

How Consumers Judge Brands Endorsed By Corporations: A Process-Based Explanation

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Dedication

This thesis is dedicated to the memory of my father, may God rest his soul.

Acknowledgements

My thanks first go to Almighty Allah for giving me the strength, determination and patience to finish my thesis and overcome all the hardships and frustrations that I passed through over the years.

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Abstract

Corporations follow different strategies to leverage their existing brands. One of these is brand extension, which is the extension of an existing brand to a new product category. In this strategy, corporations have two alternatives, one of which is the family brand extension. Here, the new product is introduced under the corporate name along with the extension's category name (e.g. Sony mobile, Nestlé mineral water, and Gillette shampoo). The second alternative is the brand endorsement. In this alternative, the extension is given a new name. Moreover, the corporation's name is presented as the endorser in the extension brand structure and communications (e.g. Scandic by Hilton, Courtyard by Marriott). However, the focus will be on the extension brand name, rather than the corporate name. The endorser's main role is to provide credibility and substance to the endorsed brand, while maintaining the endorsed brand's freedom to establish its unique associations and personality.

It is well-known that, in the family brand extension, the perceived fit between the parent brand and the extension product category moderates consumers' judgement of the extension (i.e. the new product which is introduced under the parent name). However, widely-diversified corporations (e.g. Nestlé, Unilever) often endorse their products to leverage their corporate credibility. The proliferation of using a corporate name to endorse products in the case of corporations with diversified product portfolios puts the importance of the fit on the corporate endorser, and the endorsed product brand under scrutiny. Specifically, it raises the following questions: to what extent is the perceived fit between the corporate brand endorser and the endorsed brand really important in an endorsement context? What is the relative importance of fit and endorser credibility in an endorsement context, and why? In the current research, it is proposed that both corporate credibility and fit affect consumers' judgement in an endorsement context. However, the endorser credibility is more important. It is also proposed that corporate credibility is more important than fit because it is more diagnostic, which makes the endorser credibility more recallable for the consumer.

The current research results have shown that, when consumers can easily recall information related to the endorser credibility and the fit between the endorser and the endorsed brand, both endorser credibility and fit has an effect on the endorsed brand. However, endorser credibility has a stronger effect on the endorsed brand judgement than fit. Moreover, the results have shown that fit moderates the effect of corporate credibility only when the endorser credibility is high. When consumers have difficulty recalling information, fit does not moderate the effect of the endorser credibility on the endorsed brand.

The current research findings have been obtained by conducting two experiments. In Experiment One, corporate credibility and perceived fit were manipulated in an endorsement context. Consumer judgement of the endorsed brand was measured by the perceived quality and purchase intention. Experiment Two was conducted to study the impact of the information accessibility on the effect of the endorser credibility and fit on the endorsed brand judgement. Endorser credibility, fit and information accessibility were manipulated in an endorsement context. Perceived quality and purchase intention of the endorsed brand were also used to measure the consumers' judgement of the endorsed brand.

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Author's Declaration

I, Khaled A. Ibraheem, declare that the ideas, research work, analyses and conclusions reported in my PhD thesis- How consumers judge brands endorsed by corporations: A process-based explanation - are entirely my effort, except where otherwise acknowledged. Also, I certify that this thesis contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma.

1 INTRODUCTION

1.1 BACKGROUND AND SCOPE OF THE RESEARCH

Branding is all about creating unique identities and positioning products and services in the minds of customers, thereby distinguishing them from their competitors (Ambler and Styles, 1997). Branding strategies refer to the ways firms mix and match their brands names to their products (Laforet and Saunders, 1999). Branding strategists have two options (Aaker and Joachimsthaler, 2000): the first is to establish a new brand name that is deemed to be less cost-effective than leveraging an existing brand; however, corporations sometimes have no option but establishing a new brand. For example, Toyota has used Lexus to brand its luxury car to avoid conveying Toyota's associations, as it is positioned as a luxury, rather than an economical, car.

The second option is to leverage an existing brand asset, in which different strategies can be used. Family brand extension, introducing a new product under an existing brand, is one of these strategies. Cadbury chocolate milk, Vimto chewy sweets, and Sony mobile phone are examples of family brand extension. Co-branding is another example of branding strategy that leverages existing brands. In this strategy, two well-known brands are used to brand a product. After acquiring Cadbury in 2010, Kraft launched a new cheese spread in February 2012 under two of its brand names: Philadelphia, which is a cream cheese, and Cadbury, the most famous British chocolate. In doing so, Kraft aims to leverage the associations that consumers have for both brands.

Brand extension by endorsement is the strategy that capitalises on corporate credibility, whereby each product is given its own name with which to create its own associations. Yet, the corporate name (or any other master brand) is used to bestow assurance and credibility to the endorsed brand (Kapferer, 1997).

Endorsement has been used by leading companies; for example, Nestle endorses KitKat, Nesquick, Crunch, Aero, Rolo, and Nescafe. There is a variety of ways in

which endorsement is shown with the endorser in lesser or greater prominence. Unilever endorses its products by displaying its corporate logo at the end of its television advertisement. Danone endorses its product brands by printing its corporate name on the package and playing its jingle at the end of its television advertisements. Cadbury endorses its products by printing its name prominently on the package and using its corporate colour (dark blue) on its packaging.

Although endorsement is now used by leading companies (e.g. P&G, Unilever, Nestle, and Danone), one can still question the usefulness of the endorsement branding extension. When a corporation chooses to endorse a product's brand, consumers' judgements of the endorsed brand should be affected. Therefore, the present thesis attempts to study the endorsement effect on consumers' judgements.

It is well known that, in family brand extensions (e.g. Sony mobile), the parent brand credibility and the perceived fit between the parent brand and the extension category play a major role in consumer acceptance of the brand extension (i.e. the fact that Sony produces mobile phones). In the endorsement context, which is a variant of brand extension, the effect of the endorser's credibility has been shown (Lafferty and Goldsmith, 2004). However, widely-diversified leading corporations, such as Nestlé and Unilever, endorse their products, thereby placing the effect of fit between the endorser and the endorsed brand under scrutiny. This may raise a question concerning the importance of fit in the endorsement brand extension. Consequently, this research aims to study the effect of using the corporate name as an endorser on the consumers' judgement of the endorsed brand. The anticipated moderating role that the perceived fit between the corporation as endorser and the endorsed brand has on consumers' judgement will also be investigated.

1.2 GAPS AND MOTIVATION

Previous research on family brand extensions (e.g., Keller and Aaker, 1992; Bhat and Reddy, 2001) has shown that perceived fit and perceived credibility between a product brand and its producer affects consumer judgement of the brand. However, considering the recent prominence of the endorsement strategy in branding, and the

fact that this strategy is relatively under researched compared with family brand extension, this thesis noticed that the issue of studying consumer judgment of the brand has been studied in the family brand context but not in the endorsement context. Therefore, this study is bridging the gap in this area. For example, widely-diversified corporations (e.g. Unilever, Nestle) often endorse their products in order to leverage their corporate credibility.

In comparison to family brand extension, previous research on the area of endorsement brand extension context neither connected perceived fit, endorser credibility and information accessibility together, nor investigates the interacting effect of fit between the endorser and the endorsed brand and endorser credibility on consumer judgment of the endorsed brand in terms of information accessibility. Therefore, the proliferation of using a corporate name to endorse products in the case of corporations with diversified product portfolios puts the importance of the fit between the corporate endorser and the endorsed product brand under scrutiny. This issue has not been discovered by literature and this often raises a question concerning the importance of fit in the endorsement brand extension. Therefore, the current study bridges this gap by investigating the interacting effect of fit between the endorser and the endorsed brand and endorser credibility on consumer judgment of the endorsed. In particular, is fit as important in the corporate brand endorsement context as in family brand extension? How changes in corporate credibility, category fit, and information accessibility affect consumer judgement?

This thesis motives to establish the extent to which consumers rely on corporate credibility information versus fit information to construct a judgement of the endorsed brands in the endorsement context. Furthermore, this research considers the impact of different levels of accessibility of corporate credibility and perceived fit information on consumer judgement. The objectives of this research will be met using an experimental method to ascertain how changes in corporate credibility, category fit, and information accessibility affect consumer judgement.

1.3 RESEARCH OBJECTIVES AND QUESTIONS

Considering the recent prominence of the endorsement strategy in branding, and the fact that this strategy is relatively under researched compared with family brand extension, this research has two main objectives. First, it attempts to explore the effect of the endorser credibility and the perceived fit between the endorser and the endorsed brand on consumer's judgement of the endorsed brand. Moreover, the relative importance of the endorser credibility and perceived fit in this context will be explored. Second, the study intends to uncover and explain the differential effects of corporate credibility and perceived fit on consumer judgement. Specifically, this study seeks to answer the following research questions:

Research question 1: In the endorsement brand extension context, what is the relative influence of fit and corporate credibility on consumer judgement of the endorsed brand and how they simultaneously affect consumer judgement?

Research question 2: In the endorsement brand extension context, if corporate credibility and fit have a differential impact on consumer judgement of the corporate-endorsed brand, why is that the case?

Research question 3: What are the managerial implications of the endorsement branding strategy?

By answering these questions, the research objectives will be met. The following section presents an overview of the conceptual and methodological foundation of the research.

1.4 JUSTIFICATION FOR THIS RESEARCH

Previous research on family brand extensions has shown that perceived fit between a product brand and its producer affects consumer judgement of the brand (Keller and Aaker, 1992; Bhat and Reddy, 2001). However, widely-diversified corporations (e.g. Unilever, Nestle) often endorse their products in order to leverage their corporate

credibility. The proliferation of using a corporate name to endorse products in the case of corporations with diversified product portfolios puts the importance of the fit between the corporate endorser and the endorsed product brand under scrutiny. In the current study, the interacting effect of fit between the endorser and the endorsed brand and endorser credibility on consumer judgment of the endorsed brand will be investigated. In particular, is fit as important in the corporate brand endorsement context as in family brand extension? Information accessibility, which refers to the ease of retrieving an input from memory (Menon et al., 1995), determines the priority of each piece of information used in decision making (Lynch et al., 1988). In other words, the more a piece of information is accessible, the higher probability to be used in making a decision. In the current study, the relative accessibility of endorser credibility and perceived fit will be studied in the corporate endorsement context; moreover, it has been shown that information diagnosticity, which refers to “the sufficiency of the retrieved input to arrive at a solution for the judgment task at hand” (Menon et al., 1995, p. 212), is a fundamental determinant for using a piece of information in making a decision (e.g. Lynch et al., 1988). In the current study, the diagnosticity of both the endorser credibility and the perceived fit will be investigated in a corporate brand endorsement context.

1.5 STIMULI

In order to manipulate corporate credibility and perceived fit, a fictitious corporate name (*JMN Corporation*) and a fictitious toothpaste brand named “*Fresh Up*”, were used in a mocked-up print advertisement. Fictitious names were used to prevent any bias towards existing perceptions of a known corporation or a product name (Newell and Goldsmith, 2001). The information about the fictitious corporation was pre-tested, to be used as experimental stimuli, for readability and realism. Fictitious names for the corporation and for the product brand were also pre-tested in order to select the most appropriate for the experiments.

1.6 EXPERIMENTAL PROCEDURE

Data was collected by self-administered questionnaires. Stimuli were presented individually to student respondents. Participants were told that the study was being conducted by an advertising agency that wanted to develop a campaign for “*Fresh Up*”, toothpaste produced by “*JMN*”, and that the agency would like to examine the effectiveness of the information presented in the advertisement. Subsequently, participants were provided with information about “*JMN*”, where the corporate credibility and category fit were manipulated. The information was given in bullet points to attract the participants’ attention. The given information was purported to be taken from authentic sources: The Wall Street Journal and Business Week (Lafferty and Goldsmith, 1999). The order of presentation of the information conditions was counter-balanced to avoid any order effects. Accessibility was manipulated by a filler task (Ahluwalia and Gurhan-Canli, 2000). In the low accessibility, the filler task was provided after the given information about “*JMN*” and before measuring the perceived quality and purchase intentions of the endorsed brand (Menon et al., 1995). In the high accessibility, information about “*JMN*” was given after the filler task directly before measuring the perceived quality and purchase intentions of the endorsed brand (Menon et al., 1995).

1.7 STATEMENT OF SIGNIFICANCE

This thesis makes a significant contribution to the corporate branding endorsement area of literature. This research establishes the extent to which consumers rely on corporate credibility information versus fit information to construct a judgement of the endorsed brands. This issue has been studied in the family brand context but not in the endorsement context. This research considers, for the first time to the best of the researcher’s knowledge, the impact of different levels of accessibility of corporate credibility and perceived fit information on consumer judgement.

1.8 OUTLINE OF THE THESIS

Chapter One – Introduction. Chapter Two provides a literature review. Chapter Three explains the conceptual framework. Specifically, this chapter develops the relevant hypotheses that predict the effect of corporate credibility, perceived fit and information accessibility on purchase intention and perceived quality in the corporate brand endorsement context.

To answer the research questions and to test the proposed hypotheses, Chapter Four presents the main methodological foundations and the research design. Moreover, this chapter discusses the methods used in this research for data collection, the research instrument and scales, including dependent variables and other measures, the sample, the software packages and statistical analyses used in this research.

Chapter Five presents the main results of this thesis, including the steps of preparing, editing, coding and screening the data, normality and outliers in experiments one and two. A two-way between-subject measure ANOVA analysis (Experiment One) and a three-way between subject measure ANOVA (Experiment Two) results are explained in this chapter.

Chapter Six discusses the findings from the previous chapter and links them to the literature review.

Chapter Seven provides a summary of the findings. It also discusses the contribution to theory as well as to practice. This chapter concludes by outlining the limitations and directions for further research.

1.9 SUMMARY OF CHAPTER

This chapter has clarified the need to study the effect of endorser credibility and perceived fit between the endorser and the endorsed brand. The research objectives and questions have been presented in this chapter. In addition, the contribution has also been illustrated. Finally, the research outlines the remainder of the thesis.

The following chapter presents a literature review of branding strategies, corporate credibility and diagnosticity-accessibility framework (Lynch et al., 1988), and how they all fit together in corporate branding endorsement.

2. LITERATURE REVIEW

2.1 INTRODUCTION

This chapter provides a general overview of branding strategies; focusing specifically on endorsement branding strategy. It also explains how consumer judgement of an extension might be affected by different brand extension contexts.

The first section highlights the different approaches adopted to define a brand, while the second defines and explains the different types of branding strategies. In the third section, the determinants of branding strategies are discussed. The concept of brand extension and its different types are discussed in the fourth section, which also discusses the endorsement branding strategy, and the different methods companies use to communicate the endorsement.

The fifth section addresses the theoretical foundation of the effectiveness of brand endorsement on consumer's judgement of endorsed brands. Balance theory, as a main theory, is applied to explain this effect; signalling theory and attribution theory are also applied. The differentiation between corporate reputation and corporate credibility is made in the sixth section and the seventh section focuses on corporate credibility.

Perceived fit is addressed in the eighth section, which also describes the effect of the fit on consumer judgement of endorsed brands. Finally, factors that influence the judgement formation are addressed, including accessibility and diagnosticity.

2.2 THE MEANING OF BRAND

Many approaches have been adopted to define a brand, two of which are identified by Ambler and Styles (1997). The first is the classical product-plus approach, which views the brand as an addition to the product. According to this approach, Ambler and Styles (1997, p. 443) view the brand as an identifier or an element of the product mix.

Kotler et al. (2009) adopt this approach and defines a brand as:

“Name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition.”

The second approach defines the brand from a holistic perspective. This means that the brand name represents more than just a symbol of the physical product of a particular company. According to this perspective, a brand symbolises a complete bundle of information signifying all of its attributes and characteristics (Biswas and Sherrell, 1993; Jones, 1986). An example of this approach can be found in De Chernatony and McDonald (1998, p. 20), who state that:

“A successful brand is an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique added values which match their needs most closely. Furthermore, its success results from being able to sustain this added value in the face of competition.”

In line with this approach, Ambler and Styles (1997, p. 222) state that:

“Brand is considered to be the sum of all elements of the marketing mix: product is just one element, alongside price, promotion and distribution.”

In other words, a company's brand symbolises a set of associations; specifically, the company designs its activities to develop these associations in the targeted consumers' minds. These intended associations require time and effort to be formed in the consumers' mind, which makes the brand a very important and valuable asset. Different strategies are used to leverage such a valuable asset and companies may use more than one brand to brand a specific product; for example, Nestlé uses Nescafé and its name to brand its coffee products. Nescafé is used as the product brand and Nestlé is used as an endorser. Conversely, companies may use one brand to label more than one product. Family brand extension, which is the use of a well-established brand to extend to a new product category, is a clear example of this. Dove introduces shampoo; deodorant and cream bars under the same brand name (i.e. Dove).

As indicated above, companies use different strategies to leverage their brands. Branding strategies can be defined as activities designed to create additional value; that is, building perceived values further than the apparent physical value of the product and, therefore, differentiating the branded product in the minds of consumers (Aaker, 1991; 1996; Keller, 1998; Kapferer, 1997). Hence, the focus of the current research is on the effect of endorser credibility on consumers' judgement of the endorsed brand. The following section describes the different branding strategies used by companies.

2.3 BRANDING STRATEGIES

Branding strategies refer to how corporations mix and match their brand names on their products (Laforet and Saunders, 1999). Two basic branding strategies are defined in the literature: individual product branding and corporate branding (e.g. Olins, 1989; Aaker and Joachimsthaler, 2000; Laforet and Saunders, 1994; Murphy, 1987). In individual product branding, each product within a portfolio is given its own unique brand name. This stand-alone status can facilitate the positioning process, where each product can be positioned differently without making trade-offs. In corporate branding, the corporate name is used on all products and services.

Between these two extreme strategies, many companies have developed a complex brand structure that consists of hybrid options (Aaker and Joachimsthaler, 2000).

A number of authors have developed frameworks that encompass branding strategies, but they were pioneered by Olins (1978; 1989). As a practitioner, Olins (1978; 1989) proposed three strategies corporations use to brand their products: the monolithic, the endorsed and the branded. Monolithic strategy is when a corporate uses a single name and visual style throughout. Virgin Corporation is an example of a company using monolithic strategy. It operates in different sectors under the Virgin brand. For example, it has Virgin Airlines, Virgin Mobile, Virgin Media, Virgin Casino, and so on. Moreover, it uses the red colour as a corporation colour throughout its operational sectors. Olins (1978; 1989) argues that, by using the monolithic approach, companies could benefit from carry-over awareness and perceptions from product to product. Endorsed strategy is where a corporate name is used alongside a subsidiary or product brand, while branded strategy is when a corporation operates through completely different brand names. Branded strategy establishes a separate identity for each product and targets completely different markets.

The multi-national consumer goods corporation, Procter and Gamble (P&G), used to give each of its products different names without any reference to its name (i.e. branded strategy according to Olins' strategies). However, P&G started recently to endorse some of its products; for example, it now displays its name on Pampers, albeit not in an obvious way. It should be noted that corporations endorse their products' brand to enhance the endorsed brand; simultaneously, endorsement could be used to convey some associations from the endorsed brand to the endorser. P&G may aim, by endorsing Pampers, to convey to P&G some associations that consumers have for Pampers as a product providing good care to new-born babes.

Depending on the role that a brand can play in the purchase decision, Aaker and Joachimsthaler (2000) suggest a spectrum of the relationships between brands. Each option in this spectrum represents a different branding strategy and reflects a different relationship between brands in the consumers' minds. This spectrum

consists of four principal categories: the house of brands; endorsed brands; sub-brands; and the branded house. Each of these categories includes sub-categories (see Figure 2.1).

The house of brands involves an independent set of stand-alone brands where each develops its identity. The authors argue that economies of scale and leveraging a brand across multi-products cannot be achieved by using this strategy. However, it can be a strategic option to avoid negative associations that may be inherent in a brand. Moreover, it helps firms to position clearly brands on functional benefits to target niche segments and signalling breakthrough features of new products. Toyota, the Japanese car producer known as a producer of economical cars, has chosen this strategy to brand its luxury “Lexus”. Cigarettes can be another example. Although most cigarette brands are produced by Philip Morris, they are introduced under various names to target different markets.

Moreover, the authors argue that the house of brands strategy helps to minimise channel conflict. In other words, the same product could be introduced under various names for different distribution channels to avoid conflict. Electrolux, the home appliances producer, sells under different brand names, such as, AEG, Frigidaire, and Kelvinator; each brand is used in a specific country or geographic area.

A sub-category of the house of brands strategy is the shadow endorser strategy. In this sub-strategy, the endorsement is not presented but many customers know about the link between the endorser and the endorsed brand (Aaker, 1996; Aaker and Joachimsthaler, 2000). The authors argue that corporations are using a shadow endorser to support the endorsed brand while minimising any association contamination. This strategy seems ambiguous, but an example may provide clarification. Although there is no explicit or implicit message that Skoda car is now produced under the supervision of Volkswagen, the German car producer, many people believe that Skoda has been enhanced tremendously as a result.

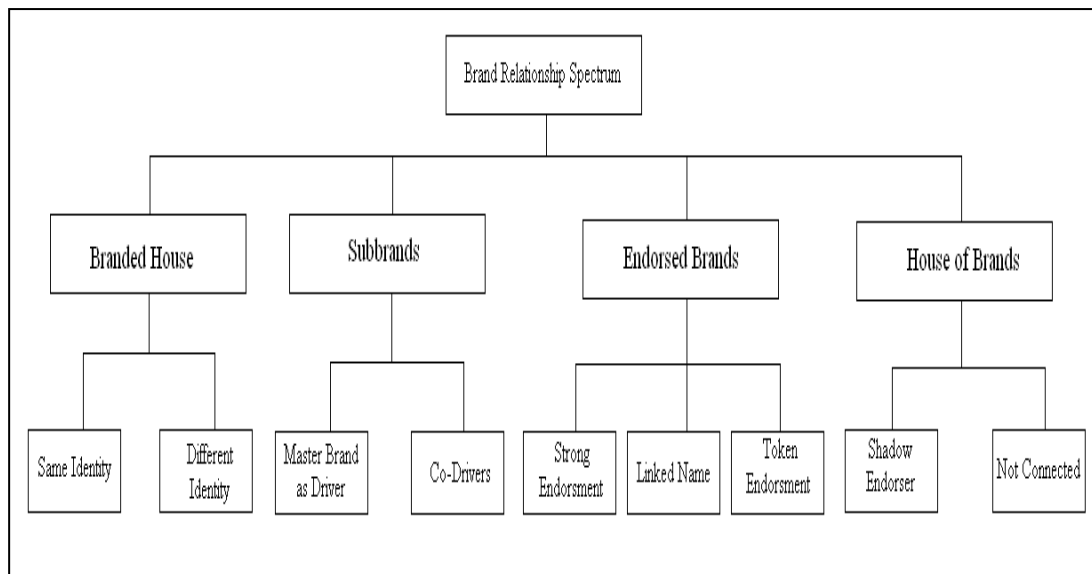
Endorsed branding strategy is where brands are endorsed overtly (strong endorsement) by an established brand, such as the corporate brand name. Cadbury,

the British chocolate producer, uses a strong endorsement to endorse its products. It presents its name in its products brand structure in an obvious way. Moreover, it uses its corporate colour, dark blue, in its entire endorsed product brands (e.g. Dvestives, and BiscBits). A variant of the endorsed branding strategy is the token endorsement strategy. In this strategy, the endorser brand appears in a number of product categories, but in a less prominent way than the strong endorsement. Corporations indicate the token endorser by using its logo, statement or other brand elements; for example, Nestlé endorsed its brand product, Nescafé, by presenting its logo alone on the container. However, Nestlé has started recently to endorse Nescafé by presenting its name in an obvious way in the brand structure. Linked brand name is another endorsed branding strategy variant, where a compound name of common elements is mixed to produce a brand with implicit endorsement.

In the sub-brand strategy, a product brand with strong associations is linked to a master or parent brand in order to improve the associations of that master brand. For example, Cadbury and Dairy Milk are used together to brand the same product. This linkage could be risky but can also be an opportunity, depending on the compatibility between both brands' associations and the stability of the sub-brand associations. Corporations use this strategy to enhance the master brand associations. That is, when a master brand is related to a product brand, corporations aim to convey some desirable associations from the product brand to the master brand (Aaker and Joachimsthaler, 2000). Kraft, the owner of Cadbury chocolate and Philadelphia cheese, has recently introduced a new product branded with both brands (i.e. Cadbury and Philadelphia). Kraft aims to convey some associations from Cadbury to Philadelphia; this association could be the perceived sweetness of Cadbury.

Branded house strategy is similar to corporate branding strategy in Olins' taxonomy, with the same advantages and disadvantages. However, corporations, according to this strategy, may use more than one branded house to avoid any contamination. For example, Nestlé uses Friskies as a branded house to brand all of its animal food products; thereby avoiding any contamination that might occur as a result of branding animal food products by a human product brand.

Figure 2.1 Brand relationship spectrum.



Source: Aaker, and Joachimstaler (2000)

Kapferer (1997) presents a summary for branding strategies with two extremes. At one extreme, a product brand strategy is found. In this, each individual product has a specific name and positioning. At the other extreme, the corporate umbrella brand strategy is found, where a company has different products that share the same brand name. Between these two extremes, other strategies exist that function differently.

Kapferer (1997) defines six main strategies that have been used by companies to brand their products. Firstly, product brand strategy is a stand-alone strategy where each product has its individual name and exclusive positioning. According to Kapferer (1997), this strategy is used by innovative companies, and by companies that want to indicate a breakthrough. He adds that, by choosing a different name for each product, customers can distinguish between products especially when they seem similar. Since each brand is independent in this strategy, the failure of one brand, relatively, will not affect other brands managed by the same company. Accordingly, Kapferer (1997) argues that this strategy gives companies considerable freedom to take risks in new markets.

The second strategy is line brand. Kaperer (1997) considers line brand as a natural extension of product brand strategy. He explains that a successful single product will

create demand for a variety of complementary products to be offered as coherent products. A consistent favourable awareness of a brand encourages the movement towards line brands. This happens by adding new products to the product brand that could be completely different for the producer, but makes no difference to the consumer who perceives them as connected.

The third strategy, range brand, is a series of products belonging to the same area of competence that are promoted under a single brand name and a single promise. Umbrella brand, which is the fourth strategy, is when a single brand supports a number of products in different markets, but each has its own communication strategy and develops its own identity. The fifth strategy, source brand, is similar to the token endorsement strategy in Aaker and Joachimsthaler's (2000) taxonomy, where each product has its name with a small endorsement of the corporate or division name. The final strategy, endorsing brand, is where the endorser's name is presented in an obvious way.

In reality, companies adopt a mix of branding strategies. The same brand can play different roles in different brand structures, depending on the marketing objectives (Kapferer, 2004; Keller, 2008). For example, in order to communicate quality assurance in the case of a corporation that is perceived by target customers as a high quality provider, the corporate name will be used as an endorser in the brand structure. Alternatively, the corporate name can be used as a master brand in an obvious way in the brand structure when the decision-maker's aim is to improve the awareness of the corporate name in new market segments.

As indicated clearly above, different strategies can be used by corporations to brand their products. The following section discusses the determinants of the branding strategy/strategies used by a corporation.

2.4 DETERMINANTS OF BRANDING STRATEGY

The literature review has revealed five determinants of branding strategy: history; product range; the importance of corporate identity; strategic goals, and market segmentation.

2.4.1 History

Branding is anticipated as a market-based activity (Laforet and Saunders, 1999). However, the literature suggests that non-marketing issues, such as the company's history, might affect branding strategy. Studying the company's history can help to understand why companies present and manage their brands in such a way (Hall, 1992; Bartlett and Ghoshal, 1989).

Rao et al. (2004) argue that branding strategy is a result, not necessarily of planned branding decision, but of other decisions that the firm may have made; for instance, Muzellec and Lambkin (2007) state that changing the ownership structure may force companies to change their names and adjust their branding strategy. They add that the influence of mergers, acquisitions and diversification on corporate branding strategy is also evident. For example, following the Sony and Ericsson merger, the new joint venture produces mobiles were branded together as "Sony Ericsson". However, corporations may choose to keep brands separate post-merger (Devlin, 2003). In line with Devlin (2003), Laforet and Saunders (1999) state that subsidiaries often refuse to accept the loss of identity after a merger.

2.4.2 Product Range

A corporate-dominant branding strategy is suitable for firms with a limited number of products and resources, whereas a product-dominant branding strategy is suitable for firms with a wide range of products (Laforet and Saunders, 1999). Aaker and Joachimsthaler (2000) identify the importance of perceived fit, which is the perceived relatedness between products introduced under the same brand (Aaker and Keller, 1990), in determining the branding strategy which a company should use.

They argue that firms dealing with closely interrelated product businesses sharing a common technology, or relying on similar core competencies, tend to use the corporate branding strategy. The congruency of services or products' perceived quality offered by a firm is facilitated using a corporate branding strategy. This strategy helps products to enhance each other's associations (Lei et al., 2008).

In their study of consumer evaluations of family brand extension, Aaker and Keller (1990) have proved that customer evaluation of brand extension is correlated positively to the degree of perceived fit between the parent brand and the extension. In other words, a company would be able to use the same brand to add a new product to its product range as long as this product is a perceived fit within the company's product range. Accordingly, Keller (2008) argues that a company's product range contains products of different perceived quality; individually branded products are regarded as the best strategy since they prevent the associations of one product contaminating others. This is confirmed by Aaker and Joachimsthaler (2000), who states that firms engaging in unrelated product businesses with different associations and targeting different customer segments choose to develop separate identities for each individual product business.

Quality has been proved to be one of the criteria used to judge the fit within a product range. In their study, Dacin and Smith (1994) found that when "portfolio quality variance" (i.e. the quality of the products that are marketed under a specific brand) is low there is a positive relationship between the number of products affiliated with a brand, and customers' favourable judgement. Conversely, a negative relationship has been found when the "portfolio quality variance" is high.

2.4.3 The Importance of Corporate Identity

While the concept of corporate identity has gained much attention from scholars and practitioners, a precise and commonly agreed upon definition remains missing. However, Melewar and Wooldridge (2001) conceptualise corporate identity as a strategic manifestation of corporate mission and vision, which is supported by the strategies a corporation implements in its operations and production. Balmer and

Gray (1999) assert that corporate identity is an important asset that represents the firm's ethics, goals and values, distinguishing the corporation from its competitors. Benetton's slogan "United Colors of Benetton", is an example showing how branding can be used to reflect the company identity. The message behind this slogan is that Benetton is against discrimination, and it is used mainly to reflect the corporate beliefs and ethics. This has become so strong that it has become part of the corporate name.

The relative importance placed on corporate identity is represented by how the corporate identity influences branding strategy (Saunders and Watters, 1993; Laforet and Saunders, 1999; Uggla, 2006). For many companies, a name is more important than a label; the name represents the company's philosophy, principles, achievements and values. Moreover, an owner's pride can be demonstrated in the use of the company's name; for example, Mercedes, Marks and Spencer, and Wal-Mart are companies named after their founders. Moreover, national pride is evident in the use of company names; for example, Americana Food Products and BMW, which stands for Bavarian Motor Works (Olins, 1989; Laforet and Saunders, 1999).

2.4.4 Strategic Goals

Furthermore, strategic goals also influence corporate branding strategy (Pierce and Moukanas, 2002; Aaker and Joachimsthaler, 2000; Aaker, 1996; Rajagopal and Sanchez, 2005). Corporate dominant branding strategy can be employed to achieve several strategic goals. For instance, Pierce and Moukanas (2002) argue that, in order to increase the efficiency of promotional expenditures and transmit positive corporate associations across many products, a link between the corporate name and its products must be perceived by customers. This linkage could be conveyed by via corporate-dominant branding strategy. He and Balmer (2007) argue that, by using the corporate name across multi-offers, its repetition increases the visibility of the name, which leads to its enhancement. Moreover, they argue that using the corporate name across multi-offers could provide an advantage in terms of economies of scale, access to new markets and pooling of resources.

In contrast, by using a product-dominant branding strategy, corporations will be able to develop a number of distinct brands with different associations competing in the same or different markets, gain more market share and reduce the cannibalism between similar products (Laforet and Saunders, 1999; Kapferer, 1997). Muzellec and Lambkin (2007) argue that corporations could use different names in order to differentiate between the corporate brand and its products in order to reduce the associations that would adversely affect its corporate brand or vice versa.

2.4.5 Market Segmentation

A multi-brand strategy corresponds to a segmented market, where the various expectations of each segment are not only different but are also seen as incompatible. Laforet and Saunders (1999) have shown that market segmentation is one of the determinants of corporate branding strategy. Aaker and Joachimsthaler (2000) argue that, in the case of heterogeneous markets, a product-dominant branding strategy is used as a means of differentiating between the company's market segments (Kapferer, 1997; Olins, 1989). Conversely, homogeneous market segments with similar requirements can lead to a corporate-dominant branding strategy (Kapferer, 1997). Companies follow different pricing strategies; however, in similar markets, they still feel the need to be cautious about relationships between brands. In contrast, if prices are in line and markets are similar, there is no need to hide the corporate identity or the relationship between brands (Saunders and Robert, 1993).

As highlighted in the previous discussion, branding strategy is determined by different factors. Perceived fit is the most important aspect. Corporations with unrelated products tend to use different brands for each of product. However, corporations introducing related products have the opportunity to leverage their existing brands. Brand extension is one of the strategies used to leverage an existing brand. The focus of the current study is on brand extension by using the corporate name as the endorser.

The following section elaborates on endorsement. In order to distinguish between brand endorsement and family brand extension, a short illustration will precede the endorsement elaboration.

2.5 BRAND EXTENSION

For many years corporations have had a tendency to follow the lead of P&G, Unilever and other major consumer goods producers that have avoided presenting any new products under an existing brand name (Aaker and Joachimsthaler, 2000). Over time, individual-brand companies and stand-alone brands have become increasingly exceptional (Laforate and Saunders, 1999; Dawar and Lemmink, 2008).

Tight economic conditions, a need for growth and other factors have forced corporations to rethink their “one brand-one product” strategies (Sood and Keller, 2012). Aware that one key asset is their brand, many corporations have since started to leverage this by introducing a host of new products under some of their strongest brand names (brand extension) (Keller, 2008). For example, according to Monga and Gurhan-Canli (2012), approximately 82% of new products launched each year are brand extensions. Some recent examples of brand extensions include Coppertone sunglasses, Gillette shampoo, Lams pet insurance and Apple iPhone (Monga and Gurhan-Canli, 2012). The proliferation of brand extension is not surprising considering the fact that a well-known brand is used to signify quality (Erdem and Swait, 1998), communicate symbolic attributes and reduce the perceived risk for consumers and the launching cost for producers (Johar et al., 2005).

There are two main types of brand extension: family and corporate. Family brand extension occurs when a corporation uses its existing well-established brand (it could be the corporate name) to introduce a new product (e.g. Gillette shampoo) (Keller, 2008). When the extension is given a name combined with the parent brand name, it is called corporate brand endorsement (e.g. Courtyard by Marriott) (Aaker Joachimsthaler, 2000).

The main difference between family brand extension and corporate brand endorsement is that in the former, the parent's brand is presented alone in the brand structure (Sood and Keller, 2012). However, in corporate brand endorsement, the extension brand and the parent brand are both presented. However, the focus is always on the extension brand (Berens et al., 2005). According to the category to which the brand could extend, there are two main types of brand extension (Keller, 2008): line extension and category extension. Line extension occurs when a corporation extends, regardless of whether by corporate brand endorsement or family brand extension, to a product category related to its product category, but is introduced to a new market segment (e.g. Gillette have started producing razor for women). Category extension is when the company extends to a product category that is different from what it is currently serving (e.g. Swiss Army watches). The focus of this thesis is on extension by using endorsement. In the following section, corporate brand endorsement will be discussed in more detail.

2.6 ENDORSEMENT BRANDING STRATEGY

Corporate brand endorsement represents one of the brand extension strategies. A corporation may use the endorsement in order to extend to a new product category by presenting its corporate name and/or any of its brand elements (i.e. corporate name, logo, slogan, jingle, symbol, and colour) in the endorsed brand structure and communications. However, the focus will be on the extension brand not on the endorser (Aaker and Joachimsthaler, 2000). Unilever endorses its products by presenting its logo at the end of its products' brand television advertisement.

The endorser's main role is to provide credibility and substance to the endorsed brand, while maintaining the endorsed brand's freedom to establish its unique associations and personality (Laforet and Saunders, 2005; Saunders and Guoqun, 1997; Kapferer, 2004; Devlin, 2003). Consequently, the endorser brand plays a minor role in driving the purchase decision, leaving the major role to the endorsed brand (Aaker and Joachimsthaler 2000).

Kapferer (2004) argues that presenting the endorser's name in the endorsed brand's structure guarantees quality, expertise, social responsibility, and ethical issues as environmental concerns. On the other hand, the endorsed brand name is responsible in its brand structure for communicating product features and benefits. Aaker and Joachimsthaler (2000) state that companies relate their names to their product's brand name (i.e. endorsement) as a warranty that the endorsed brand will live up to its claim. This warranty is essential for all brands and covers different areas such as quality, expertise, civic responsibility, ethics and environmental concerns. The product's attributes and benefits are conveyed by the brand. Moreover, brand communications work to convey the product's attributes and benefits.

Kapferer (2004), states that the endorser brand can be used to support a broad variety of products. In the case of using one endorser name to endorse a variety of brands, different values can be conveyed to each brand as a result (Kapferer, 2004). However, Berger et al. (2006) state that stretching the corporate name across too many products can harm the corporate name and dilute the brand equity.

2.6.1 Communication Means of Endorsement Strategy

Several methods have been found to communicate a corporate endorsement (Aaker and Joachimsthaler, 2000). For example, Hilton endorses its Scandic Hotel in some European countries by using its corporate name: Scandic by Hilton. Nestlé has numerous products such as KitKat, Nescafé, and Smarties, each are endorsed by the corporate name, Nestle, being printed on the package as well as its logo displayed in smaller type. Unilever endorses its products by displaying its corporate logo at the end of its products' television advertisements. Danone endorses its product brand by printing its corporate name on the packaging and by playing its jingle at the end of its products' television advertisements. Finally, Cadbury endorses its products by printing its name in an obvious way on the package and by using its corporate colour (dark blue) on its products' packages. However, the focus of this study will be on endorsement using the corporate name.

To summarise, branding strategy represents a strategic decision a corporation makes to brand its products in order to enhance the value of its brand portfolios. Different types of branding strategies exist, one of which is brand extension which is used by corporations to leverage their brands. Brand extension has two types: one is family brand extension where the parent's brand is used to extend to a new product category. The second type of the brand extension is corporate brand endorsement where the extension is given a new brand; however, the corporate name is used as an endorser. While the endorser's main role is to give credibility and guarantee quality to the endorsed brand, the latter still plays a big role in developing its own associations by being responsible for the product features and benefits. In the following section, theoretical foundations for the effectiveness of brand endorsement on consumer judgement of endorsed brands will be covered.

2.6.2 Theoretical Foundation for the Effectiveness of Brand Endorsement

Complete product information is rarely available to consumers (Dean, 1999; Kivetz and Simonson, 2002). To complete product information, consumers gather the required information from what is accessible (Kardes et al., 1986). For example, consumers could use price as an indicator to infer the quality level of a high tech product, because the quality is difficult to be estimated by normal consumers. Therefore, inferred information is incorporated into an overall assessment of the product (Huber and McCann, 1982). The likelihood of an inference is a function of the perceived need for the inference (Broniarczyk and Alba, 1994). The perceived need for inference is determined by the consumer's decision threshold; that is, a consumer who needs more information to make a decision will make more inferences than one who requires relatively less information.

Consumers make inferences from the available cues (Broniarczyk and Alba, 1994). Available cues can be either intrinsic or extrinsic (Olson and Jacoby, 1972). Intrinsic cues refer to the physical product attributes, while extrinsic cues refer to the intangible attributes of the product such as price, country of origin and brand name

(Olson and Jacoby, 1972). Cue selection is determined by the cue vividness, intensity, and perceived informational value (Lynch et al., 1988).

Brand name as an extrinsic cue is often introduced by marketers in order to affect consumer judgement (Dean, 1999). Cola and Coca Cola will be used to illustrate the effect of the brand name as a cue in consumer judgement. Cola is a value cola product introduced to the market without a brand name. Coca Cola produces the same beverage; however, it is introduced under its brand name. Consumer evaluation of the first product is much lower than cola introduced under the Coca Cola brand. This can be seen from the big difference in the price consumers are willing to pay for each of the products. In the case of cola introduced under the Coca Cola brand, the Coca Cola name gives the consumer assurance that the beverage will live up to their expectations.

Applying the above theorisation on the endorsement context, when a new product is introduced under a new brand name, consumers will not be motivated enough to believe everything the new, unknown brand claims. However, when this product brand is endorsed by a well-known corporate name, consumers use the endorser's name as an extrinsic cue to judge the believed ability of the endorsed brand (Dean, 1999).

According to Ippolito's (1990) conceptualisation, the endorser must have a "bonding" component or collateral (such as a favourable reputation) to be credible. Consumers should believe that the endorser will face unaffordable cost such as damage to its favourable reputation if the endorsed brand fails to meet consumer expectations (Rao et al., 1999; Kirmani and Rao, 2000; Barone et al., 2005).

2.7 BALANCE THEORY

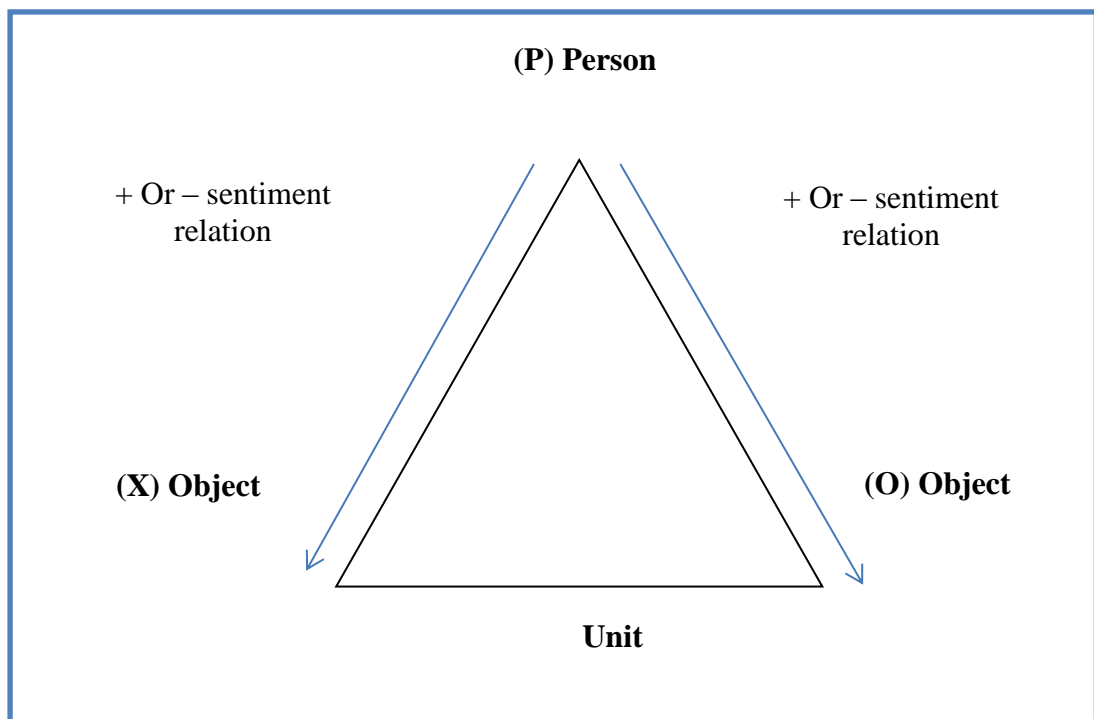
Balance theory is a socio-psychological theory pioneered by Heider (1958) and expanded by theorists such as Newcomb (1968) and Insko (1990). This maintains the existence of a triangular relationship (triad) among three principal parties - one person (P), another person (O), and an impersonal entity (X). Based on balance

theory, two types of relations exist among the parties: unit and sentiment relations. Unit is a perceived relationship between a person and an object by the other person in the relationship whereas sentiment is the affection which the other person has to the person in the relationship and the object (Heider, 1958).

Further, Heider (1958) asserts that the link between two of the parties (i.e. a person (O) and an object (X)) may have a positive sign, a negative sign, or null. That is, the person (P) may like this relationship (positive sign) or may hate it (negative sign). The null sign results when the person (P) does not believe that there is a relationship between the person (O) and the object (X) (i.e. unit is not perceived). Perceiving the relationship negatively places the perceiver in an imbalanced state. A triad is balanced if “*the multiplication of the signs of the relations must result in a positive value*” (Mowen, 1980, p. 43). The theory envisions that a state of harmony, where balanced triangular relationships exist, is preferred over a state of disharmony.

As an illustration, a belief is said to be imbalanced if “a lowly valued object is linked with a highly valued object” (Dean, 1999, p. 4). When imbalance occurs, forces towards the balanced state will arise. This will enhance the drive towards change. However, if change is not possible, the state of imbalance will generate tension (Woodside and Chebat, 2001). Figure 2.2 presents the triad relationship between two persons and an object. Table 2.1 shows different balance states of person (P) as a result of an accepted relationship between person (P) and object (X) (i.e. unit between (O) and (X) are perceived).

Figure 2.2 Triad Triangular Relationship



Source: Adopted from Carson et al. (1997)

Table 2.1: The Balance States of Person (P)

Sentiments which person (P) has to the person (O) in the triangular relationship	Sentiments which person (P) has to the object (X) in the triangular relationship	Balance states of person (P)
Negative	Negative	Positive
Negative	Positive	Negative
Positive	Negative	Negative
Positive	Positive	Positive

Source: Adopted from Carson et al. (1997)

When a corporation opts for an endorsement branding strategy between an endorser brand (E) and a product brand (P) that communicates to the consumer (C), a triangular relationship is argued to exist among these parties (Mowen, 1980).

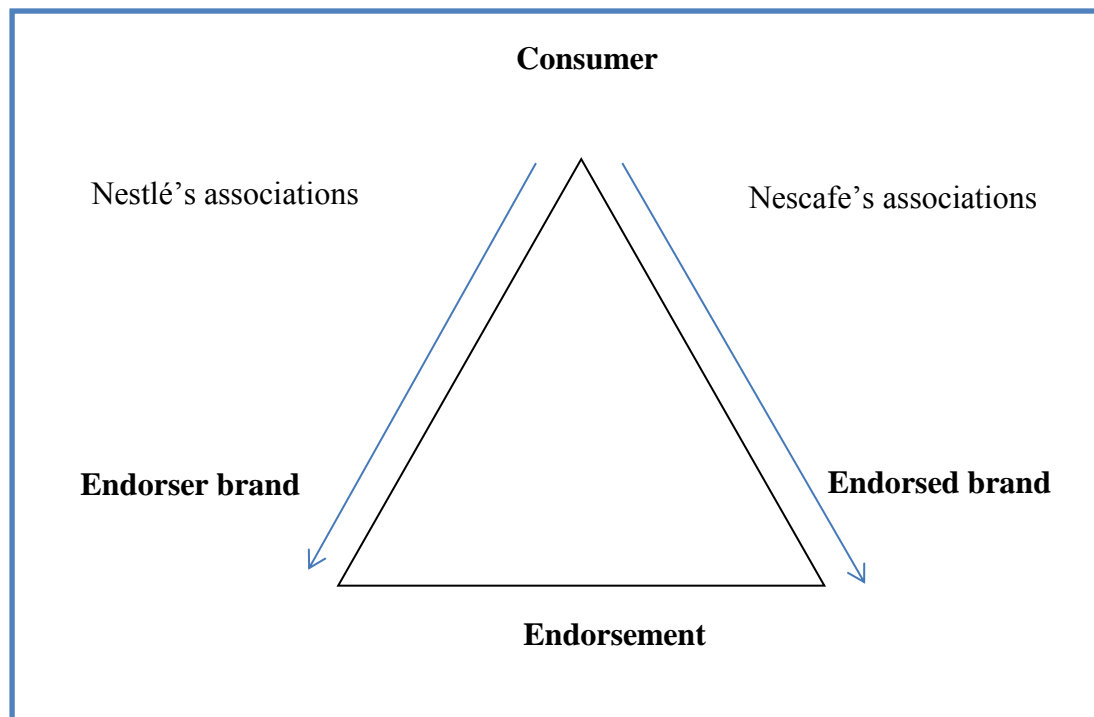
Presenting the corporate name in the endorsed brand structure suggests a unit relation. In order to be accepted by the consumer, this requires a degree of fit between the endorser and the endorsed brand (e.g. Berens et al., 2005), which is consistent with categorisation theory (Rosch, 1975; 1978; Mervis and Rosch, 1981). A basic assumption of categorisation theory is that people evaluate objects' attributes and form categories of objects sharing similar perceived qualities (Dutton and Duncan, 1987; Aaker and Keller, 1990).

Taking Nestlé and Nescafé as an example (Figure 2.3), it could argue that when Nestlé began to endorse Nescafé, a unit relation was suggested (i.e. presenting Nestlé in Nescafé brand structure). This has evoked in all consumers' minds a question about the fit between Nestlé's and Nescafé's associations. The consumer who perceives a fit will accept the relationship. Consequently, a mutual effect between both brands will occur. According to balance theory (Heider, 1958), if the consumer who accepts the endorsement has positive associations for both brands, an imbalance situation will not be evoked as a result of the endorsement and both associations will be enhanced in the consumer's mind. For example, the consumer might be more confident in Nescafé because it is endorsed by Nestlé, while at the same time, he/she may prefer Nestlé because it endorses his/her favourite brand of coffee. However, if one of the brands has negative associations for the consumer, an imbalanced state will result.

Carson et al. (1997) argue that an interaction between the brand associations has a considerable influence on the consumer's perceptions. For example, if a consumer believes that Nescafé offers a low quality coffee and Nestlé offers good quality products, an accepted relationship between the two brands (i.e. the endorsement) will lead to a state of imbalance. In order to achieve a balanced state, the consumer will either reduce his/her perception of Nestlé's products' quality or will enhance his/her

perception of Nescafé's quality. If both brands have negative associations in a consumer's mind, the accepted endorsement will not change the state of balance.

Figure 2.3 Triad in an Endorsement Context



Source: Adapted from Carson et al. (1997)

It can be concluded that balance theory is valuable to the present study. By adopting an endorsement strategy, the corporation hopes that the consumer will make a positive valuation of both the endorsed brand and the corporation. However, in the presence of negative associations for the product brand or the corporation brand, the endorsement strategy is intended to improve the consumer's associations of the corporation and its brands.

The current study focuses on the influence of corporate credibility on the consumer's perception of the endorsed brand. Nevertheless, the effect of endorsement on the corporate credibility does not fall within the scope of the current research.

Signalling theory (Spence, 1974) can also be used to explain the effect of the brand name on consumer judgement. It is founded under the assumption that, when there is an information asymmetry, the signaller tries to decrease the information asymmetry by sending an honest message to the receiver through signalling (Spence, 1974; Rao et al. 1999; Kirmani and Rao, 2000). An effective signalling can only happen if the message is honest to a certain degree, and the signal perceiver believes that sending a false message is unaffordable for the signaller (Caruana et al., 2006). This is consistent with Kirmani and Rao (2000) stating that the size of signal cost determines whether signalling is effective or not.

Presenting a corporate name as an endorser in a product brand structure is a signal implying that there is a credible corporation behind this product. The corporate name provides a guarantee to the signal perceivers (i.e. the consumers) that the product brand will live up to its promise. If the corporation is perceived as a credible corporation that is not willing to put its name to an inferior product, the endorsement will be effective. However, if the corporation is perceived as not credible, endorsement will not be effective.

Similarly, attribution theory (Kelly, 1973) suggests that consumers will question whether the company puts its name on a product, as this product can live up to its claim, or as a result of situational factors. In the case of the latter, conveying associations from the brand name to the product is not happening (Kelly, 1973; Mizerski et al., 1979). For example, if consumers are exposed to a product brand endorsed by a corporate name, they can attribute this endorsement to the endorser's desire to sell the brand not because the product brand can live up to expectation (situational factor). In this case, the endorsement fails to convince consumers about the product brand ability to live up to its claims. On the other hand, if consumers attribute this endorsement to the actual characteristics of the product brand, the

endorsement would successfully convince the consumer that the product brand can deliver.

This research studies the effect of corporate credibility on the consumer's judgement of a product brand when the corporate name is used as an endorser to the product brand. In the following section, corporate credibility will be explained. The literature review has shown that there is a mix between corporate credibility and corporate reputation. Accordingly, a differentiation between corporate credibility and corporate reputation will be made before elaborating corporate credibility.

2.8 CORPORATE REPUTATION

Corporate reputation and credibility have been used in literature interchangeably despite having different meanings. Herbig and Milewicz (1995) state that reputation is a cumulative composite of all preceding transactions over the life of a corporation; whereas, credibility is the believability of a corporation's intentions (future actions) at a particular moment in time. This historical notion has been confirmed by Fombrun (1996), who states that corporate reputation is an accumulation of all the transactions completed by a firm over its entire life.

An agreement on the importance and variety of positive outcomes resulting from favourable reputation can be found in a body of research (e.g., Caruana et al., 2006; Wartick, 2002; Fombrun and van Riel, 1997). For example, a favourable reputation can enjoy a price premium, which means that the higher the company's reputation is, the more customers will be willing to pay for its services.

Despite the importance of the corporate reputation construct, a common agreement among scholars about the basic meaning and building blocks of corporate reputation is still lacking. This can be traced from diverse disciplines and conceptual streams which investigate corporate reputation (Caruana et al., 2006). Fombrun (1996) states that corporate credibility is a dimension of corporate reputation and defines the latter as:

“ A perceptual representation of a company’s past actions and future prospects that describes the firm’s overall appeal to all of its key constituents when compared to other leading rivals.” (Fombrun, 1996, p. 72)

Corporate dimensionality was stressed by Walker (2010, p. 357) when he conducted a systematic review of the corporate reputation literature and concluded that *“corporate reputation may have different dimensions”*. This conclusion has been supported by several authors (e.g. Herbig and Milewicz, 1995; Fombrun and van Riel, 2004). Table 2.2 presents examples of definitions of corporate reputation streamed from different perceptions.

Table 1.2 Examples of Definitions of Corporate Reputation

Research Areas	Definitions	Related References
Marketing	Observers’ collective judgement of a corporation based on assessment of the financial, social, and environmental impacts attributed to the corporation over time.	Barnett et al. (2007)
Marketing	A value judgement about a company’s attributes and evolving over time as a result of consistent performance, reinforced by effective communication.	Balmer and Gray (1999)
Sociology	A prevailing collective agreement about an actor’s attributes or achievement based on what the relevant public knows about the actor.	Camic (1992)
Psychology	An individual’s impression of a company formed through direct experience or through exposure to other people’s opinions and influences.	Scott (1991)
Economics	Customer’s expectations and beliefs about a firm’s products quality.	Shapiro (1983)
Strategic Management	An intangible asset that enables firms to achieve various goals in the market.	Tece et al. (1997)

In summary, it can be stated that, while corporate reputation is perceived as a historical concept related to a company's past actions, corporate credibility reflects consumers' future expectations on the performance of a company. As the main construct in this thesis, corporate credibility will be investigated thoroughly in the next section.

2.9 CORPORATE CREDIBILITY

Corporate credibility is defined broadly as the belief ability or reliability of a corporation. This concept has been established in customers' minds as a result of direct or/and indirect contact with the corporation.

The literature review has shown that corporate credibility has two main components: trust and the perceived ability of a corporation that it can live up to its promises. Newell and Goldsmith's (2001) definition is an example of corporate credibility definitions that includes credibility dimensions (i.e. trust and ability) and stresses the effect of corporate credibility on a future action that will be taken by the corporation. They define corporate credibility as:

“The extent to which consumers feel that the firm has the knowledge or ability to fulfil its claims and whether the firm can be trusted to tell the truth or not.” (2001, p. 235).

Based on McGuire's (1958) conceptualisation of source credibility (a general label used in the communication literature to refer to the communicator in the advertisement), which is regarded as the origin of corporate credibility, Keller (1998) adds attractiveness (referred to as “likeability”) as a third component of the corporate credibility. This addition has mixed the concept of “attitude towards the corporation” with the concept of attractiveness (Goldsmith et al., 2000). Goldsmith et al. (2000) argue that attractiveness as a component of source credibility is only applicable when the source refers to a person, rather than a corporation.

In light of the above reasons, Hovland et al. (1953) emphasise two components of credibility - expertise and trustworthiness - as the most applicable to corporate perception. This is supported by Goldsmith et al. (2000). As one of the key components of corporate credibility, Nooteboom et al. (1997, p. 311) defines trust as: *“the subjective probability that one assigns to benevolent action by another agent or group of agents”*.

In general, trust includes two exchange partners: (i) the partner who trusts is called the “trustor”; (ii) the partner who is trusted is referred to as the “trustee”.

Rousseau et al. (1998) explain five conditions under which trust is developed. First, the “trustor” requires a degree of uncertainty on the motives and behaviours of the trustee (Arrow, 1973; Lewis and Weigert, 1985). Second, an aspect of the uncertainty is the lack of ability of the “trustor” to control the trustee (Sichtmann, 200). Anderson and Weitz (1992) argue that trust is based on the expectation that the trustee will not behave in an opportunistic way in spite the fact that the “trustor” has no control over this. Third, the concept is associated with a risk and, thus, the “trustor” is concerned that he/she will be vulnerable (Chudhuri and Holbrook, 2001). In other words, if the trustee behaves in an opportunistic manner, the “trustor” will suffer from the resulting damage. Fourth, both the trustee and the “trustor” have the option of whether to honour the trust or not (Rousseau et al.,1998). Finally, trust is applied to future events, which means that consumers use past corporate actions to predict their future behaviour (Sichtmann, 2007).

Based on the characteristics outlined above, Sichtmann defines trust on corporate brand developed by consumers as:

“The belief which a consumer in a purchase situation characterised by uncertainty, vulnerability, lack of control and the independent-mindedness of the transaction partners relies on, to the effect that a company identified as a corporate brand will deliver a good or service at the quality which the consumer expects, on the basis of

experiences which the consumer has made in the past.” (2007, p. 1001)

Another well-documented component of corporate credibility relates to expertise. Different taxonomies such as “capabilities” and “competence” have been used in the literature to refer to expertise. Witcher et al. (2008) define capability as the ability of strategic management to modify, integrate, and reformulate internal and external organisational skills, resources, and knowledge, so that they strategically fit the requirements of change.

Similar to corporate capability, Drejer (2001) defines competence as:

“A system of human beings, using (hard) technology in an organised way and under the influence of a culture to create an output that yields a competitive advantage for the firm.” (2000, p. 207).

Competences can refer to skills, knowledge, technological knowhow, and specific cultures that are obtained by a firm (Long and Vickers-Koch, 1995; Reed and Defillippi, 1990).

To summarise, corporate credibility is merely a dimension of corporate reputation rather than its substitute, and it reflects the believability of a corporation and to what extent consumers believe it will live up to its promises. Corporate credibility consists of two dimensions: trustworthiness and expertise. Trust includes two exchange partners (trustor and trustee), and is developed under five conditions. Consumer’s trust to a corporate brand is defined as the belief to the extent that a brand will deliver its product with the features expected by the consumer based on his past experience (corporate reputation).

Expertise, also referred to as “capabilities” and “competence”, refers to skills and knowledge used to create a competitive advantage output for a firm. The following section will elaborate in detail on the effectiveness of another important factor on consumer’s judgement of endorsed brands: the perceived fit.

2.10 PERCEIVED FIT

Perceived fit is a general label that has been suggested in the branding literature (e.g. Aaker and Keller, 1992) to reflect the degree to which stimulated associations of paired brands are compatible. For family brand extensions, fit has been conceptualised as the extension's perceived similar to the parent brand mainly on dimensions such as product category and attributes (Broniarczyk and Alba, 1994; Keller, 2002; Park et. al., 1991; Aluwalia, 2008). The effect of fit was first suggested by Tauber (1981, p. 38), who defines it as: *“a rub-off of perceived superior know-how, effectiveness or appropriate imagery”*.

Tauber (1981) added that perceived fit is achieved if consumers perceive the new product as logical and to be introduced by a specific brand. Bhat and Reddy (2001) propose that the fit is comprised of two dimensions, namely, (i) similarity between the paired brand product categories and (ii) similarity between the image of these paired brands (brand image fit). Previous scholars (e.g. Boush and Loken, 1991; Park et al., 1991; Broniarczyk and Alba, 1994) argue that similarity can be presented between features, attributes or benefits of both brands.

2.10.1 Theoretical Support for the Fit Effect

Category-based processing (Shinin, 1998; Chen and Liu, 2004), which has its root in categorisation theory (Mervis and Rosch, 1981; Rosch, 1975), suggests that people form cognitive categories based on their perceptions of the features or attributes of objects. These categories consist of objects with similar perceived attributes. Accordingly, it can be argued that perceptual fit is a main requirement for an acceptable connection regardless of the form of this connection or its objectives.

Categorisation theory has been used widely by scholars (e.g. Boush and Loken 1991; Broniarczyk and Alba 1994; Keller and Aaker 1992; Speed and Thompson 2000) to support the argument that when consumers perceive high fit in a brand extension, cognitive consistency occurs and consumers respond positively. Alternatively, when

consumers perceive a low fit, they experience cognitive inconsistency, which influences negatively their responses.

This argument has been supported by Meyers-Levy and Tybout (1989), who state that consumers value consistency in their thoughts and respond negatively to any destruction. Furthermore, information which is inconsistent with prior knowledge raises a question about the real motives for the observed relation (Yoon and Gurhan-Canli 2003).

In line with categorisation theory, the Meaning Transfer Model (McCracken, 1989) provides a similar explanation. Accordingly, the meaning transfers from one object to another (e.g., from endorser to endorsed brand or vice versa), and the formation of a shared set of associations needs a well-developed relationship between the two objects.

Previous research (e.g., Milberg, Sinn and Goodstein, 2010) posits that brand extension depends on fit between the parent brand and the extension product category. Pina, Riley and Lomax (2012) examine brand extensions. The authors find that fit between the extension and the parent brand is the main factor which often impact consumers' evaluation of brand extensions. Moreover, the authors investigate the impact of brand image on extension attitude. Findings indicate that the impact of brand image on extension attitude is low a low when the extension is taking a place in a different sector than the parent brand. At the same context, Salinas and Pérez (2009) investigate how Brand-extension strategies can participate in new product success and thus impact brand image. The authors find that extension attitude influences brand image. However, the authors find that perceived fit are not able to strengthen consumer attitude. Lafferty (2007) found that fit between the cause and the brand does not affect customers' attitudes or purchase intentions.

Pracejus, and Olsen (2004) study the impact of fit between brand and charity choice. The authors found that a high-fit charity often generate more donation (5–10 times than a low-fit charity).

Within the context of online brand extension, Song, Zhang and Huang (2010) find that perceived fit between the parent brand and a new product positively influences perceived quality of the extension. At the same context, Barnes and Mattsson (2011) posit that real-life brand value impact both category fit and channel extension fit which in return impact extension attitude.

Based upon both category-based processing and the Meaning Transfer Model, it can be concluded that, in a high-fit brand extension relationship, associations can be transferred among brands. However, a low-fit relationship provides no readily identifiable linkages and, consequently, no shared meanings or associations emerge.

2.10.2 Bases of Fit

Although there is agreement on the importance of fit, considerable disagreement can be found regarding its bases (Muroma and Saari, 1996). Indeed, Aaker and Keller (1990) postulate that perceived fit can be seen in many ways. The literature review reveals that similarity, typicality, relatedness and brand concept consistency are the main bases of the notion of fit (Aaker and Keller, 1990; Boush and Loken, 1991; Park et al., 1991). Differences between these terms are blurred and there appears to be little distinction between them (Muroma and Saari, 1996). For example, Muroma and Saari (1996) have operationalised relatedness as the similarity between two product categories. Nedungadi and Hutchinson (1985) define typicality as the degree to which a product represents the parent brand category. Typicality has also been defined by Gurhan Canli and Maheswaran (1998, p.486) as:

"The degree to which category members (e. g. different products manufactured by Sony or Sanyo) are representative of the family brand image"

Park et al. (1991) maintain that consumers may use the consistency of the concepts of paired brands as a base from which to assess the fit between these paired brands (i.e. images evoked by these brands).

Aaker and Keller (1990) state that “fit or similarity” can be measured by using three bases. The first is “complement”. The authors argue that consumers will perceive the fit between two products if both are consumed jointly or are satisfying the same need. The second measure is “substitute”, where consumers view two products as substitutes. The third is “transfer”, which reflects consumers’ perceptions of a producer’s ability to manufacture a product in the first category compared with another in the second category.

Previous scholarly literature (e.g., Muthukrishnan and Weitz, 1991; Broniarczyk and Alba, 1994; Roux and Boush, 1996) posits that consumer knowledge often affects the choice of the fit base. Consumer knowledge consists of two dimensions; familiarity and expertise (Alba and Hutchinson, 1987). Familiarity is the number of product-related experiences accumulated by the consumer, whereas expertise is the consumer’s ability to execute successfully product-related tasks.

Some authors (e. g. Johnson 1984; Brucks 1985) argue that consumers with extensive knowledge of a product use different decision processes. These consumers differ from those with limited product knowledge in their reactions to brand pairing (Broniarczyk and Alba, 1994). Roux and Boush (1996) maintain that consumer familiarity should result to enhancement of the knowledge structures (e. g. better ability to recognise and comprehend brand fit). Thus, more knowledgeable consumers will gain a clearer idea of whether or not paired brands are sound. Moreover, knowledgeable consumers are more sensitive to inconsistencies between paired brands (Broniarczyk and Alba, 1994; Kirmani et. al., 1999; Spence and Brucks, 1997).

The previous sections demonstrate clearly how a consumer judgement of endorsed brands is affected by brand endorsement and perceived fit. This effect is well established in the branding literature and has been proved in different contexts (e.g. Dacin and Smith, 1994; Berens et al., 2005; Bahat and Reddy, 1999). However, it differs from one brand extension strategy to another (Sood and Keller, 2012; Rao et al., 2004).

2.11 DETERMINANTS OF INFORMATION USAGE IN DECISION MAKING

Biehal and Chakaravati (1983) state that, in order for stimulated associations to be effective, they must be salient and relevant to consumer judgement or behaviour. In other words, stimulated associations have to be prominent (accessible) and perceived as important (diagnostic) to the decision context. The following sections will elaborate on these two aspects.

2.11.1 Accessibility

With the others being constant, judgements are expected to be determined by information that is comparatively accessible and, consequently, comes to mind in parallel with judgement formulation (e.g. Lynch et al., 1988; Kisielius and Sternthal 1986). According to Feldman and Lynch (1988), information accessibility refers to the ease of retrieving a piece of information from memory and using to make a decision. Aaker (2000, p. 342) defines accessibility as: “*the activation potential of available knowledge*”.

Aaker (2000) further argues that activation of a specific piece of information is a function of the decision context. That is, a piece of information could be accessible only in a specific context.

Biehal and Chakravarti (1983) elaborate that retrieving information from memory is cue-dependent. Accordingly, the cue available at retrieval time determines whether pre-stored information can be retrieved. This has been explained by the “*encoding specificity principle*” (Tulvig, 1983), which states that cues adjacent to the encoding process are expected to be efficient for subsequent retrieval.

The retrieval of prior information, which is associated with a specific cue, facilitates retrieval of similar associations (e.g., associations related to competing brands) and/or information that is unrelated to the brand yet related to the cue (e.g., consumer mood at the time of encoding information about a brand) (Anderson and

Mittal, 2000). This characteristic of retrieval has both disadvantages and advantages. The main disadvantage is that the consumer's mind will be flooded by a considerable amount of information, thus requiring the consumer to devote greater effort to remembering the required piece of information. On the other hand, the retrieval characteristic may lead the consumer to connect some positive associations to the targeted brand. For example, a brand might be associated with happiness in a consumer's mind as a result of a concurrent happy mood at the time of the brand cue encoding (Lee and Sternthal 1999). Moreover, Higgins (1997) notes that accessibility of a specific piece of information is a direct function of the frequency and how recent the activation of such a piece of information is in the memory.

2.11.2 Diagnosticity

In addition to accessibility, diagnosticity or relevance of accessible information often has an effect on judgements (Baker and Lutz 2000; Lynch et al., 1988).

Aaker (2000) states that diagnosticity is:

“The extent to which inferences based on the information alone would be adequate to make a decision and it is therefore often operationalised through the importance of information” (Aaker, 2000, p.342).

This means that information is diagnostic if a person believes that this information alone would achieve his/her decision goals (Lynch et al., 1988). Lynch et al. (1988) concludes that diagnosticity is clearly a subjective concept. Lynch et al (1988) state that:

“An input is diagnostic for a judgement or decision to the degree that consumers believe that the decision implied by that input alone would accomplish their decision goals” (1988, p. 171).

Different definitions have been suggested for diagnosticity; however, these definitions are not different from Aaker's definition. For example, in inference making, Dick et al. (1990) define diagnosticity in terms of the perceived connection between a recognisable cue and an unrecognisable property. In judging beliefs and attitudes, Miniardetal(1992) operationalise diagnosticity as relevance or importance as a result of prioritising the alternative sources of information (this prioritising differs according to the context requirement).

2.11.3 The Relationship between Accessibility and Diagnosticity

An explanation of the relationship between accessibility and diagnosticity and their effect on judgement can be found in Feldman and Lynch's (1988) accessibility-diagnosticity model. It proposes that an input A in memory (e.g., a pre-existing attitude towards a brand) will be used as a reference in formulating judgment as a positive function of the accessibility and diagnosticity of A; and an inverse function of the accessibility and diagnosticity of substitute inputs B, C (e.g., a pre-existing attitude towards a competing brand).

According to this model (i.e. accessibility-diagnosticity model), cognition/input will be used to make consequent decisions if the cognition is accessible and more diagnostic than the competing input. In other words, a consumer will use an input in a decision as long as he/she can recall such input relatively easier than other inputs. At the same time, he/she believes that this input alone satisfies his/her decision threshold. As an illustration, suppose a consumer wants to choose a restaurant in which to enjoy a fancy dinner. A trusted friend has had a delightful experience having recently a dined in a fancy restaurant. Some time ago, the consumer also read an advertisement for the restaurant in a free newspaper, supposedly offering good food. When this consumer was choosing the restaurant, the information obtained from his/her friend is supposed to select the restaurant rather than the alternative information (i.e. the advertisement). It is more accessible (she/he obtained it recently) and more diagnostic because he/she obtained it from a trusted friend's direct experience.

Although the accessibility-diagnostics model has defined the alternative(s) to be scrutinised for making a decision, the effect of the alternative(s) that is not used in making a decision is not clear in Feldman and Lynch's (1988) model. In an attempt to address this ambiguity, Aaker and Sengupta (2000) show that individuals in North American culture have a propensity to adopt the attenuation strategy, in which all alternatives are discounted except for the most diagnostic. However, individuals in East Asian culture tend to adopt an additive strategy, in which alternatives are taken collectively, and incongruity between them may be tolerated.

Empirical tests of the accessibility-diagnostics model show that the constructs are related although, conceptually, they are discrete. Lynch et al. (1988) note that experience of low accessibility negatively affects perceived diagnosticity of such input. Herr et al. (1991) have found that both constructs are highly related. However, Schwarz et al. (1991) have shown that under certain conditions, accessibility plays a dual role in judgement, which means that accessibility allows a specific source of information to come to the mind and to use this source as a proxy for diagnosticity. Following the same line of argument, Wanke et al. (1997) have shown, experimentally, a positive relation between accessibility and judgement. They manipulated accessibility in the following way: in the low accessibility condition, authors asked participants to mention ten reasons for driving a BMW car; in the high accessibility condition, they asked for only one. The findings revealed that subjects in the low accessibility condition evaluated the BMW car less favourably than those in the high accessibility condition. These findings have been replicated by Tybout et al.'s (2005) study, which yielded similar results.

Tybout et al.'s (2005) study introduces an explanation for the relationship between information (knowledge) accessibility and diagnosticity and how they affect consumer judgement. They found that, when relevant knowledge of a judgement is relatively inaccessible, consumers conclude that it will be difficult to recall such information. As a result, accessibility is not diagnostic, and judgement depends on examination of the content available in the task environment. Interestingly, Tybout et al. (2005) found that, when relevant knowledge is highly accessible, accessibility is not diagnostic either and judgement in this case depends on content examination. As

a justification of this result, Tybot et al. (2005) argue that high accessibility of information reduces its perceived importance; therefore, consumers avoid using it as a reference for their judgement. Between these two extremes (i.e. low and high accessible information), when relevant information is moderately accessible, diagnosticity is high (Tybot et al., 2005).

Menon and Raghurir (2003) claim that there is a situation when accessibility and diagnosticity are unrelated. This occurs when a person has the time, ability and willingness to investigate different sources of information in order to improve the accuracy of their decision. This claim counters the fundamental assumption of the accessibility-diagnosticity theory by positing that a consumer is a “cognitive miser” (Lynch et al., 1988). Lynch et al. (1988) state that a consumer will not retrieve all probable information to make a decision; instead, he/she will first try to retrieve the most accessible information. As an illustration of Lynch et al.’s view of the consumer, it may be sufficient to cite the following:

“Consumer attempts to make the decision using whatever information is salient. Other relevant inputs are retrieved from long-term memory or are sought externally, only if the original salient information is insufficiently diagnostic to attain the task objective” (1988, p.171).

In summary, it is assumed that desirable associations have to be accessible and diagnostic in order to be evoked and used in judgement formulation (e.g. transferred from the corporate name to the product brand name). While accessibility is cue-dependent, diagnosticity is clearly a subjective concept. The accessibility-diagnosticity model explains clearly the relationship between accessibility and diagnosticity, and demonstrates how both are used together to affect judgement. In order to make a decision, a consumer tries to retrieve only the most important information.

2.12 CHAPTER SUMMARY

Different approaches have been adopted to define a brand, and several authors, including Olins, Aaker and Joachimsthaler, Laforet and Saunders, Murphy and Kapferer, have identified different types of branding strategies. These range between corporate branding, whereby the corporate name is used on all products and services; and individual product branding, whereby each product within a portfolio is given its own unique brand name.

Corporations use five determinants to decide on which branding strategy to adopt: history; product range; the importance of corporate identity; strategic goals; and market segmentation.

A number of factors including tight economic conditions and a need for growth have forced corporations to practise brand extension, whereby they introduce new products under their strong brand names. This way, corporations can benefit from their strong brand's symbolic attributes and quality, in addition to reducing the perceived risk for consumers and the launching cost for producers.

Endorsement extension occurs when the extension brand (endorsed brand) and the parent brand (endorser) are both presented in the brand structure. The focus in this case will be on the endorsed brand, which will be responsible for communicating its product features and benefits, while the endorser's main role will be to provide credibility, support and scientific expertise.

Different theories have been applied to explain the effect of brand endorsement on the consumer's judgement of endorsed brands. Signalling theory explains how using brand endorsement helps corporations decrease information asymmetry between them and their consumers. Attribution theory, explains how brand extensions help in extending the believability of information regarding a corporation's products. In balance theory, the corporation hopes to create positive associations for both the endorser and the endorsed brand.

Consumers' judgement of endorsed brands is also affected by perceived fit, meaning that the extension is perceived as similar to the parent brand. Both category-based processing theory and the meaning transfer model propose that, in a high-fit brand extension relationship, associations can be transferred among the brands. Conversely, in a low-fit relationship, no shared meanings or associations emerge.

Both accessibility and diagnosticity affect the judgement formulation process. Moreover, the degree of involvement also plays an important role in affecting judgement. A negative relationship is identified between diagnosticity and the degree of involvement. Therefore, when a message recipient is in a low involvement context, the diagnosticity of a cue or a piece of information will be higher than if he is in a high involvement context.

3 HYPOTHESES DEVELOPMENT

Corporate endorsement is the presentation of the corporate name in the product's brand structure as a warranty that the brand will live up to expectations (Aaker and Joachimsthaler, 2000). The focus of this extension strategy is always on the product brand. Simultaneously, it shows that there is credible corporation support behind this product brand (Aaker and Joachimsthaler, 2000). In other words, product brand in endorsement strategy plays a major role in establishing its own associations. However, the endorser aims to enhance the believability of the endorsed brand.

Endorsement can be executed in different ways; for example, Nestlé endorses Nescafé, by presenting the corporate logo on the product's container, while Danone presents its corporate jingle at the end of the product's advertisement.

Aaker and Joachimsthaler (2000) argue that the strength of the endorsement defines the type of the associations conveyed from the endorser to the endorsee. That is, the size of the endorser name in the endorsed brand structure determines the type of the associations that can be conveyed from the endorser to the endorsed brand (Aaker and Joachimsthaler, 2000). However, this moderating effect of the size of the endorser name in the brand structure has not been established empirically.

Sood and Keller (2012) have shown that the order of the names on the brand structure (i.e. mode of the brand extension) has an effect on consumer evaluation. Two contexts have been used in their study: sub-brand extension, which is a strong endorsement according to Aaker and Joachimsthaler, 2000) taxonomy; and family brand extension. In the sub-brand extension context, a product's brand was first presented, followed by the corporate brand. The two names were separated by "by" (Quencher by Tropicana cola). In the family brand context, the corporate brand was presented first followed by the extension product category. No separation has been made between the parent brand and the category name (e.g. Tropicana cola).

Sood and Keller (2012) have demonstrated that the effect of category fit affects consumer evaluation in the context of family brand but not in the strong endorsement

context. The results of Sood and Keller (2012) are consistent with those of Berens et al. (2005), although the latter used a weak endorsement (i.e. the endorser name is less obvious in the endorsed brand structure than the strong endorsement). These congruent findings mean that the strength of the endorsement does not moderate its effect; however, corporations may use endorsement to improve their associations. P&G has started recently endorsing Pampers which, as a well-known brand, does not need to be enhanced by such endorsement. In this case, the aim is to convey associations from Pampers to P&G and to make P&G more known to the consumers. Accordingly, the endorser's name is presented in the endorsed brand structure in an obvious way (i.e. strong endorsement).

Two important features could affect the evaluation of a brand extension in a corporate brand endorsement context: corporate credibility and perceived fit between the corporation as the endorser and the endorsed brand. In the endorsement context, the credibility of the endorser is important (Lafferty and Goldsmith, 1999). Moreover, it has been established that the acceptance of brand extension depends on the perceived fit between the parent brand and the category into which the brand has been extended (e.g. Aaker and Keller, 1990; Boush and Loken 1991; Volckner and Sattler, 2006). Therefore, it is to be expected that, in the corporate brand endorsement context, both corporate credibility and the perceived fit will affect consumer judgement. However, the relative importance of corporate credibility versus perceived fit in the endorsement context has not been investigated previously. That is, to what extent corporate credibility and fit matter in a corporate brand endorsement and why?

3.1 CORPORATE CREDIBILITY

Corporate credibility is considered an important indicator and essential dimension of corporate reputation (Fombrun, 1996). Corporate reputation is a cumulative composite of all previous transactions over the life of a corporation. It is an estimation of the corporation's past actions; and also mirrors corporation actions throughout its existence (Herbig and Milewicz, 1995). On the other hand, corporate

credibility centres on the authenticity of a corporation's intentions and reflects consumer believability of a corporation's ability to live up to and fulfil its promises (Herbig and Milewicz, 1995; Newell and Goldsmith, 2001). Herbig and Milewicz (1995, p. 6) summarise corporate credibility as: "*all about whether a company can be relied on to do what it says it will do.*"

Corporate credibility has two dimensions: expertise and trustworthiness (Hovland et al., 1953; Goldsmith et al., 2000; Witcher et al., 2008). Expertise refers to the corporation's ability to deliver what it has promised (Hovland et al., 1953; Goldsmith et al., 2000; Witcher et al., 2008), while trustworthiness refers to honesty and believability (McGinnies and Ward 1980; Nooteboom 2000; Hovland et al., 1953; Goldsmith et al., 2000; Sichtmann, 2007). Corporate credibility is an important source of corporate success. For example, Aaker and Joachimsthaler (2000) assert that high credibility boosts brand equity because high credibility often means corporate ability to validate its claims. In turn, lack of credibility often leads consumers to suspect the corporate claims. Corporate credibility also enhances customer attention and their recall of the corporate brands (Sternthal et al., 1978).

The effect of corporate credibility on consumer judgement is well established in the literature (Niedrich and Swain, 2008; Erdem and Swait, 2004; Brown and Dacin, 1997). Drejer (2001) finds that investors are inclined to invest in a company with stable, inimitable competencies. Dowling (2004) shows that corporate capability (strong leadership, strong financial performance, and low risk investment) has a significant and positive relationship with corporate reputation; Blazevic and Lievens (2004) show that learning capability is significantly and positively correlated with the reputation of a financial institution.

The effect of corporate credibility on consumer attitudes has been studied in different contexts. Lafferty and Goldsmith (1999) use the introduction of new high-technology products as a context in which to prove that corporate credibility has a positive relationship with consumer attitudes and purchase intentions. Lafferty et al. (2004) find that in the endorsement context, corporate credibility has a positive influence on consumers' attitude towards an advertised product.

Berens et al. (2005) have shown that, when the corporate name is not dominant in the brand structure, consumers rely on the corporation's credibility to feel confident about their judgement of the endorsed brand. Erdem and Swait (1998) suggest that corporate credibility increases perceived quality, decreases perceived risk and information costs and, thus, increases brand purchase intention.

Ippolito (1990) argues that the endorser should have a "bonding" component or collateral (such as a favourable reputation) in order to be believable. When this is the case, consumers should believe that the endorser will face unaffordable cost such as damage to its favourable reputation if the endorsed brand fails to meet consumer expectations (Rao et al. 1999; Kirmani and Rao, 2000; Barone et al. 2005). Therefore, it is hypothesised that in a corporate brand endorsement context:

H_{1a}: (main effect of the endorser credibility): the endorsed brand's perceived quality is affected positively by endorser credibility; the more credible the endorser is perceived, the higher the perceived quality of the endorsed brand.

H_{1b}: (main effect of the endorser credibility): purchase intention of the endorsed brand is affected positively by endorser credibility; the more credible the endorser is perceived, the higher the purchase intention of the endorsed brand.

3.2 PERCEIVED FIT IN AN ENDORSEMENT CONTEXT

Perceived fit has been established and developed in the family brand extension context (e.g. Mars ice cream, Mars milkshake) (Loken and John, 1993). It is considered one of the most important criteria that determine brand extension success (Aaker and Keller, 1990; Boush et al., 1987). In the family brand extension, perceived fit is a function of salient shared associations between the parent brand and the extension product (Ahluwalia and Gurhan-Canli, 2000; Park et. al., 1991). Perceived fit has been conceptualised in many ways (Keller, 1998); for example, as:

the consistency of the extension with existing brand beliefs (Loken and John, 1993), based on product-related attributes or benefits (e.g. product category; Boush and Loken, 1991) and based on non-related attributes or benefits (e.g. image) (Park et al., 1991).

The literature still does not offer a specific definition of fit in the endorsement context. However, in their study of corporate endorsement, Berens et al. (2005) have used the definition of fit from the family brand extension literature (Bhat and Reddy, 2001). Accordingly, in the endorsement context, perceived fit can be defined as the similarity between the endorser's brand and the endorsed product brand. This similarity can exist between the endorsed product brand category and the endorser's product brand category/categories or, more generally, between the associations stimulated by the endorsed product brand and the associations stimulated by the endorser's brand in the consumer's mind (Berens et al. 2005).

Category-based processing theory suggests that consumers form cognitive categories based on the perceived features or attributes of objects (Shinin, 1998; Mervis and Rosch, 1981; Rosch and Mervis, 1975). When two objects belong to the same category, consumers infer that they fit together (Boush and Loken 1991; Broniarczyk and Alba 1994; Keller and Aaker 1992; Speed and Thompson 2000). Furthermore, when consumers perceive high fit in a family brand extension, cognitive consistency occurs and consumers respond positively. Conversely, when consumers perceive a low fit, they experience cognitive inconsistency, which influences negatively their responses. Meyers-Levy and Tybout (1989) argue that consumers value consistency in their thoughts and respond negatively to any inconsistency. In addition, information that is inconsistent with prior knowledge raises a question about the real motives of the observed relation (Yoon and Gurhan-Canli, 2003).

The need for cognitive consistency is also consistent with balance theory (Heider, 1958), which suggests that two elements (endorser and endorsed brand) form a unit relation when they fit together. When the fit is weak, the unit relation is also weak; therefore, the consumers' perception of the unit relation is weak.

Considering the category-based inferences, the need for cognitive consistency, the fact that perceived fit is a function of the perceived similarity or relatedness and, finally, balance theory, it is hypothesised in a corporate endorsement context:

H2a (main effect of perceived fit between the endorser and the endorsed brand): perceived quality of the endorsed brand is affected by the perceived fit between the corporate endorser and the endorsed brand; the greater the fit, the higher the perceived quality of the endorsed brand.

H2b (main effect of perceived fit between the endorser and the endorsed brand): purchase intention of the endorsed brand is affected by the perceived fit between the corporate endorser and the endorsed brand; the greater the fit, the higher the purchase intention of the endorsed brand.

Next, we will introduce the theorising support to the relative importance of fit and corporate credibility in the corporate brand endorsement context, and to the cognitive process that consumers endure when judging the endorsed brand.

Aaker and Keller (1990) postulate that evaluation of a brand extension is a function of the parent brand quality and the fit between the parent and the extension. However, broadly-diversified corporations (e.g. Unilever, Nestlé) continue to endorse their products. This raises the following question: is the perceived fit as important to consumers in the corporate brand endorsement context as it is in the family brand context? One answer is that the strong link between the family brand and the extension product category in the extension brand structure (e.g. Tropicana cola) places the fit first under scrutiny (Sood and Keller, 2012). For example, the consumer will question the relationship between Tropicana, the company related to natural juice in the consumers' minds, and carbonated cola before moving further in their decision process. If she perceives a strong fit, regardless of the bases used to infer the fit, category-based inferences will be used to judge the brand extension (e.g. the quality of the extension) (Keller, 1990; Sood and Keller, 2012).

However, in the endorsement context, the process described above is likely to be disrupted for three reasons. First, the semantic meaning of the endorsed brand may also be relevant for consumers when they pass judgement (Soods and Keller, 2012). That is, if the endorsee's brand name conveys meaning that is relevant to the extension category (e.g. Milkmaid, which is a condensed milk produced and endorsed by Nestlé), consumers most likely will perceive the fit between the extension and the parent's brand (Nestlé according to the last mentioned example) higher than the family brand extension where the parent brand is the only given cue (Sood and Keller, 2012).

Second, the endorsed brand is often a new brand that does not yet have any associations in the consumers' minds; therefore, the only source of information is the endorsed brand communications, which are designed to convince the consumers that it will meet their expectations, and the endorser name in the endorsed brand structure guarantees this. In contrast, in the family brand extension, the parent brand name has already developed associations in consumers' minds. These associations may or may not match with the extension category.

Third, Sood and Keller (2012) argue that the order of the names in a corporate brand endorsement context (extension brand comes first, e.g. Quencher by Tropicana) makes consumers use a different strategy to judge the fit between the extension and the parent brand. Compared to a family brand case, the endorsement evokes a categorical sub-typing process to judge the fit (Sood and Keller, 2012). That is, consumers adjust their perception of the parent brand to accept the new extension as a result of the endorsement. This adjustment is unlikely to happen in the case of family brand extension because of the direct relationship between the parent brand and the extension category due to the prominent use of the parent's brand name in the extension. It is also possible that consumers discount the value of the category fit when they evaluate the corporate endorsed brand because they can generate examples of widely-diversified corporations that produce and market products in a large number of seemingly unrelated categories.

When examples of widely-diversified corporations come to consumers' minds easily, consumers tend to overestimate the number of such corporations according to the availability heuristic (Tversky and Kahneman, 1974). Hence, the category fit information becomes less diagnostic compared to the corporate credibility information for consumers' evaluations of the endorsed brand. This contradiction (i.e. a large number of corporations producing seemingly unrelated products) leads consumers to choose broader criteria, such as corporate image, to comprehend the relationship between the endorser and the endorsed brand.

Therefore, it is hypothesised that:

H3a: in the endorsement context, while both the influence of the perceived credibility of the endorser and the fit on the perceived quality of the endorsed brand is significant, the influence of the perceived credibility is stronger than the influence of the perceived fit.

H3b: in the endorsement context, while both the influence of the perceived credibility of the endorser and the fit on the perceived quality of the endorsed brand is significant, the influence of the purchase intention is stronger than the influence of the perceived fit.

If the corporate credibility effect is stronger than fit on consumer judgement of the endorsed brand, then consumers will justify their judgements of the endorsed brand using more reasons related to credibility information than fit (Simon, 1989). Therefore, it is expected:

H3c: Consumers will have more credibility related thoughts than fit related thoughts when they construct judgment about the endorsed brand.

Consumers look for ways to simplify decision-making (Yadav, 2006). Anchoring and adjustment heuristic (Tversky and Kahneman, 1974) suggests that consumers

begin the decision-making process by an initial assessment, followed by one or more adjustments. This has been shown to be one such simplifying decision-making strategy (Yadav, 2006). However, consumers do not do make enough adjustment and the overall evaluation is biased towards the initial assessment (Davis et. al., 1986). Hogarth and Einhorn (1989) have shown that decision makers anchor on the most subjectively important piece of information. In the endorsement context, it is expected that consumers will anchor their decision on the endorser credibility.

Ito et al.'s (1998) results show that negative information influences consumer evaluation more strongly than the positive information. These results come in line with Taylor (1991) who shows that negative events have greater effect on consumers' cognitive, emotional, and social responses than positive events. Moreover, Ito et al. (1998) show that negativity bias, which results from the negative information, affects consumers' evaluations earlier than the positive information. Accordingly, in the endorsement context, if consumers perceive endorser credibility to be high, consumers' fit will affect the endorsed brand evaluation because consumers will continue their decision making process and will adjust their initial assessment according to the perceived fit between the endorser and the endorsed brand. However, if endorser credibility is perceived as low, the fit will not affect the consumers' evaluation of the endorsed brand because the negative information about the most important determinant of their evaluation (i.e. endorser credibility) will make consumers evaluate the endorsed brand at an early stage of their decision process (i.e. once they realise that the endorser credibility is low). Therefore it is hypothesised that:

H4a: (the interaction effect): consumers consider the influence of fit on the perceived quality of the endorsed brand only when the perceived credibility of the corporate endorser is high; however, when the perceived credibility of the corporate endorser is low, consumers neglect the influence of fit.

H4b: (the interaction effect): consumers consider the influence of fit on the purchase intention of the endorsed brand only when the

perceived credibility of the corporate endorser is high; however, when the perceived credibility of the corporate endorser is low, consumers neglect the influence of fit.

3.3 INFORMATION ACCESSIBILITY

Most of the time, consumers exhibit bounded rationality due to sources and time limitations (Simonson and Tversky, 1992). In other words, consumers in the main are cognitive “misers” (Lynch et al., 1988). Judgements are expected to be determined by information that is comparatively diagnostic, and consequently comes to mind simultaneously at the time of judgement formulation (i.e. it is accessible) (e.g. Lynch et al. 1988; Kisielius and Sternthal 1986).

In general, consumers pay more attention to information, which they perceive to be diagnostic (Lynch et al., 1988). This prioritisation makes consumers recall faster a piece of information that is perceived, relatively, as more diagnostic than others (Lynch et al., 1988; Baker and Lutz, 2000). Baker and Lutz (2000) argue that consumers terminate recalling information when they feel that they have acquired sufficient information with which to make their decision. Therefore, it could be said that using a piece of information in a decision is a function of its accessibility. This, in turn, is a function of its diagnosticity.

Thus, this thesis predicts:

H5a: In the low accessibility condition, consumers recall credibility information more than fit information.

Biehal and Chakravarti (1983) postulate that information perceived as important by consumers is likely to be remembered better than that which is perceived as less important. This is in line with Craik and Lockhart (1972) and Roger et al. (1977), who argue that perceived important information is elaborated more extensively than other pieces of information. This elaboration, in turn, makes consumers recall such

information more accurately and faster than other pieces of information (Roger et al., 1977). Accordingly, this thesis hypothesises that:

H5b: in the low accessibility condition, consumers are more likely to falsely recall fit information rather than credibility information because fit is less diagnostic than credibility.

While, in the high accessibility condition, this thesis expects H1a-H3b to be replicated, in the low accessibility condition it is expected that the difference influence of fit and credibility will be more pronounced because of the differential recall of fit and credibility. Information accessibility, which refers to the ease of retrieving an input from memory (Menon et al., 1995), determines the priority of each piece of information used in decision making (Lynch et al., 1988). In other words, the more a piece of information is accessible, the higher probability to be used in making a decision. Therefore, the relative accessibility of endorser credibility and perceived fit, in the corporate endorsement context, is a fundamental determinant for using a piece of information in making a decision (e.g. Lynch et al., 1988). Therefore, if the piece of information that is more diagnostic in consumers' mind tends to be more accessible for the decision (Roger et al., 1977). With the others being constant, judgements are expected to be determined by information that is comparatively accessible and, consequently, comes to mind in parallel with judgement formulation (e.g. Lynch et al., 1988; Kisielius and Sternthal 1986). The retrieval of prior information, which is associated with a specific cue, facilitates retrieval of similar associations (e.g., associations related to competing brands) and/or information that is unrelated to the brand yet related to the cue (e.g., consumer mood at the time of encoding information about a brand) (Anderson and Mittal, 2000). Therefore, the following three-way interactions are proposed:

H6a: when the information is accessible, the influence of credibility on perceived quality of the endorsed brand will be significantly stronger than the influence of fit. When the information is not accessible, the influence of credibility on perceived quality of the endorsed brand will be significantly strong; however, the influence of

fit will not have a significant effect on the perceived quality of the endorsed product brand.

H6b: when the information is accessible, the influence of credibility on purchase intentions of the endorsed brand will be significantly stronger than the influence of fit. When the information is not accessible, the influence of credibility on purchase intentions of the endorsed brand will be significantly strong; however, the influence of fit will not have a significant effect on the purchase intentions of the endorsed product brand.

In other words, when the information is accessible, the perceived credibility and fit interact in their influence on the perceived quality and the purchase intentions of the endorsed brand. Conversely, they do not interact when the information is inaccessible.

H7a: in the low accessibility condition, consumers only consider the influence of credibility on the perceived quality, but they neglect the influence of fit regardless of the level of credibility.

H7b: in the low accessibility condition, consumers only consider the influence of credibility on the purchase intentions, but they neglect the influence of fit regardless of the level of credibility.

3.4 CHAPTER SUMMARY

This chapter highlighted that the strength of the endorsement does not moderate its effect, and illustrated the relevant literature required to develop the research hypotheses. The next chapter will elaborate on the research methodology.

4 METHODOLOGY

4.1 INTRODUCTION

The previous chapter detailed the conceptual framework and hypotheses. The purpose of this chapter is to present a methodological ground in order to answer the research questions and test the proposed hypotheses. This chapter is organised as follows: section 4.2 explains the philosophical foundation; section 4.3 illustrates the research process; section 4.4 identifies the research experiments; section 4.5 presents Experiment One's conditions, stimuli, independent variables manipulation (i.e. corporate credibility and perceived fit), dependent variables (endorsed brand perceived quality and purchase intentions), and the manipulation check; section 4.6 explains Experiment Two; section 4.7 identifies the group size for the experiment conditions. Justification for using a seven-point Likert scale is presented in section 4.8. Data analysis techniques and statistical package are presented in section 4.9. Section 4.10 explains the ethics consideration and, finally, section 4.11 provides a summary of the chapter.

4.2 PHILOSOPHICAL FOUNDATION OF THE RESEARCH METHODOLOGY

The research methodology defines a set of conceptual and philosophical assumptions that confirm the use of particular methods in social research to formulate research questions, collect and analyse data, and present findings (Churchill, 2010). Saunders et al. (2007) state that a clear methodology leads researchers to make an accurate choice in relation to the approaches, strategies and methods that are most appropriate to their researches.

A more conclusive aspect of research philosophy is the research epistemology serving as the underpinning to the research methodology. Epistemology has been defined broadly as "*the branch of philosophy that studies knowledge*" (Heylighen, 1993, p. 525). It defines what should be accounted as acceptable knowledge in a discipline (Saunders et al., 2007). Another point of view has been provided by Corbetta (2003), who states

that epistemology concerns the assumptions that underpin the study of social phenomena and focuses on the relationship between the researcher and the phenomena studied.

Burrell and Morgan (1979) state that identifying a set of underlying assumptions is essential prior to initiate any investigation. These are referred to as a paradigm. Deshpande (1983, p. 101) defines the paradigm as “*a set of linked assumptions about the world which is shared by a community of scientists investigating that world*”. Filstead (1970) gives credence to the importance of identifying the marketing paradigm to achieve four purposes. First, it serves as a guide to identify the important problems and issues confronting the discipline. Second, it helps in putting the issues and the identified problems in a framework, which is achieved by developing an explanatory scheme (i.e. models and theory). Third, the paradigm defines the criteria to find the suitable research “tools” (i.e. methods). Fourth, it provides an epistemological view in which the preceding tasks can be tackled.

Conventionally, Deshpande (1983) grouped paradigms under two main schools of thought: positivism and idealism (phenomenology). The positivism paradigm stresses the importance of a highly-structured methodology and quantifiable observations, which serve as the foundation for statistical analysis. It considers the world as being external to a researcher and consisting of phenomena to be monitored (Corbetta, 2003; Bernard, 2000) based on the perspective of a natural scientist. The positivistic researcher seeks to explain the phenomena in the social world by searching for regularities and causal relationships (Burrell and Morgan, 1979). Positivism is associated with a deductive theory approach which tries to explain the phenomenon under investigation by verifying or falsifying the hypotheses, which have been hypothesised by the positivistic researcher(s), and to explain the causal relationship between the phenomenon’s variables. Positivism methodology leads to “law-like generalisations” similar to those established by physical and natural scientists (Saunders et al., 2007).

In contrast, idealism is concerned with inductive theory building. Unlike the positivism paradigm, idealistic researchers start from detailed observations of the phenomenon under research and move towards a more abstract generalised conclusion (theory). For

this purpose, the idealistic researcher studies a phenomenon through neutral observation (i.e. no pre-assumption is assumed) and measurement of the phenomenon elements (Deshpande, 1983). The idealism paradigm aims to develop a deep understanding of the human behaviour by evoking the characteristics of the subject to express themselves during the investigation (Creswell, 1994). An important point about the distinction between positivists and idealists has been clarified by Deshpande (1983, p. 102), who states that: “*the logical positivist view of the world is synonymous with the quantitative paradigm, while the idealist view of the world is the qualitative paradigm.*” The researcher should not think that one paradigm is absolutely better than another; the nature of the research questions and objectives of the study play a major role in determining which paradigm is to be adopted. In the context of this thesis, although the corporate credibility effect on consumer judgement has been proved by some authors (e.g. Lafferty and Goldsmith, 1999), when consumers are in the endorsement extension context, fit is less diagnostic than endorser credibility. Moreover, the effect of corporate credibility on consumer judgement is stronger than the effect of the perceived fit between the endorsed brand and the endorser. Further, it claims that fit is important only when endorser credibility is high.

It claims also that when consumers are in the endorsement context, corporate credibility is more accessible than fit. To answer the research questions and to test the proposed hypotheses, this research is concerned with the causal links where theory verification (a hypothetico-deductive approach) is deemed to be more relevant than theory generation (Burrell and Morgan, 1979; Deshpande, 1983). Accordingly, a methodology which accounts for the positivist paradigm is employed in order to identify the possible regularities in endorsement branding strategy (Burrell and Morgan, 1979).

The quantitative research is statistically-based, which often helps to quantify data and to gain conclusive results (Malhotra and Birks, 2000). As qualitative research is relatively exploratory, it was considered inappropriate as there are many studies that provide an understanding of the research constructs (see Chapter 2). Malhotra (1999) states that qualitative research is comparatively exploratory and used mainly to explore the problem settings. However, in view of the fact that quantitative research is statistically-based, conclusive results can be derived using quantitative research.

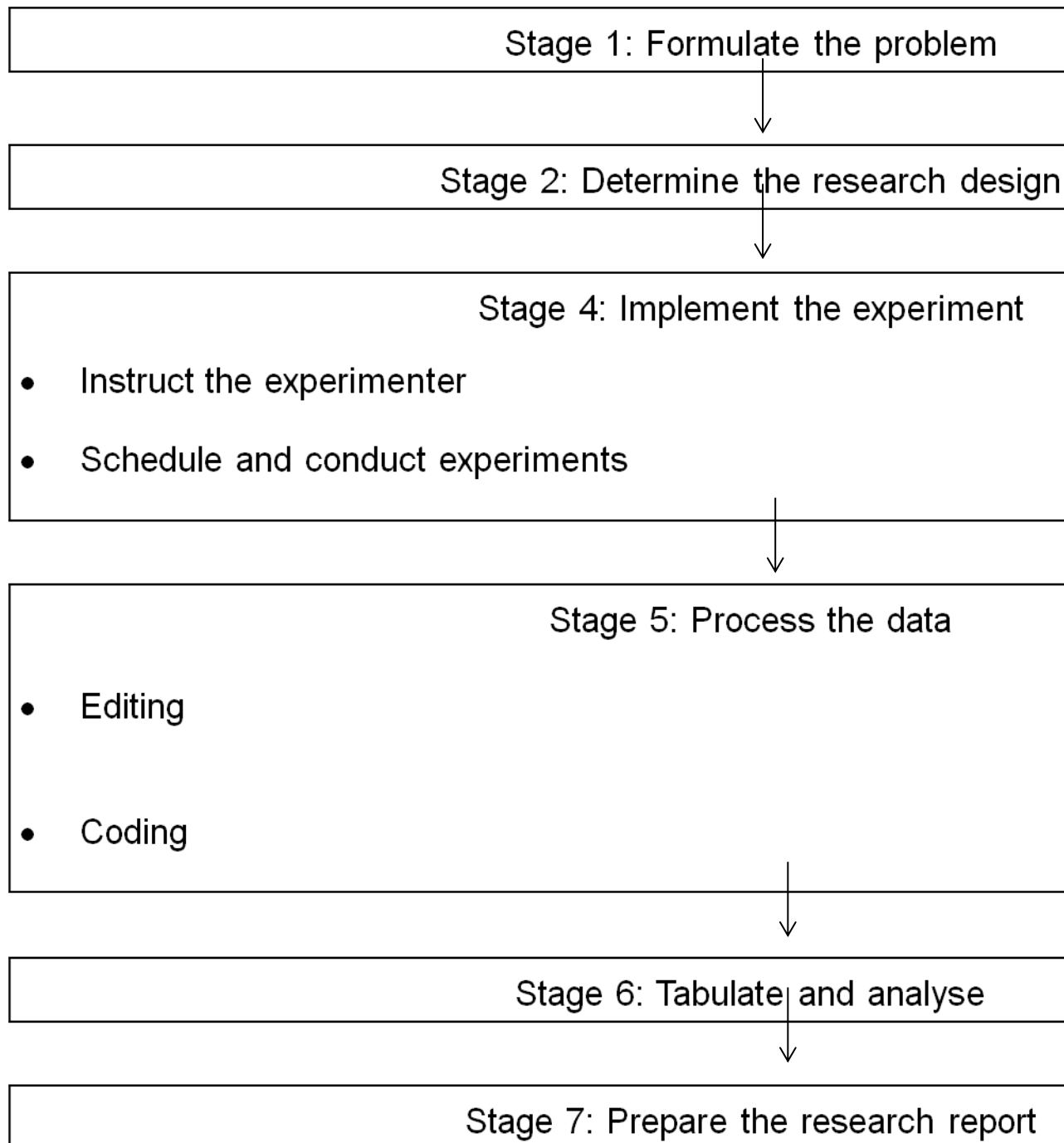
4.3 THE RESEARCH PROCESS

In order to conduct research, a group of sequential steps must be taken. The literature suggests several frameworks that introduce an organisation of research steps as related and sequential steps (e.g. Churchill, 2010; Dillon et. al., 1994). These frameworks can cause confusion as the steps might interact and occur simultaneously. For this reason, the chosen framework has to be adapted to the undertaken research context.

Early decisions in the research process have to be made with regard to later decisions, and a regular review of earlier decisions must be made in light of later decisions (Churchill, 2010). Although the literature offers similar frameworks, that suggested by Dillon et al. (1994) has been adapted in the present research (see Figure 4.1 the research process).

This chapter deals primarily with stages 2-5. Formulating the research problem is discussed briefly as it was dealt with in Chapters 1-3. Tabulating and analysing the data is discussed in Chapters 5-7. Finally preparation of the research report is not discussed as the thesis herein is its documentation.

Figure 4.1 Research process



Source: developed based on Dillon et al. (1994)

4.3.1 Formulate the Research Problem

Defining the problem is the most essential matter in the research process (Bryman, 2001). Churchill (2010), states that research can provide relevant information only when the research problem is correctly defined. The research problem, outlined in Chapter 1, is related to how different levels of corporate credibility, category fit, and information accessibility and their interactions affect consumer judgement in the endorsement context. The thesis aims to determine which one of the previous constructs has the strongest impact on consumer judgement regarding purchase intentions and perceived product quality. Following the literature review in Chapter 2, a set of research hypotheses was developed in Chapter 3. The main research objectives are:

- To examine the relative influence of corporate credibility and fit on consumer judgement of the endorsed brand in the corporate endorsement context.
- To examine the effect of the accessibility of endorser credibility and fit information on consumer judgement of the endorsed brand

4.3.2 Determine the Research Design

The research design has often been classified into exploratory or conclusive (e.g. Malhotra and Birks, 2000). Exploratory research provides insight into, and better understanding of, the phenomena. Conclusive research focuses on accurate descriptions where something occurs or the relationships between two or more variables.

Conclusive research can be classified into descriptive and causal design (Churchill, 2010). Descriptive research aims to define accurately the relationship between two or more variables. Churchill (2010) maintains that descriptive research is used to describe the characteristic of under-researched groups. In addition, it is used to estimate the quantity of people in a certain population who act in a specific way. Furthermore, it is used to make specific predictions. However, causal design (i.e. conclusive design) is used to provide evidence regarding the causal relationship between two or more

variables. In addition, causal design is used to eliminate other possible explanations for the phenomenon under research. Moreover, it is used to provide time order in which variables occur (Churchill, 2010) (Table 4.1 presents the differences between exploratory and conclusive design).

Exploratory research was not considered necessary since the extensive literature provided sufficient ideas and insights with which to develop the conceptual framework and set of hypotheses. As indicated previously, the objectives of the current research are to assess the relative influence of corporate credibility and category fit on consumer judgement, and to explain the differential effects of corporate credibility and category fit on consumer judgement as a result of information accessibility. Therefore, a descriptive design was not appropriate as it would not be able to establish causality (Churchill, 2010).

Causality means that a change in a variable (independent variable) causes a change in another variable (dependent variable) (Putzer, 1996). The research theory (e.g. Field, 2008) shows that causality is a complex topic for the following reasons: first, in reality, rarely one independent variable alone causes the outcome. Second, the presence of the independent variable might increase the probability of the outcome occurrence but it cannot confirm it. Third, an independent variable can never be confirmed with absolute confidence to cause the outcome but based on the existing indication it can only be concluded with reasonable certainty.

The objectives of this research lead to causal design in order to discover how changes in variables cause changes in another variable (i.e. to see how different levels of corporate credibility, category fit, and information accessibility affect consumer judgement). An experimental approach was selected because no other research methods can offer such control over the research procedure (Putzer, 1996; Field and Hole, 2008). This control is vital to make conclusions about the causality relationships with an acceptable degree of confidence (Putzer, 1996).

Several authors (e.g. Sekaran and Bougie, 2010) state the importance of experimental design when investigating a cause-and-effect relationship. The manipulation of

independent variables, together with procedures of controlling extraneous variables that might affect the results forms the basis of the power of experimental research relative to other techniques (Sekaran and Bougie 2010). This statement has been confirmed by Field and Holle, who state that: “*if we want to be certain about the causal relationships between variables then we typically design experiments*” (2008, p. 15).

Table 4.1 Difference between exploratory and conclusive research

	Exploratory	Conclusive
Objective	To provide insights and understanding of the nature of phenomena to understand	To test specific hypotheses and examine relationships to measure
Characteristics	<ul style="list-style-type: none"> • Information needed may be loosely defined. • Research process is flexible, unstructured and may evolve. • Samples are small. • Data analysis can be qualitative or quantitative. 	<ul style="list-style-type: none"> • Information needed is clearly defined. • Research process is formal and structured. • Sample is large and aims to be representative. • Data analysis is quantitative.
Finding/results	Can be used in their own right. May feed into conclusive research May illuminate specific conclusive findings.	Can be used in their own right. May feed into exploratory research
Methods	<ul style="list-style-type: none"> • Experts surveys • Pilot surveys • Secondary data • Qualitative methods • Unstructured observations • Quantitative exploratory • Multivariate methods 	<ul style="list-style-type: none"> • Surveys • Secondary data • Databases • Panels • Structured observations • Experiments

Source: Malhotra and Birks (2000)

4.3.3 Specific Design

Churchill (2010) asserts that experimental research requires answering three fundamental questions:

- 1- What type of experimental design should be employed?
- 2- Where should the experiment be conducted (laboratory or field setting)?

- 3- What are the internal and external threats to the validity of the experiment, and how can we prepare for these threats?

The main questions in the current research require an investigation of the simultaneous effects of more than one independent (corporate credibility, perceived fit, and information accessibility) variable on the dependent variable (i.e., purchase intentions and endorsed quality). Thus, a factorial design was used. Kerlinger (1973) defines four relative advantages for using factorial design. First, the researcher can manipulate simultaneously more than one independent variable. Second, potential confounding variables can be controlled by including them in the design. Third, the factorial design provides greater accuracy than does a set of experiments with only one variable in each. Fourth, and most importantly, factorial design enables the research to study the interaction effect of the independent variables on the dependent variable.

The dimensions of a factorial experiment are presented by the number of factors and the number of levels of each factor (Winer et al., 1991). Both the number of factors and number of levels are expressed symbolically ($A \times B$), where A and B refer to the levels number of each factors.

A laboratory experiment will be conducted in the current research. Churchill (2010) defines this as an artificial setting created by researchers to manipulate some variables whilst controlling others. Sekaran and Bougie (2010) state that the controlling process of the contaminated variables (confounding variables) and the manipulation process of the independent variable(s) are best done in a laboratory experiment. Bryman (2001) maintains that laboratory experimentation gives the researcher greater influence over the experimental procedure, which, in turn, improves the level of control over the confounding variables. As a sequence, the internal validity is likely to be enhanced.

Laboratory experimentation has great internal validity due to the control it offers. However, because laboratory experimentation is undertaken in an artificial setting, the generalisability of the findings is taken with caution (i.e. external validity is weak). In order to enhance external validity, subjects are supposed to be unaware of the real objective(s) of the experiment. Moreover, the experiment setting has to imitate

perfectly the real setting (Patzer, 1996). Lynch (1982) asserts that a thorough understanding of the phenomenon under research and clear corresponding experiment(s) design are the key points for determining external validity.

Patzer (1996) state that, while lab experimentation may lack external validity external validity, it has experimental realism, which means that the participants will take the experiment seriously.

4.3.4 Experimental Validity

This research has two main goals. The first is to draw valid conclusions regarding the effect of corporate credibility and perceived fit on the consumers' evaluations of quality and purchase intentions. The second goal is to arrive at valid generalisations to the targeted population. The first goal is a function of internal validity. Malhotra and Birks (2000, p. 247) define internal validity as:

“whether the manipulation of the independent variables or treatments actually caused the observed effects on the dependent variable.”

The second goal is determined by external validity, which is defined as:

"The determination of whether the research findings of a study (cause-and-effect-relationships) can be generalised to and across populations of persons, settings, and times." (Dillon et. al. 1994, p. 184).

A control for internal validity may jeopardise external validity and vice versa. For this reason, care is required when determining the proper experimental design (Churchill, 2010).

Extraneous variables present threats to the internal and external validity and, thus, need to be controlled (Dillon et. al. 1994; Churchill, 2010; Malhotra and Birks, 2000).

Extraneous variables refer to all variables except those that might influence the response of the experiment units (i.e. participants) (Malhotra and Birks, 2000). Churchill (2010) posits that extraneous variables represent an explanation of the experiment results that are not studied.

Dillon et al. 1994) states that, in order to enable the realisation of the hypothesised main effect of the independent variable and their interaction, a high level of control over extraneous variables is needed.

Three methods have been suggested in the literature to control extraneous variables; randomisation, matching, and design control. In the current research, randomisation, statistical control, and design control have been used to control extraneous variables. However, matching is not applicable. Randomisation means that subjects and treatment conditions have been assigned randomly to experimental groups (Malhotra and Birks 2000). Creswell (1994) states that if participants are assigned randomly to conditions, in a between-subjects after-only design, all possible extraneous variables will be controlled, excluding those such as experimenter expectancies. Specifically, post-test between groups has been used in order to isolate the effect of extraneous variables; in particular, the effect of history, testing, instrument variation, and statistical regression.

4.4 EXPERIMENTS

To answer the research questions, two experiments have been conducted. Experiment One measured the effect of the corporate credibility and perceived fit on consumers' perceptions of endorsed brand quality and the purchase intentions for the endorsed brand. Experiment Two tested the effect of corporate credibility, perceived fit, and information accessibility on consumers' perceived quality and purchase intentions of an endorsed product brand. Moreover, Experiment Two attempted to determine the significant effects of each construct level and their interactions. The details of each experiment are explained in the following section.

4.5 EXPERIMENT ONE

Experiment one serves three objectives. First, it aims to replicate the basic findings on the family brand (e.g. Aaker and Keller, 1990) showing that the fit has a moderating role on the effect of the corporate credibility on consumer judgement. Second, it compares the impact of different levels of corporate credibility and perceived fit on purchase intentions and product quality in an endorsement context. Third, it indicates whether the interaction effects between corporate credibility and fit are significant or not in the endorsement context.

In order to test hypotheses H1a-H3b in an endorsement context, a 2 (corporate credibility: high vs. low) x 2 (fit: high vs. low) between-subjects experiment has been developed.

Table 4.2 presents Experiment One conditions. As presented in the table, four conditions were established in this experiment. Each cell represents one of the experiment's conditions. Taking 'Cell 4' as an example, the stimuli in 'Cell 4' would be a corporation with high credibility, high fit. In other words, according to 'Cell 4', subjects are expected to perceive a product brand endorsed by a corporation which has high credibility and produces products which have a high fit with the endorsed brand. It should be clear that in the endorsement context, the extension product is given a different name and the corporate name is simply used as an endorser. However, in the family brand context, the extension product is given the parent's name.

Table 4.2 The four-cells (2x2 between-subjects design) Experiment One conditions

Endorsement context		
Perceived fit level Credibility level	Low	High
Low	Cell 1 Endorsement context, low credibility and low fit	Cell 2 Endorsement context, low credibility and high fit
High	Cell 3 Endorsement context, high credibility and low fit	Cell 4 Endorsement context, high credibility and high fit

4.5.1 Stimulus and Pre-tests for Experiment One

Given the specific context of the present research (i.e., corporate endorsement), this thesis created a mocked-up advertisement (see Appendix 1, experiments stimuli) (Berens et. al., 2005). To control the aesthetic preferences of the participants, the advertisement was created in black and white to isolate any bias that might arise from using a coloured advertisement (Dean, 1999). Further, it was printed on paper and was in a magazine format. The advertisement contained the image of the product (toothpaste). The endorser and the endorsed brands were noticeable to the participants. The name of the product (*Fresh Up*) and the corporation's name (*JMN*) had been written on the product image. A small sentence (proudly produced by *JMN*) was presented in the advertisement to show the endorsement for the product (Berens et. al., 2005).

Previous scholars (e.g., Mackenzie et. al., 1986; Gresham and Shimp, 1985; Magnusson et. al., 2008) argue that attitude toward the advertisement has a strong influence on the attitude toward the brand. To control this effect, the same advertisement was used in Experiments One and Two. Fictitious names were used to prevent any bias towards existing perceptions of a known corporation or product name (Goldberg and Hartwick, 1990). This required the choice of fictitious corporate name to be used as endorser and a fictitious product brand name to be used as an endorsed brand. Moreover, the nature of the endorsed product had to be chosen. Toothpaste was selected because it is relevant to the sample population and they are familiar with it ($M=5.95$). Consistent with Lafferty (2007) this study chose “*JMN*” as a fictitious corporate name. A pre-test conducted with 15 undergraduate students, who were excluded from any further participation, showed that “*JMN*” has no specific associations. In this pre-test, subjects were asked to write down any associations that “*JMN*” as a corporate name evoked in their minds. The analysis of this pre-test showed that “*JMN*” had not been associated to specific associations.

In order to choose a fictitious name for the toothpaste, a procedure used by Lafferty (2007) was adopted. Twenty-five undergraduate students, excluded from any further participation, were asked to choose a name for the toothpaste. The participants were given a list containing 15 real toothpaste brand names currently on sale in retail stores and five fictitious brand names. The subjects were asked to select the names of the three brands they were most familiar with and to mark the one they use or would prefer to use indicating the highest degree of familiarity. None of the participants, with the exception of two, chose or marked any of the fictitious names. Following this, another group of 15 undergraduate students, who were also excluded from any further participation, were given a list containing the five fictitious brand names and were asked to indicate on a seven point scale (1= extremely unrelated 7= extremely related) to what degree each name is related to toothpaste. “*Fresh Up*” was selected as it has the highest mean ($M=5.08$).

4.5.2 Corporate Credibility and Perceived Fit Manipulation

On the mocked-up advertisement, the product's brand name "*Fresh Up*" (the fictitious brand name) was presented first in the product image and then the producer's name "*JMN*" (the fictitious corporate name). A small sentence (proudly produced by *JMN*) was presented in the advertisement but not on the product image.

Corporate credibility and perceived fit were manipulated by introducing information about the "*JMN*" Corporation, purporting to be taken from authentic sources which are the Wall Street Journal and The Business Week (Lafferty and Goldsmith, 1999). This method has been used by Goldberg and Hartwick (1990) and Lafferty and Goldsmith (1999) and Lafferty (2007) to manipulate corporate credibility and perceived fit in a similar context. In order to isolate the effect of the order, the information had been presented as a group of points. This way of presentation helped to randomise the sequence of the given points without affecting the coherence of the information. Four statements were used; two of which were used to manipulate corporate credibility. One of these statements described the quality of the corporate R&D (high vs. low) and the other described consumer confidence in "*JMN*" (high vs. low). Two statements were used to manipulate perceived fit. One described the degree of the diversification (diversified vs. focused) of the corporation "*JMN*" and the other mentioned the product categories of "*JMN*" (related to the toothpaste vs. not related). Appendix 2 shows the manipulation of the different conditions for Experiment One.

The number of words used to manipulate credibility and fit were approximately equal throughout the conditions (74 words in low credibility and high fit, 78 words in low credibility and low fit, 76 words in high credibility and high fit, and 80 words in high credibility and low fit). A pilot test administered to 15 undergraduate students, excluded from any further participation, revealed that a few changes in wording were needed.

4.5.3 Experiment One Procedure

Participants surfed four conditions in a factorial design, allowing the researcher to study the effect of more than one independent variable with different levels. Between-subjects is characterised by the fact that each group of participants were exposed to different treatment conditions in isolation and all groups were exposed to the same uncontrolled variables. The main effect of each variable and their interactions analyses are explained in the data analysis chapter.

Data was collected by self-administered questionnaire and stimuli were presented individually to students. Each participant received a questionnaire and was instructed to read it carefully (Lafferty and Goldsmith, 1999). The first page included a small introduction. To minimise the chances of experimenter bias, subjects were unaware of the intent of the research. Participants read in the questionnaire that “*we are an advertising agency and we are developing an advertisement for “**Fresh Up**” which is toothpaste produced by “**JMN**” and we would like to examine the effectiveness of the information presented in the advertisement*”. Subsequently, participants were told that if they were not familiar with the “**JMN**” Corporation, in the following paragraph they could find some information about “**JMN**” which had been taken from authentic sources.

Participants were told that this information was needed to answer subsequent questions. Before presenting the information, participants were told to take their time to read and examine the presented information and to feel free to re-examine it as often as they want. Next, participants were provided with information about “**JMN**” where the corporate credibility and category fit were manipulated. The information was given in bullet points to attract the participants’ attention. The order of presentation of the information points in each condition was completely randomised to distribute any order effects.

The next page of the questionnaire provided the advertisement of “**Fresh Up**”. Before presenting the advertisement, participants read a small paragraph in which they were told not to worry if they were not familiar with the “**Fresh Up**” brand

because it is not well known in the UK. They were also asked to look at the advertisement as if they were looking at it in a magazine or newspaper as was done in similar study by Yi (1990). Given the fact that the presented advertisement is so simple which could make the participants suspect the real reason of the questionnaire, participants were reminded in this paragraph that this is just an idea for the advertisement and based on their answers of the following questions a real advertisement would be developed professionally.

On the next page, the participants estimated scales designed to measure the dependent variables: perceived quality and purchase intentions of “*Fresh Up*” and answered questions to ensure that experimental manipulations (the dependent variables and manipulation check will be discussed in the following sections). After answering the questions, which were related to the dependent variables and the manipulation questions, participants were asked to answer an open-ended question. They were asked to write down how they arrived at their evaluation of *Fresh Up* toothpaste. They were told that “*given the fact that Fresh Up is produced and marketed by JMN, we want to know what thoughts have been formed in your mind that concluded your evaluation of Fresh Up toothpaste*”. The participants were encouraged to allocate enough time to answer this question. They were told that: “*Your answering to the following question is so important. Please make sure that you give enough time and thoughts to answer it*”. The questions at the end of the questionnaire related to the covariate (familiarity and gender). Participants were then debriefed and excused. Participation was sought on a voluntary basis since it has been said that offering incentives might skew the results (Kwok and Uncles, 2005).

4.5.4 Dependent Variables

Two dependent variables were the focus of this thesis: perceived quality and purchase intentions of the endorsed brand. Perceived quality was operationalised by using three combined questions ($\alpha = .94$): “How favourable is your judgment of *Fresh Up* toothpaste?” (1 = “Very unfavourable” and 7 = “Very favourable”) (Berens et al., 2005), “What do you think about the quality of *Fresh Up* toothpaste?”

(1 = “Very low quality” and 7 = “Very high quality”) (Berens et al., 2005) “What do you think about the quality of *Fresh Up* toothpaste in comparison with similar toothpastes?” (1= “Very low quality” and 7 = “Very high quality”) (Berens et al., 2005). The purchase intention was operationalised with three combined questions ($\alpha = .90$): “Would you purchase this brand?”(1 = “Definitely not” and 7 = “Definitely yes”) (Berens et al., 2005) “How likely are you to purchase *Fresh Up* toothpaste in the near future? (1 = “Not at all likely” and 7 = “Very likely”) (Keller and Aaker, 1992)”, “If you were planning to buy a product of this type, would you choose *Fresh Up* toothpaste?” (1 = “Not at all likely” and 7 = “Very likely”) (Park et al., 1991).

4.5.5 Manipulation Check

Considering that perceived fit may be determined by different bases and to avoid drawing participants’ attention to a particular criterion of fit (e.g. product category fit) which may or may not be considered by the participants as appropriate to evaluate the fit, a number of authors have operationalised fit using broad items (e. g. Boush and Loken 1991, Keller and Aaker 1992).

Aaker and Keller (1990, p. 29), in the family brand extension context and in an attempt to address the abovementioned fact, have operationalised the perceptual fit as: “*the degree to which consumer perceives the new item to be consistent with the parent brand*”. Another literature that approached the same concept with a similar broad perspective is the sponsorship literature, where the perceived fit is the degree of compatibility between a sponsoring corporation and a sponsored event (Yoon and Gurban-canli, 2003).

Following the brand extension and sponsorship approach, perceived fit in the current research was operationalised as: the degree to which a consumer perceives the new item to be logical and appropriate to the parent brand. In accordance with Berens et al. (2005), two Likert-type questions, adapted from brand extension literature, were used to verify the different levels of perceived fit: (1) “Producing and marketing *Fresh Up* toothpaste is” (1= not at all appropriate for *JMN* corporation, 7 = very appropriate for *JMN* corporation) this item was adapted from Keller and Aaker

(1992). (2) “Producing and marketing *Fresh Up* toothpaste is” (1 = not at all logical for *JMN* corporation; 7 = very logical for *JMN* corporation) this item was adapted from Berens et al. (2005) both items were combined ($\alpha = .94$).

As mentioned in Section 3.1, credibility has been conceptualised as a multi-dimensional construct (e.g. Newell and Goldsmith, 2001; Wynn, 1987; De-Sarbo and Harshman, 1985; Ohanian, 1990) with different dimensions considered. As an example, Wynn (1987) included four dimensions in which to corporate credibility (i.e. expertness, dynamism, believability and sociability). Another illustration to measure credibility is the work of De-Sarbo and Harshman (1985) where credibility is represented by the subsequent variables: expertness, attractiveness, trustworthiness and likability. It can be noticed, however, that the common dimensions of credibility in different scales were trustworthiness and expertise. This is consistent with Keller (1998), who maintains that corporate “expertise” and “trustworthiness” are the main determinants of corporate credibility. In the same vein, Newell and Goldsmith (2001) and Goldsmith et al. (2000) have proven that corporate “expertise” and “trustworthiness are the main corporate credibility dimensions.

Different scales have been developed to measure corporate credibility as a multi-dimensional construct (e.g. Goldberg and Hartwick, 1990; Muehling, 1987). Yet, the one common deficiency between all of these scales is their lack of an established validity. Therefore, this research adapted a valid (trustworthiness = .88; expertise = .87) and reliable scale developed by Newell and Goldsmith (2001) to verify the different levels of corporate credibility. Following Newell and Goldsmith (2001) and Lafferty and Goldsmith (2004) corporate credibility was manipulated as a unidimensional construct. However, it was measured as a multi-dimensional construct. Accordingly, the manipulation of corporate credibility was checked using four Likert-type questions adapted from Newell and Goldsmith (2001): “The *JMN* corporation is skilled in what they do” (1 = Strongly disagree and 7 = Strongly agree), “The *JMN* corporation has great expertise” (1 = Strongly disagree and 7 = Strongly agree), “The *JMN* corporation makes truthful claims” (1 = Strongly disagree and 7 = Strongly agree), “The *JMN* corporation is honest” (1 = Strongly disagree and 7 = Strongly agree). The four items were combined ($\alpha = .95$). Table 4.3

presents Experiment One variables and their items.

Table 4.3 Experiment One variables and their items

Variables	Items	Source
Perceived Quality	How favourable is your judgement of Fresh Up toothpaste? (1 = “Very unfavourable” and 7 = “Very favourable”)	Berens et. al. (2005)
	What do you think about the quality of Fresh Up toothpaste? (1 = “Very low quality” and 7 = “Very high quality”)	Berens et. al. (2005)
	What do you think about the quality of Fresh Up toothpaste in comparison with similar toothpastes? (1= “Very low quality” and 7 = “Very high quality”)	Berens et. al. (2005)
Purchase Intension	Would you purchase this brand? (1 = “Definitely not” and 7 = “Definitely yes”)	Berens et. al. (2005)
	How likely are you to purchase Fresh Up toothpaste in the near future? (1 = “Not at all likely” and 7 = “Very likely”)	Keller and Aaker (1992)
	If you were planning to buy a product of this type, would you choose Fresh Up toothpaste? (1 = “Not at all likely” and 7 = “Very likely”)	Yi (1999)
Perceived Fit	Producing and marketing Fresh Up toothpaste is (1= not at all appropriate for JMN corporation, 7 = very appropriate for JMN corporation)	Keller and Aaker (1992)
	Producing and marketing Fresh Up toothpaste is” (1 = not at all logical for JMN corporation; 7 = very logical for JMN corporation)	Berens et. al. (2005)
Perceived Credibility	The JMN corporation is skilled in what they do” (1 = Strongly disagree and 7 = Strongly agree)	Newell and Goldsmith (2001)
	The JMN corporation has great expertise” (1 = Strongly disagree and 7 = Strongly agree)	Newell and Goldsmith (2001)
	The JMN corporation makes truthful claims” (1 = Strongly disagree and 7 = Strongly agree)	Newell and Goldsmith (2001)
	The JMN corporation is honest” (1 = Strongly disagree and 7 = Strongly agree)	Newell and Goldsmith (2001)

4.6. EXPERIMENT TWO

Experiment Two served four objectives. First, it replicated the findings of Experiment One regarding the effect of corporate credibility and perceived fit on the perceived quality and purchase intentions and their interaction when subjects are in an endorsement context. Second, it measured the impact of different levels of corporate credibility, information accessibility and perceived fit on purchase intentions and product quality. Third, it indicated whether the corporate credibility is more diagnostic and more accessible than perceived fit in the endorsement context. Fourth, it determined which level of corporate credibility, information accessibility and perceived fit and their interaction will influence customer judgment of the endorsed brands. Thus, Experiment Two involved a 2 (corporate credibility: high vs. low) x 2 (perceived fit: high vs. low) x 2 (information accessibility: high vs. low) between- subjects.

The eight conditions of Experiment Two were undertaken in the endorsement context. Table 4.4 presents Experiment Two conditions. Taking ‘Cell 1’ as an example, it indicates that subject will be under high accessibility, low credibility, and low fit. That is, participants in this condition were supposed to remember the given information about the corporate credibility and fit easily. This given information has to convey that the endorser is not credible and toothpaste does not fit with its current product category/categories. ‘Cell 6’ as another example, means that the subject will be in low accessibility, low credibility, and high fit. Thus, the subject will find difficulty in remembering the given information about the corporate credibility and fit. This information has to convey that the corporate is not credible but the toothpaste fits with its current product category/categories.

Table 4.4 Experiment Two conditions

High accessibility		
Perceived fit level Credibility level	Low	High
Low	Cell 1 High accessibility, low credibility and low fit	Cell 2 High accessibility, low credibility and high fit
High	Cell 3 High accessibility, high credibility and low fit	Cell 4 High accessibility, high credibility and high fit
Low accessibility		
Low	Cell 5 Low accessibility, low credibility and low fit	Cell 6 Low accessibility, low credibility and high fit
High	Cell 7 Low accessibility, High credibility and low fit	Cell 8 Low accessibility, High credibility and high fit

4.6.1 Stimuli

The same mocked-up advertisement and introduction used in Experiment One, were also used in Experiment Two.

4.6.2 Accessibility, Corporate Credibility, and Perceived Fit Manipulation and Experiment Two Pre-tests and Procedure

In the low accessibility condition, subsequent to the introduction, participants read that if they are not familiar with the “*JMN*” Corporation, they can find some information about “*JMN*” which has been taken from authentic sources. Participants

read also that this information is needed to answer subsequent questions. Before presenting the information, participants were instructed to take their time to read and examine the information because we wanted them to take out this information (the page that contains the introduction and the given information) and give it back to the researcher once they had finished reading it and before completing the questionnaire. The introduction and the given information were introduced alone in a removable page.

Subsequently, participants were provided with information about “*JMN*” where the corporate credibility and category fit were manipulated. As in Experiment One, the information was provided in bullet points to attract the participants’ attention. The order of presentation of the information points in each condition was completely randomised to distribute any order effects.

A filler task was used to manipulate information accessibility (Ahluwalia and Gurhan-Canli, 2000). After reading the introduction and the background information about “*JMN*”, participants were told that, before examining the effectiveness of the advertisement for “*Fresh Up*”, it was important to find a benchmark. For this reason, we were interested in opinions about two well-known brands: Adidas and Haribo (sweets). Then, two consumers’ experience scales consisting of 54 items were introduced. These 54 items were used as a filler task to manipulate the accessibility (Ahluwalia and Gurhan-Canli, 2000). After the filler task, participants were given a space and they were asked to write down what they remembered from the given information about the “*JMN*” Corporation. This open-ended question was used for two reasons. First, to check whether the participants recalled fit facts and credibility facts equally. Second, to make sure the participant reconsidered the given information before starting the core experiment. The recalling of the given information about the corporate credibility and perceived fit had been pre-tested and no significant difference between recall of the given information about credibility and fit had been found.

On the next page of the questionnaire, the “*Fresh Up*” advertisement was presented preceded by the same paragraph that preceded the “*Fresh Up*” advertisement in

Experiment One. Next, the participants estimated scales designed to measure the dependent variables: perceived quality and purchase intentions. Then, participants answered questions to ensure the experimental manipulation for perceived fit and corporate credibility. Next, questions were answered to check for information accessibility manipulation. The diagnosticity of given information about fit and credibility were then measured. A pre-test showed that there was no effect of the order on the diagnosticity of fit and credibility.

A pre-test showed that having dependent variables in the questionnaire before the diagnosticity scales of the same variables has no effect on the scale. Participants were then asked if they noticed in the advertisement for “*Fresh Up*”, which was presented in this survey, the producer’s name of “*Fresh Up*”, to write it down in a space provided below the question otherwise to neglect this question. This question was asked to assure that participants noticed the endorser’s name in the advertisement. Before starting data analysis, all questionnaires that failed to remember the endorser’s name were excluded (3% of all Experiment Two questionnaires). At the end of the questionnaire, questions related to the covariate (familiarity and gender), were presented. Participants were then debriefed and excused. Appendix 3 presents the Experiment Two low accessibility condition questionnaire.

In the high accessibility condition, only the introduction was provided to participants (no information about “*JMN*” was given). They were then told that, before examining the effectiveness of the advertisement for “*Fresh Up*”, it was important to find a benchmark. For this reason, we were interested in their opinion about two well-known brands: Adidas (sportswear) and Haribo (sweets). Then participants answered the same filler task that was used in the low accessibility condition. Given the fact that participants in the low accessibility conditions had to answer the filler task before answering core questions in the questionnaire, a filler task was used in the high accessibility conditions to control for the maturation effect. The purpose of using the filler task in the high accessibility conditions was to avoid any bias that may result from responses fatigue (maturation effect).

After the filler task, participants were told that, before continuing, it was important to ensure they have sufficient information about the “*JMN*” Corporation (the producer of *Fresh Up*). For those who were not familiar with the “*JMN*” Corporation, background information from authentic sources was provided. Participants were told to take their time to read and examine the presented information because we wanted them to take out this page (the page that contains the given information) and give it to the researcher once they finished reading it and before undertaking the questionnaire.

Next, participants were provided with information about “*JMN*” where the corporate credibility and category fit were manipulated. As in the low accessibility conditions, the information was given in bullet points. The order of the information points in each condition was completely randomised to distribute any order effects. The given information and the related preface were introduced alone in a removable page.

Following this, participants were given a space and were asked to note what they remembered from the given information about the “*JMN*” Corporation. Then dependent variables were measured. Starting from measuring the dependent variables to the end of the questionnaire, high accessibility and low accessibility are the same. Appendix 4 shows Experiment Two high accessibility condition questionnaire.

Participation in Experiment Two was sought on a voluntary basis since offering incentives might bias results (Kwok and Uncles, 2005). Further, participants in Experiment One and 2 were drawn from the undergraduate population at Brunel University.

The experimental procedures were pilot tested with a group of 10 participants (Pecotich and Ward, 2007) who were debriefed and excluded from any further participation. The pilot test appeared to be successful and no inconsistencies between the experimental manipulations were found. Moreover, the participants indicated sufficient understanding of the experimental tasks.

4.6.3 Scales

The same definitions and measurement scales been used in Experiment One to measure perceived quality, purchase intentions, perceived fit, corporate credibility, familiarity, were also used in Experiment Two.

4.6.4 Information Accessibility

The current research considers Aaker's (2000, p. 342) definition of information accessibility "*the activation potential of available knowledge*", and it follows Feldman and Lynch's (1988) definition of information accessibility which focuses on the ease of retrieving a piece of information from memory to be used as input into a judgement. This thesis focuses on one aspect of accessibility, namely the perceived difficulty of recalling given information. Accordingly, information accessibility was operationalised in terms of perceived difficulty of recalling memorised information. To verify the different levels of information accessibility, this study uses Menon et al. (2003) scale where developed measurement items convincingly cover the current research operationalisation of information accessibility. Therefore, the manipulation of accessibility was checked using two 7-point scales which combined ($\alpha = .93$): "Recalling the given information about "**JMN**" was" (1 = not difficult at all; 7 = very difficult) (Menon et al., 2003), "Recalling the given information about "**JMN**" needed" (1= no thought; 7 = a lot of thought) (Menon et al., 2003).

4.6.5 Diagnosticity

This study follows Lynch and Weigold's definition of diagnosticity:

"An input is diagnostic for a judgment or decision to the degree that consumers believe that the decision implied by that input alone would accomplish their decision goals." (1988, p.171).

To measure the diagnosticity of the given information about "**JMN**", Aaker's (2000, p.342) definition of diagnosticity was considered,

“The extent to which inferences based on the information alone would be adequate to make a decision and it is therefore often operationalised through the importance of information.”

To measure the diagnosticity of credibility, two 7-point Likert-type items were adapted from valid and reliable scales in the consumer psychology literature. These items ($\alpha = .87$) were: “For me to evaluate *Fresh Up* toothpaste, what I know about *JMN* corporation’s product range is” (1 = not at all important, irrelevant; 7 = very important, relevant) these items were adapted from Aaker and Sengupta (2000). To measure the diagnosticity of fit, two 7-point Likert-type items were adapted from valid and reliable scales in the consumer psychology literature. These items ($\alpha = .93$) were: “For me to evaluate *Fresh Up* toothpaste, what I know about *JMN* Corporation as a producer of *Fresh Up* toothpaste is”(1 = not at all important, irrelevant; 7 = very important, relevant). These items were adapted from Johar (1995). Table 4.5 summarizes accessibility, fit diagnosticity, and credibility diagnosticity scales.

Table 4.5 Accessibility, fit diagnosticity and credibility diagnosticity scales

Variables	Items	Source
Accessibility	Recalling the given information about <i>JMN</i> was (1 = not difficult at all; 7 = very difficult)	Menon et al. (2003)
	Recalling the given information about <i>JMN</i> needed (1= no thought; 7 = a lot of thought)	Menon et al. (2003)
Fit Diagonisticity	For me to evaluate <i>Fresh Up</i> toothpaste, what I know about <i>JMN</i> corporation’s product range is (1 = not at all important; 7 = very important)	Aaker and Sengupta (2000)
	For me to evaluate <i>Fresh Up</i> toothpaste, what I know	Aaker and Sengupta

	About <i>JMN</i> corporation's product range is (1 = irrelevant; 7 = relevant)	(2000)
Credibility Diagonisticity	For me to evaluate <i>Fresh Up</i> toothpaste, what I know about <i>JMN</i> corporation as a producer of <i>Fresh Up</i> toothpaste is (1 = not at all important; 7 = very important)	Johar (1995)
	For me to evaluate <i>Fresh Up</i> toothpaste, what I know about <i>JMN</i> corporation as a producer of Fresh Up toothpaste is (1 = irrelevant; 7 = relevant)	Johar (1995)

4.7 The Sample Size (Group Size)

Roscoe (1975) suggests rules of thumb for the sample sizes in different research approaches. These are believed to be suitable for most behavioural research (Churchill, 2010). For research pursuing an experiment methodology, Roscoe (1975) states that 30 subjects per group is accepted as minimum. Moreover, he states that 10 to 20 subjects per group is an adequate number for a simple experiment with strong control (e.g. matched pairs design). This has been confirmed by Gay and Diehl (1992), who maintain that the acceptable number of respondents for a research depends on the research involved. They also confirm that, in experimental research, 30 subjects for each experimental group are considered as minimum. While Roscoe (1975) and Gay and Diehl (1992) advocate a lower limit of 20 subjects per group, Chassan (1979) states that 20-25 subjects per group would appear to be an absolute minimum for a reasonable probability to present a difference in treatment effects. Keppel and Wickens (2004 p.169) state that "*it is not necessary to be highly precise in your estimation of sample size*". Following the recommendations of Rocoe (1975), Gay and Diehl (1992), and Keppel and Wickens' (2004) statement, 25 participants were assigned to each group of treatment.

4.8 SAMPLE CHARACTERISTICS AND PROCEDURES

Participation in the experiments was sought on a voluntary basis since offering incentives might bias results (Kwok and Uncles, 2005). Further, participants in the experiments were drawn from the undergraduate population at Brunel University. Participants were told that this information was needed to answer subsequent questions. Before presenting the information, and if participants agreed to do the questionnaire, participants were told to take their time to read and examine the presented information and to feel free to re-examine it as often as they want. Next, participants were provided with information about “*JMN*” where the corporate credibility and category fit were manipulated. The information was given in bullet points to attract the participants’ attention. The order of presentation of the information points in each condition was completely randomised to distribute any order effects.

Data was collected by self-administered questionnaire and stimuli were presented individually to students. Each participant received a questionnaire and was instructed to read it carefully (Lafferty and Goldsmith, 1999). The first page included a small introduction. To minimise the chances of experimenter bias, subjects were unaware of the intent of the research. Participants read in the questionnaire that “*we are an advertising agency and we are developing an advertisement for “Fresh Up” which is toothpaste produced by “JMN” and we would like to examine the effectiveness of the information presented in the advertisement*”. Subsequently, participants were told that if they were not familiar with the “*JMN*” Corporation, in the following paragraph they could find some information about “*JMN*” which had been taken from authentic sources. After this, participants assured that their answers will be taken for the analysis of this research and that their identities should be kept anonymous.

This thesis used a student sample since this thesis is following theory developing so students are the best customers. Tables 4.6 and 4.7 explain the main sample characteristics of the respondents in the experiments.

Table 4.6 shows Experiment One demographics, the sample has a gender balance; female (49.4%) to male (50.60%). Furthermore, in terms of marital status, the majority of the sample is single (98.82%). IN terms to of age, the sample age ranged as follows; 20 or under 20 years old (70.6%), 21-30 years old (29.4%). In terms of the study background, the sample was distributed as follows Business school (35.3%), Social Science (35.3), and Maths and IT (29.4%).

Table 4.6 Demographics of Experiment One respondents

Demographic profile	Frequency	Valid percentage
Gender:		
Female	42	49.4
Male	43	50.60
Marital status:		
Single	84	98.82
Married	1	0.018
Divorced	0	0
Separated	0	0
Others	0	0
Age:		
20 or under	60	70.6
21-30	25	29.4
31-40	0	0
41-50	0	0
51-60	0	0
61+	0	
Study background:		
Business school	30	35.3
Social science school	30	35.3
Maths and IT	25	29.4

Source: Analysis of survey data (SPSS file)

Table 4.7 shows Experiment Two demographics. The sample has a gender balance; female (46.9%) to male (53.1%). In terms of marital status, the majority of the sample is single (98.6%). In terms to of age, the sample age ranged as follows; 20 or under 20 years old (88.6%), 21-30 years old (11.4%). In terms of the study background, the sample was distributed as follows; Business school (34.3%), Social Science (34.3), and Maths and IT (31.4%).

Table 4.7 Demographics of Experiment Two respondents

Demographic profile	Frequency	Valid percentage
Gender:		
Female	82	46.9
Male	93	53.1
Marital status:		
Single	173	98.6
Married	2	1.4
Divorced	0	0
Separated	0	0
Others	0	0
Age:		
20 or under	155	88.6
21-30	20	11.4
31-40	0	0
41-50	0	0
51-60	0	0
61+	0	0
Study background:		
Business school	60	34.3
Social science school	60	34.3
Maths and IT	55	31.4

Source: Analysis of survey data (SPSS file)

4.8 JUSTIFICATION FOR USING A 7-POINT LIKERT SCALE

This study selected a 7-point Likert scale with a mid-point of neutral to collect the data. A 7-point Likert scale often enhances the inter-rater reliability (Miller, 1956), test-retest reliability (Oaster, 1989), and inter-item consistency (Oaster, 1989), Preston and Colman (2000) posit that internal consistency for seven and more scales is higher than for scales with two or three. Further, using a 7-point Likert scale frequently boosts validity in comparison to the two, three, four or five points (Preston and Colman, 2000). Notwithstanding, the decision to choose the Likert scale points is a matter of debate (Cox, 1986). For example, some authors prefer using scales of seven, nine and sometimes eleven points respectively, over scales of two, three, four or five points. The former increase reliability and validity of the research area and the latter generate lower internal consistency, validity and discriminating power (Preston and Colman, 2000).

4.9 DATA ANALYSIS TECHNIQUES AND STATISTICAL PACKAGES

This thesis consists of two experiments. ANOVA was used to determine the effect of the levels of the independent variables on the dependent variable. When analysing Experiment One, the two-way measure ANOVA was used to determine the effect of each of the main constructs and their interactions. A three-way ANOVA was used to determine the effect of corporate credibility, perceived fit, and accessibility in Experiment Two. Statistical Package for Social Sciences (SPSS), Version 15.1, was used to analyse the primary data. The adequacy of using SPSS has been accredited by many scholars (Field, 2009; Tabachnick and Fidell, 2007). SPSS has been used in this study also for coding, editing and checking missing data and for checking ANOVA assumptions and outliers.

4.10 ETHICAL CONSIDERATIONS

This study followed the Brunel Business School ethics form. A number of considerations were adopted before embarking on the data collection. Within the

research consent form, the researcher informed all participants that their involvement in this research was voluntary and that they could withdraw from the experiments at any time. Moreover, participants were told that they were free to decline to answer any question. Finally, confidentiality of participants' identities and confirmation of their data security (i.e., their data will not be passed to a third party) were assured by the researcher. Based on the above, Brunel Business School granted approval to conduct this research.

4.11 Chapter Summary

In this chapter, the philosophical foundations have been explored, and research methods and a justification for the research methods introduced. Experimentation as the chosen method from which to collect data has been detailed. Sample size (group size) and the unit of analysis were also defined. Scales which were used to measure the constructs have been justified. In the next chapter, measurement validation, manipulation checks and assumption tests will be presented.

5 DATA ANALYSIS

5.1 INTRODUCTION

The previous chapter described the methodology of collecting data. Chapter 5 illustrates the process of data preparation and analysis to test the research questions and the proposed hypotheses. Section 5.2 presents data preparation. Data coding and editing, data screening and treatment of the missing data are explained in this section. Section 5.3 presents ANOVA assumptions test for Experiments One and Two. Section 5.4 presents the Outliers test for Experiments One and Two. Section 5.5 describes the participants according to the gender. Section 5.6 presents the result of Experiment One. Section 5.7 presents a justification for Experiment Two, whereas section 5.8 presents the results of Experiment Two. Finally, section 5.9 presents a summary of the chapter.

5.2 DATA PREPARATION

5.2.1 Data Coding and Editing

The researcher coded participants' answers by assigning a number to each question answered in an SPSS file. Next, the data was edited to ensure that the coding process was completed properly. Furthermore, in case of any out of range value, the researcher double-checked the value by returning to the original questionnaire.

5.2.2 Data Screening

In order to ensure that all the data was entered correctly and that all the variables were normally distributed, this thesis conducted data screening to identify any missing data and outliers. The following sections explain this preliminary analysis.

5.2.3 Treatment of Missing Data

Tabachnick and Fidell (2007) suggest that one should consider the amount of the missing data and the pattern of the missing data which is pertinent to the researcher's capability to determine the source of the missing data based on random or non-random occurrence (i.e., to determine if the missing data relates to specific items). According to Tabachnick and Fidell (2007), if the missing data is randomly distributed amongst the questionnaires, then there is no bias. Nevertheless, the generalisability of results has to be taken with caution if the missing data is non-randomly distributed amongst the questionnaires. The data screening results reveal that this research has less than 2% missing values for each construct question, which is considered acceptable (Churchill, 2010).

To ensure randomness of the missing data, the researcher has conducted a missing data test. SPSS results reveal that the pattern of missing data occurred based on randomness (missing completely at random, $p > .05$, $p = .683$). This result shows that there is no systematic error (Hair *et al.*, 2006) in the data. The missing values have been replaced with the variable mean. Tabachnick and Fidell (2007) recommend this method to replace missing data. Hair *et al.* (2006) consider this method as the best as long as it is based on valid responses.

5.3 ASSESSMENT OF INDEPENDENCE OF ERRORS, NORMALITY AND HOMOGENEITY OF VARIANCES FOR EXPERIMENTS ONE AND TWO

In this research, the ANOVA model was used to analyse the data. Thus, ANOVA assumptions had to be checked. These assumptions are: independence of errors, normality, and homogeneity of variances. Both dependent variables - perceived quality and purchase intentions - were tested for the three assumptions.

5.3.1 Independence of Errors

Independence of errors assumption assumes that the difference between scores and their cell's mean is random and independent across scores. Hence, it is assumed that the measurements representing one cell in the study are independent of the data collected from all of the other cells in the study (Field, 2009). Gamst et al. (2008) state that there are three situations can cause violation for this assumption. The first situation occurs when participants enter a treatment condition with previous affiliations (outside of the study) that affects the way they may perform. The second situation can occur when participants communicate with each other during the experiment. The third situation takes place when the participants' data is collected near each other. The design of the current research experiments has made violation of the independence of errors assumption not possible because there was random assignment of participants to treatment conditions and random selection of participants from the population as a whole. Moreover, each participant filled the related questionnaire separately from the other participants.

5.3.2 Normality

Field (2009, p.359) states that, when we compare between groups, what matters is that distributions within groups are normally distributed in each category of the independent variables. When there is more than one independent variable, there must be normality in the cells formed by the independent categorical variables.

Normality can be assessed graphically and statistically. Hair et al. (2006, p.82) argue that researchers should use both methods when sample size is fewer than 30. Based on the skewness and kurtosis values, z_{skewness} and z_{kurtoss} were used to assess normality statistically. "*Skewness is used to describe the distribution; that is, is it unbalanced and shifted to one side (right or left) or is it centred*" (Hair et al., 2006, p. 80). For example, if the distribution has negatively skewed values, i.e., the values are clustered to the right of the distribution; this indicates a negative skew.

Kurtosis, on the other hand, provides a sign about the distribution “peakedness” or “flatness” (Hair et al., 2006, p. 80). Positive kurtosis value means the distribution of the data is peaked. However, negative kurtosis values indicate a more flat distribution (Hair et al., 2006, p.80). In order to be able to decide how likely values of skewness and kurtosis are to occur, scores should be converted to z-scores which are scores from a distribution that has a mean of zero and a standard deviation of one (Field, 2009, p. 138).

When the sample size is less than 30, Hair et al. (2006) state that absolute values for z_{skewness} and z_{kurtosis} greater than 1.96 are significant at $p < .05$, which means that the data are not normally distributed.

Shapiro-Wilk's a statistical test for normality is also reported for each condition. To assess the normality graphically, normal probability plots for each condition alone have been completed. As shown in Table 5.1 for Experiment One and 5.2 for Experiment Two, the data is normally distributed. This led the researcher to be sure that transformation of the data is not necessary (Tabachnick and Fidell, 2007).

Table 5.1 Normality check for Experiment One

Condition	N	Dependent variables	Skewness		Kurtosis		Z skewness	Z Kurtosis	Shapiro-Wilk		
			Statistic	SE	Statistic	SE			Statistic	df	Sig.
L. credibility and L. fit	20	P.Q.	.295	.512	-.396	.992	.54	-.36	.940	20	.238
		P.I.	.193	.512	-.427	.992	.35	-.39	.926	20	.129
L. credibility and H. fit	22	P.Q.	-.256	.491	.144	.953	.49	.13	.958	22	.457
		P.I.	.114	.491	-.759	.953	.22	-.69	.956	22	.593
H. credibility and L. fit	19	P.Q.	.072	.524	1.342	1.014	.13	1.06	.947	19	.344
		P.I.	.216	.524	-.313	1.014	.68	-.25	.973	19	.837
H. credibility and H. fit	24	P.Q.	-.47	.472	1.246	.918	-1.88	1.246	.897	24	.080
		P.I.	-.371	.472	.296	.918	-1.47	.296	.960	24	.431
L: low H: high N: group size P.Q: perceived quality P.I: purchase intention SE: standard error											

Source: Analysis of survey data (SPSS file).

Table 5.2 Normality check for Experiment Two

Conditions	N	Dependent variables	Skewness		Kurtosis		Z skewness	Z Kurtosis	Shapiro-Wilk		
			Statistic	SE	Statistic	SE			Statistic	df	Sig.
L. credibility, L. fit, L. accessibility	25	P.Q.	.201	.464	-.881	.902	.41	-.89	.919	25	.070
		P.I.	-.030	.464	-1.10	.902	-.06	-1.12	.929	25	.082
L. credibility, L. fit, H. accessibility	20	P.Q.	-.109	.512	1.319	.992	-.20	1.10	.905	20	.510
		P.I.	.136	.512	.979	.992	.25	.81	.940	20	.236
H. credibility, L. fit, L. accessibility	21	P.Q.	-.147	.501	.179	.972	-.23	.16	.919	21	.301
		P.I.	-.279	.501	-.630	.972	-.53	-.59	.951	21	.355
H. credibility, L. fit, H. accessibility	19	P.Q.	.064	.524	.265	1.014	.11	.23	.932	19	.185
		P.I.	-.004	.524	-.684	1.014	-.01	-.60	.964	19	.661
L. credibility, H. fit, L. accessibility	24	P.Q.	.191	.472	.726	.918	.38	.726	.946	24	.258
		P.I.	.236	.472	-1.261	.918	.48	-1.261	.914	24	.062
L. credibility, H. fit, H. accessibility	22	P.Q.	-.267	.491	.397	.953	-.51	.36	.956	22	.410
		P.I.	.109	.491	-1.059	.953	.21	-1.44	.921	22	.079
H. credibility, H. fit, L. Accessibility	21	P.Q.	-.125	.501	.581	.972	-.24	.51	.965	21	.618
		P.I.	.479	.501	.342	.972	.90	.30	.942	21	.103
H. credibility, H. fit, H. Accessibility	23	P.Q.	.381	.481	-.292	.935	.71	-.28	.923	23	.077
		P.I.	-.575	.481	.459	.935	-1.13	.44	.943	23	.205

L: low, H: high, N: group size, P.Q: perceived quality, P.I: purchase intention, SE: standard error

Source: Analysis of survey data (SPSS file).

5.4 OUTLIERS

First, this thesis began detecting the univariate residual using box plot (box-whisker) (see Appendix 5: box plot for Experiment One and Two conditions). Second, scores in each cell were converted to z-scores. In normal distribution when data convert to z-scores, we expect to see 95% of scores to be less than the absolute value of 1.96, and 99% of scores to be less than the absolute value of 2.58. Finally, we would expect no scores above 3.29 (Field, 2009, p. 103). Tables 5.3 and 5.4 show that all conditions in Experiment One for the two dependent variables are within the accepted limit (i.e. ± 1.96), except the cell “low fit and high credibility”, for perceived quality condition. Pallant (2010, p. 64) states that if the 5% trimmed mean and mean value of the cell are very similar we retain the outliers. The mean for the cell ‘high fit, high credibility’ is 4.210 and the trimmed mean is 4.196. The mean values are very similar; accordingly, the outliers in this cell have not been removed. Table 5.5, 5.6, 5.7, and 5.8 show that all conditions in Experiment Two for the two dependent variables are within the accepted limit except the cell ‘high fit, high credibility, low accessibility’ for perceived quality condition. The mean for the cell ‘high fit, high credibility, low accessibility’ for perceived quality condition is 5.138 and the trimmed mean is 5.314. The mean values are very similar; accordingly, the outliers in this cell have not been removed. Reviewing the outliers, this thesis concluded it was not necessary to transform any data since Tabachnick and Fidell (2007) considered a few cases with outliers as acceptable.

Table 5.3 Experiment One outliers check for perceived quality

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	19	95.0	95.0	95.0
		Absolute z-score greater than 1.96	1	5.0	5.0	100
		Total	20	100	100	
	high credibility	Absolute z-score less than 2	17	89.5	89.5	89.5
		Absolute z-score greater than 1.96	2	10.5	10.5	100
		Total	19	100	100	
high fit	low credibility	Absolute z-score less than 2	21	95.5	95.5	95.5
		Absolute z-score greater than 1.96	1	4.5	4.5	100
		Total	22	100	100	
	high credibility	Absolute z-score less than 2	23	95.8	95.8	95.8
		Absolute z-score greater than 2.58	1	4.2	4.2	100
		Total	24	100	100	

Source: Analysis of survey data (SPSS file)

Table 5.4 Experiment One outliers check for purchase intention

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	19	95.0	95.0	95.0
		Absolute z-score greater than 1.96	1	5.0	5.0	100
		Total	20	100	100	
	high credibility	Absolute z-score less than 2	18	94.7	94.7	94.7
		Absolute z-score greater than 1.96	1	5.3	5.3	100
		Total	19	100	100	
high fit	low credibility	Absolute z-score less than 2	22	100	100	100
	high credibility	Absolute z-score less than 2	23	95.8	95.8	95.8
		Absolute z-score greater than 1.96	1	4.2	4.2	100
		Total	24	100	100	

Source: Analysis of survey data (SPSS file)

Table 5.5 Experiment Two outliers check for perceived quality in the high accessibility

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	20	100	100	100
	high credibility	Absolute z-score less than 2	18	94.7	94.7	94.7
		Absolute z-score greater than 1.96	1	5.3	5.3	100
		Total	19	100	100	
high fit	low credibility	Absolute z-score less than 2	22	100	100	100
	high credibility	Absolute z-score less than 2	23	100	100	100

Source: Analysis of survey data (SPSS file)

Table 5.6 Experiment Two outliers check for perceived quality in the low accessibility

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	25	100	100	100
	high credibility	Absolute z-score less than 2	20	95.2	95.2	95.2
		Absolute z-score greater than 1.96	1	4.8	4.8	100
		Total	21	100	100	
high fit	low credibility	Absolute z-score less than 2	24	100	100	100
	high credibility	Absolute z-score less than 2	19	90.5	90.5	90.5
		Absolute z-score greater than 1.96	2	9.5	9.5	100
		Total	21	100	100	

Source: Analysis of survey data (SPSS file)

Table 5.7 Experiment Two outliers check for purchase intention in the low accessibility

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	25	100	100	100
	high credibility	Absolute z-score less than 2	21	100	100	100
high fit	low credibility	Absolute z-score less than 2	24	100	100	100
	high credibility	Absolute z-score less than 2	21	100	100	100

Source: Analysis of survey data (SPSS file)

Table 5.8 Experiment Two outliers check for purchase intention in the high accessibility

Level of fit	Level of credibility	Z-Score	Frequency	Per cent	Valid Per cent	Cumulative Per cent
low fit	low credibility	Absolute z-score less than 2	20	100	100	100
	high credibility	Absolute z-score less than 2	19	100	100	100
high fit	low credibility	Absolute z-score less than 2	22	100	100	100
	high credibility	Absolute z-score less than 2	22	95.7	95.7	95.7
		Absolute z-score greater than 2.58	1	4.3	4.3	100
		Total	23	100	100	

Source: Analysis of survey data (SPSS file)

5.5 Sample Characteristics

Tables 5.9 and 5.10 explain the main sample characteristics of the respondents in the experiments. The tables demonstrate balanced ratios between different genders:

Table 5.9 Demographics of Experiment One respondents

	Frequency	Per cent	Valid Per cent	Cumulative Per cent
Female	42	49.4	49.4	49.4
Male	43	50.6	50.6	100
Total	85	100	100	

Source: Analysis of survey data (SPSS file)

Table 5.10 Demographics of Experiment Two respondents

	Frequency	Per cent	Valid Per cent	Cumulative Per cent
Female	82	46.9	46.9	46.9
Male	93	53.1	53.1	100
Total	175	100	100	

Source: Analysis of survey data (SPSS file)

5.6 STATISTICAL ANALYSES OF EXPERIMENT ONE

Experiment One aimed to test H1a-H4b regarding the effect of the endorser credibility and perceived fit on perceived quality and purchase intentions.

5.6.1 Results of the Credibility and Perceived Fit Impact on Perceived Quality and Purchase Intention

The hypotheses were analysed based on a 2 (credibility: high vs. low) \times 2 (perceived fit: high vs. low) between-subjects analysis of variance (ANOVA) as well as on regression analysis. Two dependent variables were used to measure participants' judgment of the endorsed brand quality and purchase intentions. Eighty-five participants were assigned randomly to four experimental conditions. Table 5.11 presents descriptive statistics for Experiment One conditions.

Table 5.11 Descriptive statistics for Experiment One conditions

	Level of credibility	Level of fit	Mean	Std. Deviation	N
perceived quality	low credibility	low fit	2.4000	.45370	20
		high fit	2.6061	.83341	22
		Total	2.5079	.67970	42
	high credibility	low fit	4.3333	.57735	19
		high fit	5.5556	.69273	24
		Total	5.0155	.88477	43
	Total	low fit	3.3419	1.10418	39
		high fit	4.1449	1.66985	46
		Total	3.7765	1.48572	85
purchase intention	low credibility	low fit	2.2500	.52843	20
		high fit	2.4091	.85407	22
		Total	2.3333	.71378	42
	high credibility	low fit	3.8772	.68683	19
		high fit	5.2500	.72399	24
		Total	4.6434	.98237	43
	Total	low fit	3.0427	1.02078	39
		high fit	3.8913	1.63308	46
		Total	3.5020	1.44257	85

Source: Analysis of survey data (SPSS file)

5.6.2 Manipulation Checks

The manipulation check for credibility revealed that respondents perceived the *JMN* corporation as significantly more credible in the high credibility condition ($M = 5.38$) than in the low credibility condition ($M = 2.19$), ($F(1, 83) = 448.04$, $p < .001$). Similarly, the manipulation check for fit was significant ($F(1, 83) = 345.50$, $p <$

.001), indicating that the subjects felt that producing *Fresh Up* by *JMN* was more logical and appropriate in the high fit condition ($M = 5.50$) than in the low fit condition ($M = 2.26$). As expected, the participants were not familiar with the *Fresh Up* brand ($t(84) = 24.71, p > .05 (M = 1.44)$) as tested against the mid-point of the familiarity scale; i.e. 4).

5.6.3 Main Effects and Interaction Analysis

Table 5.12 presents a summary of ANOVA analysis for the effect of credibility and fit on the dependent variables (perceived quality and purchase intention).

Table 5.12 ANOVA analysis for the effect of credibility on the dependent variables

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Credibility levels	perceived quality	125.648	1	125.648	286.415	.000	.780
	purchase intention	105.210	1	105.210	206.993	.000	.719
Fit levels	perceived quality	10.751	1	10.751	24.506	.000	.232
	purchase intention	12.367	1	12.367	24.332	.000	.231
Credibility levels * fit levels	perceived quality	5.442	1	5.442	12.404	.001	.133
	purchase intention	7.763	1	7.763	15.274	.000	.159
Error	perceived quality	35.534	81	.439			
	purchase intention	41.171	81	.508			
Total	perceived quality	1397.667	85				
	purchase intention	1217.222	85				
a R Squared = .808 (Adjusted R Squared = .801), b R Squared = .764 (Adjusted R Squared = .756)							

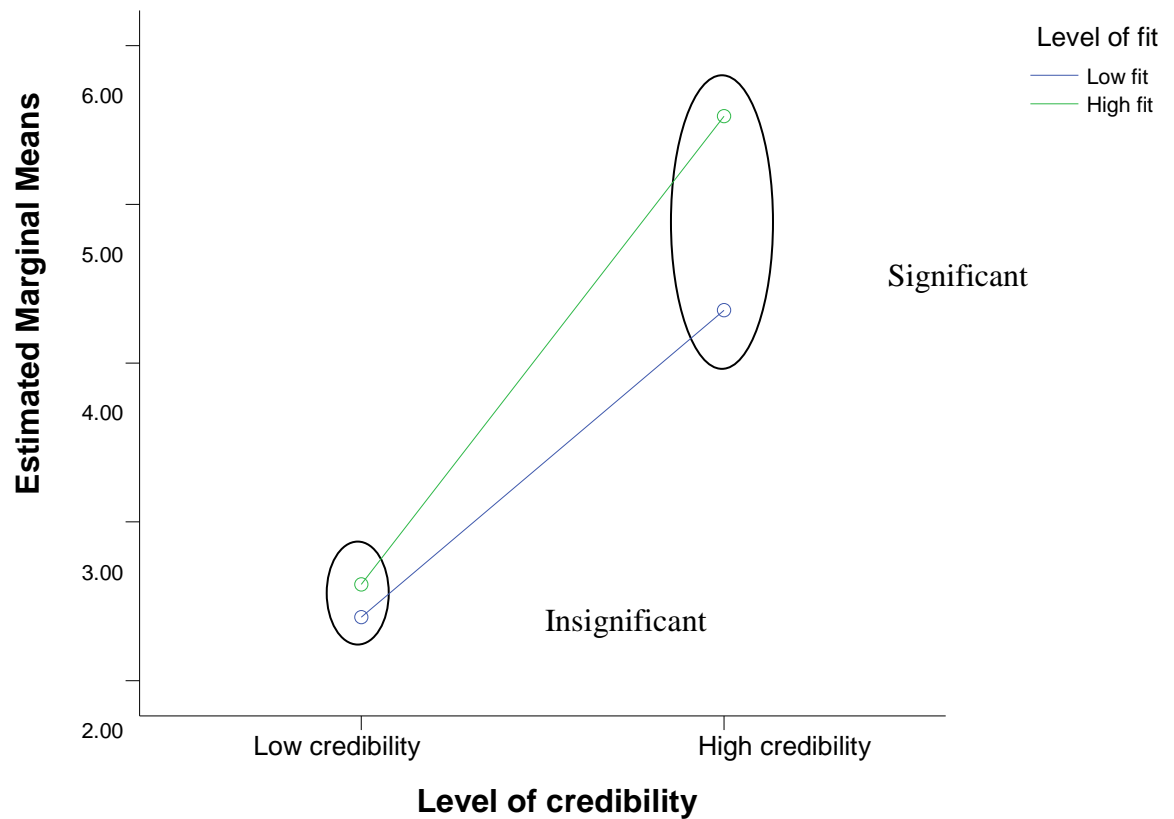
Source: Analysis of survey data (SPSS file).

As predicted in H1a, ANOVA revealed a significant main effect of corporate credibility on perceived quality ($F(1, 81) = 286.42, p < .001$, effect size $\eta^2 = .78$). Respondents perceived the quality of *Fresh Up* to be higher when its endorser, *JMN* corporation, was presented as a corporation with high credibility ($M = 5.02$) than when the endorser was presented as a corporation with low credibility ($M = 2.51$). ANOVA also revealed a significant main effect for category fit on perceived quality ($F(1, 81) = 24.51, p < .001$, effect size $\eta^2 = .23$, considerably smaller than in the case of the main effect of credibility). Thus H2a was supported. Respondents perceived the quality of *Fresh Up* toothpaste to be higher ($M = 4.14$) when they perceived high fit between *Fresh Up* and *JMN* than when they did not perceive the same fit ($M = 3.34$). The size of the main effect of credibility and fit on the endorsed brand perceived quality lends support to H3a.

Most importantly, ANOVA also revealed a significant credibility and fit interaction effect on the perceived quality of the endorsed brand (see Figure 5.1): $F(1, 81) = 12.40, p < .001$, effect size $\eta^2 = .13$).

T-test for equality of means revealed that when the endorser had low credibility, respondents' judgements of the endorsed product quality were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M = 2.40$ vs. $M = 2.51$, ($t(40) = .98, p > .05$, not significant). However, only when the credibility was high, the fit affected the product judgement (the respondents perceived the endorsed brand quality more favourably when the fit was high rather than low: $M = 5.60$ vs. $M = 4.33$, ($t(41) = 6.17, p < .05$, significant). Thus, H4a was supported.

Figure 5.1 Estimated Marginal Means of perceived quality



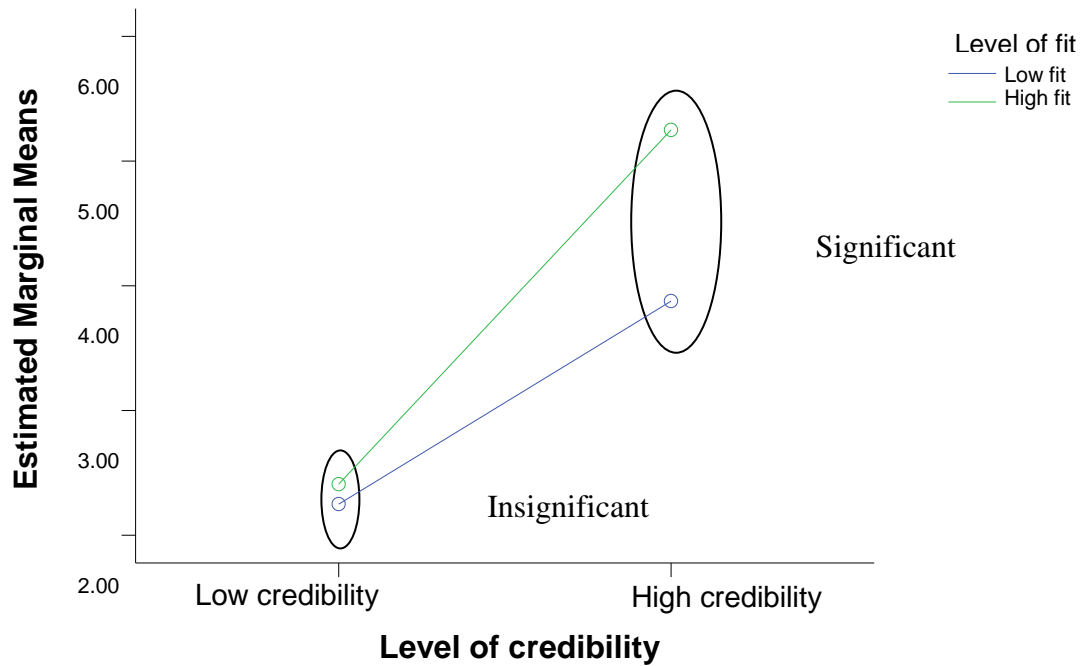
Similar patterns of results have been obtained for purchase intentions. As predicted in H1b, ANOVA revealed a significant main effect of corporate credibility on purchase intentions ($F(1, 81) = 206.99, p < .001$, effect size $\eta^2 = .72$). Respondents showed higher intentions to buy *Fresh Up* when its endorser, *JMN* corporation, was presented as a corporation with high credibility ($M = 4.64$) than when the endorser was presented as a corporation with low credibility ($M = 2.33$). ANOVA also revealed a significant main effect for category fit on purchase intentions ($F(1, 81) = 15.27, p < .001$, effect size $\eta^2 = .16$, considerably smaller than in the case of the main effect of credibility). Thus H2b was supported. Respondents showed higher intentions to buy *Fresh Up* toothpaste ($M = 3.90$) when they perceived high fit between *Fresh Up* and *JMN* than when they did not perceive the same fit ($M =$

3.00). The size of the main effect of credibility and fit on the purchase intentions of the endorsed brand lends support to H3b.

Most importantly, ANOVA also revealed a significant credibility and fit interaction effect on the purchase intentions of the endorsed brand (see Figure 5.2): $F(1, 81) = 15.27, p < .001$, effect size $\eta^2 = .16$).

T-test for equality of means revealed that when the endorser had low credibility, respondents' intentions to buy the endorsed product were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M = 2.25$ vs. $M = 2.41, (t(40) = .72, p > .05, \text{not significant})$. However, only when the credibility was high, the fit affected the participants' intentions (the respondents showed higher intentions to buy the endorsed brand when the fit was high rather than low: $M = 3.88$ vs. $M = 5.25, (t(41) = 6.32, p < .05, \text{significant})$. These results support H4b, which proposed that fit moderates the effect of the corporate credibility only when the endorser credibility is high.

Figure 5.2 Estimated Marginal Means of Purchase Intentions



Another way to investigate the relative magnitudes of the influence of fit and of credibility on the perceived quality and purchase intentions is by estimating regression model with perceived quality and purchase intentions as the dependent variables and fit and credibility as the predictors. The standardised coefficients (β) and (t) reveal the strength of the relative influence of each predictor. The results of the regression analyses showed that credibility and fit has significant effect on the perceived quality ($\beta = .84$, $t(82) = 16.18$, $p < .001$, $\beta = .24$, $t(82) = 4.66$, $p < .001$ respectively). The magnitude of the effect of the credibility is approximately four times larger than the magnitude of the effect of fit. Similar patterns of were obtained for the effect of credibility and fit on purchase intentions ($\beta = .80$, $t(82) = 13.62$, $p < .001$, $\beta = .27$, $t(82) = 4.57$, $p < .001$ respectively).

In order to explore the participants' thoughts process that led to the judgement of the endorsed brand, an open-ended question was added to Experiment One questionnaire. Two independent judges, blind to the purpose of the experiment, classified the respondents' open-ended thoughts into: credibility-related thoughts, fit-related thoughts and "others". The judges were asked to discuss any discrepancies in their classification, but there were no such discrepancies (judges agreed that 90%; of discrepancies were resolved through discussion). Table 5.13 presents the percentage of respondents using credibility-versus fit-related thoughts when they evaluated *Fresh Up* in Experiment One's four conditions. The result demonstrates that the participants were relying more on credibility information than on fit information to evaluate the *Fresh Up* brand in each of the four conditions. Moreover, consumers were uniformly and highly concerned about credibility across the four conditions (95% to 100% of them used the credibility information). Interestingly, when credibility is low, participants seem to neglect the fit information. These findings support H3c which proposed that consumers will have more credibility related thoughts than fit related thoughts when they construct judgement about the endorsed brand.

Table 5.13. The percentage of respondents using credibility versus fit information for evaluating the endorsed brand in the four conditions

Conditions	N	% of participants who had credibility-related thoughts	% of participants who had fit-related thoughts
Low credibility and low fit	19	95%	15%
High credibility and High fit	23	95%	45%
High credibility and low fit	22	100%	40%
Low credibility and high fit	21	95%	10%

In order to investigate whether there is a difference between females and males in considering the impact of the study constructs on consumers judgment. This thesis explores the effect of gender, a 2 (male vs. female) x 2 (high credibility vs. low credibility) x 2 (high fit vs. low fit) ANOVA was conducted. The results show no significant effect for gender on both dependent variables (i.e. perceived quality and purchase intention). For details, see ANOVA omnibus, Appendix 6: Analysis of the effect of Gender on perceived quality and purchase intention. This result supported the exclusion of gender from any further analysis.

5.7 JUSTIFICATION FOR CONDUCTING EXPERIMENT TWO

The results of Experiment One have shown that corporate credibility is more diagnostic than fit in corporate brand endorsement context when consumers judge an endorsed brand. Experiment Two was conducted to test H5a-H7b, which predicted why in the endorsement context, the effect of corporate credibility on consumers'

judgement of an endorsed brand is more important than the effect of fit. Lynch et al. (1988) argue that consumers use the more accessible information in making a decision. H5a and H5b proposed that corporate credibility is more accessible than fit; whereas H6a-H6b proposed a three and two way interaction between corporate credibility, fit, and accessibility; whereas H7a and H7b predicted that in the low accessibility condition, endorser credibility has a significant effect on the dependent variables, however, fit has no effect.

5.8 RESULTS OF EXPERIMENT TWO

A three-way between-subjects ANOVA was conducted to analyse how the corporate credibility, perceived fit and information accessibility ($2 \times 2 \times 2$) affected perceived quality and purchase intentions in a corporate brand endorsement context. Table 5.14 presents descriptive statistics for Experiment Two conditions for perceived quality as a dependent variable. Table 5.15 presents descriptive statistics for Experiment Two conditions for purchase intention as a dependent variable.

Table 5.14 Descriptive statistics for Experiment Two conditions: dependent variable perceived quality

Level of accessibility	Level of credibility	level of fit	Mean	Std. Deviation	N
low level of accessibility	low credibility	low fit	2.1067	.59098	25
		high fit	2.4306	.65555	24
		Total	2.2653	.63821	49
	high credibility	low fit	5.2222	.66944	21
		high fit	5.0794	.75207	21
		Total	5.1508	.70692	42
	Total	low fit	3.5290	1.68739	46
		high fit	3.6667	1.50588	45
		Total	3.5971	1.59282	91
high level of accessibility	low credibility	low fit	2.3167	.65315	20
		high fit	2.6515	.89960	22
		Total	2.4921	.80054	42
	high credibility	low fit	4.2105	.64032	19
		high fit	5.3188	.65504	23
		Total	4.8175	.84968	42
	Total	low fit	3.2393	1.15204	39
		high fit	4.0148	1.55530	45
		Total	3.6548	1.42876	84
Total	low credibility	low fit	2.2000	.62118	45
		high fit	2.5362	.78088	46
		Total	2.3700	.72256	91
	high credibility	low fit	4.7417	.82513	40
		high fit	5.2045	.70515	44
		Total	4.9841	.79474	84
	Total	low fit	3.3961	1.46520	85
		high fit	3.8407	1.53220	90
		Total	3.6248	1.51224	175

Source: Analysis of survey data (SPSS file)

Table5.15 descriptive statistics for Experiment Two conditions: dependent variable purchase intention

Level of accessibility	Level of credibility	level of fit	Mean	Std. Deviation	N
Low level of accessibility	low credibility	low fit	2.0000	.69389	25
		high fit	2.0417	.80645	24
		Total	2.0204	.74352	49
	high credibility	low fit	5.2063	.62784	21
		high fit	5.3492	.71084	21
		Total	5.2778	.66633	42
	Total	low fit	3.4638	1.74339	46
		high fit	3.5852	1.83148	45
		Total	3.5238	1.77857	91
High level of accessibility	low credibility	low fit	2.3000	.89769	20
		high fit	2.4545	.95144	22
		Total	2.3810	.91826	42
	high credibility	low fit	4.0877	.83771	19
		high fit	5.4638	.95208	23
		Total	4.8413	1.12916	42
	Total	low fit	3.1709	1.24692	39
		high fit	3.9926	1.78870	45
		Total	3.6111	1.60557	84
Total	low credibility	low fit	2.1333	.79582	45
		high fit	2.2391	.89350	46
		Total	2.1868	.84358	91
	high credibility	low fit	4.6750	.91983	40
		high fit	5.4091	.83794	44
		Total	5.0595	.94729	84
	Total	low fit	3.3294	1.53400	85
		high fit	3.7889	1.81164	90
		Total	3.5657	1.69345	175

Source: Analysis of survey data (SPSS file)

5.8.1 Manipulation Checks

As in Experiment One, the manipulation check for credibility was significant ($F(1, 173) = 319.47, p < .001$), indicating that the participants perceived the *JMN* corporation as more credible in the high credibility conditions ($M = 5.29$) than in the low credibility conditions ($M = 2.45$). Similarly, the manipulation check for fit was also significant ($F(1, 173) = 60.97, p < .001$), indicating that the participants felt that producing *Fresh Up* by *JMN* was more logical and appropriate in the high fit condition ($M = 4.94$) than in the low fit condition ($M = 3.05$). The manipulation check for accessibility was significant ($F(1, 173) = 98.73, p < .001$), indicating that the subjects found recalling the given information about *JMN* in low accessibility conditions more difficult than high accessibility conditions ($M_{\text{low access}} = 4.79$ vs. $M_{\text{high access}} = 2.74$). As expected, the participants were not familiar with the *Fresh Up* brand ($t(174) = -47.57, p > .05$ ($M = 1.27$)) as tested against the middle point of the familiarity scale; i.e. 4).

5.8.2 Main Effects and Interaction Analysis

Tables 5.16 and 5.17 present a summary of ANOVA analysis for between subjects main and interaction effects of credibility, fit, and accessibility on the dependent variables (perceived quality and purchase intentions).

Table 5.16 Tests of between-subjects effects: dependent variable perceived quality

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Credibility level	289.351	1	289.351	600.554	.000	.782
Fit level	7.159	1	7.159	14.859	.000	.082
Accessibility level	.316	1	.316	.656	.419	.004
Credibility level * fit level	.255	1	.255	.530	.468	.003
Credibility level* accessibility level	3.929	1	3.929	8.154	.005	.047
Fit level * accessibility level	4.323	1	4.323	8.973	.003	.051
Credibility level * fit level * accessibility level	4.174	1	4.174	8.664	.004	.049
Error	80.462	167	.482			
Total	2697.222	175				

a R Squared = .798 (Adjusted R Squared = .789)

Source: Analysis of survey data (SPSS file)

Table 5.17 Tests of between-subjects effects: dependent variable purchase intention

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Credibility level	347.207	1	347.207	520.507	.000	.757
Fit level	7.983	1	7.983	11.968	.001	.067
Accessibility level	.230	1	.230	.345	.558	.002
Credibility level* fit level	4.748	1	4.748	7.118	.008	.041
Credibility level* accessibility level	8.000	1	8.000	11.994	.001	.067
Fit level * accessibility level	4.917	1	4.917	7.372	.007	.042
Credibility level * fit level * accessibility level	3.406	1	3.406	5.106	.025	.030
Error	111.398	167	.667			
Total	2724.000	175				

a R Squared = .777 (Adjusted R Squared = .767)

Source: Analysis of survey data (SPSS file)

As expected, the three-way interaction was significant to the perceived quality ($F(1, 167) = 8.66, p < .001$, effect size $\eta^2 = .05$). Thus, H5a supported. The three-way interaction was also significant on the purchase intentions ($F(1, 167) = 5.11, p < .001$, effect size $\eta^2 = .03$). This result support H5b. To qualify the three-way interaction, the data was split over two accessibility levels. Next, two 2x2 ANOVAs between- subjects were conducted; one for high accessibility (2 levels of credibility x 2 levels of fit) and one for low accessibility (2 levels of credibility x 2 levels of fit). Each of the two 2x2 ANOVAs were conducted twice: once for perceived quality as dependent variables and once for purchase intentions as dependent variables.

Table 5.18 presents a summary for the ANOVA analysis for between subjects main and interaction effects of credibility and fit on the perceived quality of the endorsed brand. The analysis has been split over the accessibility.

Table 5.18 Tests of between-subjects effects: dependent variable perceived quality

Level of accessibility	Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	Partial Eta Squared
Low level of accessibility	Credibility level	187.829	1	187.829	423.98	.000	.830
	Fit level	.185	1	.185	.418	.520	.005
	Credibility level* fit level	1.231	1	1.231	2.780	.099	.031
	Error	38.542	87	.443			
	Total	1405.778	91				
High level of accessibility	Credibility level	108.603	1	108.603	207.25	.000	.722
	Fit level	10.872	1	10.872	20.748	.000	.206
	Credibility level* fit level	3.123	1	3.123	5.960	.017	.069
	Error	41.920	80	.524			
	Total	1291.444	84				
a R Squared = .831 (Adjusted R Squared = .825)							
b R Squared = .753 (Adjusted R Squared = .743)							

Source: Analysis of survey data (SPSS file)

For participants in the low accessibility condition, Table 5.18 shows that credibility has a significant main effect on perceived quality of the endorsed brand ($F(1, 87) = 433.99, p < .001$, effect size $\eta^2 = .83$; $M_{\text{high credibility}} = 5.28, M_{\text{low credibility}} = 2.02$). It shows also that fit has no significant main effect on perceived quality ($F(1, 87) = .418, p > .001$, effect size $\eta^2 = .005$; $M_{\text{high fit}} = 3.52, M_{\text{low fit}} = 3.67$). Table 5.18 shows that credibility and fit has no significant interaction effect on the perceived

quality of the endorsed brand ($F(1, 87) = 2.78, p < .001$, effect size $\eta^2 = .03$). (See Figure 5.3). This supports H7a which proposed that in the low accessibility, endorser credibility alone affects the perceived quality of the endorsed brand.

Table 5.18 shows that in the high accessibility condition, the endorser credibility has a significant main effect on the perceived quality of the endorsed brand ($F(1, 80) = 207.26, p < .001$, effect size $\eta^2 = .72$; $M_{\text{high credibility}} = 4.82, M_{\text{low credibility}} = 2.49$). Perceived fit has also a significant main effect ($F(1, 80) = 20.76, p < .001$, effect size $\eta^2 = .21$; $M_{\text{high fit}} = 4.01, M_{\text{low fit}} = 3.24$). Table 5.18 also shows a significant interaction between credibility and fit ($F(1, 80) = 5.96, p < .001$, effect size $\eta^2 = .07$). (See Figure 5.4). Together, these results suggest that in the low accessibility condition, corporate credibility has a significant influence on the perceived quality of the endorsed brand. However, perceived fit has no effect on the perceived quality of the endorsed brand. In the high accessibility, endorser credibility and fit have a significant effect on the perceived quality of the endorsed. However, the effect of the endorser credibility is stronger than the effect of fit. This is consistent with H6a.

Figure 5.3 Estimated Marginal Means of Perceived Quality

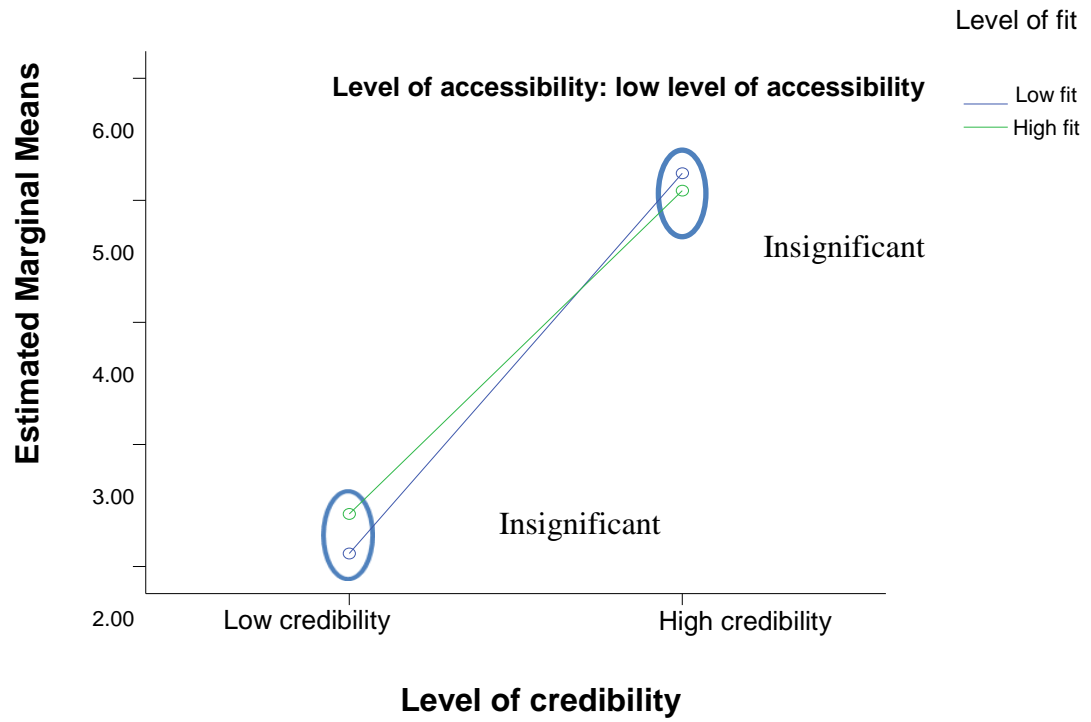
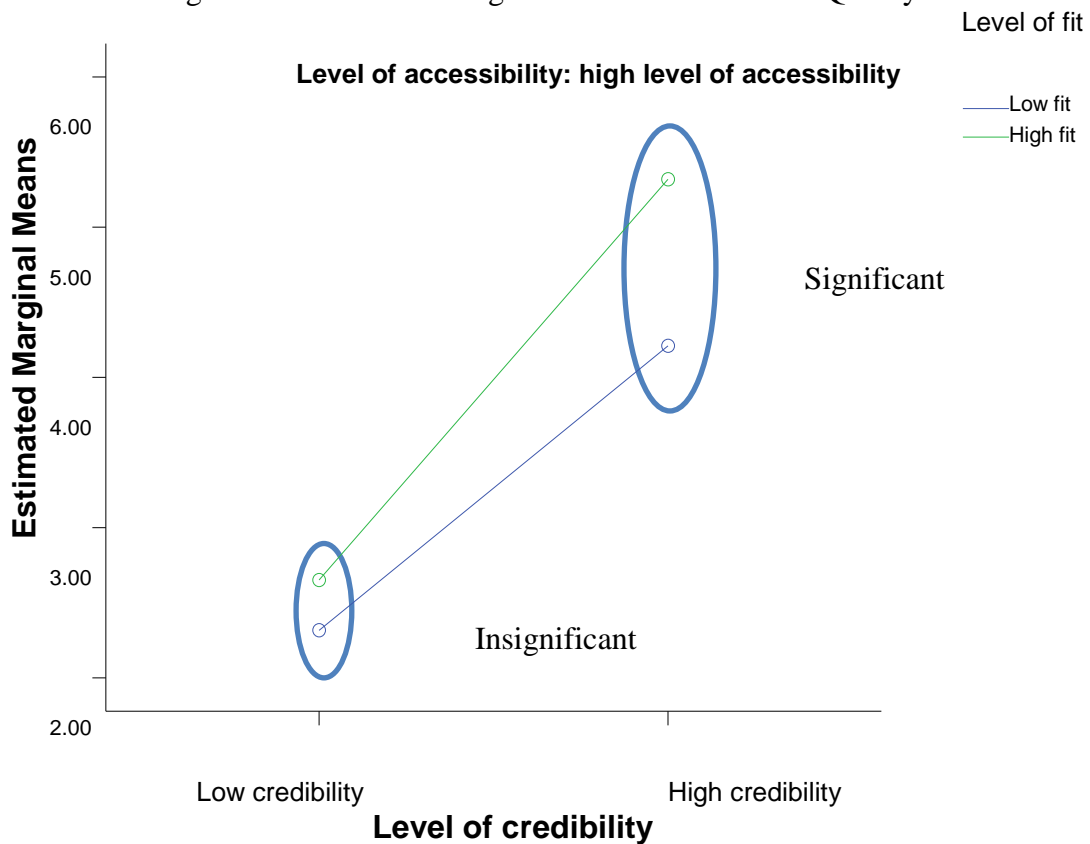


Figure 5.4 Estimated Marginal Means of Perceived Quality



T-test for equality of means revealed that when participants were in low the accessibility condition and the endorser was perceived not credible (i.e. low credibility condition), respondents' evaluations of the endorsed product quality were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M_{\text{low fit}} = 2.11$, $M_{\text{high fit}} = 2.43$, ($t(47) = 1.82$, $p > .05$, not significant). When the endorser credibility was high, the fit also has no effect on the endorsed product quality evaluations: $M_{\text{low fit}} = 5.22$, $M_{\text{high fit}} = 5.08$, ($t(40) = .65$, $p > .05$, not significant).

T-test for equality of means revealed that when participants were in the high accessibility condition and the endorser had low credibility, respondents' evaluations of the endorsed product quality were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M_{\text{low}} = 2.32$, $M_{\text{high}} = 2.65$,

($t(40) = 1.37, p > .05$, not significant). However, only when the credibility was high, the fit affected the endorsed product quality evaluations (the respondents evaluated the endorsed brand more favourably when the fit was high rather than low: $M_{\text{low}} = 4.21, M_{\text{high}} = 5.33, (t(40) = 5.51, p < .05, \text{significant})$).

Another way to investigate the relative magnitudes of the influences of fit and credibility on perceived quality of the endorsed brand is by estimating regression model with perceived quality as dependent variable and fit and credibility as predictors. The standardised coefficients (β) and (t) reveal the strength of the relative influence of each predictor. The results of the regression analyses show that, in the low accessibility condition, credibility alone had significant effect on the perceived quality. For credibility ($\beta = .91, t(88) = 20.40, p < .001$. For fit $\beta = .034, t(88) = .77, p > .001$. In the high accessibility condition, the results show that credibility had significant effect on the perceived quality of the endorsed brand ($\beta = .81, t(81) = 14.81, p < .001$) and fit also had a significant effect on the perceived quality of the endorsed brand ($\beta = .25, t(81) = 4.41, p < .001$). However, the effect of the credibility is significantly larger than the effect of fit.

Table 5.19 shows that a similar pattern of results has been obtained to the effect of corporate credibility and perceived fit on purchase intentions. When participants were in low accessibility conditions, the endorser credibility had a significant main effect on the purchase intentions of the endorsed brand ($F(1, 87) = 468.89, p < .001$, effect size $\eta^2 = .84$; $M_{\text{high credibility}} = 5.28, M_{\text{low credibility}} = 2.02$. fit had no significant main effect on the purchase intentions ($F(1, 87) = .38, p > .001$, effect size $\eta^2 = .004$; $M_{\text{high fit}} = 3.59, M_{\text{low fit}} = 3.46$). The results show also that there was no significant interaction between credibility and fit on the purchase intentions of the endorsed brand ($F(1, 87) = .11, p > .001$, effect size $\eta^2 = .004$). For details, see Table 5.16 and Figure 5.5. This supports H7b which proposed that endorser credibility alone affects the purchase intentions of the endorsed brand.

Table 5.19 shows that when participants were in high accessibility conditions corporate credibility had significant effect on the purchase intentions of the endorsed brand ($F(1, 80) = 143.65, p < .001$, effect size $\eta^2 = .64$; $M_{\text{high credibility}} = 4.84, M_{\text{low}}$

credibility = 2.38. Perceived fit also had a significant main effect ($F(1, 80) = 14.63, p < .001$, effect size $\eta^2 = .16$; $M_{\text{high fit}} = 4.00, M_{\text{low fit}} = 3.20$). Table 5.19 also shows significant interaction between credibility and fit (See Figure 5.6) ($F(1, 80) = 9.32, p < .001$, effect size $\eta^2 = .10$). Together, these results suggest that in the low accessibility condition, corporate credibility has significant influence on the purchase intentions of the endorsed brand. However, perceived fit has no effect on the purchase intentions of the endorsed brand. In the high accessibility, endorser credibility and fit has a significant effect on the perceived quality of the endorsed. However the effect of the endorser credibility is stronger than the effect of fit. These results are consistent with H6b.

Table 5.19 Tests of between-subjects effects: dependent variable purchase intention

Level of accessibility	Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Low level of accessibility	Credibility level	239.851	1	239.851	468.88	.000	.843
	Fit level	.192	1	.192	.376	.541	.004
	Credibility level* fit level	.058	1	.058	.113	.737	.001
	Error	44.503	87	.512			
	Total	1414.667	91				
	Corrected Total	284.698	90				
High level of accessibility	Corrected Model	147.068(b)	3	49.023	58.627	.000	.687
	Intercept	1068.375	1	1068.375	1277.677	.000	.941
	Credibility level	120.120	1	120.120	143.652	.000	.642
	Fit level	12.229	1	12.229	14.625	.000	.155
	Credibility level* fit level	7.789	1	7.789	9.315	.003	.104
	Error	66.895	80	.836			
	Total	1309.333	84				
	Corrected Total	213.963	83				
a R Squared = .844 (Adjusted R Squared = .838)							
b R Squared = .687 (Adjusted R Squared = .676)							

Source: Analysis of survey data (SPSS file)

Figure 5.5 Estimated Marginal Means of Purchase Intention

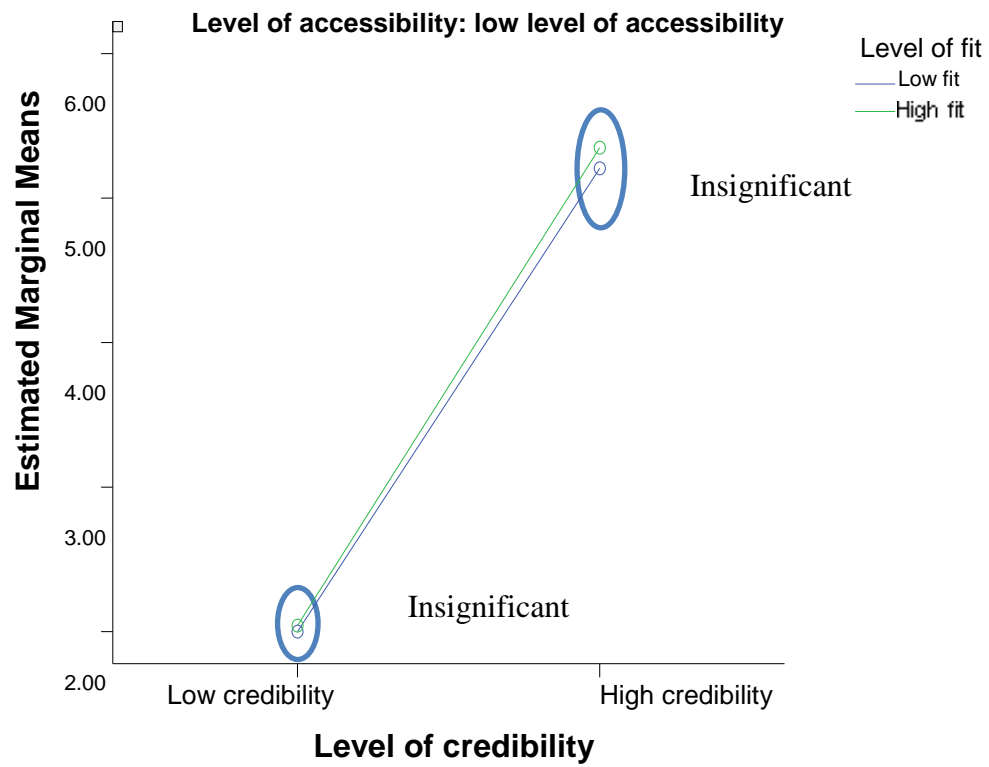
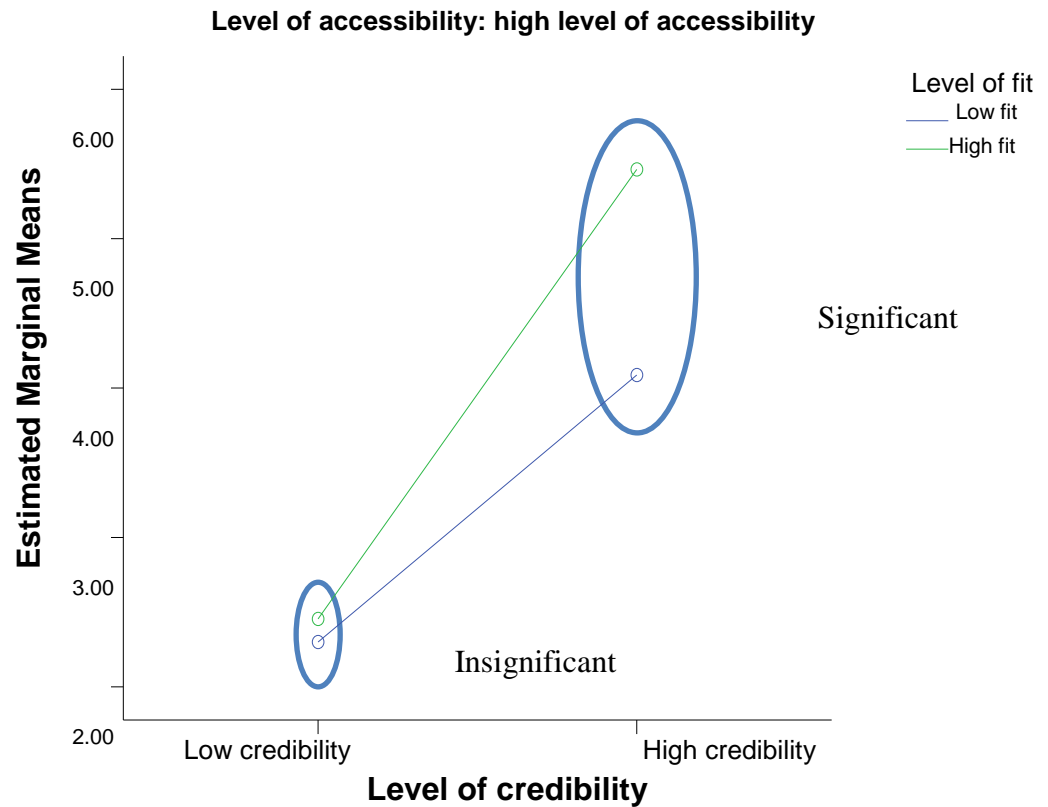


Figure 5.6 Estimated Marginal Means of Purchase Intention



T-test for equality of means revealed that when participants were in low the accessibility condition and the endorser was perceived not credible (i.e. low credibility condition), respondents' intentions to buy the endorsed product were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M_{\text{low fit}} = 2.00$, $M_{\text{high fit}} = 2.04$, ($t(47) = .194$, $p > .05$, not significant). When the endorser credibility was high, the fit also had no effect on the purchase intentions of the endorsed brand: $M_{\text{low fit}} = 5.21$, $M_{\text{high fit}} = 5.35$, ($t(40) = .960$, $p > .05$, not significant).

T-test for equality of means revealed that when participants were in the high accessibility condition and the endorser had low credibility, respondents' intentions to buy the endorsed brand were uniformly low and there was no significant difference between them in low- and high-fit conditions: $M_{\text{low fit}} = 2.30$, $M_{\text{high fit}} = 2.45$, ($t(40) = .540$, $p > .05$, not significant). However, only when the credibility was high, the fit affected the purchase intentions of the endorsed brand $M_{\text{low fit}} = 4.09$, $M_{\text{high}} = 5.46$, ($t(40) = 4.92$, $p < .05$, significant).

The results of the regression analyses show that in the low accessibility condition, credibility alone has significant effect on purchase intentions. For credibility ($\beta = .92$, $t(88) = 21.77$, $p < .001$). For fit $\beta = .03$, $t(88) = .06$, $p > .001$. In the high accessibility condition, the results show that credibility had a significant effect on the purchase intentions of the endorsed brand ($\beta = .77$, $t(81) = 11.66$, $p < .001$) and fit also had a significant effect on the purchase intentions of the endorsed brand ($\beta = .24$, $t(81) = 3.63$, $p < .001$). However, the effect of the credibility is significantly larger than the effect of fit.

Hypothesis H5a proposed that, in low accessibility conditions, credibility is more recallable than fit and H5b proposed that consumers in low accessibility conditions are more likely to falsely recall fit information rather than credibility information.

To test the above mentioned hypotheses, an open-ended question was included in Experiment Two. Participants were asked to note what they could recall from the given facts about *JMN*. Two independent judges, blind to the purpose of the experiment, classified the respondents' open-ended recalling question: true recalled credibility fact(s), false recalled credibility fact(s), true recalled fit fact(s), and false recalled fit fact(s). The judges were asked to discuss any discrepancies in their classification, but there were no such discrepancies (judges agreement was 92%; discrepancies were resolved through discussion).

A paired t-test was conducted to evaluate the recall of credibility and fit in the low accessibility condition. Credibility was found to be significantly more recallable than fit ($M_{\text{credibility}} = 1.03$, $M_{\text{fit}} = .30$, $t(90) = 9.45$, $p < .001$). This t-test also revealed that

participants in the low accessibility condition recalled false credibility facts significantly less than fit ($M_{\text{false credibility}} = .08$, $M_{\text{false fit}} = .22$, $t(90) = 2.96$, $p < .001$). This finding suggests that participants have given more attention to the credibility facts than the facts about fit when they assumed information about the endorser (i.e. when they were reading the given information). Hypothesis H5a and H5b justified this bias in attention by proposing that in the endorsement context, credibility is more diagnostic than fit.

A paired t-test was conducted to evaluate the diagnosticity of credibility and fit in high and low accessibility. Credibility has been found to be significantly more diagnostic than fit in low accessibility ($M_{\text{diag. credibility}} = 5.36$, $M_{\text{diag. fit}} = 3.31$, $t(90) = 9.17$, $p < .001$) and high accessibility ($M_{\text{diag. credibility}} = 5.67$, $M_{\text{diag. fit}} = 4.23$, $t(83) = 7.80$, $p < .001$). These results support the justification suggested by H5a-H5b for why corporate credibility is more recallable and why credibility is recalled more accurately than fit.

5.9 CHAPTER SUMMARY

This chapter reported the data analysis of this study. First, data preparation and scanning were used to ensure that the data are normally distributed. Second, a two-way between-subjects ANOVA was used to test the hypotheses of Experiment One and to answer the first three research questions. At this stage, a 2x2 factorial matrix was conducted to determine the impact of perceived credibility and perceived fit on the dependent variables. Second, this thesis undertook a 2x2x2 between-subjects design to test the impact of different levels of information accessibility on the perceived credibility and perceived fit.

6 DISCUSSION

In the brand extension context, Aaker and Keller (1992) show that fit moderates the effect of corporate associations on the extension. However, brand endorsement, as a

variant of the brand extension, is used to leverage the corporate associations. The current research provides evidence that in the endorsement context, and when consumers can easily recall information about the endorser credibility and about the fit between the endorser and the endorsed brand (i.e., as in Experiment One and as in the high accessibility condition in Experiment Two), corporate credibility and perceived fit have significant effects on perceived quality and purchase intentions of the endorsed brand. However, the effect of corporate credibility is stronger than the effect of perceived fit. Specifically, this research shows that perceived fit moderates the effect of endorser credibility only when endorser credibility is high.

The current research also shows that information accessibility affects the relative effects of endorser credibility and fit on the endorsed brand. When a consumer must recall information about credibility and fit and the context has made recalling such information difficult (e.g. the low accessibility condition), corporate credibility is recalled more than fit and consumer decision is affected by the credibility alone. This research shows that corporate credibility is more diagnostic than fit. Therefore, the conclusion is that the relative accessibility of fit and credibility is determined by their respective diagnosticity. In other words, corporate credibility is more accessible than fit in the corporate brand endorsement context because it is more diagnostic.

These results have been obtained by answering the research questions (RQs) and testing the hypotheses proposed in the conceptual framework. The following research questions were illustrated in Chapter 1:

(RQ1) In the endorsement context, what is the relative influence of fit and corporate credibility on consumer judgement of the endorsed brand and how they affect, simultaneously, consumers' judgements?

(RQ2) If corporate credibility and fit have differential impact on consumers' judgement of a corporate-endorsed brand, why is that the case?

6.1 (RQ1) The Relative Influence of Fit and Credibility on Consumer Judgement

The results of Experiment One have demonstrated that corporate credibility has a significant effect on perceived quality and purchase intentions. Corporate credibility affects the dependent variables regardless of the perceived fit between the corporation as the endorser and the endorsed brand. These findings support the previous conceptual work of Aaker and Joachimsthaler (2000), which reviewed different branding strategies and concluded that corporate endorsement helps to convey credibility to the endorsed brand. These findings also support past research which posits, more generally, that corporate credibility has an effect on consumer judgement.

Lafferty and Goldsmith (2004) use the introduction of a new product brand (cell phone) as a stimulus to study the effect of corporate credibility when the corporate name is used as the endorser. Their results show that corporate credibility has a significant effect on consumer judgement. These results are consistent with Goldsmith et al. (2000). The authors used a mock-up for Mobil Oil Company to show that corporate credibility has a significant effect on consumers' judgement.

Lafferty (2007) shows that corporate credibility determines consumer attitudes and purchase intentions in the context of a cause-brand alliance. However, the author found that the influence of corporate credibility is not as significant for purchase intentions, yet still revealed a strong effect of the corporate credibility when it is perceived as high.

Experiment One also demonstrated the main effect of fit between the endorser and the endorsed brand on consumer judgement of the endorsed brand as measured by the perceived quality and the purchase intentions. In other words, the consumers' judgement of the endorsed brand is more positive when they perceive fit between the endorser and the endorsed brand.

This result is in line with previous research on family brand extension, which advances that evaluation of a brand extension is a function of perceived fit between the parent brand associations and the extension associations. Moreover, parent associations are conveyed to the extension only if consumers perceive fit between the extension and the parent brand (e.g. Aaker and Keller, 1990; Boush and Loken 1991; Volckner and Sattler, 2006). These studies argue that fit determines the acceptance of an extension regardless if this fit is perceived as a result of matching between the parent and the extension category associations (Aaker and Keller 1990), the similarity between the brand image and the extension image (Park et al., 1991), or matching benefit associations (Broniarczyk and Alba 1994). Consistent with Berens et.al.'s (2005) findings, which suggest that the main effect of fit is significantly stronger when the corporate brand is dominant in the product brand structure, Experiment One shows that although the effect of both endorser credibility and the fit are significant, the effect of endorser credibility is more important than the that of fit in the endorsement context.

More importantly, Experiment One shows an interaction effect between endorser credibility and the fit on the judgement of the endorsed brand. Moreover, it highlights that fit moderates the effect of endorser credibility on the endorsed brand judgement only when endorser credibility is high. This finding is intuitively appealing; the effect of credibility is stronger than the effect of fit on consumer judgement. Consumers neglect other factors that may affect their judgement if the endorser credibility, which considered the main determinant of the judgement, is low. The anchoring and adjustment heuristic model (Tversky and Kahneman, 1974) explains why fit moderates the effect of endorser credibility on the endorsed brand only when endorser credibility is high. The model suggests that decision makers anchor their judgement on the most informative (important) piece of information and then make adjustments. These adjustments have a tendency to be inadequate and the final decision is likely to be biased towards the initial anchor evaluation (Tversky and Kahneman, 1974). It should be noted that information which is used to adjust the initial anchor evaluation is perceived as less diagnostic (Menon et. al., 1995).

As shown, endorser credibility has more influence than fit on the endorsed brand judgement. Accordingly, consumers opt to anchor their evaluations on the endorser's credibility. Updates in their evaluations are done if endorser credibility is high because the consumers will go further in their evaluations (i.e. move to the adjustment stage) if the endorser's credibility is high. In this case, fit moderates consumer judgment of the endorsed brand. However, if the endorser's credibility is low consumers will not go further in their evaluations of the endorsed brand because their initial evaluation of their decision anchor (i.e. the endorser credibility) is low. These results come in line with Ito et al. (1998) who argue that negative information influences consumers' evaluations more strongly than the positive information and negative bias happens earlier than positive bias.

6.2 (Q2) WHY CORPORATE CREDIBILITY IS MORE IMPORTANT

Experiment Two was designed to follow up the findings of Experiment One. Specifically, it is designed to explain why corporate credibility is more important than fit in the endorsement context. Based on an accessibility-diagnostics framework (Feldman and Lynch, 1988), this research theorises that when consumers have to make decisions in an endorsement context, endorser credibility will be more important than fit because corporate credibility is more diagnostic than fit. This, in turn, makes corporate credibility more accessible than fit. Feldman and Lynch (1988) have shown that consumers use the most accessible information in their decision making. Moreover, they show that accessibility affects positively the perceived diagnosticity of the recalled information. These results have been replicated by Wanke et al. (1997) who have shown a positive relation between accessibility and judgment. In their study of the effect of time on the evaluation of the durability of a product, Sanbonmatsu et al. (1991) have found that the recall ability mediates the effect of time on judgment of the durability. The authors have reported that consumers, who found difficulty in recalling information, tend to exaggerate the durability of the product.

Schwarz et al. (1991) have found that, when a judgement is determined by information that is difficult to be recalled, the more information decision maker is forced to recall the more the judgement is negatively affected. Similarly, Menon and Raghurir (2003) argue that the difficulty of recalling information discounts the value of the recalled information.

The results for Experiment Two show that corporate credibility is more accessible than fit, and consumers recall credibility more correctly. Moreover, it shows that fit has moderated the effect of the endorser's credibility on the endorsed brand perceived quality and purchase intentions when consumers can easily recall information (i.e. high accessibility condition). However, in the low accessibility condition, fit has not moderated the effect of the endorser credibility. Accordingly, it could be argued that the value of fit has been discounted in the low accessibility context because consumers relatively had more difficulty in recalling fit related information.

Experiment Two shows that information accessibility does not moderate the effect of the endorser' credibility on the perceived quality and the purchase intentions of the endorsed brand. In other words, participants have evaluated the endorsed brand favourably when endorser credibility is high and unfavourably when endorser credibility is low regardless of the level of the accessibility. For example, in Experiment Two, the participants' judgement of the endorsed brand in the condition low accessibility, low fit, and high credibility does not differ significantly from condition high accessibility, low fit, and high credibility.

The differential impact of accessibility on the effect of credibility and fit on the endorsed brand judgement has been explained by the diagnosticity of each variable. The direct relation between the diagnosticity of credibility and of fit, and the recalling of credibility and fit, has not been measured directly. However, Experiment Two shows that corporate credibility is more diagnostic than fit, regardless of the level of the accessibility. Moreover, the diagnosticity of credibility and fit

information determines the accessibility of such information. This does not contradict Lynch et al.'s (1988) findings which postulate that the accessibility of information determines its diagnosticity. Lynch et al. (1988) studied the effect of the accessibility on the diagnosticity. However, the current research has extended their findings by including the effect of the perceived diagnosticity of information on its accessibility.

As it is known, consumers develop by experience a schema, which is stored information related to topic, concept, product, or any stimulus she may experience in her life. This schema includes the attributes of the stimulus and the relationship between these attributes. More importantly, the schema defines the relative importance of the stimulus attributes (Fiske and Linville, 1980). The proliferation of widely-diversified corporations introducing and endorsing products has made consumers adjust their schemas and give more importance to the endorser credibility. As a result, more attention is giving to the credibility when ever consumers store information and by default credibility will be recalled easier than the other attributes.

This conclusion is supported by Biehal and Chakravarti (1983) who postulate that information perceived as important by consumers is likely to be remembered better than that perceived as less important. As a result, such pieces of information will have a stronger effect on consumer decisions and are recalled faster than others (Craik and Lockhart, 1972).

7 CONCLUSION

Research on family brand, as a variant of brand extension, suggests that the perceived fit between the parent brand associations and the extension associations has a pivotal role in a consumer's acceptance of the extension. However, widely-diversified corporations (e.g. Nestle, P&G and Unilever) leverage their credibility by endorsing seemingly unrelated products. For example, Nestlé endorses Kitkat,

Nescafé and Cerelac. This raises a question about the relative importance of fit and endorser credibility in the endorsement context. The results of the current research show that the effect of fit in the endorsement context is less pronounced than the effect of endorser credibility. Moreover, it shows that fit has an effect on the consumer judgment of the endorsed brand just when the endorser's credibility is high and information about both endorser credibility and fit is accessible in consumers' minds. This result has been justified by the anchoring and adjustment heuristic model (Tversky and Kahneman, 1974), which suggests that consumers build their decisions by an initial assessment to the most perceived important factor then adjustments to their decision are made to their initial assessment according to their perception of the other factors which might have an influence on their decision. However, their adjustment will be insufficient and their decisions will be biased towards their initial assessment.

Ito et al.'s (1998) results show that negative information influences consumers' evaluations more strongly than positive information. Moreover, Ito et al. (1998) show that negativity bias, resulting from the negative information, affects consumers' evaluations earlier than positive information. Accordingly, in the endorsement context, if consumers perceive endorser credibility as high, consumer fit will affect the endorsed brand evaluation because consumers will continue their decision-making process and will adjust their initial assessment according to the perceived fit between the endorser and the endorsed brand. However, if endorser credibility is perceived low, fit will not affect consumers' evaluation of the endorsed brand because the negative information about the most important determinant of their evaluation (i.e. endorser credibility) will make consumers evaluate the endorsed brand in an early stage of their decision process (i.e. once they realise that the endorser credibility is low).

This research made use of accessibility-diagnostics model (e.g. Lynch et al., 1988), which suggests that people use the most accessible information to make a decision, to justify the differential effect of the endorser credibility and fit on the endorsed

brand (i.e. why corporate credibility is more important than fit). This research has found that in the endorsement context, corporate credibility is more diagnostic than fit which makes it more accessible than fit in the consumers' minds. Although the relation between the diagnosticity of credibility and the diagnosticity of fit and the recalling of credibility and fit has been measured indirectly, this research shows that corporate credibility is more recallable because it is more diagnostic than fit.

As a result, when consumers have difficulty in recalling information, credibility is more recallable than information about the fit and endorser credibility alone affects the consumers' evaluations of the endorsed brand. Hence, the study suggests that fit is not highly diagnostic in the endorsement context, consumers will be more tolerant in judging the fit between the endorser and the endorsed brand.

7.1 RESEARCH LIMITATIONS

A number of limitations can be identified in this research. First, the generalisability of the results is restricted by student sample and cannot be applied to actual consumers. However, using students for theory testing is deemed appropriate (Lafferty, 2007). Moreover, efforts were made to ensure that the stimulus was relevant to the students. The generalisability of the findings is also limited because of using an experimental approach to test the research hypotheses and answer its questions. An experimental approach might restrict the external validity as experiments are used for theory testing rather than generalising results to a population (Patzer, 1996).

Second, fictitious company and product names were used to prevent prior knowledge from confounding the study, but simultaneously this lacked realism. In relation to this, in order to facilitate the manipulation of corporate credibility and fit, few pieces of information about the endorser were made available to the participants. Although the manipulation checks show that participants have seen each condition in the two experiments as intended, real company names might stimulate in the participants'

minds different information. Moreover, toothpaste has been used as a stimulus, which means the generalisability of the findings to different types of products has to be taken with caution.

A third limitation, which is inherent with the experimental approach and related to the second limitation, is that given the fact that the participants are provided with a limited number of facts the importance of each piece of information increases. However, in real markets, consumers will gain more information and, as a result, the importance of each piece of information decreases. Accordingly, the effect size of the experimental research variables might be greater than those that exist in the real market (Meyvis et al., 2012).

Fourth, in the current research, the diagnosticity of credibility and fit has been measured but not manipulated. Although the results have shown that, in general, participants perceive endorser credibility as more diagnostic than fit, manipulating the endorser's diagnosticity and the fit diagnosticity may yield stronger evidence. Moreover, this manipulation can be formative evidence proving that corporate credibility is more accessible because it is more diagnostic.

Finally, the diagnosticity of the dependent variables (perceived quality and purchase intentions) was assessed after measuring the dependent variable in the same questionnaire. Potentially, this could affect the measure of the diagnosticity of the dependent variables (i.e. carryover effect) (Aaker, 2000). Therefore, a pre-test has shown that measuring the diagnosticity of the dependent variables after measuring the dependent variables themselves has no effect on the diagnosticity of the dependent variables. Still, it could be possible that respondents' answers on the dependent variables measures influenced their responses on the diagnosticity measures.

7.2 THEORETICAL IMPLICATION AND CONTRIBUTION

Extant knowledge in the area of brand extensions is based on studies of family brand extensions. This is the first research to study using one model the effect of corporate credibility, the effect of the fit between the corporation and the product brand and the effect of the information accessibility on an endorsement context. The findings of this research advocate that importance of fit between corporate as endorser and the endorsed brand. However, this thesis provides evidence that endorsement reduces the effect of fit on consumers' attitudes towards the endorsed brand. A recent finding of Sood and Keller (2012) confirms this articulation. They argue that sub-branding strategy (strong endorsement) neutralises the category fit effect by evoking a sub-typing strategy, which is more thoughtful, instead of category-based processing to judge the fit between the endorser and the endorsed brand. As a result, consumers will use more broad bases to judge the fit in the endorsement context.

Moreover, the experiments demonstrate the powerful effect corporate credibility, when used as the endorser, can have on consumers' judgement of the endorsed brand. This can be seen from the effect size of corporate credibility when it is compared with the effect size of fit. Moreover, it can also be observed in the results, which show that the effect of the fit disappears when corporate credibility is low. This means that fit in the endorsement context does not play a key role in judgement formation.

In terms of the accessibility-diagnostics framework, Feldman and Lynch, (1988), Alba and Hutchinson, (1987) and Lynch et al. (1988) postulate that the diagnosticity of a piece of information is a function of its accessibility in a consumer's mind. The current research has shown that a piece of information will be more accessible if it is relatively more diagnostic. This finding has been highlighted implicitly by Berens et al. (2005). They argue that although endorsement decreases the accessibility of corporate ability associations, they may still be used in making a decision since these associations have high diagnosticity in consumers' minds.

Furthermore, this research's findings expand on a well-established finding in brand endorsement research which proposes that endorser credibility has a positive effect on consumer judgement. This effect is moderated by the degree of fit between the endorser and the endorsed brand. In the current research information accessibility as a moderator for the moderating effect of fit on the effect of corporate credibility on consumers' attitudes has been studied. The results have proven an interaction effect between the three variables (i.e. corporate credibility, perceived fit, and information accessibility) in an endorsement context. That is, in low accessibility, fit does not moderate the effect of corporate credibility on the endorsed brand.

In terms of methodology, the major contribution of this study stems from the use of experiment methodology. Although experiment methodology is used widely in branding research, the current study is the first to employ experimentation methodology to study the effect of corporate credibility, perceived fit and information accessibility in its findings.

7.3 MANAGERIAL IMPLICATIONS

The present study offers a number of practical managerial implications for the field of marketing. These implications can be useful for marketers wishing to boost consumers' evaluation of a new brand extension.

Although there is general consensus in the branding research about the importance of fit and credibility in the brand extension context, little is known about the relative importance of both. Managers might assume that endorser credibility and fit are equally important. The current research indicates that credibility has a more significant effect on consumer judgement of the corporate endorsed brand than fit. The implication is that corporations wanting to extend by endorsing a brand should invest in communicating and protecting their credibility. Moreover, the results suggest that consumers most likely do not use category-based inferences to judge the

fit between the endorser and the endorsed brand. Therefore, broader fit bases, such as image, should be communicated.

The results have also shown that, in an endorsement context, credibility is more recallable than the perceived fit. Moreover, the results suggest that the effect of fit is likely to diminish once a consumer has difficulty in recalling information. These results give credence for using the endorsement extension instead of family brand extension in order to enhance consumers' evaluations of extension to a distant category. Given the importance of such an extrinsic cue (i.e. the endorser name in the endorsed brand structure) in influencing consumers' evaluations of endorsed product, a prerequisite for effective endorsement is that endorser credibility has to be well-known by the targeted consumers.

Moreover, the current research findings postulate that corporations can extend into multiple product categories by using endorsement strategy. However, previous research (e.g. Dacin and Smith, 1994; Aaker, 1991) argues that success in extension into multiple product categories, especially if they are not perceived related, requires considering three issues. The first issue involves the quality variance across the endorsed brands. Perceived quality of the endorsed brands has to be unified (i.e. must have low variance). That is, consumers should not perceive differences among the quality level of the endorsed brands. Second, consumers have to be encouraged to think about the fit abstractly (e.g. use image as a base to judge fit) to draw their attention away from a dissimilarity between the endorser and the endorsed brand (extension brand) categories. The third issue is the reciprocal effect, which Aaker and Joachimsthaler (2000) argue could happen between the endorser and the brand as a result of the endorsement. Accordingly, marketers should consider the potential of conveying unwanted associations from the endorsed brand to the endorser before using the corporate name as endorser of a product brand.

The results indicate that endorser credibility plays an important role in driving endorsed brand success. However, Swaminathan et al. (2001) have shown that

parent-brand (i.e. the endorser) experience and conviction have a crucial effect on consumer's evaluation of an extension. Unfortunately, it is difficult for marketing managers to manage directly customer-based outcome variables, such as experience or conviction. Conversely, corporate credibility can be pro-actively managed. Consequently, companies that aim to extend their product portfolios by endorsement extensions have to employ public relations to transfer to consumers that they are particularly trustworthy and competent (i.e. credible). Moreover, corporate identity has to be known to consumers. Recently, for example, Unilever has started presenting its logo at the end of the commercials.

Organisations must focus on building credibility more than perceived fit or even accessibility. In other words, corporation must invest more in the area of convincing customers that they are; skilled, have great expertise, trustful and honest. By doing so consumers will consider a particular corporation of being credible and as a result corporation can take advantage of this point. Being indexed in the CCI will often create a high level of consumer confidence. Corporation must send continuous messages to consumers in which it highlights the importance of its R&D. Further, corporation must focus, as well, on sending consistent messages, using different media, about their products which should reflect the endorser brand.

7.4 FUTURE RESEARCH

Since the aim of the current research was to develop a theory, a fictitious corporation and brand name were used to control the effect of any previously acquired knowledge. A student sample was used for convenience, which makes the generalisability of the findings limited. To enhance the generalisability of the current research findings, future studies may focus on real brands and corporations with actual consumers. Moreover, different types of products should be used.

As discussed previously, endorsement can be demonstrated in different ways. Future research may investigate the differential effect of using different ways to show the

endorsement. For example, Unilever endorses its products by presenting its logo at the end of its products' commercials. P&G endorses its products by presenting its name in a small size on its products package. Research should address the potential difference between such two different ways of endorsement. Moreover, Nestlé has started endorsing Nescafé by presenting its logo alone on the cover of Nescafé's container. Recently, however, Nestlé's name has been presented on Nescafé's container and the logo has been left on the cover. Such practice suggests that each corporate brand element may have different effect on the endorsed brand. Further research is required to address this suggestion.

The current research has focused on the effect of the endorser brand on the endorsed brand; however, the reverse effect of the endorsed brand on the endorser has not been studied. Future research should investigate the reciprocal effect between endorser and the endorsed brand. The results of the current research propose that, in the endorsement context, consumers may not use a category-based process to judge fit between the endorser and the endorsed brand. However, a categorical sub-typing process may be evoked by the endorsement to judge the fit. Further research is needed to investigate further such propositions and to interpret the process that underlies consumer judgement in the endorsement context.

The results have shown that corporate credibility has a positive relationship with perceived quality and purchase intention on the endorsement context. However, it does not show if there is a relation with corporate credibility and real action such as buying the endorsed brand. An experimental research could be developed to study the effect of corporate credibility on consumer's choice of the endorsed brand.

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Appendix 1: Experiments stimuli



Proudly made by **JMN**

Appendix 2: Manipulations for Experiment One conditions

1- Manipulation for the condition: high credibility and high fit

Some information about **JMN** Corporation:

- **JMN is a focused corporation; it produces and markets products for mouth care.**
- According to leading independent technological consultants, JMN's **research and development** of new products is considered to be **above average**.
- **Experts relate JMN with mouth care products category** and always define it as a **producer for mouth care products**.
- Based on the Consumer Confidence Index (CCI), **JMN has achieved a high level of consumer confidence** .

2- Manipulation for the condition: low credibility and low fit

Some information about **JMN** Corporation:

- **JMN is a focused corporation; it produces and markets products in food and soft drinks category.**
- According to leading independent technological consultants, JMN's **research and development** of new products is considered to be **below average**.

- **Experts relate JMN with food and soft drinks products category** and always define it **as a food and drink producer.**
- Based on the Consumer Confidence Index (CCI), **JMN has a low level of consumer confidence.**

3- Manipulation for the condition: low credibility and high fit

Some information about **JMN** Corporation:

- **JMN is a focused corporation; it produces and markets products in food and soft drinks category.**
- According to leading independent technological consultants, JMN's **research and development** of new products is considered to be **below average.**
- **Experts relate JMN with food and soft drinks products category** and always define it **as a food and drink producer.**
- Based on the Consumer Confidence Index (CCI), **JMN has a low level of consumer confidence.**

4- Manipulation for the condition: high credibility and low fit

Some information about **JMN** Corporation:

- **JMN is a focused corporation; it produces and markets products in food and soft drinks category.**
- According to leading independent technological consultants, JMN's **research and development** of new products is considered to be **above average**.
- **Experts relate JMN with food and soft drinks products category** and always define it **as a food and drink producer**.
- Based on the Consumer Confidence Index (CCI), **JMN** has achieved **a high level of consumer confidence**.

Appendix 3: Experiment Two low accessibility condition

A printed advertisement for *Fresh Up*, which is a tooth paste produced and marketed by JMN Corporation, is being developed. In this survey, we would like to examine the effectiveness of the information presented in that advertisement. For those who are not familiar with JMN Corporation (the producer of *Fresh Up*), the following information has been taken from authentic sources: Wall Street Journal and the Business Week. This information may help you to answer subsequent questions.

Please take your time to read and examine the presented information, and feel free to re-examine it as often as you want.

Some information about JMN Corporation:

- **JMN is a focused corporation; it produces and markets products for mouth care.**
- According to leading independent technological consultants, JMN's **research and development** of new products is considered to be **above average**.
- **Experts relate JMN with mouth care products category** and always define it as a **producer for mouth care products**.
- Based on the Consumer Confidence Index (CCI), **JMN has achieved a high level of consumer confidence**

The following is an idea for an advertisement for *Fresh Up* (this is called a mock-up ad in advertising industry). Do not worry if you are not familiar with *Fresh Up* brand because it is not well-known in the UK. Regardless whether you are familiar with *Fresh Up* toothpaste or not, just have a look at the advertisement as if you were looking at it in a magazine or a newspaper and then answer the following questions. Based on your answers a real advertisement will be developed professionally.



Proudly made by **JMN**

Based on the scores from '1' to '7', please tick the option that best represents your answer to the following questions:

How favourable is your judgement of *Fresh Up* toothpaste?

				Neither unfavorable Nor favorable					
	Very								Very
Unfavorable	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	favorable	

What do you think about the quality of *Fresh Up* toothpaste?

				Neither low Nor high quality					
	Very								Very
Low quality	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	high quality	

What do you think about the quality of *Fresh Up* toothpaste in comparison with similar toothpastes?

				Neither low Nor high quality					
	Very								Very
Low quality	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	high quality	

To what extent do you agree or disagree with the following statements based on the scores from '1' to '7' (1 = Strongly Disagree and 7 = Strongly Agree)? Please tick the option that best represent your opinion.

Fresh Up toothpaste would be my first choice.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

Even if toothpaste has the same features as *Fresh Up* toothpaste I would prefer to buy

Fresh Up toothpaste.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

I will not buy other brand if *Fresh Up* toothpaste is available at the store.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

Based on the scores from '1' to '7'? (1 = Definitely not and 7 = Definitely yes), please tick the option that best represent your answer to the following question:

Would you purchase this brand?

Definitely not 1 2 3 4 5 6 7 Definitely yes

Based on the scores from '1' to '7'? (1 = Not at all likely and 7 = Very likely), please answer the following questions:

How likely are you to purchase *Fresh Up* toothpaste in the near future?

Not at all likely 1 2 3 4 5 6 7 Very likely

If you were planning to buy a product of this type, would you choose *Fresh Up* toothpaste?

Not at all likely 1 2 3 4 5 6 7 Very likely

Based on the scores from '1' to '7', on each of the following scales please tick the option that best represents your opinion.

Producing and marketing *Fresh Up* toothpaste is

not

very

at all appropriate for

appropriate for JMN

JMN corporation 1 2 3 4 5 6 7 corporation

Producing and marketing *Fresh Up* toothpaste is

not

very

at all logical for

logical for JMN

JMN corporation 1 2 3 4 5 6 7 corporation

According to the information given about JMN Corporation, to what extent do you agree or disagree with the following statements based on the scores from '1' to '7'? (1 = Strongly disagree and 7 = Strongly agree).

The **JMN** Corporation is skilled in what they do.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation has great expertise.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation makes truthful claims.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation is honest.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

In the advertisement for *Fresh Up* presented in this survey, have you noticed the producer's name of *Fresh Up*? If yes, please write it down in the space below otherwise neglect this question.

.....

Your answering to the following question is so important. Please make sure that you give enough time and thoughts to answer it.

In the space below, please write down how did you arrive to your evaluation of *Fresh Up* toothpaste? In other words, given the fact that *Fresh Up* is produced and marketed by **JMN**, we want to know what thoughts have been formed in your mind that concluded your evaluation of *Fresh Up* toothpaste.

Based on the scores from '1' to '7', on each of the following scales please tick the option that best represents your answer to the following question:

Before participating in this survey, were you familiar with *Fresh Up* brand?

Not at all familiar 1 2 3 4 5 6 7 Very familiar

Your gender is (tick the box):

Female

Male

Thank you very much for your co-operation!

Appendix 4: Experiment Two high accessibility condition

A printed advertisement for *Fresh Up*, which is a tooth paste produced and marketed by **JMN** Corporation, is being developed. In this survey, we would like to examine the effectiveness of the information presented in that advertisement.

Before examining the effectiveness of the advertisement for *Fresh Up*, it is important to find a benchmark. For this reason, we are interested in your opinion about two well-known brands: **Adidas** and **Haribo** (sweets).

Let's start with Adidas. If I asked you to give me your impression of a particular person, you might answer with a set of personality attributes. Now, let's think about brands in the same way. For example, you may be asked to rate the extent to which a set of attributes describes **Adidas**. Please ask yourself, if **Adidas** was a person, how would you describe him/her? And then circle a number between '1' to '7' (1 = not at all descriptive, 4 = moderately descriptive and 7 = extremely descriptive) for the subsequent set of attributes.

	Not at all descriptive			Moderately descriptive			Extremely descriptive
Down-to-earth	1	2	3	4	5	6	7
Honest	1	2	3	4	5	6	7
Wholesome	1	2	3	4	5	6	7
Cheerful	1	2	3	4	5	6	7
Daring	1	2	3	4	5	6	7
Spirited	1	2	3	4	5	6	7
Imaginative	1	2	3	4	5	6	7
Up-to-date	1	2	3	4	5	6	7
Reliable	1	2	3	4	5	6	7
Intelligent	1	2	3	4	5	6	7
Successful	1	2	3	4	5	6	7
Upper-class	1	2	3	4	5	6	7
Charming	1	2	3	4	5	6	7
Outdoorsy	1	2	3	4	5	6	7
Tough	1	2	3	4	5	6	7

By circling a number from '1' to '7' (1 = not at all descriptive, 4 = moderately descriptive and 7 = extremely descriptive), please indicate to what extent the following statements are descriptive of **Adidas** in your opinion.

	Not at all descriptive			Moderately descriptive			Extremely descriptive
This brand makes a strong impression on my visual sense or other senses.	1	2	3	4	5	6	7
I find this brand interesting in a sensory way.	1	2	3	4	5	6	7
This brand does not appeal to my senses.	1	2	3	4	5	6	7
This brand induces feelings and sentiments.	1	2	3	4	5	6	7
I do not have strong emotions for this brand.	1	2	3	4	5	6	7
This brand is an emotional brand.	1	2	3	4	5	6	7
I engage in physical actions and behaviours when I use this brand.	1	2	3	4	5	6	7
This brand results in bodily experiences.	1	2	3	4	5	6	7
This brand is not action oriented.	1	2	3	4	5	6	7
I engaged in a lot of thinking when I encounter this brand.	1	2	3	4	5	6	7
This brand does not make me think.	1	2	3	4	5	6	7
This brand stimulates my curiosity and problem solving.	1	2	3	4	5	6	7

Now, please ask yourself, if **Haribo** (sweets) was a person, how would you describe him/her? Then circle a number between ‘1’ to ‘7’ (1 = not at all descriptive, 4 = moderately descriptive and 7 = extremely descriptive) for the subsequent set of attributes.

	Not at all descriptive			Moderately descriptive			Extremely descriptive
Down-to-earth	1	2	3	4	5	6	7
Honest	1	2	3	4	5	6	7
Wholesome	1	2	3	4	5	6	7
Cheerful	1	2	3	4	5	6	7
Daring	1	2	3	4	5	6	7
Spirited	1	2	3	4	5	6	7
Imaginative	1	2	3	4	5	6	7
Up-to-date	1	2	3	4	5	6	7
Reliable	1	2	3	4	5	6	7
Intelligent	1	2	3	4	5	6	7
Successful	1	2	3	4	5	6	7
Upper-class	1	2	3	4	5	6	7
Charming	1	2	3	4	5	6	7
Outdoorsy	1	2	3	4	5	6	7
Tough	1	2	3	4	5	6	7

By circling a number from ‘1’ to ‘7’ (1 = not at all descriptive, 4 = moderately descriptive and 7 = extremely descriptive), please indicate to what extent the following statements are descriptive of **Haribo** (sweets) in your opinion.

	Not at all descriptive			Moderately descriptive			Extremely descriptive
This brand makes a strong impression on my visual sense or other senses.	1	2	3	4	5	6	7
I find this brand interesting in a sensory way.	1	2	3	4	5	6	7
This brand does not appeal to my senses.	1	2	3	4	5	6	7
This brand induces feelings and sentiments.	1	2	3	4	5	6	7
I do not have strong emotions for this brand.	1	2	3	4	5	6	7
This brand is an emotional brand.	1	2	3	4	5	6	7
I engage in physical actions and behaviours when I use this brand.	1	2	3	4	5	6	7
This brand results in bodily experiences.	1	2	3	4	5	6	7
This brand is not action oriented.	1	2	3	4	5	6	7
I engaged in a lot of thinking when I encounter this brand.	1	2	3	4	5	6	7
This brand does not make me think.	1	2	3	4	5	6	7
This brand stimulates my curiosity and problem solving.	1	2	3	4	5	6	7

Before continuing this survey, it is important to make sure that all respondents have sufficient information about **JMN** Corporation (the producer of *Fresh Up*), so for those who are not familiar with **JMN** Corporation, the following information has been taken from authentic sources: Wall Street Journal and the Business Week. This information may help you to answer subsequent questions.

Please take your time to read and examine the presented information because you will not be allowed to look back at it later on.

Some information about **JMN** Corporation:

- **JMN is a diversified corporation; it produces and markets products in many product categories.**
- According to leading independent technological consultants, **JMN's research and development** of new products is considered to be **below average**.
- **Experts do not relate JMN with a specific product category** and always define it **broadly as a consumer goods producer**.
- Based on the Consumer Confidence Index (CCI), **JMN has a low level of consumer confidence**.

Your answer to the following question is so important for the research. Please make sure that you give enough time and thoughts to answer it.

In the space below please write down what you remember from the given information about **JMN** Corporation:



the effectiveness of information presented in an advertisement for *Fresh Up toothpaste*. The following is an idea for this advertisement (this is called a mock-up ad in advertising industry). Do not worry if you are not familiar with *Fresh Up* brand because it is not well-known in the UK. Regardless whether you are familiar with *Fresh Up* toothpaste or not, just have a look at the advertisement as if you were looking at it in a magazine or a newspaper and then answer the following questions. Based on your answers a real advertisement will be developed professionally.



Proudly made by **JMN**

Based on the scores from '1' to '7', please tick the option that best represents your answer to the following questions:

How favourable is your judgement of *Fresh Up* toothpaste?

				Neither unfavorable Nor favorable					
	Very								Very
Unfavorable	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	favorable	

What do you think about the quality of *Fresh Up* toothpaste?

				Neither low Nor high quality					
	Very								Very
Low quality	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	high quality	

What do you think about the quality of *Fresh Up* toothpaste in comparison with similar toothpastes?

				Neither low Nor high quality					
	Very								Very
Low quality	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>	7 <input type="checkbox"/>	high quality	

To what extent do you agree or disagree with the following statements based on the scores from '1' to '7' (1 = Strongly Disagree and 7 = Strongly Agree)? Please tick the option that best represent your opinion.

Fresh Up toothpaste would be my first choice.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

Even if toothpaste has the same features as *Fresh Up* toothpaste I would prefer to buy

Fresh Up toothpaste.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

I will not buy other brand if *Fresh Up* toothpaste is available at the store.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

Based on the scores from '1' to '7'? (1 = Definitely not and 7 = Definitely yes), please tick the option that best represent your answer to the following question:

Would you purchase this brand?

Definitely not 1 2 3 4 5 6 7 Definitely yes

Based on the scores from '1' to '7'? (1 = Not at all likely and 7 = Very likely), please answer the following questions:

How likely are you to purchase *Fresh Up* toothpaste in the near future?

Not at all likely 1 2 3 4 5 6 7 Very likely

If you were planning to buy a product of this type, would you choose *Fresh Up* toothpaste?

Not at all likely 1 2 3 4 5 6 7 Very likely

Producing and marketing Fresh Up toothpaste is

not
 at all logical for JMN corporation

very
 logical for JMN corporation

2 3 4 5 6 7

Based on the scores from ‘1’ to ‘7’, on each of the following scales please tick the option that best represents your opinion.

Producing and marketing *Fresh Up* toothpaste is

not
 at all appropriate for JMN corporation

very
 appropriate for JMN corporation

1 2 4 5 6 7

According to the information given about JMN Corporation, to what extent do you agree or disagree with the following statements based on the scores from ‘1’ to ‘7’? (1 = Strongly disagree and 7 = Strongly agree).

The **JMN** Corporation is skilled in what they do.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation has great expertise.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation makes truthful claims.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

The **JMN** Corporation is honest.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

Based on the scores from '1' to '7', on each of the following scales please tick the option that is more appropriate.

While I was reading the given information about **JMN** Corporation, I
was

not at all involved 1 2 3 4 5 6 7 very involved

While I was reading the given information about **JMN** Corporation, I

skimmed it paid a lot
quickly 1 2 3 4 5 6 7 of attention

Based on the scores from '1' to '7', on each of the following scales please tick the option that best represents your opinion.

Recalling the given information about **JMN** was

not at all difficult 1 2 3 4 5 6 7 very difficult

Recalling the given information about **JMN** needed

no effort 1 2 3 4 5 6 7 a lot of effort

For me to evaluate *Fresh Up* toothpaste, what I know about **JMN** Corporation's product range is

not at all

important 1 2 3 4 5 6 7 very important

For me to evaluate *Fresh Up* toothpaste, what I know about **JMN** Corporation's product range is

irrelevant 1 2 3 4 5 6 7 relevant

As you know, the given information about **JMN** Corporation has been taken from **Wall Street Journal and the Business Week**. Please indicate to what degree you believe that this information is credible.

Not at all

credible 1 2 3 4 5 6 7 Very credible

Based on the scores from '1' to '7', on each of the following scales please tick the option that best represents your opinion.

For me to evaluate *Fresh Up* toothpaste, what I know about **JMN** Corporation as a producer of *Fresh Up* toothpaste is

not at all

important 1 2 3 4 5 6 7 very important

For me to evaluate *Fresh Up* toothpaste, what I know about **JMN** Corporation as a producer of *Fresh Up* toothpaste is

irrelevant 1 2 3 4 5 6 7 relevant

In the advertisement for *Fresh Up* presented in this survey, have you noticed the producer's name of *Fresh Up*? If yes, please write it down in the space below otherwise neglect this question.

.....

Based on the scores from '1' to '7', on each of the following scales please tick the option that best represents your answer to the following question:

Before participating in this survey, were you familiar with *Fresh Up* brand?

Not at all familiar 1 2 3 4 5 6 7 Very familiar

Your gender is (tick the box):

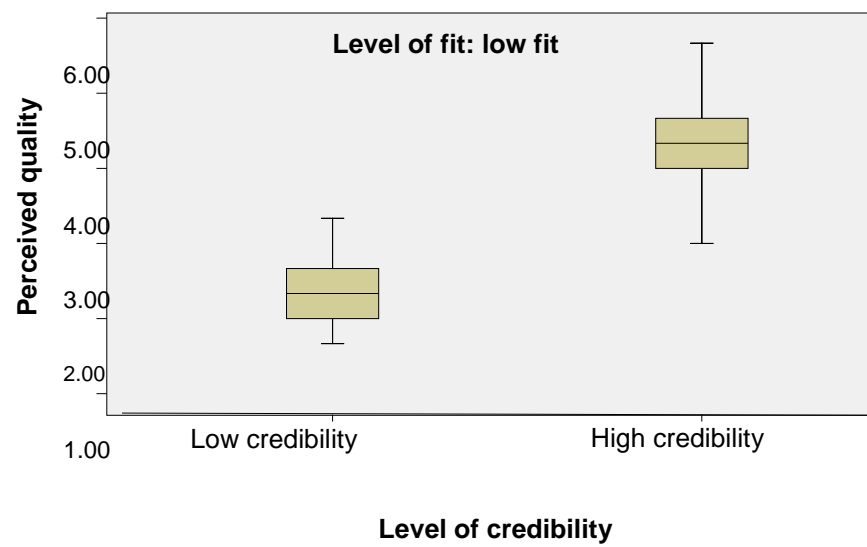
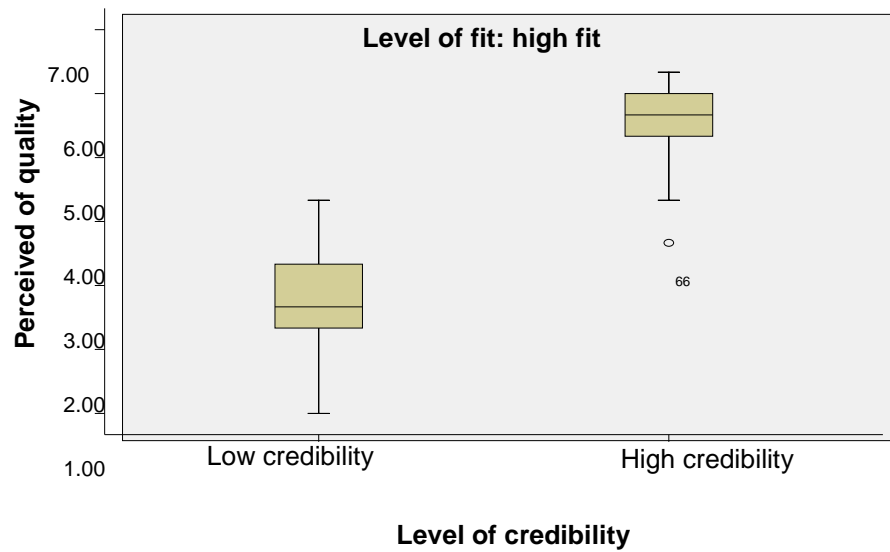
Female

Male

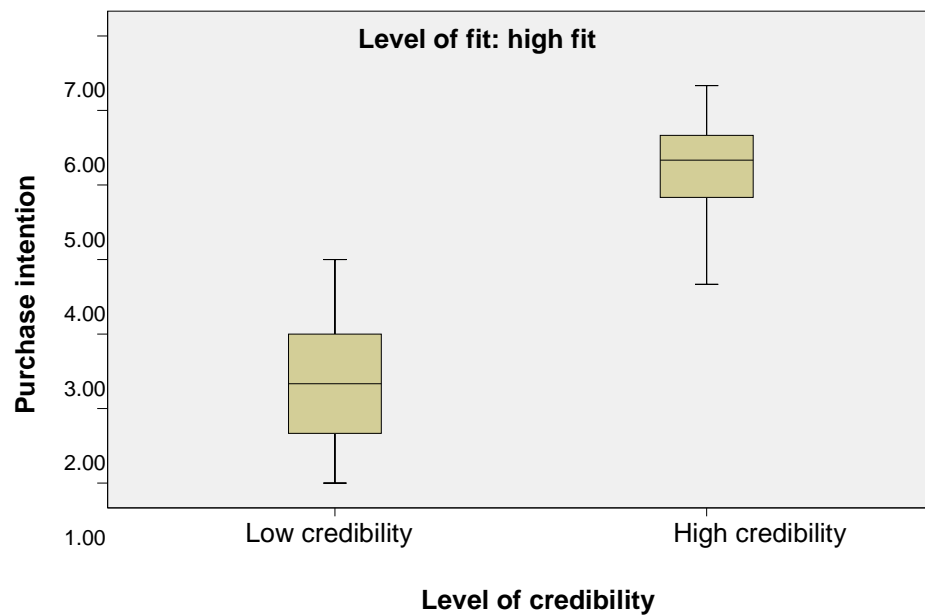
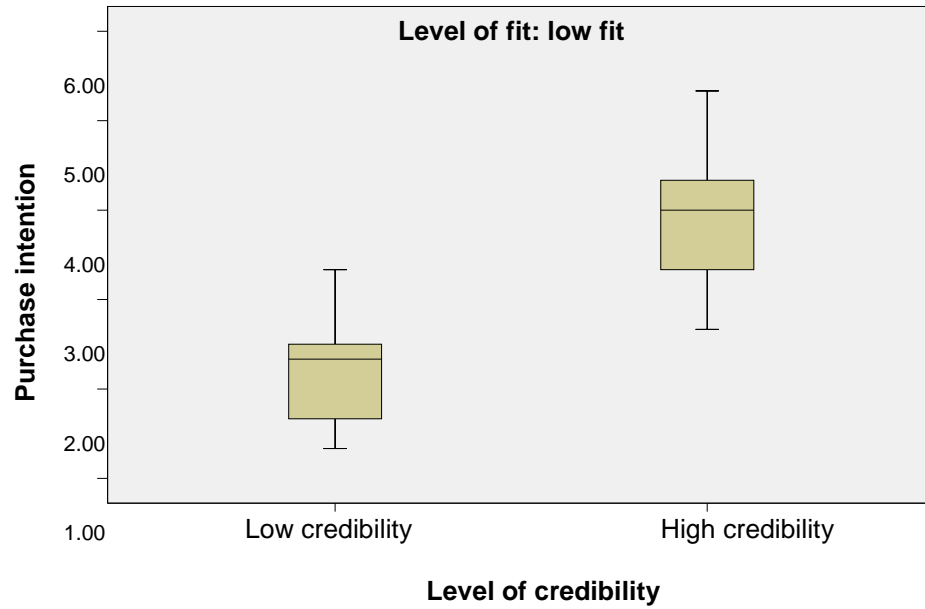
Thank you very much for your co-operation

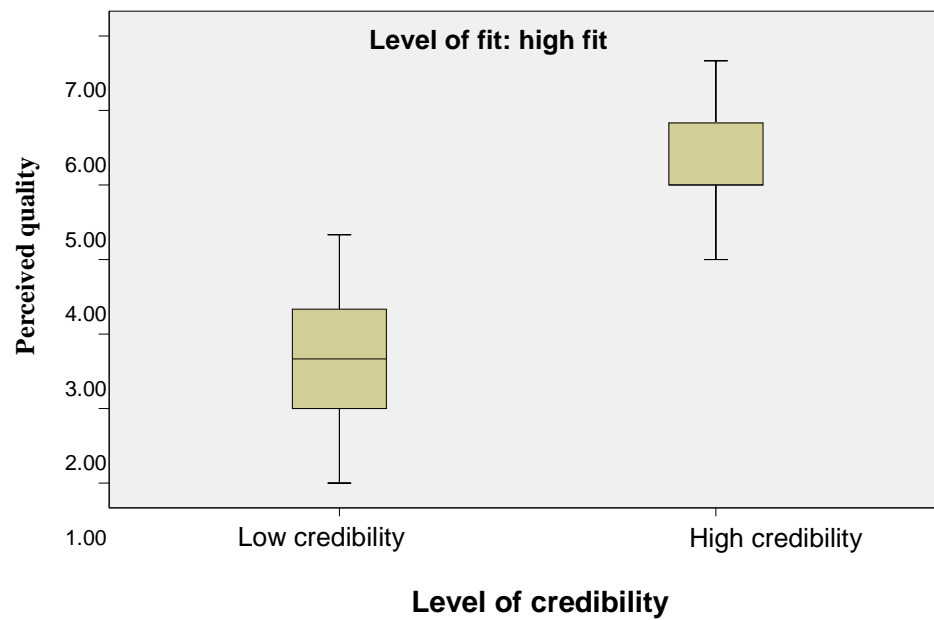
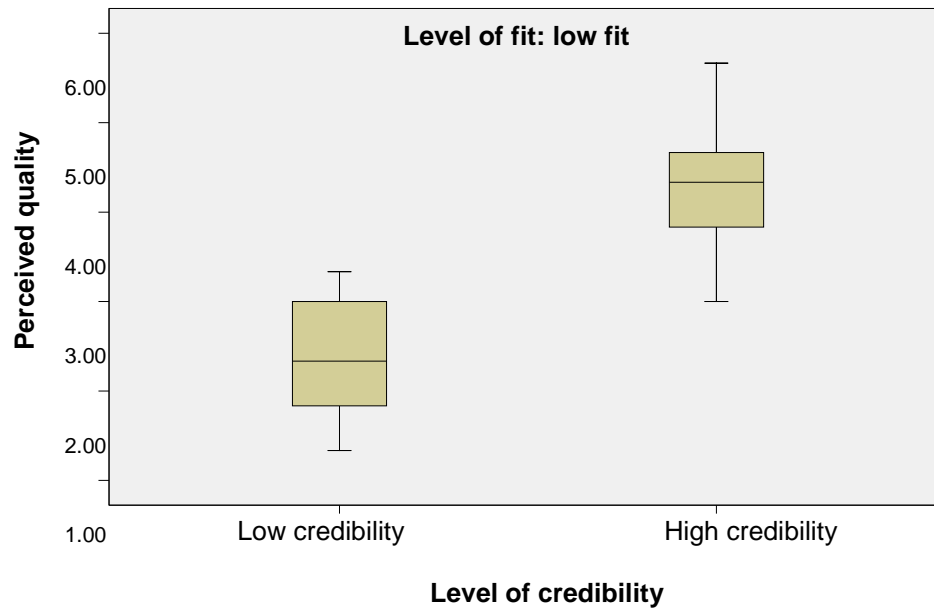
Appendix 5: Box plot for Experiment One and Two conditions

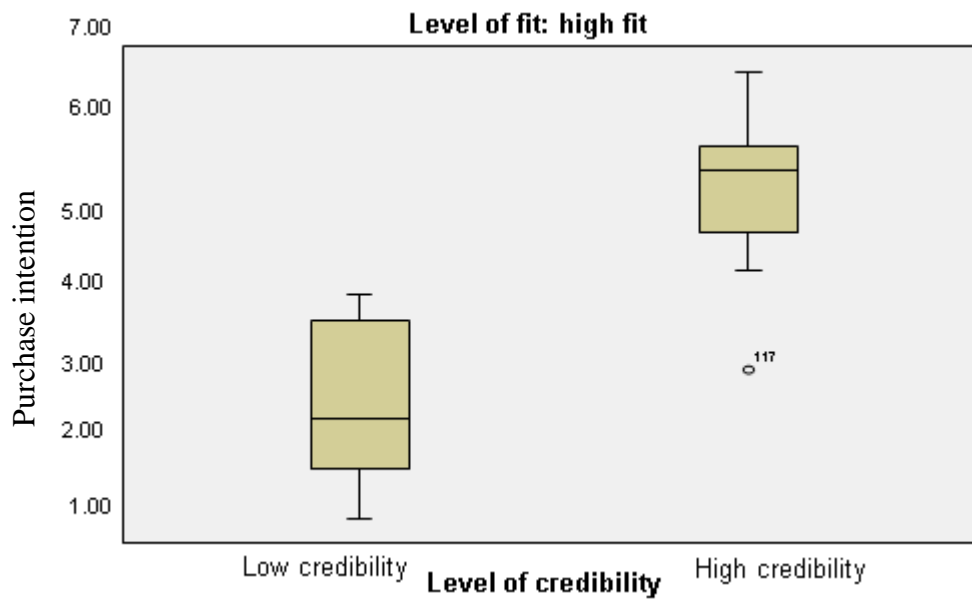
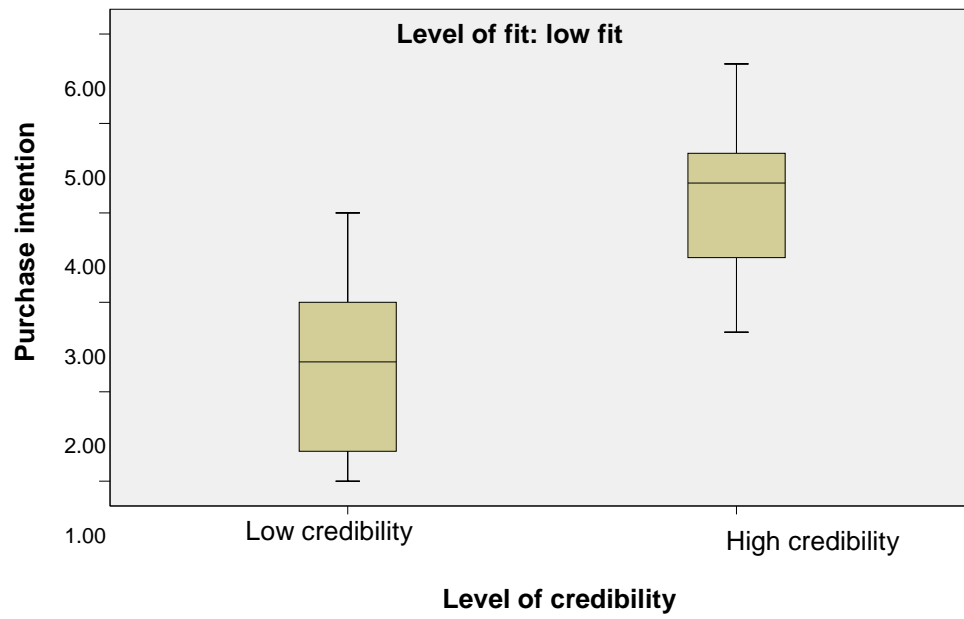
Experiment One

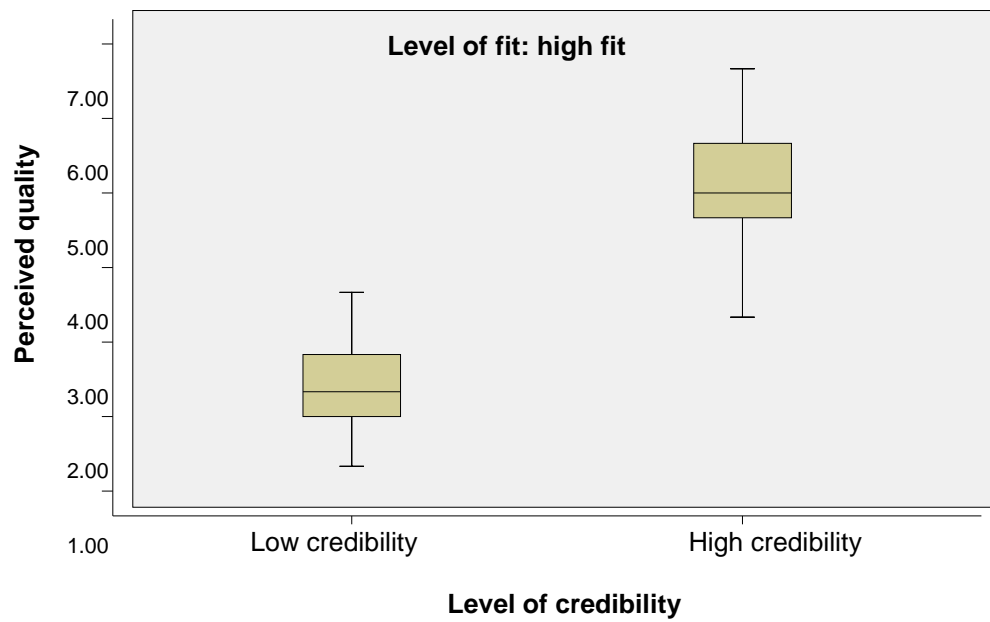
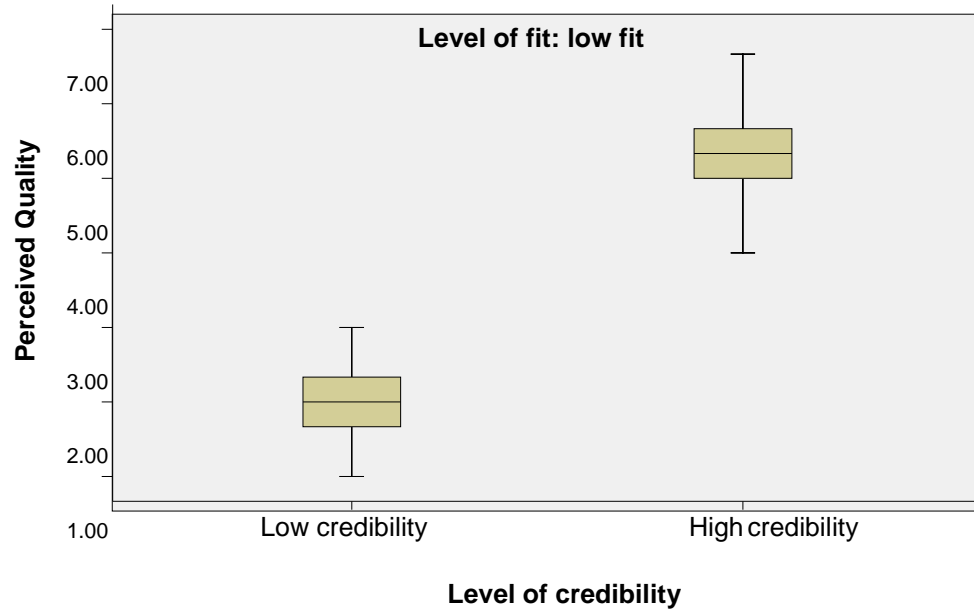


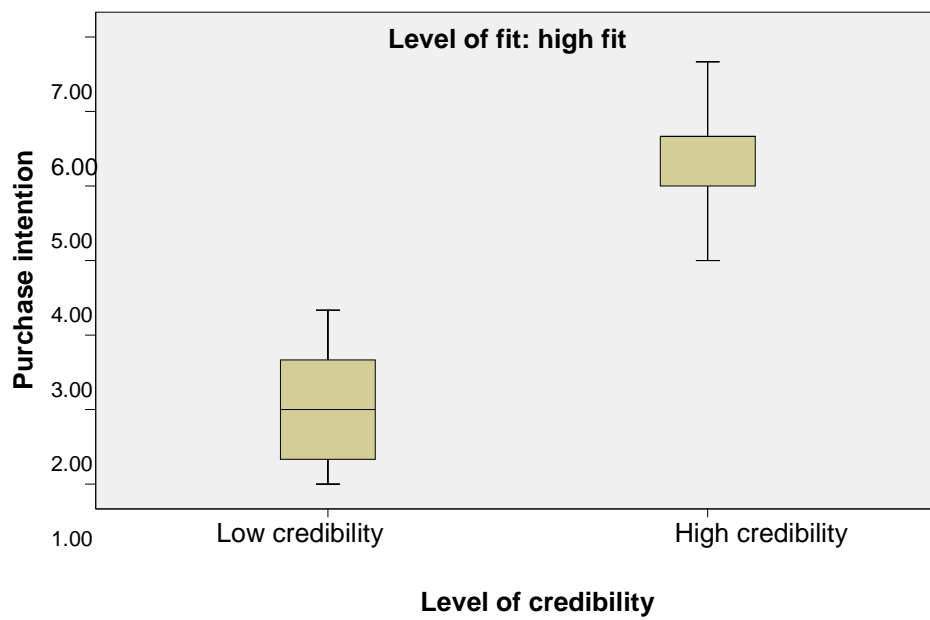
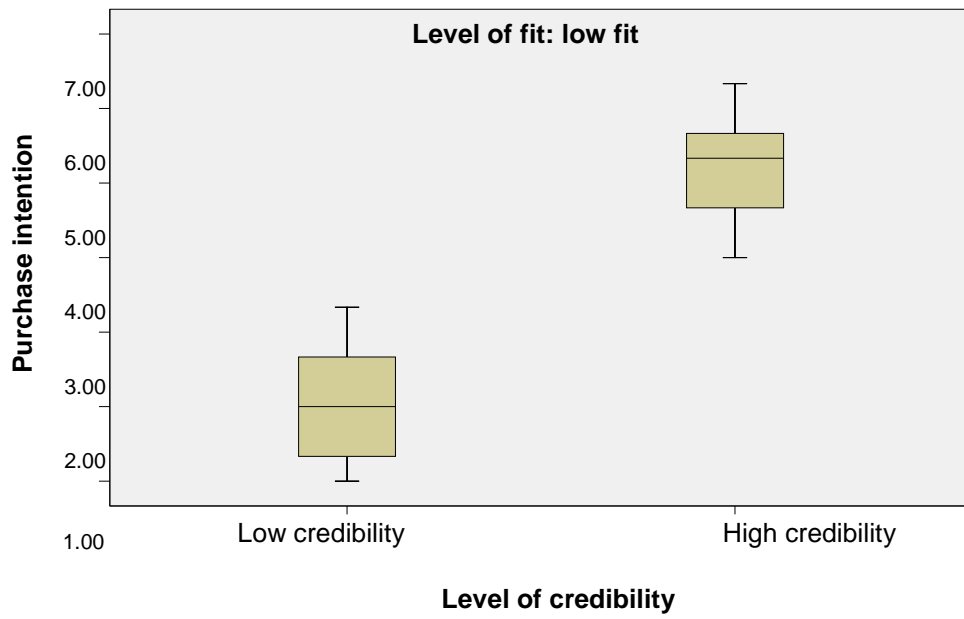
Experiment One



Experiment Two high level of accessibility



Experiment Two low level of accessibility



Appendix 6: Analysis of the effect of Gender on perceived quality and purchase intention

Tests of Between-Subjects Effects

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	152.457(a)	7	21.780	50.877	.000
Intercept	1165.687	1	1165.687	2723.053	.000
Gender	.664	1	.664	1.552	.217
Credibility	126.795	1	126.795	296.194	.000
Fit	10.960	1	10.960	25.603	.000
Gender * credibility	.053	1	.053	.123	.727
Gender * fit	1.294	1	1.294	3.022	.086
credibility * fit	5.855	1	5.855	13.678	.000
Gender * credibility * fit	.305	1	.305	.712	.401
Error	32.962	77	.428		
Total	1397.667	85			
Corrected Total	185.420	84			

Dependent Variable: perceived quality
a R Squared = .822 (Adjusted R Squared = .806)

Tests of Between-Subjects Effects

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	137.061(a)	7	19.580	39.945	.000
Intercept	1000.876	1	1000.876	2041.850	.000
Gender	.004	1	.004	.009	.926
Credibility	105.718	1	105.718	215.672	.000
Fit	12.873	1	12.873	26.262	.000
Gender * credibility	1.015	1	1.015	2.070	.154
Gender* fit	1.791	1	1.791	3.654	.060
credibility* fit	8.121	1	8.121	16.568	.000
Gender * credibility * fit	.360	1	.360	.735	.394
Error	37.744	77	.490		
Total	1217.222	85			
Corrected Total	174.805	84			

Dependent Variable: purchase intention
a R Squared = .784 (Adjusted R Squared = .764)