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BRAND ALLIANCE. BUILDING BLOCK FOR SCIENTIFIC ORGANISATIONS´ MARKETING STRATEGY
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Summary

This paper addresses management issues of brand alliances as part of a scientific organisation´s marketing strategy. Though brand alliances have become quite popular with consumer products they seem to be exceptions in the marketing context of academic or scientific organisations. Against this background, the paper develops a brand alliance approach considering requirements of strategically marketing scientific organisations. As a starting point, brand alliances are discussed as a sub-category to brand combinations. Furthermore, opportunities for scientific organisations associated with the alliance approach are elucidated as well as, from a more general perspective, major threats. In the following course, the paper focuses on modelling a framework of customer-based brand alliance effects, referring to the behavioural science-based view of brands which conceptualises brands as the psychological reaction to the exposure of brand elements like a name, logo or symbols. In that context, prerequisites for success are examined as well. Further, essential components of a brand alliance management process are discussed and its application to scientific organisations is expounded. Aspects like, e.g., choosing and evaluating a partner brand, positioning a brand alliance or monitoring brand alliance performance are illuminated. In regard to practical application also factors and requirements for organisation´s brand alliance success are outlined.

Keywords: brand alliance, co-branding, brand strategy, brand combination, brand success
Creating a scientific organisation as a brand and capitalising on it

A marketing perspective applies to scientific organisations just like to other organisations else. At least since a "broadening of marketing", the distinctive differentiation between marketing of commercial institutions and marketing of other (non-profit) organisations can be considered obsolete as far as the basic idea is concerned\(^1\). Marketing might therefore be understood in a comprehensive manner as "exchange" (Bagozzi, 1975) and the term organisational marketing (Kotler/Levy, 1969; Kotler, 1972) has proved to be as superior as integrative. Building on this perspective, scientific organisations are, as a matter of course, involved in market-oriented behaviour, as they configure their exchange with stakeholder groups. This comprises that scientific organisations develop and implement market strategies may they be an outcome of traditional prescriptive strategy development or emergent approaches (Mintzberg, 1978; Hutt et al. 1988; Lynch, 2015, pp. 332ff.). In doing so they strategically allocate resources (Noda/Bower, 1996; Bower, 1986; Kotler/Fox, 1985; Gilligan/Wilson, 2013) in order to influence market success.

With regard to scientific, educational and research institutions some particular characteristics have been discussed (e.g. Kotler/Fox, 1985; Finhold, 2003; Hoyle, 1982; Sojkin, 2015; Courtney et al., 1998; Musselin, 2006) of which some important ones are listed below:

- Slim but diversified product portfolio,
- predominantly services as products/offering, therefore complex and difficult to grasp value creation,
- mostly non-profit orientation,
- complex group of stakeholders,
- high dependency on legal regime and public finance,
- predominantly international target markets,
- democratic and political processes shape large areas of internal coordination, hence high impact of micropolitics,
- functionally loose coupling of activities,
- ambiguous causal relationships between tasks and results,
ever so often marketing and sales neither considered a main part of the value chain nor a core competency,
reputation recognised as key to compete in the market.

Brands

Brands, being recognized as significant intangible assets play a major role in modern strategic marketing and, of course, are even a standard tool for scientific organisations as for any other commercial organisation. The case of universities involved in branding issues can serve to illustrate the situation (e.g. Judson et al., 2006; Jevons, 2006; Baker et al., 2005; Chapleo, 2004; Chapleo, 2007). Therefore, it comes as no surprise that today, when an understanding of the brand concept’s potency and its strategic implications have diffused into the sphere of scientific organisation marketers, issues of building and managing brand value for academic and scientific institutions have gained considerable prominence (e.g. Davidzuk, 2012; Sojkin, 2015; Pluta-Olearnik, 2012; Sung/Yang, 2008; Chapleo, 2011; Mathew et al., 2012; Bunzel, 2007).

Brands add further dimensions to named offerings like products or services (Keller et al., 2012, p. 5) and by that differentiate it in a rational or symbolic, intangible way. The real reason why a brand is distinguishable from a non-branded offering or from another brand stems from the total of perceptions, imagery and feelings persons have about the brand name. These mental aspects of brands make them a valuable means of influence for any marketing manager.

Organisation as a brand

Depending on the owner or on related stakeholder groups, brands take manifold forms, e.g. product brands, service brands, retail brands or corporate brands. For example, product brands focus mainly on customers whereas corporate brands direct at all stakeholder groups a
firm has. That is why corporate brands face challenges arising from the interaction between shareholders, employees, management, public and customers (Kernstock, et al. 2014, p. 14). Organisation brands turn up to show some similarities to corporate brands. Organisation brands refer to the totality of an organisation as a brand. Organisational branding aims at creating intangible assets in the mental worlds of all of an organisation’s stakeholders that make the perception of the organisation preferable and unique. This implies three mentionable aspects: First, organisation brands act in a field of tension between interests of quite different stakeholders. Second, organisation brands aim at differentiating organisations in order to build up a unique corporate reputation. This requires a consistent attitude in everything the organisation does. Third, an organisation can use an organisation brand, a product brand, or both. In the latter case roles must be clearly defined between the brands.

Creating and using organisation brands as a marketing means is attractive for organisations for several reasons: powerful brands tend to insulate the organisation from competition, enable to yield higher margins respectively higher demand, create loyal customers and easily allow to introduce new market offerings under the established brand name (for an overview see Keller et al., 2012, pp. 6ff.; Redler, 2003, pp. 23ff.). All in all brands represent both a financial and a strategic value to organisations. The manifest advantages that emenate from strong brands are explained by the idea of customer-based brand value as e.g. conceptualized by Keller (1993). Following his perspective, customer brand equity means triggering different responses to the exposition of a branded object compared to reactions to the unbranded object, e.g. a service, with those reactions regulated by brand knowledge that customers or target groups have established in their memories. In other terms, brand equity occurs when the target group is familiar with the brand and also holds strong, favourable and unique brand associations in memory (Keller, 1993, p. 2).

Hence, in contemporary marketing brands are no longer seen as a well distributed quality product or service that is publicly distinguished from other products or services via its name or logo (trait approach) but are considered as mental categories, as created brand
knowledge in the minds of a target group (effects approach). Brand knowledge is compounded of two constructs, brand awareness and brand image (Keller, 1993, Redler, 2014, p. 14f.). Awareness characterises the extent to which a person is familiar with an object and can remember it. Brand recall and brand recognition are two ways to measure awareness. Brand image is defined as the sum of brand associations a person holds in memory in regard to a certain stimulus, e.g. a brand name.

\textit{Interim conclusion:} Organisations can be regarded as brands. Taking that view, organisation brands are mental categories. Organisation brand value is created by establishing awareness for the organisation’s name and linking it to unique, positive and relevant associations. However, organisation brands act in a tension between different stakeholders.

\textbf{Brand growth and brand alliance}

\textit{Customer brand value} therefore is established as necessary brand awareness is created and a set of specific associations is established in the memory of a target group that includes unique, positive and strong associations. Brand value in modern behavioural marketing therefore means creating specific brand knowledge that influences perception, reasoning, emotional evaluation and behaviour of target groups (Redler, 2014, p. 17, 93). That is a differential view to the financial or the legal perspective — but provides marketers with high diagnostic and interventional power for their work. Interpreted psychologically, this conceptualization can be detailed by use of scheme theory and schematic processing (e.g. Anderson, 2009; Mandler, 2014; Wänke et al., 2001).

Established brand value is a sound footing for organisational growth. Seen financially, an organisation first invests in building up brand value. On a later date the investments charge off be providing the organisation with advantages mentioned above, e.g. stakeholders’ trust. Particularly improved opportunities for growth represents a significant aspect of pay-off in this regard.
Once strong brands have been established an organisation can work on internally and/or externally growing turnover and market share (see fig. 1). *External growth* means those modes of organisational growth that incorporates resources of other organisations. Therefore, external capabilities for value creation are integrated into the own value chain. Internal (organic, endogenous) growth, however, represents enhancements of own resources, e.g. brands. *Internally* brand-based growth can, in essence, be pursued via market penetration, line extension (launching new offerings within the same category under an existing brand name), brand extension (stretching brand with a new offering to a new category), or brand uptrading (systematically advancing existing offerings in order to impose higher average prices on the market). On the other hand, external growth with existing brands can be get hold of via brand alliances.
A brand alliance is the joint usage of two brand names for a new market offering with one brand being not a part of the own brand portfolio, in the long range (Redler, 2003, p. 14; Redler, 2014, p. 27). Often, the term co-branding can be found a synonym for brand alliances (e.g. Washburn et al., 2000; Leuthesser et al., 2005; Shocker, 1995). A brand alliance strategy has become quite popular with consumer products (for examples see e.g. Keller et al., 2012, p. 343 or Boad, 1999a). Surprisingly they are rarely found in the marketing context of academic or scientific organisations2.

Interim conclusion: Brands are value creators for organisations, and most organisational marketers — as they engage in branding activity — are well aware of this fact. One important strategic means for strengthening or capitalising on established brand value is the use of brand alliances.

The role of brand alliances as part of scientific institutions´ marketing strategy is explored more detailed in the following parts.

Basic considerations on brand alliances

A typology of brand combinations

Frequently and particularly in consumer markets, more than one established brand name is used to label a market offering. Examples: Both the Walt Disney and the Visa brand are found on a credit card, Milka and Daim together offer chocolate sweets, windbreaker jackets are provided with Jack Wolfskin and GoreTex logos. This joint usage of at least two established brand names has been defined as brand combinations (Redler, 2003, p. 10f.).

Brand combinations may be found in many types. In order to structure the phenomena into categories a taxonomy of brand combinations is proposed (see fig. 2) that distinguishes and names types of brand combinations based upon important characteristics. It uses six discriminant factors (property rights of the brands, the value creation level, the number and relation of brands involved, the intended duration and the
category of the market offering) as criteria. For each criterion, at least two forms can be differentiated as shown in fig. 2. The derived designations can serve as highly selective terms when classifying some other well-known brand management strategies resp. tactics. For instance, *ingredient branding* (e.g. Vaidiyanathan/Aggarwal, 2000) can be characterised as a form of long-term external brand combinations using brands from different value creation levels (in which the solution of one brand serves as a component for the market offering under the brand combination). A *brand architecture* describes the totality of a firm´s brands and clarifies their roles and relationships (e.g. Aaker/Joachimsthaler, 2000). Applied to the taxonomy above, a brand architecture integrates the variety of long-term internal brand combinations most of which are of hierarchical nature. *Co-Promotions* (e.g. Simonin/Ruth, 1995; Young/Greyser, 1983), based on the typology´s vocabulary, deal with short-term brand name combinations for promotional purposes.

![Figure 2. Taxonomy of brand combinations](source: adapted from Redler, 2003.)

In the same way, *brand alliances* may be examined as a subordinate group to brand combinations. They can be regarded as a particular kind
of brand combination (Redler, 2003) as they represent external, long-term, plain or complex, mostly brand extending combinations of brands on the same value creation level.

Interim conclusion: Various forms of brand combinations can be traced. Brand alliances are one particular form of brand combinations.

The presented taxonomy and the comprised terms will help facilitate communication on the phenomena and advances systematic study in this field.

Brand alliances and challenges involved

Brand alliances have just been classified as external, long-term, plain or complex, mostly brand extending combinations of brands on the same value creation level. As Redler (2014, p. 27) puts it, a company engages in a brand alliance if the following aspects hold true:

- At least two brand names are used to launch
- an independent market offering
- with a long-term perspective and
- of which one of the jointly used brands does not belong to the own brand portfolio.

Economically thinking, organisations will engage in implementing a brand alliance if they expect better market performance compared to simply using one own brand for a new product. Indeed, several benefits of brand alliances have been discussed (extract):

- more favourable evaluation and improved acceptance for the launched market offering (Park et al., 1996; Keller, 2003, p. 361),
- reduced risk of a flop (Kapferer, 1997; Keller, 2003, p. 361),
- cost reduction for brand building (Boad 1999a, p. 25f.),
- enhancement of own brand´s positioning (Redler 2003, p. 25ff.).
- access to new customers or regional markets (Keller 2003, p. 361; Voss/Tansuhaj, 1999, p. 39)
- augmented product (Boad 1999a, p. 25).
Numerous examples of such alliances can easily be identified in a consumer goods context: Philips and Nivea offer a shaving system for men, prominently using both brands. A luxury smartphone is provided by Prada and LG. Europe’s leading Association of Automobile Drivers ADAC successfully brands a credit card together with Visa, a fashion collection Tom Tailor by Brigitte launched in 2012. Although frequently found as an option for commercial companies’ marketing strategy, the idea of alliancing brands seems to be neglected by scientific organisations.

Psychologic processing of brand alliances

For organisations, the use of brand alliances opens up opportunities to use established brand value to successfully launch new offerings. Compared to a "normal" brand stretch a distinctive feature of brand alliances is the effect that, from the perspective of one firm, a firm can capitalise on a brand that is not part of its own portfolio. In that respect, external brand value can be tapped. Applied accurately, achievement of managerial goals should be supported by brand alliance formation, which in turn should help achieve overall aims of the organisation.

To understand the brand alliance lever it is important to note that marketing outcomes and therewith economic outcomes of brand alliances result from psychological effects of brands and brand alliances. That is why mental evaluation processes need to be considered as particular important in this context. They are generally regarded as a key to the explanation of human behaviour (for a cognitive psychological view see: Fiedler, 1996) and choice. Evaluations are underlying processes that occur automatically when a person in confronted with a stimulus, e.g. a brand alliance. To a large extend they are even part of human perception (for an overview: Parkinson, 2012) and in terms of categorisation theory or mental heuristics they actually must be recognized as inseparable form perception and mental processes (for an overview: Pendry, 2012). In line with this cognitive psychologic approach, spontaneous, conscious or unconscious judgements as basic mental patterns define human inner processing of information and by that behaviour. Accordingly, when confronted with a brand alliance (like with any market offering) a target group member will
automatically form psychological evaluations in manifold ways. These evaluations will then shape target group´s behaviour. That is why in fig. 3 psychological evaluations are sketched in as a starting point for managerial effects of brand alliances.

Apart from these direct behavioural effects, mental evaluations also impinge on the appraisal of the brand alliance and of each of the incorporated brands as their images are formed or modified. Thus, by help of brand image interaction effects (Simonin/Ruth, 1998; Redler, 2003; Baumgart, 2004) the own brand´s image might be actively modified, too, which in turn influences current or later purchasing decisions of target groups.

In sum it can be concluded that mental evaluations of brand alliances will bias target group´s behaviour, and mental evaluations of brand alliances might have a significant image modification effect for the involved brands, too. Taken together, these brand alliance effects impact on the achievement of managerial goals. Fig 3 sums up this background⁴.

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**Figure 3. Psychological evaluations as a base to target group´s behaviour**

To account for the formation of evaluations if, like in a brand alliance, more than one brand is concerned an anchoring-and-adjustment-approach was proposed by Redler (2003, p. 198ff.). According to that approach the internal assessment of a brand alliance is covered by the following steps:
1. A preliminary evaluation is formed based on one of the involved brands (for one particular dimension, e.g. "service quality"). The brand which the first evaluation bases on is called the anchor brand. Which brand will serve as an anchor depends on factors like its awareness, image strength and its dominance in the brand alliances package design.

2. Starting on the anchor brand’s evaluation value, the evaluation value then will be adjusted in direction to the other brand’s evaluation value until a plausible value is reached. The adjustment process stops.

3. As a value for the overall assessment on one dimension ("service quality", see above) of the brand alliance a value results that can be described as a weighted average of the evaluation values of the two relevant brands.

Interim conclusion: Evaluation processes play a pivotal role when analysing the psychological part of brand alliance effects. The formation of brand alliance evaluations can be explained by application of an anchoring-and-adjustment-approach.

Some problems of brand alliances from a marketing perspective

Brand alliances are a powerful tool to influence perception, evaluation and choice of new market offerings. Furthermore, due to feedback and interaction effects on the involved brands, they allow to sharpen or readjust the brand images of the incorporated brands. However, possible obstacles and pitfalls should not be neglected. Literature discusses some sets of problems (e.g. Board ,1999b; Keller, 1993, p. 361; Washburn et al., 2000) that are briefly reported here:

- Usually, brand alliances lead to an increase in coordination resources which implies an increase in transaction cost. This is an investment factor to be taken into account by the manager.
- A major problem arises if the expected support for the new market offering fails to appear — in other words if leverage effects hold off. In that case, the investment in partnering and contraction, in developing and implementing a new offering and in intense communication of the
brand alliance lacks in payoff. The ally costs become sunk costs, accordingly.

- Another peril of a brand alliance must be seen in risks of negative spillover effects for the own brand image. An equally unfavourable outcome would be a dilution of the own brand’s image.
- As with any other contracts, the termination or rescission of the brand alliance should be anticipated and relevant scenarios should be prepared which are eligible to save the own brand from damage.
- Finally, brand alliances need a distinct long-term focus. Short-sighted, tactical considerations must not be main motivators to engage in a brand ally.

**Interim conclusion:** Though brand alliances bear promising options for a scientific organisation’s marketing strategy potential pitfalls must not be neglected. The own brand can possibly be diluted or damaged, significant transaction costs may occur, or unforeseen changes in the partner brand’s strategy might cause problems.

**A brand alliance approach for scientific organisations**

**Framework of customer-based brand alliance effects for scientific organisations**

Based on the above described ideas, in the following section a framework is presented that outlines how brand alliances may influence scientific organisation’s marketing outcomes. This framework is designed from the perspective of one organisation and helps researchers as well as marketers to clarify underlying mechanisms and important levers.

**Elements**

The framework is organised according to five main elements (see fig. 4). The internal specifications include analysis and/or decisions on market, management aims, own brand’s status, brand alliance aims and choice of a partner brand. They can be seen as a "to do" list that has to be worked down before being able to start off with a brand ally:
• Analyse and define concisely the market you are in.
• Clearify your overall aims of the organisation.
• Draw a clear picture of your brand status. In case both product brands and an organisation brand are involved, do not leave out a single brand.
• Define exactly what you want to achieve by a brand alliance.
• Research, identify and bond a partner brand.

The interplay of theses specifications will determine the brand alliance offering as part of the brand alliance component which comprises the own brand, the partner brand and the brand alliance offering.

Psychological effects on the target groups refer to the modification of brand awareness, brand evaluation and brand image in particular with the own brand. Moreover, marketing outcomes and intra-organisational effects are addressed. Marketing outcomes mainly manifest through improved product acceptance, access to new markets and customers, increased cost efficiency, a modified image or an augmented portfolio. Within the organisation, aspects of learning from the partner brand’s organisation and benchmarking, an increase of open-mindedness and the diffusion of new competencies should be mentioned.

Interactions

The linkage between the main elements illustrates the causal relations starting on the left in fig. 4 with the organisation’s internal specifications. The chain of effects may be explained as follows: The configuration of the internal specifications affects the concrete brand alliance offer and by that the manner of brand alliance communication. The brand alliance, as part of the brand alliance element, depends on both the own brand and the partner brand. Further on, communication modality (esp. dominance constellation, conveyance of plausibility) is subject to the priorised brand alliance aims (e.g. brand image change, attracting new target groups, trust signal) and to the brand alliance offer. Among advertising and selling argumentation, communication also includes the design of a product or service "packaging". The implemented communication design (e.g. the connection of brand names, the proportions of uses brand elements) serves as the crucial stimulus to human perception and leads to psychological effects on target group
members. Finally, marketing outcomes, as a last factor in the sketched chain of effects, will highly depend on the occurred psychological effects. Therefore, this framework depicts the psychological effects as a pivotal mediator element. Further, forming a brand alliance will also have *intra-organisational effects*.

Interim conclusion: The derived framework explains how brand alliances influence marketing results via psychological effects. It includes relations between internal specifications, the brand alliance, psychological effects and the marketing as well as the intra-organisational outcomes. By that it facilitates focusing on key parameters and main dependencies and therewith allows for deriving management implications.

Figure 4. Framework of mechanisms and effects of scientific organisation´s brand alliances
Management of scientific organisations’ brand alliances

Based on the delineated framework and the insights from previous remarks, recommendations for the management of brand alliances will be developed in the following section. In accordance to established schools of thought, management can be seen as a process (e.g. Terry, 1953; Peterson/Plowman, 1962; Tripathi/Reddy, 2008) that helps structuring decision-making of management issues. Management in this view is basically approached by a sequence of problem definition, description of relevant alternatives, evaluation of alternatives, decision, implementation and control.

Transferred to brand alliances, the process may be substantiated by the following steps (see fig. 5):

- Analysis of own brand status
- Definition of brand alliance aims
- Identifikation and bonding partner brand
- Design of market offering
- Launch and maintenance of alliance
- Brand alliance control

These steps are discussed more fully below:

**Analysis of own brand status:** As a starting point a careful assessment of the own brand´s current situation is needed. This will mean to inventory all owned and used brand names (esp. the product brands), their targeted positionings and their relation to the organisation brand. Giving a brand status also includes reporting awareness and image parameters of all portfolio brands. Adding findings for main competitors will complete the status. In any case brand strength needs to be checked for in order to decide whether it is sufficiently developed for a brand to contribute to a brand alliance.

**Definition of brand alliance aims:** In order to prioritise what to focus a manager will need a clear defined aim. Consequently, brand alliance aims should explicitly be formulated. As brand alliances can, on the one hand, aim at leveraging market offerings and, on the other hand, can focus
Figure 5. Steps of brand alliance management

1. target-performance-comparison with regard to defined targets / check for negative spillovers for own brand
2. implementation of tracking system for brand alliance, own brand, and partner brand
3. definition of brand alliance communication
4. development of market offering
5. selection of partner brand, contracting
   - evaluation and preselection of potential partner brands
   - identification of potential partner brands
6. definition of brand alliance targets
   - economic targets
   - positioning effects
7. analysis of own brand’s situation

Source: adapted from Redler, 2003.
at modifying the perception of the own’s brand via image spillovers (or a combination of both), in first instance one should clarify the priority regarding these target clusters. Then, the targeted results are to be made more concrete. For example it should be defined whether a value added, addressing of customers or channels, access to further competencies, repositioning of the brand (see above) — and so on — is aimed at. Of course, the aim(s) must be accurately operationalised as they are to serve as a basis for control. Preparing and starting off with a brand alliance without having discussed these matters will reduce prospects of success significantly.

**Identifying and retaining a partner brand:** If aims are made clear, potential partner brands need to be identified, evaluated and finally be bound by contract. *Searching* for partners can turn out a difficult business that includes investigating suitable brands, defining parameters for assessment and carrying out the evaluation in *longlist and shortlist* procedures. Often, the situation is even being complicated by the circumstance that only few suitable alternatives for partner brands will be found.

Looking at partner brand *evaluation* some aspects may not be omitted: First, the potential partner brands should bring in exactly those features which are necessary to achieve the stated goal. If, e.g., aiming at attracting a certain target group via the alliance it seems essential that the partner brand will possess the relevant customer base yet. Second, brand strength of the partner brand needs to be analysed as the ally will not succeed without sufficient contribution of a strong brand. Then, third, brand alliance success will also depend on the perceived fit of the linked brands. That is why adequate perceived brand fit has to be checked for. In addition, authenticity and product fit should be estimated just as the partner’s openness for the aspired brand alliance. Not neglected must be the issue of image spillover contribution of a potential partner brand. Evidently, a variety of criteria need to be included into the evaluation. Thus, a scoring model seems to be the method of choice being able to account for the multi-criteria situation. In regard to dealing with image modification aims a deduction of an image requirement profile seems appropriate. Having worked out that, the extent to which a required profile is met by a partner should be used as a measure for partner-suitability in the scoring model.
For scientific organisations basically three types of partners seem relevant for further examination (as far as the organisation brand level is concerned):

- Other scientific organisations (including educational organisations),
- neutral institutions (like Red Cross) or
- commercial enterprises.

The type to be selected heavily depends on targeted effects and the planned market offering. After identifying and deciding on a partner brand negotiations will to be conducted and contracts need to be prepared. In regard to this two different aspects should be noted: Clarity needs to be created on the fact who will organisationally lead the brand alliance. This refers to the question which organisation or marketer will fill the role of a project manager. Besides, contractual arrangements are to be found in order to meet requirements of a long-term commitment, of transparency and practicability. Scenarios for withdrawal from the contract should be subject to these considerations, too.

**Designing the market offering:** Creating a brand alliance means launching a new market offering. In consequence, at least one party in the alliance (The one who organisationally leads?) will need to get involved in new product development.

**Launch and maintenance of alliance:** After testing and adjusting an offering it will typically be launched and supported through its life cycle. In complement to the core product an adequately implemented communication will be another crucial issue to be managed. The way of linking the brands, the dominance-constellation of brand elements and a consistent communication are main levers that will impact on success. Concerning the dominance-constellation, the order of names, the proportions of logos or specific corporate design elements just as integrated naming strategies can be seen as variables (Redler, 2014, p. 115).

**Brand alliance control:** The final step of a brand alliance management process addresses brand alliance monitoring. Monitoring objects will be the own brand, the partner brand and the brand alliance.
As relevant *measures* at least economic performance, awareness and image status need to be recognised — further measuring items will depend on the stated aims of the ally. Subject to the targeted results, performance of the market offering and/or changes in the own brand’s image are relevant facets to be monitored, too. As most effects will only show in longitudinal view, a robust tracking system seem necessary that allows for a realistic comparison between defined target figures and current performance.

**Interim conclusion:** Seen as a management process, establishing brand alliances includes several steps from brand analysis and partner identification to monitoring performance, with several feedbacks between the steps. Recognizing this process chain will help alliance managers to structure their decision making and action plans. Besides, the process emphasizes that necessary analysis and research steps are not left out.

The DHBW-GGS MBM course as an example of a brand alliance of scientific organisations

The case of a master program in Business Management, jointly launched by the Baden-Wuerttemberg Cooperative State University and the German Graduate School of Management and Law shall be used to roughly illustrate the presented ideas.

Since 2012 the Baden-Wuerttemberg Cooperative State University, Mosbach, (DHBW) and the German Graduate School of Management and Law, Heilbronn (GGS), have been offering a part-time course "DHBW-GGS Master of Business Management — Marketing" for professionals with an undergraduate degree in the area of management. This offer must be seen as a brand alliance as *core characteristics of a brand alliances are met:*

- The joint offering makes use of two established brand names. Both GGS and DHBW are well known in the German higher education landscape. While DHBW is famous for its cooperative approach that combines in-
class university seminars with (equally weighted) vocational training in companies, the GGS is valued for its research orientation and their executive training experience.

- The program is a new, independent market offering. None of the partners have had such a course up to then — that is why getting started this program was synonymous for launching a new market offering.
- Both partner organisations target at a long-term cooperation, especially as it is well-known that a new service offer in the market for master courses will need a longer start-up period and furthermore will not be able to meet economic criteria until after some years of establishment.

Aims, challenges and advantages of the brand alliance strategy can be reviewed from the DHBW perspective. With deciding for the integration of an external brand the following targets were pursued:

- Quickly achieve a superior reach for the new program within the target group measured against the results comparable marketing efforts of DHBW by itself will produce.
- Generally participate in marketing activities of GGS to improve DHBW´s brand awareness in adjoining target groups.
- Enriching the DHBW brand image with associations that relate to excellence in executive education.

Compared to a conventional brand stretch (in other words: to offering the course on its own) DHBW was able to benefit from several advantages. First of all using the brand alliance supported acceptance of the program in a competitive market and created an above-average number of leads. Access to relevant applicants was facilitated. Also to be mentioned is a comparatively fast rise of the new program´s awareness in target groups that were new to DHBW. Apart from these effects in regard to the launched offering, the alliance, on the other hand, impacted on the DHBW brand. The regular integration of the DHBW brand name in GGS´s marketing campaigns (which was unavoidable due to the kind of cooperation and the fixed link to the course to be promoted) increased awareness and created additional contacts.
Regarding the brand image it has to be assumed that the brand alliance with GGS will cause spillover effects on the DHBW brand, although effects have not been able to register yet. Another aspect yields at DHBW resources. Due to the cooperation, DHBW was able to learn from GGS’ advanced operations management concerning the weekend-teaching formats.

Figure 6. The DHBW GGS MBM programme as an example of a brand alliance

It goes without saying that the alliance has not been realized without mastering some challenges which will be mentioned in brief. A main obstacle was the situation that each of the organisation has its distinct culture and that these cultures were hardly compatible. Consequently, values had to be explored and been brought to the surface. Then a modus of working together which matched the heterogeneity of culture had to evolve. Apart from that, establishing the master program as a
brand alliance still implies a significant degree of coordination between DHBW und GGS. Managing this project also needed completing a learning curve in regard to internal organisation matters, to the understanding of roles and to considering equal representation of both parties in relevant committees. Fig. 6. sums up the main aspects of this example.

**Factors influencing brand alliance success**

**Empirical findings from brand alliance research**

A significant number of studies has (in a direct or an indirect way) examined aspects that affect brand alliance success. For an overview, the main important ones are clustered and reported subsequently.

**Perceived between-brands fit:** Results from several studies highlight the importance of various types of perceived brand fit as moderators of brand alliance success. Simonin/Ruth (1998) find that evaluations of the brand alliance depend on the attitudes towards the incorporated brands. In addition, a positive relationship between brand fit and brand alliance evaluation was found. Studies by Redler (2003) reveal the relevance of a sufficient brand fit for targeted image spillovers in brand alliances and also report contrast effects in conditions with low brand fit. Results from studies by Levin/Levin (2000) point in the same direction as they find brand alliance product evaluations being dependent on the degree of linkage between the two combined brands. Park et al. (1996) found that brand combinations of brands with complementary attributes lead to improved attribute profile for the new product. Recent analyses by Thompson/Strutton (2012) suggest that by partnering brands that possess higher perceived degrees of fit, more favourable product evaluations can be realized. By differentiating functional and symbolic fit, Ahn/Sung (2012) replicated moderating effects of brand fit on consumer responses to brand alliances in a recent investigation.

**Familiarity with brands:** In studies by Simonin/Ruth (1998) spillover effects of partnered brands were moderated by brand familiarity. Washburn et al. (2000), too, find this moderating aspect: Due to their
results brands are effective in introducing a new product when allying with an unfamiliar brand rather than with a familiar brand.

Plausibility: Studies by Rao et al. (1999) underpin the argument that credible brands involved in a brand alliance have a higher influence on a brand alliance product´s quality perception. Likewise, Aghdaie et al. (2012) find that credibility of constituent brands positively affects customer response to a brand alliance. Besides, Redler (2003) found alliance plausibility to be an imperative for allying brands and reports deterioration effects on brand alliance images with non-plausible brand alliances.

Brand strength: The strength of a brand in terms of awareness and brand image constitution seems to be a key determinant for brand alliance success. In a series of studies Redler (2003) and Esch/Redler (2005) found that the direction of image spillover effects are influenced by the degree of brand awareness as well as by brand image strength. Other studies by Washburn et al. (2000) lead to the conclusion that the directions of image spillovers in brand alliances are determined by the constellation of high or low equity brands in the ally. Moreover, research of Rao et al. (1999), Vaidyanathan/Aggarwal (2000), Ueltschy/Laroche (2011), Chien et al. (2014) or Fang/Mishra (2002) back the relevance of partnering brand´s awareness as influential aspects on brand alliance success.

Order and hierarchy of incorporated brands: Findings from Park et al. (1996), Redler (2003); Esch/Redler/Honal (2006) and Wachendorf/Baumgarth (2000) indicate that the order in which brands are combined and their hierarchic arrangement impacts on evaluations and image spillover effects in brand alliances.

Interim conclusion: Factors that impact on the success of brand alliances are subject to various empirical studies. Though the definition of success may differ by study, brand strength, brand fit, brand familiarity, plausibility and brand linkage pattern can be identified as vital levers to be considered when managing brand alliances.
Synopsis of prerequisites for successfully using brand alliances as a scientific organisation

Taken together, findings from empirical research and the presented management considerations provide a foundation to develop recommendations one should bear in mind when considering brand alliances as a means of marketing strategy for scientific organisations. Subsequently, a synthesis of relevant prerequisites and preparation issues is delivered that can serve as a check list for brand alliance managers. Fig. 6 gives a summary on that.

1. **Know where you are: Map your situation realistically.** First of all, an inventory of all brands in your organisation’s portfolio (also think of the company brand and all the brand names used for certain offerings) is necessary. Having sorted out that, each brand should be assigned its awareness scores and its image situation (maybe these must be measured just for this purpose in advance) as well as its aimed positioning. This gives you a holistic and realistic view on the initial organisation brand situation — that seems to be important in order to make the right decisions later on.

2. **Strong brand: Check for required brand value.** To ally successfully with another brand, your brand needs to be equipped with sufficient brand value. To evaluate organisation’s brand value from the behavioural perspective, awareness and image configuration must be examined: to account for awareness brand recall and brand recognition are to be investigated. The first step to brand value is to register a brand in target groups’ minds. Therefore, a high level of awareness is indispensable for strong brands. Brand image can be measured by analysing structures of associations evoked by the brand name, by using attitude scales, or scales of brand personality. Strong brands have unique, favourable, emotional brand image components (Keller, 1993). Apart from awareness, this must be checked for in order to decide whether a brand holds sufficient brand power.

3. **Know what you want: Define focused aims.** Brand alliance success can only be evaluated if targets are specified, and if this is done operationally. As an organisation brand manager you have to determine
whether the brand ally aims at modifying your organisation brand’s image, at participating in other’s competencies, broadening your portfolio of market offerings, at entering into new markets or at introducing a new offering more efficiently, or at a combination of those. The targets of a brand alliance should be set out in writing. Clear targets are an important prerequisite to come to adequate decisions during brand alliances planning and implementation.

4. **Accept longevity of brand alliance project.** Brand alliances are long-termed by nature. Systematic planning and patience are needed, esp. as second-best partnerships should be avoided. Aspired outcomes often will not be measureable until an appropriate period time. A brand alliance is not a short-dated sales promotion.

5. **Right partner: Ensure necessary partner fit.** Brand alliance success stands and falls with the choice of the partner brand. That is why researching and selecting another brand will take some time, needs a thorough evaluation of image and terms and conditions and requires negotiation of elaborated contracts. A clear description of criteria seems necessary, and creation of a long list as well as short list seems adequate. Brand strength, brand fit and possible plausibility must be looked at. Defining a profile of requirement in advance and using a scoring model helps to stick to the facts (Redler, 2014).

6. **Communication: Plan and manage adequate communication.** Matters of external communication of the brand alliance seem to have significant influence on alliance success, too. With regards to branding and advertising of the brand alliance rigorous checks for plausibility (Is it comprehensible and is there no dissonance?), perceptual salience and relevance are needed. Of particular importance is a careful review of two aspects: First, brand signals (like logo, name or colours) of each incorporated brand must be constituent and perceivable parts in the appearance of the ally. Second, an adequate (in relation to the brand alliance aims) dominance-constellation of brand signals should be found. These constellations may vary from a subordinate to a coordinative to a dominant effect of the own brand in the brand alliance.

7. **Control: Set up a monitoring system.** As a matter of course, effectiveness and efficiency of the brand alliance engagement need
monitoring. Accordingly, responsibilities and monitoring routines must be established within your organisation. Drawing on appropriate measures is crucial, too. Concerning the measures, not only economic performance values need to be included but also awareness and image relevant parameters to track for brand related feedback/spillover effects will be fundamental. Regarding the objects of measurement both the new brand alliance and the own organisation brand have to be considered. Building up a tracking system for brand alliances means establishing a longitudinal study design, in the strict sense.

![Figure 7. Check list for scientific organisations when planning for brand allia](image)

Check list: prerequisites for brand alliance success

- Own brand situation mapped realistically
- Checked for brand strength
- Aims of brand alliance clearly defined and made explicit
- Prepared for long-term character of alliance
- Necessary brand fit with partner brand made sure
- Basic rules of brand alliance communication deliniated
- Monitoring system defined

**Interim conclusion:** Aggregating already investigated critical success factors in a check list will create a simple but effective tool for brand alliance managers.
Summary and prospects

This paper set out to explore brand alliances as part of a scientific organisation’s marketing strategy. Conceptualized as one specific form of combining brands, brand alliances allow for brand growth via existing but external brands. Based on the psychologic evaluation processes that are involved if members of the target group face a brand alliance, opportunities of using brand alliances as a scientific organisation were carved out.

As a core result a framework was presented to delineate the interconnection from organisational situation to marketing outcomes of a brand alliance. It synthesises main elements and vividly illustrates pivotal dependencies. Within this framework, consequences on psychological parameters serve as key mediators between a brand alliance and targeted marketing effects.

Along with findings from several studies on brand alliances this framework is used to structure a management process that may guide marketing managers in scientific organisations when considering partnering with another brand. In addition, the DHBW-GGS MBM course is taken to exemplify aims, management issues and advantages of a combined brand strategy. The paper ends up with a compilation of relevant prerequisites to successfully manage a brand ally. This is provided as a check list, too.

The paper is the first contribution to discuss brand alliance strategies in the context of scientific organisations. Though being merely a first input to a huge amount of related questions to be clarified, hopefully a discussion and further examination in this field will be stimulated by the presented ideas. Ideally, both the presented framework as well the discussed marketing aims, particularly, serve as catalysts to inspire further research on this topic.

Throughout the paper, special attention was devoted to the applicability of the outlined thoughts. Therefore, embedded in relevant theoretical and empirical findings, the elaborations strive to provide marketers with structures and assessment tools, want to deliver relevant criteria to consider, aim at giving guidance for marketing decisions.

As a special characteristic of this paper the multi-dimensional approach should be mentioned. Brand alliance issues were approached by systematic
(embedding brand alliances as a form of brand combinations), structural (sketching a framework of cause and effect) and procedural (deriving a management process) considerations. Furthermore, behavioural foundations of target group’s mental processing of brand alliances were consistently integrated.

As this paper clearly is not intended as the definite paper on this topic further research in the field of scientific organisation’s brand alliance management will be needed. A main point will be to investigate more precisely in what way marketing of scientific organisations differs from marketing in consumer or service markets. This will shed light on the question whether existing findings of brand alliance research can be generalised to alliancing organisation brands. Further, important issues should include a validation of the presented framework and tests for the postulated partial effects. Moreover, success factors and the proposed management steps are to be mirrored with managers’ experiences via case study research as well as quantitative analysis. Eventually, major contributions might stem from working on the monitoring facets in brand alliance management. As scientific organisations often lack of established brand tracking systems, solutions for improvements should be explored, too. Obviously, such questions need a formal research agenda to be developed. Much is to be done at the heart of organisation brand management, which alliances are only one strategy of, leading hopefully to practical, conceptual and empirical advances.

References

1 At the very latest this might hold true since the rise of a service-dominant-logic (Vargo/Lush 2004) in marketing.
2 Singh et al. 2011 jest jednym z niewielu badań w tym kontekście.
3 Today brands are conceptualised as mental constructs that exert influence on human mental processes and therewith on human behaviour (Franzen/Bouwman, 2001; Keller, 1993, Keller, 2003). In order to psychologically clarify this perspective on brands several approaches have been referred to, which schema theory is one of the most popular of. Using schema theory, brand perception, brand learning, brand evaluation, even brand and emotion plus behavioural regulation can be researched.
4 For a comprehensive account see Redler, 2003 or Redler, 2014.
5 See above for detailed substantiation of these outcomes.
6 Dla tego celu przyjmuje się bardziej normatywną perspektywę, jak używa jej Redler, 2014.
7 Regardless of type, it must be discussed whether the alliance will refer to a partner’s product brand or to its organisation brand or corporate brand.
8 It should be noted that the definition of success and measures can vary.
Bibliography


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