like we're right there with people no matter how far apart we actually are," showing a clear link to the prior months of social distancing.

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Takeaways for your brand and business

As the brands above show, rebranding can be a smart strategy to stay relevant and reflect company-wide changes to customers, but it can also be a massive undertaking. Luckily, a little forethought can go a long way. If you're considering rebranding your own business, here are a few considerations to

keep in mind:

Decide the extent of the change: First, decide how much change your audience can tolerate. While some companies make small tweaks, others, like Block, completely overhauled their name and branding. Block decided to give their parent company a new name, look and feel, but they still kept their products the same. While the change was significant for the company itself, it had little effect on the people who use their products and services – and therefore didn't alienate customers.

Devise a communications strategy: A communications plan is critical to maintain customer trust and confidence. Clearly explain the reasoning behind your rebrand, and leverage all the channels you use to connect with your customers and audience. Reassure them that their experience with your company won't change – or will only change for the better – as a result of your new identity.

Reconsider your domain name: When rebranding, your domain name is a vital tool for communicating your new focus and values. Aligning your domain with your new brand name helps create a consistent digital identity. Be sure to choose a domain that's short, memorable and descriptive – without confusing prefixes, suffixes or hyphens. A descriptive domain, which leverages meaningful keywords to the left and right of the dot to tell your audience who you are and what you do, is a great option. It helps your new brand name stick in the minds of your audience and customers. Some examples are oat.haus and switchboard.live.

Think critically about your digital identity: Your rebrand should set you up for success in our rapidly changing world, which requires thinking about potential disruptions on the horizon. With the emergence of the metaverse, it's critical for brands to own a cohesive identity that encapsulates who they are and why they matter. Hone in on your voice, your image and your domain name – and what each communicates to

your customers.

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Embracing change in uncertain times

As we simultaneously recover from the pandemic and embrace new economic and societal shifts – from the rise of blockchain to greater social and health consciousness – brands will continue to reshape their images.

The world will keep changing, and those who jump on the opportunity to capture new customers, audiences and markets will stay top of mind, while others risk getting left behind. Some will meet change with resistance, while others will embrace a new normal and capitalize on emerging opportunities. Which group will you find yourself in?

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