



The influence of brand architecture on product development

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A brand architecture is a strategy that aids in managing the brand portfolio and the company. Choosing an adequate strategy for a new product, comes down to either a brand extension or the creation of a new (sub) brand. When the creation of a new (sub) brand is warranted, it is best to utilize a company-oriented brand building process to ensure that the brand is created within the boundaries of the chosen brand architecture strategy. This discovered process has been turned into a framework that can be used when a new product has to be developed and marketed.

Brand architecture; Brand management; Brand architecture strategies; New brand development

1. Introduction

In the past, a brand was a literal mark that was added to a product to show its origin and/or maker [1]. However, in the current days, a brand can be defined as “a set of tangible and intangible attributes designed to create awareness and identity, and to build the reputation of a product, service, person, place, or organization.” [2]. With this emergence of the idea that a brand is no longer a stand-alone entity, the attention for the brand architecture concept in scientific literature has increased [3]. Brand architecture is a diagnostic framework that aids in mapping the collection of brands owned by a company, most often used for the complex and large collection of brands from big companies [4]. This framework is especially used to map the specific brand roles and the relationships between brands in one brand portfolio [5,6], with this it can be made sure that each sub-part within the portfolio benefits the whole [3]. The brand architecture defines how a product is signed by a brand and whether it is dependent on another brand [7]. The brand architecture is thus the structural integrity of a brand [8], it is a representation of the business strategy, and it thus ideally aligns with the business’ goals and objectives [9]. In conclusion, brand architecture is a framework, but foremost a strategy [10] to manage the brand portfolio and the company.

Brand equity is dependent on whether the target audience recognizes the intended associations of the brand and whether this can lead to sufficient differentiation in the marketplace and in the minds of the consumers [11]. Thus, the goal of a brand architecture is to maximize the value for the customers and to optimize the organizational performance [8]. For this goal to be reached, the brand architecture strategy needs to be well defined [9], moreover, every product, service, or brand needs to work well within the architecture strategy of the company to become successful [11].

However, most research around brand architecture focuses on mapping a large brand portfolio owned by larger companies [4]. There is little literature on the creation of brand architecture and the creation of new (sub) brands within those boundaries. However, understanding the relationship between brand architecture and product development could aid companies in creating products that better resonate with their current branding and their consumers.

2. Brand architecture strategies

As brand architecture is a strategy, there are multiple variants to choose from. The most common and well-known types of brand architecture strategies are ‘branded house’ and ‘house of brands’ [9] from the brand relationship spectrum introduced by Aaker and Joachimsthaler [12]. Kapferer [10], however, found that within these different strategies, architectures that, in practice, are very different, are grouped together. Therefore, he proposed his own six main brand architecture strategies; the product brand strategy, the umbrella brand strategy, the masterbrand strategy, the maker’s mark strategy, the endorsing brand strategy, and the source brand strategy, as can be seen in figure 1.

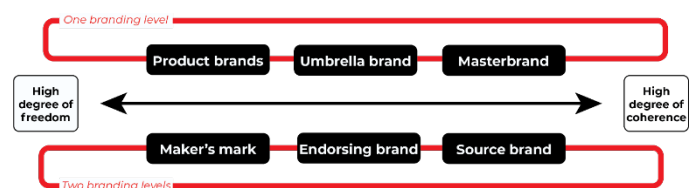


Figure 1.; Brand strategies as proposed by Kapferer [8].

To successfully apply a brand architecture, companies need to select a strategy or a combination of strategies that fits their situation [13]. Next to that, the choice of strategy has a strong influence on the functioning of the company; it shows a company's method of organization and distribution of power [10]. The choice of a brand architecture strategy is thus a strategic decision [8] that can have a difficult to generalize choosing process [12]; making the choice and creation of a brand architecture strategy a daunting task. Quantitative evaluation is thus essential [11] in advance of the choice. Meaning that the existing brand(s) [5, 14, 15] the company [16], need to be fully analysed and understood before a decision can be made.

In a thorough company analysis, there are three type of factors that are important as they influence and drive branding strategies: industry-level factors, company-level factors, and product level factors [13]. Industry-level factors refer to all factors that are outside the control of the company, one of which is the market(s) the company is active in or wants to be active in. By understanding

the branding practices common within the market, a branding strategy can be chosen that in the perception of the customer is fitting to the product, thus boosting acceptance [17,18]. Product level factors are factors that stem and/or influence the product(s) directly. An important factor is the amount of branding levels added to a product. The different levels of branding can act as a motivator, a driver, a source of value, a moral endorsement, a responsibility and/or an identification of the origin [10]. An abundance of these levels can damage the clarity for consumers, thus, to combat this the usage of branding levels need to be carefully considered. One way of knowing what branding levels are needed is to map out the journey of the customer, to understand how the consumer comes to their purchase decision. With this understanding, adequate branding levels can be added to boost purchases.

It is furthermore important to keep in mind during the analysis and choice that the brand architecture is not static; in the ideal case it is modified regularly and thus needs continued monitoring [5]. This is also why a pure strategy is rare, nearly all companies use a mixture [12].

In smaller and medium-sized companies, brand architecture development is often done through the introduction of a new product that cannot simply be marketed under the current brand. This phenomenon can be explained by the fact that most strategies, when dealing with a new product being introduced to the portfolio, either suggest a brand extension or the creation of a new brand. Thus, it can be concluded that, in the process of choosing a new brand architecture strategy, the first step is deciding whether the introduction of a new product will need to be done through a new brand or through the existing brand as either a brand extension or a sub brand [19, 20].

3. Constructing the brand architecture

To illustrate how a brand architecture can be created for a small company, the company of Mad Party Games is taken as an example. Mad Party Games produces party games containing weed, alcohol, and erotic related themes, it can thus be said that they are mainly active in the adult party game market. This is reflected in their branding together with their core brand values 'rebellious', 'original', 'fun', and 'inclusive'. Survey results show that these values can successfully be understood, but that the brand lacks brand awareness and seems chaotic. The reason for this chaoticness can be deduced through a taxonomy, competitor, and customer journey analysis. From the taxonomy analysis it could be concluded that every game had its own style or 'branding'. A competitor analysis then revealed that this is a common practice in the party game market and that often each game is styled to reflect their contents, with only slight hints to the master brand. Analysing the customer journey and their decision process for purchasing a game, shows that often the content of the game is the main deciding factor, hence why most game manufacturing companies seem to utilize product brands for their games. Sometimes, sub brands are used to then distinguish different types of games within this large portfolio of product brands.

It can be concluded that the brand architecture of Mad Party Games is as described in figure 2, with many product brands and one product line brand. However, as Mad Party Games is planning on expanding the number of family-friendly games, it would be advisory to create a sub brand that can distinguish these family-friendly games from the rest of the adult-targeted product portfolio (also see figure 2).

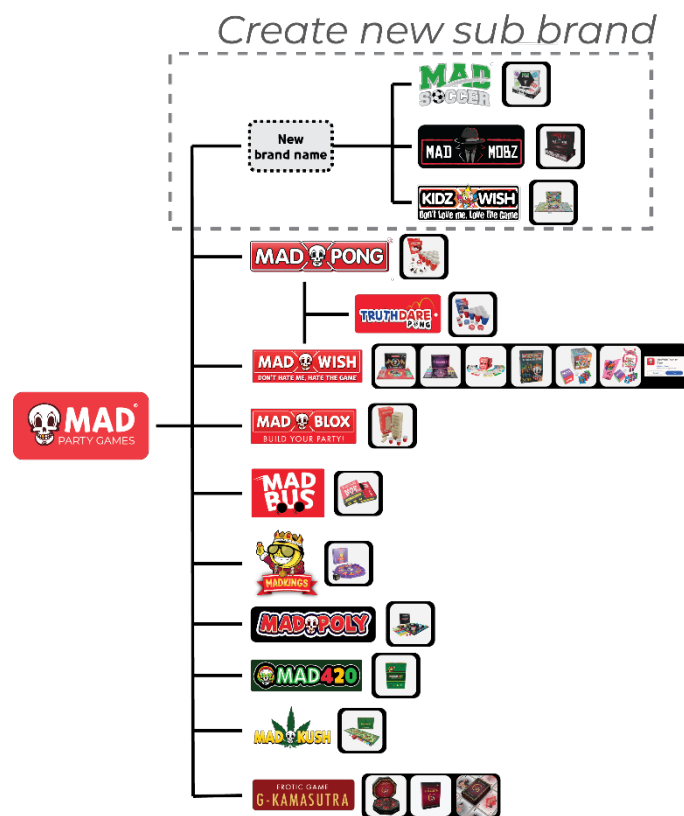


Figure 2.; Proposed brand architecture of Mad Party Games.

4. Building a new brand

A brand extension can simply be designed by applying the appropriate branding levels and implementing the explicit and implicit visual elements [21, 22]. However, creating a (sub) brand consists of more steps, especially as the brand to be developed is often not a stand-alone brand; it is part of the brand architecture, therefore related to other brands in the portfolio. As the brand architecture strategy determines the relationship between the sub brand and the parent brand, it also determines how consumers should mentally organize a brand portfolio, and thus which brand elements should be applied to communicate this relationship [23]. This is highlighted by the fact that research has shown that, when confronted with a sub brand, consumers use different types of associations to form a mental brand image. They use sub brand specific associations, parent brand associations, product category associations, and semantic associations [24]. Next to that, the brand architecture strategy determines the breadth and depth of the brand [25]. Finally, it also determines the strategic purpose of the brand, as brands in a brand portfolio are either a holding entity, a flagship brand, a strategic brand, a distinguisher brand, a cash cow, a defender brand, a journeyman brand, or an ally brand [26]. Thus, when developing a brand within an existing/chosen brand architecture strategy, it would be best to start the development of the new brand through a more company-oriented process, rather than a value-oriented process.

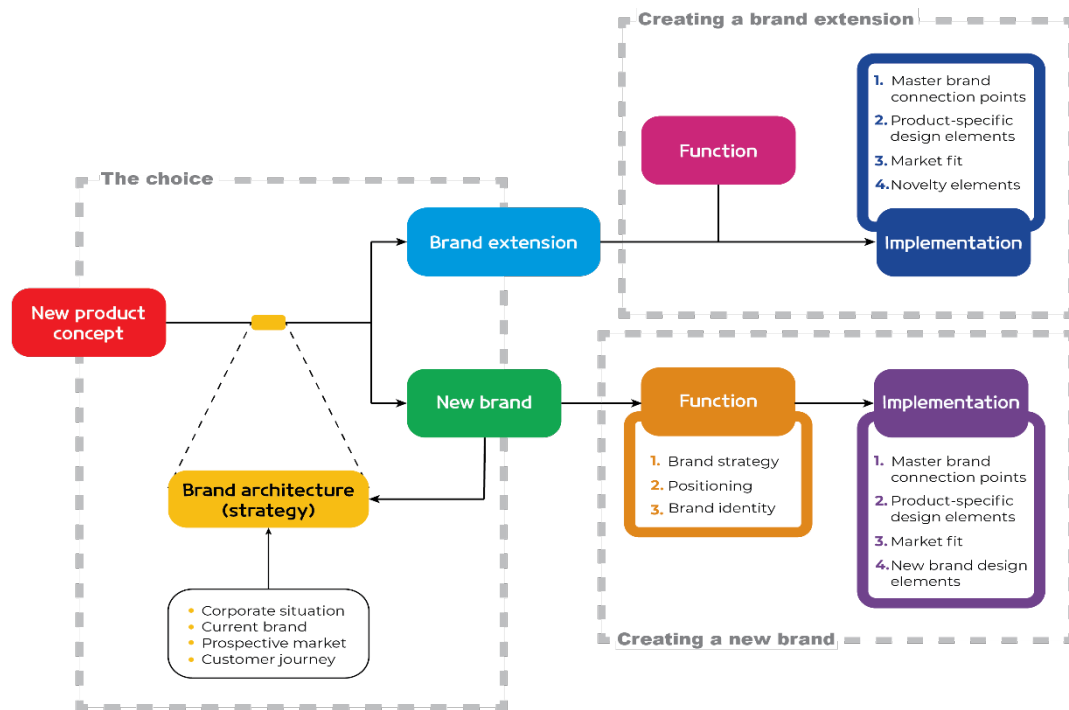


Figure 3.; Visualised framework.

5. The framework

It can be deduced that there is an underlying structure and process (see figure 3) that determines how a new product concept will be developed and marketed.

There are two main phases in the process; there is the choice of brand architecture strategy and the potential development of a new brand. When choosing a brand architecture strategy, the choice can mainly be stripped down to either creating a brand extension or a new brand. To best be able to answer this question, the brand architecture of the company should be considered, as the best suitable brand architecture strategy will provide the answer. A brand architecture can be created, and a brand architecture strategy can be chosen through a series of analyses. First the corporate situation is analysed to understand the company itself. Then the current brand is analysed to understand its relation to the company, to the products and to the consumer. A prospective market analysis will provide insights into the demands and customs of the market. And finally, a customer journey will show how the customer interacts with the product and what key decision points are in their purchase decision.

When it's best to opt for a brand extension the current brand and design elements can be applied to the new product, while making sure the concept is still novel to the consumer. When it is better to create a new brand, a different, slightly longer process will follow.

When the chosen brand architecture strategy calls for the creation of a new brand, it is important to keep the function of the brand within the larger brand portfolio in mind during its development. The function of the brand will determine what strategy the brand uses, how it will position itself and what the brand identity will be.

After the strategy formulation, the actual brand and design elements can be created and applied to the product. As the new brand is created with an underlying function, the newly created brand elements and design should fit and reflect that. Thus, first it needs to be established if the brand should refer to the master brand and if so, how much and in what way. Then there are the

elements that identify the product and distinguish it from the other products within the new (sub) brand. Next to that, the product is not going to exist in a vacuum, it will be part of a market. For a product to be accepted by consumers it should fit into the market and somewhat be typical for the type of product it is [17]. Then finally, there are brand elements that are entirely unique to the new brand. For each category, the number of elements can differ per product and per newly created brand; it is dependent on the function of the brand. For instance, if the brand is independent from the master brand, there will be no or little elements connecting them. Another example is when the new brand is going to be a product brand, then there will be many product-specific design elements and little new brand elements. It is important to note that the creation of a new brand will influence the brand architecture.

6. Use case

To illustrate how this framework can be used, it will be applied to a product of the company Mad Party Games, see figure 4. Mad Mobz is the only game in their current product portfolio that is an original game concept and is family friendly. There are plans to redesign this game, as it is, currently, the least selling game. This redesign offers an interesting case to test and illustrate the use of the framework.



Figure 4.; Current design of the MadMobz game.

5.1. The choice

When the redesign of MadMobz is treated as the development of a new product concept, the first step in this process is to determine whether a brand extension or a new brand creation is desirable. This decision is made based on the brand architecture strategy in place, which, in this case, is one consisting of many product brands and product-line brands grouped under one overarching master brand, namely Mad Party Games. However, to distinguish the family-friendly games, there is the newly created NextGen sub brand that utilizes the source brand strategy. Within this architecture, MadMobz is a product brand that will be placed under the NextGen sub brand, meaning that a redesign of the game will result in an adaptation of the product brand, which, simplified, is the creation of a brand extension.

5.2. Creating a new brand

The main function of the MadMobz brand is to represent and show the product, meaning it will be a journeyman brand within the portfolio. As a journeyman brand, it will adopt the positioning and brand identity of its master brand, in this case the Mad Party Games NextGen brand.

As the new MadMobz brand will be a product brand, the master brand connection points (1) will be the NextGen brand elements, the product-specific design elements (2) will be the new brand design elements, the market fit design aspects (3) will be elements that show the product is a card game, and novelty (4) elements will show how the product is different from the competition or the existing product portfolio .

1 - Following the NextGen brand elements, the new design of MadMobz should include more colour and a more prominent use of the characters on the box.

2 - Currently used product brand specific design elements are the name logo, the mafia-esque feel of the graphics and the gangster characters custom designed for this game. For the new redesign, the core idea behind these elements will be kept, but the execution will be adapted.

3 - Looking at the packaging design of competitors, most party card games have an interesting appealing and bold graphic on the front of the box, which hints back to the content of the game, but also entices people. Next to that, on the front (and the sides) of the box there will be the game name in a large bold font with a tagline below it that explains a bit more about the contents, whereas the name mainly is meant to grab attention. Then, on the back of the box there will often be a more detailed explanation of the game and an overview of the contents. Finally, there is an indication of the appropriate age for the game and the average playing time placed somewhere.

4 - The largest identifying factor of a game is the content of the game, so it is imperative to inform customers about that. This can be done by showing elements of the gameplay on the box, like the custom mafia characters and illustrations that are featured in the game. However, it can also be beneficial to show a playing guide.

Taking all these requirements into account, a design sketch (see figure 5) could be made of a packaging redesign for the game MadMobz. In this sketch two Mob characters of the game can be seen shooting at each other, then in the explosion that follows attributes of the game are flung around. On the sides there will be the brand logo, the game logo, and an explanation of the game in drawing format. Finally, on the back there will be a summary text and contents of the game explanation.



Figure 5.; Sketch of a potential redesign of the game MadMobz.

7. Discussion

With this research it has become clear how a brand architecture can be created rather than recognized within a company. Furthermore, it sheds light on how a brand architecture strategy can best be chosen and how subsequently a new sub brand can be created within the boundaries of that chosen strategy. These topics have been discussed previously in literature separately, but never has the connection been made and the process fully been described. Moreover, the creation of this framework could have made it easier to understand the abstract notion of brand architecture and its strategies, such that everybody within a company that is involved with the creation of the new product can understand the underlying strategies at work.

Further research could focus on the possibility of the wider use of this framework and on adding more precise usage guidelines.

8. Conclusion

In conclusion, a new product can be fitted within a product portfolio and its corresponding brand portfolio with an understanding of the current brand architecture and its strategies. The brand architecture in essence dictates the function of and the relationship between brands in a company's brand portfolio. When this underlying structure is understood, brand architecture strategy decisions can more easily be made, as the decision can be reduced to a choice: create a brand extension or create a new brand.

When a new brand is warranted, it should be developed to fit within the chosen strategy, meaning that development should start with the brand's strategy as this influences its positioning and identity. This brand architecture strategy is then also reflected in the implementation of the new brand in the product design, as it determines the ratios of the different design elements used in product and packaging design.

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