

Study on Co-design of Fashion Brands and Their Marketing Strategies

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Keywords: Fashion Brands, Co-design, Marketing Strategies

Abstract: In recent years, "co-design" and "cooperative design" get popular in not only fashion industry but also other areas with various product series and modes. The academy community refers to the commonly mentioned fashion terms "cooperative brand" and "co-design" as "co-branding", a similar word has its distinctive connotations. As studied and interpreted by many scholars, brand cooperation and co-branding each have their own emphasis. Co-branding, as a mode where two or more brands together establish a new brand targeting some specific area, has a larger coverage and allows various forms of cooperation; while brand cooperation in the fashion industry attaches more importance to the "brand", emphasizes more on the brands' own features and seeks to attract consumer attention through advertising effect.

1. Form of cooperation between both parties of the co-design

The concept of co-branding attracted the business community and academy soon after its creation in early 1980s. [1] It refers to short or long terms of combination and cooperation between two or more individual brands, products or other assets and resources in physical form (for brands or products, such as bundling of two or more brands) or in the form of symbolic representation (for brands, enterprise logo or other owned assets, such as bundling promotion). [2] Today, co-design has many forms, and the evolvement of internet as well as the popularity of We-media further allow various application patterns for co-branding marketing and technically revolutionize the sales potential of retailing. It is a breakthrough of brand development at certain stage under the influence of design method, communication technology, social culture, consumer psychology and other elements. Co-branding marketing plays a significant role in the completion and refinement of brand promotion theories in an interactive manner. Chinese and foreign scholars have conducted a lot of researches on co-design since the 1990s, yet different perspectives, objects and methods led them to inconsistent conclusions. A thorough review on their results will be helpful for building a complete research system and instructing practices in brand cooperation of the companies. This paper will review and summarize existing research results and cases in the aspects of co-design forms, marketing strategies and so on to analyze the communication content of brand cooperation and discuss the advantages, disadvantages and future development of co-design and marketing.

The outcome and the value created of co-design varies depending on the form of cooperation. The authors study the cooperation form of co-design mainly from the perspectives of the brands themselves and the partnership between the two or more parties.

1.1 From the perspective of brand

According to Fang and Mishra, co-branding may involve brands of similar or different kinds depending on their product category. [3] The brand cooperation between Alexander Wang and McDonald belongs to the latter. The brand Alexander Wang created in 2004 by its owner- an ethic Chinese designer of the same name cooperated with McDonald, a major multinational chain fast food brand, to launch joint products in 2019, including 300pcs of the global limited edition "Golden Basket" sold at 5888 Yuan and the Golden M handbag sold at 99 Yuan. In addition to the co-branded bags, McDonald also launched limited edition of foods- the "Alexander Wang Golden Bucket" at the price of 88 Yuan/2 combos.



Fig.1 Co-design series by Alexander Wang X and McDonald

Lafferty, Goldsmith and Hult divide co-branding into that between enterprise brands, enterprise brands and NGOs, as well as enterprise brand and celebrities by the cooperation nature and point out that the middle type is now getting popular. [4]

As an official partner of 2022 Beijing Winter Olympics, in 2020, ANTA as a franchisee launched its co-branded product "Sportswear with National Flag Designs" with the event, a case of cooperation between the enterprise brand and NGO. The goods were launched offline and online in the Official Olympics Flagship Store on Tmall with the entire launch event broadcasted live on Weibo. The live broadcast attracted 5.754 million times of watching and obtained a brand voice of over 300 million.

Co-branded products by ANTA and Beijing Winter Olympics include 4 series: National Flag, National Team Special, Star and Keep Moving. It is not surprise that the "National Flag Series" are sought-after among young people considering the successful combination of patriotism and fashion elements.



Fig.2 ANTA X 2022 Beijing Winter Olympics series

1.2 From the perspective of partnership

Blackett and Boad classify co-branding into four types based on the value created by the cooperation: Ability complementing co-branding, element combining co-branding, value similarity-based co-branding and promotion/publicity-oriented co-branding. [5]

(1) Ability complementing co-branding: Applicable when both brands are influential yet able to cooperate with each other during the development by sharing their core technologies and brand voice for the joint-designed products. This kind of co-branding maximizes the common value with the new product integrating elements from both brands that are complementary and similar to each other and thus expanding the existing user base.

The American street fashion brand OFF-WHITE was ranked as TOP1 Global Best Fashion Brand in the 3rd quarter report released by the global fashion search platform Lyst in October 2019, while Nike was ranked as TOP 14. In 2017 Off-White cooperated with Nike in launching "The Ten" shoe series consisting of 10 designs. The brand owner Virgil Abloh of Off-White introduces his

"deconstructivism" into the joint-designed series, which became a trend of sports shoes in recent years. In terms of design and appearance, the series all use classic Off-White elements such as the specially designed anti-theft clasps and orange labels to fully combine the classic Nike shape design, color scheme with bold design and create the fashion; The series deserve to be called the perfect example of co-branded shoes in the aspects of concept, design and popularity. In the series, Air Jordan 1, the product inspired by the classic color scheme of Chicago series is a truly bestseller and unprecedentedly sought-after in the secondary market. The co-branding of NIKE and Off-White combines aspects of design, culture, creativity and sports and displays the brand spirit to the masses through these products. The consistency and culture impact of classic NIKE designs, the characteristic stitching, eye-catching orange label and the special plastic shoelace of Off-White as well as the combination of other similarities embody the features of both brands on every detail and bring completely new feelings [6].



Fig.3 Nike x Off-White co-branded "The ten Series"

(2) Element combining co-branding: This type of co-branding is applicable when both are famous brands in their respective fields, and new elements created based on the characteristic elements of the brands shall be used in the co-designed products. This way, the evolvement of brand elements, the brand image and influence could all get improved.

The co-branded series launched by Supreme, a famous American street fashion brand, and Louis Vuitton, the traditional luxury giant, is exactly a case in point. In 2017, the two brands launched the Supreme X Louis Vuitton brand consisting of 71 designs covering bags, clothes, shoes and accessories. Louis Vuitton, as the party responsible for the overall design and quality of the co-branding, created impressively excellent co-branding products. The design language includes the classic elements of both brands, such as the classic Louis Vuitton "Monogram" pattern as well as the characteristic bright red and high street denim fabrics of Supreme. Both brands have their loyal customer base. Meanwhile, as the buying ability of young consumers getting stronger and stronger, high street brands are selling their products at prices continuously approaching luxury brands. Traditional luxury brands, on the other hand, wish to exploit the young and fashionable consumer population as well. Thus this co-branding won the common acceptance of the loyal consumer bases of both brands.



Fig.4 Supreme x Louis Vuitton co-branding series

(3) Value similarity-based co-branding: This kind of co-branding applies when brands have similarities both in their status and brand connotation from the perspective of consumers. This cooperation mode imposes high requirements on both brands and therefore greatly limit the potential partner base.

In 2019, ANTA and Coca-Cola released their co-branded shoes. The shoes combine the appearance of the "Badao" series and the Coca-Cola red with the transparent gauze on the shoe vamp reconciling the comfort and the cool feeling, and the most impressive elements are the Coca-Cola sign on the body and the big pull-tab on the sides of the shoe. These years, Anta seeks continuous brand transformation to target various costumer bases in the context of urbanization and consumption upgrade by virtue of its innovative fashion concept as well as diversified product portfolio. Belonging to another industrial field though, with a large customer base covering all the ages, Coca-Cola also has vital, creative and positive brand connotation, and that allows the combination of elements from both sides in the co-design to create new value.



Fig.5 ANTA x Coca-Cola co-branded series

(4) Promotion/publicity-oriented co-branding: This kind of co-branding aims to build the brand reputation through promotion and always directly uses the brand logo or proprietary IP images of one party. This brand cooperation has less requirements on the partner but also limit the design value.

The co-branded UT T-shirts launched by Uniqlo and KAWS use only the namesake image designed by KAWS without adding complicate design, however, the cooperation makes a hit not only in the sales, but also in the popularity promotion of KAWS both as a cartoon image and as an artist. Actually, KAWS is a young American artist with his former name called Brian Donnelly. As a graffiti artist always takes bus stations in New York as his canvas, unlike others, he always uses his own graffiti patterns for spoof. After making acquaintance with Hiroshi Fujiwara, the godfather of Japanese fashion, NIGO and the brand owner of the then doll manufacturer Bounty-Hunter, Hikari

Iwanaga, through Stash and other graffiti artists, Kaws created his first series of toy sculpture, Companion, based on the classic Mickey Mouse image and transformed his creation from 2D to 3D field. KAWS always uses simple lines and expressions such as "skeletons" and "xx" to make his works understandable and impressive. KAWS takes the advantage of co-branding to gradually build its popularity by cooperating with famous brands such as Dior, Air Jordan, Bape2, Vans, etc. Uniqlo and KAWS launched their co-branded products in June 2019 at prices much lower than other KAWS series and obtained satisfying results in both sales and public response.



Fig.6 KAWS X Uniqlo co-branded "UT" series

2. Marketing pattern of both co-branding parties

Co-branding uses a marketing pattern that evolves from traditional marketing, that means, drawing on the form of cross-border marketing but remaining some difference. Research on the similarities and differences between co-branding marketing patterns could unveil the concept and purpose of such marketing activities. Commonly used patterns of co-branding marketing include:

(1) Hunger marketing and limited edition: Most consumers believe "the scarcer, the better" in their buying activities. They pursue the subjective feeling of "satisfaction" in buying and distinguish the product value from the use value. In co-branding marketing, brands always take advantage of the strategy by cultivating the "limited edition" concept and by creating an atmosphere of "scarcity" through various channels to attract or satisfy the psychological needs of some consumers.

This "limited edition" marketing strategy works only for popular brands, in which case it could attract wide attention and make hot topics. That is why some co-branded products experience price skyrocketing, frequent commodity premium, and even reselling in violation of market order. Therefore, to safeguard the smooth progress of marketing activities and the long-term brand development, the brands have to pay attention to negative social response and PR crisis in addition to attention attraction.

(2) "Fan economy"-based Co-branded marketing: "Fan economy relies mainly on emotional capital and seeks capital appreciation through the marketing method of building fan community. Fan economy focuses on the consumers and design consumer-oriented marketing strategies from their emotional perspectives for adding the emotional capital of brand and idols." [7] Most young people have their beloved idols, some may even imitate their idols in wearing for psychological satisfaction and buy products endorsed by their idols as an expression of their support and love. Therefore, stars supported by enough fans will be able to enhance the product sales, and the brands take this advantage to facilitate their co-branding marketing cooperation with these stars. In 2016, for example, Burberry launched the co-branded series Burberry X Kris Wu. This is a win-win case where the large fan base of Kris Wu fueled the great sales growth in the Asia Pacific region and attracted wide attention for the brand, and meanwhile the star's fashion status was enhanced as one of the few stars having

cooperation experience with first-tier international brands. The gradual and in-depth development of the Internet enables the brands to touch more potential partners in addition to stars, such as renowned artists, professional bloggers, virtual characters and even film IP or game IP.

The advantage of this marketing strategy lies in the fan base of the partner which could facilitate the sales and the intrinsic eye-catching ability of celebrities that could easily attract attention and create hot topics. However, the brand shall make deliberate decisions on choosing the co-branding partner, factoring in not only the compatibility between two parties, but also the PR risk brought by the partner in case of negative public opinion.

(3) "Funny" co-branding marketing based on public curiosity: Marketing in this new era shall follow the mainstream consumers preferences, which cover not only the basic functions of commodities, but also their culture. Fun-based marketing is a major method for introducing the brand connotation to consumers. For example, in 2019 when ANTA and Coca-Cola launched their co-branded product online, they also opened an offline themed experience shop in POP-UP STORE, Sanlitun, Beijing. Visitors could put Coca-Cola and shoes together into the fridge, use the high-tech air bags to replace the paper box. These creative ideas add fun to the product launch and well fit the consumers' desire for new products and thus highlight the event in a market environment highly homogeneous in competitiveness, contents, and channels.



Fig.7 ANTA X Coca-Cola co-branded offline experience store

3. Views on co-branding of fashion brands

Co-branding, as a relatively common practice, has been adopted by many enterprises as important strategy to build the brand and seek further brand development. Brands choose this method based on mainly the following motivations:

(1) Generally, co-design marketing may create hot topic more easily. Co-branding in recent years is noteworthy as it could provide advertisement and promotion for both brands and the brand development is a constant publicity process. The synergetic effect of Co-branding could attract more market attention even without too much promotion effort in order to increase the sales and support the brand development.

(2) Co-branded products combine the characteristic elements from two or more brands, the breaking of old style and the brand experience brought to consumers may add their psychological satisfaction for "buying something valuable at a reasonable price". Furthermore, the simultaneous co-branding marketing of two or more brands could attract different consumer bases to increase successful sales.

(3) Brand cooperation allows for resource sharing. Brands each have their own design modes, sales channels, marketing methods, and target customers. Therefore, brand cooperation allows the two parties to share their customer base and the market in a complementary manner.

(4) Brand cooperation allows both sides to split the develop and marketing expenses. Brands have to invest a lot in product development in terms of manpower and resources, and the brand cooperation allows both parties to share the research and development pressure, lower the operating costs and improve the profit margin.

As shown in the study on existing co-branding cases: appropriate co-branding could contribute a lot to the brand development by improving the brand popularity, facilitating the brand in exploring new markets and adding the value of the brand. However, the brands need to carefully watch the design quality and product quality in addition to its efforts in publicity rather than conducting a superficial cooperation of simply allowing the other party to use their logo. Only careful selection of partners and long-term cooperation mechanism could maximize the consumer satisfaction.

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