AFFECT TRANSFER FROM MULTIPLE PRODUCT CATEGORIES:
THE CASE OF COMPARATIVE BRAND EXTENSION ADVERTISING
AND THE MODERATING ROLE OF SELF-CONSTRUAL

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By
Michael A. Merz

Dissertation Committee:
Dana L. Alden, Chairperson
Qimei Chen, Chairperson
Stephen L. Vargo
Xin Zhao
Shuqiang Zhang
We certify that we have read this dissertation and that, in our opinion, it is satisfactory in scope and quality as a dissertation for the degree of Doctor of Philosophy in International Management.
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ABSTRACT

Companies are increasingly extending their brands into related or distant product categories to capitalize on their existing brand equity. The introduction of related or distant products under an established brand name—called similar and dissimilar brand extensions, respectively—often constitutes a significantly less expensive and risky endeavor than introducing a new brand from scratch. In fact, recent estimates suggest that 81 percent of new product introductions are brand extensions, thereby substantiating the importance of conducting brand extension research.

While prior research has extensively examined antecedent and moderating variables of brand extension success, only very limited research has investigated communication strategies that help promote brand extensions effectively. Moreover, the few existing studies focused on an advertising format where no comparison is made between the advertised brand extension and a competing brand (called noncomparative advertising). Surprisingly, no research to date has examined how an advertising format where a newly introduced brand extension is compared to a competing brand (called comparative advertising) affects consumers' brand extension evaluations. This is particularly surprising given that recent estimates suggest that up to 80% of all TV commercials in the U.S. are comparative, thereby substantiating the importance of conducting comparative advertising research.

The primarily objective of this dissertation is to close this gap in the existing marketing literature by integrating, for the first time, the brand extension and the comparative advertising research streams. Specifically, this dissertation aims to examine how consumers categorize and evaluate similar versus dissimilar brand extensions when
promoted in a comparative versus noncomparative advertising format. Moreover, this dissertation aims to examine whether self-construal differences—as a proxy for cross-cultural differences—exist across these conditions. To examine these research questions, a series of three studies were conducted. Study 1 examined how consumers categorize and evaluate similar and dissimilar brand extensions when promoted in a comparative versus noncomparative ad format. The results of Study 1 indicated that consumers evaluate similar (dissimilar) brand extensions similarly (significantly more favorably) when promoted in a comparative versus noncomparative ad format. Further analyses revealed that consumers’ dissimilar brand extension evaluations in the comparative ad format condition were driven by an affect transfer from the comparison brand to the advertised dissimilar, but not similar, brand extension.

To better understand the Study 1 findings for the dissimilar brand extension condition, Studies 2 and 3 introduced conditions in which the parent brand and comparison brand were either known or unknown. The results of Studies 2 and 3 provided further evidence for the affect transfer notion by demonstrating that affect transfer from the comparison brand to the dissimilar brand extension takes place for well-known versus unknown comparison brands, irrespective of whether the parent brand is known or unknown. Moreover, Studies 2 and 3 demonstrated that self-construal constitutes an important moderator of consumers’ evaluation of dissimilar brand extensions when promoted in a comparative ad format and when the parent and comparison brands are both unknown.

Overall, the findings of this dissertation uncovered a hitherto unidentified means of improving a brand’s equity. Furthermore, the findings of this dissertation suggest that
the greater cognitive flexibility of subjects with an interdependent versus independent self-view does not constitute a processing advantage per se. The results hold significant implications for national and international marketing managers.
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CHAPTER 1

INTRODUCTION

Companies are increasingly extending their brands into related or distant product categories to capitalize on their existing brand equity. To illustrate, Starbucks with its new Coffee Liqueur recently extended its iconic brand into the liqueur product category, after having previously extended into the bottled drinks and grocery store ice cream businesses. In addition, Arm & Hammer extended its brand from the baking soda category into the oral care and laundry care categories. Similarly, Oakley is now offering footwear, in addition to its famous eyewear, and Harley-Davidson, known for its motorcycles, extended its brand into the footwear and the cake decorating kits categories. Finally, Jell-O extended its brand from the gelatin dessert product category into the pudding pops category.

With new brand introduction costs averaging between $50 million and $100 million (Brown 1985; Kotler and Armstrong 2004), the introduction of related or distant products under an established brand name—called similar and dissimilar brand extensions, respectively—often constitutes a significantly less expensive and risky endeavor than introducing a new brand from scratch (Meyers-Levy, Louie, and Curren 1994). In fact, recent estimates suggest that 81 percent of new products introduced in 1990 were brand extensions (Jung and Lee 2006; Keller 1998; Stern 1992), thereby substantiating the importance of conducting brand extension research.

While prior research has extensively examined antecedent and moderating variables of brand extension success (Aaker and Keller 1990; Dacin and Smith 1994;
Smith and Park 1992; Völckner and Sattler 2006), only very limited research has investigated communication strategies that help promote brand extensions effectively (Bridges, Keller, and Sood 2000; Lane 2000). Moreover, the few existing studies focused on an advertising format where no comparison is made between the advertised brand extension and a competing brand (called noncomparative advertising) and examined the effects of different noncomparative advertising copy strategies on consumers’ attitudes toward the brand extension. Surprisingly, no research to date has examined how an advertising format where a newly introduced brand extension is compared to a competing brand (called comparative advertising) affects consumers’ brand extension evaluations. This is particularly surprising given that up to 80% of all TV commercials in the U.S. (Neiman 1987; Pechmann and Stewart 1990; Stewart and Furse 1986) and between 30% - 40% of all ad copy forms (Donthu 1992; Robinson 1994) are comparative, thereby substantiating the importance of conducting comparative advertising research.

Given this lack of research in the existing literature, marketing managers do not have any basis for judging whether to promote their newly introduced similar and dissimilar brand extensions with a comparative or noncomparative advertising format. Guidance on how to promote newly introduced brand extensions is also lacking in a cross-cultural context, resulting in decisions that are based on simple heuristics or intuition rather than objective rationales. Therefore, some international marketing managers may standardize their marketing efforts across cultures, assuming that the emergence of global consumer cultures (Alden, Steenkamp, and Batra 1999, 2006) results in a homogenization of global demand and consumers’ reaction to marketing communications (Jain 1989; Levitt 1983; for a discussion of the globalization vs.
localization of consumer cultures see also Merz, He, and Alden 2008). However, cross-cultural researchers have established that many consumers in different cultures possess varying construals of the self, of others, and of the interdependence of the two (Markus and Kitayama 1991). These different self-construals often determine consumers’ cognition, emotion, and motivation (e.g., Aaker and Lee 2001; Chiu 1972; Singelis 1994; Triandis 1989). Hence it is possible that consumers’ evaluations of newly introduced brand extensions that are promoted in a comparative vs. noncomparative advertising format vary across cultures. As a result, research is needed that helps international marketing managers understand how to promote their newly introduced brand extensions effectively across cultures.

To close these gaps in the existing marketing literature and to help managers make more rational brand extension advertising decisions, this dissertation integrates, for the first time, the brand extension and the comparative advertising research streams. Specifically, it advances the current brand extension and comparative advertising literatures by investigating the following research questions:

RQ1: How do consumers *categorize* similar vs. dissimilar brand extensions when promoted with a comparative vs. noncomparative advertising format?

RQ2: How do consumers *evaluate* similar vs. dissimilar brand extensions when promoted with a comparative vs. noncomparative advertising format?

RQ3: Do self-construal differences, as a proxy of cross-cultural differences, exist with regard to consumers’ evaluation of brand extensions when promoted with a comparative vs. noncomparative advertising format?

By examining these research questions, this dissertation will advance the current brand extension and the comparative advertising literatures in several ways: (1) it will integrate for the first time the comparative advertising and the brand extension research
streams; (2) it will identify conditions under which a comparative vs. noncomparative advertising format is likely to lead to more favorable outcomes for two levels of brand extensions (similar vs. dissimilar); (3) it will empirically test the applicability of categorization theory in the comparative advertising research stream; (4) it will test the likelihood of an affect transfer from two brands (the parent brand and the comparison brand) to the new brand extension, thereby advancing categorization theory; and (5) it will test whether cross-cultural differences—conceptualized as differences in consumers’ self-construal (interdependent vs. independent self-view)—exist with regard to consumers’ evaluation of brand extensions when promoted with a comparative vs. noncomparative advertising format. In general, the first part of this dissertation advances the brand extension and comparative advertising research streams (Study 1). The second part of this dissertation then seeks to further understand the Study 1 findings while examining the possible impact of self-construal across advertising format conditions (Studies 2 and 3).

Finally, the theoretical model from which the research hypotheses are derived proposes a two-step process for reaching evaluative judgments (Fiske and Pavelchak 1986; Sujan 1985). First, a new object (e.g., the brand extension) is matched with a current category (e.g., parent brand category and/or comparison brand category). Second, based on this match, either category-based affective (if there is a match) or piecemeal processes (if there is a mismatch) will guide consumers’ evaluation of newly introduced brand extensions. Interestingly, this two-step process model suggests that affect transfer from more than one product category is possible. If evidence is found that positive affect transfers from two, rather than only one, product categories (e.g., the parent brand and
comparison brand product categories in the comparative brand extension advertising condition), then a hitherto unidentified means of improving brand equity will have been found.

In the following, the conceptual background for this dissertation is provided first. For this purpose, the relevant brand extension, comparative advertising, and categorization theory literatures will be discussed. Next, the hypotheses are developed. General relationships will be put forward first and likely self-construal differences, as a proxy for cross-cultural differences, will be proposed. Next, the results of three experiments will be presented and discussed. This dissertation will conclude by discussing the findings, managerial implications, limitations, and future research opportunities.
CHAPTER 2

CONCEPTUAL FOUNDATION

This chapter will provide a conceptual foundation for developing hypotheses to be tested in the empirical part of this dissertation. For this purpose, the brand extension research stream will be discussed first. Then, the comparative advertising research stream will be introduced. Finally, categorization theory as the theoretical basis for the integration of the brand extension and the comparative advertising research streams will be discussed.

Brand Extension Research

Marketing managers can generally choose between three strategies when introducing a new product. One possibility is to introduce a completely new product under a new brand name. This strategy often requires a large amount of (financial) resources needed for not only research and development but also advertising and promoting the new product introduction (Brown 1985). In fact, Brown (1985) suggests that the introduction of a new product under a new brand averages to about $50 - $100 million. Furthermore, the success rate of new product introductions with a new brand name is often—despite extensive marketing research—extremely uncertain.

To reduce the risk of a potential failure of new product introductions and to minimize potential costs related to marketing the new product, marketing managers increasingly introduce either line extensions or brand extensions. By doing so, they
leverage strong brand equity by extending their existing brands (the parent brand) within the same product category of the parent brand (called line extensions) or into related or unrelated product categories (called similar and dissimilar brand extensions, respectively). To illustrate, line extensions refer to new product offerings under the existing, established brand name in the same product class or category (Reddy, Holak, and Bhat 1994); for example, Coca-Cola extended its soft drink product line (Coca-Cola Classic) in that it introduced Coca-Cola Diet and Coca-Cola Zero. In contrast, brand extensions refer to totally new product offerings under the existing, established parent brand in similar product categories (e.g., Jell-O known for its gelatin desserts introduced Jell-O pudding pops) or dissimilar product categories (e.g., Harley-Davidson known for its motorcycles is now offering Harley-Davidson cake decorating kits; Aaker and Keller 1990; Boush and Loken 1991).

The focus of this dissertation lies on brand extensions, which make up approximately 81% of new product introductions (Keller 1998). In addition, this dissertation focuses on brand extensions that are marketed under their parent brand name (e.g., Jell-O pudding pops, Oakley’s footwear, Harley-Davidson’s cake decorating kits), in contrast to brand extensions for which firms seem to aim at establishing independent brand names (e.g., Microsoft recently launched its “Zune” MP3 player and thereby extended its brand into the mobile music product category. Similarly, Apple with its new iPhone recently extended its brand into the mobile phone product category. While it is likely that consumers will associate the Zune MP3 player with Microsoft and the iPhone with Apple, the firms appear to aim at establishing brand names that are independent from the parent brands).
As mentioned, brand extensions are typically less risky than new brand introductions. Furthermore, brand extensions have a positive impact on advertising efficiency (Smith 1992; Smith and Park 1992), market share (Smith and Park 1992; Sullivan 1992), and stock market return (Land and Jacobson 1995). It is not surprising, therefore, that brand extensions constitute one of the most frequently employed and most profitable marketing strategies (Völckner and Sattler 2006).

Researchers have spent considerable time and effort identifying antecedent and moderating variables that affect the evaluation of brand extensions (for details, please see Czellar 2003; Hem, Chernatony, and Iversen 2003; Völckner and Sattler 2006). In general, researchers have investigated how the relationship between the parent brand and the brand extension, parent brand characteristics, and the brand extension’s product category characteristics affect consumers’ brand extension evaluations (for a detailed review, please see Merz, Alden, Hoyer, and Desai 2008). With regard to the relationship between the parent brand and its extension, prior research has found that the perceived similarity between the parent brand and its extension affect consumers’ brand extension evaluations so that similar brand extensions are evaluated more favorably than dissimilar brand extensions (Aaker and Keller 1990; Boush et al. 1987; Boush and Loken 1991; Dacin and Smith 1994). Moreover, prior research has found that perceived brand concept consistency, defined as the type of need(s) a brand satisfies (functional vs. symbolic), positively affects consumers’ brand extension evaluations (Park, Jaworski, and MacInnis 1986; Park, Milberg, and Lawson 1991).

Prior research has also examined the effect of parent brand characteristics on brand extension evaluation (Völckner and Sattler 2006). For example, Smith and Park
(1992) found that the perceived quality, or brand strength, of the parent brand positively affects brand extension evaluation. Another parent brand characteristic that has been shown to affect consumers' brand extension evaluation is the number of product categories affiliated with a brand. Specifically, Dacin and Smith (1994) found a positive relationship between the number of product categories affiliated with a brand and consumers' confidence in and favorability of their evaluations of extension quality.

Finally, prior research has examined how a brand extension's product category characteristics affect consumers' brand extension evaluation (Völckner and Sattler 2006) and the opportunity to accrue price premiums (DelVecchio and Smith 2005). For example, DelVecchio and Smith (2005) distinguished between social and financial risk associated with the extension product category and demonstrated that both positively affect brand extension price premiums. Similarly, Völckner and Sattler (2006) found that brand extensions are evaluated more favorably when the perceived social and financial risks in the extension category are reduced.

In sum, prior brand extension research has investigated several antecedent and moderating variables—related to the relationship between the parent brand and the brand extension, parent brand characteristics, and the brand extension's product category characteristics—that affect consumers' brand extension evaluations. Table 2.1 summarizes key papers in the brand extension literature.
<table>
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<th>Perceived Similarity</th>
<th>Finding</th>
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<td></td>
<td>The more similar the brand extension is to its parent brand, the more favorable the brand extension is evaluated.</td>
<td>Aaker and Keller 1990; Boush et al. 1987; Boush and Loken 1991; Dacin and Smith 1994; Martin and Stewart 2001;</td>
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<td>Functional brands extend better into functional vs. symbolic product categories, while symbolic brands extend better into symbolic vs. functional product categories.</td>
<td>Park, Jaworski, and MacInnis 1986; Park, Milberg, and Lawson 1991;</td>
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<td>Brand specific associations moderate the effect of perceived similarity on brand extension evaluations such that a dissimilar brand extension that values its association is more favorable than a similar extension that does not value its association.</td>
<td>Broniarczyk and Alba 1994;</td>
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| Parent Brand Characteristics | Perceived Quality | The higher the perceived quality, the more favorable the brand extension evaluation. | Aaker and Keller 1990; Bottomley and Doyle 1996; Bottomley and Holden 2001; Dacin and Smith 1994; Keller and Aaker 1992; Smith and Park 1992; Sunde and Brodie 1993; Taylor and Bearden 2002; |

| Number of Product Categories Affiliated with a Brand | The more product categories affiliated with a brand, the more favorable the brand extension evaluation. | Dacin and Smith 1994; |

| Familiarity | The more familiar the parent brand, the more favorable the brand extension evaluation. | Bijmolt, Wedel, Pieters, and DeSarbo 1998; |

| Extension Category Characteristics | Perceived Risk | The higher the perceived risk of the extension category, the less favorable the brand extension evaluation and the opportunity to accrue price premiums. | DelVecchio and Smith 2005; Völckner and Sattler 2006; |

| Extension Category Knowledge | The more knowledge about the extension category, the more favorable the brand extension evaluation. | Smith and Park 1992; |
Much theoretical work on brand extensions is based on an attitude-transfer model (Mao and Krishnan 2006). This model suggests that affect and knowledge transfer between the parent brand and its extension take place when the extension fits with the brand, that is, when the brand extension is relatively similar to the parent brand. In this case, affect and knowledge transfer from the parent brand to the extension takes place, resulting in the extension being evaluated based on a person’s attitude toward the parent brand. Thus, a person’s attitude toward the parent brand becomes a proxy for that person’s attitude toward the brand extension when the extension is perceived as relatively similar to the parent brand (Aaker and Keller 1990; Boush and Loken 1991). Hence, positive attitudes toward the parent brand and perceived similarity between the parent brand and the brand extension are not surprisingly the two key determinants of successful brand extensions (Keller 2002; see Völckner and Sattler 2006 for a meta-analysis).

Prior research has examined the types of features involved in similarity judgments (Keller 2002; Mao and Krishnan 2006). For example, Aaker and Keller (1990, p. 30) suggest that consumers evaluate similarity based on the extension’s complementarity (i.e., complementing the existing product), substitutability (i.e., substituting the existing product), and transferability (i.e., sharing manufacturing resources with the existing product; that is, the perceived ability of any firm operating in the parent brand product category to manufacture a product in the extension brand product category). Park, Milberg, and Lawson (1991) propose that similarity is perceived on both concrete functional features and abstract symbolic features (e.g., prestige). Broniarczyk and Alba (1994) similarly define similarity not only as the extension’s functional similarity to the parent brand category but also its relevance to abstract brand benefits. Finally, Zhang and
Sood (2002) find that consumers judge extension similarity in terms of "deep" features (i.e., attribute similarity) or "surface" features (i.e., rhyming names).

Whether defined as physical attributes, image-related characteristics, or specific brand associations (e.g., Aaker and Keller 1990; Park, Milberg, and Lawson 1991; Broniarczyk and Alba 1994), prior research has collectively found that greater perceived similarity between the parent brand and the brand extension leads to more favorable brand extension evaluations (Völckner and Sattler 2006). Thus, prior research has found that when perceived similarity between the parent brand and its extension is high, extensions are assimilated with the parent brand and affect and knowledge are transferred from the parent brand to the extension (Sood and Drèze 2006). Most often, perceived similarity is defined as some form of physical relationship in terms of feature overlap (Sood and Drèze 2006). Thus, when feature overlap is high, the extension category is similar and evaluations improve compared to when feature overlap is low and the extension category is dissimilar (Sood and Drèze 2006). To illustrate, Kellogg’s is a breakfast brand. An extension into a similar category, such as breakfast muffin mix, would be evaluated more favorably than an extension into a more dissimilar product category, such as frozen meals. Similarly, Colgate is a toothpaste brand. Extending into the teeth whitening strips product category (similar brand extension) would be more favorable than extending into the adhesive bandages product category (dissimilar brand extension).

In sum, the existing brand extension literature has examined several antecedent and moderating variables of brand extension evaluation. Of these, a positive attitude toward the parent brand and the perceived similarity between the parent brand and its
brand extension are particularly critical. The reasoning behind this is, as the attitude-transfer model suggests, the likelihood of a positive affect and knowledge transfer from the parent brand to the new brand extension when the perceived similarity between the parent brand and the extension is high, but not when it is low.

**Comparative versus Noncomparative Advertising**

In today's competitive market environment, it becomes increasingly important that companies develop advertising strategies that involve competitive positioning. In general, a company can decide to position its products and brands either independent of its competitors (noncompetitive positioning strategy) or interdependent of or in comparison to its competitors (competitive positioning strategy). A company that aims at a noncompetitive positioning strategy uses advertising that highlights the brand's performance along salient product attributes (Miniard, Barone, Rose, and Manning 2006). References to competitive brands are not made. Instead, the merits of the advertised brand are highlighted without any explicit attempt to position the brand relative to its competitors. This form of advertising is referred to as *noncomparative advertising*.

In contrast, a company that aims at a competitive positioning strategy uses advertising that either directly (or explicitly) or indirectly (or implicitly) compares its brands to its competition along one or more brand attributes (e.g., Polyorat and Alden 2005). In this case, the company positions its brand relative to a competing brand(s) and thereby tries to benefit from the positive brand attributes associated with the competing brand(s) (called *comparison brand*). Researchers have found that this advertising format
helps consumers in their encoding, mental representation, processing, elaboration, and retrieval of the company’s advertised brand (called sponsor brand; Grewal et al. 1997; Thompson and Hamilton 2006). This type of advertising is referred to as **comparative advertising**. As a result, **comparative advertising** can be defined as an advertising format, in which competitors are explicitly or implicitly named and in which the comparison of brands takes place along one or more product attributes (Shao, Bao, and Gray 2004; Wilkie and Farris 1975). *The focus of this dissertation is on comparative advertising that directly (explicitly) compares the sponsor brand to a competitor brand along several product attributes.*

In addition to this intensity dimension (direct vs. indirect), comparative advertising can be classified in terms of its directionality (Lamb, Pride, and Pletcher 1978). **Directionality** refers to the degree to which statements in an advertisement highlight similarities or differences between the sponsor and the comparison brand(s). Lamb et al. (1978) distinguish between two levels of directionality: associative and differentiative. **Associative** comparative advertising points out similarities between the sponsor and a comparison brand(s). In contrast, **differentiative** comparative advertising highlights differences between the sponsor and a comparison brand(s). To illustrate, “Up front, a Volvo has as much legroom as a Cadillac de Ville” is an example for associative comparative advertising, while “In the early minutes, Bufferin puts much more pain reliever into the bloodstream than Bayer” is an example for differentiative comparative advertising (Lamb et al. 1978, p. 44). *The focus of this dissertation lies on differentiative comparative advertising—that is, superiority claims along several product attributes will be used to differentiate the sponsor brand from a competitive brand (c.f., Thompson and*
Hamilton [2006] who also used superiority claims in their comparative advertising conditions and Jain, Agrawal, and Maheswaran [2006] who compared the effects of a maximal [superiority or differentiative claim] and a minimal claim [parity or associative claim]). The reason for this focus on differentiative comparative advertising is twofold: First, it is probably the most widely used comparative advertising claim, thereby highlighting the relevance and importance for marketing managers to learn more about how this claim affects consumer behavior under different conditions. Second, it appears that differentiative comparative advertising—in the context of this dissertation—will result in stronger results than associative comparative advertising.

Interestingly, about one-third of all TV advertising uses a comparative ad format (Neiman 1987; Stewart and Furse 1986). More recently, it was even found that close to 80% of all TV commercials in the U.S. are comparative (Pechmann and Stewart 1990). Still others found that comparative advertising comprised about 30% to 40% of all ad copy forms in the mid 1990s (Donthu 1992; Robison 1994). Irrespective of the exact number, comparative advertising is a widely applied advertising format, thereby substantiating the need and relevance to conduct comparative advertising research.

Prior research on comparative advertising has extensively examined the effectiveness of comparative vs. noncomparative advertising (Grewal et al. 1997; Thompson and Hamilton 2006). In their classic article, Wilkie and Farris (1975) were the first to hypothesize that comparative ads are superior to noncomparative ads because they make it easier to position a brand in consumers’ mind in relation to competitors and provide consumers with information in a format that helps them learn more effectively (Dröge and Darmon 1987). Wilkie and Farris’ (1975) article inspired many studies,
which, however, did not find any consensus in terms of the effectiveness of comparative advertising.

On the one hand, early academic research did not find direct comparative advertising to be more effective than noncomparative advertising (Rose, Miniard, Barone, Manning, and Till 1993). For example, early research showed that comparative ads were not superior to noncomparative ads in terms of the quantity and usefulness of information provided (Golden 1979; Goodwin and Etgar 1980; McDougall 1977; Pride, Lamb, and Pletcher 1979; Shimp and Dyer 1978) and the effect on brand attitude and purchase intention (Belch 1981; Golden 1979; Goodwin and Etgar 1980; Shrimp and Dyer 1978; Swinyard 1981). On the other hand, comparative ads were found to be superior to noncomparative ads in improving brand attitudes (Gorn and Weinberg 1984), attitude toward the ad (Goodwin and Etgar 1980), purchase intentions (O’Connor 1986), and in eliciting actual sales (Demirjian 1983, for a review see Rogers and Williams 1989).

Driven by the inconclusiveness of these research findings and the practitioners’ continued belief that comparative advertising is effective, researchers continued their attempt to understand the impact of comparative vs. noncomparative advertising on processing and judgment. In this process, several moderating variables have been found to affect comparative advertising effectiveness. First, it has been found that several *message features* systematically affect persuasion and thereby moderate the effectiveness of comparative advertising (Jain, Agrawal, and Maheswaran 2006). For example, it has been found that valence of comparison (Jain and Posavac 2004), gain/loss framing (Shiv, Edell, and Payne 2004), alignability (Zhang, Kardes, and Cronley 2002), and featured
attribute’s typicality (Jain, Buchanan, and Maheswaran 2000; Pechmann and Ratneshwar 1991) affect consumers’ evaluation of comparative ads.

Second, it has been found that the relative market position systematically affects persuasion, such as the sponsor brand’s competitive position, the comparison brand’s market position, and the sponsor brand’s relative market position (Iyer 1988; Pechman and Stewart 1990; Priester, Godek, Nayakankuppum, and Park 2004; Shimp and Dyer 1978). Third, it has been found that source credibility enhancers affect consumers’ evaluation of comparative ads, such as the use of two-sided vs. one-sided messages (Etgar and Goodwin 1982; Swinyard 1981), the establishment of credible sources (Gotlieb and Sarel 1991), and the substantiation of the ad claim (Golden 1979). Finally, it has been found that message content systematically affects consumers’ comparative advertising evaluation, such as the use of factual vs. evaluative claims (Iyer 1988).

In sum, recent research has uncovered several moderating variables that positively affect consumers’ information processing and judgment of comparative ads. To date, therefore, in line with the practitioners’ belief, it is acknowledged that comparative advertising is effective and a powerful advertising format for a company’s competitive positioning strategy. Table 2.2 depicts key papers in the comparative advertising literature.
Table 2.2: Key Comparative Advertising Literature

<table>
<thead>
<tr>
<th>Antecedent</th>
<th>Finding</th>
<th>Author(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Message Features</td>
<td>Valence of Comparison Positive (less derogatory) vs. negative (more derogatory) reference to the comparison brand results in more favorable sponsor brand evaluations.</td>
<td>Jain and Posavac 2004; Roggeveen, Grewal, and Gotlieb 2006;</td>
</tr>
<tr>
<td></td>
<td>Gain/Loss Framing Messages formulated in terms of gains vs. losses result in more favorable sponsor brand evaluations.</td>
<td>Shiv, Edell, and Payne 1997/2004</td>
</tr>
<tr>
<td></td>
<td>Alignability As alignability in comparative advertising decreases, advertising-induced sponsor brand evaluations also decrease.</td>
<td>Zhang, Kardes, and Cronley 2002</td>
</tr>
<tr>
<td></td>
<td>Featured Attribute’s Typicality familiar brand names are likely to benefit from comparative advertising more than established brands or market leaders.</td>
<td>Jain, Buchanan, and Maheswaran 2000; Pechmann and Ratneshwar 1991;</td>
</tr>
<tr>
<td></td>
<td>Relative Market Position Low-share brand that is more favorable than when compared to a high-share brand is compared to a low-share brand.</td>
<td>Iyer 1988; Pechman and Stewart 1990; Priester et al. 2004; Shimp and Dyer 1978; Iyer 1988; Pechman and Stewart 1990; Priester et al. 2004; Shimp and Dyer 1978;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Source Credibility Enhancers Two-Sided vs. One-Sided Messages Two-sided vs. one-sided messages result in more favorable sponsor brand evaluations.</td>
</tr>
<tr>
<td></td>
<td>Establishment of Credible Sources The more credible the source, the more favorable the sponsor brand evaluations.</td>
<td>Golden 1979</td>
</tr>
<tr>
<td></td>
<td>Substantiation of the Ad Claim Substantiating the ad claim results in more favorable sponsor brand evaluations.</td>
<td>Golden 1979</td>
</tr>
<tr>
<td></td>
<td>Attending to the Content of the Message The more people attend to the content of the message, the more favorable the sponsor brand evaluations.</td>
<td>Iyer 1988</td>
</tr>
<tr>
<td></td>
<td>Message Content Factual vs. Evaluative Claims Factual vs. evaluative information results in more favorable sponsor brand evaluations.</td>
<td>Iyer 1988; Edell and Staelin 1983;</td>
</tr>
</tbody>
</table>
In general, there are two key arguments supporting comparative advertising's effectiveness relative to noncomparative advertising. First, it has been hypothesized that presenting comparative information encourages consumers to ascribe attributes from a product category to the advertised brand (Priester et al. 2004; Snyder 1992; Sujan and Dekleva 1987; Thompson and Hamilton 2006). Second, comparative ads have been found to induce a relative encoding frame, generating mental impressions of the advertised brand relative to the compared brand (Miniard, Rose, Barone, Manning 1993; Thompson and Hamilton 2006). Therefore, the comparison brand constitutes a “reference point” that helps consumers process the advertising information effectively.

A meta-analysis of 77 studies (54 published and 23 unpublished) that represent 22 years of research in the field (1975 – 1996) substantiates the effectiveness of comparative advertising. In their meta-analysis, Grewal, Kavanoor, Fern, Costley, and Barnes (1997) find that comparative ads are more effective than noncomparative ads in generating attention, message awareness, brand awareness, levels of message processing, favorable sponsor brand attitudes, and increasing purchase intentions and purchase behaviors. In contrast, the authors find that comparative ads are less effective than noncomparative ads in evoking source believability and favorable attitude toward the ad. Finally, the authors find in their meta-analysis that the relationship between advertising format and cognition, brand attitude, and purchase intension is moderated by market position (sponsor brand, comparison brand, and sponsor brand relative to comparison brand), message content, and source credibility enhancers.

In sum, prior research has demonstrated—and a meta-analysis has substantiated—that a comparative ad format is generally more effective than a noncomparative ad.
format. The reasoning behind this is that consumers can use the provided comparison brand as a relative encoding frame which makes the processing of the information easier and more exciting, resulting in more favorable evaluations. In addition, consumers can use their comparison brand attitudes and affect as a proxy of the sponsor brand evaluation and thus transfer their attitudes, affect, and knowledge from the comparison brand to the advertised sponsor brand.

**Categorization Theory**

Prior research has demonstrated that categorization theory helps explain consumer behavior in various situations. For example, Day, Shocker, and Srivastava (1979) applied categorization theory to explain market structure issues. Furthermore, Sujan and Dekleva (1982) used a categorization approach to inference making to examine under which situations the effects of comparative advertising differ from those of noncomparative advertising. Moreover, Meyers-Levy and Tybout (1989) applied the theory of categorization to understand product evaluations. In a similar vein, Meyers-Levy, Louie, and Curren (1994), Stayman, Alden, and Smith (1992), and Peracchio and Tybout (1996) built upon categorization theory by examining situations in which the level of congruity is varied by the perceived similarity between a parent brand and a brand extension, the extent to which product taste conforms to expectations, and prior knowledge in schema-based product evaluations, respectively.

The fundamental premise underlying categorization theory is that “people naturally divide the world of objects around them into categories, enabling an efficient
understanding and processing of the environment” (Sujan 1985, p. 31; Rosch 1975; Rosch and Mervis 1975, Sujan and Bettman 1989; Sujan and Deklewa 1987). As such, like objects are grouped together into categories. A category, therefore, consists of a number of objects or events, which are considered equivalent (Mervis and Rosch 1981). Such grouping or categorization allows consumers to effectively and efficiently structure and understand their environment by predicting item attributes and reacting to new stimuli based solely on knowledge of category membership (notion of the principle of cognitive economy). For example, a novel object (stimulus) can be categorized as “teeth whitening strips” based on previously defined categories stored in memory and as such reveals important information concerning, for instance, its function, usage occasion, or popularity.

Prior research has found that consumers over time develop category expectations and that such expectations are organized around very typical category members (Ozanne, Brucks, and Grewal 1992; Sujan 1985). Such typical category members can take the form of exemplars, which are good and known examples of a particular category, or of prototypes, which are abstract images “embodying features or attributes most commonly associated with members of the category” (Sujan 1985, p. 32). In other words, as noted by Posner and Keele (1968, p. 354), “prototype represents a kind of average or central tendency” of the category members. Once developed, a prototype exists at the brand level and is separate from information of specific product instances (Mao and Krishnan 2006). Unlike brand prototypes capturing common features of many products under the brand, product exemplars register each individual product’s unique features (Loken and Ward 1990). Interestingly, prior research has shown support for a hybrid model wherein
consumers represent a category with both prototypes and exemplars (Mao and Krishnan 2006; Posner and Keele 1968; Sherman 2001). According to this model, consumers’ mental representation of any product may entail a two-level structure: higher-order prototypes represent group or brand-level information and lower-order exemplars incorporate individual or product-level information (John, Loken, and Joiner 1998).

The notion that customers develop category expectations is central to categorization theory. Again, either the product prototype or a typical exemplar represent a consumer’s best guess at what a category has to offer, providing consumers with a pattern of expectations about the product category (Sujan 1985). Sujan (1985) calls this organized set of expectations category knowledge. Empirical evidence suggests that the degree to which new information is discrepant from existing category expectations, or category knowledge, affects information-processing strategies and consumers’ judgment of the new information (Chaiken and Maheswaran 1994; Ozanne, Brucks, and Grewal 1992).

In the context of brand extensions and comparative advertising, categorization theory has generally been used to describe how a new object is likely to be processed and evaluated based on customers’ existing product category expectations. In general, two research streams within the categorization literature have evolved to explain customers’ likely evaluation of new objects (or new information in more general). One research stream focuses on customers’ likely representation of the new information (e.g., new brand extension information) in memory and the use of that information as a basis for judgment (Kulik and Clark 1994). From this perspective, customers engage in two stages of information processing when making judgments about a new object (e.g., Devine
1989; Fiske and Neuberg 1990; Fiske and Pavelchak 1986; Gilbert 1989; Scrull and Wyer 1989; Sujan 1985). In the first stage, customers engage in a relatively automatic and spontaneous process, which forms a mental representation of the new object with little effort and few cognitive resources. This mental representation is then available as a basis for later judgments (Kulik and Clark 1994). In the second stage, customers engage in more controlled processing, which is slower and more effortful. In this stage, customers may reconsider, correct, or elaborate further information about the new object (Kulik and Clark 1994).

While several two-stage models have been proposed, they all suggest a rapid and global first stage and a slower and more deliberate second stage. Moreover, research along the lines of this two-stage model has generally found that affect transfer from the existing product category to a new object is more likely in the first of the two stages, when customers perceive a clear “match” between the existing product category expectations and a new object. When customers perceive a “mismatch” between the existing product category expectation and a new object, they are likely to engage in the more deliberate second stage, thereby assigning less importance to existing product category affect and more importance to the aggregated evaluation of the individual product attributes (for a more detailed discussion of the two-stage model, see next chapter). Peracchio and Tybout (1996, p. 179) call the affect that is transferred from the category knowledge to the new object inference-based affect. Sujan (1985) refers to it as category-based affect.

A complementary research stream within the categorization literature has argued that “the process of responding to different levels of schema congruity can itself
influence the valence and extremity of affective responses” (Meyers-Levy and Tybout 1989, p. 40). Incongruity refers to “the extent that structural correspondence is achieved between the entire configuration of attribute relations associated with an object, such as a product, and the configuration specified by the schema” (Meyers-Levy and Tybout 1989, p. 40). Based on Mandler’s (1982) theorizing, it is argued that a stimulus, or a new object, that conforms to category expectations (i.e., congruity) is not arousing, but instead evokes a mild positive response due to familiarity (Peracchio and Tybout 1996). Furthermore, it is argued that a new object that does not completely conform to category expectations (i.e., moderate incongruity) prompts arousal and cognitive elaboration directed toward making sense of the incongruity. Because moderate incongruity can eventually be resolved through assimilation to or generalization of prior knowledge (e.g., “That’s another kind of good cake”; Mandler 1982, p. 23) and because the act of discovery or insight may also produce satisfaction, it generally prompts greater positive affect than complete congruity (Peracchio and Tybout 1996). Finally, it is argued that a new object that does not conform to category expectations whatsoever and that can only be accommodated through deep structural changes in the schema or the existing cognitive structure (i.e., extreme incongruity) does not trigger as much arousal and cognitive elaboration as the moderate incongruity. While consumers are likely to engage in cognitive elaboration, it is unlikely that they will be able to resolve extreme incongruity. Because this will eventually lead to frustration rather than resolutions, extreme incongruity typically evokes more negative affect than moderate incongruity.

While Mandler (1982) only theorized such an inverted-U relationship between the level of (in)congruity and consumers’ information processing and evaluation, researchers
have found ample empirical evidence for this relationship. For example, Meyers-Levy and Tybout (1989) found an inverted-U relationship between the level of (in)congruity and consumer judgments. Similarly, Ozanne, Brucks, and Grewal (1992) found an inverted-U relationship between the level of (in)congruity and information search. Furthermore, Stayman, Alden, and Smith (1992) extended these studies by applying Mandler’s (1982) theory in a product-satisfaction context and examining possible schema switching. Finally, Peracchio and Tybout (1996) found that prior knowledge moderates this inverted-U relationship, while Meyers-Levy, Louie, and Curren (1994) found support for the inverted-U relationship in the brand extension context. Peracchio and Tybout (1996) call the affect that derives from the schema-congruity effect congruity-based affect.

Interestingly, therefore, categorization theory suggests that category-based affect and congruity-based affect influence consumers’ evaluation of new objects (e.g., new brand extensions). However, Mandler (1982, p. 29) points out that congruity-based affect is likely to be subtle and therefore may be overwhelmed by strong, affect-laden associations that are linked to the schema (e.g., Meyers-Levy and Tybout 1989; Peracchio and Tybout 1996). Thus, Mandler (1982) highlights that there may be limits to when support for his moderate incongruity hypothesis will be evident. As Meyers-Levy and Tybout (1989, p. 40) illustrate: “When extreme affect is associated with the relevant schema or the incongruity, this affect likely will dominate that which may be obtained as a consequence of the processing and elaboration prompted by different levels of schema congruity (cf. Fiske 1982).” Peracchio and Tybout (1996, p. 177) also point out this limitation of Mandler’s (1982) moderate incongruity hypothesis by arguing that “the
positive affect generated by resolving a moderate incongruity ("It's a new type of cake")
may be swamped by a strong negative affect toward the product category schema
("Cakes make me fat") or toward specific features mentioned in the product description
("I hate that flavor")."

Because this dissertation examines how consumers evaluate similar vs. dissimilar
brand extensions of a parent brand towards which consumers have developed positive
attitudes and affect, it is likely that strong, affect-laden brand associations overwhelm
congruity-based affect. Consequently, congruity-based affect is likely to play a less
dominant role in consumers' evaluation of similar vs. dissimilar brand extensions than
category-based affect. Hence, this dissertation will adopt the two-stage model of
categorization, rather than congruity theory, as the theoretical basis for developing the
research hypotheses.
CHAPTER 3

INTEGRATING THE RESEARCH STREAMS—HYPOTHESES

DEVELOPMENT

This chapter will discuss how categorization theory, in particular the two-step process model already introduced in the previous chapter, can be applied to understand how consumers categorize and evaluate newly introduced brand extensions across different ad formats. In particular this chapter will derive hypotheses to be tested in the empirical part of this dissertation by examining what implications the two-step process model has for consumers' categorization and evaluation of similar vs. dissimilar brand extensions when promoted in a comparative vs. noncomparative advertising format. Thus, this chapter examines the moderating effect of advertising format on the relationship between brand extension type and consumers' categorization and evaluation of brand extensions (the general model of interest is depicted in Figure 3.1). For this purpose, the two-step process model will be discussed first before its implications for noncomparative and comparative brand extension advertising are discussed. Hypotheses will then be derived, first for consumers' categorization and second for consumers' evaluation of similar and dissimilar brand extensions when promoted in a noncomparative vs. comparative ad format, respectively.
The question arises how categorization theory, in particular the two-step process model, can be applied to understand how consumers categorize and evaluate similar vs. dissimilar brand extensions when promoted in a comparative vs. noncomparative advertising format (RQ1-RQ2). As mentioned in the previous chapter, the theoretical model from which the research hypotheses are derived proposes a two-step process for reaching evaluative judgments (Fiske and Pavelchak 1986; Sujan 1985). The first step involves an attempt to match the new object (i.e., brand extension) with a current category (i.e., parent brand category and/or comparison brand category). Consequently, a match-to-category knowledge process takes place during this first step of categorization. The second step then involves the use of either category-based affective or piecemeal processes, depending on whether categorization is successful (i.e., if there is a match) or unsuccessful (i.e., if there is a poor match). Thus, the two processing methods (category-
based affective vs. piecemeal processing) occur after the initial phase of assessing matches or mismatches to category knowledge (Sujan 1985).

Again, depending on the outcome of the match-to-category knowledge process (the first stage), the new object (i.e., brand extension) is evaluated in a category-based mode, if the initial categorization stage is successful, or in a piecemeal mode—attribute-by-attribute—if the initial categorization attempt fails (Sujan 1985). Category-based mode processing in the second stage of the two-step process model results in faster, more heuristic processes in judgments or problem solutions. In this case, affect transfer from the existing product category to a new object (i.e., brand extension) is likely. Alternatively, the piecemeal mode processing results in slower, more analytical processes. In this case, less importance is assigned to existing product category affect and more importance to the aggregated evaluation of the individual product attributes. Thus, relatively more attribute-oriented responses (piecemeal responses) and/or fewer simple evaluative responses (category-based responses) would be indicators of piecemeal processing (Sujan 1985). Conversely, relatively fewer attribute-oriented responses and/or more simple evaluative responses would be indicators of category-based affective processing (Sujan 1985, p. 33). The two-step process model is illustrated in Figure 3.2.

Against the background of the two-step process model, this dissertation primarily focuses on examining how consumers categorize and evaluate similar vs. dissimilar brand extensions when promoted in a comparative vs. noncomparative advertising format. Prior brand extension research has used this two-step process model to explain underlying processes in consumers’ brand extension evaluations. For example, Boush and Loken (1991) found that extremely similar/extremely dissimilar brand extensions elicited fewer
attribute-related (piecemeal) cognitive responses than moderately typical brand extensions. While the model has also been applied in the context of comparative advertising to derive hypotheses (e.g., Walker, Swasy, and Rethans 1986), no study explicitly reported whether piecemeal or category-based affective processes underlie the findings. More importantly, no study to date has investigated the underlying processes in consumers’ categorization and evaluation of similar vs. dissimilar brand extensions when promoted in a noncomparative (i.e., noncomparative brand extension advertising) vs. comparative (i.e., comparative brand extension advertising) advertising format.
Implications of the Two-Step Process Model for Noncomparative vs. Comparative Brand Extension Advertising

The question arises what implications the two-step process model has for consumers’ evaluation of brand extensions when promoted in a noncomparative vs. comparative advertising format. Interestingly, the two-step process model for reaching evaluative judgments can be expected to be more complex for comparative than noncomparative brand extension advertising. The reason for this assumption is that consumers in the first step of this model are likely to engage in \textit{two} rather than only one match-to-category knowledge processes in the case of comparative, but not noncomparative, brand extension advertising (see Figure 3.3).

To illustrate, the match-to-category knowledge process in comparative brand extension advertising is likely to depend on both (1) the perceived similarity between the brand extension and its parent brand (Barone, Miniard, and Romeo 2000; Boush and Loken 1991) and (2) the perceived similarity between the sponsor brand and the comparison brand (Priester et al. 2004; Snyder 1992; Walker, Swasy, and Rethans 1986). In contrast, for noncomparative brand extension advertising, the latter match-to-category knowledge process, which is peculiar to comparative advertising, will not occur (because no comparison brand is provided), resulting in only the match-to-category knowledge process that is peculiar to brand extensions (the perceived similarity between the parent brand and its extension). As a result, once consumers are informed about a new brand extension via comparative or noncomparative advertising, they may evaluate it as desirable or undesirable on the basis of (1) whether they like the original brand, (2) whether the new extension is similar to the original brand, (3) whether they like the
comparison brand, and/or (4) whether the new brand extension is similar to the comparison brand.

Figure 3.3: Implications of the Two-Step Process Model

a. For Noncomparative Brand Extension Ads

b. For Comparative Brand Extension Ads
This extension of the two-step process model in particular and categorization theory in more general is important because consumers are likely to base their judgment of new products or brands not only on one but rather on multiple already existing product categories, if possible (Moreau, Markman, and Lehmann 2001). The advantage of using multiple categories as the basis for consumers’ evaluation of new products or new brand extensions is that it increases, in many cases, the predictive accuracy (Ross and Murphy 1996). Assuming well-liked and well-established parent brands (for the brand extensions) and comparison brands (for the comparative advertising conditions), the likely outcomes of this extended first step of the two-step process for reaching evaluative judgments are depicted in Table 3.1 across brand extension (similar vs. dissimilar) and advertising format (noncomparative vs. comparative) conditions and will be discussed in the following section.

Table 3.1: Expected Match-to-Category Knowledge Processes

<table>
<thead>
<tr>
<th>Brand Extension Type</th>
<th>Noncomparative Advertising</th>
<th>Comparative Advertising**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Similar Brand Extension*</td>
<td>Match between parent brand and its extension -&gt; Match</td>
<td>Match between parent brand and its extension -&gt; Match</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Dissimilar Brand Extension*</td>
<td>Match between parent brand and its extension -&gt; Mismatch</td>
<td>Match between parent brand and its extension -&gt; Mismatch</td>
</tr>
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<td></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* A well-liked and well-established parent brand is used as a basis for the brand extensions.
** A well-liked and well-established comparison brand is used as a basis for the comparative brand extension conditions.

+ indicates positive valence  - indicates negative valence
++ indicates valence consistency  -- indicates valence inconsistency
Categorization of Similar vs. Dissimilar Brand Extensions across Advertising Formats

Given the likelihood that consumers will engage in one match-to-category knowledge process when exposed to noncomparative brand extension advertising but that they will engage in two match-to-category knowledge processes when exposed to comparative brand extension advertising, the question arises regarding the implications this has for consumers’ categorization of similar vs. dissimilar brand extensions when promoted in a noncomparative vs. comparative ad format. First, similar brand extensions that are promoted in a noncomparative ad format (e.g., Colgate extends its brand into the teeth whitening strips category and now offers Colgate Bright-Strips; similarly, Kellogg’s extends its brand into the muffin mix category and now offers Kellogg’s Tasty Muffins) are perceived as relatively similar to their parent brands. Thus, consumers are likely to relate an advertised similar brand extension to its parent brand, that is, to match it with their existing parent brand product category expectations. Consequently, the match-to-product category knowledge process is likely to be successful (positive valence), resulting in relatively rapid brand extension evaluations that are primarily category-based. As a result, consumers are expected to process similar brand extensions when promoted in a noncomparative ad format primarily in a category-based mode, thereby developing relatively few attribute-related (piecemeal) cognitive responses, but relatively more simple evaluative (category-based) cognitive thoughts.

Second, for similar brand extensions that are promoted in a comparative ad format (e.g., Colgate Bright-Strips are compared to Crest’s Whitestrips; Kellogg’s Tasty Muffins are compared to Pillsbury’s Muffin Mix), consumers are likely to engage in the
same match-to-category knowledge process just described. However, consumers who are exposed to comparative advertising are likely to engage in a second match-to-category knowledge process in the initial categorization stage. Thus, in addition to relating a similar brand extension to its parent brand, consumers are likely to further relate an advertised similar brand extension to the comparison brand. Given that the comparison brand constitutes a well-known exemplar of the brand extension product category, consumers are likely to be able to relate the advertised similar brand extension to the comparison brand, that is, to match it with their existing comparison brand product category expectations. Again, Priester et al.'s (2004) brand congruity notion supports this reasoning. Consequently, this second match-to-product category knowledge process is also likely to be successful (positive valence), resulting in relatively rapid evaluations that are primarily category-based. As a result, consumers are expected to process similar brand extensions when promoted in a comparative ad format primarily in a category-based mode, thereby developing relatively few piecemeal but relatively many category-based thoughts. However, because consumers are engaged in two match-to-category knowledge processes when exposed to a comparative similar brand extension ad while they are only engaged in one match-to-category knowledge process when exposed to a noncomparative similar brand extension ad, the evaluation of the brand extension should take relatively longer in the comparative vs. noncomparative ad format condition, resulting in both more piecemeal and more category-based thoughts in the comparative vs. noncomparative ad format condition.

Third, dissimilar brand extensions that are promoted in a noncomparative ad format (e.g., Colgate extends its brand into the adhesive bandages category and now
offers Colgate Band Strips; similarly, Kellogg’s extends its brand into the frozen meals category and now offers Kellogg’s Tasty Plates) are perceived as relatively dissimilar to their parent brands. Thus, consumers are unlikely to be able to relate an advertised dissimilar brand extension to its parent brands, that is, to match it with their existing parent brand product category expectations. Consequently, the match-to-category knowledge process is likely to be unsuccessful (negative valence), resulting in relatively slow brand extension evaluations that are primarily piecemeal-based. As a result, consumers are expected to process dissimilar brand extensions when promoted in a noncomparative ad format primarily in a piecemeal mode, thereby developing relatively many attribute-related thoughts, but relatively few simple evaluate thoughts.

Finally, for dissimilar brand extensions that are promoted in a comparative ad format (e.g., Colgate’s Band Strips are compared to Band-Aid’s bandages; Kellogg’s Tasty Plates are compared to Lean Cuisine’s frozen meals), consumers are likely to also engage in a second match-to-category knowledge process. Thus, in addition to matching a dissimilar brand extension to its parent brand, consumers are likely to also try to match a dissimilar brand extension to the comparison brand. Again, given that the comparison brand constitutes an exemplar of the brand extension product category, consumers are likely to be able to relate the advertised dissimilar brand extension to the comparison brand, that is, to match it with their existing comparison brand product category expectations (positive valence). Consequently, while the brand extension-parent brand match-to-category knowledge process is likely to be unsuccessful (negative valence), the brand extension-comparison brand match-to-category knowledge process is likely to be successful (positive valence). This second match-to-category knowledge process,
therefore, is likely to result in relatively more piecemeal vs. category-based processing. Collectively, however, similar to the reasoning for similar comparative vs. noncomparative brand extension advertising, it is likely that dissimilar brand extensions that are promoted in a comparative vs. noncomparative ad format will elicit more attribute-related and more simple evaluative thoughts, simple because consumers are likely to engage in two rather than only one match-to-category knowledge processes.

Overall, therefore, the following main effects for similar and dissimilar brand extensions when promoted in a noncomparative vs. comparative ad format are put forward (H1 – H2):

H1a: Similar brand extensions will elicit fewer attribute-related (piecemeal) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.

H1b: Dissimilar brand extensions will elicit fewer attribute-related (piecemeal) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.

1 The original proposal also contained the following hypotheses, which were removed from the manuscript because the empirical part indicated that a distinction between brand extension cognitive responses and comparison cognitive responses cannot be made reliably. To illustrate, the brand extension constitutes the sponsor brand of the comparative ad format. Consequently, all brand extension thoughts in the comparative ad format conditions are automatically comparison thoughts as well. Moreover, subjects in the comparative ad format conditions in nearly all instances mentioned the brand extension in relation to a comparison (e.g., "Colgate’s Tasty Muffin Mix seems to taste better than Pillsbury’s muffin mix"), making a distinction between brand extension and comparison cognitive responses impossible. As superiority claims constitute comparison cognitive responses, the same problem applied here. The following hypotheses were removed from the original proposal due to the inability to reliably code the cognitive responses:

H3: Comparative similar brand extension advertising with a well-liked and well-established comparison brand will elicit category-based processing simultaneously for both the brand extension and the comparison, resulting in simple evaluative (category-based) brand extension cognitive responses and simple evaluative (category-based) comparison cognitive responses.

H4: Comparative dissimilar brand extension advertising with a well-liked and well-established comparison brand will elicit both piecemeal processing and category-based processing simultaneously, resulting in (a) more attribute-related (piecemeal) brand extension versus comparison cognitive responses and (b) less simple evaluative (category-based) brand extension versus comparison cognitive responses.

H5: Comparative brand extension advertising with a well-liked and well-established comparison brand will elicit piecemeal processing, resulting in attribute-related (piecemeal) cognitive responses concerning the superiority claim. This effect is likely to be greater for dissimilar versus similar brand extensions.
H2a: Similar brand extensions will elicit fewer *simple evaluative* (category-based) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.

H2b: Dissimilar brand extensions will elicit fewer *simple evaluative* (category-based) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.

**Evaluation of Similar vs. Dissimilar Brand Extensions across Advertising Formats**

Having derived hypotheses about how consumers will categorize similar and dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format, the question arises how consumers will *evaluate* different brand extensions across advertising formats. Fiske and Pavelchak (1986) note that successful categorization provides an indication for evaluating objects (Barone, Miniard, and Romeo 2000). Accordingly, perceived similarity between a new object (e.g., brand extension) and existing product category expectations (e.g., parent brand category expectations) or an exemplar (e.g., comparison brand as an exemplar of the extension product category) determines the likelihood that the new object is (1) assigned category membership and (2) evaluated based on the (affect) associations with the category/exemplar (Barone et al. 2000, p. 389). This reasoning suggests that perceived similarity between an object and a category/exemplar—as well as any factor that improves this perceived similarity—is likely to trigger positive affect transfer from the category/exemplar to the object while a lack of perceived similarity between an object and a category/exemplar is likely to hinder such affect transfer, making extensive attribute-by-attribute processing more likely (e.g., Barone et al. 2000; Gorn and Weinberg 1984; Walker, Swasy, and Rethans 1986).
With regard to *brand extensions that are promoted in a noncomparative ad format*, this reasoning suggests that (any factor that improves) perceived similarity between the parent brand and its extension ("brand extension typicality") is likely to trigger a positive affect transfer from the parent brand to its extension for a favorably evaluated parent brand (Barone et al. 2000). Therefore, this reasoning suggests for brand extensions that are promoted in a noncomparative ad format that (1) consumers are likely to assess perceived similarity between the brand extension and the parent brand and (2) consumers' evaluation of brand extensions is likely to depend on (factors that improve) perceived similarity, or match, between the brand extension and the parent brand ("brand extension typicality"). Figure 3.4a depicts this relationship.

With regard to *brand extensions that are promoted in a comparative ad format*, this reasoning suggests that (any factor that improves) perceived similarity between the parent brand and its extension ("brand extension typicality") and that (any factor that improves) perceived similarity between the comparison brand and the brand extension ("comparative advertising typicality") will increase the likelihood of a positive affect transfer from the comparison brand and the parent brand to the brand extension, respectively (Priester et al. 2004). Therefore, this reasoning suggests for brand extensions that are promoted in a comparative ad format that (1) consumers are likely to assess perceived similarity between the brand extension and the parent brand as well as between the brand extension and the comparison brand and (2) consumers' evaluation of brand extensions is likely to depend on (factors that improve) perceived similarity, or match, between both brand extension and parent brand ("brand extension typicality") as well as
brand extension and comparison brand ("comparative advertising typicality"). Figure 3.4b depicts this relationship.

Figure 3.4: Determinants of Brand Extension Evaluation across Advertising Formats

a. For Noncomparative Advertising

b. For Comparative Advertising

While it seems likely that brand extension typicality affects consumers' evaluation of brand extensions in a noncomparative ad format while both brand extension typicality and comparative advertising typicality affect consumers' evaluation of brand extensions in a comparative ad format, it is unclear how a perceived match/mismatch between the brand extension and the parent brand/comparison brand individually and
collectively affect consumers' evaluation of brand extensions. For similar brand extensions that are promoted in a noncomparative ad format, consumers are likely to be able to match the advertised brand extension with their parent brand category expectations in the first step of the two-step process model (positive valence). Consequently, consumers are likely to engage primarily in category-based affective processing and thus transfer the positive parent brand affect to the advertised brand extension. Therefore, consumers are likely to utilize the positive parent brand affect as a proxy for their evaluations of similar brand extensions. As a result, given well-known and well-liked parent brands, consumers are expected to evaluate similar brand extensions relatively favorably when promoted in a noncomparative ad format.

This prediction is in line with prior research findings in the brand extension literature that has found that perceived similarity between the parent brand and its extension constitutes an important determinant of brand extension evaluation (e.g., Aaker and Keller 1990; Boush and Loken 1991; Morrin 1999; Smith and Park 1992). Indeed, Völckner and Sattler (2006) in their examination of the relative importance of several determinants of brand extension evaluation found that perceived similarity constitutes the most important determinant of all. The reason for its importance, in line with the spreading activation model of memory (Collins and Loftus 1975), is that similar brand extensions make possible an affect transfer from the parent brand to its extensions, whereas such an affect transfer is less likely for dissimilar brand extensions. Therefore, assuming a favorable parent brand, the more similar a brand extension to its parent brand, the more favorably it is evaluated.
In addition, this prediction is substantiated if one takes into consideration the noncomparative ad copy, which should give consumers the impression that the newly introduced brand extension fairs well on several important and relevant product attributes. Thus, when exposed to similar brand extensions that are promoted in a noncomparative ad format, consumers are likely to view the favorable attribute information shown in the ad copy as a confirmation of their overall positive affect toward the newly introduced brand extension (affect transfer likely), thus substantiating the relatively positive evaluation of the advertised similar brand extension.

For *similar brand extensions that are promoted in a comparative ad format*, consumers are likely to be able to match the advertised brand extension with their parent brand category expectations as well as with the comparison brand category expectations in the first step of the two-step process model, thereby engaging in two positive match-to-category knowledge processes with positive valence (*valence consistency* across both match-to-category knowledge processes). Consequently, consumers are likely to engage primarily in category-based affective processing given that both match-to-category knowledge processes are likely to be positive, resulting in affect transfer from the parent and comparison brands to the brand extension.

While it is unclear how such affect transfer from two distinct categories (parent brand, comparison brand) to the object (brand extension) is likely to take place\(^2\), it seems

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\(^2\) Prior research has not yet examined affect transfer from multiple categories. Again, categorization theory only suggests that affect transfer is more likely the more similar an object is to an existing category. It is unclear, however, how and in what intensity affect transfer will take place from two categories to the brand extension. Interestingly, a few studies have examined the conditions under which *knowledge* is transferred from multiple categories (e.g., Markman 1987, 1989; Moreau, Markman, and Lehmann 2001; Ross and Murphy 1996). To illustrate, prior knowledge transfer research has focused on examining how consumers make inferences about (i.e., learn about) a *new product* (e.g., a digital camem) based on information already contained in familiar product categories (e.g., film-based camera and scanner; Gentner 1989; Gregan-Paxton and Roeder John 1997; Holyoak and Thagard 1989; Markman and Wisniewski 1997). It has
likely that affect transfer from two distinct categories to the brand extension depends on
the outcome, or *valence*, of the match-to-category knowledge processes and the interplay,
or *consistency*, of these valences across both categories. For similar brand extensions that
are promoted in a comparative ad format, consumers are likely to engage in two match-
to-category knowledge processes with positive outcome (positive valence in both cases),
resulting in valence consistency. Therefore, in *valence-consistent situations*, consumers
are able to relate the brand extension to both the parent and the comparison brands
allowing consumers to assign category membership easily and to base their evaluation on
primarily category-based processing. Affect transfer from both the parent brand and the
comparison brand can easily take place and thus is positively expected to affect
consumers’ similar brand extension evaluations.

As a result, consumers may weight their affective reactions to both parent brand
and comparison brand (categories) more heavily in estimating their liking for the brand
extension. As noted, this dissertation focuses on comparative advertising with a
superiority claim. The given superiority claim in the ad copy is likely to substantiate
consumers’ liking for the newly introduced brand extension, as it does not contradict the
overall positive affect toward the newly introduced brand extension that is likely to result
in valence-consistent situations. Given that positive affect transfer from two, rather than
only one, product categories is likely to take place in the comparative vs. noncomparative

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been found that consumers categorize and evaluate new products based on knowledge transfer from only
the first category provided, but under certain circumstances (e.g., advertiser places limits on the type of
information to transfer from each existing category) also from two categories provided (Moreau et al.
2001). Unfortunately, the setting for comparative brand extension research significantly differs from prior
investigations of knowledge transfer. Most importantly, the focus of the present investigation lies on affect,
rather than knowledge, transfer. Thus, the focus lies not on consumers’ learning about but rather on their
forming of affect about a new product. As a result, findings from prior knowledge transfer research are only
limited usable for developing hypotheses in the present context.
ad format condition, consumers are likely to evaluate similar brand extensions more favorably when promoted in a comparative vs. noncomparative ad format.

For dissimilar brand extensions that are promoted in a noncomparative ad format, consumers are unlikely to be able to match the advertised brand extension with their parent brand category expectations in the first step of the two-step process model (negative valence). Consequently, consumers are likely to engage primarily in piecemeal processing, while affect transfer from the parent to the extension brand is less likely. Given this reasoning and prior brand extension research findings that highlight that brand extensions are evaluated less favorably the more dissimilar they are perceived from the parent brand, it is likely that consumers will evaluate dissimilar brand extensions that are promoted in a noncomparative ad format relatively unfavorably.

For dissimilar brand extensions that are promoted in a comparative ad format, consumers are unlikely to be able to match the advertised brand extension with their parent brand category expectations (negative valence) but are likely to be able to match the brand extension with the comparison brand category expectations (positive valence) in the first step of the two-step process model, thereby engaging in two match-to-category knowledge processes with opposite valence, resulting in valence inconsistency across match-to-category knowledge processes. In valence-inconsistent situations, consumers may interpret their conflicting feelings as ambivalence about their reactions to the new brand extension. In this condition, they are likely to engage in more feature-based processing and focus more on the negative valence cue. Their focus on the negative valence cue is supported by prior research, which found that a brand constitutes a heuristic cue (Maheswaran, Mackie, and Chaiken 1992) and that consumers focused
more on the negative cue when provided with cues that are inconsistent (Campbell and Goodstein 2001; Miyazaki, Grewal, Goodstein, Iacobucci, and Monroe 2005; Roggeveen, Grewal, and Gotlieb 2006). Hence, consumers are likely to weight their affective reactions to the parent and comparison brand categories less heavily in estimating their liking for the brand extension. Moreover, the superiority claim of the newly introduced brand extension over the comparison brand may be perceived as inappropriate and offensive, as it contradicts the probably more dominant negative valence cue (i.e., the dissimilar brand extension constitutes a negative valence cue). As a result, it is hypothesized that consumers will evaluate dissimilar brand extensions less favorably when promoted in a comparative vs. noncomparative advertising format.

Support for this prediction can be found in prior research that examined how consumers evaluate multiple extrinsic cues (e.g., reputation and sales price; Roggeveen, Grewal, and Gotlieb 2006). For example, Maheswaran and Chaiken (1991) have found that cues are jointly used in evaluations when they are consistent. In contrast, when cues are inconsistent, consumers focus on the negative cue and anchor their perceptions accordingly (Campbell and Goodstein 2001; Miyazaki et al. 2005; Roggeveen, Grewal, and Gotlieb 2006).

An alternative outcome for the valence-inconsistent situation, however, is possible. It could also be that the positive affect of the comparison brand-brand extension match (positive valence) reduces consumers’ perceived uncertainty with the new brand extension. Together with a more feature-based processing of the given brand extension evaluation, it could be that this positive valence that results through comparative advertising substantiates the superiority claim of the attribute information. In this case,
dissimilar brand extensions should be evaluated more favorably when promoted in a comparative vs. noncomparative ad format and possibly even more favorably than similar brand extensions that are promoted in a comparative ad format. Because of missing empirical support for the latter elaborated alternative outcome for the valence-inconsistent situation, the following hypothesis is proposed (H3):

H3: Subjects will evaluate similar (dissimilar) brand extensions more (less) favorably in a comparative vs. noncomparative advertising format.
CHAPTER 4

POSSIBLE SELF-CONSTRUAL DIFFERENCES

This chapter will investigate the possibility of an additional moderation of affect transfer from two product categories to a new brand extension. Specifically, it seems likely that self-construal moderates the relationship between brand extension/advertising format typicality and consumers' brand extension evaluations. If self-construal differences are found, it will provide further support for the affect transfer hypothesis as the driver of consumers' brand extension evaluations in the comparative advertising format condition. Consequently, this chapter will examine possible self-construal differences. The self-construal construct will be discussed first. Next, the concepts of affect regulation and cognitive flexibility will be introduced. Finally, the effect of self-construal on the relationship between brand extension type/ad format and consumers' brand extension evaluation will be developed.

The Self-Construal Concept

Cross-cultural researchers have long established that consumers in different cultures have strikingly different construals of the self, of others, and of the interdependence of the two (Markus and Kitayama 1991; Polyorat and Alden 2005). These construals influence and often determine consumers' cognition, emotion, and motivation (Markus and Kitayama 1991). It is likely, therefore, that self-construal
moderates the proposed relationship between brand extension/comparative advertising
typicality and brand extension evaluation (Han and Schmitt 1997; Ng and Houston 2004).

In particular, it has been argued that consumers in many Asian cultures (in the
following referred to as Easterners) emphasize a harmonious interdependence with
others. It is important to fit in and to attend to other in-group members. Individual goals
tend to be subsumed to the goals of the in-group. Furthermore, Easterners have a more
holistic view of the world and are sensitive to the context around them. Embedded in
many social relations, Easterners hold beliefs about the importance of focusing on the
field and paying attention to relationships between objects (Monga and John 2007).
Hence, Easterners tend to have a more interdependent self-view and are relatively more
context dependent (Triandis 1993; Triandis 1998; Singelis 1994). The principle goal of
the interdependent self is to maintain connectedness and harmony (Mandel 2003).

In contrast, consumers in North American and many Western European cultures
(in the following referred to as Westerners) neither assume nor value this overt
connectedness among consumers (Markus and Kitayama 1991). Instead, consumers aim
to achieve and fulfill their own goals and maintain their independence from others by
discovering and expressing their unique inner attributes (Markus and Kitayama 1991). As
such, Westerners have beliefs about the world being discrete and discontinuous and that
an object's behavior can be predicted using rules and properties (Monga and John 2007).
As a result, consumers from many western cultures tend to have a more independent self-
view and are relatively more context independent (Triandis 1993; Triandis 1998; Singelis
1994). The principle goal of the independent self is uniqueness or standing out from the
group (Mandel 2003).
Given these differences between consumers with an interdependent and independent self-view, attitudinal differences between cultures with a predominantly interdependent and independent self-view are likely. As Aaker and Maheswaran (1997, p. 315; italicization is ours) summarize, “the attitudes toward differentiation and uniqueness tend to be more favorable for members of individualist (vs. collectivist) cultures, while attitudes toward building relationships and maintaining connections tend to be more favorable for members of collectivist (vs. individualist) cultures.” Differences between the interdependent and independent self are shown in Table 4.1.

Table 4.1: Self-Construal Differences*

<table>
<thead>
<tr>
<th></th>
<th>Independent Self-View</th>
<th>Interdependent Self-View</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Construal</td>
<td>Defined by internal attributes, personal traits</td>
<td>Defined by important others, family, friends</td>
</tr>
<tr>
<td>Role of Others</td>
<td>Self-evaluation (e.g., standards of social comparison, sources of appraisal regarding self)</td>
<td>Self-definition (e.g., relationships with others define self and impact personal preferences)</td>
</tr>
<tr>
<td>Values</td>
<td>Emphasis on separateness, individuality</td>
<td>Emphasis on connectedness, relationships</td>
</tr>
<tr>
<td>Motivational Drives</td>
<td>Focus on differentiation, relatively greater need to be unique</td>
<td>Focus on similarity, relatively greater need to blend in</td>
</tr>
<tr>
<td>Behavior</td>
<td>Reflective of personal preferences and needs</td>
<td>Influenced by preferences, needs of close others</td>
</tr>
<tr>
<td>Information Processing</td>
<td>Analytic, rule based</td>
<td>Holistic, context based</td>
</tr>
</tbody>
</table>

* Table partially adapted from Aaker and Maheswaran (1997)

While prior researchers have found ample support for the more independent self-view of Westerners and the more interdependent self-view of Easterners, it has also been found that consumers can have more than one self-view. Depending on the situation and
the prime, a consumer’s interdependent or independent self-view can be more accessible and as such impact that consumer’s cognition, affect, and behavior (e.g., malleable self; Markus and Kunda 1986; Markus and Nunus 1986; Singelis 1994). Singelis (1994) found evidence in several studies that a consumer does not have either an independent or interdependent self. Consequently, he proposes a scale that measures the consumer’s extent of interdependence versus independence. Kim and Leung (1997) argue along similar lines and propose an alternative measurement to Singelis’ (1994) self-construal scale (Kim and Sharkey 1995; Kim, Sharkey, and Singelis 1994). Furthermore, Triandis (1989) argued that what we observe as cultural differences in fact stems from individual differences in the probability of sampling the interdependent versus independent self (Mandel 2003). Briley, Morris, and Simonson (2000) provide further evidence for this dynamic view of culture. They find that culture is only accessed when really needed. More specifically, the authors find that differences between Chinese and American subjects in the tendency to select a compromise choice option emerged only when subjects were asked to explain their decision, with Chinese (American) decision makers more (less) likely to compromise. The psychology literature provides further support for the coexistence of the two selves (e.g., Hong, Morris, Chiu, and Benet-Martinez 2000; Trafimow, Triandis, and Goto 1991; Ybarra and Trafimow 1998).

In sum, evidence exists that a malleable self exists and that a consumer’s interdependent versus independent self-view is likely to influence attitudes and behaviors. Therefore, the question arises whether and how self-construal affects consumers’ brand extension evaluations when promoted in a comparative versus noncomparative ad format. As far as consumers’ self-view reflects Easterners’ and
Westerners’ tendency to be more interdependent and independent, respectively, the results of this examination shall also generalize to these cultures. As such, self-construal differences constitute a proxy for value orientations that tend to be differentially weighted and accessible in predominantly interdependent versus independent cultures.

Affect Regulation and Cognitive Flexibility

To examine how self-construal is likely to affect consumers’ evaluation of brand extensions when promoted in a comparative versus noncomparative ad format, it is helpful to first examine how consumers’ self-construal may affect their categorizing and processing of new objects (e.g., new brand extensions). For this purpose, it is helpful to introduce the concepts of affect regulation (Markus and Kitayama 1991) and cognitive flexibility.

Affect regulation involves seeking positive states and avoiding negative ones. According to Markus and Kitayama (1991, p. 230), positive states are those that enhance or promote one’s view of the self. In contrast, negative states are those that challenge this view. Consumers with an independent self-view are likely to seek for information that confirms or enhances their internal, private side (Markus and Kitayama 1991). In addition, such consumers are likely to seek information that is consistent with existing schema-knowledge (Aaker and Maheswaran 1997), or category expectations, because such information is likely to result in a positive state in contrast to inconsistent information, which is likely to result in a negative state. Therefore, consumers with an independent self-view should be sensitive to self-relevant stimuli, that is, to stimuli
relevant to their self-defining attributes (e.g., differentiation, uniqueness or superiority claims).

On the other hand, consumers with an interdependent self-view are likely to seek information that allows them to be responsive to their immediate context. Such consumers have the ability to adjust, if needed, and to see things more holistically (Markus and Kitayama 1991; Monga and John 2007; Nisbett, Krantz, and Jepson 1983; Nisbett, Peng, Choi, and Norenzayan 2001; Yoon and Gurhan-Canli 2004). In addition, such consumers are likely to be more flexible in terms of inconsistencies with existing schema-knowledge, which implies that such consumers can experience a positive state even when they are exposed to more inconsistent information. Prior research has found empirical support for this reasoning (e.g., Aaker and Mahewaran 1997). Given that consumers are likely to show a heightened sensitivity to self-relevant stimuli, consumers with an interdependent self-view should be sensitive to information about the self in relation to others (e.g., association, similarity claims).

As mentioned, independent selves are likely to be less flexible with existing inconsistencies than interdependent selves. For consumers with an independent self-view, inconsistencies result in a negative state, while consumers with an interdependent self-view can still experience a positive state irrespective of existing inconsistencies. Indeed, prior research has empirically demonstrated that consumers with a predominantly interdependent self-view are cognitively more flexible in their categorization and processing of new (inconsistent) information than consumers with a predominantly independent self-view (e.g., Aaker and Maheswaran 1997; Markus and Kitayama 1991; Monga and John 2007). For example, Chiu (1972) asked American and Chinese children
to group two of three objects that best go together. American children grouped based on category membership or attributes (e.g., a jeep and boat grouped together because they both have motors). In contrast, Chinese children grouped based on functional or thematic interdependence (e.g., table and chair grouped together because you sit on the chair to eat at a table). As a result, Easterners (who tend to have a predominantly interdependent self-view) had a tendency to be more flexible in their perception of relationships, or similarities, between objects than Westerners (who tend to have a predominantly independent self-view). Ji, Peng, and Nisbett (2000) and Peng and Nisbett (1999) found further evidence for the notion that Easterners are more flexible in their categorization and processing of new information than Westerners. For example, Peng and Nisbett (1999) found that when two apparently contradictory propositions were presented, American subjects polarized their views, while Chinese subjects were moderately accepting of both propositions. Aaker and Maheswaran (1997) and Briley, Morris, Simonson (2000) found similar support for inconsistent information.

In sum, in comparison to consumers with an independent self-view, consumers with an interdependent self-view are likely to be cognitively more flexible when it comes to the categorization, processing, and evaluation of (seemingly inconsistent) new objects (i.e., brand extensions). The greater cognitive flexibility of interdependent than independent selves is likely to result in relatively more positive states for even seemingly inconsistent information (e.g., dissimilar brand extensions). Such greater cognitive flexibility, in turn, is likely to affect interdependent versus independent selves’ categorization and processing of new objects (e.g., brand extensions). As mentioned, categorization theory suggests that perceived similarity between a new object (e.g., brand
extension) and a category/exemplar determines the likelihood that the new object (i.e., the new brand extension) is assigned category membership and evaluated based on the affect associations with the category (Barone et al. 2000). Moreover, categorization theory suggests that any factor that increases consumers' perceived similarity between an object and a category is likely to trigger positive affect transfer from the category to the object (e.g., Barone et al. 2000; Gorn and Weinberg 1984; Walker, Swasy, and Rethans 1986). Provided that interdependent selves are cognitively more flexible, it is likely that an interdependent self-view will increase similarity perceptions between an object and an existing category, which in turn will facilitate affect transfer from a seemingly dissimilar category to a new object (e.g., from the parent brand to a dissimilar brand extension). As a result, relatively higher levels of cognitive flexibility associated with interdependent versus independent selves is likely to affect consumers' categorization and evaluation of (dis)similar brand extensions when promoted with a (non)comparative advertising format.

Brand Extension Evaluations across Advertising Formats and the Moderating Role of Self-Construal

Consider first how independent and interdependent selves are likely to evaluate similar brand extensions when promoted with a comparative vs. noncomparative ad format. As noted, for similar brand extensions, category-based affect transfer is likely to take place from the parent brand to its extension in the noncomparative ad condition (positive valence) and also from the comparison brand to the extension in the
comparative ad condition (positive valence; valence consistency). Given the positive valence in the noncomparative ad format condition and the valence consistency in the comparative ad format condition, it seems likely that consumers will process similar brand extensions primarily in a category-based mode irrespective of their self-view, due to the likelihood that neither interdependent nor independent selves will perceive any inconsistency. Therefore, the greater cognitive flexibility of interdependent selves is unlikely to matter when it comes to the evaluation of similar brand extensions. Category-based affect transfer is likely to take place independent of consumers' self-view. As a result, interdependent versus independent self-views are not expected to impact consumers' evaluation of similar brand extensions when promoted in a comparative versus noncomparative ad format.

However, in the comparative ad format, it is more likely that self-construal differences will affect the processing of the ad copy information. To illustrate, affect regulation theory suggests that independent versus interdependent selves differ from each other with regard to obtaining and maintaining a positive state. Accordingly, consumers with *independent self-views* seek positive states by looking for consistent information or situations that help them be unique and promote their goal of self-expression. Therefore, such consumers favor uniqueness (or differentiation) over harmony (or association). In contrast, affect regulation theory suggests that consumers with *interdependent self-views* seek information and situations that help them maintain harmony with the social context. Therefore, such consumers favor harmony (or association) over uniqueness (or differentiation). Because the comparative ad claim highlights differentiation (superiority claims; e.g., "Colgate's new Bright-Strips are more effective, more comfortable, faster,
and less visible teeth whitening strips than Crest Whitestrips”), it seems likely that this
superiority claim in the comparative advertising condition is more in line with the
category expectations of independent than interdependent selves. In contrast, the
noncomparative advertising claim maintains harmony and avoids confrontation by simply
highlighting that the advertised brand extension has some desired benefits. This,
therefore, seems more in line with the category expectations of interdependent than
independent selves.

Given that no difference is expected with regard to affect transfer from one (in the
noncomparative ad format condition) or two (in the comparative ad format condition)
product categories to the new similar brand extension but that differences are expected
with regard to interdependent and independent selves’ perception of the ad claims
(highlighting a brand extension’s benefits across several product attributes vs.
highlighting a brand extension’s superiority across the same product attributes), it is
possible that independent selves will evaluate similar brand extensions when promoted in
a comparative ad format more favorably than interdependent selves. In contrast,
interdependent selves will evaluate similar brand extensions when promoted with a
noncomparative ad format more favorably than independent selves. As mentioned, this
difference of independent versus interdependent selves’ evaluation of similar brand
extensions is likely to be driven by the ad copy—the noncomparative ad copy is more in
line with the interdependent self-view and the comparative ad copy is more in line with
the independent self-view.

In support of this view, it is likely that consumers with an independent self-view
will evaluate similar brand extensions more favorably when promoted with a comparative
than noncomparative ad format, due to valence-consistency and added effects that the comparative ad format brings with it. In contrast, consumers with an interdependent self-view are likely to evaluate similar brand extensions more favorably when promoted with a noncomparative than comparative advertising format, despite valence consistency in the comparative advertising condition. Again, these predictions are due to the superiority claim in the comparative ad format condition which is likely to endanger such consumers’ positive states, in contrast to a neutral claim in the noncomparative ad format condition which maintains such interdependent consumers’ positive state.

Consider now how consumers with an independent and interdependent self-view are likely to evaluate dissimilar brand extensions when promoted with a comparative versus noncomparative ad format. Remember for dissimilar brand extensions that affect transfer from the parent brand to its extension is not likely to occur (negative valence) in both the comparative and noncomparative advertising conditions, but that affect transfer is likely to take place from the comparison brand to the extension in the comparative advertising condition (positive valence; valence inconsistency). As a result, it is likely that category-based affect transfers from the comparative brand to the extension in the comparative ad format condition, while no category-based affect transfer is likely in the noncomparative ad format condition. Given the negative valence in the noncomparative ad condition and the valence inconsistency in the comparative ad condition—resulting in inconsistencies and ambiguities—it is likely that self-construal differences exist for consumers’ evaluation of dissimilar brand extensions across ad format conditions.

To illustrate, the greater cognitive flexibility of interdependent than independent selves when categorizing and processing new information is likely to result in their
ability to relate the seemingly dissimilar brand extension to its parent brand. Again, interdependent selves are more comfortable with ambiguous or contradictory information than independent selves (e.g., Aaker and Maheswaran 1997) and therefore can maintain and obtain a positive state even with seemingly dissimilar brand extensions. A successful match between the parent brand and the seemingly dissimilar brand extension will change the seemingly negative valence to a positive valence, thereby enabling such interdependent consumers to assign category membership to the new dissimilar brand extension and evaluate it based on affect associations with the parent brand. As a result, interdependent, but not independent, selves are likely to engage primarily in category-based processing, thereby utilizing their parent brand affect as a proxy for their dissimilar brand extension evaluations. Overall, therefore, consumers with an interdependent self-view are likely to transfer affect from the parent brand to the dissimilar extension in the noncomparative ad format condition (i.e., positive valence) and from the parent and the comparison brands to the dissimilar extension in the comparative ad format condition (i.e., valence consistency).

In contrast, consumers with an independent self-view are cognitively less flexible and thus unlikely to be able to relate the dissimilar brand extension to the parent brand. Thus, the affect transfer for independent selves is limited to the transfer of the comparison brand affect to the extension in the comparative ad format condition. For the noncomparative ad format condition, therefore, independent selves are unlikely to transfer parent brand affect. Given that interdependent selves are likely to transfer affect from both the comparison brand and parent brand to the dissimilar brand extension to be evaluated—which results in positive affect transfer from the parent brand to the extension
in the noncomparative ad format condition and in positive affect transfer from both the
parent and comparison brands to the extension in the comparative ad format condition—it
is likely that such interdependent selves will evaluate dissimilar brand extensions more
favorably than independent selves, irrespective of the ad format. Again, this prediction is
based on the assumption that affect transfer is likely to take place from the parent brand
to the extension in the noncomparative ad format condition and from both the parent and
the comparison brands to the extension in the comparative ad format condition for
consumers with an interdependent self-view, while affect transfer is unlikely to take
place from the parent brand to the extension in the noncomparative ad format conditions
and only from the comparison brand to the extension in the comparative ad format
condition for consumers with an independent self-view.

Although consumers with an interdependent self-view (category-based affect
from two categories) seem to evaluate dissimilar brand extensions when promoted in a
comparative advertising format more favorably than consumers with an independent self-
view (category-based affect from one category), it is possible that this initial effect is
neutralized by the superiority claim of the comparative ad copy. Again, according to the
affect regulation theory, the superiority claim seems to be more in line with consumers
that have a predominantly independent self-view, while the ad claim of the
noncomparative ad condition seems to be more in line with consumers that have a
predominantly interdependent self-view. Consequently, it is possible that the superiority
claim in the comparative ad format condition reduces the effectiveness, and hence the
additional effect, of the positive affect transfer from the parent brand to its extension for
consumers with an interdependent self-view, while it may increase the effectiveness of
the ad format for consumers with an independent self-view, resulting in similar brand extension evaluations. Finally, because the advertising claim in the noncomparative advertising condition is likely to be in line with consumers that have a predominantly interdependent self-view, the originally proposed effects are likely to be strengthened by the noncomparative ad copy. This results in more favorably brand extension evaluations for consumers with an interdependent than independent self-view. As a result, the following three-way interaction is proposed:

H4a: Subjects with an independent self-view will evaluate similar brand extensions more (less) favorably than subjects with an interdependent self-view when the extension is promoted with a comparative (noncomparative) advertising format.

H4b: Subjects with an independent self-view will evaluate dissimilar brand extensions similarly (less favorably) than subjects with an interdependent self-view when the extension is promoted with a comparative (noncomparative) advertising format.

3 Note that only Hypothesis 4b was tested in the following empirical part (compare Hypothesis 8). The unexpected findings of Study 1 led to a focus on dissimilar brand extensions only in Studies 2 and 3 and to the formulation of several additional hypotheses (see Hypotheses 5-20 in the Discussion section of Study 1 and Hypotheses 21-24 in the Discussion section of Study 2).
CHAPTER 5

PRETESTS

We conducted a series of one focus group and four pretests to identify (1) important, well-liked, and relevant product categories; (2) parent brand names that were familiar, well-liked, and strongly associated with a particular category; (3) possible similar and dissimilar brand extension product categories and actual brand extensions for each identified parent brand; (4) well-known comparison brands for the comparative ad formats; and (5) relevant product attributes to generate believable and relevant advertising claims. The purpose of the focus group and pretests was to identify two replicates with their respective brand extensions for further examination in the main studies. The main objective(s) of the focus group and each pretest are summarized in Figure 5.1. The results are presented in the following.

Focus Group

The purpose of the focus group was to identify the relevant product categories, parent brands, and possible similar and dissimilar brand extension product categories. In particular, it was important to identify product categories that are relevant and well-known to subjects. Furthermore, it was important to identify parent brands that are strongly associated with the identified product categories.

Ten subjects participated in the focus group in exchange for extra credit. The focus group was semi-structured. Thus, the moderator had general guidelines with regard
to what questions to ask, but was free to respond to and build upon subjects’ answers.

The questions discussed in the focus group were as follows (in this order): (1) What are three to six important and relevant products (product categories) in your life? (2) For these product categories, can you come up with/think about brands that are closely related to these product categories and that you like very much? (3) Please think about the brands we identified together. Now, assuming that these brands were to be extended into new product categories, (a) what are possible similar brand extensions? (b) what are possible dissimilar brand extensions? We instructed the moderator to explain the terms “product category” and “similar and dissimilar brand extensions” as well as to answer all questions
that subjects had concerning the focus group and their tasks. The focus group took approximately one and a half hours.

The focus group revealed that the following product categories are particularly important and relevant to subjects: computer/laptop, cell phone, car, clothing, breakfast food, fast food, energy drink, soap, toilet paper, shampoo, toothpaste, and credit card. Of these product categories, subjects agreed that clothing, energy drink, computer/laptop, cell phone, toothpaste, and breakfast food were the most relevant ones. Therefore, only the latter six product categories were considered for further examination.

Specifically, for the six identified product categories, subjects agreed upon the following brands as being closely related to and associated with the respective product category and as being very well-liked: Nike, Adidas, and Billabong for clothing; Red Bull and Monster for energy drink; Apple and Dell for computer/laptop; Samsung, Nokia, and Motorola for cell phone; Crest and Colgate for toothpaste; and Kellogg's and Quakers for breakfast food.

Finally, of these brands, subjects agreed upon one brand per product category for which possible similar and dissimilar brand extension product categories were discussed. The results for each identified brand are as follows: Nike (similar BE: Energy Drink; dissimilar BE: Frozen Meals/ Gym Equipment), Red Bull (similar BE: Sports Water; dissimilar BE: Sports Shoes), Dell (similar BE: Digital Cameras; dissimilar BE: Microwave Ovens), Nokia (similar BE: Walkie Talkie; dissimilar BE: Laptop Computers), Colgate (similar BE: Whitestrips; dissimilar BE: Band-Aids), and Kellogg's (similar BE: Pan Cake Mix; dissimilar BE: Frozen Meals).
In sum, the purpose of the focus group was to identify important and relevant product categories, brands that are closely related to these product categories, and possible similar and dissimilar brand extension product categories for each identified brand. The focus group led to a set of six parent brands (Nike, Red Bull, Dell, Nokia, Colgate, and Kellogg’s) as well as similar and dissimilar brand extension product categories for each of these parent brands. Consequently, these parent brands together with their respective brand extension product categories constituted the basis for the following pretests.

Pretest 1

Method. The purpose of the first pretest was to verify the results of the focus group. Sixty-seven subjects participated in this pretest in exchange for extra credit.

Subjects randomly evaluated two of the six parent brands and their respective brand extensions along the following measures: First, subjects indicated their product associations when thinking about the parent brand under examination (“When you think about {parent brand}, which product do you associate with {parent brand}? [please, only one]”). This question ensured that the parent brand under examination was similarly associated with one particular product category across subjects. This was important to ensure that subjects had developed similar product category expectations for each parent brand.

Second, subjects indicated on seven seven-point scales (fun/frustrating, enjoyable/unenjoyable, interesting/boring, safe/risky, ordered/chaotic, wise/foolish, and
reliable/unreliable) their perceived level of hedonism (first three items; $\alpha = .80$) and utilitarianism (last four items; $\alpha = .88$). Prior research suggests that brand extension evaluations may differ depending on whether the parent brand is considered hedonic or functional (Broniarczyk and Alba 1994; Park, Jaworski, and MacInnis 1986). Consequently, we aimed to select parent brand replicates that are similar in terms of hedonism and utilitarianism.

Third, subjects indicated how familiar (not at all familiar/very familiar) and knowledgeable (not at all knowledgeable/very knowledgeable) they were with the parent brand under examination along seven-point scales. This measure was included to ensure that subjects were familiar with and had some knowledge about the selected parent brands.

Fourth, subjects indicated on two seven-point scales (not at all similar/very similar, not at all consistent/very consistent) how (dis)similar they perceived the brand extensions to be to the respective parent brand ($\alpha = .92$), where seven is maximally similar. Because our focus lies on similar and dissimilar brand extensions, we aimed to identify brand extensions that were maximally similar (i.e., between scale points 5-7) and maximally dissimilar (i.e., between scale points 1-3).

Finally, subjects indicated on seven-point scales their attitude (not at all favorable/very favorable, poor opinion/excellent opinion; $\alpha = .92$) and affect (very bad/very good, very negative/very positive; $\alpha = .96$) toward the parent brand under examination. This ensured that we selected parent brands with very positive attitudes and affect (i.e., between scale points 5-7), so that positive affect transfer from the parent brand to the brand extension can take place.
Results. The results of the first pretest are depicted in Table 5.1 and Table 5.2. It becomes clear that the Nike, Colgate, and Kellogg's brands were similarly evaluated in terms of hedonism (Nike, $M = 2.35$; Colgate, $M = 3.43$; Kellogg's, $M = 2.50$), utilitarianism (Nike, $M = 2.41$; Colgate, $M = 2.33$; Kellogg's, $M = 2.58$), familiarity (Nike, $M = 5.79$; Colgate, $M = 5.65$; Kellogg's, $M = 5.65$), and knowledge (Nike, $M = 4.96$; Colgate, $M = 4.95$; Kellogg's, $M = 4.95$). More importantly, subjects evaluated Nike ($M = 5.46$), Colgate ($M = 5.75$), and Kellogg's ($M = 5.95$) more favorably than all other parent brands (Red Bull, $M = 3.74$; Dell, $M = 4.71$; Nokia, $M = 4.72$) and between the aimed for upper scale points (between 5-7). Similarly, subjects developed more positive affect toward Nike ($M = 5.40$), Colgate ($M = 5.93$), and Kellogg's ($M = 5.83$) than toward all other parent brands (Red Bull, $M = 3.83$; Dell, $M = 4.81$; Nokia, $M = 4.85$) and had affect measures for these brands that were all in excess of the aimed for minimum scale point of five. For cell means, see Table 5.1.

Table 5.1: Pretest 1, Variable Means

<table>
<thead>
<tr>
<th>Parent Brand</th>
<th>Parent Brand Hedonism</th>
<th>Parent Brand Utilitarianism</th>
<th>Parent Brand Familiarity</th>
<th>Parent Brand Knowledge</th>
<th>Parent Brand Attitude</th>
<th>Parent Brand Affect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nike</td>
<td>2.35</td>
<td>2.41</td>
<td>5.79</td>
<td>4.96</td>
<td>5.46</td>
<td>5.40</td>
</tr>
<tr>
<td>Red Bull</td>
<td>3.78</td>
<td>4.27</td>
<td>4.57</td>
<td>4.09</td>
<td>3.74</td>
<td>3.83</td>
</tr>
<tr>
<td>Dell</td>
<td>3.19</td>
<td>3.13</td>
<td>5.42</td>
<td>4.67</td>
<td>4.71</td>
<td>4.81</td>
</tr>
<tr>
<td>Nokia</td>
<td>2.77</td>
<td>2.86</td>
<td>4.83</td>
<td>4.26</td>
<td>4.72</td>
<td>4.85</td>
</tr>
<tr>
<td>Colgate</td>
<td>3.43</td>
<td>2.33</td>
<td>5.65</td>
<td>4.95</td>
<td>5.75</td>
<td>5.93</td>
</tr>
<tr>
<td>Kellogg's</td>
<td>2.50</td>
<td>2.58</td>
<td>5.65</td>
<td>4.95</td>
<td>5.95</td>
<td>5.83</td>
</tr>
</tbody>
</table>

With regard to the identified brand extensions, subjects perceived all dissimilar brand extensions as satisfactorily dissimilar to the parent brand (all $M < 1.35$). However, subject only perceived the Colgate similar brand extension ($M = 5.03$) as relatively similar to its parent brand, while they perceived all other similar brand extensions as
relatively dissimilar to their parent brands (all \( M < 3.60 \)). As mentioned, we aimed for the upper scale points on a seven-point scale (between 5-7) to identify relevant similar brand extensions. Table 5.2 depicts the cell means for all similar and dissimilar brand extensions.

Table 5.2: Pretest 1, Brand Extension Similarity Means (Standard Deviations) with respective brand extension product category

<table>
<thead>
<tr>
<th>Parent Brand</th>
<th>Similar Brand Extension</th>
<th>Dissimilar Brand Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nike</td>
<td>3.60 (1.60)</td>
<td>1.71 (1.18)</td>
</tr>
<tr>
<td></td>
<td>(Energy Drink)</td>
<td>(Frozen Meals)</td>
</tr>
<tr>
<td>Red Bull</td>
<td>2.39 (1.27)</td>
<td>1.44 (.77)</td>
</tr>
<tr>
<td></td>
<td>(Sports Water)</td>
<td>(Sports Shoes)</td>
</tr>
<tr>
<td>Dell</td>
<td>3.60 (1.19)</td>
<td>2.06 (1.31)</td>
</tr>
<tr>
<td></td>
<td>(Digital Cameras)</td>
<td>(Microwave Ovens)</td>
</tr>
<tr>
<td>Nokia</td>
<td>3.07 (1.38)</td>
<td>2.41 (1.34)</td>
</tr>
<tr>
<td></td>
<td>(Walkie Talkie)</td>
<td>(Laptop Computers)</td>
</tr>
<tr>
<td>Colgate</td>
<td>5.03 (1.86)</td>
<td>1.93 (1.14)</td>
</tr>
<tr>
<td></td>
<td>(Whitestrips)</td>
<td>(Band-Aids)</td>
</tr>
<tr>
<td>Kellogg's</td>
<td>3.28 (1.56)</td>
<td>1.65 (.95)</td>
</tr>
<tr>
<td></td>
<td>(Pan Cake Mix)</td>
<td>(Frozen Meals)</td>
</tr>
</tbody>
</table>

Finally, the brand association measure indicated that subjects had correct brand associations in most instances (Nike: 21 correct brand associations versus 0 wrong brand association; Red Bull: 14 versus 4; Dell: 20 versus 1; Nokia: 19 versus 2; Colgate: 18 versus 1; Kellogg’s: 15 versus 2).

Discussion. The results of the first pretest indicate that Nike, Kellogg’s, and Colgate constitute parent brands that subjects are familiar with and knowledgeable about. Furthermore, Nike, Kellogg’s, and Colgate constitute parent brands that subjects have positive attitude and affect towards. In contrast, Red Bull, Dell, and Nokia constitute parent brands that do not do as well along these dependent variables, as they obtained
attitude and affect measures above the scale point of five. For an expected affect transfer from a well-liked and well-established parent brand to the extension, it is important to select parent brands that are highly favorable and that subjects have very positive affect towards (i.e., scale points in access of five).

Furthermore, the results of the first pretest suggest that all identified dissimilar brand extensions are perceived as satisfactorily dissimilar to their parent brands. In contrast, however, the identified similar brand extensions are overall not perceived as similar enough to their parent brands. Colgate's Whitestrips was the only brand extension that was perceived as satisfactorily similar to the image subjects have about the Colgate brand. All other similar brand extensions were evaluated below the midpoint of four in terms of similarity, where seven constitutes maximally similar.

Finally, while subjects widely agreed upon the parent brands' perceived level of utilitarianism, greater variance existed with regard to the hedonism measure. To illustrate, Nike, Colgate, and Kellogg's were all evaluated similarly in terms of utilitarianism ($2.33 < M < 2.58$), but less so in terms of hedonism ($2.35 < M < 3.43$). Therefore, more examination is needed with regard to the parent brands’ perceived level of hedonism versus utilitarianism.

In sum, the data identified Nike, Colgate, and Kellogg's as potential parent brand candidates. However, further examination is necessary to identify relevant similar and dissimilar brand extensions. In addition, clarification for these brands is needed regarding subjects’ perceived hedonism and utilitarianism. Finally, we have not counterbalanced between the similarity measures for the potential similar and dissimilar brand extensions. As such, all subjects first indicated how similar they perceive the potential similar brand
extension to be to the parent brand and second how similar they perceive the potential
dissimilar brand extension to be to the parent brand. This order, however, may have
caused a halo effect for the potential dissimilar brand extensions, which were always
evaluated second and thus after the potential similar brand extensions. To address these
shortcomings of the first pretest, we conducted a second pretest.

Pretest 2

Method. The purpose of the second pretest was twofold: First, given the results
from Pretest 1, we decided to further examine the Colgate and the Kellogg's parent
brands and their respective brand extensions. In particular, we aimed to replicate the
results for the Colgate brand extensions (similar BE: Whitestrips, dissimilar BE: Band-
Aids) and the Kellogg's dissimilar brand extension (Frozen Meals). In addition, we aimed
to find a valid similar brand extension category for the Kellogg's brand, as Pan Cake Mix
was not perceived as similar enough to the parent brand. Second, we aimed to test
additional parent brands and possible similar and dissimilar brand extensions. Thus, in
addition to Colgate (similar BE: Whitestrips, dissimilar BE: Band-Aids) and Kellogg's
(similar BE: Muffin Mix, dissimilar BE: Frozen Meals), we also examined two pairs of
parent brands with counterbalanced brand extensions: Yoplait (similar BE: Pudding;
dissimilar BE: Ice Cream Cookie Sandwiches) and Haagen-Dazs (similar BE: Ice Cream
Cookie Sandwiches, dissimilar BE: Pudding); Kellogg's (similar BE: Oatmeal, dissimilar
BE: Canned Fruit) and Campbell's (similar BE: Canned Fruit, dissimilar BE: Oatmeal).
Thirty-eight subjects participated in the second pretest in exchange for extra credit. Subjects randomly evaluated three of the six parent brands and their respective brand extensions. The order of the parent brands was counterbalanced. The questionnaire was identical to the questionnaire used in the first pretest, except for two changes: First, we also counterbalanced the order in which subjects evaluated each parent brand's similar and dissimilar brand extension regarding its perceived similarity to the parent brand. Thus, some subjects indicated first their similarity perception of the dissimilar brand extension and second their similarity perception of the similar brand extension. In contrast, others indicated first their similarity perception of the similar brand extension and second their similarity perception of the dissimilar brand extension. Second, we used a different measure for hedonism/utilitarianism. Specifically, subjects now indicated on ten seven-point scales how effective/ineffective, helpful/unhelpful, functional/not functional, necessary/unnecessary, practical/impractical, not fun/fun, dull/exciting, not delightful/delightful, not thrilling/thrilling, and enjoyable/unenjoyable they perceived the parent brand to be. We averaged the responses to the first five items to form one index of utilitarianism (α = .85). We averaged the responses to the last five items to form one index of hedonism (α = .80).

Results. The results for the second pretest are depicted in Table 5.3 and Table 5.4. Interestingly, all parent brands but Yoplait were similarly familiar to subjects (5.44 < M < 6.11). Similarly, except for Yoplait, subjects displayed similar knowledge about the parent brands (4.20 < M < 5.39), although Colgate's score (M = 4.20) was less than expected. Furthermore, subjects had similar attitudes toward the parent brands (5.12 < M < 6.28) and developed similarly positive affect toward the parent brands (5.25 < M <
6.25), both measures of which were above the expected scale point of five. Finally, subjects evaluated all parent brands relatively similarly with regard to hedonism ($3.80 < M < 4.97$) and utilitarianism ($1.97 < M < 2.83$), with all brands being perceived as more hedonic than utilitarian. Given these results, all brands except for the Yoplait brand (given its relatively low familiarity and knowledge measures) constitute suitable parent brands. Cell means of these measures are presented in Table 5.3.

Table 5.3: Pretest 2, Variable Means

<table>
<thead>
<tr>
<th>Parent Brand</th>
<th>Parent Brand Hedonism</th>
<th>Parent Brand Utilitarianism</th>
<th>Parent Brand Familiarity</th>
<th>Parent Brand Knowledge</th>
<th>Parent Brand Attitude</th>
<th>Parent Brand Affect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yoplait</td>
<td>4.45</td>
<td>2.73</td>
<td>4.71</td>
<td>3.71</td>
<td>5.12</td>
<td>5.35</td>
</tr>
<tr>
<td>Haegen-Dazs</td>
<td>4.97</td>
<td>2.49</td>
<td>6.11</td>
<td>5.39</td>
<td>6.28</td>
<td>6.25</td>
</tr>
<tr>
<td>Kellogg's (2)</td>
<td>4.18</td>
<td>2.76</td>
<td>5.44</td>
<td>5.11</td>
<td>5.25</td>
<td>5.25</td>
</tr>
<tr>
<td>Colgate</td>
<td>3.80</td>
<td>1.97</td>
<td>5.50</td>
<td>4.20</td>
<td>5.28</td>
<td>5.33</td>
</tr>
<tr>
<td>Campbell’s</td>
<td>4.23</td>
<td>2.83</td>
<td>5.73</td>
<td>5.27</td>
<td>5.43</td>
<td>5.40</td>
</tr>
<tr>
<td>Kellogg’s (1)</td>
<td>4.66</td>
<td>2.66</td>
<td>6.10</td>
<td>5.20</td>
<td>5.75</td>
<td>5.88</td>
</tr>
</tbody>
</table>

With regard to similar and dissimilar brand extensions of these parent brands, only Haegen-Dazs with its similar (Ice Cream Cookie Sandwiches, $M = 4.81$) and dissimilar brand extensions (Pudding, $M = 2.97$), Colgate with its similar (Whitestrips, $M = 4.93$) and dissimilar brand extensions (Band-Aids, $M = 2.28$), and Kellogg’s (2) with its similar (Muffin Mix, $M = 4.61$) and dissimilar brand extensions (Frozen Meals, $M = 2.25$) constituted parent brands with satisfactorily similar and dissimilar brand extensions (all comparisons $p < .001$). In all other instances did subjects perceive the dissimilar brand extension as moderately similar to the parent brand (measures around the scale mid-point). The cell means for all parent brand extensions are presented in Table 5.4.
Table 5.4: Pretest 2, Brand Extension Similarity Means (Standard Deviations) with respective brand extension product category

<table>
<thead>
<tr>
<th>Parent Brand</th>
<th>Similar Brand Extension</th>
<th>Dissimilar Brand Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yoplait</td>
<td>3.44 (2.02)</td>
<td>2.38 (1.45)</td>
</tr>
<tr>
<td></td>
<td>(Pudding)</td>
<td>(Ice Cream Cookie Sandwiches)</td>
</tr>
<tr>
<td>Haegen-Dazs</td>
<td>4.81 (1.41)</td>
<td>2.97 (1.70)</td>
</tr>
<tr>
<td></td>
<td>(Ice Cream Cookie Sandwiches)</td>
<td>(Pudding)</td>
</tr>
<tr>
<td>Kellogg's (2)</td>
<td>4.61 (1.51)</td>
<td>2.25 (1.40)</td>
</tr>
<tr>
<td></td>
<td>(Muffin Mix)</td>
<td>(Frozen Meals)</td>
</tr>
<tr>
<td>Colgate</td>
<td>4.93 (1.30)</td>
<td>2.28 (1.47)</td>
</tr>
<tr>
<td></td>
<td>(Whitestrips)</td>
<td>(Band-Aids)</td>
</tr>
<tr>
<td>Campbell's</td>
<td>3.07 (1.40)</td>
<td>2.90 (1.98)</td>
</tr>
<tr>
<td></td>
<td>(Canned Fruit)</td>
<td>(Oatmeal)</td>
</tr>
<tr>
<td>Kellogg's (1)</td>
<td>3.25 (1.92)</td>
<td>2.53 (1.79)</td>
</tr>
<tr>
<td></td>
<td>(Oatmeal)</td>
<td>(Canned Fruit)</td>
</tr>
</tbody>
</table>

Finally, subjects were able to name the correct product associated with a parent brand in most instances. Only two subjects indicated that they do not associate any product with Yoplait and only one subject had wrong associations with regard to the Kellogg’s (2) brand. For all other parent brands did subjects have only correct product associations. Consequently, all parent brands have strong product category associations.

Discussion. The results indicate that Haegen-Dazs, Colgate, and Kellogg’s with their respective brand extensions constitute possible parent brands. However, given that subjects perceived the Colgate and Kellogg’s dissimilar brand extensions as significantly more dissimilar than the Haegen-Dazs dissimilar brand extension, we only selected Colgate and Kellogg’s with their respective brand extensions for further analysis. Moreover, given that subjects evaluated Kellogg’s (1) and Kellogg’s (2) quite differently across the dependent measures (e.g., hedonism, familiarity, attitude, affect; about half a
scale point difference), further analysis seems necessary with regard to the Kellogg’s parent brand.

Furthermore, we learned through our second pretest that Whitestrips constitutes a Crest brand. Given that this may have affected subjects’ similarity perception, further analysis is needed with a more neutral terminology for Colgate’s similar brand extension. For further analysis, therefore, we changed Colgate’s similar brand extension from “Whitestrips” to “Teeth Whitening Strips”. While Band-Aid constitutes a Johnson & Johnson brand, we decided to stick with Band-Aid as Colgate’s dissimilar brand extension, however, as band-aid has become a generic word for adhesive bandages.

Given these limitations and the need to further validate the Colgate and Kellogg’s parent brands and their respective brand extensions, we conducted a third pretest.

**Pretest 3**

*Method.* The purpose of the third pretest was to further examine the Colgate and Kellogg’s parent brands and their respective brand extensions, given the results from the second pretest. In addition, the purpose of this pretest was to identify important product attributes or variables that subjects take into consideration when making purchase decisions in the respective extension category. The identification of such attributes was important to generate believable brand extension print advertisements for the main studies.

In comparison to the second pretest, we made the following changes in this third pretest: First, in addition to further examining Colgate and Kellogg’s with their respective
brand extensions, we also included the Nike parent brand from the first pretest with Frozen Meals as the dissimilar brand extension but now with Power Bars as the similar brand extension (instead of Energy Drink). Second, we changed “Whitestrips” as Colgate’s similar brand extension to “Teeth Whitening Strips”. Third, we removed the affect measures to avoid possible halo effects. Therefore, we focused on assessing subjects’ attitudes towards the parent brands rather than additionally asking for subjects’ feelings towards the parent brands. We did not expect any disadvantage by doing so, given that the attitude and affect measures did not significantly differ from each other in the previous pretests. Fourth, we asked subjects for each brand extension category to list five product attributes/characteristics that they would consider before buying a product in the extension category (e.g., “If you were to buy teeth whitening strips in general, what are 5 product attributes/characteristics that you would consider before buying teeth whitening strips? Please, list in order of importance”). Again, this question aimed at identifying important and relevant product attributes for each brand extension which were used to generate believable brand extension print ads. Finally, we also asked for U.S. citizenship to control for possible confounds due to unfamiliarity with the parent brands and possibly products.

Thirty subjects participated in this pretest in exchange for extra credit. Each subject evaluated all three parent brands and their respective brand extensions. We counterbalanced the order of the parent brands (counterbalanced across parent brands). Similarly, we counterbalanced the order of the similarity measures of the similar and dissimilar brand extensions (counterbalanced within each parent brand). Subjects first evaluated all three parent brands and their respective brand extensions and then were
asked to list product attributes/characteristics that they take into consideration when purchasing in the respective brand extension category. All measures were identical to the measures used in the second pretest.

*Results.* The results of this pretest are depicted in Table 5.5. With regard to parent brand evaluation, subjects evaluated all parent brands favorably and above the target scale point of five (Colgate, M = 5.38; Kellogg’s, M = 5.43; Nike, M = 5.72). In addition, subjects evaluated all parent brands relatively similarly regarding their familiarity with (4.83 < M < 5.63), knowledge about (3.97 < M < 5.10), perceived hedonism of (3.85 < M < 5.64), and perceived utilitarianism of (2.28 < M < 2.99) the parent brand. Therefore, all brands seem suitable as potential parent brands.

With regard to subjects’ perceived similarity of the similar and the dissimilar brand extensions to their respective parent brands, subjects perceived all of the dissimilar brand extension categories as extremely dissimilar to the parent brands (Colgate’s Band-Aid, M = 2.15; Kellogg’s Frozen Meals, M = 2.42; Nike’s Frozen Meals, M = 1.12), where one is maximally dissimilar. For the similar brand extensions, however, subjects only perceived Colgate’s Teeth Whitening Strips (M = 5.85) and Kellogg’s Muffin Mix (M = 5.13) as relatively similar to the parent brand (see Table 5.5).

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Colgate</td>
<td>3.85</td>
<td>2.28</td>
<td>5.33</td>
<td>4.63</td>
<td>5.38</td>
<td>5.85</td>
<td>2.15</td>
</tr>
<tr>
<td>Kellogg’s</td>
<td>4.41</td>
<td>2.99</td>
<td>4.83</td>
<td>3.97</td>
<td>5.43</td>
<td>5.13</td>
<td>2.42</td>
</tr>
<tr>
<td>Nike</td>
<td>5.64</td>
<td>2.78</td>
<td>5.63</td>
<td>5.10</td>
<td>5.72</td>
<td>4.02</td>
<td>1.12</td>
</tr>
</tbody>
</table>
Given these results together with the fact that all subjects but one (for the Kellogg’s brand) had correct product category associations, we selected Colgate and Kellogg’s with their respective brand extensions for our main study. As a consequence, we only report the product category attribute/characteristic results for the Colgate and the Kellogg’s brand extensions in the following.

Specifically, when asked about product attributes/characteristics that they would consider before buying a product in the brand extension product category, subjects responded as follows: (1) For Teeth Whitening Strips, subjects indicated that effectiveness, comfortableness, time obligation, quantity per package, ease of use, price, and visibility matter most; (2) For Bandages, subjects indicated that stickiness, effectiveness, durability, flexibility, variety, marks left when taking it off, and price matter most; (3) For Muffin Mixes, subjects indicated that tastiness, ease of use, quantity, price, extra tips for baking, healthiness, and baking instructions matter most; and (4) For Frozen Meals, subjects indicated that tastiness, healthiness, quality of ingredients, ease of preparation, time of preparation, price, and quantity matter most.

Discussion. The results from the third pretest validated Colgate and Kellogg’s as the parent brands of choice. In addition, subjects perceived the similar brand extension categories as similar enough (between the scale points 5-7) and the dissimilar brand extensions as dissimilar enough (between the scale points 1-3) from the image they have about Colgate and Kellogg’s, respectively. Consequently, we chose Colgate and Kellogg’s with their respective brand extension categories for our main study. While we have already identified important and relevant product attributes in the respective brand extension product categories, we need to further identify comparison brands that are
perceived as relatively congruent to the parent/sponsor brand for the comparative advertising format conditions. Consequently, we conducted a fourth pretest.

**Pretest 4**

*Method.* The purpose of the fourth pretest was to identify potential congruent comparison brands for the Colgate and Kellogg's brand extensions. Nine students participated in this pretest in exchange for extra credit. We asked each subject two questions per brand extension and each subject evaluated both brand extensions (similar and dissimilar) for both replicates (Colgate and Kellogg's). Thus, each subject answered the same two questions for each brand extension. The first question asked the following: “Imagine that [Parent Brand] were to introduce [Similar/Dissimilar Brand Extension]. In this [Similar/Dissimilar Brand Extension Product Category], which companies would [Parent Brand] compete with in your opinion, that is, which companies would constitute direct competitors for [Parent Brand]’s new [Similar/Dissimilar Brand Extension]?” We expected that subjects would come up with relatively congruent competitors—that is, competitors that are perceived as relatively similar to the parent brand in terms of market share—when answering this question.

To build upon this first question, we asked subjects the following second question: “Now, think about the competitors you just listed. Which competitor is likely to be [Parent Brand]’s main competitor in the [Similar/Dissimilar Brand Extension] product category, in your opinion? Do you like this competitor?” This question aimed at narrowing down the responses of the first question based on subjects’ perceived brand
congruity. In addition, we argued that affect transfer from the comparison brand to the parent brand is particularly likely for a well-liked comparison brand in a comparative advertising condition. Therefore, we needed to select parent brands that are very well-liked. Hence, the sub-question that asked for subjects’ attitudes toward the comparison brand.

**Results.** Analysis of the various answers revealed multiple possible comparison brands for both the Colgate and Kellogg’s brand extensions. Across all subjects, however, one comparison brand for each brand extension stuck out and received very positive responses. The most favorably and most widely mentioned comparison brands were the following: (1) For Colgate’s Teeth Whitening Strips, subjects mentioned Crest’s Whitestrips as a well-liked main competitor; (2) For Colgate’s Bandages, subjects mentioned Band-Aid as a well-liked main competitor; (3) For Kellogg’s Muffin Mix, subjects mentioned Pillsbury as a well-liked main competitor; and (4) For Kellogg’s Frozen Meals, subjects mentioned Lean Cuisine as a well-liked main competitor.

**Discussion.** Given the results from the fourth pretest, we selected Crest Whitestrips and Band-Aid as Colgate’s comparison brands and Pillsbury and Lean Cuisine as Kellogg’s comparison brands in the comparative advertising format conditions. In addition, given that subjects chose Band-Aid as a comparison brand for Colgate’s dissimilar brand extension, we decided to utilize “Bandages” as the dissimilar brand extension product category for the dissimilar Colgate brand extension rather than “Band-Aids”. A post hoc analysis with a convenience sample of ten randomly chosen subjects did not reveal any significant difference between subjects’ perceived similarity of bandages versus band-aids to the image they have about the Colgate brand ($M = 2.32$.
versus $M = 2.38, p > .05$). Consequently, we selected “Bandages” as the dissimilar brand extension product category for Colgate for the main studies.

Finally, while we identified across all pretests appropriate parent brands, brand extension product categories, comparison brands, and relevant product attributes for the simulated print ads, we additionally developed meaningful fictitious brand names for the Colgate and Kellogg’s similar and dissimilar brand extensions, respectively. Thus, we chose “Colgate’s Bright-Strips” for Colgate’s similar brand extension (rather than “Colgate’s Teeth Whitening Strips”), “Colgate’s Band-Strips” for Colgate’s dissimilar brand extension (rather than “Colgate’s Bandages”), “Kellogg’s Tasty Muffins” for Kellogg’s similar brand extension (rather than “Kellogg’s Muffin Mix”), and “Kellogg’s Tasty Plates” for Kellogg’s dissimilar brand extension (rather than “Kellogg’s Frozen Meals”).

In sum, based on the focus group and the four pretests, we selected Colgate and Kellogg’s as the parent brands of choice. In addition, we selected Teeth Whitening Strips as Colgate’s similar brand extension product category and Bandages as Colgate’s dissimilar brand extension product category. Similarly, we selected Muffin Mix as Kellogg’s similar brand extension product category and Frozen Meals as Kellogg’s dissimilar brand extension product category. For the comparative advertising format conditions, we selected Crest Whitestrips and Pillsbury as Colgate’s and Kellogg’s similar brand extension comparison brands, respectively, and Band-Aid and Lean Cuisine as Colgate’s and Kellogg’s dissimilar brand extension comparison brands, respectively.

Moreover, we used the following product attributes to describe the advertised brand extensions for the print advertisements: (1) For Colgate’s Whitestrips, we used the four
attributes of effectiveness, comfortableness, time obligation, and visibility; (2) For Colgate’s Bandages, we used the four attributes of effectiveness, stickiness, flexibility, durability; (3) For Kellogg’s Muffin Mix, we selected the four attributes of ease of preparation, healthiness, taste, and tips on the package; and (4) For Kellogg’s Frozen Meals, we selected the four attributes of ease of preparation, quality of ingredients, taste, and quantity. Finally, we selected “Colgate’s Bright-Strips” and “Colgate’s Band-Strips” as well as “Kellogg’s Tasty Muffins” and “Kellogg’s Tasty Plates” as Colgate’s and Kellogg’s similar and dissimilar brand extensions, respectively. The results of the focus group and the pretests are depicted in Table 5.6.

Table 5.6: Summary of Focus Group and Pretest Results

<table>
<thead>
<tr>
<th>Parent Brand</th>
<th>Brand Extension Type</th>
<th>Brand Extension Product Category</th>
<th>Actual Brand Extension</th>
<th>Comparison Brand</th>
<th>Advertising Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colgate</td>
<td>Similar</td>
<td>Teeth Whitening Strips</td>
<td>Colgate’s Bright-Strips</td>
<td>Crest Whitestrips</td>
<td>1. effectiveness</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. comfortableness</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. time obligation</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4. visibility</td>
</tr>
<tr>
<td>Colgate</td>
<td>Dissimilar</td>
<td>Bandages</td>
<td>Colgate’s Band-Strips</td>
<td>Band-Aid</td>
<td>1. effectiveness</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. stickiness</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. flexibility</td>
</tr>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>4. durability</td>
</tr>
<tr>
<td>Kellogg’s</td>
<td>Similar</td>
<td>Muffin Mix</td>
<td>Kellogg’s Tasty Muffins</td>
<td>Pillsbury</td>
<td>1. ease of preparation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. healthiness</td>
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<td></td>
<td></td>
<td>3. taste</td>
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<td></td>
<td></td>
<td></td>
<td>4. tips on the package</td>
</tr>
<tr>
<td>Kellogg’s</td>
<td>Dissimilar</td>
<td>Frozen Meal</td>
<td>Kellogg’s Tasty Plates</td>
<td>Lean Cuisine</td>
<td>1. ease of preparation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. quality of ingredients</td>
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<td>3. taste</td>
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<td></td>
<td>4. quantity</td>
</tr>
</tbody>
</table>
CHAPTER 6

STUDY 1

The objective of this experiment was to find an answer to the first two research questions of this dissertation, that is, to examine how consumers (1) categorize and (2) evaluate similar versus dissimilar brand extensions when promoted in a comparative versus noncomparative advertising format. Specifically, this experiment tested H1-H3.

Method

Subjects and Design. One hundred and three undergraduate marketing students participated in the study. Similar to Meyers-Levy and Peracchio’s (1996) experimental design, we assigned subjects randomly to a treatment and gave them a booklet that contained ads for the two focal parent brands and the independent and dependent measures. Each booklet contained one of the four versions of the Colgate and Kellogg’s ads, which varied in brand extension type (similar vs. dissimilar) and advertising format (comparative vs. noncomparative). The two ads each subject received represented different treatment conditions, and the order in which these ads appeared was varied.

Stimuli. The stimuli were simulated print ads. By combining type of brand extension (similar vs. dissimilar) with advertising format (comparative vs. noncomparative), we generated four ads for each replicate, resulting in a total of eight ads. Thus, for each replicate, one ad described the similar brand extension in a comparative ad format, a second ad described the similar brand extension in a
noncomparative ad format, a third ad described the dissimilar brand extension in a comparative ad format, and a fourth ad described the dissimilar brand extension in a noncomparative ad format. Each ad provided information on four attributes and showed a picture of the brand extension to be evaluated. The attributes remained the same across all conditions and the sole differences between the ads were the manipulations, that is, the advertising format used and the type of actual brand extension being advertised. The ads for both replicates are shown in Figure 6.1A and Figure 6.1B.

**Procedure.** Subjects received three booklets. They were told to work through each booklet at their own pace without referring to any previous or subsequent page. On receiving the first booklet, we informed subjects that they would be evaluating a new product that a company was considering introducing to the market and that they would eventually be answering questions about the company and its product. The instructions also noted that the ad would constitute a pre-production ad.

The first booklet contained the first brand extension ad. Subjects first listed all thoughts and ideas that they experienced while reading the ad, no matter how simple, complex, relevant, or irrelevant they might seem (Sujan 1985). This task aimed to assess subjects’ processing of the stimulus materials. Subjects then completed several measures related to the promoted brand extension, parent brand, and ad (in this order): brand extension evaluation, purchase intention, perceived similarity manipulation check, attitude and affect toward the parent brand, attitude toward the ad, ad format manipulation check, claim believability, product relevance, and product knowledge. For the comparative ad conditions, subjects completed additional measures regarding their
a. Similar Noncomparative Ad

**COLGATE's NEW BRIGHT-STRIPS**

**NEW!**

*Colgate's NEW BRIGHT-STRIPS are effective, comfortable, fast, and invisible teeth whitening strips*

- Colgate's NEW Bright Strips are clinically proven to remove stain build-up effectively.
- Colgate's NEW Bright Strips are very comfortable to wear.
- Colgate's NEW Bright Strips are not visible when you eat them.

*Try it, you will have a big white smile.*

b. Similar Comparative Ad

**COLGATE's NEW BRIGHT-STRIPS**

**NEW!**

*Colgate's NEW BRIGHT-STRIPS are more effective, more comfortable, faster, and less visible teeth whitening strips than Crest Whitestrips*

- Colgate's NEW Bright Strips are clinically proven to remove stain build-up more effectively than Crest Whitestrips.
- 8 out of 10 consumers find Colgate's NEW Bright Strips more comfortable to wear than Crest Whitestrips.
- With Colgate's NEW Bright Strips, you will see improved results faster than with Crest Whitestrips, after only 30 minutes.
- Colgate's NEW Bright Strips are less visible than Crest Whitestrips.

*Try it, you will have a big white smile.*

c. Dissimilar Noncomparative Ad

**COLGATE’s NEW BAND-STRIPS**

**NEW!**

*Colgate's NEW BAND-STRIPS are effective, sticky, flexible, and durable bandages*

- Colgate's NEW Band-Stripes are clinically proven to heal wounds effectively.
- Colgate's NEW Band-Stripes are very sticky.
- Colgate's NEW Band-Stripes are made of fabric that provides extra flexibility.
- Colgate's NEW Band-Stripes are very durable.

*Try it, you will have a bandage that works.*

d. Dissimilar Comparative Ad

**COLGATE's NEW BAND-STRIPS**

**NEW!**

*Colgate's NEW BAND-STRIPS are more effective, stickier, more flexible, and more durable bandages than Band-Aid®*

- Colgate's NEW Band-Stripes are clinically proven to heal wounds more effectively than Band-Aid®.
- 8 out of 10 consumers find Colgate's NEW Band-Stripes stickier than Band-Aid®.
- Colgate's NEW Band-Stripes are made of fabric that makes them more flexible than Band-Aid®.
- Colgate's NEW Band-Stripes are more durable than Band-Aid®.

*Try it, you will have a bandage that works.*
Figure 6.1B: Kellogg's Ads

a. Similar Noncomparative Ad

The New Sensation from Kellogg's Tasty Muffins

Kellogg's Tasty Muffins are the new muffin from Kellogg's. Kellogg's Tasty Muffins are simple to prepare: just add milk, stir, and bake.

Kellogg's Tasty Muffins are a good source of calcium and vitamins.

Kellogg's Tasty Muffins taste incredible.

Kellogg's Tasty Muffins come with hints and tips for some easy add-ins to make your muffins extra special—something you won't find in any of Pillsbury's Muffin Mix boxes.

Choose Kellogg's new Tasty Muffins over Pillsbury's Muffin Mix

Kellogg's Tasty Muffins are made from the freshest, premium ingredients available. They're fresh and nutritious.

Kellogg's Tasty Muffins taste incredible.

Kellogg's Tasty Muffins come in portions that surely will satisfy you.

Choose Kellogg's new Tasty Plates over Lean Cuisine

Kellogg's Tasty Plates are the new frozen meal assortment from Kellogg's. Kellogg's Tasty Plates are simple to prepare: just take them out of the package and put them into your microwave.

Kellogg's Tasty Plates are made from the freshest, premium ingredients available. They're fresh and more nutritious than Lean Cuisine®.

8 out of 10 consumers say Kellogg's Tasty Plates taste better than Lean Cuisine®.

Customer reviews and testimonials: Kellogg's Tasty Plates taste great and cost less.

Customer reviews and testimonials: Kellogg's Tasty Plates taste great and cost less.
attitude and affect toward the comparison brand, brand congruity manipulation check, and company vs. parent brand manipulation check.

Upon completion of these measures, subjects stated how they felt about a filler ad, which was not related to the purpose of this study. The purpose of this filler ad was to "neutralize" subjects' mind before exposing them to the second brand extension ad and to increase the chances that the purpose of this study will remain uncertain to the subjects in this study. After this filler ad, subjects started with the second booklet, which was identical to the first booklet except for the brand extension to be evaluated. Upon completion of booklet two, subjects completed a third booklet that collected information regarding following measures: need for cognition, decision making style, demographics, familiarity with American brand names, and a measure designed to assess subjects' perceptions of the study's purpose. The questionnaire took between 15-25 minutes to complete.

Independent Variables

*Brand Extension Similarity.* Subjects indicated how similar they perceived the potential brand extension to be to the image they have about the parent brand (Loken and John 1993). We averaged four seven-point scales (not at all similar/very similar, not at all consistent/very consistent, not at all typical/very typical, not at all representative/very representative) to form one index of perceived similarity ($\alpha = .98$). This index constituted the manipulation check for type of brand extension (similar vs. dissimilar).
Advertising Format. Subjects evaluated two potential brand extensions that were promoted with either a comparative or noncomparative advertising format. To check whether the advertising format manipulation performed as expected, subjects indicated on a seven-point scale (not at all/yes, very much so) whether the advertised brand extension was compared to a competing brand that offers a similar product. This measurement constituted the manipulation check for the advertising format (comparative vs. noncomparative).

Parent Brand Attitude and Affect. Subjects indicated on three seven-point scales (very unfavorable/very favorable, not very pleasing/very pleasing, poor/excellent) how favorable the parent brand is as a brand (Martin, Stewart, and Matta 2005). We averaged the three scales to form one index of parent brand attitude ($\alpha = .95$). This index ensured that subjects had favorable attitudes toward the parent brands used in this study.

Yeung and Wyer (2005) pointed out that a positive attitude toward a parent brand does not necessarily indicate that subjects will also have positive affect toward that brand. To control for the fact that subjects had not only favorable attitudes but also positive affect toward the parent brands, we separately assessed on two seven-point scales (very bad/very good, very negative/very positive) how subjects felt about the parent brand (Yeung and Wyer 2005). We averaged the two scales to form one index of parent brand affect ($\alpha = .94$). This index ensured that subjects had positive and strong affect toward the parent brands used in this study.

Comparison Brand Attitude and Affect. Subjects in the comparison ad format conditions additionally indicated their liking and feeling toward the comparison brands along the same seven-point scales used to assess subjects’ liking and feeling toward the
parent brands. We averaged the scales to form one index of comparison brand attitude ($\alpha = .995$) and one index of comparison brand affect ($\alpha = .997$). These measures ensured that subjects' had positive attitudes and affect toward the comparison brands used in this study.

**Brand Congruity and Comparison Brand Measure.** Subjects in the comparison ad format conditions additionally indicated their perception about the sponsor and the comparison brands' market share. This measure ensured that subjects perceived the parent and comparison brands as relatively congruent (Priester et al. 2004). Additionally, subjects listed, if possible, the name of the company behind the comparison brand. This measure was included to control for potential confounds resulting from subjects' attitudes and affect toward the actual company brands (e.g., Procter & Gamble, Johnson & Johnson, General Mills, Nestle) behind the comparison brands used (e.g., Crest, Band-Aid, Pillsbury, Lean Cuisine).

**Attitude Toward the Ad.** Subjects also indicated on four seven-point scales (bad/good, not useful/useful, negative/positive, not irritating/irritating) their attitude toward the ad (Choi and Miracle 2004; Machleit and Wilson 1988; Mitchell and Olson 1981). We averaged the scales to form one index of advertising attitude ($\alpha = .84$). This measure controlled for possible confounds resulting from subjects' attitude toward the ad.

**Claim Believability.** Subjects furthermore indicated on two seven-point scales (not at all believable/highly believable, not at all true/absolutely true) how believable and truthful the ad was (Jain and Posavac 2004). We averaged the two scales to form one index of claim believability ($\alpha = .92$). This measure ensured that subjects perceived the ad claims as believable.
Product Relevance and Product Knowledge. Subjects also noted how relevant the brand extension product category is to them (not at all relevant/very relevant) and how much knowledge they have about the brand extension product category (no/a lot of). We included these measures to ensure that subjects perceived the brand extensions used in this study as relevant and had some knowledge about the extension product categories.

Additional Measures. Additional measures assessed subjects’ need for cognition (Cacioppo, Petty, and Kao 1984), decision-making style (Buck and Daniels 1985), demographics (age, gender, country born, nationality, time in the U.S.), familiarity with U.S. brands (not at all familiar/very familiar, not at all knowledgeable/very knowledgeable; \( \alpha = .90 \)), and demand characteristics (Yi 1990). It should be pointed out that not all measures were relevant for hypotheses testing but that we included them into the questionnaire for additional analyses which are not in the scope of this dissertation.

Dependent Variables

Cognitive Responses. Subjects listed all thoughts and ideas that they experienced while reading the ad, no matter how simple, complex, relevant, or irrelevant they might seem (Sujan 1985). We adopted the coding scheme for the cognitive responses from Sujan (1985). The coding scheme with description of the coding categories and examples is shown in Table 6.1. Two judges who were blind to the hypotheses and purpose of the study counted and coded all thoughts for each subject. The interjudge reliability was 84% percent. We resolved disagreements by discussion, so that all thoughts were coded.
Table 6.1: Coding Scheme -- Cognitive Response Task

<table>
<thead>
<tr>
<th>Dependent Measures</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Total Number of Thoughts</td>
<td>All product related thoughts</td>
<td></td>
</tr>
<tr>
<td>1. Total Number of Positive Thoughts</td>
<td>All product related thoughts that have a positive connotation</td>
<td>&quot;I really like the idea of bandages from Colgate&quot;</td>
</tr>
<tr>
<td>2. Total Number of Negative Thoughts</td>
<td>All product related thoughts that have a negative connotation</td>
<td>&quot;I don’t like Frozen Food&quot;</td>
</tr>
<tr>
<td>B. Similarity Thoughts</td>
<td>Thoughts that note how the BE (Colgate Whitening Strips, Colgate Bandages; Kellogg's Muffin Mix, Kellogg's Frozen Meals) is similar to the overall Colgate or Kellogg's products</td>
<td>&quot;These Whitening Strips are similar to Colgate's product line&quot;</td>
</tr>
<tr>
<td>C. Differentiation Thoughts</td>
<td>Thoughts that note how the BE (Colgate Whitening Strips, Colgate Bandages; Kellogg's Muffin Mix, Kellogg's Frozen Meals) is different to the overall Colgate or Kellogg's products</td>
<td>&quot;Kellogg's Frozen Food is totally different from what comes to my mind when I think about Kellogg's products&quot;</td>
</tr>
<tr>
<td>D. Simple Evaluative Responses</td>
<td>Overall evaluation thoughts, very broad</td>
<td></td>
</tr>
<tr>
<td>1. Overall Evaluation of the Product</td>
<td>Very broad evaluation thoughts</td>
<td>&quot;I like it&quot;</td>
</tr>
<tr>
<td>2. Qualified evaluation of the Product</td>
<td>Very broad and qualified evaluation thoughts</td>
<td>&quot;It would be good for people who work long hours&quot;</td>
</tr>
<tr>
<td>3. Overall Impression of the Product</td>
<td>Very broad impressions about the product</td>
<td>&quot;It seems premium quality&quot;</td>
</tr>
<tr>
<td>E. Attribute-oriented Thoughts</td>
<td>Attribute evaluation thoughts, very specific</td>
<td></td>
</tr>
<tr>
<td>1. Attribute Evaluation</td>
<td>Very specific attribute evaluation thought</td>
<td>&quot;No need to have 60 strips in one box&quot;</td>
</tr>
<tr>
<td>2. Attribute clarification</td>
<td>Request for clarification on/additional attribute Info</td>
<td>&quot;Does it taste like Corn Flakes?&quot;</td>
</tr>
<tr>
<td>3. Request for info on additional attributes</td>
<td>Request for info on attributes not mentioned in the ad</td>
<td>&quot;I wonder about its size&quot;</td>
</tr>
<tr>
<td>F. Subtyping Thoughts</td>
<td>Thoughts that relate the BE to more specific subcategories or specific products of whitening strips, bandages, muffin mixes, or frozen meals</td>
<td>&quot;It sounds like Crest's Teeth Whitening Strips&quot;</td>
</tr>
<tr>
<td>G. Other Thoughts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Attribute Recall</td>
<td>Thoughts that constitute pure recalls from the ad</td>
<td>&quot;It is easy to use, comfortable, and effective&quot;</td>
</tr>
<tr>
<td>2. Product Imagery</td>
<td>Thoughts that indicate that subject very imagining something</td>
<td>&quot;A picture of beautiful teeth came to my mind&quot;</td>
</tr>
<tr>
<td>3. Prior Knowledge/Familiarity</td>
<td>Thoughts that provide information about subjects' prior product knowledge</td>
<td>&quot;I'm not familiar with teeth whitening strips&quot;</td>
</tr>
<tr>
<td>4. Disbelief Thoughts</td>
<td>Thoughts that indicate disbelief with the ads, advertised products, and/or product attributes</td>
<td>&quot;I find it hard to believe that teeth whitening strips are better than Crest Whitestrips&quot;</td>
</tr>
<tr>
<td>5. Ad-related thoughts</td>
<td>General thoughts about the advertising</td>
<td>&quot;The ad was cool&quot;</td>
</tr>
<tr>
<td>6. Task-related thoughts</td>
<td>General thoughts about the task given</td>
<td>&quot;I only read the bold print&quot;</td>
</tr>
<tr>
<td>7. Irrelevant</td>
<td>General thoughts that seem irrelevant to the task given</td>
<td>&quot;I will watch the Super Bowl on Sunday&quot;</td>
</tr>
</tbody>
</table>
Besides simple evaluative responses and attribute-oriented thoughts (the focus of this dissertation), the two judges also coded the total number of positive/negative thoughts, similarity/differentiation thoughts, subtyping thoughts, and other thoughts. For all subjects, we added the simple evaluative responses to provide an overall number of simple evaluative responses per subject. Similarly, we added the attribute-oriented thoughts to provide the overall number of attribute-oriented thoughts per subject.

Moreover, we added the attribute recall thoughts, product imagery thoughts, prior knowledge/familiarity thoughts, ad-related thoughts, task-related thoughts, and irrelevant thoughts to provide the overall number of other thoughts per subject. Finally, similar to Sujan (1985), we added the overall number of simple evaluative thoughts, the overall number of attribute-oriented thoughts, the overall number of other thoughts, and the subtyping thoughts to provide the total number of thoughts.

*Brand Extension Evaluation.* Following the cognitive response task, subjects evaluated the promoted brand extension along three seven-point scales (not at all desirable/very desirable, not at all favorable/very favorable, low quality/high quality). We averaged the responses to form one index of brand extension evaluation ($\alpha = .88$) used previously (Baron, Miniard, and Romeo 2000).

*Purchase Intention.* While no hypothesis was formulated for purchase intention, subjects indicated on three seven-point scales (unlikely/likely, impossible/possible, improbable/probable) their chances of choosing the promoted brand extension the next time that they need to purchase a product in the extension category (Bearden, Lichtenstein, and Teel 1984; Yi 1990). We averaged the three scales to form one index of purchase intention ($\alpha = .96$).
Results

The analysis for treatment effects follows Sujan and Dekleva's (1987) and Meyers-Levy and Peracchio's (1996) procedures. Thus, we used directional t-tests (one-tailed) to examine the cognitive response tasks (Sujan and Dekleva 1987). In addition, we analyzed the data for subjects' brand extension evaluations with a 2 (extension type: similar vs. dissimilar) x 2 (advertising format: comparative vs. noncomparative) between-subjects factorial design (Meyers-Levy and Peracchio 1996), given that we randomly assigned subjects to one of four conditions that were completely counterbalanced between the two stimuli. Therefore, we will present the results for both replicates separately in the following.

Manipulation Checks. We conducted directional t-test comparisons separately for both replicates to examine subjects' responses to the similarity measure (cell means are presented in Table 6.2). Perceived similarity was the dependent variable. As desired, subjects perceived the similar brand extensions as significantly more similar to the parent brands than the dissimilar brand extensions (Colgate, M = 5.6 vs. 2.7, t(101) = 10.67; Kellogg's, M = 4.4 vs. 2.3, t(101) = 6.67), where seven is maximally similar (p < .001 for all comparisons). Therefore, the extensions varied as intended within each replicate. These results indicate that the instantiations of extension type employed in the study were appropriate for hypothesis testing.

Similar to the extension type manipulation, we conducted t-test comparisons separately for both replicates to evaluate the success of the advertising format manipulation (cell means are presented in Table 6.3). The advertising format measure constituted the dependent variable. As desired, subjects in the comparative ad conditions
realized that the ad was compared to another brand in the same product category, while subjects in the noncomparative ad conditions realized that no such comparison takes place (Colgate, M = 6.29 vs. 3.31, t(101) = -7.67; Kellogg’s, M = 6.22 vs. 2.54, t(101) = -13.27), where seven indicates maximally comparative (p < .001 for all comparisons).

Table 6.3: Means (Standard Deviations) for Ad Format

<table>
<thead>
<tr>
<th>Ad Format</th>
<th>Colgate BE</th>
<th>Kellogg’s BE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparative</td>
<td>6.29 (1.65)</td>
<td>6.22 (1.19)</td>
</tr>
<tr>
<td>Noncomparative</td>
<td>3.31 (2.25)</td>
<td>2.54 (1.59)</td>
</tr>
</tbody>
</table>

For positive affect transfer to take place from the parent brand to the extension and from the comparison brand to the extension, it was furthermore necessary that subjects had positive attitudes and affect toward both the parent and the comparison brands. With regard to the parent brands, as desired, subjects had very favorable attitudes toward Colgate (M = 5.3, SD = 1.3) and Kellogg’s (M = 5.7, SD = 1.1) and had developed very positive affect toward Colgate (M = 5.4, SD = 1.2) and Kellogg’s (M = 5.8, SD = 1.0). With regard to the comparison brands, as desired, subjects had very favorable attitudes toward Crest (M = 5.7, SD = 1.2), Band-Aid (M = 5.9, SD = 1.0),
Pillsbury (M = 5.1, SD = 1.7), and Lean Cuisine (M = 4.5, SD = 1.2) and had developed very positive affect toward Crest (M = 5.8, SD = 1.1), Band-Aid (M = 5.9, SD = .9), Pillsbury (M = 5.2, SD = 1.2), and Lean Cuisine (M = 4.5, SD = 1.2), where seven is maximally favorable and affective.

Priester et al.'s (2004) notion of brand congruity and the argument that the comparison brand in a comparative ad format condition constitutes an exemplar of the brand extension product category furthermore suggest that affect transfer from the comparison to the sponsor brand may be more likely if subjects perceive the brands as relatively congruent. As a consequence, we also controlled for subjects’ perceived congruity between the parent brand and its extensions. As desired, subjects perceived all comparison brands as relatively congruent to the parent brands. Specifically, 100% of the subjects believed that Colgate and Crest had a similar market share, 62% of the subjects believed that Colgate and Band-Aid had a similar market share, 60% of the subjects believed that Kellogg’s and Pillsbury had a similar market share, and 85% of the subjects believed that Kellogg’s and Lean Cuisine had a similar market share. Given that Colgate and Kellogg’s have not yet extended into the extension categories examined in this study, respectively, these results indicate that subjects generally noted the relative congruity between the comparison and the sponsor brand.

To ensure the possibility of an affect transfer from the advertised comparison brands (e.g., Crest, Band-Aid, Pillsbury, Lean Cuisine) to the advertised brand extensions (e.g., Colgate’s Bright-Strips, Colgate’s Band-Strips, Kellogg’s Tasty Muffins, Kellogg’s Tasty Plates), we also controlled for potential confounding effects that may result from subjects’ attitude and affect toward the actual comparison brands’ parent brands (e.g.,
Procter&Gamble, Johnson&Johnson, General Mills, Nestle). No subject identified Procter&Gamble as Crest's parent brand, and only 35% identified Johnson & Johnson as Band-Aid’s parent brand, 8% identified General Mills behind Pillsbury, and 4% identified Nestle as Lean Cuisine’s parent brand. As a result, we do not expect any confounding effects resulting from the actual comparison brands’ parent brands.

We also ensured that subjects had positive attitudes toward the ads and perceived the ad claims as believable. As desired, subjects evaluated the similar/noncomparative (Colgate, $M = 5.1$; Kellogg’s, $M = 4.6$), similar/comparative (Colgate, $M = 4.7$; Kellogg’s, $M = 4.3$), dissimilar/noncomparative (Colgate, $M = 3.7$; Kellogg’s, $M = 4.1$), and dissimilar/comparative (Colgate, $M = 4.2$; Kellogg’s, $M = 4.3$) ads favorably. In addition, subjects found the ad claims for the similar/noncomparative (Colgate, $M = 4.7$; Kellogg’s, $M = 4.7$), similar/comparative (Colgate, $M = 4.6$; Kellogg’s, $M = 4.3$), dissimilar/noncomparative (Colgate, $M = 3.6$; Kellogg’s, $M = 3.8$), and dissimilar/comparative (Colgate, $M = 4.2$; Kellogg’s, $M = 4.1$) conditions very believable.

Moreover, we ensured that subjects perceived the extension products as relevant and had some knowledge in the extension product categories. As desired, Teeth Whitening Strips ($M = 4.5$), Bandages ($M = 4.4$), Muffin Mix ($M = 4.0$), and Frozen Meals ($M = 3.7$) constituted relevant products. In addition, subjects had some knowledge about Teeth Whitening Strips ($M = 4.1$), Bandages ($M = 4.3$), Muffin Mix ($M = 3.3$), and Frozen Meals ($M = 4.1$).

Finally, subjects were very familiar with Colgate ($M = 5.9$) and Kellogg’s ($M = 5.9$). Overall, these results indicate that the manipulations, the selections of the
comparison and parent brands, and the development of the stimuli were appropriate for hypothesis testing.

Cognitive Responses. Hypothesis 1 predicts that (a) similar and (b) dissimilar brand extensions will elicit fewer attribute-related (piecemeal) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format. Thus, we predict a simple main effect of advertising format on subjects' expression of piecemeal thoughts. Again, the reasoning behind this hypothesis is that a comparative ad format will elicit more piecemeal thoughts than a noncomparative ad format irrespective of the extension type due to subjects' likelihood to engage in two, rather than only one, match-to-category knowledge processes.

We analyzed the cognitive responses separately for both replicates using a 2 (brand extension type: similar vs. dissimilar) x 2 (ad format: comparative vs. noncomparative) between-subjects ANOVA. To test the simple main effect of advertising format on subjects' expression of piecemeal thoughts (Hypotheses 1a and 1b), we submitted responses to the overall piecemeal thought measure to a 2 (brand extension type) x 2 (ad format) between-subjects ANOVA. The analysis did not reveal a significant main effect for advertising format for both the Colgate (F(1, 99) = 0.00, p > .05) and the Kellogg's (F(1, 99) = 2.62, p > .05) replicates. Unexpectedly, however, the brand extension type x ad format interaction was significant for the Kellogg's replicate (which is depicted in Figure 6.2; F(1, 99) = 5.61, p < .05) and approached significance for the Colgate replicate (which is depicted in Figure 6.2; F(1, 99) = 3.52, p < .063). Similar to Sujan and Dekleva's (1987) procedure, we conducted directional t-tests to further examine this interaction (see Table 6.4 for cell means). Analyses revealed for the
Table 6.4: Treatment Means for Evaluation and Thoughts for Colgate and Kellogg’s

<table>
<thead>
<tr>
<th>Brand Extension Evaluation</th>
<th>Colgate Brand Extensions</th>
<th>Kellogg’s Brand Extensions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Similar</td>
<td>Dissimilar</td>
</tr>
<tr>
<td></td>
<td>Non-comparative Comparative</td>
<td>Non-comparative Comparative</td>
</tr>
<tr>
<td>A. Total Number of Thoughts</td>
<td>4.85</td>
<td>4.56</td>
</tr>
<tr>
<td>1. Total Number of Positive Thoughts</td>
<td>.46</td>
<td>.42</td>
</tr>
<tr>
<td>2. Total Number of Negative Thoughts</td>
<td>.08</td>
<td>.12</td>
</tr>
<tr>
<td>B. Similarity Thoughts</td>
<td>.04</td>
<td>.00</td>
</tr>
<tr>
<td>C. Differentiation Thoughts</td>
<td>.00</td>
<td>.00</td>
</tr>
<tr>
<td>D. Simple Evaluative Responses Total (1-3)</td>
<td>.46</td>
<td>.31</td>
</tr>
<tr>
<td>1. Overall Evaluation of the Product</td>
<td>.15</td>
<td>.08</td>
</tr>
<tr>
<td>2. Qualified evaluation of the Product</td>
<td>.04</td>
<td>.04</td>
</tr>
<tr>
<td>3. Overall Impression of the Product</td>
<td>.27</td>
<td>.19</td>
</tr>
<tr>
<td>E. Attribute-oriented Thoughts Total (1-3)</td>
<td>.65</td>
<td>1.08</td>
</tr>
<tr>
<td>1. Attribute Evaluation</td>
<td>.00</td>
<td>.38</td>
</tr>
<tr>
<td>2. Attribute Clarification</td>
<td>.15</td>
<td>.15</td>
</tr>
<tr>
<td>3. Request for Info on additional attributes</td>
<td>.50</td>
<td>.54</td>
</tr>
<tr>
<td>F. Subtyping Thoughts</td>
<td>.27</td>
<td>.12</td>
</tr>
<tr>
<td>G. Other Thoughts Total (1-7)</td>
<td>3.42</td>
<td>4.04</td>
</tr>
<tr>
<td>1. Attribute Recall</td>
<td>1.27</td>
<td>1.50</td>
</tr>
<tr>
<td>2. Product Imagery</td>
<td>.15</td>
<td>.15</td>
</tr>
<tr>
<td>3. Prior Knowledge/Familiarity</td>
<td>.04</td>
<td>.08</td>
</tr>
<tr>
<td>4. Disbelief Thoughts</td>
<td>.27</td>
<td>.12</td>
</tr>
<tr>
<td>5. Ad-related thoughts</td>
<td>1.46</td>
<td>1.77</td>
</tr>
<tr>
<td>6. Task-related thoughts</td>
<td>.08</td>
<td>.15</td>
</tr>
<tr>
<td>7. Irrelevant</td>
<td>.15</td>
<td>.27</td>
</tr>
<tr>
<td>Total Number of Thoughts (D-G)</td>
<td>4.81</td>
<td>5.54</td>
</tr>
</tbody>
</table>
Kellogg's similar brand extension that the noncomparative ad format led to significantly fewer piecemeal thoughts than the comparative ad format ($M = .46$ vs. $M = 1.28$, $t(49) = -2.57$, $p < .05$). Thus, the data for the Kellogg's replicate supported Hypothesis 1a. The data for the Colgate replicate approached significance and further revealed for the similar brand extension that the noncomparative ad format led to significantly fewer piecemeal thoughts than the comparative ad format ($M = .65$ vs. $M = 1.08$; $t(50) = -1.50$, $p < .07$). Thus, the data for the Colgate replicate further supported Hypothesis 1a. While further analyses for the dissimilar brand extensions revealed for both replicates that the noncomparative ad format led to more, rather than fewer, piecemeal thoughts than the comparative ad format (Colgate: $M = 1.24$ vs. $M = .81$; Kellogg's: $M = .81$ vs. $M = .65$), these differences were not significant ($p > .05$ for all comparisons). Hence, the data for both replicates did not support Hypothesis 1b and the direction was opposite from what we hypothesized.

Similar to Hypothesis 1, Hypothesis 2 predicts that (a) similar and (b) dissimilar brand extensions will elicit fewer simple evaluative (category-based) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format. Again, we predict a simple main effect of advertising format on subjects' expression of category-based thoughts, as a comparative ad format is likely to elicit more category-based thoughts than a noncomparative ad format irrespective of the extension type due to subjects' likelihood to engage in two, rather than only one, match-to-category knowledge processes.

To test the simple main effect of advertising format on subjects' expression of category-based thoughts (Hypotheses 2a and 2b), we submitted responses to the overall
category-based thought measure to a 2 (brand extension type) x 2 (ad format) between-subjects ANOVA separately for both replicates. The analysis did not reveal a significant main effect for advertising format for both the Colgate (F(1, 99) = .45, p > .05) and the Kellogg’s (F(1, 99) = .01, p > .05) brands. Similar to the piecemeal thoughts findings, however, the brand extension type x ad format interaction unexpectedly was significant for the Colgate replicate (which is depicted in Figure 6.2; F(1, 99) = 4.01, p < .05) and approached significance for the Kellogg’s replicate (which is also depicted in Figure 6.2; F(1, 99) = 3.70, p < .057). Again, we conducted directional t-tests to further examine this interaction (see Table 6.4 for cell means). For both replicates, analyses revealed for the similar brand extension that the noncomparative ad format led to more, rather than fewer, category-based thoughts than the comparative ad format (Colgate: M = .46 vs. M = .31; Kellogg’s: M = .58 vs. M = .28). However, the difference was not significant for both replicates and the predicted direction was opposite from what we hypothesized. Hence, the data did not support Hypothesis 2a. Further analyses for Colgate’s dissimilar brand extension revealed that the noncomparative ad format led to significantly fewer category-based thoughts than the comparative ad format (M = .00 vs. M = .31, t(49) = -2.8, p < .05), in line with Hypothesis 2b. While we observed this direction also for the Kellogg’s dissimilar replicate (M = .42 vs. M = .69), the difference was not significant. Hence, Hypothesis 2b was supported for the Colgate but not Kellogg’s replicate.

In sum, we did not find simple main effects for ad format for both dependent variables (piecemeal and category-based thoughts). However, the analyses revealed significant brand extension type x ad format interactions for both replicates. Further
analyses of these interactions provided support for Hypotheses 1a and 2b, while Hypotheses 1b and 2a were not supported (see Table 6.4 and Figure 6.2).

*Brand Extension Evaluations.* Hypothesis 3 suggests that subjects will evaluate similar brand extensions more favorably in a comparative vs. noncomparative advertising format, while the opposite is expected for dissimilar brand extensions. Thus, this hypothesis suggests a two-way interaction between brand extension type and advertising format. To test this hypothesis, we submitted responses to the brand extension evaluation measure to a 2 (extension type) x 2 (advertising format) between-subjects ANOVA separately for both replicates (cell means are presented in Table 6.4). As predicted by Hypothesis 3, the interaction between extension type and ad format was significant for the Colgate (F(1, 99) = 5.66, p < .05) and the Kellogg's (F(1, 99) = 4.92, p < .05) replicates. To better understand the nature of this interaction, we conducted post hoc mean difference tests examining the impact of advertising format for each extension type. Subjects evaluated Colgate's and Kellogg's similar brand extensions less favorably when a comparative vs. noncomparative ad format was used (Colgate: M = 4.56 vs. M = 4.85; Kellogg's: M = 4.35 vs. M = 4.60). However, this difference was not significant for both replicates. In contrast, subjects evaluated Colgate's and Kellogg's dissimilar brand extensions significantly more favorably when a comparative vs. noncomparative ad format was used (Colgate: M = 4.30 vs. M = 3.53, t(49) = -2.32, p < .05; Kellogg's: M = 4.33 vs. M = 3.47, t(5) = -2.16, p < .05; see Figure 6.2).
Figure 6.2: Study 1, Interactions for Cognitive Elaboration and Brand Extension Evaluation

Piecemeal Thoughts (Colgate)  
Category-based Thoughts (Colgate)  
Brand Extension Evaluation (Colgate)

Piecemeal Thoughts (Kellogg’s)  
Category-based Thoughts (Kellogg’s)  
Brand Extension Evaluation (Kellogg’s)
In sum, post hoc mean comparisons examining the impact of ad format for each extension type revealed an extension type x ad format interaction for both replicates. However, the observed interaction was in the opposite direction. In addition, the mean comparisons revealed for both replicates that the interaction effect is more likely due to differences in the dissimilar brand extension conditions. Overall, the data did not support Hypothesis 3.

Discussion

The findings of Study 1 are interesting insofar as they did not turn out in the expected directions in several of the hypotheses. To illustrate, we found only partial support for Hypotheses 1 and 2. Specifically, we found support for Hypotheses 1a and 2b, while Hypotheses 1b and 2a were in the opposite directions than originally hypothesized. Similarly, while we found a significant interaction effect for Hypothesis 3, the observed effects were in the opposite directions. Given these findings, it is likely that an alternative theory to the two-step model of categorization provides a better theoretical foundation to help explain the outcome of this study. To better understand the findings of Study 1, therefore, we conducted several ex post analyses.

Ex Post Tests. First, the cognitive response task revealed significant brand extension type x advertising format interactions for both piecemeal and category-based thoughts. It turned out that subjects in the similar brand extension conditions developed more piecemeal and fewer category-based thoughts when the ad format was comparative vs. noncomparative. We found the opposite for the dissimilar brand extension conditions,
in which subjects developed fewer piecemeal and more category-based thoughts when the ad format was comparative vs. noncomparative (see Figure 6.2).

Interestingly, the cognitive response task provides additional insights. For example, the total number of thoughts can be used as a proxy for cognitive elaboration (Meyers-Levy and Tybout 1989). Thus, subjects in the similar/noncomparative ad conditions elaborated less (Colgate: $M = 4.81$ vs. $M = 5.54$; Kellogg's: $M = 4.65$ vs. $M = 5.04$) than subjects in the similar/comparative ad conditions. In contrast, subjects in the dissimilar/noncomparative and dissimilar/comparative ad conditions elaborated similarly (Colgate: $M = 4.56$ vs. $M = 4.31$; Kellogg's: $M = 4.27$ vs. $M = 4.69$; however, directional t-test mean comparisons were not significant at the five percent level).

Second, the brand extension evaluation task revealed a significant brand extension type x advertising format interaction, such that subjects evaluated similar brand extensions more favorably in a noncomparative vs. comparative ad format, while they evaluated dissimilar brand extensions less favorably in a noncomparative vs. comparative ad format (see Figure 6.2). Interestingly, we obtained similar results for purchase intensions as the dependent variable. To illustrate, we subjected subjects' responses to the purchase intension measure to a 2 (brand extension type) x 2 (ad format) between-subjects ANOVA separately for both replicates. While not significant, the interaction effects between the extension type and ad format for Colgate and Kellogg’s approached significance ($p < .15$). Further analyses revealed for the Kellogg’s brand that subjects showed similar purchase intent for the similar brand extension when promoted in a noncomparative vs. comparative ad format ($M = 4.89$ vs. 5.03). In contrast, for the dissimilar brand extension, subjects showed significantly greater purchase intent when
the dissimilar brand extension was promoted in a comparative vs. noncomparative ad format (M = 4.41 vs. 3.18, t(50) = -2.41, p < .05). Further analyses for the Colgate brand showed a similar pattern. As such, the findings for purchase intensions mirror those found for brand extension attitude.

Alternative Explanation. Given the non-hypothesized results of Study 1 and the ex post findings with regard to cognitive elaboration and purchase intention, the question arises what theoretical foundation may help explain these findings. As noted, the two-step process model of categorization does not seem to help explain these findings appropriately. An alternative research stream within the categorization literature, however, may be helpful (see Chapter 2). Specifically, congruity theory (Mandler 1982) has noted that a stimulus, or new object (e.g., a new brand extension), that conforms to category expectations (i.e., congruity) is not arousing, producing relatively more category-based than piecemeal thoughts. In contrast, a new object that does not conform to category expectations completely (i.e., moderate incongruity) prompts arousal and cognitive elaboration directed toward making sense of the incongruity (Peracchio and Tybout 1996). Thus, such moderately incongruent situations produce relatively more piecemeal than category-based thoughts. In addition, Mandler (1982, p. 23) suggested that moderately incongruity can be resolved through assimilation to or generalization of prior knowledge (e.g., “That’s another kind of good cake”). Finally, Mandler (1982) argued that a new object that does not conform to category expectations whatsoever and that can only be accommodated through deep structural changes in the schema, or the existing cognitive structure (i.e., extreme incongruity), does not trigger as much arousal as moderate incongruity. Thus, extreme incongruity will result in relatively less cognitive
elaboration with relatively more category-based than piecemeal thoughts, as subjects recognize that they will be unable to resolve extreme incongruity (for a more detailed discussion, see Stayman, Alden, and Smith 1992).

To examine how congruity theory may help explain the findings in Study 1, it is helpful to look at each extension type separately. First, similar brand extensions can be said to conform to category expectations, that is, they are relatively congruent. Support for this notion can be found in the brand extension literature (e.g., see Merz, Alden, Hoyer, and Desai 2008 for a review). Consequently, similar brand extensions prompt only little arousal due to the extension being relatively uninteresting, resulting in relatively many category-based thoughts but relatively few piecemeal-based thoughts when a noncomparative vs. comparative ad format is used. In contrast, however, a comparative ad format noting superiority of the brand extension with regard to a comparison brand toward which subjects have a positive attitude and positive affect is unlikely to conform to existing category expectations any more. Thus, the superiority claim of the comparative ad format seems to trigger moderate incongruity, making this condition more interesting to subjects. To make sense of this moderate incongruity, subjects are likely to engage in relatively more piecemeal processing when a comparative vs. noncomparative ad format is used, resulting in relatively more piecemeal thoughts. Prior research supports this reasoning, noting that a comparative ad format is generally more effective than a noncomparative ad format in generating attention and message processing (see e.g. the meta-analysis by Grewal, Kavanoo, Fern, Costley, and Barnes 1997). As a result, subjects in the similar brand extension conditions are likely to engage
in relatively more piecemeal processing and relatively less category-based processing when a comparative vs. noncomparative ad format is used (see Figure 6.3).

**Figure 6.3: Alternative Explanation—Congruity Theory**

<table>
<thead>
<tr>
<th>a. Similar Brand Extensions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Noncomp. Ad</td>
<td>→</td>
</tr>
<tr>
<td>Comparative Ad</td>
<td>→</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>b. Dissimilar Brand Extensions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Noncomp. Ad</td>
<td>→</td>
</tr>
<tr>
<td>Comparative Ad</td>
<td>→</td>
</tr>
</tbody>
</table>

Second, *dissimilar* brand extensions do not conform to category expectations, that is, they are relatively incongruent. The brand extension literature provides ample support for the notion that subjects are unable to relate dissimilar brand extensions to their parent brands (see e.g., Merz, Alden, Hoyer, and Desai 2008 for a review). The dissimilar brand extension is interesting to subjects who—to solve the incongruity—engage in relatively more piecemeal processing when the dissimilar brand extension is promoted in a noncomparative vs. comparative ad format. In contrast, a comparative ad format seems to help subjects categorize a dissimilar brand extension, making it easier for subjects to assimilate the dissimilar brand extension to existing product category knowledge. Thus subjects are likely to cue the well-known and well-liked category exemplar (e.g., the comparison brand), which results in relatively more category-based processing when a
comparative vs. noncomparative ad format is used. Mandler's (1982) congruity theory suggests that incongruity derived from the brand extension can be resolved through assimilation to prior knowledge. The comparison brand seems to help subjects “bridge” the existing incongruity, resulting in relatively more category-based processing. As a result, subjects in the dissimilar brand extension conditions are likely to engage in relatively more category-based and less piecemeal processing when the extension is promoted in a comparative vs. noncomparative ad format.

Congruity theory can also be applied to explain the Study 1 findings with regard to brand extension evaluation. To illustrate, similar brand extensions conform to category expectations and thus are perceived as relatively congruent. This makes affect transfer from the well-liked parent brand to the extension possible. As noncomparative ad claims do not conflict with existing product category knowledge, similar brand extensions that are promoted in a noncomparative ad format should be evaluated favorably due to affect transfer from the parent brand to its extension. The previously discussed findings to the cognitive response task support this reasoning. Again, subjects in the similar brand extension conditions with a noncomparative vs. comparative ad format developed relatively many category-based thoughts but relatively few piecemeal thoughts—an indication that affect transfer from the parent to its extension may have caused the favorable evaluation. In contrast, comparative ad claims that highlight the brand extension’s superiority with regard to a well-liked, established comparison brand may not be perceived as congruent any more but rather as moderately incongruent. In this case, affect transfer from the parent brand to the extension may not easily take place any more, resulting in relatively more piecemeal and relatively less category-based processing when
a comparative vs. noncomparative ad format is used. This increase in elaboration, however, is likely to resolve the moderate incongruity. Mandler (1982), Peracchio and Tybout (1996), and Stayman, Alden, and Smith (1992) pointed out that resolving incongruity may directly produce satisfaction, which is likely to result in positive affect. Therefore, it is possible that the positive affect resulting from resolving the incongruity makes up for the possible lack of affect transfer from the comparison brand to the extension and the possible reduced affect transfer from the parent brand to the extension. Consequently, it is likely that similar brand extensions are evaluated similarly across the noncomparative and comparative ad formats.

Dissimilar brand extensions do not conform to existing product category expectations and thus are perceived as relatively incongruent. Therefore, affect transfer from the parent brand to the extension is less likely. Because the noncomparative ad format does not provide subjects with any direct help to resolve the perceived incongruity between the brand extension and existing product category knowledge, it is possible that subjects will not be able to resolve the perceived incongruity in the noncomparative ad conditions despite their relatively high levels of piecemeal processing, resulting in relatively unfavorable evaluations (Mandler 1982; Peracchio and Tybout 1996). In contrast, as the comparative ad format does provide subjects with a well-known category exemplar (i.e., the comparison brand), it seems likely that subjects will be able to resolve the perceived incongruity in the comparative ad conditions without engaging in extensive piecemeal processing, resulting in relatively favorable evaluations (Mandler 1982; Peracchio and Tybout 1996). Given their relatively high levels of category-based processing in the comparative ad conditions, subjects in this case are likely to transfer
their favorable comparison brand attitudes and affect to the dissimilar brand extension. In other words, it seems possible that subjects use their comparison brand affect as a proxy for their evaluations of dissimilar brand extensions. As a result, it is likely that dissimilar brand extensions are evaluated more favorably when a comparative vs. noncomparative ad format is used.

The positive and negative thoughts of the Study 1 cognitive response task provide further support for congruity theory behind the findings of Study 1 (see Table 6.4). As mentioned previously, it is possible that subjects evaluate dissimilar brand extensions significantly less favorably in a noncomparative than comparative ad format due to their inability to resolve the existing incongruity in a noncomparative ad format. Congruity theory suggests that the inability to solve incongruity will result in feelings of helplessness and frustration and thus in a greater proportion of negative thoughts and smaller proportion of positive thoughts. Interestingly, subjects in the dissimilar/noncomparative conditions in Study 1 developed more negative thoughts (Colgate: $M = .28$ vs. $M = .08$; Kellogg's: $M = .77$ vs. $M = .38$) than positive thoughts. In all other conditions, however, did subjects develop more positive than negative thoughts due to their ability to resolve the incongruity (similar/comparative ad format and dissimilar/comparative ad format conditions) or their perception of congruity (similar/noncomparative ad format condition).

In sum, congruity theory seems to help explain the highly unexpected and surprising findings of Study 1. While the similar brand extension condition did not yield a significant ad format difference for brand extension evaluation, the dissimilar brand extension condition did yield a significant difference. In particular, it seems likely for the
dissimilar brand extension condition that affect transfer takes place from the comparison brand to the brand extension, resulting in more favorable evaluations. No such affect transfer occurs in the noncomparative ad format condition, hence resulting in significantly less favorable evaluations.

Adjusted Focus. Given the findings of Study 1 and of the ex post analyses as well as the possibility of an affect transfer from the comparison brand to the brand extension in the dissimilar brand extension conditions, we will only focus on dissimilar brand extensions in the remainder of this dissertation. Specifically, the remainder of this dissertation aims at (1) explaining, understanding, and extending the unexpected findings of Study 1 for dissimilar brand extensions and (2) testing for potential self-construal differences, as a proxy for cross-cultural differences.

With regard to the first objective, we aim at including unknown parent/sponsor brands into the study design to ensure that it is the affect transfer from the comparison brand to the dissimilar brand extension that is responsible for the Study 1 ad copy differences for dissimilar brand extensions. Furthermore, we aim at including unknown comparison brands into the study design to be directly able to compare the effects of a well-known vs. unknown comparison brand on brand extension evaluation. As a result, the remainder of this dissertation extends Study 1 in that it allows for mean comparisons across the following conditions: (1) Comparative vs. noncomparative ad format comparisons for well-known parent/sponsor brands and well-known comparison brands; (2) Comparative vs. noncomparative ad format comparisons for unknown parent/sponsor brands and well-known comparison brands; (3) Comparative vs. noncomparative ad format comparisons for well-known parent/sponsor brands and unknown comparison brands.
brands; (4) Comparative vs. noncomparative ad format comparisons for unknown parent/sponsor brands and unknown comparison brands; (5) For the comparative ad format conditions, well-known vs. unknown comparison brand comparisons for well-known parent/sponsor brands; and (6) For the comparative ad format conditions, well-known vs. unknown comparison brand comparisons for unknown parent/sponsor brands. Conditions (1) – (4) will be tested in Study 2 and conditions (5) – (6) will be tested in Study 3.

With regard to the second objective, we aim at testing for self-construal differences across these conditions. Interdependent selves differ from independent selves in terms of their cognitive flexibility and their dealing with incongruity (e.g., Aaker and Lee 2001; Alden, Stayman, and Hoyer 1994). Consequently, we expect differences in terms of how interdependent vs. independent selves elaborate upon and evaluate brand extensions across the different conditions.

Additional Hypotheses. In this section, we will develop hypotheses to be tested in the remainder of this dissertation. Given the likelihood that congruity theory, rather than the two-step model of categorization, underlies the Study 1 findings, we will draw upon congruity theory in the following.

First, for well-known comparison brands and well-known parent/sponsor brands, we expect that subjects will evaluate dissimilar brand extensions more favorably when promoted in a comparative vs. noncomparative ad format (Study 1 replicate). This reasoning is based on the Study 1 findings that suggest that affect transfer takes place in the comparative ad format conditions from the comparison brand to the dissimilar brand extension. Because no such affect transfer takes place in the noncomparative ad format
conditions, subjects are likely to evaluate dissimilar brand extensions more favorably when promoted in a comparative vs. noncomparative ad format.

As mentioned, dissimilar brand extensions do not conform to category expectations. Hence, they are relatively incongruent. The comparison brand in the comparative ad format conditions constitutes an exemplar of the brand extension product category. Given such an exemplar, subjects in the comparative ad format conditions are likely to cue the well-known and well-liked category exemplar to assimilate the dissimilar brand extension to the existing product category knowledge. This assimilation process helps subjects in the comparative ad format conditions resolve the incongruity with less cognitive effort than if no comparison brand is provided. Consequently, we expect that subjects will engage in more cognitive elaboration when the dissimilar brand extension of a well-known parent/sponsor brand is promoted in a noncomparative vs. comparative ad format.

With regard to self-construal, subjects with an interdependent self-view are cognitively more flexible and more holistic in their brand extension evaluation. Given that subjects are provided with a cue or a “basis” for categorizing the new brand extension information in the comparative ad format conditions (e.g., well-known comparison brand as a brand extension product category exemplar), it is possible, however, that the greater cognitive flexibility of interdependent vs. independent selves does not lead to more favorable evaluations or significantly less extensive elaboration when exposed to a comparative ad format. Thus, we hypothesize that subjects with an interdependent vs. independent self-view will elaborate and evaluate dissimilar brand extensions similarly when exposed to a comparative ad format.
Greater cognitive flexibility and a more holistic approach to information processing, however, may be advantageous when exposed to a noncomparative ad format, as subjects are not provided with any "categorization help" and thus are left alone to relate the dissimilar brand extension to the well-known parent brand thereby resolving the incongruity. Given that subjects with an independent self-view are cognitively less flexible and more analytic in their information processing, it is unlikely that such subjects are able to link the dissimilar brand extension to the parent brand, resulting in more cognitive elaboration and less favorable evaluations. As a result, we propose the following hypotheses (H5 – H8):

**H5:** For well-known parent/sponsor brands and well-known comparison brands, subjects will elaborate more when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format.

**H6:** For well-known parent/sponsor brands and well-known comparison brands, subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format.

**H7:** For well-known parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will engage in less (similar) cognitive elaboration when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format.

**H8:** For well-known parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more (similarly) favorably when promoted in a noncomparative (comparative) ad format.

Second, for well-known comparison brands but unknown parent/sponsor brands, we expect similar relationships. Specifically, if affect transfer is responsible for the Study 1 results, then affect transfer from a well-known and well-liked comparison brand to an advertised brand extension should take place, whether or not the parent/sponsor brand is well-known. Therefore, similar to the arguments above, we predict that subjects will
evaluate brand extensions of an unknown parent/sponsor brand more favorably when promoted in a comparative vs. noncomparative ad format.

With regard to cognitive elaboration, subjects do not have any product category expectations for unknown parent/sponsor brands (e.g., fictitious). Therefore, no assimilation process of the brand extension product category to the parent brand is likely to take place in the noncomparative ad format, resulting in relatively less cognitive elaboration. In contrast, the comparative ad format with its exemplar (e.g., the well-known comparison brand) provides a basis for categorizing the new brand extension information, resulting in greater processing motivation and relatively more cognitive elaboration. Consequently, we predict that subjects will elaborate significantly more when exposed to a comparative vs. noncomparative ad format.

Similar to our argument above, we do not expect significant self-construal differences for the comparative ad format conditions, as subjects are provided with a basis for categorization (i.e., well-known comparison brand). Consequently, subjects with an interdependent and independent self-view are likely to take this cue or reference similarly into consideration when making their brand extension evaluation decisions. Again, greater cognitive flexibility and a more holistic approach to new information processing are not likely to be advantageous in the comparative ad format conditions.

For the noncomparative ad format conditions, we similarly do not expect significant self-construal and brand extension evaluation differences. This reasoning is based on the thinking that subjects with both an interdependent and independent self-view have not formed category expectations of the advertised brand extensions yet. Thus, no extreme incongruity needs to be resolved for which greater cognitive flexibility would
be advantageous, resulting in similar cognitive elaboration and brand extension
evaluation measures for interdependent and independent selves. As a result, we put
forward the following hypotheses (H9 – H12):

H9: For unknown parent/sponsor brands and well-known comparison brands, subjects will elaborate less when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format.

H10: For unknown parent/sponsor brands and well-known comparison brands, subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format.

H11: For unknown parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.

H12: For unknown parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.

Third, for unknown comparison brands but well-known parent/sponsor brands, we expect that subjects will evaluate dissimilar brand extensions similarly when promoted in a comparative vs. noncomparative ad format. The reasoning behind this hypothesis is that no affect transfer is likely to occur from the comparison brand to the dissimilar brand extension when an unknown comparison brand is shown, resulting in similar brand extension evaluations when the brand extension is promoted in a comparative vs. noncomparative ad format.

Furthermore, when the comparison brand is unknown, then subjects cannot use the comparison brand in the comparative vs. noncomparative ad format conditions as an exemplar of the brand extension product category and as such as a proxy of their brand extension evaluations. Thus, subjects will have to similarly engage in cognitive elaboration across ad format conditions to resolve the perceived incongruity.
Concerning self-construal differences, an unknown comparison brand does not constitute a proper cue and thus is not likely to help subjects categorize the provided brand extension information. Thus, subjects have to assimilate the new dissimilar brand extension to the parent brand expectations without any product category exemplar information. In this case, it is likely that the greater cognitive flexibility and more holistic approach to information processing will help interdependent vs. independent selves resolve the incongruity with less cognitive effort and result in more favorable brand extension evaluations, irrespective of the ad format. As a result, we propose the following hypotheses (H13 – H16):

H13: For well-known parent/sponsor brands and unknown comparison brands, subjects will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.

H14: For well-known parent/sponsor brands and unknown comparison brands, subjects will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.

H15: For well-known parent/sponsor brands and unknown comparison brands, subjects with an interdependent vs. independent self-view will elaborate less when exposed to a dissimilar brand extension, irrespective of the advertising format.

H16: For well-known parent/sponsor brands and unknown comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more favorably, irrespective of the advertising format.

Finally, we expect for unknown comparison brands and unknown parent/sponsor brands that subjects will evaluate brand extensions similarly when promoted in a comparative vs. noncomparative ad format. If affect transfer from the well-known comparison brand to the brand extension is responsible for the differences between comparative vs. noncomparative dissimilar brand extension ads in Study 1, then we
expect no differences in brand extension evaluation across advertising format when the
comparison brand is unknown.

The fact that the parent/sponsor brand is unknown is likely to result in relatively
little processing motivation, and hence cognitive elaboration. Again, the reasoning behind
this thinking is that subjects have not developed any product category expectations for
unknown parent/sponsor brands yet. Thus, subjects are unlikely to attempt to relate the
advertised brand extension to the parent brand in the noncomparative ad format
conditions. In the comparative ad format conditions, an unknown comparison brand does
not constitute a proper brand extension product category exemplar and thus is unlikely to
result into greater processing motivation and more cognitive elaboration. Consequently,
we predict that subjects will elaborate similarly when exposed to a comparative vs.
noncomparative ad format when the comparison and parent/sponsor brands are unknown.

Last but not least, we expect that subjects with an interdependent vs. independent
self-view will elaborate and evaluate brand extensions similarly when exposed to a
noncomparative ad format. Again, subjects with both self-views have not formed
category expectations of the advertised brand extensions yet. Thus, no extreme
incongruity exists that need to be resolved and where greater cognitive flexibility would
be advantageous. Processing motivation, and consequently cognitive elaboration, can
therefore be expected to be relatively low for both interdependent and independent
selves, resulting in similar brand extension evaluations.

However, we expect significant self-construal differences for the comparative ad
format conditions when the comparison and parent/sponsor brands are unknown. The
additional unknown comparison brand does not constitute a proper cue that would help
subjects categorize the provided brand extension information. Therefore, subjects do not have any basis to assimilate the brand extension information to the unknown parent/sponsor brand, resulting in relatively little processing motivation and hence cognitive elaboration and brand extension evaluation for independent selves. In contrast, subjects with an interdependent self-view are more flexible and holistic in their information processing. For them, the existing lack of information does not hinder a proper processing of the provided information, resulting in more cognitive elaboration and brand extension evaluation. As a result, we put forward the following hypotheses:

H17 – H20):

H17: For unknown parent/sponsor brands and unknown comparison brands, subjects will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.

H18: For unknown parent/sponsor brands and unknown comparison brands, subjects will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.

H19: For unknown parent/sponsor brands and unknown comparison brands, subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format.

H20: For unknown parent/sponsor brands and unknown comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a noncomparative (comparative) advertising format.
CHAPTER 7

STUDY 2

The objective of this experiment was twofold. First, we aimed to replicate the Study 1 findings for the dissimilar brand extension conditions for well-known parent/sponsor and well-known comparison brands (Study 2A). Second, we aimed to extend the Study 1 findings in four ways. First, we examined the dissimilar brand extension conditions for unknown parent/sponsor brands and well-known comparison brands (Study 2B). Second, we examined the dissimilar brand extension conditions for well-known parent/sponsor brands but unknown comparison brands (Study 2C). Third, we examined the dissimilar brand extension conditions for unknown parent/sponsor brands and unknown comparison brands (Study 2D). Finally, this study aimed to find an answer to the third research question of this dissertation: whether self-construal differences, as a proxy of cross-cultural differences, in brand extension evaluation are likely across these conditions. Specifically, this experiment aimed at testing H5-H20.

Pretest

Method. To test subjects’ responses to the comparative vs. noncomparative ad format condition measures for well-known vs. unknown parent/sponsor brands and well-known vs. unknown comparison brands, we had to identify parent brands for the dissimilar brand extensions (Band-Strips, Tasty Plates) towards which subjects had neutral attitudes and affect. In addition, we had to identify unknown comparison brands
for the respective dissimilar brand extension product categories (Bandages, Frozen Meals) towards which subjects had neutral attitudes and affect. Therefore, we conducted another pretest to identify unknown parent brands in lieu of Colgate and Kellogg’s and unknown comparison brands in lieu of Band-Aid and Lean Cuisine.

In exchange for extra credit, 29 subjects evaluated one potentially unknown comparison brand in lieu of Band-Aid (Nexcare), four potentially unknown comparison brands in lieu of Lean Cuisine (Green Giant, Stouffer’s, Birds Eye, Hungry-Man), one potentially unknown parent brand in lieu of Colgate (Caran), and one potentially unknown parent brand in lieu of Kellogg’s (Karte). Thus, each subject evaluated a total of seven brands (five potential comparison brands and two potential parent brands). The order of the potential parent and comparison brands was counterbalanced. The comparison brands selected for the pretest constituted actual products in the brand extension product category; however, the parent brands selected for the pretest constituted fictitious brands and thus did not exist yet.

Subjects evaluated each brand along eight seven-point scales adapted from Study 1. We averaged the first four scales to form one index of parent brand attitude. We averaged the next two scales to form one index of affect. Lastly, we averaged the final two scales to form one index of familiarity (for all indexes, \( \alpha > .90 \)). We adapted all measures with their respective items from Study 1. In addition to these eight scales, we asked subjects about their U.S. citizenship (yes/no) to control for potential biases due to familiarity or language. The survey took between five to ten minutes to complete.

**Results and Discussion.** Table 7.1 depicts the results of the pretest. For Study 2, we aimed to identify potential parent brands that do not provide a basis for affect transfer
from the parent brand to the advertised brand extension, so as to ensure that the
difference in consumers’ brand extension evaluation between dissimilar brand extensions
that are promoted in a comparative vs. noncomparative ad format (as observed in Study
1) are due to the affect transfer from the comparison brand. In other words, if affect
transfer from the comparison brand to the advertised dissimilar brand extension was
responsible for the findings in Study 1 (i.e., subjects evaluated dissimilar brand
extensions more favorably in a comparative vs. noncomparative ad format), then such
affect transfer should take place from the well-known comparison brand to both (well-
known and unknown) parent brands. Consequently, we aimed to identify unfamiliar
parent brands with neutral attitudes and affect (i.e., evaluations around the scale midpoint
of four). As a result, for the dissimilar brand extensions (Band-Strips and Tasty Plates,
respectively), we selected Caran as Colgate’s substitute and Karte as Kellogg’s substitute
as the unknown parent brands. Specifically, subjects reported low familiarity with Caran
(M = 1.28) and Karte (M = 1.10), where 1 is maximally unfamiliar. This is not surprising,
given that both brands constitute fictitious brands. Moreover, subjects were relatively
neutral in their attitudes (Caran: M = 3.39; Karte: M = 3.40) and affect (Caran: M = 3.71;
Karte: M = .90) toward both brands (see Table 7.1), where 7 is maximally favorable and
affective. As a result, Caran and Karte constituted appropriately unknown parent brands
with relatively neutral attitudes and affect. Hence, we selected Caran and Karte as the
unknown equivalents to Colgate and Kellogg’s, respectively, for the Study 2 dissimilar
brand extensions.

For Study 2, we further aimed to identify potential comparison brands that do not
provide a basis for affect transfer from the comparison brand to the advertised dissimilar
brand extension. If affect transfer from the comparison brand to the advertised dissimilar brand extension was responsible for the Study 1 findings (i.e., subjects evaluated dissimilar brand extensions more favorably in a comparative vs. noncomparative ad format), then such affect transfer should not take place from an unknown comparison brand to either a well-known or unknown parent brand. To test this reasoning in Study 2, we therefore aimed to identify unfamiliar comparison brands for which there are only neutral attitudes and affect (i.e., evaluations around the scale midpoint of four). Given the results of the pretest, we selected Nexcare in lieu of Band-Aid as the unknown comparison brand for the Band-Strips dissimilar brand extension, and Birds Eye in lieu of Lean Cuisine as the unknown comparison brand for the Tasty Plates dissimilar brand extension. Specifically, subjects were relatively unfamiliar with both brands (Nexcare: \( M = 2.43 \); Birds Eye: \( M = 1.57 \)) and had relatively neutral attitudes (Nexcare: \( M = 3.75 \); Birds Eye: \( M = 3.44 \)) and affect (Nexcare: \( M = 4.36 \); Birds Eye: \( M = 3.59 \)) towards both brands (see Table 7.1). As a result, Nexcare and Birds Eye constituted appropriate unknown comparison brands with relatively neutral attitudes and affect. Hence, we selected Nexcare and Birds Eye as the unknown equivalents to Band-Aid and Lean Cuisine, respectively, for the Study 2 dissimilar brand extensions.

In summary, based on the results of this pretest, we selected Caran and Karte as the unknown parent brands for the dissimilar brand extensions under examination (Band-Strips, Tasty Plates) and thereby as the unknown equivalents to Colgate and Kellogg's, respectively. Furthermore, we selected Nexcare and Birds Eye as the unknown comparison brands for the dissimilar brand extensions (Band-Strips, Tasty Plates) and thereby as the unknown equivalents to Band-Aid and Lean Cuisine, respectively.
Table 7.1: Study 2 and Study 3, Pretest Means (Standard Deviations)

<table>
<thead>
<tr>
<th>Parent/Comparison Brand</th>
<th>Attitude</th>
<th>Affect</th>
<th>Familiarity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caran</td>
<td>3.39 (1.12)</td>
<td>3.71 (0.83)</td>
<td>1.28 (0.84)</td>
</tr>
<tr>
<td>Karte</td>
<td>3.40 (1.03)</td>
<td>3.74 (0.90)</td>
<td>1.10 (0.41)</td>
</tr>
<tr>
<td>Nexcare</td>
<td>3.75 (1.33)</td>
<td>4.36 (0.95)</td>
<td>2.43 (2.11)</td>
</tr>
<tr>
<td>Green Giant</td>
<td>4.75 (1.06)</td>
<td>4.79 (1.10)</td>
<td>4.85 (2.03)</td>
</tr>
<tr>
<td>Stouffer</td>
<td>4.47 (1.37)</td>
<td>4.45 (1.31)</td>
<td>4.00 (2.16)</td>
</tr>
<tr>
<td>Birds Eye</td>
<td>3.44 (1.27)</td>
<td>3.59 (1.02)</td>
<td>1.57 (1.34)</td>
</tr>
<tr>
<td>Hungry Man</td>
<td>4.62 (1.16)</td>
<td>4.62 (1.14)</td>
<td>4.43 (2.29)</td>
</tr>
</tbody>
</table>

Method

Subjects and Design. University undergraduate marketing students participated in this study in exchange for extra credit (N = 171). Subjects were assigned randomly to a treatment condition. We distributed a booklet that contained ads for the two focal parent brands with their respective brand extensions, and the independent and dependent measures. Each booklet contained one of six versions of the Colgate and Kellogg’s ads, which varied in advertising format (comparative vs. noncomparative), parent/sponsor brand type (well-known vs. unknown), and comparison brand type (well-known vs. unknown). Each subject received one Colgate and one Kellogg’s ad in either a noncomparative ad format or a comparative ad format; however, the treatment conditions for both ads were different and the order in which the ads appeared was varied. Given the incomplete experimental design (comparison brand was nested within the comparative ad format condition [for similar experimental design see Peracchio and Tybout 1996]; hence, six cells in total as the noncomparative ad format conditions do not have well-
known vs. unknown comparison brands), we only conducted directional t-test comparisons.4

Stimuli. The stimuli were simulated print ads. In addition to the ads used in the
dissimilar brand extension conditions in Study 1 (i.e., Colgate’s Band-Strips; Colgate’s
Band-Strips compared to Band-Aid; Kellogg’s Tasty Plates; Kellogg’s Tasty Plates
compared to Lean Cuisine), we generated print ads for the unknown parent brands in lieu
of the Colgate (i.e., Caran’s Band-Strips) and the Kellogg’s (i.e., Karte’s Tasty Plates)
brands and the unknown comparison brands in lieu of the Band-Aid (i.e., Nexcare) and
the Lean Cuisine (i.e., Birds Eye) brands. Thus, by combining advertising format
(comparative vs. noncomparative) with parent/sponsor brand type (well-known vs.
unknown) and with comparison brand type (well-known vs. unknown), we generated six
ads for each replicate, resulting in a total of 12 ads (note that the experimental design is
incomplete, hence the six rather than eight ads per replicate).
The six replicate ads were as follows. One ad described a dissimilar brand extension of a
well-known parent brand in a noncomparative ad format (Colgate’s Band-Strips,
Kellogg’s Tasty Plates). A second ad described a brand extension of an unknown parent
brand in a noncomparative ad format (Caran’s Band-Strips, Karte’s Tasty Plates). A third
ad described a dissimilar brand extension of a well-known parent in a comparative ad
format with a well-known comparison brand (Colgate’s Band-Strips compared to Band-
Aid, Kellogg’s Tasty Plates compared to Lean Cuisine). A fourth ad described a
dissimilar brand extension of a well-known parent in a comparative ad format with an

4 In line prior research (e.g., Sujan and Dekleva 1987), we primarily used simple t-test comparisons instead
of one of the several multiple comparison procedures (e.g., Dunn, Turkey, Scheffe, Newman-Keuls). While
the usual t procedure has the highest power, it should be noted that it also is most prone to Type I error
(Toothaker 1993, p. vii).
unknown comparison brand (Colgate’s Band Strips compared to Nexcare, Kellogg’s Tasty Plates compared to Birds Eye). A fifth ad described the brand extension of an unknown parent brand in a comparative ad format with a well-known comparison brand (Caran’s Band-Strips compared to Band-Aid, Karte’s Tasty Plates compared to Lean Cuisine). A sixth ad described the brand extension of an unknown parent brand in a comparative ad format with an unknown comparison brand (Caran’s Band-Strips compared to Nexcare, Karte’s Tasty Plates compared to Lean Cuisine). The ads across all conditions were identical except for the advertising format (comparative vs. noncomparative), parent brand type (well-known vs. unknown: Colgate vs. Caran and Kellogg’s vs. Karte), and comparison brand type (well-known vs. unknown: Band-Aid vs. Nexcare and Lean Cuisine vs. Birds Eye) manipulations. Figure 7.1A and Figure 7.1B illustrate the six newly developed ads for the unknown parent/sponsor brands and the unknown comparison brands.

Procedure. The procedure was identical to the procedure in Study 1. Thus, each subject received three booklets that they completed at their own pace. Subjects spent between 15-25 minutes to complete the questionnaire.

Independent and Dependent Variables

Study 2 used the same measures as Study 1, with some minor changes. First, in Study 1, we collected cognitive responses after message exposure and prior to attitude judgment. Prior research has noted that reporting these cognitive responses may alter subjects’ attitude judgments (e.g., Shiv, Britton, and Payne 2004). In addition, it is
Figure 7.1A: Study 2, Brand Extension Ads with Unknown Parent/Sponsor Brands and Unknown Comparison Brands (Colgate and Caran)

a. Caran Noncomparative Ad

b. Caran Comparative Ad (well-known CB)

c. Colgate Comparative Ad (unknown CB)
d. Caran Comparative Ad (unknown CB)
Figure 7.1B: Study 2, Brand Extension Ads with Unknown Parent/Sponsor Brands and Unknown Comparison Brands (Kellogg’s and Karte)

a. Karte Noncomparative Ad

b. Karte Comparative Ad (well-known CB)

c. Kellogg’s Comparative Ad (unknown CB)

d. Karte Comparative Ad (unknown CB)
possible that linking cognitive responses and attempting to recall may motivate subjects to engage in cognitive elaboration regarding the task at hand irrespective of the ad format (Meyers-Levy and Tybout 1989). To avoid these potential confounds resulting from the response task, we tried to replicate the Study 1 findings for dissimilar brand extension evaluations in Study 2 without the cognitive response task.

Second, instead of the cognitive response task in Study 1, we included a cognitive elaboration measure in Study 2, so as to examine subjects’ level of elaboration across the different treatment conditions. We adapted the cognitive elaboration measure from Shiv, Britton, and Payne (2004). Given the above-mentioned concerns, subjects indicated their level of cognitive elaboration after their dissimilar brand extension evaluations. Specifically, subjects indicated on three seven-point scales (very little/very much, very little time/very much time, very little attention/very much attention) the degree, length of time, and amount of attention they dedicated to the issues arising from the advertising (Shive, Britton, and Payne 2004). We averaged the items to form one index of cognitive elaboration ($\alpha = .88$).

Third, prior research has found that subjects’ motivation to process the appeal may affect cognitive elaboration (Lee and Aaker 2004). Consequently, we included a measure that assessed how involved subjects were while processing the advertising information. Subjects indicated on four seven-point scales (not at all involved/very involved, not at all interested/very interested, skimmed it quickly/read it carefully, paid little attention/paid a lot of attention) how involved they were while processing the advertising information (Lee and Aaker 2004). We averaged the items to form one index of processing motivation ($\alpha = .91$).
Finally, we added Kim and Leung’s (1997) revised self-construal scale as a proxy for possible cross-cultural differences. Fifteen items measured subjects’ level of independence, while 14 items measured subjects’ level of interdependence (see Table 7.2). In line with prior research, we averaged the 29 items (after reverse coding of the interdependent self-view items) to form one self-construal index ($\alpha = .83$). We performed a median split to distinguish between subjects with a predominantly independent vs. interdependent self-view.

While Singelis’ (1994) self-construal scale is widely used in marketing (e.g., Aaker 2000; Aaker and Lee 2001), researchers have continuously shown that Singelis’ (1994) self-construal scale lacks validity (e.g., Grace and Cramer 2003; Levine et al. 2003; Vohs and Heatherton 2002). In fact, Bresnahan et al. (2005) conducted a multi-method, multi-trait validation study of self-construal measures with data collected in Korea, Japan, and the U.S. The authors found that the Singelis’ (1994) self-construal scale lacked convergent and discriminant validity. As a consequence, we applied Kim and Leung’s (1997) revised self-construal scale, which is widely used in communications and has reliability results in excess of 0.8 (e.g., Kim et al. 2000; Ellis and Wittenbaum 2000). In addition, the analysis of the histograms suggested that the scale has good face validity.
Table 7.2: Study 2 and Study 3, Self-Construal Measure

Directions: Using the scale below, please indicate to what degree you disagree/agree with each statement provided. It may be helpful to think of "group" as your peer group.

Items marked by * constitute independent-self items

*1. I should be judged on my own merit.
*2. I voice my opinions in group discussions.
3. I feel uncomfortable disagreeing with my group.
4. I keep my negative emotions to me so I won't cause unhappiness among the members of my group.
*5. My personal identity, independent of others, is very important to me.
*6. I prefer to be independent rather than dependent on others.
*7. I act as a unique person, separate from others.
*8. I don't like depending on others.
9. My relationships with those in my group are more important than my personal accomplishments.
10. My happiness depends on the happiness of those in my group.
11. I often consider how I can be helpful to specific others in my group.
*12. I take responsibility for my own actions.
*13. It is important for me to act as an independent person.
*14. I have an opinion about most things. I know what I like and I know what I don't like.
*15. I enjoy being unique and different from others.
*16. I don't change my opinions in conformity with those of the majority.
*17. Speaking up in a work/task group is not a problem for me.
*18. Having a lively imagination is important to me.
*19. Understanding my self is a major goal in my life.
*20. I enjoy being admired for my unique qualities.
21. I am careful to maintain harmony in my group.
22. When with my group, I watch my words so I won't offend anyone.
23. I would sacrifice my self-interests for the benefit of my group.
24. I try to meet the demands of my group, even if it means controlling my own desires.
25. It is important to consult close friends and get their ideas before making decisions.
26. I should take into consideration my parents' advice when making education and career plans.
27. I act as fellow group members prefer I act.
28. The security of being an accepted member of a group is very important to me.
29. If my brother or sister fails, I feel responsible.
Manipulation Checks for Studies 2A–D - Results

Study 2 focused on dissimilar brand extensions. While we did not manipulate brand extension type, we wanted to ensure that subjects indeed perceived the brand extensions of the well-known parent/sponsor brands (Colgate, Kellogg's) as dissimilar to the image they have about the parent/sponsor brands. In addition, we wanted to examine how subjects perceived the brand extensions of the unknown parent/sponsor brands. As expected, subjects perceived Colgate's Band-Strips ($M = 2.76$) and Kellogg's Tasty Plates ($M = 2.45$) as dissimilar to the image they have about the Colgate and Kellogg's brands. Also as expected, subjects perceived Caran's Band-Strips ($M = 4.08$) and Karte's Tasty Plates ($M = 4.05$) as moderately dissimilar to the image they have about the Caran and Karte's brands, respectively. This was not surprising given that Caran and Karte constitute fictitious brand names.

To evaluate the success of the advertising format manipulation, we conducted $t$-test comparisons (one-tailed) separately for both replicates. The advertising format measure constituted the dependent variable. As desired, subjects realized that the comparative ad conditions compared the advertised brand extension to a competing brand while the noncomparative ad conditions did not (Colgate, $M = 5.96$ vs. 3.73; Kellogg's, $M = 5.91$ vs. 2.93; Caran, $M = 6.33$ vs. 3.25; Karte, $M = 5.91$ vs. 3.72), where seven indicated maximally comparative ($p < .001$ for all comparisons).

Given that Colgate and Kellogg's constitute established parent brands towards which subjects had formed attitudes, affect, and category expectations, we expected that subjects' attitudes and affect toward Colgate and Kellogg's were positive. In addition, given that Caran and Karte constitute fictitious parent brand names towards which
subjects had not formed attitudes, affect, and category expectations, we expected that
subjects' attitudes and affect toward these unknown (i.e., fictitious) parent brands were
neutral. As desired, subjects had very favorable attitudes toward Colgate (M = 5.18, SD =
1.32) and Kellogg’s (M = 5.52, SD = 1.20) and had developed very positive affect toward
Colgate (M = 5.32, SD = 1.37) and Kellogg’s (M = 5.51, SD = 1.28). For the unknown
brands, subjects were neutral regarding their attitudes towards Caran (M = 4.12, SD =
1.19) and Karte (M = 3.73, SD = 1.48) and affect towards Caran (M = 4.37, SD = 1.11)
and Karte (M = 4.11, SD = 1.29). This observation indicates that our parent/sponsor
brand manipulations were as desired (all comparisons, p < .01).

To ensure positive attitudes and affect toward the well-known comparison brands
and neutral attitudes and affect toward the unknown comparison brands, we also
examined the cell means for the comparison brands in the comparative ad conditions. As
desired, subjects had very positive attitudes toward Band-Aid (M = 5.99, SD = 1.10) and
Lean Cuisine (M = 4.67, SD = 1.53) and had developed very positive affect toward Band-
Aid (M = 6.02, SD = 1.01) and Lean Cuisine (M = 4.84, SD = 1.44), where seven is
maximally favorable and affective. Not surprisingly, the cell means for subjects’ attitude
and affect measures were closer to the scale mean of four for the unknown comparison
brands. Thus, subjects had neutral attitudes toward Nexcare (M = 4.20, SD = 1.42) and
Birds Eye (M = 3.52, SD = 1.13) and neutral affect towards Nexcare (M = 4.37, SD =
1.41) and Birds Eye (M = 3.71, SD = 1.05). This observation indicates that our
comparison brand manipulations were as desired (all comparisons, p < .01).

Moreover, subjects evaluated the well-known parent/noncomparative ads
(Colgate, M = 3.99; Kellogg’s, M = 3.97), unknown parent/noncomparative ads (Caran,
M = 4.67; Karte, M = 4.60), well-known parent/comparative ads with well-known comparison brands (Colgate, M = 4.30; Kellogg's, M = 4.29), well-known parent/comparative ads with unknown comparison brands (Colgate, M = 4.27; Kellogg's, M = 3.92), unknown parent/comparative ads with well-known comparison brands (Caran, M = 4.66; Karte, M = 4.51), and unknown parent/comparative ads with unknown comparison brands (Caran, M = 4.60; Karte, M = 4.03) favorably. In addition, subjects found the advertising claims to be believable for the well-known parent/noncomparative ads (Colgate, M = 4.12; Kellogg's, M = 3.44), unknown parent/noncomparative ads (Caran, M = 4.54; Karte, M = 4.38), well-known parent/comparative ads with well-known comparison brands (Colgate, M = 4.34; Kellogg's, M = 4.30), well-known parent/comparative ads with unknown comparison brands (Colgate, M = 4.27; Kellogg's, M = 3.82), unknown parent/comparative ads with well-known comparison brands (Caran, M = 4.40; Karte, M = 3.91), and unknown parent/comparative ads with unknown comparison brands (Caran, M = 4.60; Kellogg's, M = 4.03).

Finally, subjects perceived the brand extension product categories as relevant (Bandages, M = 4.69; Frozen Meals, M = 3.55). In addition, subjects had some knowledge about Bandages (M = 4.49) and Frozen Meals (M = 3.86). Overall, these results indicate that the manipulations, the selections of the comparison and parent brands, and the development of the stimuli were appropriate for hypothesis testing. In the following section, we will present the results (1) for well-known comparison brands and well-known parent/sponsor brands (Study 2A, H5-H8); (2) for well-known comparison brands and unknown parent/sponsor brands (Study 2B, H9-H12); (3) for unknown comparison brands and well-known parent/sponsor brands (Study 2C, H13-
H16); and (4) for unknown comparison brands and unknown parent/sponsor brands (Study 2D, H17-H20). Across all conditions, we will test whether self-construal moderates the findings. As mentioned, the incomplete experimental design requires directional t-test comparisons to test the hypotheses. For the self-construal measures, we use 2 x 2 ANOVAs. The cell means for cognitive elaboration and brand extension evaluation across all conditions are presented in Table 7.3 for both replicates, overall and separately for subjects with an interdependent vs. independent self-view.

Study 2A - Results

The purpose of Study 2A was to conduct comparative vs. noncomparative ad format comparisons for well-known comparison brands and well-known parent/sponsor brands. Thus, this study aimed at replicating the Study 1 findings for dissimilar brand extension evaluations and cognitive elaboration. In addition, this study examined whether self-construal moderates the results for cognitive elaboration and brand extension evaluation. Specifically, Study 2A tests Hypotheses 5-8.

*Cognitive Elaboration and Brand Extension Evaluation (H5 and H6).* Hypothesis 5 predicts for well-known comparison brands and well-known parent/sponsor brands that subjects will elaborate more when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format. We conducted (one-tailed) directional t-test comparisons separately for both replicates to test this hypothesis. For the Colgate replicate (with Band-Aid as the comparison brand), subjects elaborated
Table 7.3: Study 2, Cell Means

a. Colgate/Caran as parent/sponsor brands and Band-Aid/Nexcare as comparison brands:

<table>
<thead>
<tr>
<th></th>
<th>Comparative Advertising Format</th>
<th>Noncomparative Ad Format</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Well-Known Parent/Sponsor Brands</td>
<td>Unknown Parent/Sponsor Brands</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>INT</td>
</tr>
<tr>
<td>Cognitive Elaboration</td>
<td>3.63</td>
<td>4.00</td>
</tr>
<tr>
<td>Brand Extension Evaluation</td>
<td>4.55</td>
<td>4.73</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| b. Kellogg's/ Karte as parent/sponsor brands and Lean Cuisine/Birds Eye as comparison brands:

<table>
<thead>
<tr>
<th></th>
<th>Comparative Advertising Format</th>
<th>Noncomparative Ad Format</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Well-Known Parent/Sponsor Brands</td>
<td>Unknown Parent/Sponsor Brands</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>INT</td>
</tr>
<tr>
<td>Cognitive Elaboration</td>
<td>4.06</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

INT = Interdependent Self-View; IND = Independent Self-View
significantly more when exposed to a noncomparative (M = 4.49) than comparative (M = 3.63) ad format (t(56) = 2.36, p < .05), as expected. No ad format difference, however was found for cognitive elaboration for the Kellogg's replicate (with Lean Cuisine as the comparison brand; p > .05). Consequently, the data supported Hypothesis 5 for the Colgate/Band-Aid but not Kellogg's/Lean Cuisine condition. Hypothesis 6 predicts for well-known comparison brands and well-known parent/sponsor brands that subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format. Again, we conducted (one-tailed) directional t-test comparisons to test this hypothesis. As desired, subjects evaluated the dissimilar brand extensions more favorably when a comparative vs. noncomparative ad format was used (Colgate/Band-Aid: M = 4.55 vs. 4.09, t(56) = -1.57, p < .065; Kellogg's/Lean Cuisine: M = 4.39 vs. 3.74, t(53) = -1.81, p < .05). Thus, the data for both replicates supported Hypothesis 6. In addition, Study 2 replicated the results from Study 1 for the dissimilar brand extension conditions.

The Moderating Effect of Self-Construal (H7 and H8). Hypothesis 7 predicts for well-known parent/sponsor brands and well-known comparison brands that subjects with an interdependent vs. independent self-view will engage in less (similar) cognitive elaboration when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format. To test this hypothesis, we submitted subjects' responses to the cognitive elaboration measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA. The main effect for the self-construal measure and the ad format x self-construal interaction were not significant for both replicates. Follow up direction t-tests (one-tailed) for the Colgate/Band-Aid condition indicated that subjects
with an interdependent vs. independent self-view elaborated similarly when the dissimilar brand extension was promoted in a noncomparative (M = 4.46 vs. 4.51) and comparative (M = 4.00 vs. 3.48) ad format (all p > .05). The data for the Kellogg's/Lean Cuisine condition indicated that subjects with an interdependent vs. independent self-view elaborated significantly less when the ad format was noncomparative (M = 3.58 vs. 4.49, t(25) = -2.02, p < .05) but similarly when the ad format was comparative (M = 4.00 vs. 4.14). Therefore, the data for Kellogg's/Lean Cuisine supported H7, while the data for Colgate/Band-Aid supported H7 for the comparative but not the noncomparative ad format condition. Overall, the data partially supported Hypothesis 7. Regarding brand extension evaluation, Hypothesis 8 predicts for well-known comparison brands and well-known parent/sponsor brands that subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more (similarly) favorably when promoted in a noncomparative (comparative) advertising format. To test this hypothesis, we submitted subjects' responses to the brand extension evaluation measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA. Similar to the cognitive elaboration measure, the main effect for self-construal and the ad format x self-construal interaction were not significant (p > .05). Directional t-tests for both replicates revealed that subjects with an interdependent self-view did not differ from subjects with an independent self-view regarding their brand extension evaluations when exposed to a comparative and noncomparative ad format (see Table 7.3 for cell means). Thus, the data supported H8 for the comparative but not noncomparative ad format conditions. Hence, the data partially supported Hypothesis 8.
Study 2B - Results

The purpose of Study 2B was to conduct comparative vs. noncomparative ad format comparisons for well-known comparison brands but unknown parent/sponsor brands. If affect transfer from the comparison brand to the brand extension was responsible for the Study 1 differences between subjects’ evaluation of dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format, then these differences should also be observed for unknown parent/sponsor brands. Thus, this study aimed to extend the Study 1 findings by also examining unknown parent/sponsor brands. In addition, this study examined whether self-construal moderates the results for unknown parent/sponsor brands. Specifically, Study 2B tests Hypotheses 9-12.

Cognitive Elaboration and Brand Extension Evaluation (H9 and H10). Hypothesis 9 predicts for well-known comparison brands but unknown parent/sponsor brands that subjects will elaborate less when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format. To test this hypothesis, we conducted directional t-test mean comparisons separately for both replicates. For the Caran replicate (with Band-Aid as the comparisons brand), subjects elaborated significantly more in the comparative (M = 4.32) than noncomparative (M = 3.63) ad format condition (t(55) = -1.74, p < .05), as expected. However, we found no difference for the Karte replicate (with Lean Cuisine as the comparison brand). Thus, the data supported Hypothesis 9 for the Caran/Band-Aid but not Karte/Lean Cuisine condition. Hypothesis 10 predicts for well-known comparison brands but unknown parent/sponsor brands that subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format. Again, we conducted (one-
tailed) directional t-test mean comparisons separately for both replicates to test this hypothesis. As desired, the data for both replicates approached significance and indicated that subjects evaluated the dissimilar brand extension more favorably when a comparative vs. noncomparative ad format was used (Caran/Band-Aid: M = 4.74 vs. 4.30, t(55) = -1.53, p < .066; Karte/Lean Cuisine: M = 4.43 vs. 3.89, t(56) = -1.56, p < .063). Thus, the data supported Hypothesis 10 and the results for brand extension evaluation from Study 1 for well-known parent/sponsor brands hold true for unknown parent brands.

The Moderating Effect of Self-Construal (H11 and H12). Hypothesis 11 predicts for well-known comparison brands and unknown parent/sponsor brands that subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the ad format. Thus, we do not expect any differences between subjects with an interdependent vs. independent self-view regarding the cognitive elaboration measure when the parent/sponsor brand is unknown. To test this hypothesis, we submitted subjects' responses to the cognitive elaboration measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA separately for both replicates. Not surprisingly, the analyses did not yield a significant main effect for self-construal and self-construal x ad format interaction (p > .05), indicating that subjects with an interdependent vs. independent self-view did not significantly differ from each other with regard to cognitive elaboration. Follow-up directional t-test mean comparisons supported this finding. Hence, Hypothesis 11 was supported.

Concerning brand extension evaluation, Hypothesis 12 predicts for well-known comparison brands but unknown parent/sponsor brands that subjects with an
interdependent vs. independent self-view will not differ from each other with regard to their dissimilar brand extension evaluation, irrespective of the ad format. To test this hypothesis, we submitted subjects’ responses to the brand extension evaluation measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA separately for both replicates. Not surprisingly, the analyses did not yield a significant main effect for self-construal and self-construal x ad format interaction (p > .05). Directional t-test comparisons indicated for both replicates that subjects with an interdependent vs. independent self-view evaluated the brand extension similarly for the noncomparative and the comparative ad format conditions (see Table 7.3 for cell means). Thus, the data supported Hypothesis 12.

**Study 2C - Results**

The purpose of Study 2C was to conduct comparative vs. noncomparative ad format comparisons for unknown comparison brands but well-known parent/sponsor brands. If affect transfer from the comparison brand to the brand extension was responsible for the Study 1 differences between subjects’ evaluation of dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format, then there should not be any differences in brand extension evaluation when unknown comparison brands are used. Thus, this study aimed at extending the Study 1 findings by also examining unknown comparison brands. In addition, this study aimed at examining whether self-construal moderates the results for unknown comparison brands. Specifically, Study 2C tests Hypotheses 13-16.
Cognitive Elaboration and Brand Extension Evaluation (H13 and H14).

Hypothesis 13 predicts for unknown comparison brands but well-known parent/sponsor brands that subjects will elaborate similarly when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format. Thus, we do not expect any differences in cognitive elaboration for unknown comparison brands but well-known parent/sponsor brands. To test this hypothesis, we conducted (one-tailed) directional t-tests separately for both replicates. As expected, subjects evaluated the dissimilar brand extension when promoted in a comparative vs. noncomparative ad format similarly for both the Colgate (with Nexcare as the comparison brand) and Kellogg’s (with Birds Eye as the comparison brand) replicates (all p > .05; see Table 7.3 for cell means). Thus, the data for both replicates supported Hypothesis 13.

With regard to subjects’ evaluation of dissimilar brand extensions, Hypothesis 14 predicts for unknown comparison brands but well-known parent/sponsor brands that subjects will evaluate a dissimilar brand extension similarly when promoted in a comparative vs. noncomparative ad format. Thus, similar to the previous hypothesis, we do not expect significant differences in subjects’ brand extension evaluation across conditions. To test this hypothesis, we conducted (one-tailed) directional t-tests. Not surprisingly, across both replicates subjects evaluated the dissimilar brand extension similarly for the comparative vs. noncomparative ad format conditions (all p > .05; see Table 7.3). Thus, Hypothesis 14 was supported. Therefore, these results provide further evidence for the notion that affect transfer from the well-known and well-liked comparison brand to the dissimilar brand extension was responsible for the Study 1 findings for the dissimilar brand extension conditions.
The Moderating Effect of Self-Construal (H15 and H16). Hypothesis 15 predicts for unknown comparison brands and well-known parent/sponsor brands that subjects with an interdependent vs. independent self-view will elaborate less when exposed to a dissimilar brand extension, irrespective of the advertising format. Therefore, we expect a main effect of self-construal on cognitive elaboration. To test this hypothesis, we submitted subjects' responses to the cognitive elaboration measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA separately for both replicates. We did not obtain a main effect for self-construal. While further directional t-test mean comparisons revealed that interdependent vs. independent selves elaborated less irrespective of the ad format, only the Kellogg's/Birds Eye condition for the noncomparative ad format condition was significant. Specifically, interdependent selves exposed to the Kellogg's/Birds Eye condition elaborated significantly less in the noncomparative ad format condition than independent selves (M = 3.58 vs. 4.49, t(25) = -2.02, p < .05), as expected. As mentioned, however, all other mean comparisons were not significant. Overall, therefore, the data did not support Hypothesis 15.

With regard to brand extension evaluation, Hypothesis 16 predicts for unknown comparison brands but well-known parent/sponsor brands that subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more favorably, irrespective of the advertising format. Thus, we expect a significant main effect of self-construal on brand extension evaluation. To test this hypothesis, we submitted subjects' responses to the brand extension measure to a 2 (ad format) x 2 (self-construal) between-subjects ANOVA separately for both replicates. We did not obtain a significant main effect for self-construal and self-construal x ad format interaction effect.
for both replicates. Directional t-test comparisons revealed that subjects with an
interdependent vs. independent self-view generally evaluated dissimilar brand extensions
more favorably irrespective of the ad format (with the exception of the Kellogg’s/Birds
Eye condition), but the differences were not significant. Thus, the data did not support
Hypothesis 16.

**Study 2D - Results**

The purpose of Study 2D was to conduct comparative vs. noncomparative ad
format comparisons for unknown comparison brands and unknown parent/sponsor
brands. If affect transfer from the comparison brand to the brand extension was
responsible for the Study 1 differences between subjects’ evaluation of dissimilar brand
extensions when promoted in a comparative vs. noncomparative ad format, then there
should not be any differences in brand extension evaluation when both the comparison
and the parent/sponsor brands are unknown. Thus, this study aimed to extend the Study 1
findings by also examining unknown comparison brands and unknown parent/sponsor
brands. In addition, this study examined whether self-construal moderates the results for
unknown comparison and parent/sponsor brands. Specifically, Study 2D tests Hypotheses
17-20.

*Cognitive Elaboration and Brand Extension Evaluation (H17 and H18).*

Hypothesis 17 predicts for unknown comparison and unknown parent/sponsor brands that
subjects will elaborate similarly when exposed to a dissimilar brand extension that is
promoted in a noncomparative vs. comparative ad format. Therefore, we do not expect
significant differences in subjects’ cognitive elaboration across the ad format conditions.

To test this hypothesis, we conducted (one-tailed) directional t-test mean comparisons.

For the Caran replicate (with Nexcare as the comparison brand), subjects elaborated similarly when exposed to a comparative vs. noncomparative ad format ($p > .05$). For the Karte replicate (with Birds Eye as the comparison brand), however, subjects unexpectedly elaborated significantly more when exposed to a noncomparative ($M = 3.86$) vs. comparative ($M = 3.19$) ad format ($t(55) = 1.85$, $P < .05$). Consequently, the data supported Hypothesis 17 for the Caran/Nexcare but not the Karte/Birds Eye condition. Hence, the data partially supported Hypothesis 17.

Similar to cognitive elaboration, Hypothesis 18 predicts for unknown comparison and parent/sponsor brands no differences between subjects’ evaluation of dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format. Directional t-test mean comparisons for both replicates supported this hypothesis. Subjects in both replicate conditions evaluated brand extensions similarly when a comparative vs. noncomparative ad format was used. Thus, the data supported Hypothesis 18. 

*The Moderating Effect of Self-Construal (H19 and H20).* Hypothesis 19 predicts for unknown comparison and parent/sponsor brands that subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format. The 2 (ad format) x 2 (self-construal) between-subjects ANOVA with cognitive elaboration as the dependent variable did not yield a self-construal main effect for both replicates. We conducted (one-tailed) t-test comparisons to further examine the data. As
expected, we did not obtain any self-construal differences across replicates for the noncomparative ad format conditions. We did, however, find for the Caran/Nexcare condition that interdependent vs. independent selves elaborated significantly more when exposed to a comparative ad format ($M = 4.06$ vs. $3.00$, $t(26) = 1.73$, $p < .05$), as expected. We did not observe this cognitive elaboration difference for the comparative ad format condition for the Karte/Birds Eye condition. Consequently, the data supported Hypothesis 19 for the Caran/Nexcare condition but only partially for the Karte/Birds Eye condition. Hence, the data partially supported Hypothesis 19.

Finally, Hypothesis 20 predicts for unknown comparison and parent/sponsor brands that subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a noncomparative (comparative) advertising format. The $2 \times 2$ between-subjects ANOVA with brand extension evaluation as the dependent variable did not yield a self-construal main effect or self-construal $\times$ ad format interaction across both replicates. Directional t-test comparisons revealed that subjects with an interdependent vs. independent self-view evaluated the dissimilar brand extension across both replicates similarly when exposed to a noncomparative ad format, as expected ($p > .05$). However, interdependent vs. independent selves evaluated the Karte brand extension significantly more favorably when a comparative ad format was used ($M = 4.61$ vs. $3.42$, $t(25) = 2.49$, $p < .05$), as expected. We did, however, not find any brand extension evaluation difference between interdependent vs. independent selves for the Caran/Nexcare replicate (see Table 3.2 for cell means). Consequently, the data partially supported Hypothesis 20.
All cell means across all conditions are depicted separately for both replicates in Table 3.2.

Discussion

*Brand Extension Evaluation and Cognitive Elaboration.* The results of Study 2 replicated the results of Study 1 for dissimilar brand extensions and provided further support for the notion that affect transfer from the comparison brand to the dissimilar brand extension was responsible for the Study 1 findings. To illustrate, the Study 2A results replicated the unexpected Study 1 findings for the dissimilar brand extension conditions. Specifically, we found for well-known comparison brands and well-known parent/sponsor brands that subjects evaluated dissimilar brand extensions more favorably when a comparative vs. noncomparative ad format was used. The explanation behind this finding is that affect transfer from the comparison brand to the brand extension takes place in the comparative but not noncomparative ad format conditions.

Furthermore, the Study 2B-D findings provided further evidence that affect transfer from the comparison brand to the dissimilar brand extension was responsible for the Study 1 differences between subjects' evaluation of dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format. First, if affect transfer was responsible for the Study 1 ad format differences for dissimilar brand extensions, then such affect transfer should also take place from well-known comparison brands to unknown parent/sponsor brands. Study 2B examined this possibility and found that subjects evaluated more favorably dissimilar brand extensions from unknown parent
brands when they were promoted with a comparative vs. noncomparative ad format, in support of the affect transfer explanation.

Second, if affect transfer was responsible for the Study 1 differences, then such affect transfer should not take place from unknown comparison brands. Study 2C examined this possibility for well-known parent/sponsor brands while Study 2D examined this possibility for unknown parent/sponsor brands. We found in both cases that subjects indeed evaluated dissimilar brand extensions similarly when promoted in a comparative vs. noncomparative ad format, again supporting the affect transfer explanation. We obtained additional support for the Study 2A-2D findings when examining purchase intention as the dependent variable (results mirror the results for brand extension evaluation; all directions as expected).

In sum, the Study 2A-D results a) replicated the findings of Study 1 and b) provided further evidence for the notion that affect transfer from the comparison brand to the advertised brand extension was responsible for the Study 1 ad format differences for dissimilar brand extensions. The findings for the cognitive elaboration measure are in line with the affect transfer explanation. In brief, we found for comparative ads that cognitive elaboration was relatively lower in two conditions. First, cognitive elaboration was lower when subjects received an exemplar (e.g., well-known comparison brand) and a well-known parent/sponsor brand as a basis for categorization, suggesting that affect transfer from the comparison brand to the brand extension took place, which led to relatively favorable brand extension evaluations. Second, cognitive elaboration was lower when subjects did not receive a basis for categorization (i.e., unknown parent brand) and
received an unknown comparison brand, suggesting low processing motivation and less favorable brand extension evaluations due to a lack of affect transfer.

In contrast, we found for comparative ads that cognitive elaboration was relatively higher in two conditions. First, it was higher when subjects did not have a basis for categorization (i.e., unknown parent brand) but received a well-known comparison brand, suggesting that processing motivation was high and brand extension evaluations relatively favorable due to affect transfer from the well-known comparison brand to the brand extension. Second, cognitive elaboration was higher when subjects did have a basis for categorization (i.e., well-known parent brand) but received an unknown comparison brand, suggesting that processing motivation was high (to resolve incongruity), but brand extension evaluations were less favorable due to a lack of affect transfer.

Subjects' responses to the processing motivation measure for the comparative ad conditions supported this reasoning. Specifically, we found that subjects were significantly more motivated to process the brand extension information when exposed to the well-known comparison brand/unknown parent brand (M = 4.82) and unknown comparison brand/well-known parent brand (M = 4.78) than the well-known comparison brand/well-known parent brand (M = 4.26) and unknown comparison brand/unknown parent brand (M = 4.29) conditions. We determined that a test directly comparing well-known vs. unknown comparison brands would further strengthen our results based on these findings and the likelihood that affect transfer from the comparison brand to the brand extension takes place from a well-known, but not unknown, comparison brand. Consequently, we will focus on only the comparative ad format condition in Study 3 and
examine the effects of well-known vs. unknown comparison brands and well-known vs. unknown parent/sponsor brands on subjects’ evaluation of brand extensions.

If affect transfer from the comparison brand to the brand extension is responsible for the differences between comparative vs. noncomparative dissimilar brand extension ads, then subjects are likely to evaluate more favorably dissimilar brand extensions that are compared to a well-known vs. unknown comparison brand, irrespective of the parent/sponsor brand type (well-known vs. unknown). For cognitive elaboration, we expect for well-known parent/sponsor brands that subjects will elaborate more when the comparison brand is unknown, as the comparison brand does not constitute an exemplar that may be used to help categorize the incongruent brand extension. In contrast, for unknown parent/sponsor brands, we expect that subjects will elaborate more when the comparison brand is well-known, as the processing motivation is relatively low when neither the parent/sponsor brand nor the comparison brand may be used to help categorize the brand extension information. As a result, we put forward the following hypotheses for Study 3 (H21 – H22):

**H21:** For well-known (unknown) parent/sponsor brands, subjects will engage in more (less) cognitive elaboration when the dissimilar brand extension comparative ad shows an unknown vs. well-known comparison brand.

**H22:** Subjects will evaluate a dissimilar brand extension that is compared to a well-known vs. unknown comparison brand more favorably, irrespective of the parent/sponsor brand type (well-known vs. unknown).

**Self-Construal.** The results for self-construal as a potential moderator can be used to further understand the affect transfer results previously discussed. Additionally, they are interesting insofar as they provide an insight into how subjects with an interdependent vs. independent self-view process and evaluate (dissimilar) brand extension information.
when promoted in a comparative vs. noncomparative ad format. To begin with, the self-construal results can be used for in-depth analysis of the brand extension evaluation results to determine the true driver of the ad format differences. For that matter, it is helpful to compare the brand extension evaluation results across ad format conditions separately for subjects with an interdependent vs. independent self (due to the small cell sizes per condition, we combined the data sets for this analysis; the directions of the individual data sets reflect the direction of the combined data set; see Table 7.4). Such an analysis of the results reveals that subjects with an independent self-view do not significantly differ from each other within each condition regarding their brand extension evaluations when the dissimilar brand extension is promoted in a comparative vs. noncomparative ad format (p > .05 for all comparisons).

Table 7.4: Study 2, Brand Extension Mean Comparisons across Different Conditions for Subjects with an Interdependent vs. Independent Self-View

<table>
<thead>
<tr>
<th>Self-View</th>
<th>Parent/Sponsor Brand Type</th>
<th>Comparison Brand Type</th>
<th>Comparative Ad Format</th>
<th>Noncomparative Ad Format</th>
<th>Directional t-test Comparisons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interdependent</td>
<td>Well-Known</td>
<td>Well-Known</td>
<td>4.67</td>
<td>3.97</td>
<td>p &lt; .05</td>
</tr>
<tr>
<td>Interdependent</td>
<td>Well-Known</td>
<td>Unknown</td>
<td>4.09</td>
<td>3.97</td>
<td>p &gt; .05</td>
</tr>
<tr>
<td>Interdependent</td>
<td>Unknown</td>
<td>Well-Known</td>
<td>4.73</td>
<td>3.97</td>
<td>p &lt; .05</td>
</tr>
<tr>
<td>Interdependent</td>
<td>Unknown</td>
<td>Unknown</td>
<td>4.40</td>
<td>3.97</td>
<td>p &gt; .05</td>
</tr>
<tr>
<td>Independent</td>
<td>Well-Known</td>
<td>Well-Known</td>
<td>4.26</td>
<td>3.89</td>
<td>p &gt; .05</td>
</tr>
<tr>
<td>Independent</td>
<td>Well-Known</td>
<td>Unknown</td>
<td>3.89</td>
<td>3.89</td>
<td>p &gt; .05</td>
</tr>
<tr>
<td>Independent</td>
<td>Unknown</td>
<td>Well-Known</td>
<td>4.39</td>
<td>4.18</td>
<td>p &gt; .05</td>
</tr>
<tr>
<td>Independent</td>
<td>Unknown</td>
<td>Unknown</td>
<td>3.83</td>
<td>4.18</td>
<td>p &gt; .05</td>
</tr>
</tbody>
</table>
In contrast, the analysis reveals for the well-known parent/well-known comparison and unknown parent/well-known comparison brand conditions that subjects with an interdependent self-view evaluated the advertised brand extensions significantly more favorably when promoted in a comparative vs. noncomparative ad format (p < .05 for both comparisons). The latter results for subjects with an interdependent self-view mirror the overall brand extension results and suggest that affect transfer is responsible for the ad format differences. Therefore, it seems likely that the true driver of the ad format differences across all conditions (i.e., the affect transfer from the well-known comparison brand to the advertised brand extension) is the more holistic brand extension approach from subjects with an interdependent self-view. We present the brand extension results in support of this reasoning in Table 7.4.

In addition to providing information about within self-construal differences, the self-construal results provide information about between self-construal differences, that is, insights into how subjects with an interdependent vs. independent self-view differ with regard to processing and evaluating brand extension information when the ad format (comparative vs. noncomparative), parent brand type (well-known vs. unknown), and comparison brand type (well-known vs. unknown) vary. The results from Study 2 suggest that subjects with an interdependent vs. independent self-view do not significantly differ from each other in terms of cognitive elaboration and brand extension evaluation when exposed to a comparative and noncomparative ad format when (1) the comparison brand is well-known and the parent/sponsor brand is well-known, (2) the comparison brand is well-known but the parent/sponsor brand is unknown, and (3) the comparison brand is unknown but the parent/sponsor brand is known.
However, for unknown comparison brands and unknown parent/sponsor brands, subjects with an interdependent vs. independent self-view evaluated the advertised brand extension significantly more favorably (in the Karte/Birds Eye condition) and elaborated significantly more (in the Caran/Nexcare condition) when a comparative ad format was used, but similarly when a noncomparative ad format was used. This difference between subjects with an interdependent vs. independent self-view for the comparative ad format condition is interesting in that it suggests that subjects with an interdependent self-view, thanks to their greater cognitive flexibility and more holistic approach to information processing, are able to also categorize brand extensions when no basis for categorization (e.g., a well-known parent/sponsor brand) and brand extension exemplar (e.g., a well-known comparison brand) are provided. In contrast, subjects with an independent self-view do not evaluate brand extensions from an unknown parent/sponsor and comparison brand favorably, due to their limited processing motivation and cognitive effort.

Overall, therefore, the between self-construal similarities and differences suggest that cognitive flexibility only constitutes an advantage for subjects with an interdependent self-view when they do not have any "help", "reference", "basis", or "cue" to categorize the provided brand extension information properly. To illustrate, we did not observe significant self-construal differences across all conditions when subjects received a well-known comparison brand and/or a well-known parent/sponsor brand which may be used as a basis or reference for proper categorization. We did, however, observe self-construal differences for the unknown comparison brand/unknown parent brand conditions where subjects did not receive any categorization help. Therefore, only
in this latter condition does cognitive flexibility seem to be advantageous to properly solve the perceived incongruity.

In sum, the self-construal findings suggest that affect transfer from a well-known comparison brand to an advertised brand extension in a comparative ad format condition is driven primarily by interdependent vs. independent selves, that is, by subjects with relatively greater cognitive flexibility. Moreover, the self-construal findings suggest that subjects with an interdependent vs. independent self-view are likely to evaluate dissimilar brand extensions relatively similarly across all conditions with the exception of dissimilar brand extensions from unknown parent/sponsor brands when promoted in a comparative ad format with unknown comparison brands. Given these findings and the fact that subjects with an interdependent vs. independent self-view differ from each other only in the comparative ad format condition for unknown comparison and parent/sponsor brands, a test focusing on the comparative ad format conditions and directly comparing any combination of parent/sponsor brand type (well-known vs. unknown) and comparison brand type (well-known vs. unknown) would provide further support for this reasoning. Consequently, we will focus on only the comparative ad format condition in Study 3 and examine the effects of well-known vs. unknown comparison brands and well-known vs. unknown parent/sponsor brands on interdependent vs. independent selves’ brand extension evaluations.

If subjects with an interdependent vs. independent self-view only differ from each other with regard to brand extension evaluation when the brand extension is promoted in a comparative ad format and when the comparison and parent/sponsor brands are unknown, then no significant differences should be observed in all other instances.
Similarly, if interdependent selves’ greater cognitive flexibility triggers more extensive cognitive elaboration that eventually allows for proper categorization when the brand extension is promoted in a comparative ad format with an unknown parent/sponsor and comparison brands, then no significant differences should occur for all other conditions.

Thus, we propose the following hypotheses to be tested in Study 3 (H23 – H24):

H23a: Subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a comparative dissimilar brand extension ad with a well-known comparison brand, irrespective of the parent brand type.

H23b: Subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a comparative dissimilar brand extension ad with an unknown comparison brand and well-known (unknown) parent brand.

H24a: Subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly when promoted in a comparative ad format with a well-known comparison brand, irrespective of the parent brand type.

H24b: Subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a comparative ad format with an unknown comparison brand and well-known (unknown) parent/sponsor brand.
CHAPTER 8

STUDY 3

The objective of Study 3 was to test H21-H24. Thus, we aimed to (1) find further support for the notion that affect transfer takes place from a well-known comparison brand to the advertised brand extension when a comparative ad format is used, and (2) find further evidence for the self-construal findings of Study 2 which suggested that self-construal only moderates subjects’ brand extension evaluation in the comparative ad format condition when the comparison and the parent/sponsor brands are both unknown.

It should be noted that we obtained the Study 3 data through a separation of the Study 2 data into two independent data files (one file for the noncomparative and another for the comparative ad format conditions). Due to the incomplete design of Study 2, we were not able to directly compare treatments within the comparative ad format conditions only. Therefore, we limit our data analyses in Study 3 to the comparative ad format conditions (with well-known vs. unknown comparison brands and well-known vs. unknown parent/sponsor brands). By focusing on the comparative ad format conditions, we are able to conduct further analyses that go beyond directional t-test comparisons.

Method

Subjects and Design. One hundred and fourteen university undergraduate marketing students participated in the study in exchange for extra credit. Subjects were randomly assigned to a treatment condition. We administered a booklet that contained
ads for the two focal parent brands, ads for their respective brand extensions, and the independent and dependent measures. Each booklet contained one of four versions of the Colgate and Kellogg’s ads, which varied in parent/sponsor brand type (well-known vs. unknown) and comparison brand type (well-known vs. unknown). Each of the two ads that each subject received represented different treatment conditions. Furthermore, the order in which the ads appeared was counterbalanced.

*Stimuli.* The stimuli were simulated print ads and varied in terms of the parent/sponsor brand (known vs. unknown) and comparison brand (known vs. unknown). Thus, we generated four ads for each replicate, based upon the results of the fifth pretest (compare Study 2 ads): well-known parent/sponsor brand ads with well-known comparison brands; unknown parent/sponsor brand ads with well-known comparison brands; well-known parent/sponsor brand ads with unknown comparison brands; and unknown parent/sponsor brand ads with unknown comparison brands. As a result, for each replicate, one ad showed a well-known parent/sponsor brand (Colgate; Kellogg’s) and a well-known comparison brand (Band-Aid; Lean Cuisine), a second ad showed a well-known parent/sponsor brand (Colgate; Kellogg’s) but an unknown comparison brand (Nexcare; Birds Eye), a third ad showed an unknown parent/sponsor brand (Caran; Karte) but a well-known comparison brand (Band-Aid; Lean Cuisine), and a fourth ad showed an unknown parent/sponsor brand (Caran; Karte) and an unknown comparison brand (Nexcare; Birds Eye; see Study 2 for stimuli).

*Procedure and Measures.* We obtained the data for this study from Study 2. Therefore, the study followed the procedure and used the same measures than Study 2. Thus, subjects assessed the brand extensions and the ads along the same independent and
Results

Manipulation Checks. To ensure that subjects perceived the brand extensions of the well-known parent/sponsor brands (Colgate, Kellogg’s) as dissimilar from the image they have about the parent/sponsor brands and to see how subjects perceived these brand extensions compared to the brand extensions of the unknown parent/sponsor brands (Caran, Karte), we compared the cell means for the well-known parent/sponsor brands with the cell means for the unknown parent/sponsor brands. As desired, subjects perceived Bandages ($M = 2.72, SD = 1.72$) and Frozen Meals ($M = 2.52, SD = 1.48$) as relatively dissimilar to the Colgate and Kellogg’s category expectations, respectively, and below the targeted scale point of three. Not surprisingly, however, subjects perceived Bandages ($M = 4.05, SD = 4.05$) and Frozen Meals ($M = 3.99, SD = 1.35$) as neutrally similar to Caran and Karte, respectively. Again, this is not surprising given that Caran and Karte are fictitious brand names for which subjects have not yet developed category expectations.

Furthermore, to ensure that subjects perceived the comparative ad format conditions as actually comparative, we calculated the cell means across conditions. As desired, subjects perceived the comparative ad conditions as comparative, for both well-known parent/sponsor brands (Colgate: $M = 5.96, SD = 1.57$; Kellogg’s: $M = 5.91, SD =$
1.71) and unknown parent/sponsor brands (Caran: $M = 6.33$, $SD = 1.23$; Karte: $M = 5.91$, $SD = 1.54$), where seven indicates maximally comparative.

Moreover, subjects had more favorable attitudes ($4.71 < M < 5.62$) and affect ($4.86 < M < 5.57$) towards well-known parent/sponsor brands (Colgate, Kellogg's), whether the comparison brand was well-known or unknown parent/sponsor brands (Caran, Karte; attitudes: $3.82 < M < 4.29$; affect: $3.84 < M < 4.45$). Given that Caran and Karte were fictitious brand names toward which subjects previously have not formed attitudes and affect, this observation is an indication that our parent/sponsor brand manipulations were as desired (see Table 8.1 for cell means).

Table 8.1: Study 3, Cell Means for Selected Independent Variables

<table>
<thead>
<tr>
<th></th>
<th>Known Sponsor Brand</th>
<th>Unknown Sponsor Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Colgate</td>
<td>Kellogg's</td>
</tr>
<tr>
<td></td>
<td>Well-known</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>CB*</td>
<td>CB</td>
</tr>
<tr>
<td></td>
<td>(Band-Aid)</td>
<td>(Nexca re)</td>
</tr>
<tr>
<td>CB Attitude</td>
<td>5.91</td>
<td>3.87</td>
</tr>
<tr>
<td>CB Affect</td>
<td>5.95</td>
<td>4.16</td>
</tr>
<tr>
<td>Ad Attitude</td>
<td>4.30</td>
<td>4.27</td>
</tr>
<tr>
<td>Claim Believability</td>
<td>4.34</td>
<td>4.00</td>
</tr>
</tbody>
</table>

* CB indicates Comparison Brand
** PB indicates Parent Brand

Similarly, subjects had more favorable attitudes ($4.64 < M < 6.08$) and affect ($4.79 < M < 6.09$) towards well-known comparison brands (Band-Aid, Lean Cuisine) across all
conditions than they had towards unknown comparison brands (Nexcare, Birds Eye; attitudes: $3.37 < M < 4.54$; affect: $3.45 < M < 4.59$). This observation is an indication that our comparison brand manipulations were as desired (see Table 8.1 for cell means).

Finally, subjects indicated neutral to positive attitudes toward the ad ($3.82 < M < 4.66$) and perceived the advertising claim as believable ($3.79 < M < 4.40$). Therefore, these results indicate that the manipulations, the selections of the parent/sponsor brands, and the selection of the comparison brands of the stimuli were appropriate for hypothesis testing.

Cognitive Elaboration. Hypothesis 21 predicts for well-known (unknown) parent/sponsor brands that subjects will engage in more (less) cognitive elaboration when the dissimilar brand extension comparative advertising shows an unknown vs. well-known comparison brand. Thus, this hypothesis suggests a two-way interaction between parent/sponsor brand and comparison brand.

We analyzed the cognitive responses separately for both replicates using a $2 \times 2$ (parent/sponsor brand: well-known vs. unknown) × (comparison brand: well-known vs. unknown) between-subjects ANOVA (cell means for all conditions are presented in Table 8.2). As expected, the analysis yielded a significant sponsor brand × comparison brand interaction for both the Colgate/Caran ($F(1, 110) = 3.76, p < .055$) and the Kellogg's/Karte ($F(1, 109) = 8.34, p < .05$) replicates (interactions are depicted in Figures 8.1a/b). We conducted (one-tailed) directional t-test comparisons to further examine the interactions. For the Colgate brand extension, subjects elaborated more when the comparison brand was unknown (Nexcare, $M = 4.08$) than known (Band-Aid, $M = 3.63$). However, this difference was not significant. For the Kellogg's brand extension, subjects
also elaborated more when the comparison brand was unknown (Birds Eye, \( M = 4.52 \)) than known (Lean Cuisine, \( M = 4.06 \)). This difference approached significance (\( t(54) = -1.48, p < .073 \)). Moreover, analyses revealed for both unknown parent/sponsor brand replicates that the comparative ad format led to significantly more cognitive elaboration when a well-known than known comparison brand was used (Caran: Band-Aid, \( M = 4.32 \) vs. Nexcare, \( M = 3.61 \), \( t(55) = 1.64, p < .053 \); Karte: Lean Cuisine, \( M = 4.09 \) vs. Birds Eye, \( M = 3.14 \), \( t(55) = 2.58, p < .05 \)). Overall, therefore, the data supported Hypothesis 21.

**Brand Extension Evaluation.** Hypothesis 22 predicts that subjects will evaluate a dissimilar brand extension that is promoted in a comparative ad format more favorably when the comparison brand is well-known vs. unknown, irrespective of the parent/sponsor brand type. Thus, this hypothesis suggests a main effect of comparison brand type for both well-known and unknown parent/sponsor brands.

To test this hypothesis, we submitted subjects' responses to the brand extension evaluation measure to a 2 (parent brand) x 2 (comparison brand) between-subjects ANOVA separately for both replicates (cell means for all conditions are presented in Table 8.2). As desired, the analysis yielded a significant comparison brand main effect for both the Colgate/Caran (\( F(1, 110) = 4.19, p < .065 \)) and the Kellogg's/Karte (\( F(1, 109) = 4.38, p < .05 \)) replicates (which are depicted in Figure 8.1c/d). Further analyses revealed across all conditions that subjects evaluated the dissimilar brand extension more favorably when the comparison brand was well-known vs. unknown. For the Colgate brand extension, however, the mean difference did not approach significance (Band-Aid, \( M = 4.55 \) vs. Nexcare, \( M = 4.21 \)). In contrast, for the Kellogg's (Lean Cuisine, \( M = 4.39 \)
Figure 8.1: Study 3, Two-Way Interactions

a: Cognitive Elaboration (Colgate/Caran)  

b: Cognitive Elaboration (Kellogg's/Karte)

![Graphs a and b]

vs. Birds Eye, M = 3.88, t(54) = 1.44, p < .08), Caran (Band-Aid, M = 4.74 vs. Nexcare, M = 4.31, t(55) = 1.41, p < .083) and Karte (Lean Cuisine, M = 4.43 vs. Birds Eye, M = 3.91, t(55) = 1.53, p < .067) brand extensions, subjects evaluated the dissimilar brand
c: Brand Ext. Evaluation (Colgate/Caran)  
d: Brand Ext. Evaluation (Kellogg's/Karte)

![Graphs c and d]
extension significantly more favorably when the comparison brand was well-known vs. unknown. Overall, therefore, the data supported Hypothesis 22.

Table 8.2: Study 3, Cell Means (Standard Deviations) for Dependent Variables

<table>
<thead>
<tr>
<th></th>
<th>Colgate</th>
<th>Caran</th>
<th>Kelloggs</th>
<th>Karte</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Well-known</td>
<td>Un-known</td>
<td>Well-known</td>
<td>Un-known</td>
</tr>
<tr>
<td>CB</td>
<td>CB</td>
<td>CB</td>
<td>CB</td>
<td>CB</td>
</tr>
<tr>
<td>Band-Aid (Nexca)</td>
<td>Band-Aid (Nexca)</td>
<td>Band-Aid (Lean Cuisine)</td>
<td>Band-Aid (Lean Cuisine)</td>
<td></td>
</tr>
<tr>
<td>(Aid)</td>
<td>(Bands-Aid)</td>
<td>(Bands-Aid)</td>
<td>(Lean Cuisine)</td>
<td>(Lean Cuisine)</td>
</tr>
<tr>
<td>Cognitive Elaboration</td>
<td>3.63 (1.46)</td>
<td>4.08 (1.64)</td>
<td>4.32 (1.63)</td>
<td>3.61 (1.66)</td>
</tr>
<tr>
<td>Brand Extension Evaluation</td>
<td>4.55 (.98)</td>
<td>4.21 (1.13)</td>
<td>4.74 (1.20)</td>
<td>4.31 (1.08)</td>
</tr>
</tbody>
</table>

*Self-Construal and Cognitive Elaboration.* Hypothesis 23a predicts that subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a comparative dissimilar brand extension ad with well-known comparison brands, irrespective of the parent brand type. Hypothesis 23b predicts that subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a comparative dissimilar brand extension ad with unknown comparison brands and well-known (unknown) parent brands. Thus, Hypothesis 23 predicts that subjects with an interdependent vs. independent self-view will significantly differ from each other only with regard to dissimilar brand extensions from an unknown parent brand when promoted in a comparative ad format with an unknown comparison brand.
To test this hypothesis, we submitted subjects’ responses to the cognitive elaboration measure to a 2 (parent/sponsor brand type: well-known vs. unknown) x 2 (comparison brand type: well-known vs. unknown) x 2 (self-construal: independent vs. interdependent self-view) between-subjects ANOVA separately for both replicates (cell means for all conditions are presented in Table 8.3). The analysis did not yield a significant three-way interaction for both replicates. Further analyses for the well-known comparison brands did not reveal significant interaction effects between parent/sponsor brand type and self-construal. Directional (one-tailed) mean comparisons indicated for well-known comparison brands that interdependent and independent selves elaborated similarly across parent brand type. Thus, the data supported Hypothesis 23a.

For unknown comparison brands, the parent/sponsor brand x self-construal interaction was not significant for the Kellogg’s/Karte replicate, but approached significance for the Colgate/Caran replicate (F(1, 53) = 3.06, p < .08). As expected, we found no significant cognitive elaboration difference between interdependent and independent selves for unknown comparison and well-known parent/sponsor brands. However, for unknown comparison and unknown parent/sponsor brands, we obtained significant differences for the Caran/Nexcare condition such that interdependent selves elaborated significantly more than independent selves (M = 4.06 vs. 3.00, t(26) = 1.73, p < .05). The cognitive elaboration difference between interdependent vs. independent selves for the Karte/Birds Eye condition approached significance (M = 3.64 vs. 2.88, t(25) = 1.29, p < .09). Overall, therefore, the data supported Hypothesis 23b.
Table 8.3: Study 3, Cell Means (Standard Deviation) for Dependent Variables By Self-Construal

<table>
<thead>
<tr>
<th>Well-known Sponsor/Parent Brand (Colgate)</th>
<th>Unknown Sponsor/Parent Brand (Cirnn)</th>
<th>Well-known Sponsor/Parent Brand (Kellogg’s)</th>
<th>Unknown Sponsor/Parent Brand (Karte)</th>
</tr>
</thead>
<tbody>
<tr>
<td>well-known comparison brand (Band-Aid)</td>
<td>unknown comparison brand (Nexcare)</td>
<td>well-known comparison brand (Cirnn)</td>
<td>unknown comparison brand (Brawns)</td>
</tr>
<tr>
<td>Indep Self</td>
<td>Inter dependent Self</td>
<td>Indep dependent Self</td>
<td>Inter dependent Self</td>
</tr>
<tr>
<td>Cog. Elab.</td>
<td>BE Eval.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.48 (1.45)</td>
<td>4.00 (1.4)</td>
<td>4.44 (1.67)</td>
<td>4.14 (1.28)</td>
</tr>
<tr>
<td>4.00 (1.85)</td>
<td>4.24 (1.65)</td>
<td>4.00 (1.52)</td>
<td>4.00 (1.29)</td>
</tr>
<tr>
<td>4.33 (1.47)</td>
<td>3.00 (1.67)</td>
<td>4.06 (1.67)</td>
<td>4.61 (1.25)</td>
</tr>
<tr>
<td>3.88 (1.67)</td>
<td>4.14 (1.25)</td>
<td>4.45 (1.44)</td>
<td>4.03 (1.00)</td>
</tr>
<tr>
<td>4.39 (1.65)</td>
<td>4.00 (1.29)</td>
<td>4.15 (1.47)</td>
<td>2.88 (1.6)</td>
</tr>
<tr>
<td>4.25 (1.25)</td>
<td>4.45 (1.47)</td>
<td>2.88 (1.27)</td>
<td>3.64 (1.27)</td>
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<td>4.08 (1.35)</td>
<td>4.01 (1.35)</td>
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<td>4.63 (1.66)</td>
<td>3.67 (1.25)</td>
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<td>4.10 (1.48)</td>
<td>3.90 (1.14)</td>
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<tr>
<td>4.29 (1.77)</td>
<td>4.15 (1.41)</td>
<td></td>
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<tr>
<td>4.10 (1.0)</td>
<td>4.65 (1.35)</td>
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<tr>
<td>4.29 (1.77)</td>
<td>3.42 (1.41)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.10 (1.0)</td>
<td>4.61 (1.85)</td>
<td></td>
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</table>
Self-Construal and Brand Extension Evaluation. Hypothesis 24a predicts that subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly when promoted in a comparative ad format with a well-known comparison brand, irrespective of the parent brand type. Hypothesis 24b predicts that subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a comparative ad format with an unknown comparison brand and well-known (unknown) parent/sponsor brand. Thus, similar to Hypothesis 23, Hypothesis 24 predicts that subjects with an interdependent vs. independent self-view will only differ from each other regarding the unknown comparison/unknown parent brand conditions.

To test this hypothesis, we submitted subjects’ responses to the brand extension evaluation measure to a 2 (parent/sponsor brand type: well-known vs. unknown) x 2 (comparison brand type: well-known vs. unknown) x 2 (self-construal: independent vs. interdependent self-view) between-subjects ANOVA separately for both replicates (cell means for all conditions are presented in Table 8.3 separately for both replicates). The analysis did yield a main effect of self-construal for the Kellogg’s/Karte (F(1, 104) = 5.26, p < .05) but not the Colgate/Caran replicate. Further investigations for the Kellogg’s/Karte and Colgate/Caran replicates revealed for well-known comparison brands no significant self-construal main effect. Subjects evaluated the dissimilar brand extensions similarly when the comparison brands were well-known, irrespective of the parent/sponsor brand type (see Table 8.3 for cell means). Thus, the data supported Hypothesis 24a. However, we found for the Kellogg’s/Karte, but not the ColageiCaran, replicate a significant self-construal main effect for unknown comparison brands (F(1,
Specifically, interdependent vs. independent selves in the Kellogg's/Karte condition evaluated the dissimilar brand extension similarly for well-known parent/sponsor brands, but significantly more favorably for unknown parent/sponsor brands (M = 4.61 vs. 3.42, t(25) = 2.49, p < .05). Thus, the data partially supported Hypothesis 24. Cell means across all conditions are depicted in Table 8.3 separately for both replicates.

Discussion

Study 3 focused on dissimilar brand extensions that are promoted in a comparative ad format to find further evidence for the notion that affect transfer from a well-liked comparison brand to the advertised brand extension takes place. Moreover, Study 3 focused on the comparative ad format to further examine how subjects with an interdependent vs. independent self-view differ from each other with regard to cognitive elaboration and brand extension evaluations.

As expected, subjects evaluated dissimilar brand extensions significantly more favorably when a well-known vs. unknown comparison brand was used, irrespective of the sponsor brand type (well-known vs. unknown). Given that we also observed this relationship for unknown parent/sponsor brands, this finding constitutes further support for the notion that affect transfer from the well-known comparison brand to the advertised brand extension is responsible for the ad format differences obtained in Study 1. Priester et al.'s (2004) notion of brand congruity, together with our findings to the cognitive elaboration measure, helps explain this finding. In brief, when exposed to a
well-known comparison and well-known parent/sponsor brand, subjects do not elaborate as much (due to brand congruity). Rather, they engage in category-based processing which allows them to more quickly evaluate the brand extension. In this case, it is likely that subjects utilize the affect from the comparison brand and transfer it to the brand extension to be evaluated. In contrast, when exposed to an unknown comparison and well-known parent/sponsor brand, brand incongruity exists. In this case, subjects engage in more cognitive elaboration to resolve the perceived brand incongruity. However, for dissimilar brand extensions, subjects are unlikely to resolve the incongruity, resulting in less favorably dissimilar brand extension evaluations than when the comparative brand is well-known.

Similar reasoning can be applied for unknown parent/sponsor brands. To illustrate, when subjects are exposed to an unknown parent/sponsor but a well-known comparison brand, brand incongruity exists, resulting in an increase in cognitive elaboration. As noted, subjects perceived the unknown parent brands (i.e., Caran, Karte) as moderately similar to the image they have about the parent brand (perceived similarity evaluations around the midpoint of four). Therefore, the Caran and Karte brand extensions constitute in fact moderately incongruent brand extensions. Given this, the increase in cognitive elaboration is likely to result in resolving the moderate incongruity, resulting in favorable brand extension evaluations. In this case, the well-known comparison brand helps subjects categorize the unknown parent/sponsor brand. In contrast, when exposed to an unknown parent/sponsor and an unknown comparison brand, brand congruity exists, hindering cognitive elaboration. Without cognitive elaboration, however, the moderate incongruity cannot be resolved, leading to
significantly less favorable brand extension evaluations than when the comparative brand is well-known. In this case, without the presence of a well-known comparison brand, subjects are unable to categorize the unknown parent/sponsor brand satisfactorily, leading to less favorable brand extension evaluations.

With regard to the self-construal findings, Study 3 provides further evidence that subjects with an interdependent vs. independent self-view elaborate and evaluate brand extensions similarly when promoted in a comparative ad format, except for the unknown comparison brand/unknown parent brand conditions. Again, this finding is interesting in that it further supports the reasoning that cognitive flexibility is particularly helpful when subjects have to process and evaluate new information (e.g., a newly introduced brand extension) that does not contain any "basis" or "cue" (e.g., a well-known comparison brand or a well-known parent/sponsor brand) for categorization. When subjects do not have any "categorization help", then subjects with a more holistic approach and greater cognitive flexibility can more easily and satisfactorily categorize the new information. In contrast, subjects with an independent self-view, who have a tendency to be less cognitively flexible and more analytical in their information processing, are likely to minimize their cognitive effort in such situations and evaluate the new information accordingly.
CHAPTER 9

DISCUSSION AND CONCLUSION

General Discussion

The primarily objective of this dissertation was to examine how people categorize (RQ1) and evaluate (RQ2) similar versus dissimilar brand extensions when promoted in a comparative versus noncomparative advertising format. Moreover, this dissertation aimed to examine whether self-construal differences—as a proxy of cross-cultural differences—exist with regard to how people categorize and evaluate brand extensions when promoted in a comparative versus noncomparative advertising format (RQ3).

To examine these research questions, we conducted a series of three experiments. The objective of Study 1 was to examine the first two research questions, that is, how people categorize and evaluate similar and dissimilar brand extensions when promoted in a comparative versus noncomparative advertising format. The Study 1 findings were surprising. Specifically, we found that subjects evaluated similar brand extensions similarly across ad formats, while they evaluated dissimilar brand extensions significantly more favorably in a comparative versus noncomparative ad format.

The cognitive elaboration measures indicated that subjects’ dissimilar brand extension evaluations were driven by how they categorized the provided brand extension information. To illustrate, we found for the dissimilar brand extension conditions that subjects categorized the brand extension information more (less) category-based than piecemeal-based when the ad format was comparative (noncomparative). Interestingly,
this finding suggests for the dissimilar brand extension conditions that affect transfer takes place from the dissimilar brand extension to the newly introduced dissimilar brand extension, resulting in more favorable evaluations. No such affect transfer occurs in the noncomparative ad format conditions, thus resulting in significantly less favorable evaluations. Congruity theory provided theoretical support for the unexpected findings.

The objective of Study 2 was to better understand the Study 1 findings for the dissimilar brand extension conditions and to examine whether self-construal moderates these findings (RQ3). Specifically, we aimed at replicating the Study 1 findings for the dissimilar brand extension conditions, finding further evidence for the notion that affect transfer was responsible for the ad format differences observed in Study 1, and examining the role of self-construal, as a proxy of cross-cultural differences, within this examination. Therefore, in addition to manipulating advertising format (comparative vs. noncomparative), we manipulated parent brand type (well-known vs. unknown), and comparison brand type (well-known vs. unknown) in Study 2.

The Study 2 findings provided further evidence for the notion that affect transfer takes place from a well-known comparison brand to a newly introduced dissimilar brand extension when a comparative ad format is used. Specifically, we found that subjects evaluated brand extensions more favorably in a comparative vs. noncomparative ad format when a well-known comparison brand was used, irrespective of the parent brand type (well-known vs. unknown). In contrast, we did not observe significant ad format differences when subjects evaluated brand extensions from well-known/unknown parent brands and when the comparison brand was unknown. Together with the cognitive elaboration measures, these findings provide further support for the affect transfer notion.
Additionally, we found that subjects with an interdependent vs. independent self-view constituted the primary driver of this affect transfer. Specifically, the Study 2 results revealed that the ad differences for the brand extension evaluation measure were mostly due to the responses from subjects with an interdependent self-view. Moreover, the Study 2 results revealed that subjects with an interdependent vs. independent self-view did not significantly differ from each other with regard to cognitive elaboration and brand extension evaluation, except when the brand extension was promoted in a comparative ad format and when the parent and comparison brands were both unknown. Both findings to the self-construal measure can be explained with interdependent selves’ greater cognitive flexibility and more holistic approach to new information processing.

The objective of Study 3 was to find further support for the affect transfer notion and the self-construal findings. Specifically, Study 3 focused on the comparative ad format conditions which allowed for a direct comparison of the comparison brand type (well-known vs. unknown) conditions across parent/sponsor brand type (well-known vs. unknown). The Study 3 results further supported the Study 2 findings. In particular, we found that subjects evaluated brand extensions that are promoted in a comparative ad format more favorably when a well-known vs. unknown comparison brand was used, irrespective of the parent/sponsor brand type. The cognitive elaboration measures were in line with this finding. Overall, this finding suggests that affect transfer from the well-known comparison brand to the brand extension is responsible for the observed differences.

Furthermore, we found that subjects with an interdependent vs. independent self-view elaborated and evaluated brand extensions similarly across treatment conditions.
when promoted in a comparative ad format, except when the comparison and parent/sponsor brands were both unknown. This finding constitutes further support for the notion that self-construal differences in the context of brand extension evaluations are only likely when subjects do not have any "help", "cue", or "basis" (e.g., well-known comparison brand and/or well-known parent/sponsor brand) that would help them assimilate the new information (e.g., new brand extension information) to the existing product category knowledge. Cognitive flexibility and a more holistic approach to information processing, however, are advantageous when no such "categorization help" exists.

In sum, Studies 1-3 provided insights into how people categorize and evaluate different types of brand extensions. Studies 2-3 provided additional insights into whether self-construal differences, as a proxy of cross-cultural differences, for different types of brand extensions exist. A summary of all hypotheses tested in this dissertation and their respective outcome are depicted in Table 9.1. Collectively, we found that affect transfer takes place from the comparison brand to the advertised dissimilar brand extension when a comparative ad format is used and when the comparison brand is well-known. Moreover, we found that self-construal differences exist—and hence cross-cultural differences are likely—when a dissimilar brand extension is promoted in a comparative ad format and the comparison and parent/sponsor brands are both unknown. The results of this dissertation have significant managerial implications, which we will discuss in turn.
<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Description</th>
<th>Study where it was Tested</th>
<th>Supporting Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a</td>
<td>Similar brand extensions will elicit fewer <em>attribute-related</em> (piecemeal) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.</td>
<td>Study 1</td>
<td>Yes</td>
</tr>
<tr>
<td>H1b</td>
<td>Dissimilar brand extensions will elicit fewer <em>attribute-related</em> (piecemeal) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.</td>
<td>Study 1</td>
<td>No</td>
</tr>
<tr>
<td>H2a</td>
<td>Similar brand extensions will elicit fewer <em>simple evaluative</em> (category-based) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.</td>
<td>Study 1</td>
<td>No</td>
</tr>
<tr>
<td>H2b</td>
<td>Dissimilar brand extensions will elicit fewer <em>simple evaluative</em> (category-based) thoughts when promoted in a noncomparative vs. comparative brand extension advertising format.</td>
<td>Study 1</td>
<td>Yes</td>
</tr>
<tr>
<td>H3</td>
<td>Subjects will evaluate similar (dissimilar) brand extensions more (less) favorably in a comparative vs. noncomparative advertising format.</td>
<td>Study 1</td>
<td>No</td>
</tr>
<tr>
<td>H4b</td>
<td>Subjects with an independent self-view will evaluate dissimilar brand extensions similarly (less favorably) than subjects with an interdependent self-view when the extension is promoted with a comparative (noncomparative) advertising format.</td>
<td>Study 2 (same as H8)</td>
<td>Yes</td>
</tr>
<tr>
<td>H5</td>
<td>For well-known parent/sponsor brands and well-known comparison brands, subjects will elaborate more when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format.</td>
<td>Study 2</td>
<td>Partially</td>
</tr>
<tr>
<td>H6</td>
<td>For well-known parent/sponsor brands and well-known comparison brands, subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format.</td>
<td>Study 2</td>
<td>Yes</td>
</tr>
<tr>
<td>H7</td>
<td>For well-known parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will engage in less (similar) cognitive elaboration when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format.</td>
<td>Study 2</td>
<td>Partially</td>
</tr>
<tr>
<td>H8</td>
<td>For well-known parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more (similarly) favorably when promoted in a noncomparative (comparative) ad format.</td>
<td>Study 2</td>
<td>Partially</td>
</tr>
<tr>
<td>H9</td>
<td>For unknown parent/sponsor brands and well-known comparison brands, subjects will elaborate less when exposed to a dissimilar brand extension that is promoted in a noncomparative vs. comparative ad format.</td>
<td>Study 2</td>
<td>Partially</td>
</tr>
<tr>
<td>H10</td>
<td>For unknown parent/sponsor brands and well-known comparison brands, subjects will evaluate a dissimilar brand extension more favorably when promoted in a comparative vs. noncomparative ad format.</td>
<td>Study 2</td>
<td>Yes</td>
</tr>
<tr>
<td>H11</td>
<td>For unknown parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Yes</td>
</tr>
<tr>
<td>H12</td>
<td>For unknown parent/sponsor brands and well-known comparison brands, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Yes</td>
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<tr>
<td>H13</td>
<td>For well-known parent/sponsor brands and unknown comparison brands, subjects will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Yes</td>
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<tr>
<td>H14</td>
<td>For <em>well-known parent/sponsor brands and unknown comparison brands</em>, subjects will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Yes</td>
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<tr>
<td>H15</td>
<td>For <em>well-known parent/sponsor brands and unknown comparison brands</em>, subjects with an interdependent vs. independent self-view will elaborate less when exposed to a dissimilar brand extension, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>No</td>
</tr>
<tr>
<td>H16</td>
<td>For <em>well-known parent/sponsor brands and unknown comparison brands</em>, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension more favorably, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>No</td>
</tr>
<tr>
<td>H17</td>
<td>For <em>unknown parent/sponsor brands and unknown comparison brands</em>, subjects will elaborate similarly when exposed to a dissimilar brand extension, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Partial</td>
</tr>
<tr>
<td>H18</td>
<td>For <em>unknown parent/sponsor brands and unknown comparison brands</em>, subjects will evaluate a dissimilar brand extension similarly, irrespective of the advertising format.</td>
<td>Study 2</td>
<td>Yes</td>
</tr>
<tr>
<td>H19</td>
<td>For <em>unknown parent/sponsor brands and unknown comparison brands</em>, subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a dissimilar brand extension that is promoted in a noncomparative (comparative) advertising format.</td>
<td>Study 2</td>
<td>Partial</td>
</tr>
<tr>
<td>H20</td>
<td>For <em>unknown parent/sponsor brands and unknown comparison brands</em>, subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a noncomparative (comparative) advertising format.</td>
<td>Study 2</td>
<td>Partial</td>
</tr>
<tr>
<td>H21</td>
<td>For <em>well-known (unknown) parent/sponsor brands</em>, subjects will engage in more (less) cognitive elaboration when the dissimilar brand extension comparative ad shows an unknown vs. well-known comparison brand.</td>
<td>Study 3</td>
<td>Yes</td>
</tr>
<tr>
<td>H22</td>
<td>Subjects will evaluate a dissimilar brand extension that is compared to a well-known vs. unknown comparison brand more favorably, irrespective of the parent/sponsor brand type (well-known vs. unknown).</td>
<td>Study 3</td>
<td>Partial</td>
</tr>
<tr>
<td>H23a</td>
<td>Subjects with an interdependent vs. independent self-view will elaborate similarly when exposed to a comparative dissimilar brand extension ad with a well-known comparison brand, irrespective of the parent brand type.</td>
<td>Study 3</td>
<td>Yes</td>
</tr>
<tr>
<td>H23b</td>
<td>Subjects with an interdependent vs. independent self-view will elaborate similarly (more) when exposed to a comparative dissimilar brand extension ad with an unknown comparison brand and well-known (unknown) parent brand.</td>
<td>Study 3</td>
<td>Yes</td>
</tr>
<tr>
<td>H24a</td>
<td>Subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly when promoted in a comparative ad format with a well-known comparison brand, irrespective of the parent brand type.</td>
<td>Study 3</td>
<td>Yes</td>
</tr>
<tr>
<td>H24b</td>
<td>Subjects with an interdependent vs. independent self-view will evaluate a dissimilar brand extension similarly (more favorably) when promoted in a comparative ad format with an unknown comparison brand and well-known (unknown) parent/sponsor brand.</td>
<td>Study 3</td>
<td>Partial</td>
</tr>
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</table>
Managerial Implications

The findings of this dissertation provide new insights into (1) how marketing managers can further increase the equity of their brands by means of choosing the appropriate advertising format and (2) what aspects international marketing managers need to take into consideration when promoting newly introduced brand extensions across cultures.

First, our findings suggest that marketing managers should utilize a comparative over a noncomparative ad format when introducing a new dissimilar brand extension (e.g., Colgate introduces bandages or Kellogg's introduces frozen meals). In contrast, when introducing a new similar brand extension (e.g., Colgate introduces teeth whitening strips or Kellogg's introduces muffin mixes) then either advertising format can be used. The advantage of a comparative ad format for dissimilar brand extensions is that marketing managers benefit from the existing comparison brand affect, which customers are likely to transfer to the advertised dissimilar brand extension when making their evaluation decisions. Consequently, customers are likely to evaluate a dissimilar brand extension more favorably when it is promoted in a comparative vs. noncomparative ad format. However, such affect transfer is unlikely when the new brand extension is perceived as relatively similar to the existing parent brand. Against this background, it becomes clear that the affect transfer from the comparison brand to the advertised dissimilar brand extension constitutes a new means for marketing managers to increase the equity of their brands.

Second, when introducing a new dissimilar brand extension and promoting it with a comparative ad format, marketing managers should ensure that the target group knows
and likes the comparison brand. The reason behind this is that affect transfer from the comparison brand to the advertised dissimilar brand extension is only likely when subjects have developed positive attitudes and affect toward the comparison brand. Consequently, irrespective of the parent/sponsor brand type (well-known vs. unknown), marketing managers should ensure that the comparison brand is well-known and well-liked.

Third, international marketing managers often face the challenge to introduce dissimilar brand extensions in a foreign market, even though their parent brand is still unknown to their target group. Our findings suggest that an unknown parent brand does not constitute a disadvantage per se. Instead, international marketing managers who introduce dissimilar brand extensions in a foreign market can benefit from the affect that consumers have already developed toward an established competitor brand. This, however, requires that international marketing managers promote their newly introduced dissimilar brand extension in a comparative ad format that shows a well-known comparison brand.

Fourth, as far as self-construal differences constitute a proxy for differences that would occur in cultures with a predominantly interdependent (e.g., Southeast Asia) vs. independent (e.g., North America, Western Europe) self-view, our findings have further implications for international marketing managers. For example, our findings suggest that the use of a well-known comparison brand to promote a dissimilar brand extension is particularly important when introducing and promoting a dissimilar brand extension in cultures with a predominantly interdependent self-view. As discussed, collectivistic cultures have a tendency to be more interdependent in their self-view, while
individualistic cultures have a tendency to be more independent in their self-view. Consequently, international marketing managers need to take particular caution when introducing and promoting a dissimilar brand extension in collectivistic cultures. The reason behind this is that we identified the interdependent selves as the true drivers of the affect transfer from a well-known comparison brand to the advertised dissimilar brand extension.

Finally, international marketing managers often face the challenging decision of whether to standardize or localize their advertising communication strategies across cultures (see Alden, Steenkamp, and Batra [1999] for a review). In line with prior research (e.g., Merz, He, and Alden 2008), our findings suggest that international marketing managers can standardize their dissimilar brand extension comparative advertisements across collectivistic and individualistic cultures (cultures with a predominantly interdependent vs. independent self-view) as long as the comparison brand is well-known. A localization strategy for dissimilar brand extension comparative advertisements, however, is recommended when both the parent/sponsor and the comparison brands are unknown.

The reason for this is that consumers with a predominantly interdependent self-view—mostly consumers in collectivist cultures—are cognitively more flexible and holistic when evaluating new information (e.g., new brand extensions). Thus, such consumers are able to properly categorize and accordingly evaluate a dissimilar brand extension even when no “reference” for categorization is provided (e.g., in the form of a well-known comparison brand). In contrast, consumers with a predominantly independent self-view—mostly consumers in individualist cultures—are cognitively less
flexible and more analytical when evaluating new brand extensions. Thus, such consumers are unable to categorize a dissimilar brand extension properly when no "categorization help" is available, resulting in relatively unfavorable brand extension evaluations. As a result, when globalizing their advertising communication strategies, international marketing managers should ensure that a "link" (e.g., a well-known comparison brand, a well-known parent brand) is provided that helps consumers across cultures categorize the new brand extension information. If no such link can be provided (e.g., because the parent/sponsor and the comparison brands are relatively unknown), then international marketing managers should localize their advertising communication strategy, in particular in cultures with a predominantly independent self-view. In such cultures, for example, it may be more beneficial to utilize a noncomparative vs. comparative ad format to promote the newly introduced dissimilar brand extension.

In sum, our findings have direct implications for practitioners. In particular, they suggest that using a comparative ad format with a well-known comparison brand when promoting a dissimilar brand extension may help firms increase their brand equity. In addition, they suggest that an unknown parent brand is not necessarily a disadvantage perse when firms introduce dissimilar brand extensions in foreign markets. Instead, a comparative ad format with a well-known comparison brand may well make up for an unknown parent brand. Finally, they suggest that a standardization vs. localization approach with regard to the advertising format is appropriate for dissimilar brand extensions, unless the parent/sponsor and the comparison brands are both unknown.
Limitations and Future Research

In addition to the usual caveats associated with student samples and laboratory experiments, this investigation has several limitations that call for additional research. First, we limited our investigation to Colgate and Kellogg’s, which constitute well-known household brands. Further analyses should examine whether our findings hold true for well-known and well-liked brands in other product categories, such as banking (e.g., Bank of America), delivery (e.g., UPS), computer (e.g., Apple), and sports goods (e.g., Nike).

Second, the dissimilar brand extensions for the Colgate and Kellogg’s brands that we used in our studies were relatively realistic and believable (bandages for Colgate and frozen meals for Kellogg’s). However, firms sometimes introduce dissimilar brand extensions that seem relatively unrealistic (e.g., Harley Davidson introduced Cake Making Kits). It would be interesting to see whether our results for the dissimilar brand extensions hold true to less realistic brand extensions. It may be possible that our results are even stronger for less realistic dissimilar brand extensions because consumers may assign more weight to the comparison brand affect in a comparative ad format condition.

Similarly, it would be interesting to further examine the effect of brand extension believability on consumers’ brand extension evaluations. For example, how much does believability of the dissimilar brand extensions—in comparison to affect transfer—affect consumers’ evaluations when the dissimilar extension is promoted in a comparative ad format? While we controlled for possible believability effects in our pretests by selecting similar and dissimilar brand extensions that were perceived as relatively realistic, more research is needed to detangle the effects of believability and affect transfer on
consumers’ brand extension evaluations. In a related manner, further research is needed to tease apart possible brand extension evaluation effects that are due to familiarity, affect, and attitude. To illustrate, in Study 1, we selected parent brands (Colgate, Kellogg’s) and comparison brands (Crest, Band-Aid, Pillsbury, Lean Cuisine) that subjects were highly familiar with. Similarly, these parent and comparison brands constituted brands that subjects had developed very positive attitudes and affect towards. We argued that the dissimilar brand extension evaluation differences for the comparative ad format conditions are due to an affect transfer from the comparison brand to the brand extension. However, more research is needed to ensure that these comparative dissimilar brand extension ad differences are in fact due to affect, rather than attitude or familiarity.

Third, the focus of this dissertation lies on examining ad format differences for similar and dissimilar brand extensions. Therefore, we focused on brand extensions that were perceived as very similar (between scale points 5-7) and very dissimilar (between scale points 1-3), where seven is maximally similar. However, prior research on brand extensions suggests further brand extension evaluation differences for moderately dissimilar brand extensions (between scale points 3-5; e.g., see Baron, Miniard, and Romeo 2000; Meyers-Levy, Lourie, and Curren 1994). Consequently, further research should take moderately dissimilar brand extensions into consideration and examine how people categorize and evaluate such brand extensions when promoted in a comparative vs. noncomparative ad format.

Fourth, we limited our examination to simulated print advertisements to examine how people categorize and evaluate different brand extensions when promoted via different ad formats. Given the continuously growing importance of online advertising, it
would be interesting to see whether our results hold true for online advertising across different ad types (e.g., banner ads, pop-ups, side-bar ads, search engine ads).

Furthermore, the simulated print ads that we used in our examination used both pictorial and factual features. Prior research has found that pictures and facts alike affect advertising effectiveness and product evaluations (e.g., Polyorat, Alden, and Kim 2007). Therefore, it would be interesting to detangle the pictorial and the factual effects on subjects' evaluation of brand extensions when promoted in a comparative vs. noncomparative ad format. For example, do the effects hold true when only a message is provided? As we only changed the manipulating factors across treatment conditions, the answer is most likely affirmative. Nonetheless, more research is needed to examine the influence that pictures vs. facts alone and in combination have on subjects' evaluation of different types of brand extensions when a comparative vs. noncomparative ad format is used.

Fifth, we limited our investigation to a comparative ad format that was intense (i.e., direct comparisons were made) and directional (i.e., differentiative ad claims were used). Therefore, the question arises whether the ad copy format used had an effect on subjects' evaluation of dissimilar brand extensions. Specifically, it is possible that affect transfer took place because we directly compared the parent/sponsor brand to the well-known comparison brand and/or because we used superiority claims to highlight the comparative ad claims. However, comparative advertising is not always intense and directional. Prior research on comparative advertising has found that subjects' evaluation of the ad and the advertised product differ depending on the intensity (direct vs. indirect), directionality (differentiative vs. associative), message framing (positive vs. negatively
framed), and ad claims (positive vs. mix) used (Grewal, Kavanoor, Fern, Costley, and Barnes 1997; Lamb, Pride, and Pletcher 1978; Thompson and Hamilton 2006).

Therefore, it is possible that a different ad copy format will lead to different results. Consequently, further research should explore alternative comparative ad copy formats to test whether our results hold true across comparative ad copy formats or are specific to the intense and directional format we used in our examination.

Sixth, we limited our examination to well-known and unknown parent/sponsor and comparison brands. We ensured that subjects evaluated the well-known parent/sponsor and comparison brands very positively (i.e., attitude; scale points between 5-7, where seven is maximally favorable) and had developed very positive feelings toward them (i.e., affect; scale points between 5-7, where seven is maximally positive), so that affect transfer can in fact occur. Similarly, we ensured that subjects evaluated the unknown parent/sponsor and comparison brands neutrally (scale points between 3.5-4.5) and were neutral with regard to their feelings toward them (scale points between 3.5-4.5). While we found support for the notion that affect transfer takes place from a well-known comparison brand to a dissimilar brand extension when a comparative ad format is used, further research should test the effect of comparison brands that subjects evaluate negatively and feel negatively towards or comparison brands that subjects evaluate positively but feel negatively towards.

For example, Yeung and Wyer (2005) examined the influence of brand-elicited affect on consumers’ evaluations of brand extensions. The authors demonstrated that people evaluate brand extensions differently depending on the favorableness (i.e., attitude) of the parent brand and the extent to which the parent brand elicits affect. Given
their results, it is possible that favorable parent/comparison brands that elicit negative affect or negative parent/comparison brands that elicit negative affect will have an impact on subjects’ evaluation of dissimilar brand extensions when a comparative ad format is used. Specifically, it is possible that a comparison brand that elicits negative affect will lead to negative affect transfer from the comparison brand to a dissimilar brand extension. As such, the effect should be opposite from the positive affect transfer examined in this dissertation. Consequently, further research should examine the possibility of a negative affect transfer from the comparison brand to a dissimilar brand extension. Similarly, further research should disentangle the affect transfer that takes place from the parent brand to the extension and from the comparison brand to the brand extension. Thus, which affect transfer contributes more to subjects’ brand extension evaluations?

Seventh, we assessed subjects’ interdependent vs. independent self-view as a proxy of culture. Our findings are interesting and hold important implications for international marketing managers. Of course, however, a stronger test of whether cross-cultural differences exist in terms of consumers’ evaluation of brand extensions would be to collect data directly in a collectivistic (for interdependent self-view subjects) and individualistic (for independent self-view subjects) culture and compare the results after testing for measurement invariance (He, Merz, and Alden 2008; Steenkamp and Baumgartner 1998).

Alternatively, instead of collecting data in two different cultures, it would be possible to prime subjects in terms of their self-view and examine whether the prime has an effect on how subjects evaluate different types of brand extensions when promoted
with a comparative vs. noncomparative ad format (e.g., Brewer and Gardner 1996; Gardner, Gabriel, and Lee 1999; Trafimow, Triandis, and Goto 1991; for contextual priming, see also Shen and Chen 2007). Such an examination is interesting because our results indicated that the observed affect transfer is primarily driven by subjects with an interdependent vs. independent self-view. Therefore, when a comparative ad format is used, we expect that the observed affect transfer from the well-known comparison brand to the dissimilar brand extension will be significantly more pronounced for subjects whose interdependent self-view is primed. This test would not only provide further evidence for the affect transfer notion but also increase our understanding of potential cross-cultural differences regarding consumers' dissimilar brand extension evaluations.

Eighth, instead of priming subjects' self-view, it would be interesting to frame the ad copy in terms of interdependence vs. independence (e.g., Han and Shavitt 1994). Thus, it would be interesting to actually manipulate the simulated print ads to examine subjects' responses to the interdependently vs. independently framed brand extension ads when a comparative vs. noncomparative ad format is used. Such message framing would ensure that indeed self-construal is responsible for the results.

Finally, Vargo and Lusch (2004) argued that marketing is evolving from a goods-dominant logic toward a service-dominant logic. Similarly, Merz, He, and Vargo (2008) examined the branding literature against the background of the service-dominant logic and demonstrated that branding is also evolving toward a service-dominant logic. The authors argued that brand value is always co-created between a firm and its various customers and proposed a Brand Value Co-Creation (BVCC) model, which brings with it a new understanding of brand value creation. Specifically, in contrast to the existing
brand models, which are predominantly output-oriented, the BVCC model is process-oriented. Therefore, it views customers as operant resources—resources capable of causing benefit by direction acting on other resources, either operand or operant, to create benefit—and argues that brand value is created through value-in-use. In contrast to the BVCC model, traditional brand models view customers as operand resources—resources on which an operation or act is performed to produce benefit for the producing firm—and argue that brand value is created through value-in-exchange.

Against this background, it would be interesting to examine what implications the evolving brand logic has on customers’ evaluation of similar vs. dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format. For example, for the comparative ad format conditions, does affect transfer from the comparison brand to the dissimilar vs. similar brand extension take place because customers are more actively involved in the brand value co-creation process? Further, how can customers be motivated to more actively engage in the brand value co-creation process for similar brand extensions when promoted in a comparative ad format? In more general, how can customers help co-create brand value in the context of brand extension advertising?

**Conclusion**

This dissertation has, for the very first time, combined the brand extension and the comparative advertising research streams. We examined how people categorize and evaluate similar vs. dissimilar brand extensions when promoted in a comparative vs. noncomparative ad format. In addition, we examined whether cross-cultural differences,
based on subjects' responses to the self-construal measure, are likely when dissimilar brand extensions are promoted in a comparative vs. noncomparative ad format.

In three studies, we found support for the notion that affect transfer from the comparison brand to a dissimilar brand extension is responsible for subjects' brand extension evaluation differences. This is interesting insofar as it provides marketing managers with new means to improving a brand’s equity. In addition, we found that subjects with both an interdependent and independent self-view evaluated different brand extensions similarly when promoted in different ad formats (comparative vs. noncomparative), as long as they receive a “cue” or a “basis” that helps them assimilate the new information to the existing product category knowledge. Subjects with an interdependent vs. independent self-view only differed from each other in terms of brand extension evaluation when no such cue or reference point was provided. This is interesting insofar as it provides international marketing managers with further insights into how to develop a proper ad copy when promoting brands across cultures and whether a standardization vs. localization promotion strategy is recommended.

While this dissertation uncovered new ground and discovered potentially valuable relationships, it is apparent that it constitutes the beginning, rather than the end, of a long journey. Therefore, more research is needed to further examine the different facets un- and discovered in this dissertation. It is the hope of the author of this dissertation that this initial effort of combining the brand extension research stream with the comparative advertising research stream will develop into a separate research stream in itself; one that further examines the great potential of affect transfer.
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