

The Impact of Co-branding on Brand Marketing: A Case Study of Holiland

Zengqi Wei^{1,a,*}

¹Tianjin University of Finance and Economics, Tianjin, 300222, China

a. yy20011127@163.com

*corresponding author

Abstract: Co-branding is one of the most popular marketing models used by most well-known brands in recent years to attract the attention of a large number of consumers and to stimulate their desire to buy. The essence of co-branding is to create new products through collaboration, often with the characteristics and labels of both parties. Through a partnership model where both parties cooperate with each other, it is easier to break the stereotype about the brand image and expand the consumer market, thus increasing the commercial value of the brand and product. In recent years, Holiland has conducted co-branded marketing with different brands and celebrities, which has achieved a complementary overlay of consumer groups and inspired customer resonance through the integration of resources. In this paper, the author explores the strategy of Holiland's co-branding marketing and analyses the positive and negative impacts of co-branding on Holiland's brand marketing by means of a questionnaire survey. The study finds that the transfer of emotional value generated by co-branding promotes the effective complementarity of both consumer groups, but too frequent brand crossover may bring some negative effects, therefore, Holiland can be more flexible in future co-branding marketing by using a variety of marketing models, choosing suitable co-branding partners, and giving advance publicity. In addition, Holiland can pay further attention to the value of co-branded products and consider the introduction of localized marketing.

Keywords: co-branding, marketing strategy, Holiland, consumer choice

1. Introduction

China's dessert industry is developing rapidly and has a huge volume due to the low entry threshold and a large demand for potential consumption [1]. According to the data of China Report Hall in previous years, the market scale of China's baking industry reached 235.8 billion yuan in 2020 and will reach 265.7 billion yuan in 2021. Holiland, as one of the most popular large baking enterprises in China in the past two years, has achieved a full range of baking products to cover the production and operation, greatly satisfying the wide selection of desserts for customers. No matter what kind of desserts customers like, they can find their favorite taste in Holiland. Therefore, compared to other dessert brands that are slow to come up with new products and have a smaller range of desserts, Holiland has a very high customer penetration rate. The most popular products on the market today are semi-cheese, air box cake, iceberg lava chocolate cake, etc.

With the rapid development of mobile internet technology, the rapid spread of information, the high exposure, a wide range of influence, and other characteristics have created opportunities for Holiland to carry out co-branding marketing and stand out through cooperation with other brands and celebrities. It is common for brands to co-brand with each other, mostly under the name "Brand A & Brand B", which can be quickly identified by consumers, such as "Holiland & Oreo" and "Holiland & RIO" [2]. Holiland also continues to innovate new ways of co-branding, launching gift boxes of mooncakes with IP (Intellectual Property) images and smiling emoji SMILEY respectively. In addition, Holiland co-branded with professionals and people with high social recognition to drive traffic and achieve mutual benefits in terms of commercial value. The essence of these three co-branding marketing methods is to gradually adapt to the market environment of the mobile internet, consolidate their market share and brand image, and cultivate the consumer population through a strong alliance. This marketing method has an extremely important role to play in increasing the market share of Holiland. This paper studies Holiland's co-branding marketing strategies through a questionnaire survey. It also analyses the positive and negative effects of co-branding on Holiland's brand marketing. Moreover, the author gives further suggestions on Holiland's brand marketing in the future, thereby offering enlightenment on the marketing development of brands in the same industry.

2. Method

With the development of the Internet and various social networking platforms, more and more products are appearing in people's lives. In order to understand the public's awareness of Holiland's co-branded marketing, this paper adopts a questionnaire to collect information about the participants' gender, age, and whether they have experience purchasing Holiland's products, so as to investigate the proportion of Holiland's consumption among male and female groups. In addition, the author also prepares some questions about the understanding of Holiland's co-branding strategies and the products of similar brands, so as to find out how much people know about Holiland's products and its co-branding. Questions include "Does co-branding with certain brands make you want to buy more Holiland products (e.g. Harry Potter, Barbie)?" and "Apart from Holiland, what other brands do you like (Bao's Pastry, BreadTalk, Paris Baguette, Christine, Others)?" The survey was mainly targeted at students of Tianjin University of Finance and Economics, and 152 questionnaires were collected in total.

3. Result and Analysis

The survey data shows that compared to 25% of the male Holiland consumers, 75% of the female consumers are aware of and prefer Holiland. 100% of participants are aware of Holiland and more than 70% of them have purchased Holiland products, showing a high awareness and wide acceptance of Holiland. Over 70% of participants are aware of Holiland's co-branded products and around 30% of them have made a purchase, demonstrating the success of the brand's co-branding strategy.

3.1. Positive Impacts of Co-branding on Holiland's Brand Marketing

Consumers' love for the original brand will extend to the new co-branded products, thus building a good consumer base for the co-branded products. "Emotional consumption" is also a feature of co-branding. From the pursuit of quality to spiritual satisfaction and further to healing consumption, the students of Tianjin University of Finance and Economics pursue quality while emphasizing emotional value. As long as they feel good about one of the two brands, it is very likely for them to consume the products of the other brand. The transfer of emotional value facilitates the effective complementarity of the two consumer groups. For example, Harry Potter itself has a large group of

fans, and these people will be the first to be attracted by the Harry Potter co-branded product when it is launched, thus stimulating their potential purchase desire.

3.2. Negative Impacts of Co-branding on Holiland's Brand Marketing

Firstly, too frequent brand crossover may bring some negative effects, which will make consumers feel that Holiland is not serious enough and its positioning is not clear enough and will damage the authenticity of the brand. According to the questionnaire, 30% of participants think that co-branding marketing will have a negative impact on Holiland's brand marketing. If excessive cross-border marketing is done and various industries are widely involved in, people may feel that the brand development is more arbitrary which changes the meaning of the Holiland brand.

Secondly, brand crossover co-branding should be controlled on a consistent level, with brands crossing over and working with each other based on complementary capabilities and strengths to obtain a win-win situation. If the concepts of the co-branded brand and Holiland are different, consumers will not be inspired to consume.

Furthermore, there are some risks associated with co-branding and brand partnerships. If the co-branded brand had a bad reputation in the industry, a negative impact would be caused on the image of Holiland's own brand [3]. If the co-branded brands are too close to each other, it may result in competition for market share and lead to a shrinking market for its own brand.

4. Discussions and Suggestions

Co-branding can have an impact on consumer choice, but it is not applicable in all circumstances and conditions. In the future, Holiland's co-branded marketing should focus more on the methods that can be better applied in practice.

4.1. Flexible Use of the Co-branding Marketing Strategy

Brand co-branding usually takes into account the real needs of creating topics, attracting consumers, and achieving mutual brand support [4]. Firstly, co-branding marketing is more effective among young groups, and Holiland's target consumers are young, so the flexible use of this model is beneficial to the development of the company. Secondly, Holiland can not just implement co-branded marketing to attract consumers. It should use a variety of marketing models flexibly, in combination or use them alternatively [5]. For example, co-branded marketing combined with emotional marketing or co-branded marketing combined with viral marketing, the co-branded models go viral to consumers to attract consumer attention, etc. Holiland focuses on user experience and achieves a powerful integration of multiple circle cultures. The cultural attribute of "the minority is the majority" is vividly reflected in its main target consumer groups. From Disney, which evokes the innocence of children, to Ultraman, which is full of heroic feelings, and to Barbie, which grows up with girls, using co-branding as a clue and applying emotional marketing can link up multi-level consumer groups.

4.2. Concentration on the Choice of Co-branding Partners

When marketing a co-brand, it is important that both brands have the same or similar philosophies and tones in order to reflect the characteristics shared by both parties in the co-branded product [6]. When co-branding, too much focus on brand differences and less attention on common interests can disrupt the perceptions already established in consumers' minds and make product positioning unclear. When choosing a co-branding partner for a product, Holiland should consider the age and preferences of the target consumer group in order to better position the elements and style of the product. Images such as Harry Potter and Barbie, for example, can easily make the brand concept

resonate with consumers and ultimately achieve sales targets. Therefore, Holiland should understand its own brand audience, understand their preferences, and do a good job of research before choosing the right co-branding partner, so as to create successful co-branded products.

4.3. Good Promotion during Co-branding

In the absence of consumer demand, co-branded products will stimulate consumers to buy compared to non-co-branded products. Therefore, Holiland should do a good job on advertising before and after the launch of the co-branded product, or use various activities and interactions to create buzz and make more consumers aware of the product. For example, in terms of the access to information about the Holiland-Oreo co-branding, mobile is up to 60%, mainly on Weibo, Little Red Book, and TikTok, which fully reflects the public's tendency to get information and learn about the product on mobile social media platforms [7]. Besides, Holiland is currently generating products that can attract much data traffic, but these products are only popular in the market for a short period of time, which is also a common feature of the contemporary trend of products. Therefore, Holiland can take advantage of the current hot issues to create its own brand IP and make consistent improvements, so that more customers can participate in it.

4.4. Introduction of the Localized Marketing Strategy

On the one side, Holiland can use Chinese elements of traditional festivals, such as Chinese New Year and Mid-Autumn Festival, for specific product design, so as to create unique and competitive products with certain cultural deposits; on the other side, China is a vast country and the food culture varies greatly from region to region. Therefore, the food demand is also characterized by diversity and individuality. Based on the local characteristics of the area where the offline shops are set up, Holiland can create desserts that incorporate local characteristics. For example, a Holiland shop in Chengdu city of China incorporates Chengdu's special rap art and the image of the giant panda into the shop design and product production. With its differentiated emotional marketing, Holiland taps into the emotional link between itself and its consumers, practising its responsibility to spread Chinese culture with the power of the brand [8].

4.5. The Focus on the Value of Co-branded Products

Most people who choose to purchase again are doing so for buying gifts for others or for personal collections, so Holiland should pay attention to the value of the product when processing co-branded marketing [9]. First of all, it is essential to choose the right co-branded partner according to the preferences of the audience. Secondly, the design and packaging need to better integrate the two brands and highlight the personality of the product while paying attention to choosing the right time to launch. For example, with each new co-branded product, Holiland also launches a paper bag that matches the theme of the co-branded product, and many people are attracted to buy the co-branded products to collect these delicate bags, so the value of the co-branded product is closely related to the sales of the product [10].

5. Conclusion

With the thriving development of the bakery industry in China, Holiland is facing an increasingly fierce market environment. This paper uses a theoretical and practical approach to analyse the positive and negative impacts of co-branding on Holiland's brand marketing. The paper also proposes relevant improvement measures for Holiland to overcome its possible shortcomings in co-branding. The co-branding of Holiland has achieved three goals: firstly, it matches the purpose of the

co-branding with the brand value; secondly, it matches the needs of consumers; thirdly, it matches the co-branding strategy with the brand concept. With the rapid advancement of the Internet, Holiland's co-branding marketing has given full play to its own advantages and gained a good reputation in consumers. In the future, Holiland should be more flexible in the use of co-branding marketing, pay attention to market research and consumer feedback, and adopt the demand-oriented marketing strategy to expand its market share. Besides,, Holiland should consider its co-branding partners, pay attention to the consistency of the brand concept, and its marketing can be integrated with the local characteristics of the corresponding flavor product design. Finally, Holiland needs to improve its publicity and carry out special promotions to increase customer engagement and the rate of repeat purchase, thus bringing higher economic benefits and a longer term of development to the company.

References

- [1] Huang, Z., Li, Y. Y. and, Fu T. Y. (2022). *Research on the marketing strategy of Holiland's products. International Public Relations*, (13), 115-117.
- [2] Wu, S. N., Yang, R. Y. and Zhao, J. (2021). *Brand crossing: innovation, issues and challenges. Fortune Times*, (7), 24-25.
- [3] Qian, Y. (2022). *How to prevent brand co-branding compliance risks. China Trade Journal* (007).
- [4] Zhao, D. C. (2021). *The logic analysis of brand co-branding cross-border marketing. News Communication*, (12), 72-74.
- [5] He, Y. H. (2022). *Analysis of the effect of co-branding marketing on consumers' brand choice in the Internet era. Mall Modernization*, (12), 52-54.
- [6] Zhao, Z. Y. (2021). *Exploring the experience of brand co-branding marketing in the new media era: Taking the Beastie co-branding series as an example. Journal of Sichuan Cadre Correspondence College*, (3), 67-70+58.
- [7] Xie, S. S. (2022). *Has Holiland really mastered the "rejuvenation" code? International Brand Watch*, (29), 59-61.
- [8] Yang, J. and Hong, Q. X. (2023). *Research on brand marketing strategy of Holiland based on the ISMAS model. Journal of Journalism Research*, 14(01), 230-233.
- [9] Cai, X. and Li, X. Y. (2022). *An analysis of the strategy of Holiland's co-branding marketing under the threshold of mobile Internet. Today's Media*, 30(06), 134-138.
- [10] Chang, W. D. (2022). *A study on the symbolic consumption behavior of brand co-branded products. Old Brand Marketing*, (05), 12-14.