

Capacity vs. Capability-Focused Acquisitions: What They Are and How Financial Services Brands Can Face Them

The Challenges of Capacity-Focused Deals

In capacity-focused deals, an acquiring brand is more likely to subsume their acquisition into their existing brand identity. This means marketers' primary focus is on onboarding: bringing the new team into the fold and empowering them to properly represent the parent brand.

The biggest challenge in this scenario? Gaining the acquired team's trust and loyalty. Many individuals may resist or resent the change, especially if they were particularly loyal to their legacy brand. In this context, you can't just hand down [a set of brand guidelines](#) from on high and expect to get brand compliance. For example, you might find that your newly integrated marketing team is executing your brand correctly, while individual analysts are "going rogue" by [preparing presentation decks](#) with the same old branding or styling intact.

It's not just training you're after; you need true brand buy-in. And that's something you can't mandate. You have to earn it. To do so, you'll need to engage deeply with your new team and work to win them over to your brand.

The Challenges of Capability-Focused Deals

In a capability-focused deal, an acquiring firm will almost certainly need to [refresh their brand](#) to reflect their newly expanded abilities, products and services. Moreover, the acquired firm will likely want to weigh in on how their unique capabilities (and individual experts) are presented in the new brand. In fact, details about the acquired firm's brand representation may be detailed in the acquisition contract itself.

The next challenge lies in applying those contractual details to the brand architecture. Internal brand teams aren't always prepared to navigate those design complexities. When that happens, financial services firms often [hire outside consultants to refine their brand identity](#).

Ultimately, in a capability-driven deal, resolving the new brand architecture is still easier than what comes next: bringing your newly expanded team into alignment about your new brand and how it should be expressed.