

# The Influence of Brand Co-Branding Types on Consumer Evaluations of Co-Branded Products

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**Abstract:** As an effective strategy for promoting new products and enhancing brand equity, brand co-branding has been widely applied in business practices in recent years. This article examines the influence of different brand element co-branding types on consumer evaluations of co-branded products and the underlying mechanisms. The study results indicate that core element co-branding influences consumer evaluations of co-branded products through perceived quality, while peripheral element co-branding affects consumer evaluations through perceived symbolic value. Product type serves as a moderating factor to some extent: when the product type is functional, the effect of core element co-branding is more significant; when the product type is hedonic, the effect of peripheral element co-branding is greater.

**Keywords:** Brand element co-branding; Product type; Perceived quality; Perceived symbolic value; Co-branded product evaluation

## 1. Introduction

An increasing number of companies are implementing brand co-branding strategies with the expectation of enhancing their brand image, expanding their market influence, and improving their competitive advantage to open up new markets. Examples include IBM computers using Intel processors, Uniqlo's collaboration with Marvel on T-shirts, and Holiland's co-branded bubble cheese cake blind boxes with Pop Mart. However, despite employing similar co-branding strategies, some companies achieve their goals and succeed, while others fail. For instance, Lenovo's collaboration with Coca-Cola to launch co-branded laptops received low consumer recognition. In contrast, Converse's sneakers featuring the Coca-Cola logo significantly boosted the brand's market visibility. This disparity prompts us to consider what kind of co-branding strategies can gain consumer approval and help companies develop their brands.

Previous research on co-branding has primarily focused on factors influencing co-branding effects, such as brand fit<sup>[1,2]</sup>, element status and brand status<sup>[3]</sup>, the degree of brand cooperation or interaction<sup>[4,5]</sup>, and the innovativeness of co-branded products<sup>[6]</sup>. Few studies have examined the match between brand element co-branding types and product types to identify factors affecting co-branding effects and find the most effective co-branding combinations that leverage brand advantages. Therefore, building on previous research, this paper explores the impact of brand co-branding types and product types on consumer evaluations of co-branded products and the underlying mechanisms. This study not only fills a gap in the existing theory but also provides valuable insights for companies considering co-branding strategies.

## 2. Theoretical Analysis and Research Hypotheses

### (1) The Impact of Brand Co-branding Types on Product Evaluations

Based on the importance of the co-branding elements in the final product, brand co-branding can be divided into core element co-branding and peripheral element co-branding. Core elements refer to key components that significantly impact the quality or performance of the final product<sup>[7,8]</sup>. When two brands engage in co-branding, they signal that they share a set of common values and resources, representing the integration of product functions between the cooperating brands<sup>[9]</sup>. This study posits

that the more critical the co-branded elements are in the final product, the higher the consumers' perceived quality and performance of the co-branded product, leading to more positive evaluations.

Peripheral elements are components that have a secondary impact on the final product. When the functional differences of a product are not easily discernible to consumers, they tend to value the symbolic significance or symbolic value of the product more. Thus, when the co-branding elements relative to the main brand are peripheral elements, consumers focus more on the symbolic value of the product. Consumers have a need to express their ideal self to the outside world through their purchases, maintaining selfconsistency<sup>[10]</sup>. If a product can provide certain symbolic significance or represent social status and roles to some extent, it can maintain the consumer's selfconsistency<sup>[11]</sup>. The selfconsistency of product value can positively influence the purchase of co-branded products<sup>[12]</sup>. Therefore, maintaining selfconsistency can enhance consumers' positive evaluations of co-branded products.

Hence, the following hypotheses are proposed:

H1: The type of brand co-branding influences the evaluation of co-branded products.

H1a: When the co-branding type is core element co-branding, it primarily affects product evaluations through perceived quality.

H1b: When the co-branding type is peripheral element co-branding, it primarily affects product evaluations through perceived symbolic value.

(2) The Moderating Effect of Product Type on the Relationship between Brand Co-branding Types and Product Evaluations

Functional products are characterized by functionality and practicality, offering functional benefits to consumers, who are more concerned with the quality and practicality of these products<sup>[13]</sup>. The more critical the co-branded elements are in the final product, the higher the consumers' perceived quality and performance, leading to more positive evaluations of the co-branded product. Compared to peripheral co-branding, the co-branding of the main brand with core elements enhances consumers' perceived quality of functional products. Hedonic products, on the other hand, are characterized by the experiences they provide to consumers, offering more enjoyment or fulfilling specific psychological needs, such as luxury or limited edition items<sup>[14]</sup>. When the co-branding elements relative to the main brand are peripheral elements, consumers focus more on the symbolic value of the product. The symbolic value of a product can maintain consumers' selfconsistency. Maintaining selfconsistency can enhance consumers' positive evaluations of co-branded products. Compared to core element co-branding, the co-branding of the main brand with peripheral elements enhances consumers' perceived symbolic value of hedonic products.

Therefore, the following hypotheses are proposed:

H2: Product type moderates the effect of brand co-branding types on the evaluation of co-branded products.

H2a: When the product type is functional, perceived quality plays a dominant role in product evaluation. Core element co-branding leads to higher perceived quality compared to peripheral element co-branding.

H2b: When the product type is hedonic, perceived symbolic value plays a dominant role in product evaluation. Peripheral element co-branding leads to higher perceived symbolic value compared to core element co-branding.

By reviewing the literature, we classify brand co-branding elements based on their importance in the final product into core element co-branding and peripheral element co-branding. Core element co-branding refers to co-branding where the added brand significantly impacts the quality or performance of the main brand's final product, while peripheral element co-branding refers to co-branding where the added brand has a secondary impact. Products are classified into functional products and hedonic products. Functional products are characterized by functionality and practicality, offering functional benefits to consumers, whereas hedonic products are characterized by the experiences they provide, offering more enjoyment or fulfilling specific psychological needs, helping consumers express themselves to the outside world. (The specific research model is shown in Figure 1)

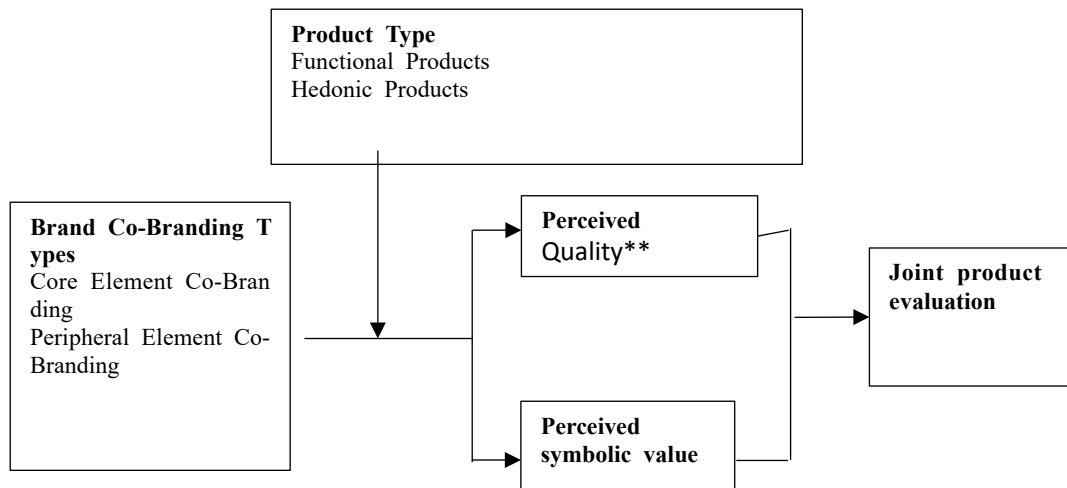


Figure 1: Research Model.

### 3. Research Design and Result Analysis

#### (1) Research Sample and Variable Measurement

The study employed a 2 (co-branding type: core element/peripheral element) × 2 (product type: functional/hedonic) between-subject experimental design. Experimental materials were used to manipulate different types of brand co-branding information and product type information, subsequently measuring participants' perceived quality, perceived symbolic value, and evaluation of the co-branded product. Data were collected through an online questionnaire survey, with a total of 500 questionnaires distributed. After excluding 64 invalid questionnaires from participants with no purchasing experience, 436 valid questionnaires were retained, resulting in an effective response rate of 87.2%. Among the respondents, 48.17% were male and 51.83% were female; the age group mainly ranged from 25 to 34 years old, accounting for 47.48%; the majority had an educational level of a bachelor's degree or junior college, making up 69.24%; and the main monthly basic consumption ranged from 2000 to 5000, accounting for 56.19%.

All variables were measured using a seven-point Likert scale, with 1 representing "strongly disagree" and 7 representing "strongly agree." The measurement scale for perceived quality ( $\alpha=0.813$ ) was primarily based on scales from Gattil et al. and Yoo et al.<sup>[15,16]</sup>, measuring aspects such as product quality and product features, comprising 5 items in total. The measurement scale for perceived symbolic value ( $\alpha=0.786$ ) was primarily based on scales from Tsai et al. and Zou Deqiang et al.<sup>[17,18]</sup>, measuring aspects such as product impression and product image, comprising 5 items in total. The measurement scale for co-branded product evaluation ( $\alpha=0.810$ ) was primarily based on scales from Anthony et al. and Ma Baolong et al.<sup>[19,20]</sup>, measuring aspects such as product satisfaction, comprising 5 items in total.

#### (2) Experimental Result Analysis

##### 1) Testing the Impact of Brand Co-Branding Types on Co-Branded Product Evaluation

A one-way ANOVA was conducted with brand co-branding type as the independent variable and co-branded product evaluation as the dependent variable. The results indicated that brand co-branding type had a significant impact on consumer evaluation of co-branded products ( $F_{\text{co-branding type-product evaluation}}(1,435)=14.702, p<0.001$ ). Therefore, hypothesis 1 is supported.

Further analysis showed that brand co-branding type had a significant impact on consumers' perceived quality ( $F_{\text{co-branding type-perceived quality}}(1,435)=50.615, p<0.001, \eta_p^2 = 0.104$ ). Consumers' perceived quality had a significant positive impact on co-branded product evaluation ( $B=0.643, SD=0.040, t=16.152, p<0.001, \eta_p^2 = 0.104$ ). Additionally, compared to peripheral element co-branding, consumers' perceived quality of products with core element co-branding was higher

( $M_{\text{core element-perceived quality}}=5.837 > M_{\text{peripheral element-perceived quality}}=5.288$ ). (Figure 2) Therefore, hypothesis 1a is supported<sup>[21,22]</sup>.

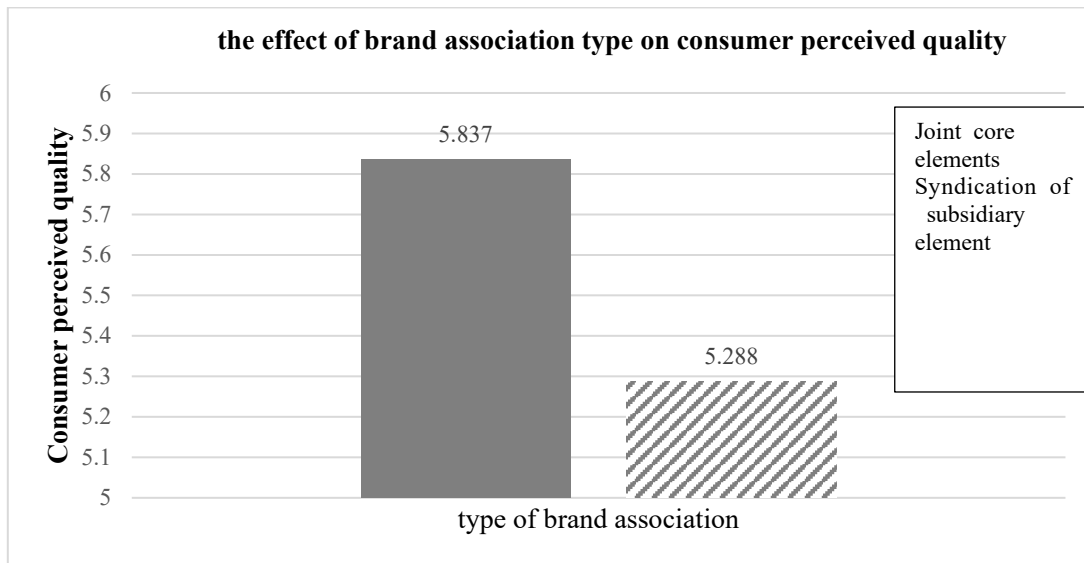


Figure 2: The Impact of Brand Co-Branding Types on Consumer Perceived Quality.

The analysis of the impact of brand co-branding types on perceived symbolic value reveals that brand co-branding type has a significant effect on consumers' perceived symbolic value ( $F_{\text{co-branding type-symbolic value (1,435)}}=5.166, p=0.024 < 0.005, \eta_p^2 = 0.012$ ). Consumers' perceived symbolic value has a significant positive impact on the evaluation of co-branded products ( $B=0.496, SD=0.040, t=12.352, p < 0.001$ ). Furthermore, compared to core element co-branding, consumers' perceived symbolic value of products with peripheral element co-branding is higher ( $M_{\text{peripheral element-symbolic value}}=5.600 > M_{\text{core element-symbolic value}}=5.401$ ) (Figure 3). Therefore, hypothesis 1b is supported<sup>[23]</sup>.

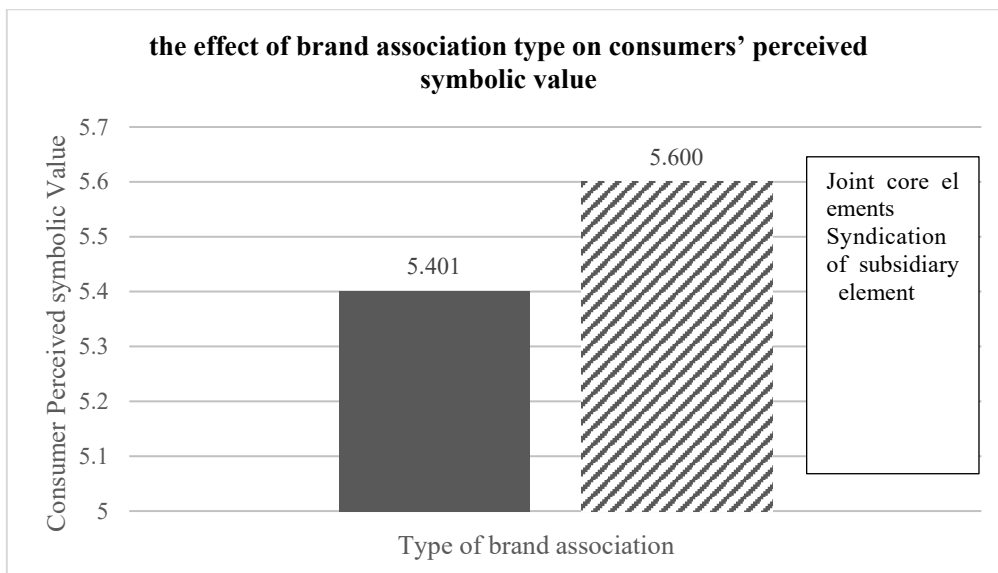


Figure 3: The Impact of Brand Co-Branding Types on Consumer Perceived Symbolic Value

2) Testing the Moderating Effect of Product Type on the Relationship between Brand Co-Branding Elements and Co-Branded Product Evaluation

To verify the moderating effect of product type, a multi-factor ANOVA was conducted. The results indicate that the interaction between brand co-branding type and product type significantly affects consumer evaluations of co-branded products ( $F_{\text{co-branding typeproduct type-product evaluation (1,435)}}=12.613, p < 0.001, \eta_p^2 = 0.028$ ). When the product type is functional and the co-branding type

is core element co-branding, the impact on product evaluation is greater ( $M_{\text{core element-functional product}}=6.087 > M_{\text{core element-hedonic product}}=5.810$ ). Conversely, when the product type is hedonic and the co-branding type is peripheral element co-branding, the impact on product evaluation is greater ( $M_{\text{peripheral element-hedonic product}}=5.784 > M_{\text{peripheral element-functional product}}=5.452$ ). Therefore, hypothesis 2 is supported (Figure 4)<sup>[24,25]</sup>.

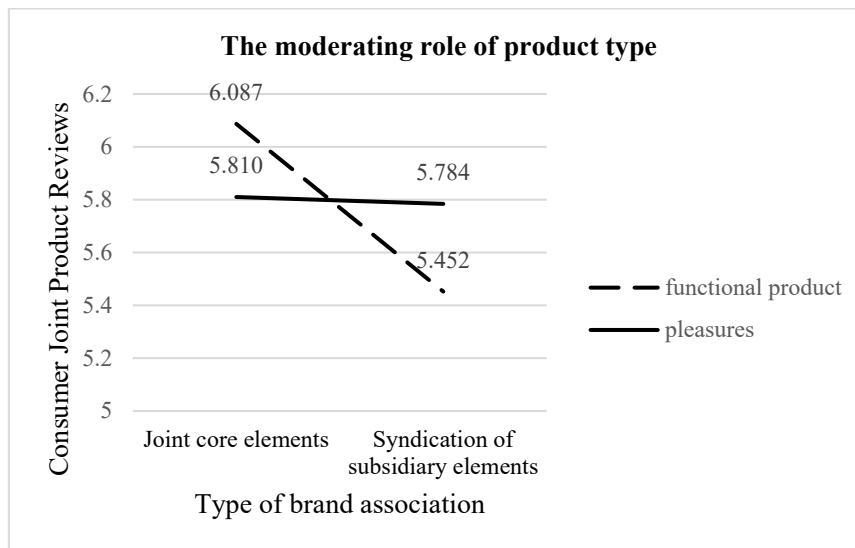


Figure 4: Testing the Moderating Effect of Product Type

To further explore the moderating effect of product type on brand co-branding type, a one-way ANOVA was conducted with perceived quality and perceived symbolic value as dependent variables and co-branding type as the independent variable, separately for functional and hedonic products.

The results indicate that when the product type is functional, co-branding type significantly impacts consumers' perceived quality ( $F_{\text{perceived quality (1,218)}}=12.955$ ,  $p<0.001$ ,  $\eta_p^2 = 0.080$ ). Additionally, for functional products, core element co-branding has a greater impact on perceived quality compared to peripheral element co-branding ( $M_{\text{core element-perceived quality}}=5.854 > M_{\text{peripheral element-perceived quality}}=5.368$ ). Therefore, hypothesis 2a is supported.

When the product type is hedonic, co-branding type significantly impacts perceived symbolic value ( $F_{\text{symbolic value (1,216)}}=17.333$ ,  $p<0.001$ ,  $\eta_p^2 = 0.075$ ). For hedonic products, peripheral element co-branding has a greater impact on perceived symbolic value compared to core element co-branding ( $M_{\text{peripheral element-symbolic value}}=5.827 > M_{\text{core element-symbolic value}}=5.388$ ). Therefore, hypothesis 2b is supported.

#### 4. Research Conclusions and Discussion

##### (1) Research Conclusions

The type of brand co-branding affects consumers' evaluations of co-branded products. Specifically, when the co-branding type is core element co-branding, it primarily affects product evaluations through perceived quality. When the co-branding type is peripheral element co-branding, it primarily affects product evaluations through perceived symbolic value. This conclusion aligns with consumer purchasing behavior: when consumers purchase final products resulting from core element co-branding, they focus more on quality and performance, leading to more positive evaluations. Conversely, when consumers purchase final products resulting from peripheral element co-branding, they find it harder to detect functional changes in the product and instead focus on the symbolic value and fulfillment of their ideal self, leading to more positive evaluations.

Product type moderates the impact of brand co-branding types on co-branded product evaluations to some extent. When the product type is functional, perceived quality plays a dominant role in product evaluations. Core element co-branding leads to higher perceived quality compared to peripheral element co-branding. When the product type is hedonic, perceived symbolic value plays a dominant

role in product evaluations. Peripheral element co-branding leads to higher perceived symbolic value compared to core element co-branding. In other words, when the product is a core element co-branded functional product, consumers perceive it as having higher quality and practicality, leading to more positive evaluations. When the product is a peripheral element co-branded hedonic product, consumers perceive it as fulfilling higher psychological pursuits and providing more enjoyment, leading to more positive evaluations.

## (2) Managerial Implications

In recent years, more and more companies aim to expand their brand influence, enter new markets, and enhance brand image through brand co-branding strategies. Some companies have successfully improved product competitiveness and achieved efficient upgrades of traditional products, while others have not gained consumer recognition, and their products have not sold well. Therefore, to achieve better strategic goals, companies should pay attention to the compatibility between brand co-branding elements and product types when implementing co-branding strategies. They should choose the optimal combination of brand co-branding to meet consumer psychology effectively.

For marketers planning co-branding strategies, it is crucial to consider the interplay between brand and product types and the moderating effects of different types. For core element co-branding, marketers should enhance consumers' perceived quality of the co-branded products, as consumers value the quality and practicality brought by the collaboration of the two brands. Marketers should consider the impact of quality perception on consumers. For peripheral element co-branding, marketers should enhance the product's symbolic value attributes, as consumers value the additional meanings brought by the co-branding, which bring more joy and satisfaction. Marketers should consider the impact of symbolic value perception on consumers.

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