Evaluation of Brand Alliances: Product Fit and the Moderating Role of Brand Concept Consistency

Even Johan Lanseng, Norwegian School of Management, Norway
Lars Erling Olsen, Norwegian School of Management, Norway

Previous research has demonstrated the importance of product fit for evaluation of brand alliances. Conclusions from brand extension research suggest that the effect of fit is not only a question of product category similarity, but also of brand concept consistency. This study therefore introduces brand concept consistency in research on brand alliances. Brand concept consistency might moderate the effect of product fit on attitudes toward the alliance. Results from an experimental study indicate that both product fit and brand concept consistency influence evaluation. However, this influence is restricted to functional or mixed alliances. For expressive alliances, product fit is not important.

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Even Johan Lanseng, Norwegian School of Management, Norway
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EXTENDED ABSTRACT

Brand alliances or co-branding, involving combinations of two or more individual brands (Rao and Ruekert, 1994; Simonin and Ruth, 1998) is a growing marketing strategy. Even though brand alliances is arguably a close cousin to brand extensions, a surprisingly few studies have investigated this phenomenon extensively. The few articles in this area (e.g. Simonin and Ruth 1998) build on the underlying logic of brand extensions studies, using product fit as key variable in predicting alliance success (c.f. Völckner and Sattler, 2006). In brand extension studies, it has been shown that a positive effect of fit is not only a question of product fit, but also brand concept consistency (Park, Milberg and Lawson, 1991). Brand concepts are based on the motives consumers have for buying products and services, and brands can be classified as having either a functional, expressive, or experiential concept. Focusing on expressive and functional brand concepts, the current study extends the brand extension research investigating brand concept consistency to brand alliance. The purpose of this article is to get a richer understanding of the role of fit in attitudes toward brand alliances and investigate how brand concept consistency might moderate the effect of product fit.

Method

We examined how product fit and brand concept consistency influenced attitudes toward an alliance using a 3 X 3 between subjects factorial design. In the experiment, three combinations of brand concepts (functional-functional, expressive-expressive and functional-expressive) and three levels of product fit (high, moderate and low) were pretested and used to form nine different brand alliances. The brands were combined in promotion alliances, in which each logo was displayed together with another logo. In the study, 180 undergrad students from a large European university were randomly assigned to one of the nine different versions of the brand alliance. Respondents first answered questions regarding familiarity with and prior attitudes toward the brands, second they provided answers of perceived brand fit, and finally after an unrelated filler task they were asked about their evaluation of the brand alliance. All of the measures used seven-point bipolar semantic differential scales drawn primarily from the work of Simonin and Ruth (1998). The dependent measure, attitude toward the alliance, was constructed as an attitude index using the average of 3 seven-point items (Cronbach's alpha=.93).

Major findings

The main effect of product fit on attitude toward the brand alliance was significant (F(2) =14.375, p=.000). The results confirm our predictions and show that attitudes toward the alliance of low fit were less positive than attitudes toward the alliances of high fit (M_{low}–M_{high}=2.31–3.79=.48, p<.001) and moderate fit (M_{low}–M_{moderate}=2.31–3.44 =1.13, p<.001).

The main effect of brand concept consistency on attitudes toward the brand alliance was also significant (F(2)=7.89, p<.01). The estimated mean attitude toward the alliance was higher for functional alliances than expressive alliances (M_{functional}–M_{expressive}=3.81–2.82=.99, p<.001) and mixed alliance (M_{functional}–M_{mixed}=3.81–2.92=.89, p<.001). More interestingly, these results were qualified by a significant interaction effect between brand concept consistency and product fit on attitude toward the alliance (F(4)=2.57, p<.05). The results reveal that for alliances of expressive brands differences between high and low fit are insignificant (M_{high}–M_{low}=2.90–2.50=.40, p>.1) whereas for functional (M_{high}–M_{low}=4.65–2.93=1.72, p<.001) and mixed alliances (M_{high}–M_{low}=3.82–1.50=2.32, p<.001), the differences on attitude toward alliance in the high and low product fit conditions are statistically significant.

The results in the experiment clearly confirm that perceptions of product fit have important implications for evaluation of brand alliances (e.g. Park, Jun, and Shocker, 1996). In addition, we demonstrate that brand concept consistency, not only the level of product fit, is an important variable in these evaluations. Alliances consisting of two high-product fit functional brands are preferred compared to expressive brand alliances and mixed brand alliances. The study further shows that for expressive alliances, there are no differences in the evaluation for different levels of product fit. It can be argued that expressive brands generally tend to have more superordinate brand associations, connected to the consumers’ self image expression and group membership. Thus, it is likely that consumers will have more problems in evaluating the product fit of an alliance consisting of two expressive brands. Hence, the observation of no differences in evaluation of expressive brand alliances for different levels of product fit can be explained by both the consumers’ general problems in evaluating the fit and that a necessary judgment process will demand effortful cognitive processing. We have not included any measures of cognitive processing in our study, for example cognitive responses, so we do not know to what extent the respondents reflected on our stimuli. On the other hand, there are no specific reasons of why the respondents should spend excessive cognitive efforts in evaluating the fit, since with did not introduce any specific reasons or motivations for effortful elaboration. Future research should take this into account and introduce involvement manipulations.

In the study we combined brands in promotional alliances and obtained the respondents general evaluations of these combinations. However, we did not include specific products or product categories in the alliances, and the respondents were asked to evaluate the alliances only in general. It can be assumed that by introducing specific co-branded products the evaluations of the alliance will differ depending on the fit between the alliance brands and the product. An important question is whether the results found in the present study depend on the type of co-branded product. For example would the importance of product fit for the evaluation of expressive brand alliances increase if the brands were combined on a specific expressive product? Future research should heighten external validity and introduce specific co-branded products with varying levels of fit with the partner brands.

References


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