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An Analysis of the Co-branding Strategy in the Food Industry

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Abstract: With the intensification of market competition and the diversification of consumer demand, the co-brand marketing strategy in the food industry has gradually become an important marketing strategy. This study focuses on co-branding strategies in the food industry to explore how co-branding affects consumers' purchasing decisions and brand image, mainly discusses the success factors of co-branding, consumers' perception about the value of co-branding, and their awareness and acceptance of co-branding. By analyzing co-branding cases of different brands, the study will reveal successful co-branding strategies and their impact on market performance. Through the selection of representative brand co-branding cases, in-depth analysis of their success factors and market feedback. This study finds that successful co-branding can enhance brand identity, improve consumers' purchase willingness, and provide new ideas for brand innovation.

Keywords: Brand co-branding, Marketing strategy, Food industry, Consumer behavior, Market competitiveness

1. Introduction

With the intensification of market competition and the diversification of consumer demand, the co-brand marketing strategy of the food industry has gradually become an important marketing strategy. Co-branding can not only improve brand awareness but also meet consumers' expectations for novel and high-quality products through resource sharing and innovative cooperation. In recent years, many food brands have successfully launched several popular products through cooperation, which has further promoted the active market. This study focuses on co-branding strategies in the food industry and aims to explore how co-branding affects consumers' purchasing decisions and brand image. The study discusses that successful co-branding strategies and their impact on market performance by analyzing co-branding cases of different brands. Through the selection of representative co-branding cases, in-depth analysis of their success factors and market feedback, and striving to provide practical reference for the industry. The significance of this study is to provide analysis for co-branding marketing in the food industry, help brands find new growth points in the highly competitive market, and provide strategic reference for future brand cooperation. Successful co-branding can not only enhance brand identity but also improve consumers' purchase willingness and provide new ideas for brand innovation.

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2. Literature Review

2.1. The Value of Co-branding

Co-branding, as a strategic marketing cooperation method, combines two or more brands to jointly launch products or services to achieve synergies [1]. The key to successful brand co-branding lies in the selection of appropriate partners, and the consistency between the two parties in terms of brand awareness, brand characteristics, and values is the key factor for successful co-branding [2]. This strategy can bring multiple values, including increased brand awareness, market share, and resource sharing [3]. For example, research shows that the brand co-branding effect can be reflected in the two aspects of brand co-branding trust and brand co-branding love. Consumers will transfer the trust of the original brand to the co-branding, and the love of owning the original brand will also be transferred to the co-branding [4]. In addition, there is a significant relationship between the fit degree, brand familiarity and perceived value of brand co-branding. The higher the fit degree, the stronger consumers' perception of the aesthetic value, functional value, emotional value and social value of the brand [5]. However, successful co-branding needs to ensure a fit between the partner brands and a clear targeting of the target consumers.

2.2. The Emotional Connection between Brand Co-branding and Consumers

The emotional connection between brands and consumers plays a key role in brand management. Brand co-branding can affect consumers' cognition and attitude by strengthening customers' emotions towards the brand. Co-branding can engage consumers by exploiting their emotional resonance with a particular brand [6]. Research points out that consumers' emotional attachment to brands can enhance brand loyalty and purchase intention [7]. If consumers have a strong emotional connection to a certain brand, such as a unique brand story or long-term loyalty, they may have a stronger purchase intention due to this emotional resonance when the brand is co-branded with other brands [8]. In a co-branding context, consumers may transfer their emotions from a single brand to the co-brand, thus influencing their purchasing decisions. For example, studies have found that consumers evaluate co-brands more positively when they meet consumers' self-expression needs [9]. It is important to note, however, that co-branding partners must carefully coordinate their advertising, promotion, and other marketing efforts. If something damages the reputation of a brand, it will also affect consumers' feelings towards the co-branded brand [10]. Therefore, understanding the emotional needs of consumers and meeting them in the co-brand strategy can effectively improve the market performance of the brand.

2.3. The Association between the Brand and the Company

Brand is an important bridge between companies and consumers, and its image and reputation directly affect consumers' purchasing behavior and loyalty [11]. There are many kinds of relationships between brands, such as vertical co-branding, horizontal co-branding, co-branding, component co-branding and symbolic co-branding. To be successful, some enterprises will seek out inconsistent partners in the market, guided by the theory that inconsistency between brands is a valuable and beneficial partnership. Traditional marketing theory usually emphasizes the importance of similarity and complementarity between brands for building successful relationships [12]. Research shows that a strong brand association can enhance consumers' trust in a company, which in turn promotes long-term customer relationships [13]. Moreover, the close association between the brand and the company helps to establish a unique competitive advantage in the market [14]. However, if the brand is not aligned with the actual operations or values of the company, it can lead to negative reactions from consumers and damage the brand's reputation [15]. Therefore, ensuring that

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the brand is aligned with the strategy and culture of the company is critical to maintaining the health of the brand and the long-term success of the company.

3. Case Analysis

3.1. McDonalds and Oreo

The cooperation between McDonald's and Oreo began in 1997, and the most representative product is McFlurry. This product combines McDonald's soft serve ice cream with Oreo cookie fragments to give consumers a unique taste experience [16]. This success is not only due to product innovation, but also due to the market influence of the two brands. McDonald's has enhanced the appeal of its dessert business by partnering with Oreo, and Oreo has further expanded its brand exposure by leveraging McDonald's global store network [17]. The success of McFlurry is due to the high level of trust consumers have in the Oreo brand. Co-branding takes advantage of Oreo's market recognition and gives consumers a sense of familiarity when choosing McFlurry, thereby increasing their willingness to buy [18]. In addition, McDonald's continues to introduce limited flavors, such as matcha, caramel and chocolate flavors, to maintain the freshness and interest of consumers [19]. This strategy not only extends McFlurry's product lifecycle but also strengthens synergies between brands. However, McDonald's cooperation with Oreo also faces some challenges. For example, McFlurry's high sugar and calorie content may cause health problems and affect brand image [20]. As a result, McDonald's needs to consider healthier ingredient choices in its future product strategy to keep up with market trends.

3.2. Mengniu and the Forbidden City

The brand co-branding of Mengniu and the Forbidden City is a successful cross-border cooperation, which reflects how modern enterprises combine traditional culture and innovative marketing methods to gain the favor of the market. As a well-known dairy brand in China, Mengniu has always been committed to product innovation and market expansion, while the Forbidden City, as a symbol of traditional Chinese culture, is committed to protecting and promoting Chinese culture. By integrating cultural symbols with modern products, the cooperation between the two not only enriches the brand connotation but also enhances the brand image and creates a new situation of the combination of culture and consumption [21]. The most representative of this cooperation is the "Palace milk tea" series launched in 2019. The packaging design of this series of products is inspired by the history and culture of the Forbidden City and integrates the palace style with exquisite details and rich traditional Chinese aesthetics [22]. This cross-border cooperation has not only attracted many consumers who love traditional culture, but also attracted the attention of the younger generation, and enhanced the influence of the brand in the young market. The success of the brand co-branding strategy lies in the complementary advantages of the two brands: the Palace Museum brand represents the profound cultural heritage, while Mengniu represents the modern consumption trend and innovation ability [23].

4. Discussion of Findings

The cross-border cooperation between McDonald's and Oreo and Mengniu and the Forbidden City is a successful case in brand marketing in recent years, showing the potential of cross-border cooperation in enhancing brand influence and market competitiveness. First, McDonald's partnership with Oreo has successfully attracted the attention of young consumers by launching co-branded products such as Oreo McWhirl. This collaboration not only leverages the recognition of both brands but also addresses consumer demand for novel experiences through innovative product design.

According to brand equity model, brand co-branding can enhance brand equity by enhancing brand awareness and brand association [24]. In this way, McDonald's partnership with Oreo has enhanced consumer awareness and goodwill toward both brands. Secondly, the cooperation between Mengniu and the Forbidden City combines traditional culture with modern brands through cultural marketing. The "Forbidden City Bottle" series products launched by Mengniu not only incorporate the cultural elements of the Forbidden City in the outer packaging but also carry out extensive publicity through social media and offline activities. This kind of cooperation is in line with the brand personality theory proposed by Holt [25]. that is, brands can create unique brand personalities by combining with specific cultural symbols. Through cooperation with the Palace Museum, Mengniu has successfully linked the brand with traditional Chinese culture, enhancing the cultural connotation and market appeal of the brand. Although brand co-branding has significant advantages in market competition, its potential risks also need to be carefully evaluated. First, brand dilution is one of the most common challenges in brand co-branding strategies. Brand value is based on consumers' perception of its unique attributes. If co-branded products are not consistent with the core values of the brand, it may lead to consumers' confusion about brand positioning [26]. In addition, if the positioning of the co-branded partners in the market is very different from the brand itself, the brand image may be negatively affected, thus weakening the market competitiveness of the brand [27]. Second, brand co-branding can lead to brand dependency. Brand co-branding usually expands its brand awareness with the help of the market influence of the cooperative brand, but if the brand fails to establish its own independent value in the process of co-branding, it may form the impression of "affiliated brand" in the minds of consumers, resulting in the brand's own market recognition [28].

5. Conclusion

This study focuses on the brand co-branding strategy in the food industry and explores its impact on consumers' purchasing decisions and brand image. By analyzing the co-branding cases of different brands, the research finds that successful co-branding can not only enhance brand identity but also enhance consumers' purchase willingness and provide new ideas for brand innovation. Through the in-depth analysis of the brand co-branding marketing strategy in the food industry, this study draws several important conclusions. First, brand co-branding can effectively enhance brand awareness and consumers' purchase intention, especially when consumers have high expectations for brand image. The successful cooperation between brands is not only reflected in the marketing promotion, but also significantly enhances the overall market competitiveness of the brand. Future research could focus on the long-term effects of brand co-branding, exploring its ongoing impact on brand loyalty and consumer behavior. At the same time, the research can also be extended to other industries, compare the strategies and effects of brand co-branding in different fields, and provide more comprehensive theoretical support and practical guidance for brand marketing. However, the success of co-branding depends on several key factors, including brand fit, target audience match and marketing strategy. If the market positioning or values between cooperative brands do not match, it may cause consumers to question and even affect the brand image. In general, the brand co-branding strategy is playing an increasingly important role in the market competition in the food industry. Successful brand co-branding can not only bring market competitive advantages to enterprises but also promote the development of brand innovation and cross-border cooperation. In the future, with the changing needs of consumers, the brand co-branding strategy still needs to continue to innovate to meet the diversified needs of the market and promote the long-term growth of brand value.

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