What is mixed branding? Your guide to the mixed branding strategy

Category: Strategy
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What is mixed branding, and could it be a valuable way to grow your brand? As most business owners know, there are a huge range of ways to build an effective brand identity.

Sometimes, the best way to grow is to partner with other companies on a "co-branding" campaign. Other times, you may focus specifically on a sustainable or eco-conscious branding method.

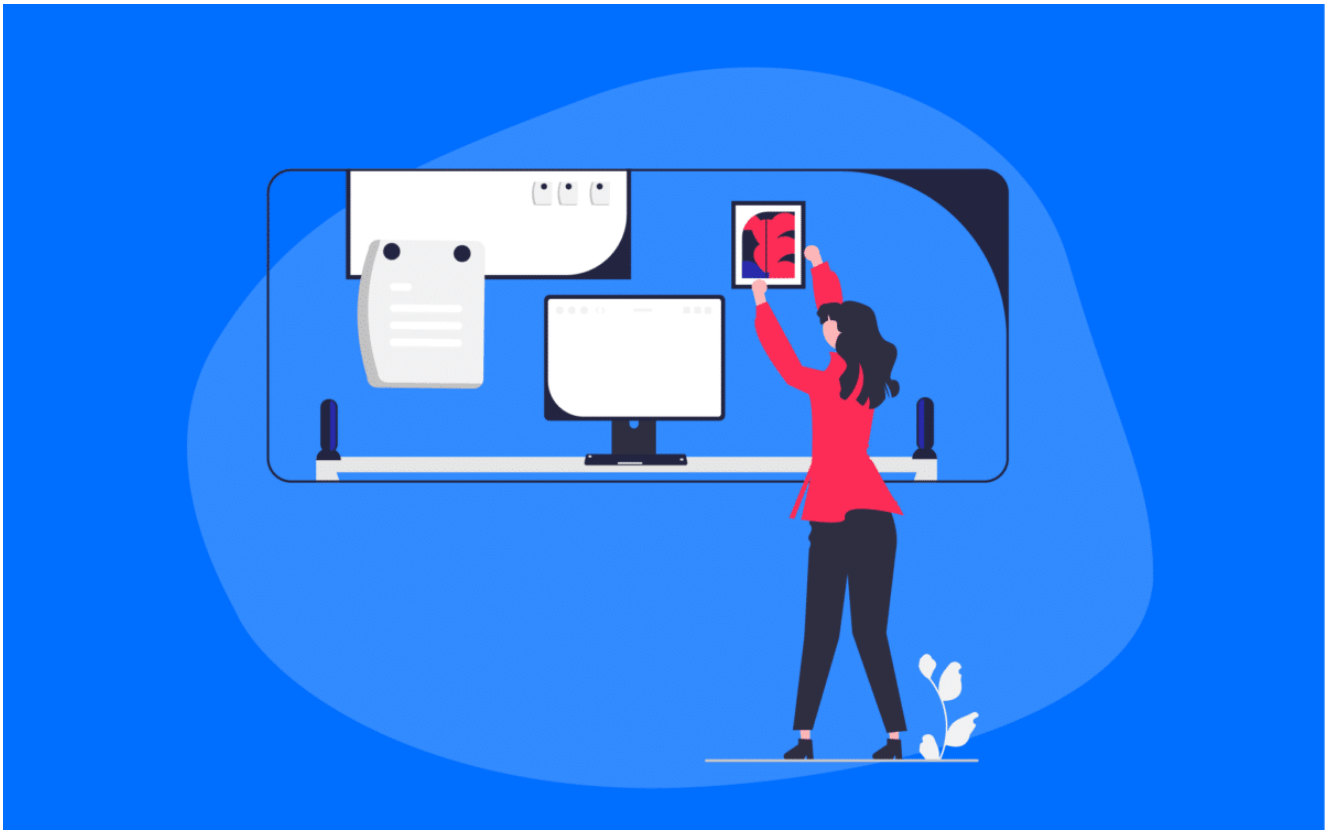
With mixed branding, the focus is usually on developing a brand architecture which allows the company to connect with a wider range of customers in different markets.

The term "mixed branding" can also be used to refer to a range of different branding initiatives.

For instance, if you engage in a mixed branding effort, you may attempt to sell the same product under different names (like with Dove Chocolate and Galaxy).

Alternatively, you could create a "sub-brand" underneath your primary company to speak to a specific audience, such as with Microsoft and Xbox.

Today, we're going to take a closer look at the definition of mixed branding, its advantages, and what you need to know if you're going to pursue this strategy yourself.



What is mixed branding? Mixed branding definition

Getting a “mixed branding definition” can be complicated, because the term is often used to refer to a wide range of diverse branding efforts.

The most common definition of mixed branding is an initiative wherein a company uses two or more brand names to market a product to different audiences.

This can be a useful strategy in situations wherein a brand finds their current brand identity doesn’t align with the new target audience they want to reach.

Using a different name to market the same product can also be helpful in situations wherein a product name already exists in another environment. For example, in the United Kingdom, there’s a well-known company named “Dove”, responsible for selling soap and grooming products.

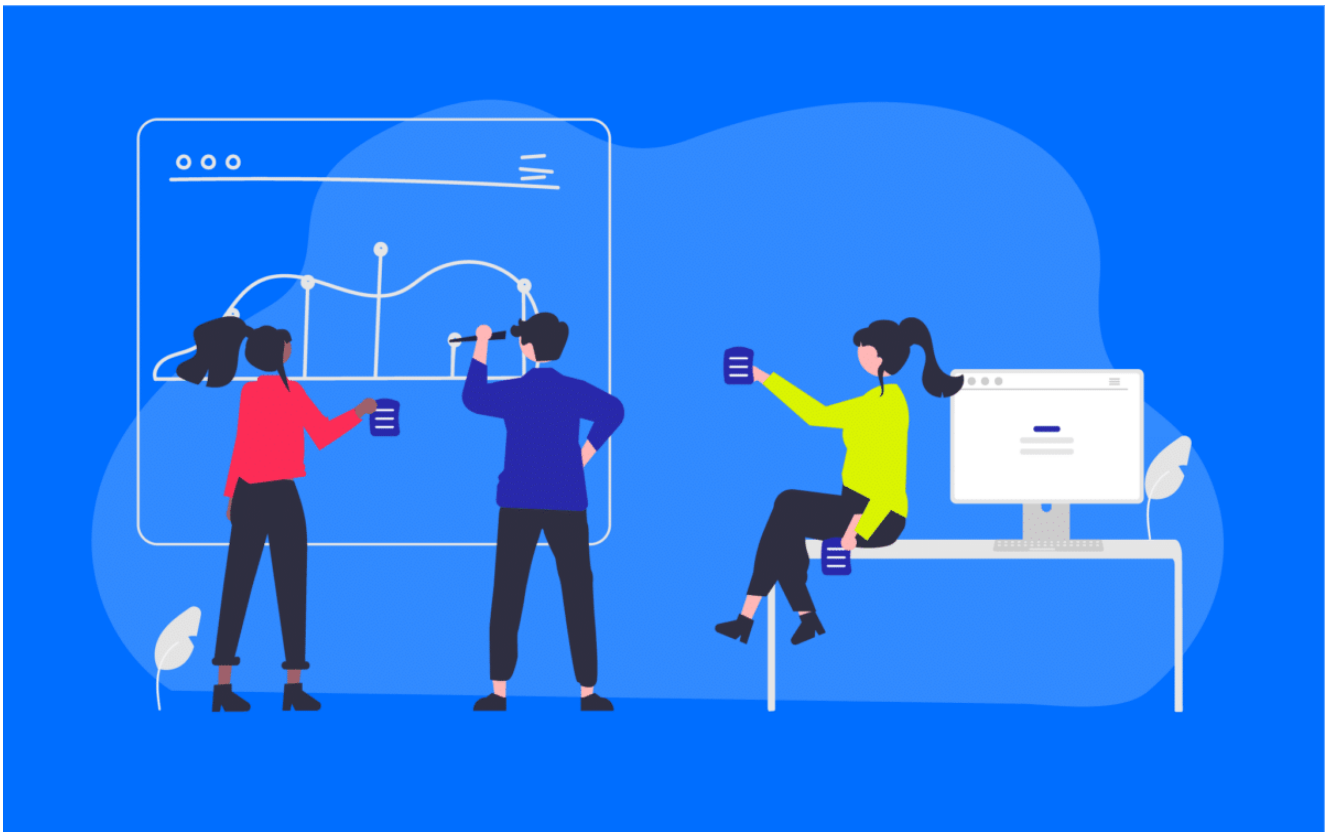
This would mean using the same name “Dove” for the chocolate product known as “Galaxy” in the US would be confusing.

Mixed branding can also involve creating a specific sub-brand or child brand underneath a parent company to sell a product to a specific audience.

Microsoft is well-known for selling a huge variety of technology resources. However, it’s most commonly connected with computer-based software and hardware.

To appeal to a younger, more specific audience, Microsoft created the Xbox sub-brand to sell games and consoles to consumers. The Xbox company uses the same technology produced by Microsoft but wrapped in different brand packaging.

This helps Microsoft to target the right audience more specifically for its offerings, without creating entirely new items from scratch.



Mixed branding definition: Types of mixed branding

In basic terms, mixed branding is a form of brand architecture designed to help a company reach different audiences through the same products, services, or underlying solutions.

Because there are a variety of ways to position your company to different customers, there are also various ways you can approach a mixed branding strategy.

Common examples of types of mixed branding in the modern world include:

Sub-branding

Referenced in the Microsoft and Xbox example mentioned above, sub-branding involves creating an alternative company name and identity underneath an existing parent brand.

The sub-brand uses the same products, services, and technology as the major brand, and is controlled entirely by the larger organization.

However, the sub-brand has a unique identity.

Companies use sub-branding to specifically appeal to a segment of their target audience with a certain selection of products or services. For instance, Toyota makes a huge range of different vehicles for consumers from all backgrounds.

However, to specifically focus on customers in search of premium cars, Toyota also created the “luxury” Lexus brand.

Store branding

Another potential method for approaching mixed branding, is to adjust the appearance and identity of a company for a specific store. Companies create relationships with specific retailers

to help deliver their items to a wider group of consumers.

This can help to expand business reach and sales.

However, certain retailers will purchase the rights to sell a product under their own name instead, which is better-known as "white labelling". This allows the company to purchase products from a manufacturer and sell them with their own branding.

For example, Michelin manufactures and sells tires under its own name, but it also works with the retail giant Sears via a white-labelling agreement.

The relationship between Michelin and Sears allows the retailer to place its name on Michelin brand tires and sell them through its auto center.

Private label branding

Private label branding is often confused with white labelling or store branding. However, these are actually very different strategies. The private label method of mixed branding happens when manufacturers create brands which are sold exclusively to specific retail outlets.

Unlike with white label branding, the private label product does not carry the same logo and name as the retailer selling the item. Instead, this item maintains its own brand identity, while only appearing in certain locations.

For instance, the Archer Farms brand of coffee, snacks, and ice cream are available exclusively through Target department stores. This allows the manufacturer to target a very specific group of customers, while earning money from the retailer.

Co-branding

Co-branding is one of the better-known forms of mixed branding in today's world. It's a tool many organizations use to

facilitate rapid growth and brand reach.

With co-branding, companies selling complementary products work alongside eachother to simultaneously raise awareness of their products or services.

Co-branding comes in a variety of different forms. There's ingredient co-branding, in which one company uses an ingredient or element from another product in their own solution. For example, Cadbury's chocolate might work with Oreo to place biscuit pieces in one of its chocolate bars.

Co-branding can also be a "composite" strategy. With composite co-branding, the organizations work together to create a new product entirely. Kanye West and Adidas, for example, combined their knowledge to create the "Yeezy" shoe brand.

Location branding

Location branding is a form of mixed branding which involves adjusting the image and identity of a brand for different geographical locations. This is actually quite a common process, as different titles and brand identities can work more effectively in certain cultures.

One of the most common examples of a company changing its identity for different locations is the "Axe" brand for body sprays and male grooming. In the US, this company is best-known as Axe, but in other parts of the world, Axe is known as "Lynx".

Lynx and Axe are the exact same product, sold by Unilever in specific parts of the world. Many of the elements of the two brands remain the same outside of the name change.



The benefits of a mixed branding strategy

Now we know the answer to “what is mixed branding?” we can begin to look at the positive and negative sides to the process for growing companies. Building the ideal brand or corporate identity is a complex process for any organization.

Even if you find the ideal logo, name, and personality for your target audience when you’re first getting started in your industry, there’s no guarantee those assets will continue to have the correct appeal as your business begins to grow.

Mixed branding gives organizations more control to adapt the nature of their brand, and its image to suit different audiences and marketing strategies.

The biggest benefits include:

Expanded reach

Companies looking to connect with a new target audience can leverage mixed branding campaigns to improve their chances of connecting with the correct people.

Various mixed branding strategies make it easier for companies to connect with different groups of consumers, without compromising on their intellectual property.

Flexibility

A mixed branding strategy can give your business more room to expand into different sub-sections of products and markets without being restricted by your initial identity.

You can engage with new customers without sacrificing the benefits of having a pre-established brand and business model.

Earning opportunity

Most mixed branding solutions provide businesses with new opportunities to unlock additional streams of revenue. For instance, co-branding efforts, store branding, and even private label branding open the door to new profits for growing companies.

This can be an excellent way to increase brand equity.

Reputation

In certain cases, a mixed branding strategy can also be a way to distance your company from a reputation no longer beneficial to your brand. White labelling allows manufacturers to completely remove their name and visual assets from a product, while still making a sale.

This could be helpful if consumers consider your brand to be too expensive, or not suited to their needs.

The downsides of mixed branding

If you’re asking, “what is mixed branding?” you may be wondering if there are downsides to embracing this strategy yourself.

The biggest issue with mixed branding for most companies is it can cause significant confusion. One of the first things you learn when you’re developing a business from scratch, is consistency is often key to success.

Mixed branding can sometimes make it difficult for consumers to understand the deeper values of your brand or dilute your company’s identity.

While many companies have achieved phenomenal success with their mixed branding, there are some problems to overcome, such as:

Brand dilution

Creating too many sub-brands or alternative versions of the same product can disrupt your audience and make it harder to form a connection with your company.

You may find brand recall and brand recognition are negatively affected, particularly if you’re using different names and visuals in various parts of the world.

Confusion

As mentioned above, mixed branding can also lead to confusion and uncertainty among audiences. A customer may not associate the Xbox name with the Microsoft brand, which makes it harder for Microsoft to grow.

Similarly, a consumer may assume Axe and Lynx are two entirely different products, when they’re actually the same.

Brand reputation

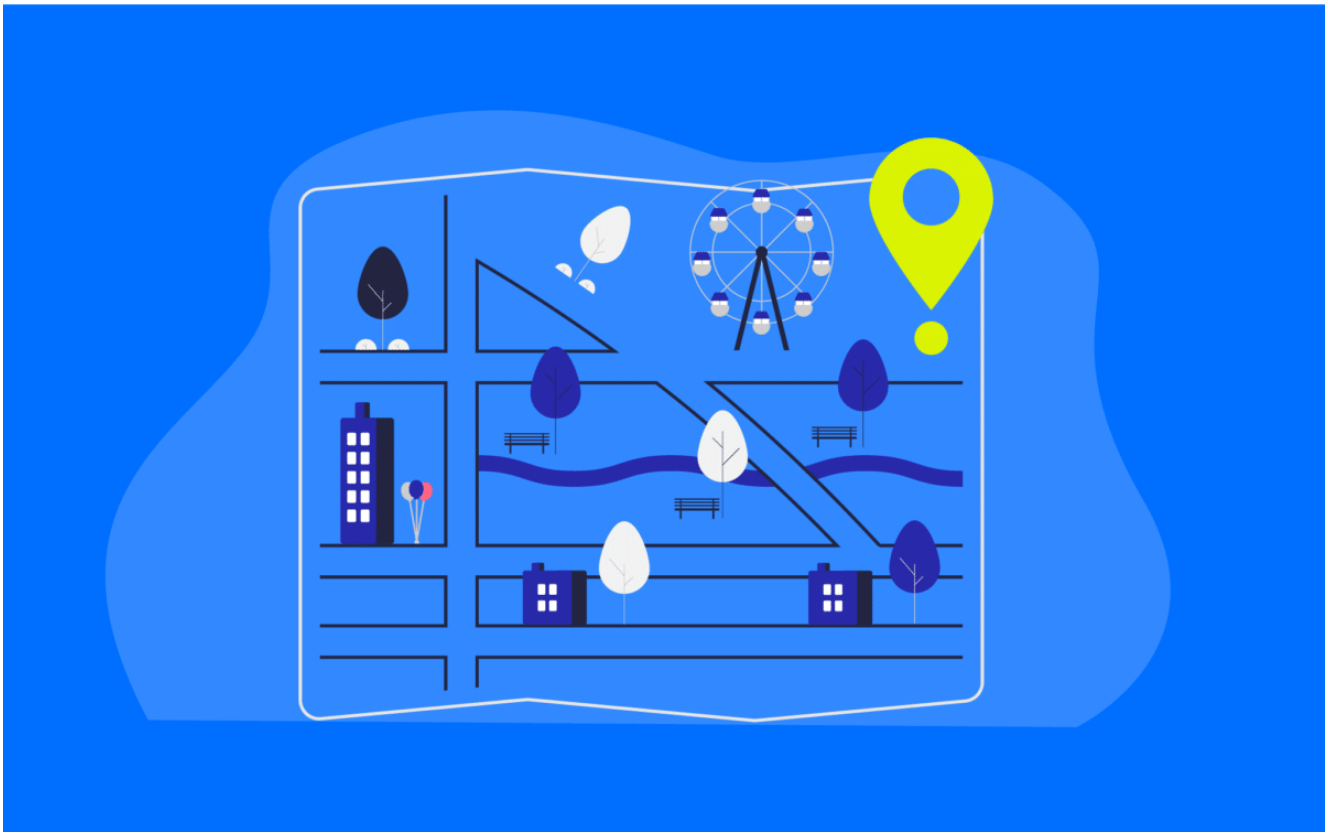
Mixed branding can be a problem in certain cases when it harms the reputation of a business. For instance, in a co-branding strategy, if the company you're partnering with is associated with some kind of scandal, this will have a direct impact on your business as well.

The same issue can apply to private-label products.

Expense

It can be expensive to create different sub-brands and versions of brands for different communities. You'll need to not only create new names and logos in some cases, but also define entire brand guidelines and strategies.

This requires significant work and focus from a business, which is why many smaller organizations don't use mixed branding.



Mixed branding examples: Insights into mixed branding

If you're still confused about the question "what is mixed branding?" or you're not certain whether this branding initiative is the right option for you, it's helpful to look at some examples.

Because the concept of mixed branding is often met with a lot of confusion from today's organizations, there aren't a lot of in-depth case studies to explore.

However, there are some examples of mixed branding which can make it easier to understand the process on a broader scale.

Microsoft and Xbox

We mentioned this mixed branding example above. Microsoft is an excellent example of a company with a good knowledge of how to use mixed branding correctly. Microsoft on its own is a reputable and well-known technology business.

However, its over-arching brand identity appeals mostly to business owners and professionals, thanks to the Microsoft "Office" and Microsoft 365 portfolio.

By creating "Xbox" as a sub-brand or "subsidiary", Microsoft was able to market its technology products to a specific community. While Xbox uses the same technology produced by Microsoft in its games and consoles, it has a very different brand identity.

Microsoft is generally considered a large, practical, and serious company, focused on supporting professionals in the digital landscape. Xbox, with its fun and modern imagery is more likely to appeal to a younger audience – particularly those in the gaming landscape.

Xbox and Microsoft are still intrinsically linked, but they're

separated enough from eachother in their branding efforts that they can focus on very different groups.

Toyota and Lexus

Another often-mentioned example of mixed branding comes from Toyota and Lexus. Once again, this example leverages the "sub-branding" methodology in mixed branding. Toyota is a huge automotive company, known for selling a variety of different vehicles, from sedans to trucks.

While Toyota appeals to a very broad audience, it generally presents itself as an affordable, practical, and attractive option for the "average" customer. This personality alienates Toyota from the customers it might want to reach in the luxury segment.

To break into the luxury car market and connect with customers willing to spend more money on their vehicles, Toyota needed to create an alternative brand identity.

The "Lexus" sub-brand is brimming with sophistication and class and has none of the references to affordability and family life we'd typically find with Toyota.

The "mixed branding" strategy used by Toyota allows the company to appeal to two unique audiences with conflicting preferences and priorities. Various other automotive organizations have followed the same strategy over the years, from Ford to Nissan.

Michelin and Sears

We also mentioned this mixed branding example above, but it's worth looking at it in a little more detail. Michelin and Sears are an example of a different style of mixed branding to Toyota and Microsoft.

In this partnership, the companies use the "white labelling" or "store branding" approach.

Sears is a very popular retailer in the United States, with a strong reputation for providing consumers with a variety of affordable and reputable goods. The company sells everything from clothing and appliances to tools and homeware.

Sears positions itself as a place where customers can find everything they need at the same time, which can be very convenient in a fast-paced world.

Michelin, on the other hand, has a reputation for delivering high-quality tires to automotive enthusiasts. While most car lovers know the Michelin brand, it may not be the first company the average consumer thinks of when they're trying to get their tires changed.

By working with Sears, Michelin has been able to reach a wider audience, by allowing the retailer to place their own branding on the tires created by the manufacturer.

Sears benefits from high-quality tires it can deliver to customers as part of its automotive services. On the other hand, Michelin ensures it can connect with a wider audience of everyday consumers.

Tips for better mixed branding

Mixed branding can be complicated.

The key to success is figuring out which mixed branding strategy you should use, and how you can implement your efforts as effectively as possible. After all, making a mistake in your partnerships, your new name and logo, or even your go-to-market strategy can lead to a lot of issues for brands.

If you're considering a mixed branding strategy, you might find it helpful to work with a professional branding team to develop your new plan of action.

Some tips you can follow include:

Do your research

Make sure you know the target audience you're trying to reach, the companies they already buy from, and what kind of mixed branding method is right for you.

The more research you do into your partners, consumers, and even your competitors, the more prepared you'll be for successful mixed branding.

Document your strategy

Ensure you have the right guidelines in place to direct you through your mixed branding efforts. For instance, if you're creating a sub-brand, you'll need a complete set of brand guidelines to highlight your image, personality, and any other assets which may help you to reach your audience.

Stay vigilant

Keep a close eye on how your customers respond to your mixed branding efforts, to ensure your larger brand isn't negatively affected. It's easy for something to go wrong if you're not cautious. You may even need to work with a PR company.

Should you consider a mixed branding strategy?

Answering the question "what is mixed branding" can be a little confusing at first. Unlike some other branding strategies, mixed branding doesn't refer to just one method of getting your products to the right audience.

Instead, it focuses on providing businesses with various different ways to expand brand reach and unlock new revenue opportunities.

Used correctly, mixed branding initiatives can have a lot of benefits for the right organizations. They're an opportunity to work with other retailers to connect with more customers, or even position your products more effectively to the right buyers.

However, there are various hurdles to overcome. This is why many companies considering mixed branding find themselves seeking help from specialists.

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