

# การประเมินของผู้บริโภคต่อตราสินค้าร่วม: การศึกษา บทบาทของความสม่ำเสมอในภาพลักษณ์ตราสินค้าและ การรับรู้ถึงความสอดคล้องต่อตราสินค้า

## CONSUMER EVALUATIONS OF CO-BRANDING: AN EXAMINATION OF THE ROLE OF BRAND IMAGE CONSISTENCY AND PERCEIVED BRAND FIT

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## บทคัดย่อ

การสร้างตราสินค้าร่วมได้กลายเป็นกลยุทธ์ที่นิยมมากขึ้นในสภาพแวดล้อมปัจจุบันที่ให้ความสำคัญกับตราสินค้า งานวิจัยในอดีตได้พบว่าการรับรู้ความเหมาะสมระหว่างตราสินค้าแม่เป็นตัวขับเคลื่อนสำคัญในความสำเร็จของตราสินค้าร่วม อย่างไรก็ตามมีเพียงงานวิจัยไม่กี่รายที่ศึกษาบริบทเกี่ยวกับลักษณะเฉพาะของความเหมาะสมของตราสินค้าโดยเฉพาะความสัมพันธ์โดยละเอียดที่เกี่ยวข้องกับภาพลักษณ์ตราสินค้าแม่ ดังนั้นการศึกษานี้จึงมีวัตถุประสงค์หลักสองประการคือ ประการแรกการศึกษาครั้งนี้มีจุดมุ่งหมายเพื่อตรวจสอบองค์ประกอบพื้นฐานและปัจจัยด้านความเหมาะสมของตราสินค้าและภาพลักษณ์ของตราสินค้าภายใต้ยุทธศาสตร์การสร้างตราสินค้าร่วมกัน โดยมีความสัมพันธ์กันอย่างไร ประการที่สองการศึกษานี้มีจุดมุ่งหมายเพื่อศึกษาความสัมพันธ์ระหว่างการรับรู้ความเหมาะสมของตราสินค้าและภาพลักษณ์ตราสินค้าภายใต้กลยุทธ์การสร้างตราสินค้าร่วมในอุตสาหกรรมยานยนต์และองค์กรด้านสิ่งแวดล้อมในประเทศไทย โดยใช้การศึกษาแบบกึ่งทดลองที่มีการจับคู่ตราสินค้าสมมุติฐานระหว่างผู้ผลิตรถยนต์ยี่ห้อฮุนได และองค์กรไม่แสวงกำไร 'กรีนพีซ' และเก็บข้อมูลจากผู้ตอบแบบสอบถาม 453 ราย ผลการศึกษาพบว่าความสม่ำเสมอในภาพลักษณ์ตราสินค้าทั้งแบบรวมและแบบรายมิติ ซึ่งรวมถึงอรรถประโยชน์ด้านหน้าที่ อรรถประโยชน์ด้านสัญลักษณ์และอรรถประโยชน์ด้านประสบการณ์มีผลต่อการรับรู้ทางบวกต่อการรับรู้ ความเหมาะสมของตราสินค้า นอกจากนี้การรับรู้ความเหมาะสมระหว่างตราสินค้าทำหน้าที่ตัวกลางสร้างความเชื่อมโยงระหว่างความสม่ำเสมอในภาพลักษณ์ตราสินค้าแม่และคุณค่าของตราสินค้าร่วม

**คำสำคัญ :** ตราสินค้าร่วม ความสม่ำเสมอในภาพลักษณ์ตราสินค้า การรับรู้ความเหมาะสมของตราสินค้า ความกังวลเกี่ยวกับสิ่งแวดล้อม อุตสาหกรรมยานยนต์ของประเทศไทย

## Abstract

Co-branding has become an increasingly popular strategy in today's brand conscious environment. Previous studies have found that perceived fit between parent brands is an important driver of a co-brand success. However, few examine context concerning the nature of brand fit, particularly the detailed relationship with brand image of parent brands. Therefore, the current study has two main objectives. First, this study aims to examine how the fundamental components and factors of brand fit and brand image under the co-branding strategy relate to each other. Second, the study aims to investigate the relationship between brand fit and brand image under the co-branding strategy in the automobile industry and environmental concerns organization in Thailand. By using a quasi-experimental design with a hypothetical brand pairing between the Hyundai, car maker brand and the Greenpeace, non-profit organization to collect data from 453 respondents; We found dimensions of brand image consistency including functional utility, symbolic utility and experiential utility positively affects perceived brand fit both individually and simultaneously. In addition, this study found perceived brand fit mediates the effect of parent brand image consistency and co-brand consumer-based brand equity.

**Keywords :** Co-branding, Brand Image Consistency, Perceived Brand Fit, Environmental Concerns, Thai Automobile Industry

## Introduction

A brand is one of the most important criteria for consumers to make a purchase decision. It communicates quality and creates meaningful images or personality in the minds of consumers that help them make purchase decisions. Recognition of the value of brands has lead marketers to seek ways to leverage brands to increase their value through brand extension, strategic cooperation, and other means. Co-branding is becoming increasingly popular in today's brand conscious environment. Marketers use this brand strategy in attempting to transfer the positive associations of the parent brand to the extended product. Co-branding is defined as the combination of two or more brands to create a single, unique product. According to Aaker & Keller (1990), co-branding provides a way to take advantage of brand awareness and brand image to enter new markets. The well-developed strong brand can greatly reduce the risk of introducing new products on the market by providing consumers with the knowledge and awareness. In addition, the brand can reduce the cost of distribution to increase the effectiveness of promotional spending. While there may be benefits in paring the brand together, there can also be a significant risk to brand image dilution (Loken & John, 1993). Poor choice for a parent brand may dilute and weaken the core brand and brand equity. Even though many of the business operations have been practicing brand co-branding strategy to extend their brands and products for many years (e.g., Apple and Hermes; Starbucks and Anna Sui; CP and Meiji), there is limited academic investigation on the nature of the strategy.

Recently, there has been a growing popularity for green marketing. Many firms have aligned their activities with the social, economic and environmental expectations of their stakeholders (Lazar, 2017). They have discovered that a well-formulated green marketing policy can lead to a number of business advantages, such as better quality, reduced costs, improved environmental image, and the opening of new markets (Ranjan & Kushwaha, 2017). The green marketing concept implemented by these firms has accommodated a wide variety of initiatives, forms, and activities. One of the most popular forms recently is the co-branding between commercial and environmental concern organizations (Dickinson & Barker, 2007; Leitch & Davenport, 2007). The main purpose of this partnership for the commercial brand is to transfer the image from the environmental concern organization and to enhance its brand. On the other hand, the environmental concern organization aims to gain more financial resources from the commercial partner. However, the joining of the two brands involves risk if the co-brand is not well received and evaluations of the co-brand are not favorable (Dickinson & Heath, 2006). Failure to have effective green marketing information communicated to the consumer is one source of problems encountered. Researchers have found that many of the green practices and communications cited were composed of advertisements and dedicated sections of company annual reports. These represented window dressing and there was little substance behind the claims (Newman & Fuqua, 2006; Uccello, 2009). This type of practice may lead customers to doubt and mistrust a company's green program. As a result, it may destroy the image of the parent brands.

Many previous researches in co-branding based their investigation on consumer attitude. For example, they addressed two broad areas: how consumers' perceptions of a co-branded product are influenced by their perceptions on the parent brand; and the performance comparison between co-branding and other new product development strategies (Leuthesser, Kohli, & Suri, 2003). The prior research finds that perceived fit between parent brands serves as a key success

of co-branding strategy (Batra, Lenk, & Wedel, 2010; Lau & Phau, 2007; Phau & Lau, 2001; Yorkston, Nunes, & Matta, 2010). However, few examine context concerning the nature of brand fit, particularly the detailed relationship with brand image of parent brands. Thus, there are two main objectives of this study. First, this study aims to examine how the fundamental components and factors of brand fit and brand image under the co-branding strategy relate to each other. Second, the study aims to investigate the relationship between brand fit and brand image under the co-branding strategy in the automobile industry and environmental concerns organization in Thailand. Hyundai brand was selected as a hypothetical automobile brand. Hyundai was one of the lowest selling car brands in Thailand for 2012 and the first two quarters of 2013 (Toyota, 2013). The research anticipates that a low performance brand like Hyundai would also demonstrate low image. The current research focuses on the environmental concerns organization that would supplement the automobile parent brand. Thus, Greenpeace was selected to be the environmental concerns organization. The organization was one of the leading environmental concern non-profit organizations and has been active in Thailand (Department of Environmental Quality Promotion, 2013).

## Literature Review and Hypotheses Development

### Parent Brand Image Consistency and Perceived Brand Fit

There are several approaches to the brand image in literature, which lead to different concepts and constituents. Among other, Keller (1993) defined brand image as "perceptions about a brand as reflected by the brand associations held in consumer memory". This view of brand image is similar to the definitions of Aaker (1991) who stated that a brand image is "a set of associations, usually organized in some meaningful way". He further indicated that brand associations can be classified into three major categories: attributes, benefits, and attitudes. The benefits categories of brand image association are developed from the information economics perspective (Swait, Erdem, Louviere & Dubelaar, 1993). The majority of the information economics literatures group the associations into two categories: functional benefits and symbolic benefits (Bhat & Reddy 1998). Keller (1993) explained that the functional benefits are related to tangible features of product while the symbolic benefits reveal intangible features, reflecting consumer's effect on social approval, personal expression or outer-directed self-esteem. Other authors; Keller (1993) and Park, Jaworski, & MacInnis (1986) suggested the third benefit called experiential benefits. The benefits are linked with consumer feelings, experienced while consuming a good or a service, and the stimulation of internally-generated needs and/or variety satisfaction.

Consumer evaluation on the relationship of co-branding and perceived fit is one of the most enduring findings from branding research (Kim & John, 2008). Prior researchers identified perceived fit is the most important factor determined co-branding success. Among others, Aaker & Keller (1990) conducted two studies to investigate on how consumers form attitudes toward parent brands and co-branded product. In the first study, they evaluated consumer perceptions on brand fit and co-brand through a set of six actual brands and 20 hypothetical brand extensions from 107 undergraduate students. The results show that attitude toward the co-brand was higher when there was a perception of fit, and specifically, the relationship of an image for the parent brand with the evaluation of a co-brand was strong only when there was a basis of fit between the parent brands. Aaker & Keller (1990)'s measure of perceived fit has been argued to be focus more on the physical characteristics of products and ignored the perceptions of brand image. In

contrast, Park, Milberg, and Lawson (1991) examined the role of product feature similarity and brand concept consistency that differentiate between successful and unsuccessful co-branding. The results reveal that co-branding will be successful when having a parent brand with an image that is compatible with the co-brand. Furthermore, they found that consumers are aware of the differences between function-oriented and prestige-oriented concepts. For both function-oriented and prestige-oriented brand names, the most favorable reactions take place when co-branding is made with high brand concept consistency and high product feature similarity (Park et al., 1991). In addition, these two factors cause different impact to co-brand depending on the type of parent brand. For prestige-brands, extensions must be clearly related to the values and concept of the company. Concept consistency seems to be the major key to co-branding for prestige brands. For functional brands, because of the difficulty of identifying the brand concept, product feature similarity is relatively more important since common features of a functional brand's products are easier to be recognized by consumers. Simonin and Ruth (1998) adopted Aaker & Keller (1990)'s dimensions of perceived fit to evaluate brand alliance (which is one of the forms of co-branding). Two perspectives on fit: similarity; and relevance, coexists in their literature. Both perspectives rely on cognitive categorization theory, which assumes that brands are cognitive categories formed by a network of associations organized in people's memory. They found a collaborative relationship also involves the brand images of each parent brands. If the two brand images are perceived fit, the co-branded product will be evaluated more favorably compared to the inconsistent or incompatible brand image. Most co-branding literatures examine brand image in the attribute and attitude categories. The relationship between perceived brand fit and the information economics perspective of brand image should be examined for both individual dimension and simultaneously. Thus, the consistence in parent brand images is likely to increase the perceived brand fit of parent brands so that the hypothesis is proposed as follows:

Hypothesis 1: The brand name's functional utility will positively affect the perceived brand fit.

Hypothesis 2: The brand name's symbolic utility will positively affect the perceived brand fit.

Hypothesis 3: The brand name's experiential utility will positively affect the perceived brand fit.

Hypothesis 4: The brand image consistency will positively affect the perceived brand fit.

### **Perceived Brand Fit and Co-brand Consumer-based Brand Equity**

Researchers adopt two main theories to conceptualize consumer-based brand equity: cognitive psychology and information economics. Keller (1993) explicated the term consumer-based brand equity from the cognitive psychology perspective and described it as the effect that brand knowledge has on consumer response to the marketing of a brand. A brand has stronger equity when consumers hold more favorable, powerful, unique associations with the brand, and have a more established familiarity with the brand. Keller (1993) further explained the importance of understanding brand equity from the consumer' perspective as "though the eventual goal of marketing program is to increase sales, it is first necessary to establish knowledge structures for the brand so that consumers respond favorably to marketing activities for the brand". This claimed is in line with the augment from Aaker (1991) that the firms will benefit greater value from brands through a positive satisfaction and confidence from consumers. While positive consumer-based brand equity can lead to greater revenue, lower cost and higher profit; it has direct implications for the firm's marketing mix, ability to increase prices, the effectiveness of

marketing communications, and the success of brand extension (Washburn & Plank, 2002). Keller (1993) indicated that brand knowledge is a key source of consumer-based brand equity. Brand knowledge in a way is the recall ability of the consumers whenever they hear or think about it. It is comprised two separate constructs: brand awareness and brand image. Brand awareness relates to consumers' ability to recognize or recall the brand, and image. Brand image consists of consumers' perceptions and of associations for the brand. Keller (2001) developed the basic building blocks of consumer-based brand equity contains six dimensions of brand equity: salience, performance, imagery, judgments, feelings, and resonance. His model is made up of the number steps and processes in building strong brand and provides a yardstick by which the brands can assess their progress in their brand building efforts. The highest level of brand equity is realized when the top of the pyramid, which is brand resonance, is attained. According to Keller, brand resonance comes when consumer has high level of awareness and familiarity with the brand, and holds some strong, favorable, and unique brand associations in memory. The majority of studies agree that awareness and associations are important dimensions of consumer-based brand equity (Christodoulides & Chernatony 2010). Another well-known brand equity literature developed by Aaker (1991, 1996), points out a brand identity is an integration of a whole brand and mainly related to brand association. The brand identity consists of four components: brand as a product, brand as an organization, brand as a person, and brand as a symbol (Aaker 1996). Based on Keller's concept and Aaker's brand identity, some researchers (Pappu, Quester, & Cooksey, 2005; Washburn & Plank, 2002; Yoo & Donthu, 2001) indicated four most widely accepted dimensions for the consumer-based brand equity (Srinivasan, Park, & Chang, 2005): brand awareness, brand association, perceived quality, and brand loyalty.

In the brand alliance literature, past research has found the brand equity of the co-brand depend on the brand equity of the two parent brands (Washburn, Till, & Priluck, 2000). The relationship partly depends on the fit between the parent brands. This finding is consistent with prior research on brand extensions, which suggests that the perceived fit between the brand's original product impact attitudes towards brand extensions (James, 2006). Therefore, the current research examines the parent brand image consistency and the equity of a co-branded product, with the effect of perceived brand fit.

Hypothesis 5: Perceived brand fit will mediate the effect of parent brand image consistency and co-brand consumer-based brand equity.

The conceptual model of the study hypotheses is presented in Figure 1.



Figure 1 the Conceptual Model of the Effects of the Antecedents on Co-Brand Consumer-based Brand Equity

## Research Methods

### Participants and Stimuli Brands

Convenience sampling technique was conducted like other previous branding researches (e.g., Aaker & Keller, 1990; Simonin & Ruth, 1998). The participants for the experiment consisted of 453 private and public workers in Bangkok from February 1 to March 25, 2014. Table 1 describes the demographic information of the participants in this study. Most of the participants were 30 to 39 years old, female, married, finished bachelor degree, and working in private organizations. Their income levels were almost equally at all levels of income. The hypothetical parent brands were a joint brand between Hyundai and Greenpeace.

**Table 1** Demographic Information

Demographic	Frequency (n=453)	Percentage
<b>Age</b>		
20 – 29 years old	107	23.62
30 – 39 years old	184	40.62
40 – 49 years old	120	26.49
50 – 59 years old	33	7.28
60 – 70 years old	9	1.99
<b>Gender</b>		
Male	156	34.44
Female	279	65.56
<b>Marital Status</b>		
Single	187	41.28
Married	248	54.75
Divorced/Separated	18	3.97
<b>Education</b>		
Elementary	9	2.00
High School	27	5.96
Bachelor Degree	231	50.99
Master Degree	153	33.77
PhD Degree	15	3.31
Other	18	3.97
<b>Occupation</b>		
Self-Employ	102	22.52
Private Organization Employee	258	56.95
Government Employee	86	18.98
Other	7	1.55
<b>Income</b>		
Less than 20,000 Baht	115	25.39
20,000 – 29,999 Baht	118	26.05
30,000 – 39,999 Baht	99	21.85
More than 40,000 Baht	121	26.71

## Variables Measurement

The operationalization of this variable used 20 items, each measured with seven point Likert scale. The questionnaire was translated from English to Thai by the researchers. The questionnaire was then translated back to English by a university professor in business administration and reviewed by an American business professor. The validity test of the questionnaire was conducted after collecting the first 50 questionnaires using the Pearson Product Moment Correlations. Each of the 20 items obtained p-value of .000; rxy values of .712 to .864 more than r table product moment for 50 of .279. Thus, it can be concluded that each of the 20 items were valid and can be used in this study. Next section describes Hyundai-Greenpeace Cobrands' Reliability of the Scale Items. Composite reliability was assessed to measure the internal consistency of measurement constructs. All items were greater than the benchmark of 0.70 which are adequate (Bagozzi & Yi, 2012).

Functional utility: Three items, each measured on a seven-point scale, assess functional utility of brand image. Vázquez, Del Río, & Iglesias (2002) provide the items, which produce a reliability (Cronbach's alpha) of 0.88.

Symbolic utility: Three items, each measured on a seven-point scale, assess symbolic utility of brand image. Vázquez et al. (2002) provide the items, which produce a reliability (Cronbach's alpha) of 0.88.

Experiential utility: Three items, each measured on a seven-point scale, assess experiential utility of brand image. Keller (1993), and Park et al. (1986) provide the items, which produce a reliability (Cronbach's alpha) of 0.89.

Perceived brand fit: Seven items, each measured on a seven-point scale, assess perceived brand fit. Spiggle, Nguyen, & Caravella, (2012) provide the items, which produce a reliability (Cronbach's alpha) of 0.93.

Consumer-based brand equity of co-brand: Four items, each measured on a seven-point scale, assess consumer-based brand equity. Yoo & Donthu (1997) provide the items, which produce a reliability (Cronbach's alpha) of 0.89.

## Research Finding

There were 453 usable questionnaires. The response rate 82.4% was achieved. Data was normally distributed with  $-1 < \text{Skewness} < 1$  and  $-2 < \text{Kurtosis} < 2$  (Tabachnick & Fidell, 2007). Correlation analysis, simple regression analysis, and multiple regression analysis, were adopted to test the hypotheses. There are 3 regression analyses for the study. The first analysis predicts perceived brand fit from dimensions of brand image consistency. This analysis has a purpose to test Hypothesis 1, 2, and 3. The second analysis predicts perceived brand fit from the overall brand image consistency. This analysis has a purpose to test Hypothesis 4. The third analysis predicts co-branded product's brand equity from brand image consistency both from the direct relationship and the mediation effect from the perceived brand fit. This analysis has a purpose to test Hypothesis 5.



### Analysis 1. Dimensions of Parent Brand Image Consistency and Perceived Brand Fit (H1, H2, and H3)

The analysis has a purpose to test Hypothesis 1, 2, and 3. The researchers regressed perceived brand fit from dimensions of brand image consistency. The Correlation matrix (Table 2) shows all variables are associated to each other. The relationship between brand experiential utility and perceived brand fit is not as strong as the other correlations.

**Table 2** Correlation matrix for Perceived Brand Fit and related variables

Variables	1	2	3	4
1. Perceived brand fit	1.000			
2. Functional utility	0.659**	1.000		
3. Symbolic utility	0.709**	0.799**	1.000	
4. Experiential utility	0.642**	0.681**	0.784**	1.000

Note: \*\*  $p \leq .01$ ; \*  $p \leq .05$

As shown in table 3, dimensions of brand image consistency including functional utility, symbolic utility and experiential utility positively affects perceived brand fit both individually and simultaneously. Thus, Hypothesis 1 is supported. The brand name functional utility positively affect perceived brand fit ( $p = .000$ ). Hypothesis 2 is supported. The brand name symbolic utility positively affect perceived brand fit ( $p = .000$ ). Hypothesis 3 is supported. The brand name experiential utility positively affect perceived brand fit ( $p = .000$ ).

**Table 3** Regression results of Functional Utility, Symbolic Utility, and Experiential Utility as predictors of Perceived Brand Fit

Variables	DV: Perceived brand fit			
	Model 1	Model 2	Model 3	Model 4
Functional utility	.659**			.228**
Symbolic utility		.709**		.377**
Experiential utility			.642**	.191**
R <sup>2</sup>	.435	.503	.412	.540
Adjusted R <sup>2</sup>	.434	.502	.411	.537
F	346.893**	455.915**	315.903**	175.983**

Note: \*\*  $p \leq .01$ ; \*  $p \leq .05$

### Analysis 2. Overall Parent Brand Image Consistency and Perceived Brand Fit (H4)

The analysis has a purpose to test Hypothesis 4. The researchers regressed perceived brand fit from brand image consistency. As shown in table 4, over all brand image consistency positively affects perceived brand fit ( $p = .000$ ). Thus, Hypothesis 4 is supported.

**Table 4** Regression results of Brand Image Consistency as predictors of Perceived Brand Fit

Variables	DV: Perceived Brand Fit
Brand image consistency	.738**
R <sup>2</sup>	.544
Adjusted R <sup>2</sup>	.543
F	538.478**

Note: \*\*  $p \leq .01$ ; \*  $p \leq .05$

### Analysis 3. Brand Image Consistency and Co-Brand Consumer Based Brand Equity (H5)

This analysis tests Hypothesis 5. Regression analysis was used to investigate the hypothesis that perceived brand fit mediates the effect of brand image consistency on co-brand consumer based brand equity. As shown in table 4, brand image consistency was a significant predictor of perceived brand fit ( $b = .738$ ). As shown in table 5 (Model 2), perceived brand fit was a significant predictor of co-brand consumer based brand equity ( $b = .817$ ). These results support the mediational hypothesis. As shown in table 5 (Model 3), Brand image consistency was no longer a significant predictor of co-brand consumer based brand equity after controlling for the mediator ( $b = -.038$ ,  $p > 0.05$ ), consistent with full mediation. Approximately 64% of the variance in co-brand consumer based brand equity was accounted for by the predictors ( $R^2 = .639$ ). The indirect effect was tested using a bootstrap estimation approach with 1000 samples (Shrout & Bolger, 2002). These results indicated the indirect coefficient was significant,  $b = .519$ ,  $SE = .049$ , 95% CI = .429, .625. Brand image consistency was associated with approximately .52 points higher co-brand consumer based brand equity scores as mediated by perceived brand fit. Therefore, Hypothesis 5 is supported.

**Table 5** Regression results of Brand Image Consistency and the mediation effect of Perceived Brand Fit as predictors of Co-Brand Consumer Based Brand Equity

Variable	1	2	3
Brand Image Consistency	.718**		-.038
Perceived Brand Fit		.817**	
Interaction			.833**
R <sup>2</sup>	.516	.667	.639
Adjusted R <sup>2</sup>	.515	.666	.637
F	480.191**	908.811**	397.412**

Note: \*\*  $p \leq .01$ , \*  $p \leq .05$

### Summary of the Hypotheses Testing

The three analyses (Study 1: Dimensions of Parent Brand Image Consistency and Perceived Brand Fit; Study 2: Overall Brand Image Consistency and Perceived Brand Fit; Study 3: Mediation Effect of Perceived Brand Fit) showed support for all of the hypotheses. Table 6 describes the summary of the results of the hypotheses testing.

**Table 6** Summary of Hypothesis Testing

Hypothesis	Description	Result
H1**	The brand name functional utility will positively affect perceived brand fit.	Support
H2**	The brand name symbolic utility will positively affect perceived brand fit.	Support
H3**	The brand name experiential utility will positively affect perceived brand fit.	Support
H4**	The brand image consistency (brand name functional utility, brand name symbolic utility, brand name experiential utility) will positively affect perceived brand fit.	Support
H5**	Perceived brand fit will mediate the effect of parent brand image consistency and co-brand consumer-based brand equity.	Support

Note: \*\*  $p < 0.01$ , \*  $p < 0.05$

### Discussion and Conclusion

Three significant consumer behavior concepts, brand image consistency, perceived brand fit and consumer based brand equity, are applied in this study. Brand image consistency is conceptualized as the consistency of the symbolic meaning of a brand, specifically in terms of three dimensions of brand image: brand name functional utility; brand name symbolic utility; brand name experiential utility. On the other hand, prior literatures has defined brand fit as multidimensional including fit as similarity, and fit as relevance. Brand equity is defined as the effect that brand knowledge has on the consumer’s response to the marketing of the brand.

### Dimensions of Parent Brand Image Consistency and Perceived Brand Fit (H1, H2, H3, and H4)

This study reveals a number of interesting findings. Many researchers and market practitioners have considered perceived brand fit as an important determinant for brand extension success (e.g., Aaker & Keller, 1990; Loken & John, 1993). The study assessed if the consumers’ perceptions of the fit between two parent brands is a result from a brand image. The results reveal that dimensions of brand image consistency including functional utility, symbolic utility and experiential utility positively affects perceived brand fit both individually and simultaneously. This is the first to study the benefits categories of brand image in relations to co-branding strategy. The results similar to Vázquez et al. (2002)’s finding that functional utility and symbolic utility have a positive and significant influence on price premium. In the same way, perceived brand fit is developed from the functional benefits which are related to tangible features of product; symbolic benefits that reveal intangible features and reflecting consumer’s effect on social approval; and experiential benefits which are linked with consumer feelings and experienced while consuming a good or a service. If consumers feel that there are consistencies in parent brands’ functional utility, symbolic utility and experiential utility, they will feel the fit in term of similarity and relevance between the parent brands.

### **Overall Parent Brand Image Consistency and Perceived Brand Fit (H4)**

The image of a brand represents consumer's perceptions and opinion about performance of the product. The higher consistent level of two or more parent brands' image, the higher level of perceived fit. This results that brand image consistency positively affects perceived brand fit is similar to the prior studies (e.g., Dickinson & Heath, 2006; Michel & Donthu, 2014; Park et al., 1991; Spiggle et al., 2012). This means that when parent brands show consistent behavior the perceived fit of these parent brands increases. That is brand consistency leads to relevance and similarity, which are important factors in building perceived brand fit (Spiggle et al., 2012). In addition, this result highlights the importance of consistency between brand image of an automobile brand and brand image of environmental concerns organization toward the holistic perceived brand fit, with respect to the three dimensions of brand image. The brand image of the automobile parent brand which consistent with the environment concerns organization would have a synergy power to increase the brand fit between the parent brands.

### **Brand Image Consistency and Co-Brand Consumer Based Brand Equity (H5)**

Literatures (e.g., Dickinson & Heath, 2006; Park et al., 1991) found brand image and brand fit are significant determinants of brand equity. This study investigated the relationship between brand image consistency of parent brands and co-brand consumer-based brand equity. The result shows that perceived brand fit mediates the effect of parent brand image consistency and co-brand consumer-based brand equity. This result demonstrates that evaluations of co-branding between an automobile parent brand and an environment concerns parent brand depend on the perceived fit of the parent brands in relation to the brand equity of a co-brand, and that this fit is a function of brand image consistency.

### **Implication of the Study and Future Study**

A number of theoretical and managerial insights as well as possible future study can be drawn from the findings of this study.

### **Theoretical implications**

This research contributes to existing marketing and branding literature in three ways: First, the research fills the gap in the extant literature by building a model which provides an understanding of the dimensions of brand image consistency and perceived brand fit. The model addresses brand image consistency from the information economics perspective. Unlike the traditional model, which focuses on cognitive psychology as the main drivers of brand image, this model combines the objective, subjective meanings and holistic consumer experience of brand image. Thus, the research contributes to the theory by supporting the importance of perceived brand fit from the information economics perspective that result in the development of dimension of brand image consistency, which link to future psychological responses. Second, previous research in brand equity emphasizes on the direct relationship of brand image consistency and perceived brand fit on consumer-based brand equity. The current model expands the mediating role of perceived brand fit on the relationship between brand image consistency and consumer-based brand equity. It implies the important role that perceived brand fit plays in transferring the values of brand

image consistency to brand equity. Third, the study extended previous studies by explaining the phenomenal of brand fit and brand image under the co-branding strategy in the automobile industry and environmental concerns organization in Thailand.

### **Practical Implications**

The present research also provides valuable implications to the brand management. First, brand image conveys information about the quality of product, and build a unique understanding and perception of product in the minds of consumers which then turns into repetitive purchase behavior. Thus, it is important for the brand manager to identify the right combination of brands it offers to consumers. The right combination means the parent brands must be consistence, similar and relevance in brand image. Second, the results of this study would also offers guidance for the practitioners to understand the nature of fit in applying co-branding strategy. Particularly, perceived fit between parent brands serves as a key success of co-branding strategy. Therefore, brand manager should focus on the fit before combining any parent brands.

### **Future Study**

Future research should confirm the findings by investigating different level of brand image consistency and perceived brand fit from different product category. The reaction to a hypothetical pairing of these suggestion brands with different average level in brand image consistency and perceived brand fit might generate a different result. Particularly, there should be more tests in different context to generalize the importance of perceived brand fit in the co-branding environment.

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