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Short Paper Title: A critical examination of the interaction between co-branding strategies within fashion retailing and the associated consumer behaviour of millennials.

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This short paper offers a critical understanding of the primary drivers that foster co-branding strategies within the fashion industry. It interrogates theoretical literature on this emergent phenomenon, concluding with key insights that will be subsequently taken forward within the next stages of current research undertaken by the authors.

Keywords: Millennials; co-branding strategies; marketing, fashion retailing.

1   Introduction

According to the Pew Research Center (2019), they announced in March 2018, "Anyone born between 1981 and 1996 (ages 23 to 38 in 2019) is considered a Millennial, and anyone born from 1997 onward is part of a new generation." Millennial are also called Generation Y. Amongst Generation Y, internet is the most popular media type (B. Valentine and L. Powers, 2013), they were born and grown in the development of computer technology and the advent of the Internet era, and catch up with the specific historical background and social environment, they have gradually formed their distinctive consumption concepts. Millennial consumption is inextricably linked to retailing, where they have become the main consumer group, which is large and valuable.

When viewed from a marketing orientation, we are witnessing the rapidly changing consumptions patterns and structures. With fashion consumption increasing at an exponential rate, leading fashion retailers are revisiting their design and marketing strategies in order to remain competitive. In addition to this, the emergence of co-branding strategies are transforming established business models and the relationship between fashion retailers and their customers.

Millennials' purposes of consumption are not simple, choosing a brand is related to the definition and value of themselves (Ordun, 2015). Since the forming of fashion brands, collaboration until it gradually popular, young consumers have increasingly been noticed in the marketplace, being the main area of attention for high street fashion retailers. Both in a
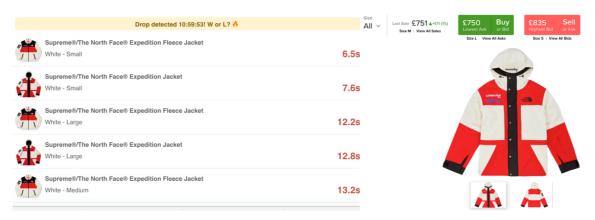
co-branding product sale in physical store, and online platforms or social media platform, these millennial consumers are highly interested in co-branded products.

Findings from the literature under review will inform the second stage of research activities (empirical data collection) shortly to be undertaken by the researcher. This paper will critically explore and discuss how co-branding strategies build connections to millennial consumers and influence their consumption behaviours. However, for the purpose of this paper, it will offer a comprehensive overview of current literature on millennial consumption and co-branding strategies.

2   Millennium consumer behaviour

Millennial consumers have very strong brand awareness, they will choose branded products according to their preferences (Lazarevic, 2012). Different Brand identities have different brand characteristics, which often reflects the brand's product quality, brand attitude, consumption concept and so forth., They will resonate with millennial consumers, it influences them to build self-image, and lifestyle and consumption patterns (Martin & Bush, 2000). Besides, Millennials are growing up in an environment where the Internet is highly developed offering a better material life. They browse information at a more rapid pace every day. According to the Pew Research Center report (2010), most teens and young adults have a game console, mp3 player and laptop. Music, sports, games and other entertainment information fill their daily life, which means entertainment-related products will arouse their consumption desire. (Bolton et al., 2013)

Millennials are no longer drawn to traditional type of advertising campaigns from brands, moreover, they prefer real reviews from people who purchased the products, the word-of-mouth from peer network (Gentina & Bonsu, 2013), or consult a blog or are influenced by peer review prior to making a purchase. Millennials prefer to share experience; they also care about the impact and the feedback from their social network. (Martin & Bush, 2000). Millennials display strong personality and attitude, they prefer customized, unique, diversified and personalized products which having a strong distinguishing element that reflects the character of a person. These exclusive, limited edition, unique products can attract more attention from millennial consumers (Shen et al., 2014). More than that, the "hyped and drop business" are prevalent among millennials (Elven, 2019). This sale pattern makes people feel a sense of urgency and more desirable by releasing a drop list with a limited-edition product in advance.. This type of marketing strategy also drives hyped business, which can increase the resale price up to several times more than the original price. For instance, the supreme x the north face collaboration jacket sold out in 15 seconds, and the original price was £318, on their website but the resale price was between £700-£800.

3   The fashion industry and the rise of co-branding

The fashion retail industry is becoming much more competitive in particular to new market entrants on a regular basis. The vast majority of established fashion brands are formed by their own particular culture(s). The demands of their customers have changed, for satisfying more demands of customers, innovation is necessary, and co-branding strategies in the fashion industry are continually transformed by the development of changing consumer needs; non moreso than the millennial market segment. The cooperative brand strategy makes the old fashion house popular again and opens up new elements for the fashion industry. Co-branding strategy can bring young consumers' confidence, style and personality (Poulsen, 2019). The phenomenon of fashion collaboration can be turned into a variety of branding strategies (Ahn et al., 2010), more connections between two cooperative brands in the joint marketing, brand extension, ingredient branding, composite branding and so on (Oeppen et al., 2014; Ahn et al., 2010). Cooperation with a brand with the same usage situation, user identity, and brand perceived value is a necessary condition for allying with a fashion brand with variable relationships and various symbolic meanings (Ahn et al., ibid).

There has been a rise in academic debate regarding the emergence of co-branding partnerships; firstly, it is a positive way to expand the existing market scope (Oeppen et al., 2014). In addition, co-branding offers the fashion industry a steady stream of new opportunities and sustainable competitive advantage. From the perspective of design, it provides a good chance to elicit new ideas, and consumers enjoy new experiences (Shen et al., 2014). Furthermore, co-branding in fashion industries bring benefits for both partner brands. The use of co-branding to attract future brand partners through increasing brand awareness with other potential brands (Oeppen et al., 2014). Cooperative brands can obtain a higher media exposure rate, and joint brand products are fast becoming the most popular commodities. Cooperation between fashion brands takes many forms, even with other non-fashion brands, alongside this, many of the leading international fashion brands are planning to launch joint brands collections. For example:

1) Multi partnerships co-branding such as Uniqlo x Kaws x Sesame street (2018), Chanel x Pharrell x Adidas (2017). The collaborative partnership of triple brands means that the customers' group are extended and diversified. Meanwhile, the difficulty of cooperation between parties will increase so the potential risk for participation also increases. For example, maintaining the individual brand features while harmoniously integrating the design elements of the three brands is a challenging element. Co-branding strategy does not always strengthen the brand image, on the contrary, after the failure of cooperation it may in fact, cause brand image damage (Geylani et al., 2008).

2) Collaboration with celebrities, bloggers or designer, such as the footwear brand, Puma and music artist - Rihanna (2015). Celebrities who cooperate with the brand generally have similar values with the brand. Celebrities have their own distinct image and popularity in the minds of consumers accompanied with a large fan base. Therefore, celebrities can leverage the relevant elements of a brand and are feasible brand partners (Seno, 2007). However, co-branding partnerships between celebrities and brands are not same as endorsement (Poulsen, 2019).

3) Fashion brands cooperating with non-fashion companies. This is termed inter-industry collaborations (Varley et al., 2019).Fashion brands collaborate with technology-led companies, such as Nike and Apple (2006), Samsung and Armani (2007). The partnership between fashion brands and different cultures can lead to forming a widened product

portfolio and customer division. Another example could be the fashion brand Paul Smith collaborating with Anglepoise to offer Lighting products for the home.

4) Brand cooperation sharing similar attributes, such as two luxury brands co-creating one bespoke collection (for example, Burberry and Vivien Westwood). Fashion cooperation strategies can be drawn upon as an effective means to promote high-end cooperation between luxury and well-known brands; as such, this could lead to memorable branding experiences (Oeppen et al., 2014).

5) Collaboration with an e-commerce platform, fashion brands have the relationship of interdependence, and these e-commerce retailers have a clear positioning and understanding of their customers (Reichheld et al., 2000). In addition, e-commerce retailers offer multi-ranges of fashion brands, exclusive collections that can satisfy the customers' need for uniqueness (Shen et al., 2014) (Hippel, 2005), improve customer loyalty (Reichheld et al., 2000) for the platform so to enhance the competitiveness of online retailers.

4   Conclusions

By exploring the phenomenon of millennial consumption behaviour, it can be seen that is closely related to co-branding strategy, and that it influences one other. There is no reference to verify which strategy is established first, but it can be confirmed that they are the certain results by societal development. There are some drawbacks due to the development of co-branding strategies over fast. A novel tactic is not enough to influence the consumption behaviour of millennials for a long period. The theoretical aim of this paper provides a critical and informed background for understanding co-branding strategy development and Millennials consumption behaviour. This succinct discussion is based on an extensive examination of literatures, which will form the basis for the next stage of the research project – the collection of empirical data via in-depth case studies. As such, it aims to develop a deeper understanding of co-branding partnerships between leading fashion retailers; in particular investigating revitalised consumer experiences through these emergent partnerships. Although the future of co-branding strategies within the fashion industry is unpredictable, it is also changing brand business models. In addition, from the perspective of current cooperative brand development, the rise of co-branding strategies has not yet reached its full maturity and wider adoption.

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