THE IMPACT OF FIT AND GOAL CONGRUENCY ON CONSUMERS' ATTITUDE TO BRAND EXTENSIONS

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This paper investigates the role of a brand extension's fit and consumer goal congruence in the formation of consumers' attitude to an extension. Experimental results found that brand extension fit impacted attitude toward brand extensions. However, the goal congruence – the degree to which an extension fulfills a consumer goal – did not impact attitude toward brand extensions as expected. Implications for managers and future directions are discussed.

INTRODUCTION

Brand extensions – brand names extended to new product categories (Kotler 2000) – are a profitable and valuable marketing strategy. While extending brands provides firms with an opportunity to financially leverage a brand's equity, research suggests some caveats that might limit brand extension possibilities (Lane 2000). One such limiting factor is fit – the similarity between the brand and the extension. Past research has demonstrated that brand extensions are not likely to be rated highly when the extension is inconsistent with the dominant brand (e.g., Bridges, Keller and Sood 2000). If consumers do not see a basis for fit, they usually disapprove of the extension (Lane 2000). In sum, research suggests that extensions are likely to be successful only when the consumer perceives congruence or fit between the brand and its proposed extension (Bhat and Reddy 2001; Czellar 2003).

Researchers have identified several bases for fit, including attitude to the brand (Broniarczyk and Alba 1994), brand familiarity (Desai and Keller 2002), transferable attributes (Keller and Aaker 1992) and advertising influences (Bridges, Keller and Sood 2000; Lane 2000). While most of these factors directly address the attributes of the brand and the product category, fewer attempts have been made to examine the role of consumer information processing in the evaluation of brand extensions. Specifically, there has been little systematic investigation of how goal evaluation by consumers interacts with the estimation of brand extension fit. Notably, Desai and Ratneshwar (2003) looked at the role of goals in modifying consumers' extension evaluations. They demonstrated that if a goal potentially achieved by a product's attribute (e.g., low fat) is particularly salient for a consumer (e.g., health orientation), consumers are likely to rate product variants favorably. They argue that because of differences in category structure and salience effects, goal-oriented consumers (e.g., health) are more likely to contrast product variants positioned on atypical attributes (e.g., low-fat cookies) against typical goal-appropriate categories (e.g., yogurt, fruit). Research along these lines raises the question of the relative importance of consumer goals and evaluations of brand extension fit. For instance, if the consumer has a dominant health related goal, will the effect of poor fit extensions be overridden if the extension is in a health related product category that is consistent with the consumer goal? Alternatively, is the effect of poor fit brand extensions invariant across product categories irrespective of consumer goals? This question is important in light of the central and modifying role of goals in consumer information processing and decision making (Bargh 2002; Huffman and Houston 1993).

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The objective of this paper is to investigate the role of brand extension fit (the consistency between the core brand and its extension) and consumer goal congruence (the degree to which an extension fulfills a goal) in the formation of consumers' attitude to an extension. Following a delineation of the conceptual background and hypotheses, the results of an experiment are reported. Subsequently, implications and directions for future research are discussed.

CONCEPTUAL BACKGROUND

A common theme in the brand extension literature is that consumers' evaluation of an extension is a function of "fit" – the similarity between the brand and the extension. Similarity between the brand and the extension is important to the success of an extension as it enhances transfer from the brand to the extension. In contrast, a poor fit may detract from transfer as well as stimulate undesirable beliefs (Aaker and Keller 1990). There is growing evidence that unless there is a recognizable basis for fit, consumers disapprove of the extension (Lane 2000).

Brand extension fit has been manipulated and measured in a variety of ways. In their analysis of reactions to extensions of well-known brands, Aaker and Keller (1990) demonstrated the importance of product category fit – the fit between the original brand's category and the extension category. A broader view of fit would suggest that it is not driven by product category similarity alone, but might arise from a variety of brand associations (e.g., Broniarczyk and Alba 1994; Park, Milberg and Lawson 1991). In fact, Bridges, Keller and Sood (2000) suggest that extension fit refers to *any* association that the consumer makes that serves as a basis for connecting the brand and its extension. The key determinant of fit is whether the connection is salient and relevant. For purposes of this paper, the Bridges, Keller and Sood (2000) definition of fit is adopted: Extension fit implies that "any parent brand association, including category, brand concept, or brand-specific associations, can connect the parent brand with an extension" and serve as a basis of fit (p. 2).

Boush and Loken (1991) argue that atypical extensions are more likely to be judged a "poor fit" than more typical extensions, which are likely to have affective consequences (p. 18). In other words, a poor fit is expected to be evaluated less positively than a better fit. Consistent with previous findings, we posit that:

H_1: Brand extension fit will impact attitude toward a brand extension, with better-fit extensions being evaluated more favorably than poorer-fit extensions.

In addition to fit, several other factors have been identified as contributing to consumers' brand extension evaluations. These factors include: company characteristics, such as consumers' perceptions of the company's skill and capabilities (Keller and Aaker 1992; Sunde and Brodie 1993); product variables, such as perceived quality (Keller and Aaker 1992), transferable attributes (Keller and Aaker 1992) and feature similarity (Park, Milberg and Lawson 1991); marketing mix variables, such as advertising influences (Bridges, Keller and Sood 2000; Lane 2000) and placement (Desai and Keller 2003); and individual difference variables, such as attitude to the brand (Broniarczyk and Alba 1994) and brand familiarity (Desai and Keller 2003).

While some researchers have investigated the impact of information processing goals on brand evaluations and consumer response (Keller 1991), only recently have researchers investigated whether consumers' pursuit of goals is relevant in brand extension evaluations. Goals provide a context in which information processing and consumer choice are organized. Huffman and Houston (1993, p. 194) define goals as "abstract benefits sought by the consumer that are available through the (abstract or concrete) features of a product class that offer fulfillment of those goals." Specifically, goal congruency – the degree to which an object fulfills a goal – has been

suggested as an important factor in explaining consumer behavior (Martin and Stewart 2001). Indeed, several consumer behavioral theories would suggest that goal congruency impacts attitude to an object.

Consumers' evaluation of a product may be related to the extent that the product assists the consumer in achieving behavioral goals (e.g., Bargh 2002). If a product is associated with achieving a particular goal, the evaluation should be higher than if this were not the case. For instance, health-related goals should cause one to evaluate high-nutrition items more favorably. Similarly, consumers will respond less positively to an extension when that product is less congruent to their goals. In sum, if a brand extension may help a consumer achieve a goal, we can expect the extension to be evaluated more positively and vice versa.

H_2: The congruency of a brand extension and a goal will impact consumers' attitude toward a brand extension, with better-fit extensions being evaluated favorably compared to poorer-fit extensions.

Brand extensions that exhibit goal congruency are expected to induce a more favorable attitude. In addition, the fit is expected to impact attitude toward a brand extension, with more consistent extensions being evaluated more favorably. When these two conditions are jointly considered, it is reasonable to expect that when an extension is perceived to fit *and* the extension is congruent with the consumer's goal, the attitude towards the extension will be more favorable than if only one of the conditions were in place. Correspondingly, in the case of extensions exhibiting less fit and lower goal congruence, a less favorable attitude toward the extension can be expected than if only one condition was in place. This reasoning is consistent with the proposition that an extension may "fit" into another category if it is perceived to offer the benefits of the extended category (Broniarczyk and Alba 1994). In sum, when expansion fit and goal congruence are concurrent, we can expect an interaction effect as both of them are salient and relevant to the formation of attitudes toward the extension.

H_3: Attitude to the brand extension will be higher when both goal congruence and fit are present than when only one of these two variables is present.

METHOD

Experimental Design

A randomized, within-subjects design with repeated measures was employed to reduce order effects and increase the power of a small sample. Goal congruency was manipulated. Each subject was given a booklet that was identical, except that one-half of the sample received a one manipulation and the other half a different manipulation. The manipulation material consisted of a description of dietary guidelines from the FDA for the health manipulation and a newspaper article concerning dinner parties for the non-health manipulation. Each subject evaluated three brand extensions that were randomly rotated. Each brand extension varied systematically from an established brand concept and attitude toward the extension was measured.

Operationalization of Brand Extension Fit

Previous brand research has typically chosen known, well-established brands or unknown, fictional brands. There are benefits and risk with using each approach. In the first instance, the researcher is unable to control subjects' familiarity or experience with the brand, yet the brand has been professionally developed with well-crafted promotional materials and product positioning statements. In the second instance, the researcher's choice of an unknown brand controls subjects' familiarity and experience, yet the brand manipulation materials are often not as well-crafted or believable as if the materials were prepared by professional marketers. Given that attitude toward a product is highly related to its familiarity, a relatively unknown host brand was selected for this study

to reduce confounds with respondents' brand history and brand familiarity. Therefore, a real brand with limited distribution was sought so that the core brand would leverage the strengths of a professionally marketed brand, an approach consistent with previous research. A real core brand (Dagoba Chocolate) with limited distribution was chosen. Subjects were not expected to be familiar with the brand since the brand's primary distribution area was outside of respondents' geographic region. As a result, the brand was not expected to be familiar to the sample. Following Desai and Ratneshwar (2003), the core product is expected to have a typical product attribute (e.g., good taste) and is in a product category in which some brands are being positioned on atypical attributes (e.g., low-fat, low-calorie, healthy).

Operationalization of Goal Congruency

In previous research, consumer goals were measured as an individual difference variable (e.g., health orientation was measured by Desai and Ratneshwar 2003). However, compared to the impact of individual differences on consumers' behavior, the impact of non-conscious inputs is far less understood. Recent research suggests that non-conscious inputs might impact the alternatives that consumers consider and the impressions that consumers form. In particular, non-conscious goal priming has been demonstrated to influence behavior and task completion (Bargh et al. 2001; Chartrand and Bargh 1996). Consistent with the research on the automatic effects on attitudes and behavior, consumer goals are non-consciously primed through manipulation in this research. Goal congruency and brand extension fit were manipulated. Goal congruency was manipulated with the goal of "healthy eating." The manipulation material consisted of a description of dietary guidelines from the FDA for the healthy goal prime for the experimental group, and a newspaper article concerning dinner parties for the control group. Subjects were randomly assigned to the control group or to the experimental group which represents the primed "healthy eating" goal. Consequently, we have a three-by-two within-subjects, randomized factorial design with repeated measures. The products were randomized to reduce order effects. A repeated measures design was chosen to increase power across a small sample.

Scales

Respondents were given a copy of the company's description of their core brand – Dagoba Chocolate. Following this, subjects were presented with a brief description of three plausible extensions of the Dagoba brand: ice cream, yogurt and protein bars, each representing varying degrees of fit. Perception of extension fit was measured using a seven-point semantic differential scale adapted from Bridges, Keller and Sood (2000). Brand trial and recall were assessed so that those familiar with the brand could be removed from the sample. Attitude to the extension, a repeated measure dependent variable, was adapted from Boush and Loken (1991), Broniarczyk and Alba (1994) and Goldsmith, Lafferty and Newell (2000). The dependent variable was attitude toward the extension which was measured as summed scales consisting of four seven-point semantic differential items for each of the three extension categories: ice cream, yogurt and protein bars.

Sample

One hundred and forty-eight undergraduate students in two introductory marketing classes at a large southeastern university completed questionnaires in exchange for extra credit. Three subjects indicated they had tried or recalled the core brand and were eliminated from the sample. In addition, nine questionnaires did not contain responses to items in key scales and these respondents were removed from the sample. The final sample contained 100 student respondents. The use of student subjects is consistent with prior brand extension research where student samples have been used (e.g., Aaker and Keller 1990; Boush and Loken 1991; Lane, 2000, Park et al. 1991).

RESULTS

Manipulation Checks

As a manipulation check on extension fit, paired samples difference tests indicated that subjects perceived that the extension fits for branded chocolate with ice cream and for branded chocolate with protein bars were significantly different ($t=3.36$, $df=99$, $p<0.001$); and that the extension fit for branded chocolate with ice cream and branded chocolate with yogurt was significantly different ($t=4.55$, $df=99$, $p<0.001$). However, the extension fit for branded chocolate with protein bars and branded chocolate with yogurt were not significantly different ($t=0.66$, $df=99$, $p=0.51$). In sum, ice cream is a "better" extension fit for branded chocolate; compared to ice cream, protein bars and yogurt are a poorer fit.

The manipulation check for goal priming was accomplished by comparing the treatment condition to respondents' response to the passage, asking for them to describe what they should keep in mind when grocery store shopping (i.e., foods that are tasty, healthy, high quality, good value, other-specify and not sure). Subjects that responded "healthy" were coded as a healthy manipulation check and all other responses were coded as a non-healthy manipulation check. A 2x2 table of the manipulation check (healthy, non-healthy) by priming condition (healthy orientation, absence of healthy orientation) was constructed. This 2x2 table indicated that 86 percent of respondents in either experimental condition responded to the question consistent with the priming condition. Cohen's Kappa was 0.71 ($p<.001$), indicating agreement (Huck and Cormier 1996) between the priming condition and the subject's response.

Analysis

Descriptive statistics and reliabilities for the scale are reported in Table 1. All reliability scores were above 0.95 (Cronbach's alpha). The scale's descriptive statistics are reported in Table 1. The data were analyzed using ANOVA.

Results

Hypothesis 1 posits that better fit extensions will be evaluated more positively than poor fit extensions. Accordingly, we expect that attitude to Dagoba ice cream (best fit) will be the highest, followed by attitude to yogurt and then protein bars (poorest fit). Figure 1 reveals that that fit impacted attitude to the extension ($F = 18.07$, $p<0.01$, Table 2) with better-fit extensions being evaluated more favorably than poorer-fit extensions (e.g., contrast of ice cream versus protein bars: $F = 19.3$, $p<0.001$, Table 3).

The results support H_1 that brand extension fit impacts attitude toward an extension with better-fit extensions being evaluated more favorably than poorer-fit extensions. However, the results do not support H_2 that goal congruency impacts consumers' attitude toward a brand extension ($F= 1.10$, $p = 0.30$, Table 3). In addition, the interaction hypothesis (H_3) was not supported ($F= 0.40$, $p = 0.67$): Goal congruency and extension fit did not interact to influence the attitude toward the extension.

DISCUSSION

Consistent with prior research, this study found that fit impacted attitude to the extension. However, this research departed from previous studies in several ways. First, the paper examined the degree to which consumers' goals influence their attitude to brand extensions, adding to our understanding of moderators of the fit-extension relationship. While support was not found for the hypothesis that consumers' goals influence their attitude to brand extensions, there are several reasons why an effect may not have been found. This study employed a repeated measures design, which provides increased sensitivity and power with smaller samples and an ability to rule out competing explanations (Mitchell and Jolley 2003; Shaughnessy and Zechmeister 1997). Yet

TABLE 1
Mean Attitude Scores (Standard deviations in parentheses)

	Cronbach's Alpha	Experimental Group (Healthy Prime) (n = 51)	Control Group (n = 49)	Total (n = 100)
Perceived Fit *				
Ice Cream	0.97	24.5 (6.9)	23.1 (6.4)	23.8 (6.7)
Yogurt	0.96	20.4 (7.0)	21.1 (7.3)	20.8 (7.1)
Protein Bars	0.95	21.9 (6.9)	20.6 (6.8)	21.3 (6.9)
Attitude to the Brand Extension **				
Ice Cream	0.96	19.9 (5.0)	18.8 (6.2)	19.3 (5.6)
Yogurt	0.94	15.5 (5.9)	15.3 (6.9)	15.4 (6.4)
Protein Bars	0.94	16.7 (5.6)	15.2 (6.4)	16.0 (6.0)

*Measured on five-item seven-point semantic differential scale (Similar/Dissimilar, Logical/Not logical, Appropriate/Not appropriate, Relevant/Not relevant, Makes sense / Does not make sense).
**Measured on four-item seven-point semantic differential scale (Unfavorable/Favorable, Unappealing/Appealing, Unpleasant/Pleasant, Bad/Good).

TABLE 2
ANOVA

	SS	DF	MS	F	p
Between-Subjects Effect					
Within and Residual	5797.90	98	59.16		
Goal Prime (Treatment)	64.97	1	64.97	1.10	0.30
Within-Subject Effect					
Within and Residual	4857.44	196	24.78		
Attitude to the Extension	895.45	2	447.72	18.07	<0.01
Goal Prime by Attitude to the Extension	20.01	2	10.00	0.40	0.67

TABLE 3
Tests of Within-Subjects Contrasts

	Contrasts	SS	df	MS	F	P
Attitude to the Extension	Ice Cream vs. Probars	71.09	1	71.09	19.28	<0.01
-	Yogurt vs. Probars	1.74	1	1.74	0.55	0.46
Goal Prime by Attitude to the Extension	Ice Cream vs. Probars	0.16	1	0.16	0.04	0.84
-	Yogurt vs. Probars	2.32	1	2.32	0.73	0.39
Error	Ice Cream vs. Probars	361.30	98	3.69		
-	Yogurt vs. Probars	310.48	98	3.17		

repeated measures designs have several limitations such as carry-over effects, subject fatigue, subject sensitization, practice effects and differential transfer (Mitchell and Jolley 2003; Shaughnessy and Zechmeister 1997) that could have confounded the results. Therefore, research employing a different design seems warranted.

Second, this paper used an attitudinal measure of consumers' reaction to a brand, as opposed to measures typically found in this stream of research that combine perceptual, preferential, behavioral and/or attitudinal items into a single measure of consumers' response. Although the role of affect in brand extensions is acknowledged (Broniarczyk and Alba 1994), affective attitudinal measures are relatively infrequent in this stream of research (for exceptions, see Bottomley and Doyle 1996; Desai and Keller 2002; Martin and Stewart 2001). Typically, measures of consumers' reactions to extensions combine perceptual, preferential, behavioral and/or attitudinal items into a single scale representing consumers' response. For instance, Klink and Smith (2001) measured consumers' extension evaluation as a scale composed of two items – favorability and purchase intention. Aaker and Keller (1992) measured consumers' evaluation of the extension as perceived quality, trial likelihood and product superiority. Continued research that focuses on disentangling affect, perceptions and behaviors as measures of consumers' reactions is more theoretically sound and may provide more explanatory power.

Finally, because there are many examples of brands that have been extended successfully into domains that would not be predicted by existing research, further understanding of factors that may mitigate the evaluation of an extension is warranted (Klink and Smith 2000). Behavioral goals seem to be a worthy line of inquiry. Future research might investigate whether measured or manipulated goals impact the attitude toward an extension, which might shed light on the relative importance of advertising and benefits segmentation.

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