Brand Architecture 101
Creating a clear strategy for growth and evolution.

As organizations grow, either through mergers and acquisitions or through line extensions, it's important to consider how change impacts their brand. Choosing the right brand architecture to guide your organization forward can make decisions easier as you grow. It can also help you continue to provide clarity and maintain trust regardless of size or scope. That being said, it can be challenging to know which brand architecture will best support your vision.

Before taking a closer look at each strategy, it's important to understand what brand architecture is:

**What is brand architecture?**

The logical structure of brands or units within an organization. They are used to maximize clarity, unification and efficiencies.

**Internal benefits**

The logical structure of brands or units within an organization. They are used to maximize clarity, unification and efficiencies.

**Rules of thumb**

- The master, or dominant, brand should be the one you intend to build over time.
- Designed primarily for external audiences.
- Carefully consider what levels use a tagline(s).
- Sub-brands should be created judiciously.
- The simpler the better.
Brand architecture models

There are three brand architecture models to explore:

- **Unitary**
  - The corporation, all operating units and brands share the same name.
  - Efficient, clear, understandable
  - Positive associations are transferred down to operating units and brands as well as back to the corporation
  - Cost effective to manage

- **Hybrid**
  - The corporation, some operating units and brands share the same name.

- **Diversified**
  - The corporation, operating units and brands do not share the same name.
  - Expensive to support many brands
  - Flexible, easier to divest businesses or brands
Unitary brand architecture

The corporation, all operating units and brands share the same name.

Same brand name and visual identity unifies company, business lines and products.

Also known as a “branded house”.

FedEx® Corporation
FedEx® Express
FedEx® Ground
FedEx® Freight
FedEx® Office
FedEx® Trade Networks
Hybrid brand architecture

The corporation, some operating units and brands share the same name.

Corporate and some businesses share a name and visual identity.
Diversified brand architecture

The corporation, operating units and brands do not share the same name.

Corporate or parent brand remains silent, the focus is on product brands.

Also known as a “house of brands”.

[Diagram showing the diversified brand architecture with examples like P&G, IVORY, Oral-B, COVERGIRL, Luvs, Pampers, Charmin, Max Factor, and Crest.]
There are echelons that signal different degrees of relationship between a corporation and its business units. These are used to control endorsement levels, indicate ownership and transfer brand equity across business units.

**Degrees of relationship**

- Corporate name and logo: **Great Company**
- Corporate name and logo underbranded with business unit name: **Great Company**
  - Unit: **Unit Newco Name**
- Corporate logo and overbranded endorsement with business unit name: **Great Company**
  - Unit: **Unit Newco Name**
- Corporate logo and underbranded endorsement with business unit name: **Unit Newco Name**
  - A Great Company Partner
- Business unit name and its own, unique logo with corporate underbranded endorsement: **Unit Newco Name**
  - A Great Company Partner
- Separate, unrelated business unit and logo: **Unit Newco Name**
Which feels right for your organization: a branded house, house of brands or a little of both?

The previous pages provided a ten thousand foot view of the three primary brand architecture strategies. To dig deeper into identifying the right fit for your organization, contact one of Daake’s brand strategists. We can guide your leadership team through exercises designed to help you confidently choose the right strategy for the future of your business.
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