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CO-BRANDING IN ADVERTISING:

THE ISSUE OF PRODUCT AND BRAND FIT

MAGGIE GEUENS

Maggie.Geuens@vlerick.be

CLAUDE PECHEUX

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MAGGIE GEUENS

Vlerick Leuven Gent Management School

CLAUDE PECHEUX

Catholic University of Mons

Contact:

Maggie Geuens

Vlerick Leuven Gent Management School

Tel: +32 09 210 97 11

Fax: +32 09 210 97 00

Email:Maggie.Geuens @vlerick.be

ABSTRACT

Three studies are conducted to investigate co-branding in advertising by manipulating product and brand fit. Polarity of brand images (positive or neutral) and the type of ad processing (top-down versus bottom up) were also taken into account. The results show that either product or brand fit is sufficient to produce positive attitudes towards the core brand in case of a high image core brand. However, these results do not hold for core brands with a neutral image. In that case, brands better team up with a brand possessing high product fit and/or a positive image instead of a similar image.

CO-BRANDING IN ADVERTISING:
THE ISSUE OF PRODUCT AND BRAND FIT

Increasing costs of building and managing brands, urge companies to move to brand extensions and brand alliances. In this respect, co-branding has become a popular technique in attempting to transfer positive associations from one brand to another brand (Washburn, Till and Priluck 2000). According to Grossman (1997, p. 191) '*co-branding occurs when two brands are deliberately paired with one another in a marketing context such as in advertisements, products, product placements and distribution outlets*'. Washburn, Till and Priluck (2000) distinguish the following co-branding strategies: 1. co-development consisting of the pairing of two or more branded products to form a separate and unique product (e.g., Philishave Coolskin, a co-developed product of Philips and Nivea), 2. physical product integration meaning that one branded product is inextricably linked with the other (e.g., Intel and computer brands), 3. joint advertising where two brands are advertised together mentioning, for example, joint usage possibilities (e.g., Bacardi and Coca Cola), and 4. joint promotions indicating that by buying one brand you can save for acquiring another brand (e.g., McDonald's and Disney). The experiments carried out in the context of this paper exclusively deal with co-branding in the form of joint advertising strategies.

Despite the growing use of all co-branding types in practice, literature so far mainly concentrated on describing advantages and disadvantages of different strategies (Rao and Ruekert 1994, Hillyer and Tikoo 1995, Krishnan 1996, etc.). As a consequence, relatively little is known about how consumers respond to brands that team up and engage in a co-branding strategy. However, some exceptions can be noted. Simonin and Ruth (1998) and Baumgarth (2004), for example, demonstrated that the evaluation of a brand alliance depends on prior attitudes, as well as on product and brand fit. Moreover, they provided evidence that brand alliances have the potential to change attitudes towards the partnering brands in a way that the alliance results in either a boost or a detriment for the partnering brands. However, interaction effects were not investigated.

The objective of the current paper was to build on the foregoing studies by explicitly manipulating both product and brand fit and by investigating the interaction between both variables. Following Simonin and Ruth (1998), we conjecture that either a product or brand fit is sufficient to produce positive brand attitudes. Three experiments were carried out to test this hypothesis.

BACKGROUND LITERATURE

The associative network model

The associative network model refers to the fact that memory consists of a set of nodes that are connected by relational links (Collins and Loftus 1975, Nelson et al. 1993). Product categories, brand names, brand attributes, etc. are all represented by nodes. A link between two nodes is established when information is processed that associates the nodes in some meaningful way. Afterwards, the links and the nodes can be activated (Anderson 1983) through external stimulation (e.g., ads) or indirectly through the spreading activation from other nodes. This way, a brand name can be seen as a cue activating images that were formed on past information or prior experience with the brand (Swait et al. 1993). The more well-known the brands are, the more salient or accessible brand attitudes will be, and the more likely it is that the existing attitude will be accessed when confronted with cues associated with the brand (Fazio 1986, 1989).

Product and brand fit

Since a brand alliance involves new brand associations, the evaluation of a brand can change when it decides to form an alliance with another brand. Simonin and Ruth (1998) demonstrated that brand alliances indeed measurably affect the attitude towards the partnering brands. This was the case even for brands that have engaged in many prior alliances (such as Visa). According to Keller (2003), the most important requirement for a successful brand alliance is that there is a logical fit between the two brands. Brands can 'fit' each other in different ways. Research on the effectiveness of brand extensions has centered predominantly on the issue of product category fit.

Translated to a co-branding context, product fit can be defined as the relatedness or the complementarity of the product categories in which the two constituent brands are active (Simonin and Ruth 1998). However, brand extensions not only seem to be evaluated on the similarity between the brand and the extension category, but also on the extent to which the mother brand and the extension share other abstract meanings and benefits (Park, Milberg and Lawson 1991). In other words, concept consistency also matters. With respect to co-branding, concept consistency largely reflects the similarity in image of the partnering brands.

Park, Jun and Shocker (1996) tested both variables in a co-development context. Their results indicated that for a strong brand it is more important to look for a co-development partner that is complementary on the attribute level than one that has an equally favorable image. Simonin and Ruth (1998), on the other hand, investigated product and brand fit in a joint advertising setting. Their results showed that the higher were brand fit and product fit, the more favorable was the attitude towards the brand alliance. Brand fit was more important than product fit, and its importance even increased in case of high compared to low familiarity brands. In their study, sixteen brand alliances between four car and four microchip brands were tested. Car brands were all highly familiar while the familiarity of the microchip brands varied. However, product and brand fit were not manipulated. Although 16 different combinations of brand alliances were tested in their first study, product fit remained the same since all alliances consisted of a car brand and a microchip brand. In a first and second replication study the alliance between Nortwest Airlines and Visa card, and between Disney and a major retailer was investigated. Here again, no manipulation of the extent of product or brand fit occurred. Later on, Baumgarth (2004) replicated the experiment of Simonin and Ruth and confirmed the majority of their results. However, also here no interaction between product and brand fit was investigated. As a consequence, although Simonin and Ruth assume that either product or brand fit is sufficient to positively affect brand attitudes, this assumption, to the best of our knowledge, has never been empirically tested.

Hypotheses

On the basis of the associative network model, one can assume that in a co-branding strategy, the associations and evaluations of both brands will be elicited (Broniarczyk and Alba 1994). If the images of both brands do not match, consumers might activate a causal search wondering why these brands team up triggering undesirable judgments (Aaker and Keller 1990, Keller and Aaker 1992). Likewise, a poor product fit could stimulate undesirable beliefs and associations (Aaker and Keller 1990). On the basis of this, it seems indeed likely to assume that in case there is either a product or a brand fit, negative beliefs, associations or judgments can be avoided since there is a kind of fit between the partnering brands. A qualitative study consisting of 30 depth interviews with undergraduate students of a Belgian university confirmed the foregoing assumption (see Appendix 1). On the question why they considered some brand alliances as "good", they mentioned among other things, "because both brands have the same image" and "because both products are complementary". Reasons for considering an alliance as "bad", were amongst others "because there is no link whatsoever between the brands". The foregoing leads to the following hypotheses:

H1: A joint advertisement with a partner characterized by a high brand – low product fit, low brand – high product fit or high brand – high product fit will lead to more positive attitudes than with a partner characterized by a low brand – low product fit.

H2: A joint advertisement with a partner characterized by a high brand – low product fit, a low brand - high product fit, and a high brand - high product fit lead to equally positive attitudes.

Ads can be processed in many different ways. One distinction that can be made and which seems important in the context of co-branding strategies, is top-down versus bottom-up processing (Samu, Krishnan and Smith 1999). In case of top-down processing, consumers first process information at category level, next at brand level, and then at attribute level (Park and Smith 1989).

The opposite sequence holds for bottom-up processing. It is not inconceivable that, in case top-down processors do not perceive an adequate product fit between the two allying brands, counterarguments and negative attitudes are formed, irrespective of the level of fit in brand image. Bottum-up processing is more tedious than top-down processing and might produce more negative attitudes in case a fit is not immediately found. To verify that the above-mentioned hypotheses hold both for top-down and bottom-up processors, two separate experiments were conducted. The ads in the first experiment were created to induce top-down processing, while the ads in the second experiment were created in a way that bottom-up processing was more likely. Both in the first and second experiment a high image brand was chosen as the core brand. In this case, a partner of the same image (high brand fit) was equivalent to a partner with a positive image. To verify that high brand fit mattered and not partnering with a high image brand, a third experiment was set up that dealt with a core brand possessing a neutral instead of a positive image.

EXPERIMENT 1

A two (brand fit: similar image or not) x two (product fit: compatible product or not) between subjects design was set up. Real rather than fictitious brands were used to make sure that genuine brand associations and attitudes could be activated. Moreover, since Simonin and Ruth (1998) demonstrated that for a less-known partner the impact of brand fit significantly decreased, only well-known brands were included in the experiment. Further, not to make the experiment too complex, we decided to select one core brand and to team it with respectively a brand characterized by 1. a product and brand fit, 2. a product, but no brand fit, 3. a brand, but no product fit, and 4. neither a product, nor a brand fit. For the core brand we chose the product category of shower gels. Sportswear was chosen as the compatible product, and mobile phones as the incompatible product. These categories were chosen because 1. the products are relevant for our respondents (students), 2. students are very familiar with brands in these categories, and 3. huge image differences exist among brands in these categories.

Pretest

Three shower gel brands (Dove, Sanex, and Nivea), three sportswear brands (Puma, Nike and Adidas) and three mobile phone brands (Ericsson, Alcatel and Nokia) were included in a pretest. Each shower gel brand was paired with each of the sportswear brands and each of the mobile phone brands to form eighteen potential brand alliances. Respondents were 30 bachelor students of a Flemish University who voluntarily participated in the test. Each respondent evaluated the extent to which the two brands in each of the eighteen pairs had a similar image (1=not at all similar, 10=very similar). The differences in image fit were more pronounced for Nivea than for Sanex and Dove. Therefore, Nivea was chosen as the core brand (see Table 1). The brands of which the image resembled that of Nivea the most were Nike and Nokia, while the brands of which the image resembled that of Nivea the least were Puma and Alcatel. Paired samples t-tests showed that the brand fit of the brand alliance Nivea-Nike was significantly higher than that of Nivea – Puma (t_{29} = 3.472, p = .002). The same conclusion can be drawn for the brand alliance Nivea-Nokia versus Nivea-Alcatel (t_{29} = 6.049, p < .001). Moreover, the mean image fit of each pair differed from the neutral image value (=5) in the expected direction, so that we can indeed argue that Nivea, Nokia and Nike are seen as brands with a similar image and Nivea, Alcatel and Puma as brands with a dissimilar image.

Insert Table 1 About Here

Stimuli

Four fictitious ads were constructed in such a way that the only difference between the ads was the picture of the partnering brand (see Appendix 2). The ads were created in a way that top-down processing was more likely than bottom-up processing (Samu, Krishnan and Smith 1999). More specifically, the ads showed a young man taking a shower while holding a product in each hand: Nivea shower gel and either a mobile phone or a sports shoe. In this way, the (non-) complementarity between the products was stressed.

The headline included both partnering brands, but did not make reference as to how the two brands were linked: "Nivea and (partner brand), hard to live without them". No elaborate processing was necessary since the picture in the ad made the link between the products immediately clear. Since the ads made the (non-) complementarity of the products explicit, it can be assumed that top-down processing is elicited: it seems more likely that consumers started processing at the category level to see how the products were linked.

Procedure

220 students of a Flemish university participated in the experiment in exchange for a free cinema ticket. Upon arrival they were assigned to one of the four conditions. A fictitious magazine was created containing texts, cartoons, three filler ads and the test ad. The test ad appeared on the fourth page of the magazine. After reading the magazine, respondents were probed for their attitude towards the core brand (Nivea), their attitude towards the alliance, and the brand and product fit of the allying brands. Filler questions were inserted in between the target questions. The total procedure took about 30 minutes.

Measures

Manipulation checks. Brand fit was measured in the same way as in the pretest, meaning that respondents rated the image fit of the co-branding partners. Independent samples t-tests showed that the manipulation was successful.

The image fit between Nivea and Nokia was significantly higher than the one between Nivea and Alcatel ($M_{nivea-Nokia}$=6.07, $M_{nivea-Alcatel}$=3.85, t_{108}= 4.991, p<.001). The same conclusion can be drawn for the fit between Nivea and Nike versus Nivea and Puma ($M_{nivea-nike}$=6.40, $M_{nivea-puma}$=5.11, t_{108}= 3.095, p=.003). It has to be added, though, that unlike in the pretest, Puma does not longer show a misfit in image with Nivea, but reaches the neutral value (no fit, no misfit).

Product fit was measured by having respondents indicate the complementarity of different pairs of products on a 10-point semantic differential (1 = not complementary at all, 7 = very complementary). Again, an independent samples t-test showed that the

manipulation was successful: shower gels and sportswear were considered to be much more complementary than shower gels and mobile phones ($M_{shower\ gel\ -\ sportswear}$ = 7.14 versus $M_{shower\ gel\ -\ mobile\ phones}$ = 1.69, t_{218}= -23.861, p<.001).

Dependent variables. Attitude towards the core brand (Ab) (Nivea) was measured on a four-item seven-point differential scale (do not like-like, unfavorable-favorable, bad-good, negative-positive) (Cronbach's alpha = .928). Attitude towards the alliance (Aal) was measured by means of a four-item seven-point scale (unfavorable-favorable, negative-positive, bad-good, unappealing-appealing) (Cronbach's alpha = .919).

Results

H1 assumed that any fit would lead to a more positive attitude towards the core brand than no fit at all, while H2 posited that no difference would occur between the three different types of fit (only product fit, only brand fit, both product and brand fit). Multivariate analysis of variance taking brand and product fit as independent variables and Ab and Aal as dependent variables showed a significant main effect of brand fit, but not of product fit. Furthermore, as hypothesized a significant interaction effect between brand and product fit was revealed (see Table 2). Taking a look at the univariate analyses learns that none of the effects are significant for Aal, while for Ab a marginally significant effect of product fit, a significant effect of brand fit and a significant interaction effect was found.

Insert Table 2 About Here

Supporting H1, Figure 1 indicates that for Ab it does not seem to matter which fit there is between the brands, as long as there is either a product and/or a brand fit. In case a brand teams up with another brand without having any fit at all, the alliance may hurt the brand since the evaluation of the brand is significantly less positive than in the case of a perceived fit.

A one-way anova with attitude towards the core brand as dependent variable and partner brand (on four levels) as independent variable confirmed this. Indeed, the results indicated a significant effect of type of partner brand ($F_{3,219} = 11.529$, p<.001).

Post-hoc Bonferroni tests showed that the partner without brand and product fit (Alcatel) ($M_{nivea-alcatel}$=3.70) led to a significantly lower attitude towards the core brand than the partner with either a brand fit ($M_{nivea-nokia}$=4.92, p<.001), a product fit ($M_{nivea-puma}$=4.62, p<.001) or both a brand and product fit ($M_{nivea-nokia}$=4.59, p<.001). No other differences were significant. As a consequence, as far as Ab is concerned, also support for H2 was found. So, even in case top-down processing is likely to occur, consumers respond equally positive to a brand than product fit. With respect to Aal, support was found neither for H1 nor for H2. However, despite the fact that the interaction between product and brand fit was insignifant for Aal, Figure 1 shows that the differences point in the expected direction.

Insert Figure 1 About Here

EXPERIMENT 2

Again, a two (brand fit: similar image or not) x two (product fit: compatible product or not) between subjects design was set up. The same core and partner brands were used, but this time the complementarity between the brands was not imposed by the ads. In the first experiment the ads were created in a way that top-down processing was more likely than bottom-up processing (Samu, Krishnan and Smith 1999). No elaborate processing was necessary since the picture in the ad made the link between the products immediately clear. This is assumed to produce positive affect. Samu, Krishnan and Smith (1999) confirmed that top-down ads (as compared to bottom-up ads) produced significantly more positive brand attitudes for low complementary products, while no difference was detected for high complementary products. As a consequence, it is possible that hypotheses 1 and 2 hold for top-down ads, but not for bottom-up ads.

Therefore, in experiment 2 the link was not made clear, neither in the picture nor in the headline, but a baseline was used referring to the attributes of the two brands to encourage a bottom-up processing. Since this requires more cognitive effort on the part of the consumer, especially for brands with a low product fit, more negative attitudes could result.

Stimuli

Four fictitious ads were constructed in such a way that the only difference between the ads was the logo of the partnering brand (see Appendix 2). The ads showed the body of a lady carrying two shopping bags. On the bags only the logo of the brands appeared, no packshots were included. The headline was kept very neutral "Back to basics", while the baseline referred to attributes of the brands: "(partner brand) for the ultimate connection/sports experience. Nivea for the ultimate shower experience".

Procedure and measures

120 students from a Flemish university participated in the experiment in exchange for a free cinema ticket. A similar procedure as in experiment 1 was used.

Manipulation check. The brand fit of pairs of co-branding partners in terms of image was again measured on a 10-point Likert scale (1=not at all similar, 10=very similar). Independent samples t-tests showed a successful manipulation. The image fit between Nivea and Nokia was significantly higher than the one between Nivea and Alcatel ($M_{nivea-Nokia}$=6.10, $M_{nivea-Alcatel}$=4.40, t_{58}= 2.553, p=.013). The same conclusion can be drawn for the fit between Nivea and Nike versus Nivea and Puma ($M_{nivea-nike}$=6.90, $M_{nivea-puma}$=5.57, t_{58}= 2.263, p=.027).

Product fit of different pairs of products in terms of complementarity was again measured on a 10-point semantic differential (1 = not complementary at all, 7 = very complementary). Also this manipulation was successful: shower gels and sportswear received much higher complementarity scores than shower gels and mobile phones ($M_{shower gel – sportswear}$ = 7.40 versus $M_{shower gel – mobile phones}$ = 1.33, t_{118}= -26.205, p<.001).

Dependent variables. Attitude towards the core brand (Nivea) was measured on a four-item seven-point differential scale (do not like-like, unfavorable-favorable, bad-good, negative-positive) (Cronbach's alpha = .949). Attitude towards the alliance (Aal) was measured by means of a four-item seven-point scale (unfavorable-favorable, negative-positive, bad-good, unappealing-appealing) (Cronbach's alpha = .920).

Results

Multivariate analysis of variance shows a marginally significant effect of brand fit and a significant effect of product fit, but no significant interaction effect (see Table 2). As was the case in experiment 1, univariate analyses indicate a different pattern of effects for Ab and Aal (see Table 2). Concerning Aal, only a significant main effect of product fit was discovered leading to the conclusion that no support was found for either H1 or H2. With respect to Ab, on the other hand, a significant main effect of both brand fit and product fit was observed, as well as a marginally significant interaction effect. Despite the fact that this time a bottom-up ad was used, Figure 2 shows a similar interaction for Ab as in experiment 1: a fit in one way or another results in a more positive evaluation of the core brand than when there is no fit with the partner brand. A one-way Anova with attitude towards the core brand as dependent variable and partner brand (on four levels) as independent variable indeed indicated a significant effect of type of partner brand ($F(3,119) = 6.938$, $p<.001$). Post-hoc Bonferroni tests showed that the partner without a brand and product fit (Alcatel) ($M_{nivea-alcatel}=3.77$) led to a significantly lower attitude towards the core brand than the partner with either a brand fit ($M_{nivea-nokia}=4.58$, $p=.028$), a product fit ($M_{nivea-puma}=4.84$, $p<.001$) or both a brand and product fit ($M_{nivea-nike}=4.92$, $p<.001$). No other differences were significant. So also for the ads that were more likely to induce bottom-up processing, support was found for both H1 and H2 as far as Ab is concerned. In contrast to experiment 1, there is no indication of an interaction effect for Aal at all now. Figure 2 only shows the significant main effect of product fit.

Insert Figure 2 About Here

EXPERIMENT 3

Experiment 1 and 2 involved a core brand that had a positive image. This brand was teamed up with brands with an equally positive or less positive image. The question is whether the results found previously also apply for a core brand that has a neutral or more negative image. Washburn, Till and Priluck (2000) investigated different brand equity combinations in the setting of high product fit (potato chips and barbecue sauce which allied to produce barbecued potato chips). Their results showed that brands in a low equity/low equity combination are evaluated most poorly, while no difference was observed for brands in a high equity/high equity or high equity/low equity combination. As a consequence, it is possible that brand fit is not the key variable, but rather looking for a partner with a positive image.

To test this assumption, a core brand with a neutral average image was selected and consequently paired with brands that had a similar or more positive image. The product categories remained the same.

Pretest

Five shower gel brands, four sportswear brands and three mobile phone brands were included in a pretest. Respondents were 108 bachelor students of a Walloon university who voluntarily participated in the test. Each respondent evaluated the image of six brands. Image was measured on a six-item, seven-point Likert scale based on Mishra, Umesh and Stern (1993) (liked by many people, very popular, market leader, highly recognized, fashionable, and successful) (Cronbach's alpha = .917). On the basis of the results, Palmolive was chosen as the core brand (shower gel). As for brands with a similar image, we chose Puma and Ericsson, while brands with a dissimilar image were represented by Nike and Nokia (see Table 2).

Insert Table 3 About Here

Stimuli

The same stimuli as in experiment 2 were used, only the names and logos of the core and partnering brands were changed (see Appendix 2).

Procedure

120 students of a Walloon university voluntarily participated in the experiment. A similar procedure as in experiment 1 and 2 was used.

Measures

Manipulation checks. Brand fit was measured by having respondents evaluate the image of the core brand (Palmolive) and the partnering brand on a six-item, seven-point Likert scale based on Mishra, Umesh and Stern (1993) (appreciated by many people, recognized, popular, market leader, modern and successful) Since Cronbach's Alpha = 0.917 was comfortably high, a mean across the six items was calculated. Paired samples t-tests show that the manipulation was successful. Palmolive had a similar image as Puma ($M_{palmolive}$=4.71, M_{puma}=4.52, t_{29}= -.760, p=.453) and Ericsson ($M_{palmolive}$=4.63, $M_{ericsson}$=4.68, t_{29}= .184, p=.855) and a less positive image than Nike ($M_{palmolive}$=4.62, M_{nike}=6.48, t_{29}= 7.86, p<.001) and Nokia ($M_{palmolive}$=4.81, M_{nokia}=6.50, t_{29}= 10.08, p<.001). Product fit was measured as in experiment 1 and 2. Again, a paired samples t-test showed that the manipulation was successful: shower gels and sportswear are considered to be much more complementary than shower gels and mobile phones ($M_{shower\ gel\ –\ sportswear}$ = 6.34 versus $M_{shower\ gel\ –\ mobile\ phones}$ = 1.94, t_{119} = 21.969, p<.001).

Dependent variables. Attitude towards the core brand (Palmolive) was measured on a three-item seven-point differential scale (do not like-like, unfavorable-favorable, bad-good). Attitude towards the alliance (Aal) was measured by means of a four-item seven-point scale (unfavorable-favorable, negative-positive, bad-good, unappealing-appealing) Cronbach's alpha above .8 were obtained for these two last measures.

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Results

Multivariate analysis of variance shows a significant main effect of product fit and a marginally significant interaction effect (see Table 2). As was the case in the previous experiments, different results were obtained for the two dependent variables, Ab and Aal (see Table 2). Concerning Aal, univariate analysis of variance again indicated a significant main effect of product fit, while none of the other effects were significant. With respect to Ab, no significant main effect of brand or product fit was found this time, but again a marginally significant interaction effect appeared. Figure 3 indicates a different pattern as in experiment 1 and 2, though. It seems that a neutral brand does better not join forces with another neutral brand, unless the products are complementary. A one-way anova with attitude towards the core brand as dependent variable and partner brand (on four levels) as independent variable does not indicate a significant effect of type of partner brand ($F_{3,119} = 2.073$, p=.108). None of the post-hoc Bonferroni tests are significant either. However, independent samples t-test did show (marginally) significant differences in the attitude towards the core brand between the alliance with a partner with a similar image ($M_{Palmolive-Ericsson}$=4.50) on the one hand, and a partner with a more positive image ($M_{Palmolive-Nokia}$=5.16, t_{58}=2.125, p=.038), a complementary partner ($M_{Palmolive-Nike}$=5.03, t_{58}=1.660, p=.102) and both a complementary and image-congruent partner ($M_{Palmolive-Puma}$=5.21, t_{58}=1.958, p=.055) on the other hand. No other differences were significant. As a consequence, H1 and H2 cannot be accepted in case a core brand of a neutral image is used, neither for Ab nor for Aal.

Insert Figure 3 About Here

DISCUSSION

Rather surprisingly we found different effects of brand and product fit on the attitude towards the brand than the attitude towards the alliance. Our hypotheses mainly hold for Ab, but not for Aal (except for experiment 1 in which tentative evidence was found for Aal as well). When evaluating the alliance, consumers mainly seem to rely on how well both products fit. Perhaps consumers use more cognitive criteria to evaluate an alliance than the allying brands. More research on this is needed, as well as how, to what extent and in which situations Aal carries over to Ab. In this particular study, we investigated responses to joint advertising, not co production. In joint advertising alliances the main purpose is to improve the attitudes towards each of the allying brands. Therefore, we believe that for joint advertising alliances, our results concerning Ab are at least – if not more- important than the results for Aal. The remainder of this discussion is therefore devoted to the impact on Ab.

The results of experiment 1 and 2 seem to indicate that teaming up with a brand that fits either on the image or product compatibility level is a better choice than choosing for a partner with whom there is no brand or product fit. However, in these experiments the core brand already had a highly positive image. As a consequence, it was not possible to disentangle the "brand fit" from a "positive image partner" condition. Therefore, we chose a core brand with a moderately positive or neutral image in the third experiment. The results showed a different picture. In this case, the worst option was a brand with a high brand – low product fit. This result has previously also been reported by Washburn, Till and Priluck (2000). Probably, the activation of only moderately positive associations for both brands and the fact that no congruence on the product category level could be found, did not evoke sufficiently positive affect in the respondents to come to a real positive attitude towards the core brand. As a consequence, it seems that also the results of experiment 1 and 2 better be interpreted in terms of "positive image partner" instead of "similar image partner".

Three experiments were conducted in which we investigated the interaction between product and brand fit. Significant interaction effects were found in experiments 1 and 2, and a marginally significant effect was observed in experiment 3.

The fact that we found these (marginally) significant patterns, provides a strong case for the importance of the variables studied. Indeed, we only investigated brands that were very familiar to the respondents and had been on the Belgian market for a long time. In case consumers are highly familiar with brands, it can be assumed that they already hold extensive associations and stable attitudes towards them. Moreover, the impact of an information source is expected to decrease with every additional piece of information (Levin and Gaeth 1988). As a consequence, the attitudes towards such familiar brands can be expected to be more resistant to change (Fazio 1986, 1989). Nevertheless, we did find a significant impact of the type of partner a brand engages with in a joint ad. Therefore, the impact of a joint advertising strategy can be expected to be even more pronounced in situations where the core brand is not well-known (Simonin and Ruth 1998).

The fact that the results were more pronounced in experiment 1 and 2 as compared to experiment 3 is rather surprising. Indeed, Shimp Stuart and Engle (1991) argue that attitudes toward weaker brands are more malleable and less stable than are consumer attitudes toward stronger brands. As a consequence, we expected smaller differences for the positive image brand, Nivea, than for the neutral image brand, Palmolive. The opposite appeared to be true. Perhaps this can be explained by the fact that Palmolive was not a real weak, but rather a neutral brand. Another possibility is that the strength of respondents' attitudes differed for Nivea and Palmolive.

The main difference between experiment 1 and 2 was the type of ad that was used. In experiment 1 the link between the products was shown in the picture of the ad, while this was not the case in experiment 2. It was expected that consumers would process the ad in experiment 1 top-down, while the one in experiment 2 bottum-up. The type of processing could have an influence on how positively or negatively non-complementary brands were evaluated. The fact that the same conclusion can be drawn on the basis of experiment 1 and 2, could be interpreted as robust evidence for the impact of the variables studied. An alternative explanation is that the ads from experiment 1 and 2 were not processed in a different way.

According to Samu, Krishnan and Smith (1999) a different processing can only be expected in case of high involvement because only involved consumers will be motivated to find out what the relation between the brands is and seek for cognitive closure. However, we belief this explanation is not viable here for two reasons. First of all, high involvement products such as mobile phones and sports wear were used as partnering products. Secondly, if we analyse the data of experiments 1 and 2 jointly, we find evidence that the ads were processed slightly different. Univariate analysis of variance taking attitude towards the core brand (Nivea) as dependent variable and number of experiment (1 versus 2), brand fit and product fit as independent variables, showed the expected main and interaction effects of brand fit ($F_{1,339} = 16.421$, p<.001), product fit ($F_{1,339} = 15.130$, p<.001), and brand fit x product fit ($F_{1,339} = 15.084$, p<.001). On the other hand, an insignificant effect of number of experiment ($F_{1,339} = .310$, p=.578), an insignificant interaction effect between number of experiment and brand fit ($F_{1,339} = .330$, p=.566), but a marginally significant interaction effect between type of experiment and product fit ($F_{1,339} = 2.569$, p=.110) was found. The latter interaction effect is shown in Figure 4 and indicates that the (bottom-up) ads used in experiment 2 led to more polarized attitudes (more positive attitudes in case a product fit was detected, and more negative attitudes in the absence of product fit) than the (top-down) ads in experiment 1. As a consequence, we do belief that our results hold irrespective of the type of ads that are used.

Insert Figure 4 About Here

LIMITATIONS AND SUGGESTIONS FOR FURTHER RESEARCH

Several limitations can be noted. First of all, attitudes toward the core brand were not measured before exposure to the joint advertisement. As a consequence, it is not possible to make a before – after comparison. Previous research indicated that co-branding strategies are very unlikely to have a negative impact.

For example, Baumgarth (2005) found negative spill-over effects for only 2 of 32 brands, while Washburn, Till and Priluck (2000) could not detect a negative impact of low equity brands either. But still, on the basis of the current experiments we do not know whether all combinations result in positive effects (but some in more positive effects than others), or that one or more types of partners produce negative effects. Future research could fill this caveat. In this respect, it is also recommended to take attitude strength into account since it is much harder to change strong than weak attitudes.

A second limitation is that we did not take brand ownership into account. Hadjicharalambous (2005) reported that owners (versus non-owners) of a brand responded more positively to a co-branding strategy involving a high prestige brand and more negatively to an alliance involving a low prestige brand. It is possible that for brand owners a high product fit cannot offset the fact that the partner has a less positive image than the core brand. Therefore, it would be interesting to include this variable in future studies.

Thirdly, respondents were exposed to the ads only once. Lane (2000) found that incongruent brand extensions were evaluated more positively when advertising repetition increased from one to five times. As a consequence, it is possible that the impact of the variables product fit and high image partner deteriorates over time. Moreover, the ads used in the current study were rather simple. More complex ads could be processed differently.

Fourthly, all respondents in the experiments were students. Possibly different results are found in a representative sample of the population. However, it should be noted that only products were investigated that had relevance to students (shower gels, mobile phones and sports wear).

Finally, it would be useful to incorporate brand beliefs in future studies. For example, both for new and existing brands, one could investigate to what extent brand beliefs and attitudes differ when a different co-branding partner is chosen.

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TABLE 1

Image fit of the co-branding partners (pretest experiment 1 and 2)

Paired product	Brand alliance	Mean image fit	t-value[1]	Selected brands	
				Product fit	Image fit
Mobile phone	Nivea - Alcatel	3.27	2.086*	No	No
	Nivea - Nokia	6.27	-2.253*	No	Yes
Sportswear	Nivea – Puma	3.97	2.383*	Yes	No
	Nivea - Nike	5.83	-4.386***	Yes	Yes

[1] results of one-sample t-test taking the midpoint of the scale as test value

* p < .05   *** p < .001

TABLE 2

MANOVA results (F-values) taking brand and product fit as independent and Attitude towards the Brand and Attitude towards the Alliance as dependent variables

	Multivariate effects	Univariate effects	
		Ab	Aal
Experiment 1			
Product fit	2.075	3.588$^{(*)}$	1.598
Brand fit	7.347**	14.690***	.671
Product x brand fit	8.266***	16.308***	.371
Experiment 2			
Product fit	8.091**	12.402**	8.575**
Brand fit	2.520$^{(*)}$	4.971*	.113
Product x brand fit	1.782	3.440$^{(*)}$	.028
Experiment 3			
Product fit	6.709**	1.699	13.249***
Brand fit	1.045	1.118	.127
Product x brand fit	2.617$^{(*)}$	3.401$^{(*)}$	.091

$^{(*)}$ p<.10, * p < .05, ** p<.01, *** p < .001

TABLE 3

Image of the co-branding partners (pretest experiment 3)

Partnering	Mean image		t-value	Condition	
brand	partner	core brand (Palmolive)		brand fit	product fit
Puma	4.45	4.27	.744	Yes	Yes
Nike	6.24	4.27	11.390*	No	Yes
Ericsson	4.67	4.27	1.816	Yes	No
Nokia	6.35	4.27	12.619*	No	No

* p < .001

FIGURE 1

Interaction between brand and product fit (experiment 1)

Attitude towards the core brand (Nivea)

Attitude towards the alliance (Aal)
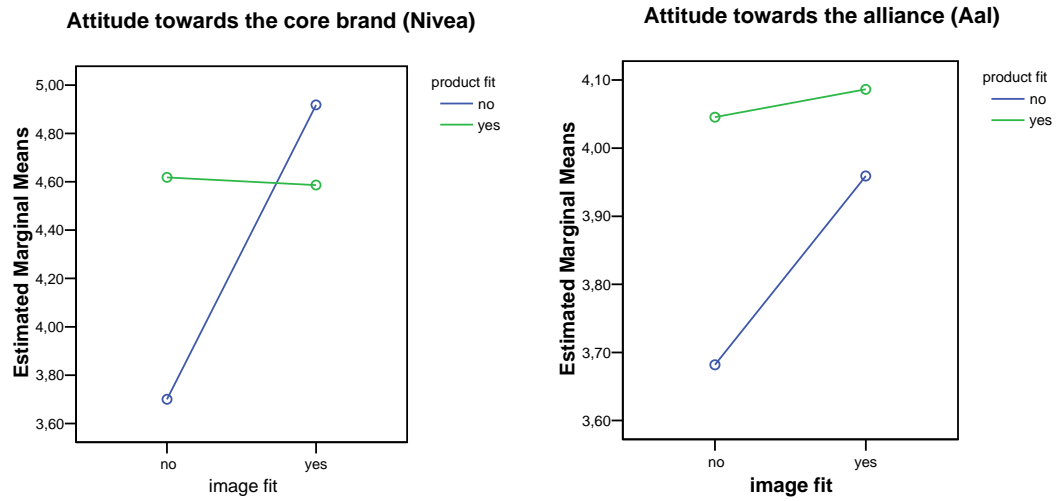
FIGURE 2

Interaction between product and brand fit (experiment 2)

Attitude towards the core brand (Nivea)   **Attitude towards the alliance (Aal)**
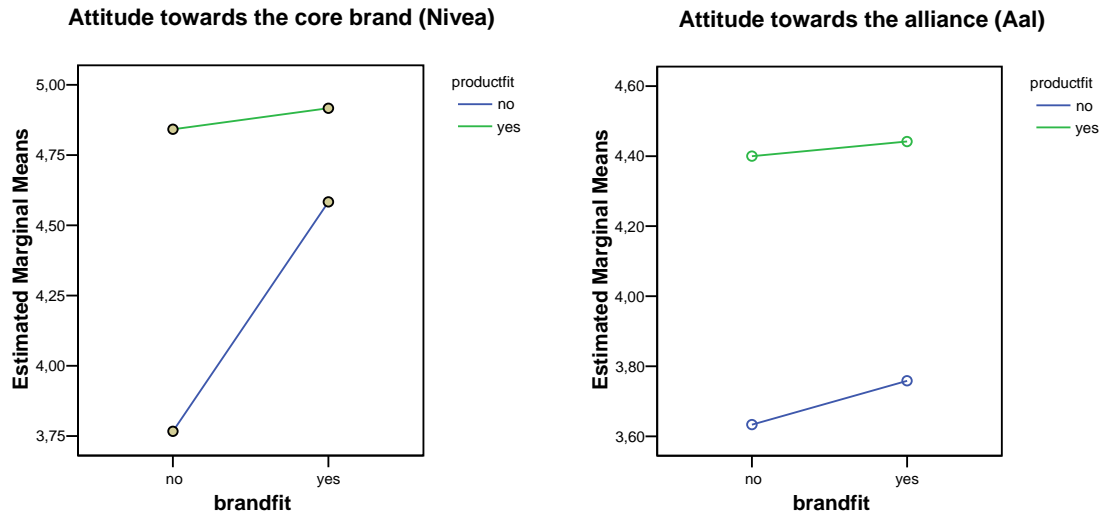
FIGURE 3

Interaction between brand and product fit (experiment 3)

Attitude towards the core brand (Palmolive)

Attitude towards the alliance (Aal)
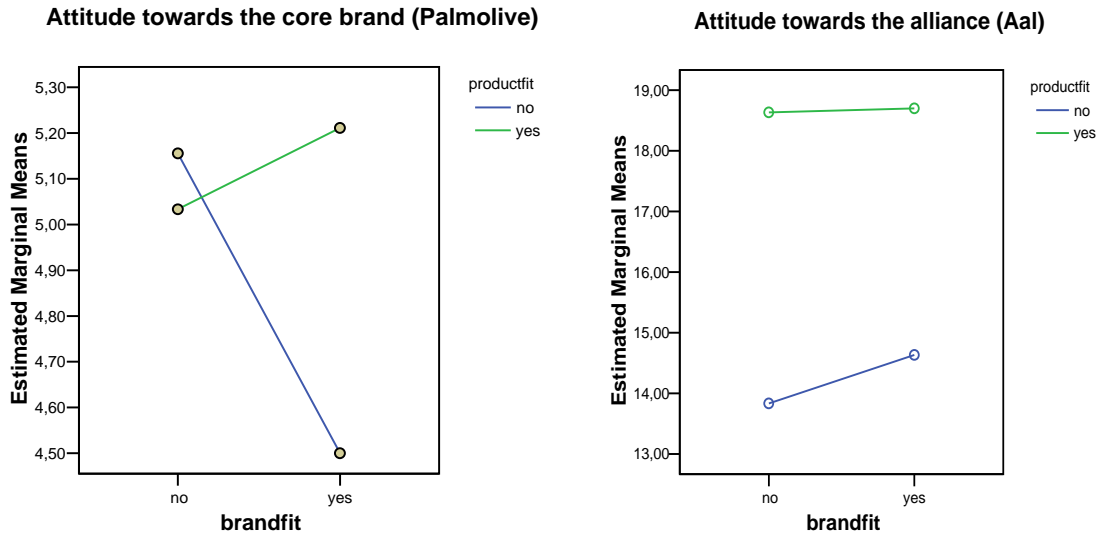
FIGURE 4

Interaction between experiment (1 versus 2) and product fit

Attitude towards the core brand (Nivea)
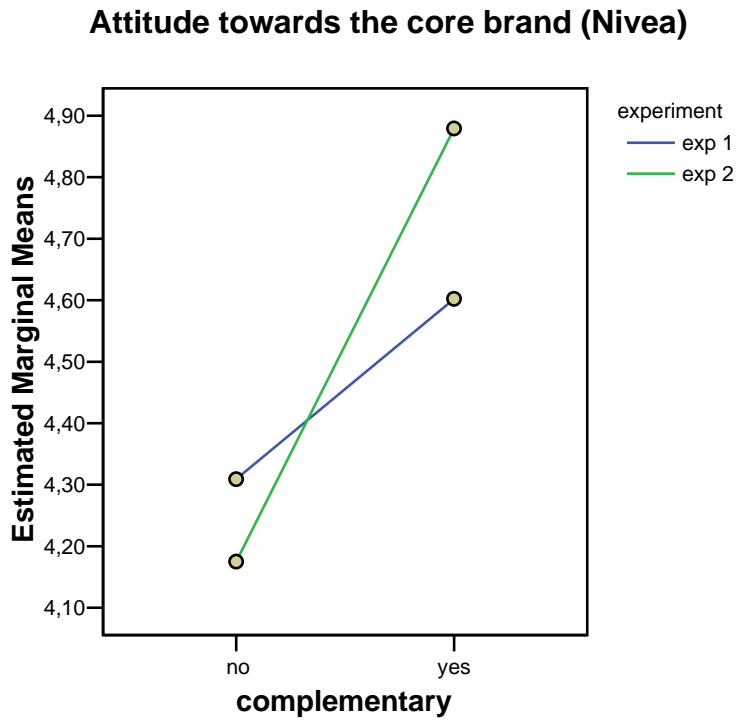
APPENDIX 1

Qualitative study

To get a better idea of why consumers like or do not like brand alliances, 30 depth interviews were organized. Respondents were told they were participating in an advertisement experiment and were shown a booklet containing 8 ads: five classical ads promoting one brand, two existing co-branding ads and one fictitious co-branding ad. Afterwards they were asked which ads they remembered. Twenty-six respondents spontaneously mentioned that the booklet contained ads promoting more than one brand, three of which were able to mention both brands and twenty-three who mentioned one of the partnering brands. Twelve others remembered the fact that there were ads promoting two instead of one brand when the booklet was shown a second time. Only two respondents did not pay attention to the fact that there were "special" ads. So, for the majority of the respondents the co-branding ads stood out and attracted more attention than the classical ads. Next, respondents were asked what were good and bad alliances and why this was so (open-ended questions). Frequently mentioned reasons why alliances were considered as good included "when both brands have the same image", "because both brands target the same audience", and "because both products are complementary". For bad alliances following reasons were provided: "there is no link whatsoever between the brands", "the brands do not have the same image", "the brands have opposing values".

APPENDIX 2

Ad used in experiment 1   **Ad used in experiment 2**

Ad used in experiment 3