

THE RELATIONSHIP OF REBRANDING ON THE BRAND REPUTATION AFTER BRAND CRISIS: MEDIATE BY BRAND LOYALTY

Roslizawati Ahmad, Hasnizam Shaari

E-mail id: roslizawatiahmad@gmail.com, zamree@uum.edu.my

School of Business Management, Universiti Utara Malaysia

Abstract-Rebranding the former brand to the new brand has been seen as an alternative to overcome the crisis turbulence by the practitioners. The effect of rebranding to the brand reputation and brand loyalty are still unconfirmed. There are arguments among the practitioners and academicians on the relationship between rebranding and the brand reputation. This research has revealed the relationship of rebranding to the brand reputation with the mediator effect of brand loyalty. Data from flight passengers in Malaysia has been analyzed using PLS-SEM, and the findings have been discussed in this article. This study concludes with the discussion on the theoretical, practical contribution, limitation of this study and recommendations for future research.

Keywords: Brand crisis, brand reputation, rebranding, brand loyalty.

1. INTRODUCTION

1.1. Introduction of the Research

The numbers of brand crisis that has been reported in media are increasing tremendously currently. The failure of the product or service that has been delivered to the consumers will lead to the brand crisis, and it also will tarnish the reputation of the brand. Brand reputation is very fragile, and it is easily be tarnished (Cleeren, Dekimpe, & Helsen, 2007). A slight mistake made the services provider or by the product producer will influence the long-term customer's loyalty towards the brand and leave negative effect to the brand reputation. Negative brand reputation can direct to the sale's volume shrinking (Cleeren et al., 2007). The brand crisis also may threaten the capability of the organization, change the trust on the organization (Paraskevas, 2006), tarnish an organization's reputation, decrease an organization's long-term profitability, growth and also its survival (Priporas & Vangelinos, 2008). Due to the brand crisis, some of the organization undergoes the process of rebranding to rebuild the brand reputation. However, there are arguments on the effect of rebranding especially in the aspect of loyalty by the consumers to the previous brand and new brand. Therefore, the aim of this research is to examine the effect of rebranding to the brand reputation by considering the brand loyalty as the mediator.

1.2. Problem Statement

The brand crisis is the factor that influences the organization to undergo the corporate rebranding. The internal or external factors will influence the top management of the effected organization to decide to rename the organization (Roy & Sarkar, 2015). The corporate rebranding is needed especially for the organization to communicate their brand revitalisation to the stakeholders, to regain brand preference, also to be re-chosen and reused among competing brands (Le, Cheng, Kuntjara, & Lin, 2014) after the brand suffered the negative effect of the brand crisis. Rebranding in brand management is a common strategy taken by any organization in responding to the changing in the market situations and in certain situation it become a necessary action to be taken by the organization (Muzellec & Lambkin, 2006). However, Muzellec and Lambkin (2006) also preach that rebranding strategy is against the basic theory of marketing where the strong brand reputation is built through many years by sustained brand loyalty which brand loyalty is the main key to the higher margins and continuing stream of income to the brand owner. Rebranding strategy will ruin the brand reputation and brand loyalty that has been built for years. There are contradictions arguments regarding the effect of rebranding after brand crisis towards the brand reputation (Collange, 2014; Le, Cheng, Kuntjara, & Lin, 2014; Tsai, Dev, & Chintagunta, 2015; Gotsi & Andriopoulos, 2007)

By focusing on the airline's industry, the example of brand crisis which has tarnished the brand reputation is the doubles tragic cases faced by Malaysia Airlines System (MAS) in 2014. Due to the incidents, MAS have recorded Net Loss of RM307 million for the three months ended 30 June 2014 and 65% drop than a previous corresponding year, 2013. For the three months ended June 2014, MAS Group revenue fell 5% to RM3.59 billion compared to one year ago (MAS, 2014). The great drop in the sale of MAS tickets is the effect of the crisis and consumers doubt on the safety aspect of their services. The crisis has tarnished their reputation, and it leads to the sale reduction (Raghuvanshi & Ng, 2014). And according to MAB (2016) press room, "2nd quarter is expected to be weaker, and the Group expects to record a loss for the year 2016". This indicates that the past incidents still affect the

organization profits and market shares. Not only on profit shrinking, Skytrax, a United Kingdom-based consultancy that carries out international traveler surveys to determine the best airlines and other air travel related matters has announced that the rank of MAS in 2016 is in number 34 compare to 2013 was in number 14 ("The World's Airlines Awards", n.d).

Continues to the crisis, MAS has changed the top management by appointing new Chief Executive Officer, Christoph Mueller on 2015 who started the corporate rebranding strategies a month after his appointment ("The rebranding of MAS has already started, and first impressions are good," 2015). MAS has changed their corporate name from Malaysia Airlines System (MAS) to Malaysia Airline Berhad (MAB). However, the product's logo and offerings are unchanged due to the contradiction opinion on the rebranding. The academicians of Malaysia urged for MAS to undergo the rebranding ("Don't block MAS rebranding exercise," 2015) but practitioners stressed out that MAS is not ready to undergo the rebranding especially in a name change (Manjur, 2016). Therefore, this research is attempted to identify the effect of rebranding to the brand reputation and brand loyalty after the brand crisis occurred.

1.3 RESEARCH QUESTIONS AND RESEARCH OBJECTIVES

The following research questions have been developed to continue the research.

- RQ 1 What is the relationship between rebranding and brand reputation after the brand crisis?
- RQ 2 What is the relationship between rebranding and brand loyalty after the brand crisis?
- RQ 3 Does brand loyalty mediate the relationship between rebranding and brand reputation?

Reflecting the above research questions, the research objectives below has been formed.

- RO 1 To examine the relationship between rebranding and brand reputation after the brand crisis.
- RO 2 To examine the relationship between rebranding and brand loyalty after the brand crisis.
- RO 3 To examine the mediating effect of brand loyalty between rebranding and brand reputation.

2. LITERATURE REVIEW

2.1. Brand Crisis

Priporas and Vangelinos (2008) as cited in Fink (1986) defined crisis as an instability period or state of affairs in which an essential change is impending, either one with the diverse possibility of a highly undesirable outcome or one with the diverse possibility of a highly desirable and extremely positive outcome. Usually, it is 50-50 proposition, but any person can improve the odds. It supported by Heller and Darling (2012) on the definition of the brand crisis by adding the crisis also as a turning point for better or worst and a condition that has reached a critical stage.

In the business literature, the brand crisis is a high-impact event that threatens the capability of the organization, change the trust on the organization (Paraskevas, 2006), tarnish an organization's reputation, decrease an organization's long-term profitability, growth and also its survival (Priporas & Vangelinos, 2008). Brand crisis occurred when the product produced by an organization do not meet the mandatory safety standard, contains a deficiency that could cause substantial harm to customers, creates an unreasonable risk of serious harm or death or fails to comply with a voluntary standard implemented by the specific industry (Yubo, Shankar, & Yong, 2009) and it is associated with some brands (Siomkos & Kurzbard, 1994).

2.2. BRAND REPUTATION

The main key intangible asset for an organization is the brand reputation. Brand reputation is the evaluation by the customers concerning the consistency of product or service quality related to the brand name (Sengupta, Balaji, & Krishnan, 2015). Similar to this, brand reputation also can be clarified as for how positively or negatively stakeholders perceived the organization based on direct or indirect experience with the organization (Coombs, 2013). As the intangible asset to the organization, brand reputation is fragile and easily been tarnished. Brand reputation has a strong significant relationship to the quality. Therefore if the quality is different from the customer's expectation, it may lead to the dissatisfied and will tarnish the reputation (Selnes, 1998).

When the brand crisis occurred, it will tarnish the brand reputation. The observations of unexpected occurrence that threatens important expectations of stakeholders and might seriously affect an organization's performance and engender negative outcomes (Coombs, 2013). Once the organization suffered the crisis, media reports will play a critical role in the reputation formation. The stakeholders will accept the media reports and judgment on the organizations will start. When the stakeholders process the information about the crisis, it will create an indirect experience to construct the brand reputation. "Crises stand out and are more memorable because they are unexpected and negative" (Coombs, 2013; p. 271).

On the relationship between brand reputation and rebranding, there are arguments among the scholars. Collange (2014) stated that the rebranding strategy involved the name change would destroy the reputation of the organization among the customers, employees and financial analysts. This statement has been supported by Roy and Sarkar (2015) by related the negative effect of rebranding to the brand associations, the key factors of brand equity. The impact of any rebranding effort would affect these associations and the core network leading to a dilution of its presented brand equity (Roy & Sarkar, 2015). On the other hand, Le, Cheng, Kuntjara, and Lin (2014) point out the positive effect of the rebranding strategy to the organization. A revitalisation of the brand position will keep the brand fresh and retains pertinent to contemporary market environments will meet existing and anticipated customer needs. Well-judged market repositioning can give more favorable brand association to contemporary market and consumer demands. Therefore, the brand reputation will be animated, and consumer preference towards the repositioned brand will be recaptured, improved, and further enhanced.

2.3. Rebranding

Rebranding is the combination of two words which is "re" and "brand." The word "re" is the prefix to regular verbs of action sometimes meaning "again" or "anew," meaning that the action is done a second time (Muzellec & Lambkin, 2006). Brand, as has been defined by American Marketing Association, is a name, term, symbol, design or a combination of them intended to identify products or services of a particular seller or a group of sellers and to differentiate them from the competitors..

"In the English language, the prefix "re" is used to form verbs denoting action . . . done over, often with the implication that the outcome of the original action was in some way impermanent or inadequate. In the context of corporate rebranding, this action usually involves changing the company's name, targeting and positioning, in an attempt to assign new meaning to the corporate brand and communicate new benefits to its stakeholders."

(Gotsi & Andriopoulos, 2007; p.342)

In term of corporate rebranding, Le, Cheng, Kuntjara, and Lin (2014) conceptualized it as the practice taken by the organization in modifying existing or further building up new brand elements due to creating a new image. It is similar to the characterization of rebranding preach by Roy and Sarkar (2015) and Muzellec and Lambkin (2006); rebranding is the activity from a technical or practitioners which involve the creation of a new name, term, symbol, design or a combination of them for recognized brand with the intention of increasing a differentiated (new) position in the mind of stakeholders and competitors.

In the rebranding process, there are four main strategies can be employed by the organizations. The strategies are repositioning, renaming, redesigning and launching (Assali, 2017). Repositioning is a decision by a firm to produce a new image perceived by customers resulting from pressure caused by competitors and changing consumer tastes, poor sales performance. Renaming is changing the name of the product. Redesigning is referring to changing brand elements (name, logo, and slogan). And launching is to check consumer reaction of re-branding.

Based on the literature, the hypotheses have been formed as below:

H1 Rebranding will affect the brand reputation after the brand crisis occurred.

H2 Rebranding will affect the brand loyalty after the brand crisis occurred.

2.4. Brand Loyalty

Brand loyalty can be defined as a customer's behavior or attitude towards the buying pattern for one specific brand. The behavior of rebuy or re-patronize to a preferred brand is the root in defining the term of brand loyalty (Bowen & McCain, 2015; Veloutsou, 2015; Oliver, 1999). Brand loyalty is also an emotional or psychological attachment to brand within a product class (Ahluwalia, Burnkrant, & Unnava, 2000). However, the evolution of defining the brand loyalty has expanded tremendously, and many scholars suggested different elements in defining the brand loyalty.

The evolution of brand loyalty by customers has been discussed by many scholars. Cognitive-affective-conation pattern of loyalty development by Oliver (1999) cited by Bowen and McCain (2015) differentiated the brand loyalty level into four category, (i) first or cognitive loyalty level; where customer choose one brand based on only brand belief, (ii) second or effective loyalty level; no strong commitment to repurchase the same brand of product but positive attitude towards the brand has developed, (iii) third loyalty level; the intention to repurchase has been formed because brand-specific commitment is generated, (iv) final level; when the intention to repurchase transformed to the action, then there is the brand loyalty development by the customer. Dick and Basu (1994) also classified brand loyalty into four categories by considering the behavioral and attitudinal loyalty. The four classifications are true loyalty, latent loyalty, spurious loyalty and low loyalty. The customers who repurchase the same product of the same brand and hold a positive attitude toward the brand are a truly loyal customer.

International Journal of Technical Research & Science

For this study, the effect of brand loyalty as a mediator between brand reputation and rebranding has been examined. There are numerous of research has been done in determining the relationship between brand reputation and brand loyalty. Good brand reputation will attract more customers because of their trust on the good reputation, and if the organization is continuously giving good reputation, it will create the loyalty toward the brand (Loureiro & Kastenholz, 2011). Customers always expect the high quality of the product or services with a good brand reputation which it is the direct antecedent to the customer satisfaction and brand loyalty (Chang, 2012). There is a positive relationship between the brand reputation and brand loyalty. However, in the case of brand loyalty after the crisis, there is the mixes result on the relationship between brand reputation and brand loyalty (Sengupta, Balaji, & Krishnan, 2015). The study to identify the effect of brand loyalty as a mediator is still scarce especially in the context of Malaysian industry. Therefore, the aim of this study is to fill the gap, and the hypothesized relationship has been formed as below:

H3 Brand loyalty mediates the relationship between rebranding and brand reputation.

2.5 Underpinning Theory

The underlying theory for this research is the Reciprocity Theory. In term of meaning, reciprocity can be defined as people reward kind action and punish unkind action (Falk & Fischbacher, 2006; Falk & Fischbacher, 2000). In other terms, Bruni, Gilli, and Pelligra (2008) define the reciprocity as a mutual exchange, not logically equivalent to the notion of equal give and take. In Latin word, reciprocus means "going back and forth": giving and receiving. There are numerous of experiments and studies performed by psychologist and economies highlight the omnipresence of reciprocal behavior (Falk & Fischbacher, 2000). In psychological point of view, reciprocity is focusing on the standard of behavior that should describe the social interaction of common adults (Bruni, Gilli, & Pelligra, 2008). However, in today's social sciences, reciprocity turns out to be more complex principles with a much wider class of situations. In this study, good brand reputation is a kind behavior resulting from rebranding taken by the organization while bad brand reputation is the unkind behavior.

2.6. Theoretical Framework

Based on the above discussion, the researcher has formed a theoretical framework to show the connection between the dependent variable and independent variables for this study. The framework is as in Figure 1.

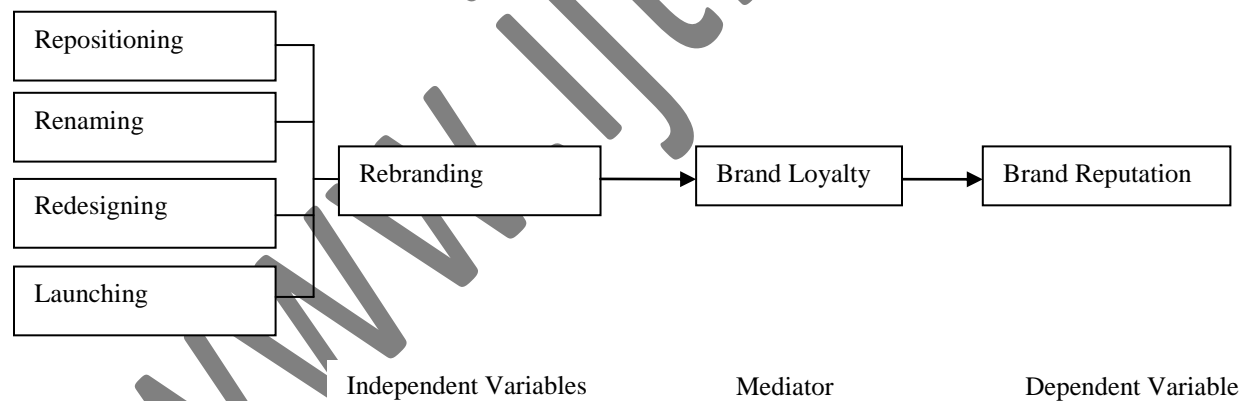


Fig. 2.1 Theoretical Framework

3. METHODOLOGY

3.1 Methodology of the Research

The quantitative method has been adapted to this study by implementing the survey collection of data through a structured questionnaire. The personal administered questionnaire has been formed in four sections. The first section of the questionnaire content ten questions regarding the brand reputation adapted from Mason (2014). The second section measures the corporate rebranding with ten questions adapted from Le, Cheng, Kuntjara and Lin (2014). The third section included the seven questions developed by Chaudhuri and Holbrook (2001) regarding brand loyalty. The final section of the questionnaire will collect the demographics of respondents regarding gender, age, educational level, citizenship, occupation, and level of their salary. Seven Likert scales have been used to measure the response in the first section to the third section and category scale for demographics section.

International Journal of Technical Research & Science

Flight passengers in three airports of Northern Region of Malaysia are the sample of this study. The numbers of respondents need to be collected are 384 responses based on Krejcie and Morgan (1970) suggestion. Flight passengers have been chosen as the respondents in this study because the main objective of this study is to recognize the effect of Airlines company's reputation after the brand crisis occurred. The three airports consist of two international airports and one domestic airport. Convenience sampling method has been implemented for this research because the researcher doesn't have any sampling frame at hand and it is the best technique to be implemented (Hague, 2006). Furthermore, convenience sampling is a technique with lesser cost and reduces the difficulties associated with sampling frames. The personal administered questionnaire has been distributed to the flight passenger who is waiting to flight in departure hall in each airport.

In analyzing the data, PLS-SEM has been employed to identify the hypothesized relationship. PLS-SEM is the most suitable tools to analysis the data more specifically in marketing, strategic management, management science and social psychology, among others (Hair et al., 2013; Hair et al., 2012; Henseler et al., 2009). Furthermore, this software can be operating for non-normally distributed data due to the small sample size and doubtful in the normally distributed of the data.

4. RESULT

4.1 RESPONSE RATE

The details of the response rate are as in Table-4.1.

Table-4.1 Response Rate

Profile	Category	Percentage
Gender	Male	41.7
	Female	58.3
Age	25-35	46.4
	36-46	34.4
	47-57	15.6
	>57	3.6
Citizenship	Malaysia	93.0
	Non Malaysia	7.0
Education level	High school	7.6
	Bachelor degree	24.2
	Master	33.6
	Ph.D	34.6
Current job	Government servant	56.0
	Private sector	32.3
	Self-employed	10.2
	Retired	1.6
Income	<RM2000	7.6
	RM2001 - RM4000	19.8
	RM4001 - RM6000	30.5
	> RM6000	42.2

4.2 Outer Model Evaluation

In PLS, the beginning of the analysis begins with the outer model evaluation. Outer model evaluation is to verify that the measurements used are reliable. Content validity test, convergent validity test, and discriminant validity test have been employed to evaluate the outer model based on a suggestion by Hair et al. (2010). For content validity, the items loading has been measured and has been classified based on Chan (2003) recommendation of items loading classification. The items with loadings less than 0.61 have been deleted. The details of the items loading are in Table-4.2 and Fig. 4.2.

Table 4.2 Content Validity

	Loyalty	Reputation	Rebranding
BL1	0.880		
BL2	0.873		
BL3	0.785		
BL4	0.897		
BL5	0.823		
BL6	0.864		
BL7	0.862		
BR1			0.833
BR10			0.834
BR2			0.872
BR3			0.781
BR8			0.727
BR9			0.801
CR1			0.950
CR2			0.945
CR3			0.948
CR4			0.939
CR5			0.938
CR6			0.937
CR7			0.930
CR8			0.916

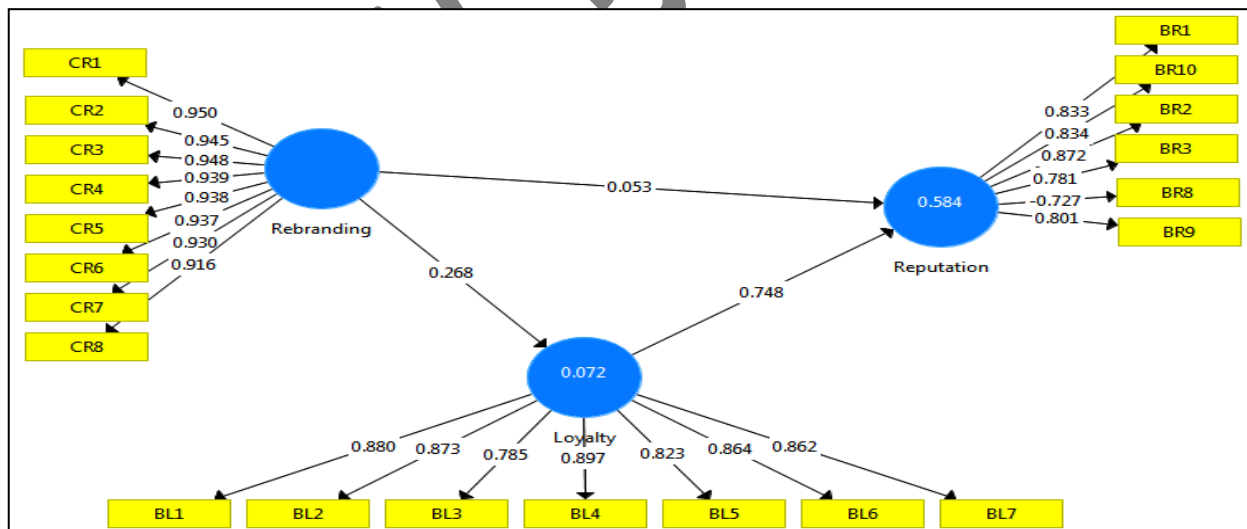


Fig. 4.2 Items Loadings

The second evaluation is to validate the convergent validity. Firstly, the item loading was tested, and the accepted item loading value is 0.50 and more based on the literature of multivariate analysis (Hair et al., 2010). Secondly, the composite reliability has been evaluated, and all the values have surpassed the minimum value 0.70 as suggested by Hair et al. (2010). Thirdly, to verify the convergent validity, the value of AVE has been evaluated. The value of

AVE of this study has exceeded the minimum requirement of 0.50. The details of the convergent validity evaluation are as shown in Table-4.3.

Table-4.3 Convergent Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Loyalty	0.939	0.950	0.732
Rebranding	0.981	0.983	0.880
Reputation	0.646	0.848	0.655

For discriminant validity, the method of Fornell-Larcker has been employed. To evaluate the value of the square root of each construct should be higher than its highest correlation to the other construct (Hair, et al., 2014). The details of discriminant validity are as shown in Table-4.4.

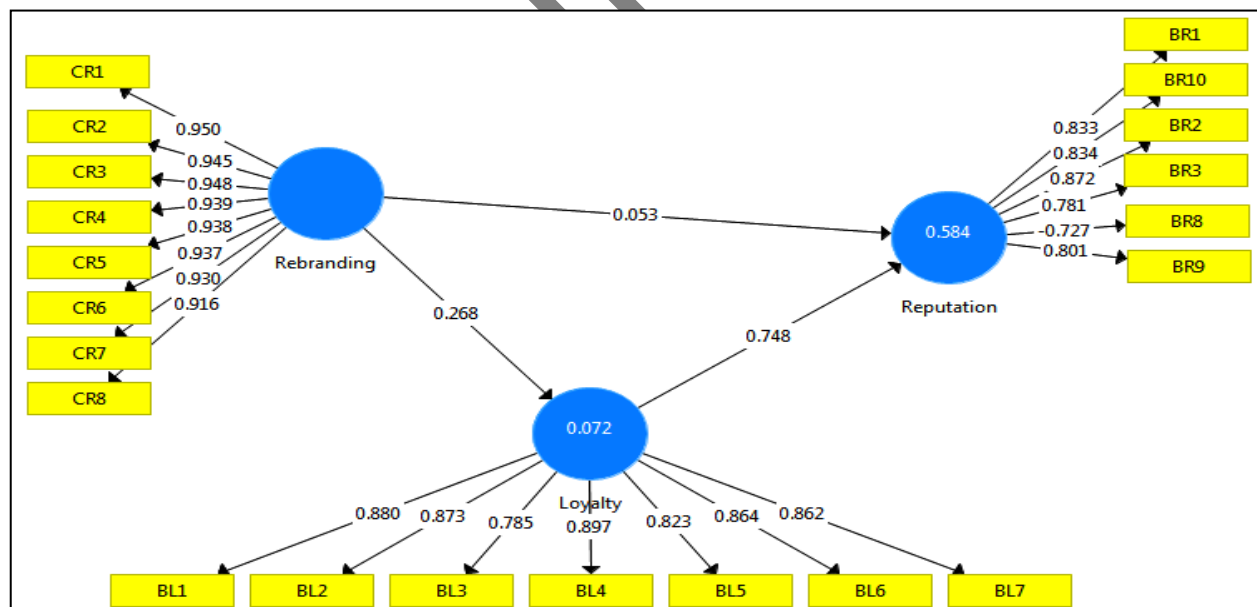
Table-4.4 Discriminant Validity

	Loyalty	Rebranding	Reputation
Loyalty	0.856		
Rebranding	0.268	0.938	
Reputation	0.762	0.254	0.809

Based on the outcome of the content validity test, convergent validity test and discriminant validity test of this study, it can be concluded that the items used in the measurement are valid and the constructs are unique and capture phenomena not signified by other constructs in the model.

4.3 Inner Model Evaluation

After the reliability and validity of the construct has been tested, the next step is to evaluate the inner model. Based on the suggestion of Hair et al. (2013) and Chin (2010), evaluate the level of R^2 , assess the effect sizes (f^2) and examine the predictive relevance (Q^2) is need to evaluate the inner model. The bootstrapping procedure has been employed to analyze the inner model. The model after bootstrapping is as Fig. 4.3.

**Fig. 4.3 Model After Bootstrapping**

R^2 value is the indicator to determine the accuracy of the model. In marketing research studies, R^2 values of 0.75, 0.50, or 0.25 for endogenous latent variables in the structural model can be described as substantial, moderate, or weak, respectively (Hair, et al., 2014). For this study, the R^2 value of brand loyalty is 0.072; it indicates that brand reputation, reminder strategy, ingratiation strategy, and victimage strategy can account for 7.2 percent of the variance in brand loyalty. For brand reputation, the R^2 value is 0.584; it means that brand loyalty, reminder strategy,

ingratiation strategy, and victimage strategy can account for 58.4 percent of the variance in brand reputation. The value is classified as weak for brand loyalty and moderate for brand reputation. Table-4.5 shows the details of the R^2 value of this study.

Table-4.5 R^2 Value

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	P-Values	Classification
Loyalty	0.072	0.079	0.029	2.490	0.013	Weak
Reputation	0.584	0.588	0.036	16.073	0.000	Moderate

The next analysis is to determine the effect size of the study. The effect size (f^2) analysis will evaluate the change in R^2 values whether the omitted construct has a substantive impact on the endogenous constructs when a specific exogenous construct is omitted from the model (Hair et al., 2014). Based on Cohen (1988), the value of 0.02 is representing small effect, 0.15 represent medium effect, and 0.35 represent large effect. The details of the effect size outcome shown in Table-4.6.

Table-4.6 Effect Size

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	f^2 rating
Loyalty -> Reputation	1.248	1.270	0.205	6.094	0.000	Large
Rebranding -> Loyalty	0.078	0.086	0.035	2.227	0.026	Small
Rebranding -> Reputation	0.006	0.011	0.012	0.538	0.591	Small

The next analysis is to examine the predictive relevance Q^2 . This assessment is an indicator of the model's predictive relevance (Hair et al., 2014). In the structural model, Q^2 values more than zero for a certain reflective endogenous latent variable specify the path model's predictive relevance for the particular construct. The outcome of this study with the Q^2 value is 0.048 for brand loyalty and 0.353 for brand reputation as shown in Table-4.7 proved that the model has adequate prediction quality.

Table-4.7 Predictive Relevance Q^2

	SSO	SSE	$Q^2 (=1-SSE/SSO)$
Loyalty	2,688.000	2,557.767	0.048
Rebranding	3,072.000	3,072.000	
Reputation	2,304.000	1,490.773	0.353

4.4 Hypothesis Testing

To examine hypothesis, two type of method can be used. The first is base on the path coefficient which closes to +1 is a strong positive relationship and close to 0 is a weak relationship (Hair, et al., 2014). The second method is by evaluated the t value. When the t value is greater than the critical value, the coefficient is significant at certain error probability, and frequently used critical value for the two-tailed test are 1.65 (significance level = 10%), 1.96 (significance level = 5%) and 2.57 (significance level = 1%). The results of the hypothesis testing for this study are as in Table-4.8.

Table-4.8 Hypotheses Testing

Hypothesis	Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation	T Statistics (O/STDEV)	P Values	Result
H1	Rebranding -> Reputation	0.053	0.056	0.040	1.318	0.188	Not Support
H2	Rebranding -> Loyalty	0.268	0.275	0.052	5.152	0.000	Support

4.5 Testing of Mediating Effect

To proceed with the assessment, it is required to have a, b, c, and c' values where a, b and c' are calculated by adding the mediating variable and c is the effect of dependent variable on the independent variable without adding the mediating variable in the model (Baron & Kenny,1986). The value of variance accounted for (VAF) has been calculated to determine the size of the indirect effect in relation to the total effect by using the formula as below:

$$VAF = \frac{\text{indirect effect}}{\text{Total effect}}$$

The testing of mediator-outcome is as in Table4.9 below.

Table-4.9 Mediator Test Result

Hypothesis	VAF	Decision
Rebranding -> Loyalty -> Reputation	79%	Partial Mediate

5. DISCUSSION

5.1 Theoretical Contribution

The objective of this study is to identify the relationship between brand reputation and rebranding as the strategy to overcome the brand crisis. The outcome of this study has supported H2 by showing the significant relationship between rebranding to the brand loyalty. However, the finding does not support the H1; there is no- significant relationship between rebranding to the brand reputation.

The role of brand loyalty as the mediator has been proved in this research. It means that the loyalty will become the buffer to the negative effect of the crisis on the reputation. Loyal customers will influence the effectiveness of the rebranding strategy after the brand crisis occurred.

5.2 Practical Contribution

The findings of this study also can be guidance for the practitioners in structuring the rebranding after the crisis. Rebranding is the strategy which will help the organization to rebuild the loyalty of the customers however rebranding is not the remedy to rebuild the tarnished brand reputation. Rebuild the tarnished reputation is crucial for the organization and the decision made the managerial will determine the sustainability and survival of the organization. Therefore, this finding will help the managerial to avoid make a mistake in forming the rebranding because inappropriate rebranding strategy will break the existence brand associates between consumers and the brand.

5.3 Limitations and Recommendations for Further Study

The scope of this study only considers the flight passengers in Northern Region of Malaysia. The first limitation is the industry, the data for this study only focused on the airline's industry. However, the brand crisis also occurs in other industry as well. The findings of this study cannot be generalized to the other industry. Therefore, additional study should be done to the other industry as well then the generalized findings can be achieved. Secondly, the location of data collection for this study only focused in the Northern region. There are the possibility of different findings can be achieved if the limit of location is expanded to the whole Malaysia. Lastly, this study only focusing on rebranding as the response to the brand crisis, whereas there is other strategies might relevance to increase the reputation of the organization.

CONCLUSION

As a conclusion, this study has provided the information as has been hypothesized and has achieved the objectives. The gathered data from flight passengers in Northern region Malaysia has been analyzed by employed PLS-SEM. The findings showed the relationship between rebranding and the brand reputation. Also, the finding proved the mediator effect of brand loyalty between rebranding and brand reputation. The outcome from this finding contributes to the body of crisis management study and beneficial as a guidance to the managerial. However, there are some limitations of the study that need further study in the future.

REFERENCES

- [1] Ahluwalia, R., Burnkrant, R. E., & Unnava, R. H. (2000). Consumer response to negative publicity: moderating role of commitment. *Journal of Marketing Research* , 203-214.
- [2] Assali, I. M. (2017). The Effect of Rebranding in Firm Performance & Consumers' Perceptions. *International Journal of Engineering Research & Technology* , 229-232.
- [3] Baron, R., & Kenny, D. (1986). The moderator-mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations. *Journal of Personality and social psychology* , 1173-1182.
- [4] Bowen, J. T., & McCain, S.-L. C. (2015). Transitioning loyalty Programs : A Commentary on "The Relationship Between Customer Loyalty and Customer Satisfaction". *International Journal of Contemporary Hospitality Management* , Vol. 27 Iss 3 pp. 415-430.
- [5] Brady, M. K., Cronin, J. J., Fox, G. L., & Roehm, M. L. (2008). Strategies to offset performance failures: The role of brand equity. *Journal of Retailing* , 151-164.
- [6] Braun-Latour, K. A., Latour, M. S., & Loftus, E. F. (2006, may). Is that a finger in my chili: using affective advertising for postcrisis brand repair. *Cornell Hotel and Restaurant Administration Quarterly* , pp. 106 -120.
- [7] Bruni, L., Gilli, M., & Pelligra, V. (2008). Reciprocity: theory and facts; Introduction to the special issue. *International Review of Economics (Springer)* , 1-11.
- [8] Brown, A. K., & White, L. C. (2010). Organization-public relationship and crisis response strategies: impact on attribution of responsibility. *Journal of Public Relations Research* , 75-92.
- [9] Chan, Y. H. (2003). Biostatistics 104: correlational analysis. *Singapore Med J* , 614-619.
- [10] Chang, K.-C. (2012). How reputation creates loyalty in the restaurant sector. *International Journal of Contemporary Hospitality Management* , 536-557.
- [11] Chaudhuri, A., & Holbrook, M. B. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing* , 81-93.
- [12] Chin, W., Marcolin, B., & Newsted, P. (2003). A partial least squares latent variable modeling approach for measuring interaction effects: Results from a Monte Carlo simulation study and an electronic-mail emotion/adoption study. *Information Systems Research* , 189-217.
- [13] Cleeren, K., Dekimpe, M. G., & Helsen, K. (2007). Weathering product-harm crises. *Academy of Marketing Science* , 262–270.
- [14] Cohen, J. (1977). *Statistical power analysis for the behavioral sciences*. . New York: ACADEMIC PRESS , INC . (LONDON) LTD.
- [15] Collange, V. (2014). Consumer reaction to service rebranding. *Journal of Retailing and Consumer Services* , 1-9.
- [16] Collange, V., & Bonache, A. (2015). Overcoming resistance to product rebranding. *Journal of Product & Brand Management* , 621–632.
- [17] Coombs, W. T. (2007). Protecting Organization Reputations During a Crisis : the Development and Application of Situational Crisis Communication Theory. *Corporate Reputation Review* , 163-176.
- [18] Coombs, W. T. (2013). *The Handbook of Communication and Corporate Reputation*. USA: John Wiley & Sons, Inc.
- [19] Coombs, W. T., & Holladay, S. J. (2006). Unpacking the halo effect: reputation and crisis management. *Journal of Communication Management* , 123 - 137.
- [20] Dick, A. S., & Basu, K. (1994). Customer loyalty : Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science* , 99-113.
- [21] Don't block MAS rebranding exercise, (2015, November 2). Don't block MAS rebranding exercise, urges academic Retrieved March 26, 2017, from <http://www.themalaymailonline.com:http://www.themalaymailonline.com/malaysia/article/dont-block-mas-rebranding-exercise-urges-academic>
- [22] Evans, N., & Elphick, S. (2005). Models of Crisis Management: an Evaluation of their value for Strategic Planning in the International Travel Industry. *International Journal of Tourism Research* , 135-150.
- [23] Falk, A., & Fischbacher, U. (2000, July). A Theory of Reciprocity. Working Paper Series , pp. 1-48.
- [24] Falk, A., & Fischbacher, U. (2006). A theory of reciprocity. *Games and Economic Behavior* , 293–315.
- [25] Gotsi, M., & Andriopoulos, C. (2007). Understanding the pitfalls in the corporate rebranding process. *Corporate Communications: An International Journal* , 341-355.
- [26] Hair, J. J., Sarstedt, M., & Ringle. (2013). An Assessment of the Use of Partial Least Squares Structural Equation Modeling in Marketing Research. *Journal of the Academy of Marketing Science* , 414–433.
- [27] Hair, J. J., Sarstedt, M., Hopkins, L., & Kuppelwieser, V. (2014). Partial least squares structural equation modeling (PLS-SEM) An emerging tool in business research. *European Business Review* , 106-121.
- [28] Heller, V. I., & Darling, J. R. (2012). Anatomy of crisis management : lessons from the infamous Toyota case. *European Business Review* , 151-168.

- [29] Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The Use of Partial Least Squares Path Modeling in International Marketing. *Advances in International Marketing* , 277-320.
- [30] Hess, R. L. (2008). The Impact of firm reputation and failure severity on customer's responses to service failure. *Journal of Service Marketing* , 385-398.
- [31] Le, A. N., Cheng, J. M., Kuntjara, H., & Lin, C. T.-J. (2014). Corporate rebranding and brand preference: Brand name attitude and product expertise as moderators. *Asia Pacific Journal of Marketing and Logistics* , 602-620.
- [32] Liao, S.-L., Shen, Y.-C., & Chu, C.-H. (2009). The effects of sales promotion strategy, product appeal and consumer traits on reminder impulse buying behaviour. *International Journal of Consumer Studies* , 274-284.
- [33] Loureiro, S. M., & Kastenholtz, E. (2011). Corporate reputation, satisfaction, delight, and loyalty towards rural lodging units in Portugal. *International Journal of Hospitality Management*, 575-583.
- [34] Malaysian Airlines System. (2014, August 28). Malaysian Airlines System. Retrieved August 8, 2015, from MAS: Press Room: http://www.malaysiaairlines.com/de/de/corporate-info/press-room/latest/mas_q2_2014_result.html
- [35] MAS. (2014, July 19). Media Statement & Information on Flight MH17. Retrieved April 20, 2015, from www.malaysiaairlines.com: <http://www.malaysiaairlines.com>
- [36] Manjur, R. (2016, January 28). MAS' rebranding in limbo: What happens when clients change their minds? Retrieved March 26, 2017, from <http://www.marketing-interactive.com>: <http://www.marketing-interactive.com/mas-rebranding-limbo-happens-clients-change-minds/>
- [37] Mason, A. M. (2014). The Impact of Media Frames and Treatment Responsibility within the Situational Crisis Communication Theory Framework. *Corporate Reputation Review* , 78-90.
- [38] Medler-Liraz, H., & Yagil, D. (2013). Customer Emotion Regulation in the Service Interactions: Its Relationship to Employee Ingratiation, Satisfaction and Loyalty Intentions. *The Journal of Social Psychology* , 261-278.
- [39] Muzellec, L., & Lambkin, M. (2006). Corporate rebranding: destroying, transferring or creating brand equity? *European Journal of Marketing* , 803 - 824.
- [40] Oliver, R. L. (1999). Whence consumer loyalty. *Journal of Marketing* , 33-44.
- [41] Paraskevas, A. (2006). Crisis management or crisis response system?: A complexity science approach to organizational crises. *Management Decision* , 892-907.
- [42] Priporas, C.-V., & Vangelinos, G. (2008). Crisis management in pharmaceuticals: evidence from Greece. *International Journal of Pharmaceutical and Healthcare Marketing* , 88-102.
- [43] Raghuvanshi, G., & Ng, J. (2014, April 6). The Wall Street Journal. Retrieved August 8, 2015, from Malaysia Airlines Says Priority Is Families of the Missing, Though Ticket Sales Fall: <http://www.wsj.com/articles/SB10001424052702303532704579483060366249526>
- [44] Roy, S., & Sarkar, S. (2015). To brand or to rebrand: Investigating the effects of rebranding on brand equity and consumer attitudes. *Journal of Brand Management* , 340-360.
- [45] Schlegelmilch, U. H.-K. (2013). Conceptualizing consumers' experiences of product-harm crises. *Journal of Consumer Marketing* , 112 - 120.
- [46] Selnes, F. (1998). Antecedents and consequences of trust and satisfaction in buyer-seller relationships. *European Journal of marketing* , 305-322.
- [47] Sengupta, S. A., Balaji, M., & Krishnan, B. C. (2015). How customers cope with service failure? A study of brand reputation and customer satisfaction. *Journal of Business Research* , 10-20.
- [48] Siomkos, G. J., & Kurtzward, G. (1994). The Hidden Crisis in Product-harm Crisis Management. *European Journal of* , 30 - 41.
- [49] The Worlds Airlines Awards. (n.d). THE WORLD AIRLINE AWARDS. Retrieved August 20, 2016, from www.worldairlineawards.com: http://www.worldairlineawards.com/Awards/introduction_to_awards.html
- [50] There branding of MAS has already started and first impressions are good. (2015, June 2). brandconsultantasia.com. Retrieved March 26, 2017, from [The rebranding of MAS has already started and first impressions are good: https://brandconsultantasia.com/2015/06/02/the-rebranding-of-mas-has-already-started-and-first-impressions-are-good/](https://brandconsultantasia.com/2015/06/02/the-rebranding-of-mas-has-already-started-and-first-impressions-are-good/)
- [51] Tsai, Y.-L., Dev, C. S., & Chintagunta, P. (2015). What's In A Name? Assessing the impact of rebranding in the hospitality industry. *Journal of Marketing Research* , 1-32.
- [52] Veloutsou, C. (2015). Brand evaluation, satisfaction and trust as predictors of brand loyalty: the mediator-moderator effect of brand relationships. *Journal of consumer marketing* , 405-421.
- [53] Yubo, C., Shankar, G., & Yong, L. (2009). Does a Firm's Product-Recall Strategy Affect Its Financial Value? An Examination of Strategic Alternatives During Product-Harm Crises. *Journal of Marketing* , 214-226.