

DOES BRAND EXTENSION IMPACT PARENT BRAND: A CASE OF JOHNSON, UK

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Abstract:

Purpose of study: The main purpose of this study is to check the impact of brand extensions on brand image. For this purpose Johnson is selected as parent brand for current research. The targeted brand extensions are Johnson shampoo, Johnson's isotonic drinks, Johnson's sports wear and Johnson's suntan lotion. Research Methodology: sample was selected from Bradford, UK. Sample consists of graduate students including males as well as female. Total sample size is 60 and data was collected through self administered questionnaires. For each brand 15 respondents were selected. Convenient sampling was selected as sampling technique. Results: Results show that Johnson's have high brand awareness and perceived quality. While there is negative correlation results for brand fit on brand image for those product extensions which are not in same brand category i.e. Johnson's sportswear and Johnson's isotonic drinks. Conclusion: It is concluded from study results that launching new product in same parent brand category have high chance of success while in different category is risk.

Key words: Brand Extension, Brand Fit, Johnson, Product extensions, marketing.

Introduction

Many companies adopt brand extension as strategy with the aim of benefiting from the brand knowledge achieved in the current markets (Aaker et. al., 1990; Milberg et al., 1997). When a company launch a new product and market under the umbrella a well-known brand name, failure rates and marketing costs are reduced (Keller, 2003). Keller (2003) states that more than 80 per cent of firms resort to brand extensions as a way of marketing goods and services.

Fierce competition forces firms to adopt strategies that create a competitive advantage for the firm.

Creating a brand name with well-established associations is one way of achieving this aim. Firms invest heavily in developing a brand. It is a very costly process but has many returns once success is achieved (Keller, 2008). However, firms do not always have the financial strength to create a new brand name for each newly developed product. Usually a more economical strategy is used to introduce a new product under the umbrella of already existing product. According to James (2006), companies need not to create a new brand name for new product category; companies should use the

name of known, successful and well established brand instead of creating new product name, in other words, brand extension is used.

It is a well-known fact that developing a new brand requires much more investment than creating a brand extension which is what motivates firms to prefer brand extensions of already well established brand. Market is a place of competition and cost associated with introduction of new brand always soars, many firms are trying to decrease the risks involved in new product introduction and market the new product using the name of already well known existing brand as brand extension.

Brand extensions leverage a firm's most valuable hidden asset, its brand name (Tauber, 1981, 1988). For this reason the last decade shows that many firms use brand extension strategies to enter new markets. According to Amble et. al. (1997), it is common strategy of last decade that companies prefer brand extension rather than introducing a new product under new product name. Companies save their cost as well as minimize the risk by launching a new product as brand extension under the brand name of already well-known brand. Amble suggested that product introduce under brand extension have more chances of survival hen introducing product with new brand name. Marketers believe that brand extensions are evaluated favorably by consumers because consumers transfer positive attitudes or affect toward the parent brand to its extension. Yet, this transfer may not be automatic but may depend upon the perception which consumer had in his memory about parent brand and its extension (Aaker et.al, 1990). For current paper, brand chosen was Johnson's shampoo and selected similar brand extensions were suntan lotion and distant brand extensions are sportswear and isotonic drinks.

Literature Review

Companies in order to reduce the cost always plan and adopt new methods. The brand extension is also a new style for brand management which creates the value for single name and makes it a mega brand. Companies prefer to extend the brand rather than creating a new brand. Companies introduce new product or extend the product line to avoid the risk involve in introducing new brand. In brand life cycle (growth, expansion, scope and adaptability), brand extension always plays a very crucial part (Kapferer, 2001). Many companies use the image of existing brands in new markets and launch new products e.g. Virgin Group. Virgin is initially worked on retailing and publishing of popular music. By using his previous repute, the company launched their existing brands in new market. They started their business from music and now they own air lines, well reputed financial advisor and cola producer (Randall, 2000).

According to Buday (1989), the companies rational behind extending brands are to attain economies of scale. Basically companies use the one brand name and introduce product in different categories, it will reduce their communication expenditure as extended brand uses the name well positioned parent brand. The customer easily gains familiarity with new product due to their awareness and attachment with parent brand. Most important consideration for launching a new product is to capture more market share and improve their net profit margin by using the name of well established brand. According to Pitta et al., (1995), observed that change in top management of companies is some time reason for brand extension. Change in management mean change in company vision because of updated knowledge of members which may contradict the past concept of single brand image. Establishment of R & D departments in every organization

initiated the process of market research which favors technological change and process improvement.

Ambler and Styles (1997) suggested that it is important for companies to have knowledge of brand, its mechanism, extension techniques and their implementation in market which make a brand successful and make its positioning easy. He suggested that the managerial process play a very significant role for successful brand extension.

Whenever a company initiates a new product it is considered as new product development. Launching new brand maximize the risk of failure so there is need to change the product development process and thus increasing the chances for all new initiated products to be successful in market (Brassington & Pettitt, 2000). Developing a brand extension is considered as development of new product. Brassington & Pettitt (2000) suggested an eight stage new product development framework describes the product development process. These eight steps for new brand extension includes idea generation; idea screening; concept development and testing; business analysis; product development; test marketing; commercialization and monitoring and evaluation.

There are three most significant studies which provide basis for customer brand evaluation. The first study was conducted by Aaker and Keller in 1990. They started with two research designs to evaluate the customer brand evaluation. According to results of their first study, customer associations with any specific brand can either harm or improve the evaluation about brand extensions. If parent brand is well recognized and well positioned, brand extension acceptability in market increases. Similarly, parent brand lays the basis for successful acceptance of his extensions (Aaker & Keller, 1990). The second study was conducted by

Sundae and Brodie (1993). They adopted the same methodology and hypothesis tested by Aaker and Keller in 1990. Some of their results showed relevance with Aaker studies while others were different. According to their results the relationship between how difficult it is to make the product class of the extension and the attitude towards the extension was not significant. However if the parent brand perceived quality is high then customer attitude towards acceptance product extension is higher. Their results also supported the Aaker and Keller conclusion that the fit between the parent brand's product class and the extension's product class has a positive association with the attitudes one has towards the extension. Third study was conducted by Bottomley and Doyle in 1996. This is the second replication of Aaker and Keller study. The authors were interested to test of results of both studies which conducted on customer brand evaluation. According to their findings perceived quality and perceived fit of the parent brands are the two factors which make brand extension association in customer mind. Their study results did not supported the Aaker and Keller notion that an easy to make extension is viewed as more favorable by the customer.

Problem Statement

Along with benefits there are number of disadvantages of brand extension. There is the potential that the extension could harm the equity which has been developed by the parent brand (Loken & John, 1993). In recent years, brand extension was preferred by many companies not only to reduce cost but also to minimize the risk of product failure. It increases the chances of consumer acceptance due to awareness about parent brand. According to Kim and Lavack (1996), sometimes brand extension creates negative perception in consumer mind, which effect the reputation of parent

brands as well. Earlier literature review (Aaker et.al (1990)) fail to find any evidence that brand extension influence the brand. However, it was found by many researchers that inconsistent brand extension (product not relevant with parent brand category) leads towards brand dilution. The main reason of brand extension failure is lack of new brand linkage in respect of its functions, similarity and familiarity with parent brand (Loken et. al (1990); Tauber, 1981).

Failure to meet customer expectations creates negative perception about parent brand which results weak brand association and disturb the original brand as well as related products. According to Martinez and de Chernatony (2004), brand image can be classified into two main categories i.e. general brand image also known as parent brand image and product brand image also known as extended brand. According to their model and results failure of extended brand image cannot affect the parent brand if parent brand is well established and strong enough like Nike and Sony. In such case, product image dilution is greater than that of brand image.

Research Methodology

Sampling and Data collection

Wiedersheim (1997) suggested that there are two categories while collecting data i.e. primary data and secondary data. Secondary data is already collected and available for use data while first time collected data for specific purpose is called primary data. Data collection is most important part of research design. Primary Data is collected from young University students in Bradford Area, UK who are familiar with the brand and already using brand extensions of Johnson. Self-administrative Questionnaire is used. The data is collected from respondents for checking impact of similar as well as distant brand extension on parent brand. Variables under consideration

will be brand image, consumer innovativeness, perceived quality, perceived fit and brand familiarity. The universe of study is Bradford, UK. Secondary data was collected through different Journals i.e. JSTOR, Emerald and Science Direct. Population for current study is determined from literature survey. According to definition provided by Sekaran (2001), a group of elements, objects and events which are of research interest is called population. The sample size for this study is 60 graduate students preferably male and female both. For each product category, 15 respondents will be selected. Convenience sampling technique will be used for drawing sample from the population of Bradford city UK. Survey as well as face to face technique was used for data collection. For data analysis, descriptive statistics as well as correlation is used. SPSS were used for analysis of data.

Measurement Development

Four different structured questionnaires were used. In current research, the qualitative issue was factors of brand extension which may affect brand image. First these factors were conceptualized and operationalised for development of questionnaires. According to Joseph et al. (2007), "Questionnaire is formal document contain questions for respondent to record their answers and those responses were measured". Questionnaire improves the validity as well as reliability of data as questionnaire is recommended by many researchers an accurate tool for collection as well as measurement of data. The entire questionnaire was self-administered by the researcher himself, this improve the validity of research. To ensure the validity, those methods and samples were targeted which already used by previous researchers.

Variables

According to Kim and Lavack (1996), brand extension can be categorized into two types. These are vertical and horizontal extension. When a company introduces a complete new product either in product class and product category is called Horizontal extension. Similarly, when a company introduces a new extension in same product category but price and quality of product is different is called vertical extension. Mostly the mostly the companies use the same brand name with horizontal extension while in vertical extension another brand name with core description of parent brand name is used. Literature survey highlights the point that Aaker and Keller (1990) were two authors who initiated the studies on consumer evaluation of brand. Similarly Mahony (2000) describe the point that there is very few authors who work in this area. They suggested that there is need for studies on customer brand evaluation at international level as its help countries to improve their strategic planning.

Literature review concluded the following variables which considered as important factor while studying the relation between parent brand and its related brand extensions. These includes perceived fit, brand perceived quality, brand familiarity and consumer innovativeness (consumer attitude towards brand). The next step is to review literature about above mentioned variables and their relation with brand image.

Perceived Quality

From consumer point of view, quality of extended brand is most significant when he perceive about the brand. According to Aaker (1990), consumer evaluate brand according to his or her own perceptions about quality which is some time very difficult for companies to evaluate. According to results of second study conducted by Aaker and Keller, satisfied consumers

have strong attitude about the quality of the brand and this attitude remains same for extended brands also. These results were also justified by the study by James (2006). In simple words if consumer attachment with parent brand is higher, it will definitely increase the chances of brand extension to be acceptable by consumers. Similarly consumer acceptance for extension increases if consumer is satisfied with the perceived quality of parent brand. Therefore it is concluded from literature support that perceived quality of the brand have positive impact on brand extensions.

Brand Familiarity

Consumer brand recognition shows the familiarity of brand. How well customer recognizes the product is depend on consumer familiarity with brand. According to Keller (1993) definition of brand familiarity

“The number of product related experiences that have been accumulated by the consumer (through product usage, advertising, etc.)”

Literature supports the point that consumer interaction with or any kind of publicity of brand increase consumer familiarity with brand (James, 2006; Keller, 2003). According to Aaker consumer prefer to purchase a brand with which he/she is familiar and had experience of that product. Aaker in 2004 conducted experimentation about consumer brand evaluation. Postgraduate students are the elements of his study. During the experiment he showed participant some meaning less words and afterward in second experimentation he observed that most of the participants chooses those meaningless words which they showed them in first round. Thus he concluded that consumer experience or any sort of interaction keep customer intact with product. Consumer awareness about

brand increases the chances of brand familiarity and as well as brand extensions. According to definition of brand familiarity by Broniarczyk et al. (1994),

“Knowledge of the brand-specific association is required for consumer’s to appreciate the appropriateness of the brand in the extension category”

Thus it is concluded from above discussion that customer parent brand familiarity increase the chances that consumer have positive image of its extended brands also. According to Alba et al. (1991), there are two mechanism of consumer knowledge. First is brand familiarity and second is brand related expertise. Consumer gain the brand familiarity by experiencing and using the brand while consumer gain brand expertise ability by perform product related tasks. Therefore it is not important that consumer must have expertise to become familiar to brand. The sufficient condition is consumer access to product for brand familiarity. Marks et al. (1981) proposed that increased brand familiarity improves the brand loyalty as customer knowledge towards brand. They concluded in their results that for brand familiarity is high among those consumer who have strong brand association and awareness about brand.

Brand Fit

Brand fit mean that how closely extended brand resembles with parent brand I term of quality and features. Brand fit is not simply restricted to same product category but it is also related to other product classes. According to suggestion of Park et al. (1991), consumer evaluates brand extension fit by two different ways. First customer judge the brand extension similarities with parent brand while steadiness of brand concept is the second source. Customer can perceive brand fit by considering any of the brand similarity.

According to Aaker (2004), brand fit may exist in consumer mind because of his/her association with brand. This association with brand may be because of following reasons i.e. product features, products functionality, product application and used technology. The strength of brand fit is highly dependent on consumer association and attachment with parent brand.

“A meaningful association that is common to both the brand and the extension can provide the basis of fit”
(Aaker, 1990)

According to Han (1998), if there is low fit between parent brand and brand extension then that brand extension is perceived as of lower quality then the other brand extensions. Such case of lower fit can never be overcome by advertisement neither by improving product attributes. According to the results of previous conducted studies, strengthen brand fit between parent brand and extension in customer mind made customer to perceive brand extension more positively (Aaker and Keller, 1990; Park et al., 1991; Broniarczyk and Alba, 1994; Han, 1998; Martinez and de Chernatony, 2004; James, 2006; Kim and Roedder John, 2008).

Consumer attitude (innovativeness)

Consumer overall judgment of the brand is called consumer attitude. Attitude of consumer about any brand can be judged by many ways. For example, how frequently consumer use the brand, how frequent consumer buy the product, his loyalty with brand etc. Brand failure occurs only when there is negative consumer attitude towards brand. This negative attitude leads consumer to avoid certain brand (Keller, 1993). Therefore consumer attitude is very important consideration to decide before launching brand extension in market. Keller (1993) concluded in his

studies that improved consumer attitude towards extension has positive effect on product brand image and if consumer attitude is low, it leads towards brand ignorance. Keller suggested marketing

to create a positive brand association for favorable outcomes and on later stage this brand association has positive impact on brand image

Conceptual Framework

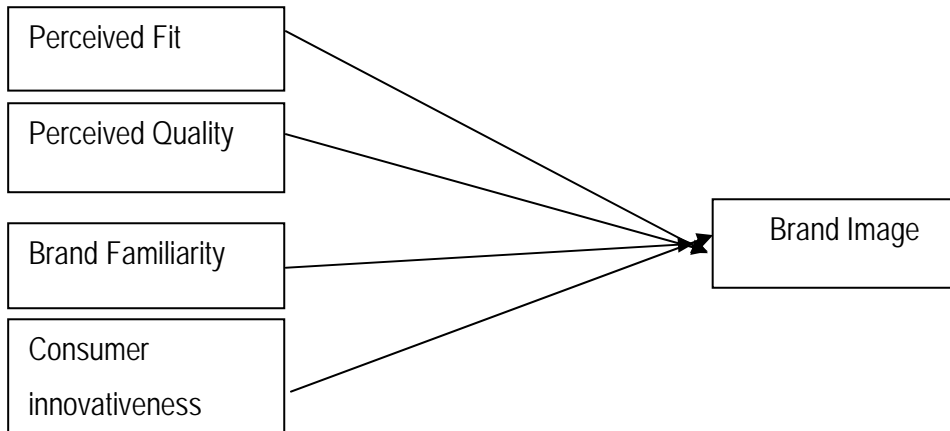


Figure 1. Conceptual framework for Brand Image

Following hypothesis were suggested based on comprehensive literature survey

- H 1: Perceived Fit has significant relationship Brand image.
- H 2: Perceived quality has significant relationship with Brand image.
- H 3: Brand familiarity has significant relationship with Brand image.
- H 4: Consumer innovativeness has significant relationship with Brand image.

Results and Analysis

Descriptive Statistics

Most of the respondent (42%) has age range between 15 to 20 years. While female participants are more than that of males. As percentage of female participant in survey is about 62 and that of male are only 38. The reason behind high female participation is Johnson baby shampoo which is choice of most of female participants. Most of the respondents have completed their high school education and their percentage is 45 while respondents with

only elementary educations are 32 %. Sample for Johnson baby shampoo consist of working ladies, house wives, divorced and unmarried. Almost 54 % of the sample consists of house wives while 26 % are unmarried. These are actually baby’s sisters or some relatives who are market to buy shampoo for baby or want to gift Johnson shampoo to their friends having newly born baby. 13 % of sample consists of working ladies and only 6 % are divorced. Most of the sample house wives seem loyal with Johnson shampoo brand.

Only 5 % of respondents have postgraduate education. Almost 67 % of the respondent heard the brand name more frequently while 20 % replied that they heard the Johnson but only few times. Consumer are highly satisfied with brand quality as 73% of consumer agreed that Johnson brand has high quality and reliable while only 21% respondents replied that product has average quality. This low response is due to two brand extensions i.e. suntan lotion and Johnson sports wear.

Reliability and Validity of Data

According to Leary (2004), Reliability is regularity and soundness of tool used for measurement of data. Its shows how much reliable is our measurement which has been adopted to measure the collected data. Most of the researcher used the concept of validity for the measurement of quantitative data. Different tests were adopted to reinsure the results. Same questionnaire is distributed about different brand extensions to same sample to check the extensions impact on brand image. Where as validity is degree to which adopted measurement tools helpful to measure the asked questions. Yin (1994) explained that

validity is verification of research tool adopted for measurement. According to Yin (1994), there are three types of validity tests i.e. content validity, construct validity and criterion validity. Yin suggested that researcher can adopt any method suitable for his studies

Table 1 shows the Cronbach's Alpha of variables in consideration. The results indicated Cronbach's Alpha for questionnaire (25 items) was 0.901. The Cronbach Alpha for individual variable of perceived fit is (0.875); perceived quality (0.812); brand familiarity (0.792); consumer innovativeness (0.813) and brand image (0.864).

**Table 1
Cronbach Alpha Coefficient**

Variables No of items	Cronbach Alpha	
Perceived Fit	0.875	5
Perceived Quality	0.812	5
Brand Familiarity	0.792	5
Consumer Innovativeness	0.813	5
Brand Image	0.864	5
All Overall Alpha for instrument	0.901	25

Test for Normality of Data

As values of Cronbach Alpha for two of the variables is above acceptance level so in order to test collinearity, collinearity test was undertaken. Results are at Table 2. The results reflected that Tolerance levels (< or equal to 0.01) and Variation Inflation

Factor (VIF) values (below 10) were within acceptable range (Kleinbaum et al., 1988). Durbin Watson values for all factors were between 1.5 and 2.5). The results did not indicate multicollinearity between variables. Results are at Table 3.

Table 2

Test of Collinearity		
Variables (VIF)	Tolerance	Variance Inflation factor
Perceived Fit	0.651	1.537
Perceived Quality	0.545	1.904
Brand Familiarity	0.743	1.709
Consumer Innovativeness	0.702	1.364

Durban Watson Test value = 2.3

Correlation Analysis

There are four correlation matrixes according to different product category. Table-3 shows the correlation matrix about Johnson shampoo. Johnson's shampoo is pioneer brand of Johnson and Johnson's. According to table 3, results reveal that Johnson shampoo brand image has positive relation with brand familiarity and value of $r = .64$ i.e. r-square is 64% (significant at 1%). Johnson shampoo brand fit is high and significant at 5%. Similarly, perceived brand quality is also high (r-square= 78%, $P < 0.01$) and has positive impact on brand image. Brand image of the product always enhances if company

retain the perceived brand quality according to customer specification.

Value of perceived fit is also positive with brand familiarity i.e. r-square= 56%, $P < 0.01$. This high significance value shows that if the product is in same category then that product has high brand familiarity. All the value of consumer innovativeness is positive with brand image, brand familiarity, perceived quality and perceived fit and almost significant. It means that consumer brand awareness and brand usage is very high. Consumer brand familiarity also has positive value with perceived quality i.e. r-square= 72% and significant at 1%.

Table 3

Johnson's Shampoo Correlation Matrix

		Correlations				
		brandimage	brandfam ilarity	perceivedfit	perceived quality	consumerinn ovativeness
brandimage	Pearson Correlation	1	,604**	,676	,787	,656
	Sig. (2-tailed)		,000	0.000	0.000	0.000
	N	15	15	15	15	15
brandfamiliarity	Pearson Correlation	,604**	1	,564**	,725**	,343
	Sig. (2-tailed)	,000		,000	,004	0.000
	N	15	15	15	15	15
perceivedfit	Pearson Correlation	,676	,564**	1	,600*	,235
	Sig. (2-tailed)	,000	,000		0.000	0.006
	N	15	15	15	15	15
perceivedquality	Pearson Correlation	,787	,690**	,725*	1	,305
	Sig. (2-tailed)	0.000	,004	0.004		0.06
	N	15	15	15	15	15
consumerinnovativeness	Pearson Correlation	,656	,343	,235	,305	1
	Sig. (2-tailed)	0.000	0.000	0.006	0.06	
	N	15	15	15	15	15

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 4 shows the correlation results for Johnson Suntan lotion. According to table 4.3, there is negative correlation between brand image and brand familiarity. Value for $r = -.40$ and relation is also significant at 1%. This means that there is low Johnson suntan lotion brand familiarity which has negative impact on Johnson brand.

Perceived fit has positive correlation with brand image and value for r-square is 67 % and significant at 5 %. As Johnson suntan lotion is in same product category that's why brand image and perceived fit has positive relation. Similarly perceived quality is also positively associated with brand image.

Table 4

Correlation results for Johnson Suntan Lotion

		Correlations				
		brandimage	brandfam ilarity	perceivedfit	perceived quality	consumerinn ovativeness
brandimage	Pearson Correlation	1	-,406**	,676	,666	-,342
	Sig. (2-tailed)		,000	0.000	0.000	0.000
	N	15	15	15	15	15
brandfamiliarity	Pearson Correlation	-,406**	1	,797**	,699**	,343
	Sig. (2-tailed)	,000		,000	,004	0.000
	N	15	15	15	15	15
perceivedfit	Pearson Correlation	,676	,797**	1	,601*	,455
	Sig. (2-tailed)	,000	,000		0.000	0.006
	N	15	15	15	15	15
perceivedquality	Pearson Correlation	,666	,699**	,601*	1	,305
	Sig. (2-tailed)	0.000	,004	0.004		0.06
	N	15	15	15	15	15
consumerinnovativeness	Pearson Correlation	-,342	,343	,455	,305	1
	Sig. (2-tailed)	0.000	0.000	0.006	0.06	
	N	15	15	15	15	15

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 5 shows the correlation results for Johnson sports wear. It's the first product which is not in product category of Johnson. Johnson Launch this extension in late 80's. According to results, there is negative correlation between brand familiarity and brand image (r= 0.40, P< 0.01). As Johnson is mostly famous for its shampoo so due to low brand awareness, brand familiarity is also low. Similarly there is

also negative correlation between brand image and perceived fit (r= 0.788, P < 0.01). Low brand fit is due to brand extension in new category. There is also negative correlation between brand fit and brand familiarity (r= 0.345, P< 0.01). Literature review suggests that extending brand in new category has negative impact brand image as well as on brand familiarity.

Table 5
Correlation result for Johnson's Sports wear

		Correlations				
		brandimage	brandfam ilarity	perceivedfit	perceived quality	consumerinn ovativeness
brandimage	Pearson Correlation	1	-,406**	-,788	,564	-,436
	Sig. (2-tailed)		,000	0.000	0.000	0.000
	N	15	15	15	15	15
brandfamiliarity	Pearson Correlation	-,406**	1	-,345**	,422**	,567
	Sig. (2-tailed)	,000		,000	,004	0.000
	N	15	15	15	15	15
perceivedfit	Pearson Correlation	-,788	-,345**	1	,601*	,365
	Sig. (2-tailed)	,000	,000		0.000	0.006
	N	15	15	15	15	15
perceivedquality	Pearson Correlation	,564	,699**	,422**	1	,202
	Sig. (2-tailed)	0.000	,004	0.004		0.03
	N	15	15	15	15	15
consumerinnovativeness	Pearson Correlation	-,436	,567	,365	,202	1
	Sig. (2-tailed)	0.000	0.000	0.006	0.03	
	N	15	15	15	15	15

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 6 shows the correlation results for Johnson isotonic drinks. Isotonic drinks were used to recover the lost energy after exercise. Johnson

introduced isotonic drink for sportsmen. Table 4.5 shows that there is significant positive correlation between brand image and brand familiarity (r= 0.70, P<

0.01). There is negative correlation between brand image and brand fit ($r = -0.76$, $P < 0.05$). Negative relation is due to change in product category. Similarly brand fit has negative correlation with brand familiarity ($r = -0.74$, $P < 0.01$).

Low brand familiarity results when there is low brand awareness. Consumer is well aware about Johnson shampoo and Suntan lotion but they don't have enough awareness about Johnson Isotonic drinks.

Table 6

Correlation results for Johnson Isotonic Drink

		Correlations				
brandimage	Pearson Correlation	1	,701 **	,-0.768	,327	,-400
	Sig. (2-tailed)		,000	0.000	0.000	0.000
	N	15	15	15	15	15
brandfamiliarity	Pearson Correlation	,701 **	1	,-745**	,690 **	,-295
	Sig. (2-tailed)	,004		,000	,004	0.000
	N	15	15	15	15	15
perceivedfit	Pearson Correlation	,-0.768	,-0.745	1	,600 *	,-242
	Sig. (2-tailed)	,103	,000		0.000	0.006
	N	15	15	15	15	15
perceivedquality	Pearson Correlation	,766	,690 **	,600 *	1	,-295
	Sig. (2-tailed)	0.000	,004	0.008		0.06
	N	15	15	15	15	15
consumerinnovativeness	Pearson Correlation	,-400	,295	,-242	,295	1
	Sig. (2-tailed)	0.000	0.000	,384	,286	
	N	15	15	15	15	15

According to the results explained in above tables it is very clear that all these variables contribute significantly in branding. Almost all the results are according to literature review. According to results revealed, brand fit is important variable which has major impact on dilution of brand image. Launching new product extension in new extension is some time useful but consumer awareness and brand familiarity are major items to be considered before launch. As results shows that Johnson Suntan Lotion has positive correlation results on brand image while there is negative brand fit for both Johnson sports wear and Johnson isotonic drinks. Although Johnson brand perceived quality is positive for all the brands but low brand fit diluting the parent brand image.

Similarly, second most important observation is consumer innovativeness. Consumer innovativeness increases with brand familiarity and brand awareness. In case of Suntan lotion which is Johnson product in parent brand category, consumer has positive innovativeness but for sport wear and isotonic drinks,

it's negative. Overall results suggest that Johnson has to increase the awareness among consumer about their extended brands.

Discussion

Current study is small effort to advance the information available on brand extension. First, study results shows that perceived brand fit or brand fit is the most crucial factor in order to evaluate brand extensions. As study results reveal that if the extended product is in same category of parent brand, then it receives high consumer recognition (Aaker et al., 1990). Suntan lotion is has high and significant value for brand fit as its product category is same as parent brand. While sports wear and isotonic drinks has negative brand fit due to change of their product category. So it is concluded from above discussion that launching product in new product category dilute the image of parent brand.

Second important factor is parent brand reputation. If reputation of parent brand is high, then there is a high chance of success for brand extension. According to Aaker (1991) and Keller

(1998), extension is helpful to improve profit margin but new product must in same category. They suggested that companies must build positive brand reputation as it helps and contribute a lot for successful brand extensions. In case of Johnson's, parent brand is very famous and popular among consumer but due to extensions in other product category, brand image may lose its reputation. As consumer has different perceptions about different products so building positive brand association limit the risk of extension failure. So it is concluded from above discussion that brand reputation is crucial factor for success of brand extensions.

Finally, according to Roselius (1971), if there is more innovativeness from consumer towards brand then it will favor the newly launched brand extensions too. As in case of Johnson's, consumer innovativeness is high in case of Suntan lotion but it's negative in

case of sports wear. So it is also concluded from results revealed that positive brand fit lead towards more consumer innovativeness.

Implications of the findings

Results reveal that launching a product in same product category is more acceptable than that of new category. Introducing new product in same category leads towards high brand fit, high brand quality and more consumer innovativeness. It is suggested that Johnson should adopt brand extension strategy but product must be in same category. Negative brand fit and consumer innovativeness for sports wear and isotonic drinks shows that these brands are diluting Johnson's brand image so Johnson's has to adopt policy that should synergy the situation.

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