

"EXTENDIBILITY OF UMBRELLA BRANDS"

by

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ABSTRACT

For single product brands, consumers evaluate the "fit" of brand extensions in relation to the existing product. For umbrella brands, the question of product association as a determinant of brand extendibility is more complex. With which of the existing products are extension products compared in order to arrive at judgments of "fit"? This paper introduces a distinction between context-dependent and context-independent brands. This distinction is used to explore the possibility that the product associations that some umbrella brands evoke may vary as a function of the context in which the brand is activated. Results from an experiment show that context-dependent activation influences consumers evaluations of brand extensions. The extendibility of a brand depends on its level of context-dependence. Further, it is found that extensions that are close to products that dominate within a brand are evaluated in terms of the attitude toward the dominant product, while extensions close to nondominant products are evaluated as a function of the activation of the nondominant product.

Extendibility of Umbrella Brands

Consumers evaluate brand extensions according to their "fit" with existing brand associations (Aaker and Keller 1990). Fit is a multidimensional construct based on associations that the brand evokes. Important among these are product associations (Aaker and Keller 1990, Meyers-Levy 1989). For example, the brand name Levi may be strongly associated in consumers' minds with jeans, Nike with sneakers, and Honda with cars. Brands such as 3M, Kraft, and General Electric, may be more versatile than Levi, Nike or Honda, in that they are associated with several products (Aaker 1990).

Versatility of product associations may have implications for the extendibility of brands and the communication of brand extensions. Brands may be extendible to certain products and not to others depending on the strength and versatility of extant product associations. Umbrella brand extensions face additional complexity since associations with multiple products make it necessary to determine which of the existing products has the strongest explanatory link with the extension (Bridges 1991). In other words, which existing product do consumers use to evaluate the fit of an extension? Boush and Loken (1991) report the impact of the "breadth" of brands on their extendibility, with "broad" brands being more extendible than narrow ones. Thus, umbrella brands ought to be more extendible than single product brands. But to which type of products? Is Bic more extendible to products that are close to pens, or to products that are close to razors? And does it matter which product associations are salient in consumers' minds when they evaluate extensions?

The purpose of this paper is to introduce and empirically examine the notion of **context-dependence** of brands and to explore whether context influences consumers' evaluations of brand extensions. We hypothesize that for some umbrella brands, context may help determine the activation of specific product associations and that evaluations of brand extensions may be influenced by this activation. Specifically, the questions asked

are: Are brands context-sensitive? Do brands differ in their degree of context-dependence? and, What are the implications of such context-dependence of product associations on the extendibility of brands? These questions are addressed in an experiment using real brand names. The results provide support for the context-sensitivity of brands as well as the dominance of product associations for certain brands. Further, context-dependence and dominance are found to have an impact on the extendibility of brands. Perceptions of fit for extensions close to dominant products are influenced by the attitude toward the dominant product, while fit of extensions close to nondominant products is found to be subject to the activation of the nondominant product. Interestingly, cuing the existing product that is closest to the extension may not always yield the best fit evaluations for the extension product.

Some well extended brands may retain a strong association with a single product. In the above example, Levi, Nike and Honda are all umbrella brands, yet each is strongly associated with a single product (jeans, athletic shoes, and automobiles respectively). Product associations for such brands are not likely to be very susceptible to context. For the purposes of this study, such brands will be labelled high context-independence brands. The product with which they are strongly associated will be called the dominant product, and other products will be considered nondominant. Brands that are more versatile in terms of product associations (Bic, 3M, Kraft, and Yamaha) may not have strong associations with a single product. For such brands the specific product associations that are activated may depend more on the context in which the brands are evoked. These brands will be referred to as low context-independence brands.

Conceptual Background

A brand is conceptualized as a semantic category comprised of products (Bridges 1991, Boush and Loken 1991). For a consumer, Yamaha may be a category composed of, among other things, motorcycles, pianos, and audio equipment. The structure of semantic categories has been shown to be flexible and susceptible to context (Barsalou

1982, 1987, Roth & Shoben 1983, Tabossi 1988). Roth and Shoben (1983), for example, show that subjects rate Tea as the most typical member of the category Beverages in the context of "secretaries taking a break," while in the context of "truck drivers taking a break" the most typical member of the same category was said to be Milk. In addition Barsalou has made a distinction between context-dependent and context-independent attributes. Certain attributes are said to be activated when a category is activated, regardless of context. For example, the attribute ROUND is active whenever the category BALL is active. However, the attribute FLOATS may primarily be active in the context of a BALL near water. Thus, ROUND is said to be a dominant attribute and FLOATS a nondominant attribute. This distinction can also be applied to the category-member relation (Tabossi, Colombo and Job, 1987). A semantic category may be flexible, but for some categories a given meaning is dominant. The dominant meaning is retrieved regardless of context, while other meanings may or may not be retrieved depending on the context. For example, the semantic category COUNT has a dominant meaning in terms of numbers which is active regardless of context. It also has a nondominant meaning in terms of nobility that may be activated in the appropriate context (Tabossi et al. 1987).

Nedungadi's (1990) results show that a dominant brand in a product category has higher probability of retrieval when a minor brand in the same category is primed than when no prime is given. Similarly, we might expect a dominant product in a brand category to be activated regardless of which product context is primed, while nondominant product associations may be active only when they are primed directly. Thus, Adidas may have a dominant association with shoes, but given the appropriate context it may also be associated with cologne (another product sold under the Adidas name). Nedungadi (1990) showed how cuing the minor brand in a category could lead to retrieval of dominant brands and have a consequent influence on choice. The present paper expands on those results in two ways. First, the product category-brand relation is reversed so that we consider umbrella brands as categories and products as category

members. Second, and more importantly, we examine the impact of product association flexibility on consumers' judgments of brand extensions.

Nedungadi further showed that brands have varying degrees of dominance in their respective categories. The probability of unaided retrieval of MacDonald's was 0.91 in the fast-food restaurant category, while that of French's (the dominant brand in the burger condiment category) was 0.53 (Nedungadi 1990, p.270). A product within a brand may also vary in degree of dominance. We conceptualize context-independence as a continuum along which dominance varies. Brands with high context-independence have a clearly dominant product, whereas brands low in context-independence have a dominant product which is susceptible to the influence of context.

Tversky and Kahneman's (1973) availability argument shows that judgments are influenced by thoughts and ideas that are highly "available" from memory. Accordingly, judgments of brand extension coherence are likely to be influenced by activated product associations since these are highly available. For high context-independence brands, extension products should be judged in relation to associations with the dominant product, since this product is active regardless of context. It is unlikely that varying the context will change the impact of the dominant product on judgments of extension product fit. It is hypothesized that:

H1: For high context-independence brands, brand extensions closer to the dominant product will be more coherent than extensions closer to the nondominant product, regardless of context.

While dominant products are likely to be active regardless of context, nondominant products will be activated primarily in their own context. Extensions close to the nondominant product thus should be considered more coherent when the context for these products is primed than when the context for the dominant product is primed.

H2: For high context-independence brands, extensions close to the nondominant product will be more coherent when the brand is activated in the nondominant product's context than when it is activated in the dominant product's context.

For low context-independence brands judgments of brand extension coherence are more likely to be influenced by the product associations that are active at the time of judgment. It may be expected, therefore, that extensions which are close to the product whose context is active will be considered more coherent than those which are close to products whose context is not activated. Similarly, extensions should be considered more coherent when the activated context is for a product which is close to the extension. Thus,

H3: For low context-independence brands, extensions close to an existing product whose context is activated will be more coherent than extensions close to other products whose context is not activated.

H4: For low context-independence brands, extensions close to the existing products whose context is activated will be more coherent than the same extensions when their context is not activated.

Thus far, we have considered the effect of activation of product associations on extension evaluations. However, one of the reasons for extending a brand is the hope that favorable evaluations of the existing products will facilitate consumers' acceptance of the extension. Theoretically, there is support for such a phenomenon. The activation of a brand name is likely to activate associations of the dominant product *as well as attitude toward this product* (Fazio, Powell and Herr 1983; Fazio, Sanbonmatsu, Powell, and Kardes 1986). In Fazio et al's work, repeated activation of the attitude makes retrieval automatic whenever the object is primed. Once retrieved, attitude towards a product can influence evaluation of other stimuli. Thus, subjects in Fazio et al's experiments who retrieved positive attitudes toward object A, were likely to evaluate a different object B more favorably than control subjects. Similarly, affective associations of an existing product might be expected to guide coherence evaluations of extensions close to that product. Since a dominant product is always active, attitudes toward a dominant product should influence coherence evaluations of extensions close to that product, regardless of context. However, for nondominant products, attitude may not be as well developed. Further, activation of affective associations may not be automatic with retrieval of a

nondominant product. Thus, evaluations of extensions close to a nondominant product may be driven by activation of product associations rather than by affective associations.

H5: Coherence evaluations for extensions close to a dominant product will be positively related to attitude toward the dominant product.

H6: Coherence evaluations of extensions close to a nondominant product will be greater with the activation of the nondominant product.

Experiment

Pretests

Two pretests were run to identify high context-independence and low context-independence brands, and to determine the distances of potential extensions from existing products.

Pretest 1: Accessibility of an attribute or category member is reflected in response times to questions involving that attribute or object (Barsalou 1982, Roth & Shoben 1983, Tabossi 1988). These studies have shown that for some attributes or category members, response times vary depending on context, while for others context seems to have little impact on response times.

In the present pretest, two products were identified for each of a number of umbrella brands. For each product, a question was created which had a yes/no answer and was intended to cue a context. For example, for shampoo, the context creating question was, "Do you use more than one kind of hair care product?" Context creating questions were immediately followed by a question of the form "Does [brand] sell [product]?" The questions were presented on a computer screen and 31 subjects responded by hitting the M or Z key (on a QWERTY keyboard) which were labelled YES and NO respectively (labels were reversed for the one left-handed subject). Subjects were instructed to respond to the questions as quickly and accurately as possible. Six filler questions were interspersed randomly. Question sets were arranged in random order. Context creating

questions rather than declarative sentences were used so as to generate greater subject involvement in the task.

For each brand, the following four combinations were prepared:

1. Context question for product 1, question about product 1,
2. Context question for product 1, question about product 2,
3. Context question for product 2, question about product 1,
4. Context question for product 2, question about product 2.

Four versions of the questionnaire were administered. Each version contained questions about all brands, but differed in the context/product combinations used. After completing the computer questionnaire, subjects were asked to rate their familiarity with each of the product/brand combinations.

Response times to the question "Does [brand] sell [product]" served as the dependent measure. For those brands that were familiar to subjects (i.e. both products were rated >5 on a 7 point familiarity scale), data were analyzed in a 2x2 ANOVA, where the two levels of context and the two levels of product (the two products) served as variables. Table 1 shows the response times and familiarity levels for the two brands chosen. The ANOVA results indicate a significant interaction between context and product for the brand name Johnson & Johnson ($F_{1,25}=8.52, p<.001$). The main effects were not significant. This implies that both products seem somewhat sensitive to context for Johnson & Johnson. For Guess, on the other hand, a main effect of Product was significant ($F_{1,26}=5.48, p<.03$), while the interaction was not, and nor was the main effect of Context. Thus, Johnson & Johnson and Guess were chosen to represent low context-independence and high context-independence brands respectively. For Johnson & Johnson, shampoo is the more dominant of the two products. For Guess, jeans is the dominant product and watches nondominant.

Pretest 2: The purpose of the second pretest was to select potential extensions for the two brands chosen in pretest 1. Products were chosen so as to be close to one of the existing products of a brand and distant from the other. Eighteen subjects were presented

with 27 cards, each with the name of a product. Subjects were asked to sort the cards into piles such that the products that "belonged together" were in the same pile. No limit was specified on the number of piles. A dissimilarity measure based on a procedure developed by Rosenberg, Nelson, and Vivekanathan (1968; see also Dawar, Ratneshwar and Sawyer 1992) was computed on the basis of the sorting. The matrix of dissimilarity scores for the four existing products and the potential extensions chosen in this pilot study is presented in Table 2.

Method

Stimuli, and Procedure: Stimuli consisted of the two products for each of the two brands (Guess: jeans, and watches; Johnson and Johnson: shampoo, and bandaids) and the ten extensions as presented in Table 2. A graphic representation of the stimuli is provided in Figure 1. The experiment varied context independence of the brands (Guess vs. J&J), Context (for dominant versus nondominant product), and the type of extension (close to existing dominant product or to the nondominant product). Context was manipulated by asking subjects a set of six questions related to a given product (questions for each of the contexts are presented in the appendix). Immediately after the context creating questions, subjects were asked to write what the brand name meant to them. Subjects were then asked to rate a set of five potential extensions for coherence. Finally, attitude measures toward the existing products were administered.

The dependent variables consisted of seven-point scale ratings of how much "sense" each extension made and how "logical" it was. The mean of the two items, "sense" and "logical," were used as a measure of coherence as they were highly correlated (from $r=0.79$ to $r=0.89$). In addition, three-item (Pleasant-Unpleasant, Good-Bad, Favorable-Unfavorable) attitude measures were collected for each of the brands and each of the products within the brand.

Ninety eight subjects participated in the experiment which consisted of a paper and pencil questionnaire. The questionnaire was administered in a classroom setting, in groups

ranging in size from nine to sixteen. Subjects were randomly assigned to conditions and all conditions were used in each group.

Manipulation checks: The hypotheses predict that the context will cue product associations such that extensions close to the activated products will be perceived as more coherent. Manipulation checks establish the activation of products in the predicted pattern. Two independent coders, blind to the hypotheses, coded cognitive responses to the question "What does the brand [Guess/Johnson & Johnson] mean to you?" Regardless of context, there are more thoughts about the dominant product than about the nondominant product for the high context-independence brand (Guess) (mean number of thoughts 0.70 for jeans vs. 0.00 for watches in the jeans context; 0.83 for jeans vs. 0.30 for watches in the watches context; $F_{1,44}=36, p<.01$). Subjects listed more thoughts about the nondominant product in the nondominant context than in the dominant product's context ($F_{1,44}=6.8, p<.02$), but the total number of such thoughts remained less than that of the dominant product. For the low context-independence brand (Johnson & Johnson), the interaction of product and context is significant (mean number of thoughts 0.61 for shampoo and 0.17 for bandaids in the shampoo context; 0.52 for shampoo and 0.48 for bandaids in the bandaids context; $F_{1,44} = 3.15, p<.09$). While shampoo is less sensitive to context than bandaids, the extent of activation bears a close relation to the pattern of reaction times recorded in pretest 1. This combined with the higher activation of shampoo in both contexts makes shampoo the dominant product.

Analysis and Results: Since products are nested within brand, results were analyzed separately for the high context-independence and low context-independence brands. The five extensions were collapsed into two groups (extensions close to the dominant product and extensions close to the nondominant product). Results were analyzed in a 2x2 (context x type of extension) mixed ANOVA design with repeated measures (at two levels) for the extension products variable. Pooled results are presented in Figure 2, while coherence measures for each of the extension products are presented in Table 3.

The first hypothesis predicted that for the high context-independence brand (Guess), potential extensions close to the dominant product (jeans) would be perceived as more coherent than extensions close to the nondominant product (watches) regardless of context. Two contrasts together test this hypothesis. A comparison of the responses to T-shirts, Belts and Sneakers as extensions versus responses to Bracelet and Necklace shows that subjects perceived the extensions close to Jeans (T-shirts, Belts, Sneaker) as more coherent than extensions close to watches (necklace, bracelet) ($F_{1, 49}=45, p<.01$). Figure 2, Panel A summarizes the results on perceived coherence of extensions for the high context-independence brand, while Table 3 presents results by extension product. The second contrast compares coherence of extensions close to the dominant product in the jeans context and in the watch context. It reveals an effect of context on the perceived coherence of the extensions close to the dominant product ($F_{1, 49}=4.6, p<.04$). However, it shows that extensions close to the dominant product are perceived as *more* coherent in the nondominant product's context. This is a striking result, since the nondominant product is only tenuously related to the dominant product. One possibility is that thinking of the nondominant product places the respondent in a situation where extensions close to the dominant product seem coherent by comparison (Dawar and Anderson 1993). However, a second possibility is that the dominant product is actually more active in the nondominant context than in its own context. This is consistent with Nedungadi's (1990) finding, where some brands which were highly dominant in a product category (e.g. MacDonald's in fast food), displayed a higher probability of recall when secondary brands were primed. Analysis of cognitive responses to the question "What does the brand Guess mean to you," as in the manipulation check, shows that the dominant product is also more active in the nondominant product's context (mean number of responses relating to jeans is 0.67 in the jeans context and 0.83 in the watches context) suggesting that Nedungadi's explanation may be more pertinent to this situation.

Hypothesis 2 states that extensions close to the nondominant product are likely to be perceived as more coherent in the nondominant products' context than in the dominant product's context. Because of a higher level of activation in its own context, the nondominant product's extensions will seem more coherent. The manipulation checks confirmed that there is a significantly greater level of activation for the nondominant product in its own context than in the dominant product's context. Level of activation is found to be a significant predictor for coherence of extensions ($p < .01$).

Hypothesis 3 predicts that for low context-independence brands, coherence ratings for the proposed extensions will vary depending on the context activated. Figure 2, Panel B shows that coherence ratings for the extensions are sensitive to context. This effect is more acute for extensions close to bandaids than for extensions close to shampoo (a reflection of the relative dominance of shampoo). Thus, the main effect of context is significant ($F_{1,45} = 3.96, p < 0.06$). The interaction of types of extension (close to bandaids versus close to shampoo) is not significant ($F_{1,45} = 2.17, p < .15$).

Hypothesis 4 suggests that for low context-independence brands, coherence ratings for extensions will be higher when the context for the existing product that is close to them is activated than when it is not. Thus, extensions such as hair gel, after shave and bath soap will be perceived as more coherent when the hair care context is activated, than when it is not. Context has a distinct main effect on the coherence ratings for extensions close to bandaids ($F_{1,45} = 4.69, p < .04$), but not for those close to shampoo ($F_{1,45} = .04, p > .50$).

Hypothesis 5 predicts that coherence evaluations of extensions close to the dominant product will be influenced by attitude toward the dominant product, while Hypothesis 6 predicts that the coherence evaluations of the nondominant products will be influenced by the activation level of the nondominant product rather than by attitude toward it. A set of four regressions using attitude toward the product and activation as predictors for coherence shows that attitude is a significant predictor of coherence for

extensions close to the dominant products but not for extensions close to the nondominant product (Table 4). For the latter, activation is a significant predictor. Activation level does not predict coherence of extensions close to the dominant product. These results apply for both the high context-independence and low context-independence brands.

Discussion

This paper provides evidence that umbrella brands are more complex than single product brands. Multiple product associations and sensitivity of these associations to context make consumer evaluations of umbrella brand extensions more uncertain than extensions of single product brands. The distinction between high context-independence and low context-independence brands provides a means of decreasing this uncertainty. Further the distinction between dominant products and nondominant products, within each type of brand, allows a separation of the potential antecedents of extension evaluation, namely activation versus attitude of the existing product.

Both the high context-independence and low context-independence brands are multi-product brands and, therefore, broad brands (Boush and Loken 1991). However, there are qualitative differences in the nature of their breadth. The high context-independence brand is strongly dominated by a single product. The kind of dominance evidently has an influence on the extensions close to this product which are seen as coherent regardless of context. Extensions close to the nondominant product for high context-independence brands are seen as more coherent when their context is activated. For the low context-independence brand, on the other hand, perceived coherence of extensions is more acutely dependent on the active context for both products. Thus, not only do brands differ in terms of their context-dependence, but this context-dependence of product associations has consequences for perceptions of potential extension product coherence.

It is intriguing that coherence ratings of extensions close to the dominant product were higher in the nondominant product's context than in the dominant product's context.

This result, which parallels some results for probability of recall obtained by Nedungadi (1990), deserves further investigation to determine whether the process generating it is greater activation of the dominant product, comparatively greater perceived coherence, or some combination of the two (Dawar and Anderson 1993).

Perceived coherence of extensions close to the nondominant product appears to be influenced by the level of activation of the nondominant product. The level of activation is in turn a function of the context that is activated. Thus, perceived coherence of extensions close to the nondominant product is particularly sensitive to context.

If brands are categories (Boush and Loken 1991), and their structure context-dependent (Barsalou 1982, 1987, Roth and Shoben 1983) this has implications for the associations that are activated in different contexts and, therefore, for the meaning of the brand. This meaning in turn influences the extendibility of the brand by determining the extent to which potential extension products are deemed coherent with the brand.

The relation of attitude toward the dominant product and extension evaluations is indicative of the influence of affective associations on cognitive evaluations. This result suggests that not only does existing affect transfer to the brand extension, but it guides the cognitive evaluation of the extension. Thus existing products for which consumers have a favorable attitude may be extended with greater facility. This finding further corroborates Keller and Aaker's result that high quality brands are more extendible. That this relation holds only for dominant products suggests that the automatic activation of attitude occurs only for the dominant product. In some cases attitude toward the nondominant product may not be well-formed because it is seldom activated. Research has shown greater cognitive flexibility in the context of positive affect (Murray, Sujan, Hirt, and Sujan 1990). Thus, distant brand extensions may be more readily integrated into a brand category in the context of positive affect than in neutral affect conditions. The effects of affect on cognitive evaluations of brand extensions deserve further research attention.

When brand extensions are undertaken, they are often supported by substantial communication efforts that attempt to create links between an existing product and the extension (Bridges 1991). This paper carries implications for the content of that communication. For context-independent brands, the context to be cued in the communication could be either that of the dominant or the nondominant product, if the extension is close to the dominant product. In fact, communication that focuses on the nondominant product may be more effective as it seems to activate associations with the dominant product even more strongly than a direct prime. However, if the extension is close to the nondominant product, context cues should be primarily those of the nondominant product. For low context-independence brands on the other hand, the context cued should be of the product close to the extension product.

Limitations and Future Research. A limitation of the study reported here is that it takes a single exemplar brand in each of the high context-independence and low context-independence brand categories. While care was taken to ensure that the brands be representative of their type (through reaction measure tests), the inclusion of more brands would allow for greater external validity and neutralize "brand effects."

This paper has examined the effects of context on the coherence ratings for brand extensions. Research in brand extension has traditionally focused on the affective evaluations of brands and extensions. Coherence measures a cognitive evaluation. There is much to be gained in understanding the effects of context on consumers' affective evaluations or to understand how affective evaluations of existing products might act as mediators in coherence evaluations of extensions.

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APPENDIX

All questions were rated by subjects on the following seven-point scale:

Totally disagree Totally Agree
1 2 3 4 5 6 7

High Context-Independence Brand: Guess

Context 1: Questions for Jeans:

- I shop around before buying casual clothes
- I buy clothes that are comfortable, without regard to what's "in"
- I purchase clothes on impulse (without planning for it)
- I look for brand names when I buy clothes
- I compare quality and price in different stores before I buy casual clothes
- Good casual wear clothes are hard to find

Context 2: Questions for Watches

- I prefer digital watches to analog
- I usually set an alarm to wake up in the morning
- I think I manage time quite well
- I sometimes feel there ought to be more than 24 hours in a day
- I sometimes forget, when calling long distance, that there are different time zones.
- I am usually on time for appointments

Low Context-Independence Brand: Johnson & Johnson

Context 1: Questions for Shampoo

- I prefer cutting/trimming my hair to styling/perming
- My hair is very manageable
- I sometimes worry about my hair
- My hair requires special care
- I use more than one kind of hair care product
- Hair care is an important part of grooming for me.

Context 2: Questions for Band-aids

- As a child I often bruised myself
- Small cuts and bruises require medical attention
- I keep a well stocked first-aid kit at home
- No matter how small, cuts and wounds ought to be covered
- When I small wounds, I heal very quickly
- I keep a fully stocked first-aid kit in my car

FIGURE 1

REPRESENTATION OF TYPES OF UMBRELLA BRAND, THEIR PRODUCTS AND EXTENSIONS

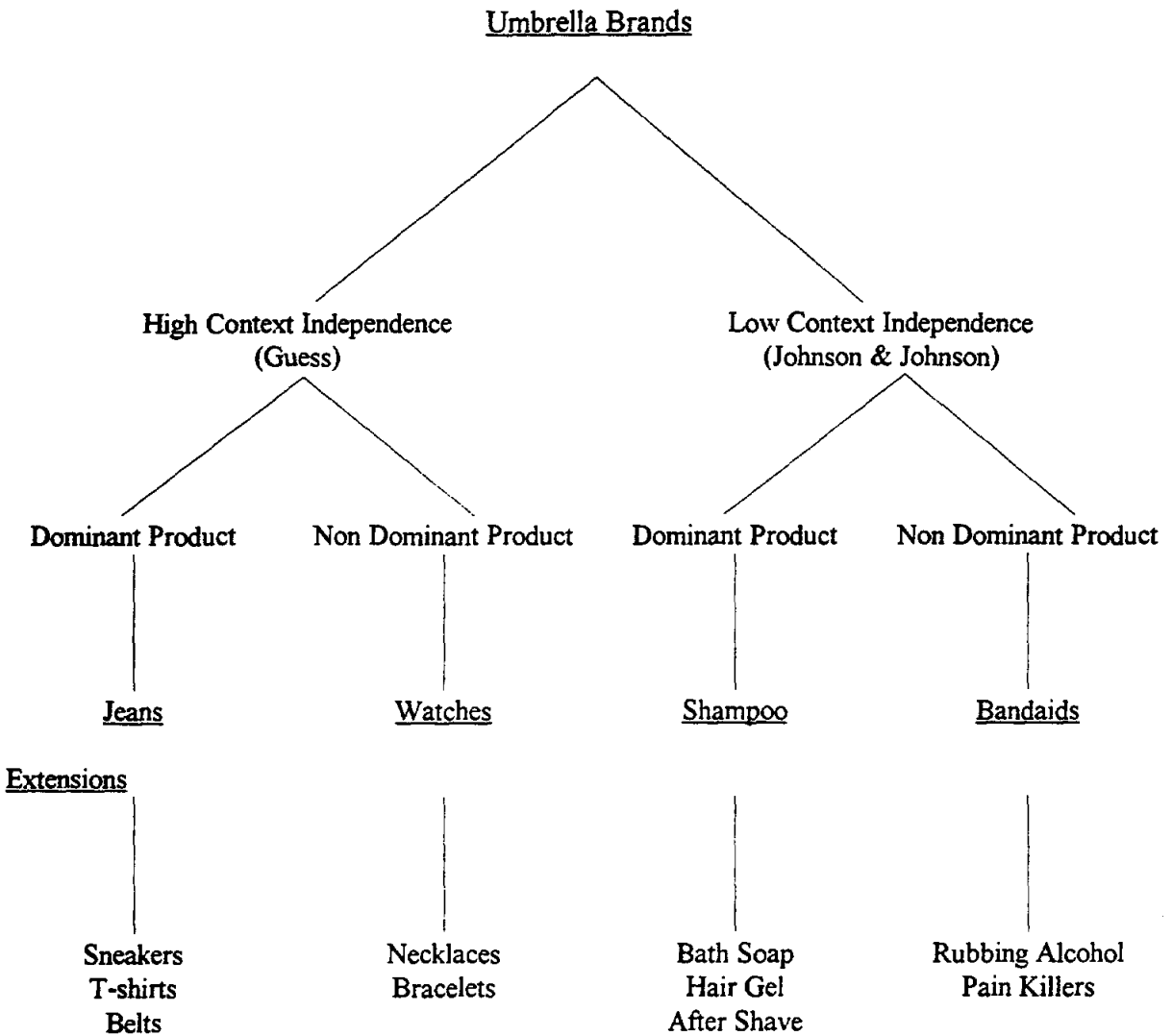
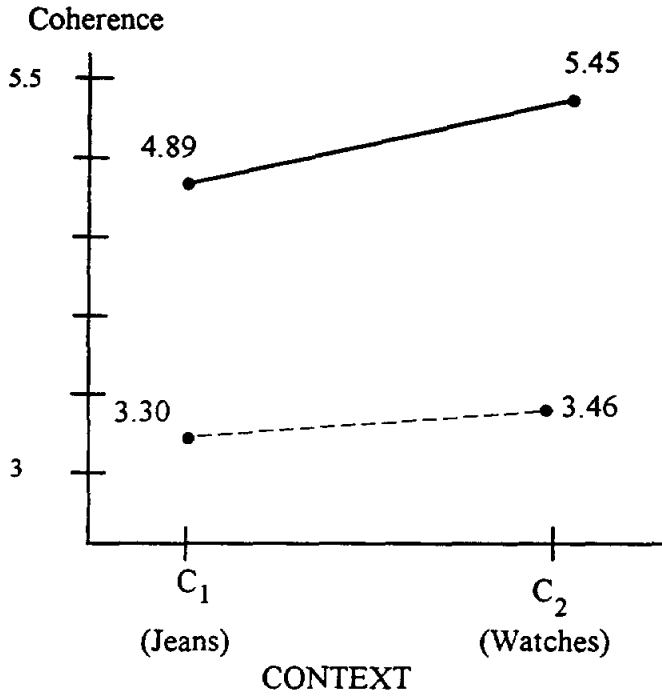


FIGURE 2

**EFFECTS OF CONTEXT MANIPULATION
ON EVALUATIONS OF EXTENSION COHERENCE**

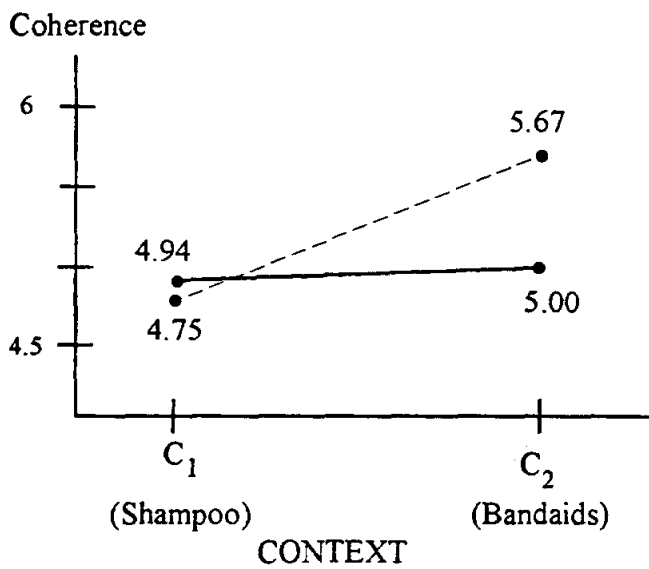
Panel A

High Context-independence Brand



Panel B

Low Context-independence Brand



Solid line: Extensions close to more dominant product

Dashed line: Extensions close to non- (less) dominant product

TABLE 1

MEAN RESPONSE TIMES AND FAMILIARITY RATINGS FOR J&J AND GUESS

Response Times

<u>Johnson and Johnson:</u>	<u>Context 1</u>	<u>Context 2</u>
Shampoo	191	261
Band-Aids	304	221

<u>Guess:</u>	<u>Context 1</u>	<u>Context 2</u>
Jeans	129	140
Watches	187	168

<u>Familiarity Ratings</u>	<u>Familiarity</u>
J&J Shampoo	5.90
J&J Band-Aids	6.55
Guess Jeans	5.32
Guess Watches	5.10

Response times are in 1/100ths of a second

Familiarity Ratings are on a seven point scale, where "7" is Very Familiar

TABLE 2**MATRIX OF DISSIMILARITIES : EXISTING PRODUCTS AND POTENTIAL EXTENSIONS**

<u>Potential Extensions</u>	<u>Existing Products</u>			
	<u>Johnson & Johnson</u>		<u>Guess</u>	
	<u>Shampoo</u>	<u>Band aid</u>	<u>Jeans</u>	<u>Watch</u>
After-shave	10.14	32.93	45.81	46.18
Hair gel	3.00	36.23	51.64	52.20
Bath soap	7.14	33.66	48.95	49.36
Pain killer	31.38	8.66	46.80	44.14
Rubbing alcohol	28.30	13.30	44.39	42.55
Sneakers	46.58	46.47	3.74	34.64
T-shirt	52.13	46.98	2.82	34.98
Belt	50.89	45.47	9.05	28.63
Bracelet	50.70	43.48	32.26	4.35
Necklace	49.97	42.63	32.83	4.47
<u>Existing Products</u>				
Shampoo	0.00			
Band-aids	36.27	0.00		
Jeans	51.63	46.45	0.00	
Watch	52.17	43.52	33.40	0.00

Note: Shaded numbers indicate dissimilarities of close extensions chosen as stimuli from existing products.

TABLE 3

COHERENCE MEANS FOR EXTENSIONS BY BRAND AND CONTEXT

<u>Extension</u>	<u>High-dominance Brand</u>		<u>Low-dominance Brand</u>	
	<u>Guess</u>		<u>Johnson & Johnson</u>	
	<u>Context Cue</u> <u>Jeans</u> n=25	<u>Watches</u> n=26	<u>Extension</u>	<u>Context Cue</u> <u>Shampoo</u> n=23 <u>Band-aids</u> n=24
Sneakers	3.27* (1.70)**	4.10 (1.78)	After-shave	4.65 (1.70) 4.77 (1.78)
T-shirts	5.88 (1.44)	6.52 (0.86)	Hair gel	4.90 (1.46) 4.31 (1.37)
Belts	5.54 (1.48)	5.70 (1.25)	Bath soap	5.46 (1.29) 5.94 (1.64)
Bracelets	3.19 (1.73)	3.90 (1.87)	Pain killers	4.22 (2.17) 5.31 (1.79)
Necklaces	3.23 (1.66)	3.56 (1.86)	Rubbing alcohol	5.06 (1.63) 6.02 (1.20)

* Means are average of two seven-point scales "sense" and "logic": "1" = no sense (logic) at all; "7" = very much sense (logic)

** Numbers in parentheses are standard deviations

TABLE 4**REGRESSION ESTIMATES FOR ATTITUDE AND ACTIVATION AS PREDICTORS
FOR EXTENSION COHERENCE**

	Attitude		Actvation	
	β	p<	β	p<
Guess				
Jeans	2.66	0.01	-1.36	0.20
Watches	-.06	0.75	1.62	0.01
Johnson & Johnson				
Shampoo	-.23	0.09	0.29	0.27
Band aids	-.05	0.76	1.23	0.02