Case Analysis of Co-Branded Products

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Abstract: This paper adopts the case analysis method. By enumerating examples of co-branded products in different fields, such as the common milk tea store collaborations (Luckin Coffee co-branded with Kweichow Moutai, and Guming co-branded with the TV series "Lotus Tower"), as well as relatively rare co-branded cases in other fields (China Merchants Bank co-branded with Hello Kitty), this paper explores the significance and role of launching co-branded products. It is found that co-branded products have significantly increased the sales volume and income of various brands. Additionally, this paper considers some existing problems in launching co-branded products and proposes corresponding solutions.

Keywords: IP Co-Branding; Milk Tea Co-Branding; Customer Experience; Employee Attitude

1. Introduction

With the increasing number of tea beverage brands, the competition in the tea beverage market has become increasingly intense, and brand co-branding has gradually emerged as a popular commodity marketing strategy. Tea beverage brands collaborate with other brands or popular IPs to launch peripheral products and other merchandise to attract more consumers and boost sales. In addition, this approach can help tea beverage brands increase their brand awareness, enhance brand exposure, expand consumer groups, and transform brand image.

2. Research Methods

This paper adopts case analysis method. Exact information on co-branding cases is obtained through searching CNKI, official WeChat public accounts of various milk tea stores, China Merchants Bank app, and Xiaohongshu. Each case is analyzed separately to comprehensively understand the role of co-branding activities.

The three examples chosen in this article all enjoy a relatively high level of online discussion and are successful cases of representative co-branded products. Moreover, these three examples are from different industries, which can fully showcase the application and impact of co-branding across various sectors.

3. Literature Review

In 1990, Aaker and Keller proposed a value evaluation framework for brand collaboration in "Consumer Evaluations of Brand Extensions", laying the foundation for subsequent co-branding research[1]. In 1994, Rao and Ruekert first defined the collaboration between two brands as a "Brand Alliance" in "Brand Alliances as Signals of Product Quality" and proposed the core logic of co-branding: brands endorse each other through collaboration to enhance product value[2]. Domestic research on co-branding started relatively late, but after 2005, the number of related literature began to gradually increase. In 2005, Wu Jinming analyzed the model of cross-industry brand collaboration in "Cross-border Marketing". In recent years, there have also been many studies on the phenomenon of co-branding. For example, in 2023, Yang Miao and Qiao Weiruohan conducted a study on co-branded products from the perspective of consumer perceived value in "A Study on the Impact of Co-branded Product Attributes on Consumers' Purchase Intention"[3].In 2025, in "The Impact of 'China-chic' Brand Crossover Co-branding on Consumers' Impulse Purchase Behavior", Wang Yan explored whether brand co-branding stimulates consumers' impulse purchase behavior and how to carry out effective brand co-branding marketing from three aspects: product fit, brand involvement, and brand relationship quality[4]. In 2025, Zhou Zhiyi's "A Study on the Co-branding Effect of Tea Beverage Brands under Cross-border Co-branding Marketing Strategies" provided scientific guidance and practical insights for tea brands' operational practices. By employing literature reviews, online surveys, STP strategic analysis, and the Friedman model, the research facilitated continuous innovation and development in cross-border collaborations within the tea beverage industry [5].

Also in 2025, Ruan Zuoshen and Hu Yongquan examined how consumers' perceived value influences purchase intentions in cross-border co-branding scenarios through their case study "The Impact of Perceived Value of Cross-border Co-branded Products on Purchase Intention – A Case Study of G Tea Beverage Brand"[6]. In 2024, Hou Zhaohui's "Study on Optimization of Luckin Coffee's Co-branding Marketing Strategy" systematically analyzed the current status, existing issues, and underlying causes of Luckin Coffee's co-branding initiatives while proposing targeted optimization recommendations[7]. In the same year, Zhou Wen, Cui Hao, and Liao Fengfeng examined the multifaceted impacts of cross-border co-branding on tea beverage brand design in their study "A Study on the Application of Cross-border Co-branding in the Brand Image Design of New-style Tea Beverages", starting with an analysis of its current application status in new-style tea beverage brand image design[8].

4. Successful Cases

4.1 Luckin Coffee and Kweichow Moutai Co-Branding

In September 2023, Luckin Coffee and Kweichow Moutai jointly launched the coffee "Jiangxiang Latte", which generated huge popularity and discussion on the internet.

Coffee has become an indispensable part of young people's lives nowadays. Having a cup of coffee after work or study can eliminate fatigue, relieve drowsiness, and refresh the mind. This group typically has a strong curiosity and desire to explore new things, and is willing to pay for new products like "Jiangxiang Latte", which is exactly one of the target users for this co-branded product of Luckin Coffee and Kweichow Moutai.

Secondly, this co-branding can not only consolidate the existing consumer groups, but also attract other potential consumers who rarely drink coffee or consume at Luckin Coffee on weekdays. For example, middle-aged groups usually lack interest in coffee products, but they generally show strong interest in alcoholic products, especially baijiu. "Jiangxi Latte" can attract such potential customers[9].

In addition, when people think of baijiu, they usually associate it with words like "high-end" and "expensive", which is also an important reason why Kweichow Moutai lacks young users. Coffee, on the other hand, is a daily consumer product for young people, which complements the characteristics of Kweichow Moutai. This can not only break the inherent impression of Kweichow Moutai among young consumers and attract more consumers, but also shape its brand image of being approachable and down-to-earth.

4.2 Guming's Co-Branding with TV Drama "Lotus Tower"

In December 2023, Guming jointly launched the product "Yinian Qingxinlian" with the TV drama "Lotus Tower". This product uses Shicheng white lotus and Guangchang white lotus as the main raw materials, echoing the title of the drama. The symbolic meanings of purity, nobility, perseverance and unyielding implied by white lotus are consistent with Li Xiangyi, the protagonist of the TV drama. This high degree of matching has attracted some fans of the TV drama to purchase this product to a certain extent. In addition to beverage products, Guming has also launched a variety of peripheral products in collaboration with the TV series "Lotus Tower", such as laser card sets, comic books, and stickers. This co-branding leverages the audience's "unresolved sentiment" towards the ending of "Lotus Tower" to increase consumers' interest in peripheral products. These co-branded peripherals cannot be purchased directly; if consumers wish to collect the peripheral products as souvenirs, they can only obtain them by purchasing at least two co-branded beverages. This measure has played a crucial role in boosting beverage sales.

Furthermore, from December 30, 2023 to January 1, 2024, Guming also held a pop-up event at Intime Department Store Wulin Branch in Hangzhou, where some buildings from the TV series were recreated on-site, attracting numerous fans to visit and take photos. Not only that, fans can also participate in some mini-games at the event site to obtain more peripheral products. These mini-games can not only increase the interest of the pop-up event but also enhance the sense of participation of on-site fans.

During the event, fans can also go to any physical store and say "I am a contact person" to the staff to receive a random line signature. Nowadays, consumers mostly use food delivery apps to purchase beverages, and this activity can attract fans to visit offline stores and increase the turnover of offline stores.

4.3 China Merchants Bank Co-Branded with Hello Kitty

Co-branded products of major milk tea shops have become common in our daily life, but in addition to the endless co-branded milk teas, co-branded products are also an extremely important marketing method in other industries. In 2006, China Merchants Bank launched the first Hello Kitty co-branded credit card. After multiple upgrades and iterations, there are currently 4 types of credit cards (Pink Graffiti Card, Dreamy Pink Card, Purple Diamond Edition and Pink Diamond Edition) and 7 types of debit cards (Cherry Blossom Fortune Series, Rose Gold, Pearl White, Night Shine Black, Moonlight Silver and IC Co-branded Card Gold Card). The rich variety provides users with more choices and has played an important role in increasing its user base.

As an indispensable part of contemporary people's lives, credit cards and debit cards have a huge potential user group for major banks. The co-branding between China Merchants Bank and Hello Kitty can attract potential users who need credit cards or debit cards but have not yet decided which bank to choose, enabling China Merchants Bank to stand out in the competition with other banks. In addition, China Merchants Bank has shaped a brand image of "young and user-friendly" through IP co-branding, distinguishing itself from the conservative impression of traditional banks. This makes it easier for young users to think of and choose China Merchants Bank when applying for credit cards or debit cards, a measure that can increase the bank's user base and boost its revenue.

Not only that, China Merchants Bank also offers some privileges to holders of Hello Kitty co-branded cards. For example, users can accumulate consumption points to redeem limited-edition Hello Kitty merchandise (such as suitcases, satchels, and dolls), and save a certain amount to receive free co-branded merchandise (such as thermal mugs). These merchandise can also help China Merchants Bank attract some users who like Hello Kitty.5 Current Problems

5. Problems

Nowadays, co-branded products have become common in people's daily lives, but at the same time, many problems have followed, such as inadequate staff training and issues with staff attitude. Inadequate training is mainly reflected in the situation where milk tea shops often experience a surge in orders after launching co-branded products, but the speed at which employees make milk tea cannot keep up with the increase in orders, leading to long waiting times for some customers and a poor user experience. Moreover, many employees lack understanding of the co-branded IP, resulting in mistakes in the peripheral products given to customers, making customers unable to get the peripherals they want despite spending money.

In addition, negative staff attitudes are also one of the main problems. Nowadays, there are endless news reports online about milk tea shop employees looking down on and insulting the IPs liked by customers. Recently, after HEYTEA launched a co-branded product with Chika, a customer posted on Xiaohongshu stating that when she was purchasing milk tea, one of the staff members disdainfully referred to her favorite character (Xiao Ba) as "Wang Ba," which brought her an extremely poor shopping experience. Since milk tea shops choose to launch co-branded products to increase their revenue, respecting the co-branded IP should be the most basic requirement. However, many milk tea shops fail to meet even this basic requirement, which undoubtedly affects the effectiveness of the co-branding and also leads to a decline in the reputation of the milk tea shops.

6. Solutions

To address this phenomenon and improve the situation, I will propose several solutions. Regarding the issue of insufficient employee training, given that many milk tea brands operate nationwide with a large workforce, it is impractical to train each employee individually. Therefore, brand headquarters should seek more efficient approaches to mitigate this problem. To tackle the issue of overwhelming orders, milk tea stores can offer higher wages or bonuses to employees during collaboration periods to boost motivation and work efficiency, thereby reducing customer waiting times. Concerning employees' lack of knowledge about collaborative IPs, headquarters of major milk tea brands can develop standardized manuals containing relevant information about the collaborative IPs and distribute them to all stores.

For example, in 2024, HEYTEA launched a collaboration campaign with the game "Twilight of the Love". Before the campaign kicked off, HEYTEA distributed leaflets featuring information about the five main characters to each employee, helping staff members familiarize themselves with the characters. This initiative significantly reduced employee errors, delivered a better customer experience, and earned HEYTEA an online reputation for being customer-oriented, further enhancing its brand image and customer satisfaction.

Regarding the issue of inconsistent employee attitudes, since interviewers cannot accurately assess a candidate's character upon first meeting, this problem cannot be resolved during the initial hiring stage. Therefore, I believe major milk tea brands should establish a penalty system to promptly discipline employees who display poor attitudes, such as deducting wages or immediate dismissal. This measure can not only deter other employees and prevent recurrence of similar incidents, but also promptly restore the company's reputation among customers.

7. Conclusion and Future Outlook

As one of the most important marketing strategies today, cross-border co-branding plays a significant role in boosting store sales and revenue, attracting customers, and facilitating brand image transformation.

At the same time, there are also some potential risks. Merchants may over-rely on the traffic from co-branded products and neglect product development and improvement. Moreover, co-branded products may lead to brand homogenization, lack distinct features, and thus lose appeal to customers.

Current co-branding activities still face numerous issues, such as insufficient staff training and poor employee attitudes. This paper proposes solutions to these problems to enhance co-branding quality and customer satisfaction, yet it has certain limitations:

First, this paper only examines three co-branding cases, making it difficult to reflect co-branding's impact on overall socioeconomic development and resulting in certain one-sidedness in the conclusions drawn. Second, this paper only selects co-branding cases from recent years, which fails to reflect the developmental history of cross-border co-branding. It is hoped that these aspects can be further refined and optimized in future research to enhance the understanding of cross-border co-branding.

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