

Launching of a New Product with the Co-Branding Strategy: A Case Study of Indian Brands

OPEN ACCESS

Manuscript ID:
MGT-2020-08023365

Volume: 8

Issue: 2

Month: October

Year: 2020

P-ISSN: 2321-4643

E-ISSN: 2581-9402

Received: 12.08.2020

Accepted: 18.09.2020

Published: 01.10.2020

Citation:

Ananda Kumar, A., and R. Sakthivel. "Launching of a New Product with the Co-Branding Strategy: A Case Study of Indian Brands." *Shanlax International Journal of Management*, vol. 8, no. 2, 2020, pp. 28-33.

DOI:

<https://doi.org/10.34293/management.v8i2.3365>



This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

A. Ananda Kumar

Research & Development - Head, Faculty in the Department of Management & Commerce DMI - St. Eugene University, Lusaka, Zambia

R. Sakthivel

Principal, DMI - St. Eugene University, Lusaka, Zambia

Abstract

In recent years, the practice of co-branding has attracted a large number of research scholars and practitioners. Many of the researchers are also done their research articles with branding or co-branding. Commonly co-branding deals with the combination of two or more brands into a single product. Where co-branding is concerned with a marketing plan to associate with multiple brand names in a single product. The researcher discussed the general classification of brand associations. The paper reveals two classifications of the statements. The first is to form the general classification of Co-branding. The second aims of this paper are to promote the model of co-branding. The paper is also dealing with analyzing the theories of brand association and brand extension. The paper discussed, along with various case studies of co-branding of products and services.

Keywords: Brand Extension, Brand Association, Co-Branding, Products and Services

Introduction

The co-brand deals with the combination of multiple brands associated with a single product and services. It is the technique where the companies are making to transferring the positive combination of one company's product or brand into the others. The advertisers or marketers face difficulties in growth through the development of new products in the market places. Sometimes they seek to face the market cluttered with competing brands. In some viewpoint that it behind co-branding is to reach advance in market shares, as well as it is to increase the level of revenue streams and through customer awareness to increase the competitive advantages. The most negative feedback, though, is to do nil at all, to accept the pre-merger brands to sustain their ways. The expected collaboration of a co-brand is simply diverted into a nightmare if it as an inappropriate place with co-brands.

Co-branding is often used interchangeably with a variety of terms such as brand alliances, symbiotic marketing, joint branding, or cross-promotion (Simonin & Ruth, 1998). In this paper, cooperative brand marketing will be referred to as either co-branding or brand alliance, as these terms are most prevalent in the literature (Keller, 2003). Co-branding is classified in terms of the connection between the brands of products and services and organizations. Blackett and Boad, 1999). Moreover, the issues may have the brand potential function and also to become co-branded associates. This research was examined the various issues related to the potential function of the type of brand.

Review of Literature

The few studies are investigated that how co-branding is essential and how it is widespread practices in the market place. Moreover, it is also investigating the use of co-branding relationships, and it may affect the market performance of partners of co-brand. Though the article says that the B2B brand sector is has grown in recent years. And the level of input of efforts is less in co-branding. However, Van Riel, de Mortanges, and Streukens (2005) classify the part of the industrial brand, especially in chemical markets, that it may conclude were in the consumer sector the industrial companies are benefiting for capitalizing on enhancing of co-brand. The other article is focussed B2B market by brand equity (Bendixen, Bukasa, & Abratt 2004) showed that the industrial markets added with promoting high brand strength with product premium prices. But the delivery process of brand equity is the most important factor in increasing the purchase decision process in manufacturing industries.

The initial literature on co-branding and brand alliances were published around the early 1990's, which makes it a novel topic in brand theory. Norris was one of the first to research the subject, where he investigated brand alliances in the form of ingredient branding (Norris 1992). Because of its recent development within the field of brand management, it has been difficult to isolate the effect of brand alliances and separate these from other brand initiatives. Thus, Helmig et al. emphasized the importance of distinguishing co-branding from other brand disciplines for the literature to make clear considerations of the effects of such brand alliances. According to them, it is viable to talk about co-branding when the brands in the alliance exist independently, and when they have entered the alliance on purpose (Helmig et al. 2008).

Co-Branding Phenomenon

Co-branding is an occurrence in the market, gaining more and more important both in academic as well as practitioner circles with estimated annual growth rates around 40% (Hadjicharalambous, 2006). Co-branding is often used interchangeably with a variety of terms such as brand alliances, symbiotic marketing, joint branding, or cross-

promotion (Simonin & Ruth, 1998). In this paper, cooperative brand marketing will be referred to as either co-branding or brand alliance, as these terms are most prevalent in the literature (Keller, 2003). It has to be noted that brand alliances have to be distinguished from marketing alliances, of which they constitute just one sub-group.

Generally, co-branding means the combination of multiple brands by creating a single brand. In this type of co-brand where the partners are maintained to agree with the long-term combination. Co-branding involves the creation of a single product using two brands. This is, in fact, the criterion that is most often used specifically to distinguish co-branding from other types of branding alliances. Co-branding is defined as a co-operative brand activity, physical or symbolic, involving two or more existing brands of one or more distinguished entity.

India in talks with Retailers in the US, EU, Japan for Co-Branding Deals

India's export body Mpeda (the Marine Products Export Development Authority), is in talks with major retailers in the US, the European Union, and Japan to promote the country's value-added seafood products through co-branding deals, reported Business Standard. Officials of Mpeda, acting under the commerce ministry, said the idea is to promote the brand equity of Indian marine products in its export markets. The authority said it is in talks with various retail chains across major markets. "Want at least chain to collaborate with foreign supermarket," said N Ramesh, marketing director at Mpeda. The processors who meet the quality standards prescribed by Mpeda will be allowed to use the authority's logo, he added.

In this growing competition world, regulation of seafood exports, Mpeda taught that the various awareness of promotional programs regarding overseas seafood export markets and to maintain a smooth relationship with export traders. Mpeda did the same one in 2009 with US-based Sysco Corporation were promoted Indian black tiger shrimp. It recently signed a similar agreement with Japan's Aeon chain. Mpeda chairwoman Leena Nair said value-added products are gaining momentum. What used to contribute to 5% of the total seafood

exports three years ago now contributes 17%, she noted. The target is to increase it to 50% over the next five years. Thanks to the high return on investments and with more companies realizing that demand for value-added products is picking up, there has been notable growth in investments in the sector, Ramesh added. Overall, seafood exports from India are expected to touch \$4.3 billion by the end of the current financial year and \$10 billion by 2020.

In other words, strategic alliances are made public because doing so is important to have a competitive edge. Co-branding takes place either when the two brands need more strength than they have or when one of the brands is weak and wants to take advantage of the strength of the other. You can imagine a weak or a weaker brand having access to an established channel system to which it could not otherwise reach. Under such circumstances, the weaker brand has to offer some kind of value to the stronger brand to qualify for the partnership!

Case Study Related of Co-Branding

Co-branding is a special case of brand extension in which two brands extended to a new product. Therefore, both brand extensions and co-branding raise the basic problems, such as how the new product subsequently has an impact on brand equity and how brand equity transfers to the new products in the market. The combining of high image and high quality with a brand with low status were getting the attention with co-branding literature. Rao et al. reveals that best quality brands are discussed with quality perceptions of partner brands.

Also, replacing little to understand the various ingredients with domestic or national brands is provided best quality ingredients of their products. It has to enhance the consumer to the perceived high quality of private label brands of the products. Notably, the ingredients of national brands are well to associate with private label brands (e.g., Heartland Raisin Bran with SunMaid raisins) did not adversely affect the evaluation of the national brand.

Co-Branding: A Case Study of Micromax and MTV

Co-brand is also a tool or strategy to launch new products in the market place. This study reveals

that to understand the level of use of consumer by co-brands. The present studies imply that the way of partner selection in the concept of co-brands. This paper also argues the role and strategies of co-branding with the help of Micromax and MTV case studies.

The study analyzes and focuses on the important aspects of the selection of co-branding. The increases in brand equity by a selection of partner selection play a more crucial role. The study also discusses the main advantages and limitations of co-brands. The paper discussed that the extension strategy of co-brand companies was to adopt and maintain in the market share for launching new products.

Co-Branding in the Spotlight on Sport and Media - A Case Study Analysis of Schalke TV

Sport has often been the driving force for technological innovations. While fans bought radios to hear live sport transmissions at the beginning of the 20th century, fans are subscribing to video-on-demand services on the internet nowadays (Ashwell 2014). Especially in Germany, football has played a major role in the evolution of the new media (Siegert & Lobigs, 2004). Since the range of sports broadcasting has increased constantly during the last years, it is getting more and more difficult to attract customers.

Hence, new and innovative brand strategies are important for succeeding in the complex sport and media businesses. In this context, we attach brand alliances, and especially co-branding, increasing importance. We speak about co-branding when at least two independent brands co-operate systematically in a strategic marketing context to create a win-win-situation and to realize joint synergies. As we consider the cooperation and interaction between sports and the media very essential for both sides, we analyzed the co-branding strategy between FC Schalke and Maxdome.

The Upcoming Scenario of Co-branding Cross-Border Brand Association

The Car seat of Ibiza was introduced in the Danish market in the year of 2008 with German on the inside and Spanish on the outside slogan that was launched innovatively in car brands. The other

commercials had presented tango dancer of Spanish were attended by the classical guitar of Spanish that opened with German Folk Song. The text displayed by on the screen that German and Spanish are the peculiar combination but excluded about the cars (Schmidt and Fabricius 2010).

We believe that the aspect of Country of Origin adds a new dimension to that of co-branding and brand alliance fit. Therefore, this thesis will extend the analysis of brand alliances and investigate whether Country of Origin should be considered on equal terms as the other dimensions of fit and examine how it affects the consumer evaluation of the brands involved.

Social Brands and Corporate Brands: co-branding UK Super Markets and GM-Free

In this paper, it has to the introduction of Social Brands and to discuss the possibilities for co-brands between social brands and corporate brands that improve the market value of corporate brands. Co-branding also explains through theorized in the way of brands of the products and services. However, the problems may also know that the functions of social brands may be incorporated in the market. Leitch and Richardson (2003) are discussed to analyze the potential benefits of brand web models and the risks of starting the co-branding relationship with social brands. In the case of co-branding to investigate its relationship practices between GM-free social brand and UK supermarket brands.

Statement of the Problem

The co-branding is to classify the based on Strategic associations and brand extension. In this paper, the researcher has denoted the general classification of brand associations. The statement of the problem is to discuss two classifications of the statements. The first is to form the general classification of co-branding. The second aims of this paper are to promote the model of co-branding. The paper is also dealing with analyzing the theories of brand association and brand extension.

Scope for the Study

Usually, the co-brands are given more priority to the product's ingredients or components. In some

cases, the secondary brand is always an ingredient; that is, it is not otherwise marketed as a separate product (e.g., DuPont Teflon, Intel microprocessor). Also cases ,of retail co-brand products are a more equivalent relationship of multi-brands (e.g., circle K convenience store paired with gasoline station; Carl's Jr. restaurant paired 6 with Green Burrito restaurant). These preparations often entail more complex alliances in which the partners enter into a joint venture and profit-sharing agreements. The co-brand of market responses is always independent of financial structure and legally used to introduce that the reason for consumers' minds was considered as owned and hearts.

Research Methodology

The taxonomy derived in this paper will mostly be an integration of existing terminology in co-branding. This work will not only be helpful in supporting the framework developed in this paper but can also be used in future research. The idea is to have a comprehensive and generally understood taxonomy for brand alliances.

When modeling a framework for theories, there are two choices in which type of model is desired, prescriptive, or descriptive. Both forms have their specific advantages and disadvantages. Descriptive frameworks reflect reality and are crucial in understanding how things are done presently.

Mintzberg and Waters (1985) worked out a range of eight strategies, processes from planned, i.e., purely deliberate, to imposed, i.e., purely emergent reflecting this. Since it is unlikely that either brand extensions, co-branding, or strategic alliances are purely emergent strategies, i.e., realized without any previous planning whatsoever, attention can be turned to more planned strategic formation frameworks.

The purpose of this chapter is to elaborate on the methodological considerations that we have taken into account when assessing the above-mentioned research question and to clarify our contemplation behind the design of the thesis. It lays the ground not only for the way we have approached the topic but also for the underlying choices we have made to reach our conclusion.

Discussion

As the case of UK supermarkets and GM-free has illustrated, social brands have the potential to negatively impact on the value of brands by creating damaging brand associations. In moving social brands from their brand communities into their extended brand families through the creation of co-branded relationships, organizations have the opportunity to turn these negative associations into positives. Indeed, ignoring the positive or negative potential of social brands to impact on corporate brands may be just as foolhardy as ignoring the potential impact of competitor brands. However, social brand co-branding may also carry some potential dangers for corporate brands.

Co-branding with social brands is difficult because their power, values, goals, and strategies are derived from the organizations with which they are associated. Moreover, these organizations may have conflicting sources of power, values, goals, and strategies. A brand web analysis of a social brand must, therefore, include all of the brands of associated organizations. The same rule applies, however, to corporate brands such as Virgin, whose multiple organizational links have been described above (Balmer 2001a, 2001b).

Conclusion

The success of co-brands ensures that the added advantages of partner products or brands - the co-brand which makes to add the value of potential customers and also benefits to brand partners. Concluding the framework established in this paper shows how exactly concepts and theories both from brand extensions and strategic alliances influence co-branding. Managers can use the framework to achieve a better understanding of brand alliances, their formation, and management as compared to brand extensions and alliances in general. Areas are identified where concepts from the constituting areas can be applied to co-branding while others are revealed where the possible. For researchers, the framework gives some structure and overview as to where there are domains left for further research that has not received much attention as of yet.

The empirical analysis was composed of a multiple method research design, which we found

appropriate to answer the research question. The design consisted of a qualitative focus group that gave us elaborate and exhaustive information on perceptions of Customer-Based Brand Equity about several car brands. Moreover, it gave us valuable insights into the practice of Country of Origin about brand evaluation. The fact that we have considered only one social brand means that we have only just begun to answer our second and third research questions relating to how social brands might add value to or damage corporate brands. Additional in-depth analysis of social brand and corporate brand co-branding cases is then the next step for this research.

References

- Ashwell, Margaret, and Sigrud Gibson. "A Proposal for a Primary Screening Tool: 'Keep your Waist Circumference to less than Half your Height.'" *BMC Medicine*, vol. 12, 2014.
- Balmer, J.M.T. "From the Pentagon: A New Identity Framework." *Corporate Reputation Review*, vol. 4, no. 1, 2001, pp. 11-22.
- Balmer, John M.T. "Corporate Identity, Corporate Branding and Corporate Marketing - Seeing through the Fog." *European Journal of Marketing*, vol. 35, no. 3/4, 2001, pp. 248-291.
- Bendixen, Mike, et al. "Brand Equity in the Business-to-Business Market." *Industrial Marketing Management*, vol. 33, 2004, pp. 371-380.
- Blackett, T. and R.Boad. *Co-Branding: The Science of Alliance*, Palgrave Macmillan, 1999.
- Calow, Peter, and Geoffrey E. Petts. *The Rivers Handbook: Hydrological and Ecological Principles*, Blackwell Scientific Publications, 1992.
- Hadjicharalambous, Costas. *Show Me Your Friends and I Will Tell You Who You Are: A Consumer Evaluation of Cobranding Extensions Using Structural Equation Modelling*, City University of New York, 2006.
- Helmig, Detlev, et al. "Sesquiterpene Emissions from Pine Trees – Identifications, Emission Rates and Flux Estimates for the Contiguous United States." *Environmental Science & Technology*, vol. 41, 2007, pp. 1545-1553.

- Leitch, Shirley, and Neil Richardson. "Corporate Branding in the New Economy." *European Journal of Marketing*, vol. 37, no. 7/8, 2003, pp. 1065-1079.
- Mintzberg, Henry, and Alexandra McHugh. "Strategy Formation in Adhocracy." *Administrative Science Quarterly*, vol. 30, no. 2, 1985, pp. 160-197.
- Schmidt, Richard. "Consciousness and Foreign Language Learning: A Tutorial on the Role of Attention and Awareness in Learning." *Attention and Awareness in Foreign Language Learning*, University of Hawaii at Manoa, 1995.
- Siegert, Gabriele, and Frank Lobigs. "Powerplay - Sport from the Strategic Management Perspective." *The Economy of Sport in the Media*, edited by Schuddered, Thorsten, and Jürgen Difficult, Halem, 2004, pp. 168-196.
- Simonin, Bernard L., and Julie A. Ruth. "Is a Company Known by the Company It Keeps? Assessing the Spillover Effects of Brand Alliances on Consumer Brand Attitudes." *Journal of Marketing Research*, vol. 35, no. 1, 1998, pp. 30-42.
- Van Riel, Allard C.R., et al. "Marketing Antecedents of Industrial Brand Equity: An Empirical Investigation in Speciality Chemicals." *Industrial Marketing Management*, vol. 34, no. 8, 2005, pp. 841-847.

Author Details

Dr. A. Ananda Kumar, Research & Development-Head, Faculty in the Department of Management & Commerce, DMI - St. Eugene University, Lusaka, Zambia, **Email ID:** searchanandu@gmail.com

Dr. R. Sakthivel, Principal, DMI - St. Eugene University, Lusaka, Zambia