

## **Co-Branding As A Part Of B2b Relationships System**

for Doctoral consortium

Irina Moreva

*Graduate School of Management, Saint Petersburg State University,  
Center of Strategic Marketing, Saint Petersburg, Russia*

Co-branding is a widely known phenomenon, studied in research literature and substantially applied in business practice. The aspect of the effects of co-branding on B2B relationships (effects of co-branding on the brands-relatives, on the business network value, on relationships between partners and inter-organizational network relations) is, however, underestimated, although B2B relationships and branding on B2B markets are topics of great interest in today's managerial science. So, in my research, I am interested in the circumstances, in which co-branding is a superior development decision given company's relationship system, and circumstances, which lead to such a decision considering this topic one of the most undeveloped and, at the same time, interesting questions in co-branding sphere.

*Keywords:* co-branding, networks, B2B relationships

## Understanding Co-Branding Opportunities In B2b Context: Empirical Evidence From Russian Companies

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### INTRODUCTION

Co-branding is a widely known and considerably used phenomenon in the world's business. (Prince & Davies 2002, Cooke & Ryan 2000, Washburn, Till, & Priluck 2004). However, exploration of this branding strategy is still being unsystematic and fragmentary: a lot of research was done on evaluation of co-branding strategies on consumer markets (Helmig, Huber & Leeflang 2008, Chang 2009): the influence of co-branding on perceptions, attitudes and, as a result, on consumer purchases of a co-branded product. The aspect of the effects of co-branding on B2B relationships (effects of co-branding on the brands-relatives, on the business network value, on relationships between partners and inter-organizational network relations) is, however, underestimated, although B2B relationships and branding on B2B markets are topics of great interest in today's managerial science. Nevertheless, there are some substantial works about the impact of co-branding in B2B relationships (Mudambi & Susan 2002, Bengtsson & Anders 2002, Bengtsson & Servais 2005, Sauvée & Coulibaly 2008, Helmig, Huber & Leeflang 2008) the main concepts of which I present in the literature review part.

I understand that co-branding in B2B relationships is influenced by two large marketing scientific areas: B2B relationships and branding. So, in my research, I am interested in the circumstances, in which co-branding is a superior development decision given company's relationship system, and circumstances, which lead to such a decision considering this topic one of the most undeveloped and, at the same time, interesting questions in co-branding sphere. I would also like to analyze the co-branding efficacy evaluation but I suppose that to be the last step in our research. I hope all these steps would help me to build a model of co-branding as a B2B relationships system, which is the main aim of my research.

### LITERATURE REVIEW

Branding and B2B relationships (which mainly influence co-branding in B2B markets) are topics widely developed by many researchers, covering monadic setting approaches as brand strategies etc. on the one hand (Aaker, 1991; Aaker, 1996; Keller, 1998; Kapferer, 1997; Keller & Lehman 2008; Aaker, 2010; etc.) and network setting approaches as cooperation and co-competition on the other hand (Dan, 2001; Gummusson, 2002; Reynolds, 2000; Barnes, 1994, Anderson, Hakannsson & Yohanson, 1994).

The main works on co-branding as a part of B2B relationships are as follows (this is not an encompassing list of publications on co-branding aspect, but most of them are dedicated to the influence of co – branding on consumers: their perceptions, attitudes and behavior (Helmig, Huber

& Leeflang 2008; Chang 2009 etc.) and are not discussing the topic of co-branding being closely related to B2B relationships.);

Bengtsson, Anders and Servais (2002, 2005) write about impact of co-branding on inter-organizational structures and on third parties, not straightly involved in co – branding relationships. The authors argue, that co – branding agreement effects how other network participants perceive co - branding partners, depending on the history of their previous relationships. They also write that it is often easier for the companies, having established such an agreement, to push their products to the distribution networks.

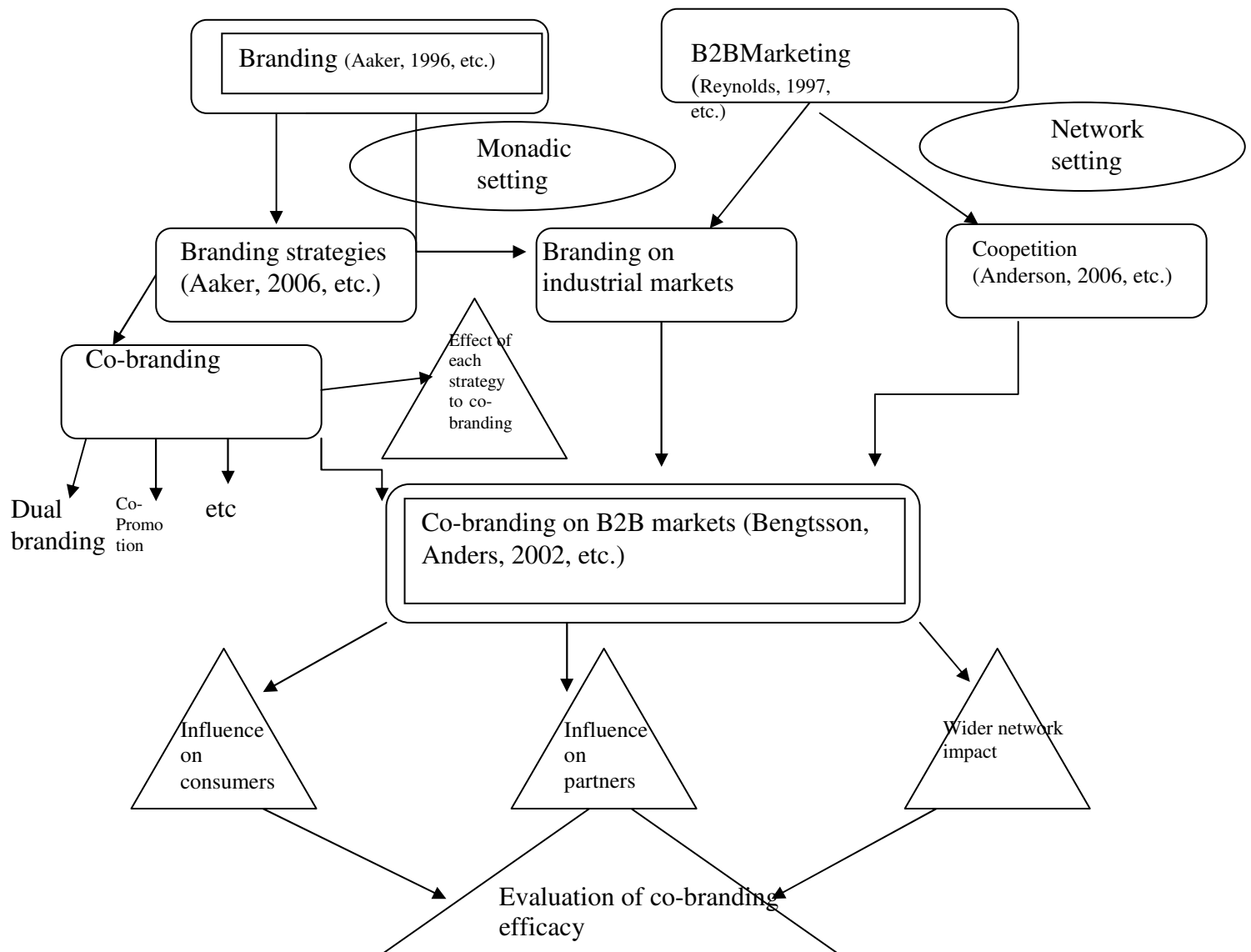
Aquilani (2006) suggests that if a group of companies use a strong common brand and build co – branding relationships between small companies in the group and this common brand all companies in this group are more stable under competition than one separate company, using only its own strong but single brand.

Sauvée & Coulibaly (2008) describe the brand alliance dynamics, proposing that in the long run organizational factors impact the co-branding agreement stability and performance. They also stress the importance of governance adaptations, resulting from internal and external forces.

Mudambi & Susan (2002) discuss the importance of corporate branding on B2B market stressing its importance growth with increase of e-commerce and global competition. This article also proves that companies, using common brand for co-branding activities are usually performing better than those without common brands.

After analysis of current theory on the topic I am able to provide a taxonomy showing how is co-branding related to some other marketing big research spheres:

Figure 1. Cobranding on B2B markets taxonomy



It is seen on the picture that there are two main topics of research: Branding in organizational monadic setting and B2B marketing in the network approach. They both subdivided into different strategies on the crossing of which develops co-branding on B2B markets.

All the triangles are spheres of inter-influence especially interesting for analysis. As mentioned above, some of them, such as “influence on consumers” are widely developed, while others, such as “influence on partners” and wider network impact” are not – thus, I will firstly concentrate on those undeveloped topics. To do that, I would like to find the answers to the 2 following question:

- Are co – branding agreements only possible when companies have a long relational history? (Bengtsson, Anders and Servais, 2002, 2005; Sauvée & Coulibaly, 2008)
- What are the circumstances, under which co-branding would be superior branding strategy for both partners?

Thus, I am planning a series of research activities. Now I am occupied with a case study on a single market. Next, a series of in-depth interviews with the companies representatives should be undertaken to clarify the nature, development history and stability of the relationships, leading to co-branding agreements. This would also help to measure the impact of co-branding on the whole network. At last, I plan an empirical consumers study to be able to analyze co – branding efficacy.

I recon, that a better understanding of co-branding as a part of companies B2B relationships sphere will be advantageous for the further analysis of co-branding phenomenon; it could be also beneficial both for companies, which have co-branding relationships and those, which are only going to establish such an agreement.

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