

AN EMPIRICAL INVESTIGATION INTO CONSUMERS' REACTIONS TO DUAL BRANDS

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ABSTRACT

Brand equity, the value that brands add to products, has become a widely studied topic by marketers. Recently, researchers have become interested in consumers' evaluations of branding strategies such as brand extensions and cobranding, in which the brand must be evaluated in a new context. Of particular interest has been the possibility of affect transfer between products and brands.

The current study extends the branding literature by examining the psychological processes by which consumers evaluate brand alliances, which are products or services that include more than one brand. Social judgment theory is provided as an explanation for how consumers evaluate two brand names when they are evaluated separately versus as part of a dual branding strategy. According to social judgment theory, people evaluate objects/situations differently when they are evaluated in different contexts.

This research explores the extent of affect transfer during dual branding evaluation. Specifically, it will examine factors that cause consumers to contrast or assimilate their attitudes of two brands. Doing so will

reveal whether the affect transfer hypothesized by brand extension and cobranding researchers is applicable to dual branding.

Subjects and Design

A total of 118 undergraduate students at a large southeastern university participated in this experiment to earn extra credit in marketing courses. Participants were randomly assigned to each of the cells in a 2 X 2 X 2 design with two between-subjects factors and one within-subjects factor. The two between-subjects factors were valence of the contextual cue brand (positive versus negative) and the linkage between the target and its contextual cue (separate brands with no strategic connections versus dual brands). Feature overlap was a within-subjects factor with two levels (low versus moderate). The contextual cue brands consisted of actual fast food brands, pretested as either positive (Wendy's) or negative (White Castle), whereas the target brands were fictitious.

Results

Using a 3-item affect scale as a dependent measure, the repeated measures ANOVA revealed significant dif-

TABLE 1
Means and Standard Deviations for Affective Evaluations of Low Overlap Target Brand

	Context	
	Positive	Negative
Separate Evaluation	5.0	6.7
	(1.23)	(1.09)
Dual Brand Evaluation	29	27
	5.5	6.4
	(.919)	(1.1)
	31	31

Note: Standard deviations are in parentheses. Cell size appears below the standard deviations. Nine-point measures were used.

ferences between those who had been primed with the negative brand (White Castle) and those who were primed with the positive brand (Wendy's). Those who were primed with White Castle rated the target brands significantly higher than those who were primed with Wendy's, indicating a contrast effect.

More interesting, however, was the significant two-way interaction between valence of the contextual cue and whether the brands were evaluated separately or as

part of a dual brand, $F(1,114) = 5.10, p < .05$. As Table 1 shows, while there was a contrast effect in both the separate and dual brand conditions, this contrast effect was significantly reduced in the dual brand condition. This finding supports hypothesis one and is consistent with research in social psychology that indicates that creating a link between two otherwise separate attitude objects may cause subjects to transfer affect from one attitude object to the other.

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