

# Analysis of the Relationship between Brand Linkage and Consumers

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## Abstract:

Brand linkage is one of the key research topics in marketing field. Researchers have found that brand linkage can effectively enhance brand awareness and market influence, but there is still a lack of unified explanation about its specific impact on the behavior of different consumer groups. Therefore, this study explores the impact of brand linkage on consumer behavior, with a particular focus on the case of Disney-Lego co-branding. The research reveals the importance of brand linkage in enhancing brand awareness and market share. While improving brand awareness and market share, brand linkage has a significant impact on consumers' consumption decisions, especially children and adolescents. In order to analyze the brand linkage between Disney and LEGO in detail, this study uses the method of case study to reflect its market performance, brand strategy and influence on consumers from multiple perspectives. The partnership between Disney and Lego has successfully attracted wide attention, leveraging the strong brand influence of both parties to create diverse products and experiences. In addition, the study explores how brand strategies can enhance consumer engagement and loyalty through shared values and goals as well as objective limitations and perspectives for future research.

**Keywords:** Disney, Lego, brand linkage, marketing strategy, consumer behavior.

## 1. Introduction

Brand linkage is when two or more brands collaborate to launch a product or event, through which they can increase their market share and brand awareness. This kind of cooperation can not only attract more consumers, but also break through the original audience circle and bring broader market influence.

With the rapid growth of China's digital economy, brand linkage is becoming the core of modern marketing strategy in the way of rapid development, and its influence on consumer behavior is increasingly significant. At the same time, the linkage between brands makes the audience of brands or IP no longer limited to the original circle. For children's and adolescents' consumption decisions and brand pref-

erences, brand linkage may also have a profound impact on consumer culture through the construction of cultural and social identity when it affects individual consumer behavior. Previous studies on brand linkage mainly focus on three aspects. The first is the market effect, which is how to enhance product sales and brand share through brand linkage. The second is to explore the way of cooperation between brands. The third is how to connect with the emotions between consumers and promote brand loyalty and recognition. However, few studies have focused on the differences in the brand-linkage responses of different consumer groups, especially the special needs and psychology of children and adolescents. Because young people are highly sensitive to fashion trends and new technologies, through targeted brand linkage activities, brands can guide their decision-making and increase the market share of products. The brand preference and trust that teenagers form at this stage may persist into adulthood, so for the brand, it has an important impact on its future development.

## 2. Introduction of Disney and LEGO Co-branded Marketing Events

Disney was founded in California in 1923 by Walt Disney and Roy Disney. Over the course of nearly a century, Disney has grown from a studio that produced animated short films and films to a global leader in entertainment across a wide range of sectors, including motion pictures, television, theme parks and consumer products. Along with Disney's growth came the formation of its own sub-brands and subsidiaries, most notably Pixar Animation Studios, Marvel Entertainment, Lucasfilm, and 20th Century Pictures. Among them, Pixar is known for its high-quality animated films, and the Marvel Universe series has become one of the highest-grossing film franchises in the world. In addition, Disneyland and Disney World, as well as multiple resorts across Paris, Tokyo, Shanghai and Hong Kong, became popular destinations for tourists from all over the world. Through continuous innovation and global expansion of marketing strategies, Disney has not only led the development of the modern entertainment industry, but also shaped a wide range of cultural influence around the world [1].

Among Disney's marketing strategies, its brand linkage with LEGO is one of the most influential cases in recent years. The two brands through the way of linkage, Lego launched a number of building blocks based on Disney works, and gave these toys a more attractive narrative. The first collaboration between the two dates back to 1999, when Lego released a set of bricks related to Dis-

ney-owned Star Wars. The series not only successfully captured the hearts of fans, but also enabled Lego to achieve a huge sales breakthrough in the toy market. Since then, Lego and Disney have continued to deepen cooperation and launched several series of building blocks sets, including Marvel Superheroes, Frozen and Toy Story. By combining LEGO's creativity with Disney's IP, these products have further consolidated the position of the two companies in the global toy market [2].

The Lego and Disney brand linkage is reflected in several cross-media marketing strategies. Whenever a Disney movie is in theaters, LEGO often releases building blocks related to the plot of the movie, in order to simultaneously increase the attention of the movie and LEGO toy sales. In addition, the linkage of the two brands has broken consumers' views on traditional toys. Unlike traditional toys, Lego's video game series allows consumers to create an emotional connection with the brand through the game world. Through this cross-brand linkage, while increasing product sales and brand awareness, Disney and Lego have successfully created a new business model in the toy and entertainment industry, which not only enhances the interactive experience of consumers, but also brings long-term business value to both parties.

## 3. SWOT Analysis of Disney Brand Strategy Co-branding Strategy

### 3.1 Strengths

#### 3.1.1 Brand recognition

As one of the most recognized brands in the world, Disney has spanned nearly a century and created many memorable characters, such as Donald Duck and Mickey Mouse. This has accumulated a loyal fan base and formed a strong brand recognition. This advantage of brand recognition is particularly evident in the co-branding with Lego, which has not only increased the appeal of Lego building sets, but also expanded the influence of the Disney brand in the toy market by incorporating Disney's classic image into its products [3].

#### 3.1.2 Diversified business layout

Whether it is movies, theme parks, or consumer products, Disney has a large market share in these business areas. In the cooperation between Disney and Lego, whenever Disney releases a new movie, Lego will release relevant themed building blocks simultaneously. This synergy has significantly increased the market share of the two brands.

## 3.2 Weakness

### 3.2.1 Excessive reliance on intellectual property

Disney relies on licensing and selling its intellectual property for a significant portion of its revenue. Over-reliance on IP licensing can lead to over-exposure of a brand, which affects its uniqueness and appeal. In the long term, the value of the brand is seriously affected. In addition, broad licensing of intellectual property could weaken Disney's control over the brand. If the quality of authorized products is not up to standard or the market performance is poor, it may have a negative impact on the brand reputation. Unauthorized use by external partners may also add complexity to brand management [4].

### 3.2.2 Challenges in financial planning

Disney has had problems with some of its financial decisions in recent years. Bad investments in BAMtech and Hulu streaming technology, for example, led to losses of more than \$1 billion. This poor financial planning carries the implicit risk of affecting Disney's investment of resources in other businesses, thereby affecting the successful implementation of the project.

## 3.3 Opportunities

### 3.3.1 The expansion of digital marketing

With the rapid development of the Internet, digital platforms can be used by Disney to optimize its marketing strategy. Disney has the opportunity to reach more consumers and increase their engagement through targeted advertising and personalized content feeds and social media interactions. In addition, Disney can use big data to deeply analyze consumer behavior, so as to develop marketing strategies more in line with consumer behavior in the fierce market competition.

### 3.3.2 Global expansion and new market development

As the global economy develops, Disney is trying to further expand its business to capture new growth points, especially in Asia and other emerging markets. In these markets, where there is an increasing demand for high-quality entertainment content, Disney can introduce localized entertainment based on local characteristics, such as theme parks. This can not only increase the brand's acceptance in new markets, but also promote the development of local economies. In the face of market uncertainty, Disney can diversify market risks through global expansion, while relying on the growth of emerging markets to maintain its overall business development.

## 3.4 Threats

### 3.4.1 Piracy and the risk of recession

Despite Disney's success in many of its businesses, piracy and the recession are still threats that cannot be ignored. Many consumers choose to illegally obtain Disney movies and shows. This not only eats into the company's revenue, but also its subscriber growth. In addition, fluctuations in the global economy could also pose a threat to Disney's business, especially during a recession. For the level of consumption of consumers, their spending power will be curtailed.

### 3.4.2 Intensifying competition

The entertainment and toy industry is becoming more competitive, especially as other strong brands such as DreamWorks and Hasbro launch similar co-branded products, and the market pressure on Disney's brand linkage will increase [5].

## 4. Brand Positioning and Target Market Analysis of Disney and Lego

Disney's content and products are primarily aimed at families, especially children and their families. Disney creates characters and stories that often have universal appeal and interest of all ages, enabling a shared experience among family members. Disney's unique business model. While Disney now has seven movie studios that make movies, Disney only makes about 10 movies a year. Disney's business model is to make multibillion-dollar franchises that start with a hit movie, then move on to TV shows, park rides, toys, clothing and video games [6]. Disney's core audience is children and teenagers. Its cartoons and TV shows are designed to be educational and entertaining at the same time, and are designed to appeal to younger audiences. The brand builds long-term relationships with young audiences through parent-child interaction and educational elements. Disney also appeals to adult audiences, especially those from childhood. Through remakes of classic films, reproductions and partnerships with older brands, Disney has attracted a large number of nostalgic adult consumers.

Disney strengthens its brand through a diversified business model that includes film production, television programming, theme parks, merchandising and media services. In addition, Disney is expanding its market share through brand partnerships and cross-border marketing on a global scale. But because of the lack of creative content. In the third quarter of fiscal 2017, Disney's net profit fell 9% year-on-year [7].

Lego is known for its unique building block toys, which

not only offer unlimited building possibilities, but are also designed to inspire creativity and problem solving in children. Lego's brand philosophy is to promote learning and personal development through toys, advocating "learning through play".

Lego's main target market is children, especially those between the ages of 4 and 14. Lego also actively appeals to family users, encouraging parents to participate in building and playing with their children, thereby enhancing family interaction.

In recent years, in order to expand the market, Lego has launched a series of complex models and theme kits (such as Star Wars, Harry Potter series) to attract adult consumers. These products not only cater to adult interests, but also demonstrate Lego's potential as an art and design tool. Lego is constantly innovating and launching new series to stay competitive in the market, while also attracting new user groups through partnerships with movies, TV shows and brands.

## 5. Brand Marketing Strategy Innovation and Trend

Through big data technology, brands can track and analyze consumer behavior in real time, such as browsing history, purchase history, social media interactions. This data helps brands understand consumers' interests, needs, and purchasing decision-making processes. By analyzing this data, brands are able to identify potential market opportunities and develop personalized marketing strategies for different consumer groups.

The application of artificial intelligence enables brands to achieve highly personalized advertising. Using algorithms to analyze consumers' historical behavior and preferences, brands can create tailored advertising content and target it to their target audience.

Data-driven marketing also enables brands to adjust and optimize marketing content in real time. By analyzing real-time feedback and behavioral data from users, brands can quickly learn what works and what needs to be improved. This ability to adapt allows brands to continuously optimize their content strategy as their marketing campaigns progress to maximize consumer engagement and satisfaction.

Data-driven marketing also enhances the feedback capabilities of brands. Brands are able to understand consumer opinions and feedback in a timely manner by surveying social media, customer reviews and online questionnaires. This real-time feedback mechanism enables brands to respond quickly to consumer needs and questions, thereby increasing customer satisfaction and brand influence.

## 6. Disney and Lego Brand Co-branding Questions and Suggestions

The Walt Disney Company and its subsidiaries are a diversified global entertainment company and the largest media company in the world. Business scope includes: media network; Park, experience, product; Film entertainment; Direct-to-consumer and International (DTCI) [8]. In July 2020, the Forbes 2020 Global Brand Value 100 was released, and the Walt Disney Company ranked seventh [9]. Disney focuses primarily on family entertainment and emotions, while Lego emphasizes creation and education. Although the two have intersection in the target market, the difference in brand positioning and core values may lead to vague or inconsistent market positioning of co-branded products.

Inside the theme parks, Disney could also offer more entertainment or access to characters. This new identity is for anyone who loves Disney fairy tales. Before the joint cooperation, the two parties should clarify the common brand positioning and target market, and develop a direction that reflects both Disney's emotional experience and LEGO's creative design. Consider positioning co-branded products as both entertaining and educational to meet the core values of both brands.

Disney's brand image and story may require a highly complete presentation, while Lego's design concepts often require creative freedom. In the design of products, how to maintain the integrity of the Disney brand story while reflecting the unique creativity of LEGO.

Cross-brand design teams are established to ensure that the design and functionality of the co-branded products are consistent with Disney's brand story and reflected Lego's creativity, and actively listen to consumer feedback and opinions after the products were launched. Use this feedback to continuously optimize product design and marketing strategies. Through continuous improvement, the study ensure that co-branded products continue to meet consumer needs and expectations.

Brands can get more information from their audiences so they can improve themselves and better adapt to their customers' needs. The audience will also come up with theme ideas, offer more activities, and strengthen the brand. Co-branded products may face pricing problems. Due to the brand influence of Lego and Disney, linked products may be more expensive, which may affect the purchase willingness of some consumers.

According to the consumption level and purchasing power of different markets, develop flexible pricing strategies, and consider launching product lines at different price points to reach different consumer groups. For example, companies should launch high-end series and entry-level

series products to meet the needs of different budgets.

## 7. Conclusion

Lego is known for its creativity and building toys that encourage children to use their imagination; Disney, on the other hand, has a rich set of characters and stories that appeal to a broad audience. The combination of the two increases the appeal of the product. This co-branding demonstrates the potential of cross-border brand collaboration to attract loyal fans of both and expand their respective markets. Lego combines Disney characters and stories to make the building process more fun and immersive, enhancing the overall user experience. The company hopes to have 230 million to 260 million users by 2020. This means that there will be more space in the Asia-Pacific region.

Both brands are primarily aimed at children, but also appeal to adult fans, especially collectors and cinephiles. This positioning makes the product have good sales opportunities in both the home and individual market. Co-branded products are usually priced higher, but because of the brand effect, consumers are willing to pay a premium for the brand and uniqueness.

Despite the popularity of existing co-branded products, new lines need to be continuously introduced to maintain consumer interest and avoid the homogenization of product lines. Invest more in social media and digital marketing to engage with video platforms and social networks to capture the attention of young consumers.

From the observation of enterprise practice, there is an inherent interaction effect between business model innovation and technological innovation. In the absence of technological innovation or related resources, rapid growth from business model innovation can be short-lived. In the future, the two brands could try crossover innovations, such as combining Disney's characters with LEGO's creative buildings to launch more interactive products. These products not only include traditional building block toys, but also can be extended to digital products, board games and other fields to provide a diversified consumer experience. The results of this study have important implications for Lego and Disney's marketing strategy, brand collaboration and consumer behavior researchers, and can help them better understand the success factors and market positioning of cross-brand co-branding.

However, the limitation of the study is that the sample selection may not fully represent the views of all consumers. Future studies can further explore the acceptance and preference of consumers for co-branded products in different regions and cultural backgrounds, so as to provide a more comprehensive market analysis.

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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