



M&A MARKETING PLAYBOOK

Top 3 branding considerations when combining companies

A guide for CMOs of high-growth, mid-market technology brands

The CMO's critical role in M&As

Analysts have loudly bemoaned 2023's M&A market — one of the worst bear markets for the industry in a decade. Yes, deal values were significantly down. But Pitchbook's [2023 Global M&A Report](#) uncovers another historical highlight — M&A deal count was the third highest on record with 40,200 transactions.

High deal counts mean heavy workloads for the marketing leaders of the acquiring brands. Once the corporate growth team's work is done, the strategic value of the deal must be quickly realized. While that responsibility is shared by multiple departments, including product and HR, the marketing department has the burden of effectively positioning the merger to the market on Day 1. And the work doesn't stop there.

This branding playbook will help CMOs of mid-market tech companies ask the right questions and formulate powerful value creation strategies to implement in the first 120 days post-acquisition, regardless of the number of units being consolidated.

No. 1: Retooling your brand architecture

Often, a company’s initial acquisition is the first time it ever has to consider brand architecture. Until now, you’ve probably been chugging along just fine with the same brand name and product/platform name that you’ve had since the company was founded. However, the addition of new units and product lines can cause naming conventions to become complex and confusing. And that’s where a framework can help.

There are three primary types of brand architecture: endorsed brand, family brand and house of brands.

Endorsed brand

Also called a sub-brand or hybrid brand



House of brands

Also called an individual product brand



Family of brands

Also called corporate brand, monolithic, branded house or umbrella house



It’s important to not look at one acquisition in a vacuum. Think about the entire M&A strategy and what brand architecture you need to implement now in order to successfully integrate a volume of brands and products over time. Hint: It becomes very painful to re-architect your brand down the road.

No. 1: Continued

So, which brand architecture should you go with? There's no right or wrong answer. Each organization has to weigh the nuances of its market, internal structure, product roadmap and more when deciding on the best framework.

In addition to brand naming the obvious — like products — an M&A is a good moment to step back and think about everything you offer and own (or plan to integrate in the future). For example, where does your customer council sit in the brand architecture? Does your platform have modules, and if so, do they need definition? Is the title of your user conference cohesive with your naming framework? At Alloy, we highly recommend having a tech branding agency guide your leadership team through this process using an outside perspective.

How brand architecture helps you

- A road map for brand identity, development and design
- Enables internal organization
- Holds the key for and cross- and up-selling
- Increases flexibility for product or service expansion in the future

How brand architecture helps your customers

- Gives them confidence in the scale and sophistication of the company
- Enables them to more easily navigate products/services and understand how they relate to each other

See how Alloy helped a mid-market tech-enabled brand effectively reposition and humanize itself through a brand architecture process. [Click Here.](#)

No. 2: Sunsetting the acquired brand

Sometimes, it makes sense for an acquired brand to retain its individual brand identity and marketing assets in perpetuity. If that's you, skip ahead to No. 3 on the next page. If not, keep reading.

There are three phases to consider when developing a strategy for sunsetting an acquired company's brand:



Day 1: In order to immediately reduce brand confusion and begin building stronger brand equity, the sunset strategy should be agreed upon prior to announcement day. This can look different for each company. Example elements include:

- Pop-up website banners that generate excitement for the combined unit
- A new logo for the acquired brand that includes "a XYZ company" to begin reinforcing the ownership structure
- New social media cover images that tease the acquisition
- Updated email signatures that denote the new ownership
- Adding profiles of the newly acquired leadership team members to your About page



Sunset: After Day 1, you'll define a sunset period where you strategically transition all marketing assets to the new brand. When deciding upon the length and complexity of this phase, it's important to ask your team these questions:

- How much brand equity does the company have?
- How much market share and mindshare do they have in the regions they operate?
- What is the perception and reputation of the brand?
- Do we have a solid inventory of all of their marketing assets and platforms cataloged by vertical market, geographic region, etc.?
- Which assets/platforms are generating the most marketing value for the acquired brand today — and which are of minimal impact?
- Are there new channels or assets that need to be propped up as a result of the merger that neither company previously owned?
- What technical info and operational resources does our team need in order to execute the sunset period?



Lights out: Finally, the lights out phase. This is when every legacy asset is reskinned / redirected to the new brand. Social media channels are archived. Business cards have been put in the recycling bin. Congrats, you've completed the brand integration and are operating as one larger, more powerful organization.

No. 3: Transferring brand legacy into equity

Regardless of whether the acquired brand retains its brand identity after the transaction, or if you dissolve it on Day 1, the unit still has a legacy. And that legacy needs to transfer into the acquirer's brand equity in order to begin generating additional value.

There are seven key elements of brand equity: awareness, reputation, differentiation, energy, relevance, loyalty and flexibility. Here's how to think about each element through the lens of a post-M&A brand integration.

1

Awareness — Create immediate awareness impact when announcing the M&A. Then, continue to build awareness of the merger's value for months following.

2

Reputation — Integrate the awards, analyst reports, testimonials, etc. from the acquired brand into your own. Their past success is now yours to tout.

3

Differentiation — You bought the company because they could help you succeed in the market. Share your revised differentiation story every day in every way.

4

Energy — M&As are momentous. Don't lose that energy. Find creative ways to tease the momentum out for months and keep it top of mind for the market.

5

Relevance — Don't let buyers think that your company is distracted with the integration. Show how your growing company is also growing in relevance to them personally.

6

Loyalty — Engage the acquired company's customers and employees to not only keep them loyal, but also to use their voices to bring others along on the next chapter of the journey.

7

Flexibility — Acquisitions are expansive by definition, not narrowing. So, harness the new marketing flexibility that the growth gives you. In other words, take a pause and reassess your playbook - it's probably time to expand.

See how we helped a PE-backed enterprise healthIT leader integrate six units in less than two years all while minimizing brand confusion and boosting demand and engagement. [Click Here.](#)

Proven partner

At Alloy, we help CMOs of mid-market technology companies navigate the M&A landscape with a balance of sensitivity and creativity. It's one reason why we're the marketing agency trusted by the world's biggest private equity firms.

About Alloy

Alloy is the Precision Storytelling & Experiences Agency for Imaginative Tech Brands. The firm's deep industry expertise in communications, performance marketing, brand creative and digital experiences helps global brands engage with their buyers, shape public opinion, build lasting influence, create new categories and accelerate growth and market share. Since 2012, Alloy has been named Technology Agency of the Year, Fastest Growing Agency, noted for Best Use of Measurement and Data and a 10-time Best Place to Work.

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