The Impact of Parent Brand Salience and Extension Innovativeness on Reciprocal Transfer of Image and Performance Associations

Jean Boisvert, American University of Sharjah, UAE

Despite a substantial amount of studies on affect transfer, little research has been conducted on reciprocal transfer of image-based and performance-based brand association from line extensions and core brands. The purpose of the paper is to test the effect of extension innovativeness and parent brand salience on reciprocal transfer of image and performance associations. The results show that reciprocal transfer of brand associations is influenced by the innovativeness of the extension and the salience of the core brand but varies whether an association is image-based or performance-based. This paper suggests that a performance-based association reciprocally transfer from an extension to the parent brand notwithstanding of the innovativeness of the extension or the salience of the core brand. For image-based associations, reciprocal transfer is automatic for highly salient parent brand and highly innovative extensions but not for non innovative extension. This paper is important as it fills a gap in the understanding of how newly launched line extension’s specific brand associations influence dilution of parent brands whether the extension is innovative and whether the parent brand is salient during launch

[to cite]:


[url]:

http://www.acrwebsite.org/volumes/14900/volumes/ap08/AP-08

[copyright notice]:

This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
The Impact of Parent Brand Salience and Extension Innovativeness on Reciprocal Transfer of Image and Performance Associations

Jean Boisvert, American University of Sharjah, Sharjah, UAE

EXTENDED ABSTRACT
Despite a substantial amount of studies on affect transfer, little research has been conducted on reciprocal transfer of image-based and performance-based brand association from line extensions and core brands. The purpose of the paper is to test the effect of extension innovativeness and parent brand salience on reciprocal transfer of image and performance associations. The results show that reciprocal transfer of brand associations is influenced by the innovativeness of the extension and the salience of the core brand but varies whether an association is image-based or performance-based. This paper suggests that a performance-based association reciprocally transfer from an extension to the parent brand notwithstanding of the innovativeness of the extension or the salience of the core brand. For image-based associations, reciprocal transfer is automatic for highly salient parent brand and highly innovative extensions but not for non-innovative extension. This paper is important as it fills a gap in the understanding of how newly launched line extension’s specific brand associations influence dilution of parent brands whether the extension is innovative and whether the parent brand is salient during launch.

The procedures first required the development of realistic, credible and valid visual stimuli. Eight printed advertisements for newly developed line extensions of a financial services product of a well-known Canadian Bank, and measurement scales were developed and were subjected to pre-testing. The pre-tests included: a) development and testing a list of associations strongly linked to the extension concept, to ensure that they were seen as different, and to allow testing of association reciprocal transfer. The objective of this pre-test was to generate a list of the most important brand associations related to the parent brand (established Canadian bank) and the new line extension (newly created financial division). Among different methods used to generate associations, Aaker (1991) describes two types: a) indirect qualitative methods and b) direct quantitative methods. Keller (1998, 1993) also described two methods (qualitative and quantitative) and proposed a typology of brand associations i.e. strong, favorable, and unique. This typology helps in generating exhaustive lists of associations. Keller (1998) has thus been more specific than Aaker (1991) regarding the form that questions should take.

The experimental procedures first required the development of realistic, credible and validated visual stimuli. Eight printed advertisements for newly developed line extensions of a financial services product of a well-known Canadian Bank, and measurement scales were developed and were subjected to pre-testing. The three pre-tests included: a) name selection for the extension concept (to ensure it was seen as neutral), b) test of familiarity with the parent brand (established Canadian bank) and the new line extension (newly created financial division), to ensure that both were seen as different, and to allow testing of association reciprocal transfer, c) advertisement copy testing (to ensure the low/high innovativeness positioning were seen respectively as upward/downward extensions of the parent brand d) test of familiarity with the parent brand (to ensure that the extension was correctly viewed as a brand extension), e) developing and testing two lists of associations: one strongly linked to the parent brand and the second to the extension concept, to ensure that they were seen as different, and to allow testing of association transfer.

The study used an experimental design, based on a 2 x 2 between-subjects completely randomized factorial design with two levels of innovativeness of the extension (low /high), and two levels of salience of parent brand associations (high /low) and a control group. The dependent measure was based on a composite measure of brand associations measured in the extension first and then in the parent brand. Data was collected by a mail survey using a probability sample of 657 respondents, representative of the general population. Each respondent was randomly allocated to one of the eight experimental groups or to the control group and received a questionnaire specifically developed for the relevant group. The tests comparing respondents and non-respondents showed no evidence of non-response error.

The results show that the factors affecting reciprocal transfer from an extension to the parent brand are complex; while the study showed that the positioning of the extension (high or low innovativeness) and salience of the parent brand all influence the extent of reciprocal transfer of brand associations, the results cannot be explained by main effects alone but also by the type of association whether they are performance-related or image-related.

Findings suggest that reciprocal transfer of performance-related associations depends not only on the innovativeness of the extension but at the same time on the prior salience of the parent brand. A highly innovative extension may entice higher reciprocal transfer of brand associations than a non-innovative one, but the parent brand salience comes as a regulator. For example, it seems that for a performance-related association, and when the parent brand is highly salient, reciprocal transfer to the parent brand is strong whether the extension is highly or non-innovative confirming the impact of the presence of the parent during the assessment. In contrast, when the parent brand is not salient, reciprocal transfer will depend on the extension’s innovativeness.

When the extension’s association is image-related, the salience of the parent does not have an influence on reciprocal transfer as opposed to the extension’s innovativeness. Reciprocal transfer of an image-related association will be influenced equally whether the parent brand is present or not prior to the assessment. However, reciprocal transfer is suggested to occur only when the extension is highly innovative.

The paper contributes to a better understanding of reciprocal transfer of performance-related and image-related associations. The implications of the findings are theoretically and managerially important in terms of categorization in terms of how individuals infer reciprocal transfer of certain types of associations from an innovative extension from contextual salience of the parent brand. This paper is important as it fills a gap in the understanding of how newly launched line extension’s specific brand associations influence dilution of parent brands whether the extension is innovative and whether the parent brand is salient during launch.

REFERENCES


Advances in Consumer Research (Volume VIII) / 41


Loken, Barbara & Deborah Roedder John (1993), Diluting brand beliefs: when do brand extensions have a negative impact? Journal of Marketing, 57 (July), 71-84.


