Co-Branding in the FMCG sector:

Investigating the relation between brand association transfer and perceptual fit in co-branding

Ellen Knape and Petter Rodestedt

Co-branding in the FMCG sector: Investigating the relation between brand association transfer and perceptual fit in co-branding

Ellen Knape & Petter Rodestedt

Co-branding is a popular strategy for new product introductions. The main goal is to transfer brand equity from the constituent brands to a new composite brand. The strategy draws from research in brand extension and recent academic focus has been on the concept of perceptual fit. The purpose of this article is to increase knowledge of brand equity transfer in co-branding by addressing the relation between the strength of *brand-specific association transfer* and the degree of *perceptual fit*. Therefore, the article combines the theories of brand association transfer and perceptual fit and applies them on newly introduced composite brands on the Swedish market. 401 university students and employees participated in an online survey regarding three products from the FMCG sector.

The findings suggest that there is a low to medium, but highly significant, correlation between brand association transfer (Full association transfer, FAT) and perceptual fit (new-product brand fit, FIT). This correlation is discussed in the article and managerial implications include that a co-branding partner should be chosen based on individual assessment, and recommendations for when to position a composite brand close to or far from the constituent brands. Suggestions for future research are provided.

INTRODUCTION

The cost of introducing new products on the market or entering new markets has skyrocketed due to intense competition, and simultaneously the success rate is very low (Thompson and Strutton, 2012). This has urged marketers to reduce the risk by using existing strong and familiar brand names on new products, a brand leverage strategy known as brand extension (Aaker and Keller, 1990). In 2006, as much as 90 % of all new packaged goods launched were extensions of existing brands (Cordiero, 2007).

The risk reduction effects from brand extensions originate from marketers' beliefs that consumers transfer positive attitudes (formed by brand associations [Keller, 1993]) from the original brand, referred to as the parent brand, to its new extension product (Boisvert, 2011, p. 541). If positive attitudes are successfully transferred consumers are more likely to accept the new product. In other words, the brand equity built up by an existing brand adds value to new products introduced under the same brand name. The success of this equity transfer depends on the consumers'

Ellen Knape
(BSc Gothenburg BA) is a MSc in Marketing and Consumption at the School of Business, Economics and Law, University of Gothenburg.

Petter Rodestedt
(BSc Gothenburg BA) is a MSc in Marketing and Consumption at the School of Business, Economics and Law, University of Gothenburg.

We wish to thank our supervisor, Assistant Professor Annika Hallberg, for support and guidance throughout the thesis project, and all the participants for their contribution.

perceptions of how appropriate the extension product is, often termed as perceptual fit in academia (see Park, et al., 1996, p. 453; Simonin and Ruth, 1998, p. 32; Bouten, et al., 2011, p 456; Thompson and Strutton, 2012, p. 16).

A particularly brand intensive environment is the fast-moving consumer goods (FMCG) sector, which has forced marketers to be innovative in order to create unique offerings and thereby diversify their products from the competitors' (Washburn, et al., 2000; Van Osselaer and Alba, 2003). FMCG products are characterized as non-durable items, which are frequently purchased, rapidly consumed and inexpensive (Dibb, et al., 2006, p. 298), such as food and beverages (Leahy, 2011).

In addition to brand extension, there has been an increased interest in engaging in brand alliances, i.e. engaging in collaboration with one or multiple brands. Adding a second brand to a product strengthens the uniqueness of the product's position and thus offers great potential for diversification (Bhat and Reddy, 2001).

Consequently, a brand alliance strategy known as *co-branding* has grown in popularity and importance, especially within the FMCG sector (Washburn, et al., 2000; 2004; Desai and Keller, 2002). Co-branding can be found in various sectors, and although it is most common among non-durable goods (for example Häagen-Dazs ice cream with Baileys), it is also apparent in durable goods (IBM personal computers with Intel processors) and in services (Guerlain Spa at the Waldorf-Astoria Hotel) (Helmig, et al., 2008).

The use of a co-branding strategy instead of a single brand extension strategy may provide a better assurance of product quality by the combination of two or more brands complementing each other. This may lead to higher product evaluations and premium prices (Rao, et al., 1999), facilitate initial acceptance (Desai and Keller, 2002), and increase market exposure while sharing promotional costs with a partner (Spethmann and Benezra, 1994). The product quality assurance originates from the prior experience the consumers have had with the respective original brand, i.e. their associations to the *constituent brands* (Washburn, et al., 2000). Thus, the reasoning

from marketers' perspective as to why engage in co-branding is to transfer associations from constituent brands to a new co-branded product, the *composite brand* (Thompson and Strutton, 2012).

Aaker and Keller (1990) and Bhat and Reddy (2001) researched brand extension and how consumers transfer brand-specific associations of a parent brand toward hypothetical extension products. The research in single brand extension theory is thorough and an extensive body of literature exists, much of which has been applied to co-branding. However, there is some dissimilarity when using two brands instead of one (Simonin and Ruth, 1998), for example there are additional dimensions of perceptual fit. Consequently, research in co-branding has focused on highlighting these dissimilarities.

Extensive research has been made on the effect perceptual fit between the constituent brands has on product evaluation (Park, et al., 1996; Simonin and Ruth, 1998), the effect perceptual fit between the constituent brands and the composite brand has on product evaluation (Völckner and Sattler, 2006), and the relative importance of the two latter mentioned fit measures (Washburn, et al., 2000; Bouten, et al., 2011; Thompson and Strutton, 2012). Further, research has been made on the effect of co-branding on brand equity (Washburn, et al., 2000; 2004) and the influence of brand names in co-branding (Rao and Ruekert, 1994; Rao, et al., 1999).

Accordingly, research has assumed that the theories of brand association transfer in brand extension theory are valid for co-branding. However, introducing a second brand to a product increases the amount of brand-specific associations that are supposedly transferred to the composite brand (Broniarczyk and Alba, 1994). Furthermore, the associations of the two constituent brands can be contradicting, such as one brand may be seen as traditional whereas the other as innovative (Simonin and Ruth, 1998). Consequently, a co-branding strategy may complicate the transfer of brand-specific associations and thus additional research in this area is needed. Further, the relation between brand association transfer and perceptual fit has

2

neither been theoretically nor empirically analyzed in co-branding research.

The purpose of this article is to increase knowledge of brand equity transfer in co-branding by addressing the relation between the strength of *brand-specific association transfer* and the degree of *perceptual fit* between a composite brand and the constituent brand from which the specific associations can be derived. This article will also give empirical contribution by studying real composite brands instead of hypothetical composite brands.

THEORETICAL DISCUSSION

To understand the phenomenon of co-branding and investigate the relation between brand association transfer and perceptual fit, and additionally, how the assembled associations are evaluated in terms of strength, a number of theoretical components will be introduced. The theoretical discussion begins with a brief review of the literature on brand extension and co-branding and continues with a discussion of brand equity in terms of brand equity and brand associations. Further, attention is given to literature on perceptual fit. The theoretical discussion ends with a conceptual model and two propositions.

Brand extension

In the late 1980's research in brand leverage strategies emerged, whereby brand extension received great attention (Tauber, 1988; Aaker and Keller, 1990; Park, et al., 1991). Firms have found single brand extension to be a great source of growth (Keller and Aaker, 1992). In brand extension a new product is launched by letting it bear the name of an established and well-known brand, referred to as the parent brand (Aaker and Keller, 1990; Thompson and Strutton, 2012; Völckner and Sattler, 2006). A strong and familiar parent brand aims to leverage existing competences and reputation to the extended product, and additionally reduce risks associated with market entrance or product category expansion (Keller and Aaker, 1992; Park, et al., 1996).

Further, incorporating an additional brand to the extension strategy, referred to as co-branding, gained extensive popularity among marketing researchers in the 1990's (Simonin and Ruth, 1998).

Co-branding

Co-branding has been referred to as a long-term brand alliance strategy in which two or more brands (*constituent brands*) represent a co-branded product (*composite brand*) (Park, et al., 1996; Rao and Ruekert, 1994; Rao, et al., 1999; Helmig, et al., 2008). The composite brand is thereby, in comparison to single brand extension, created by shared brand names (Simonin and Ruth, 1998; Washburn, et al., 2004). Marketers aim to transfer characteristics, associations and beneficial values among the constituent brands themselves, and between the constituent brands and the composite brand (Prince and Davis, 2002; Albratt and Motlana, 2002), both in terms of product category and brand image (Simonin and Ruth, 1998).

Further, according to Helmig, et al. (2008, p. 360) a co-branding setup can be defined by four characteristics: (1) the constituent brands of the co-branded product should be perceived as independent before, during, and after the cooperation, (2) the participating brands have entered the co-branding on purpose, (3) the constituent brands' logotypes are visible for potential buyers, and (4) the composite brand is a simultaneous combination of at least two brands.

In addition to co-branding, marketers can use other brand alliance strategies, including dual branding (Levin and Levin, 2000), joint sales promotions or joint branding, (Rao and Ruekert, 1994), brand stretching (Aaker and Keller, 1990), and bundling (Tellis and Stremersch, 2002).

Extensive research has investigated the area of co-branding; the different roles and level of importance of the brands involved (Park, et al., 1996; Leuthesser, et al., 2003; James, 2005), composite brand alliances (Park, et al., 1996; Simonin and Ruth, 1998; Rao, et al., 1999), advantages and disadvantages of co-branding (Shocker, 1995; Bengtsson and Servais, 2005; Thompson and Strutton, 2012), effect on brand equity (Washburn, et al., 2000; 2004), and the importance of perceptual fit (Simonin and Ruth 1998; Bouten, et al., 2011).

3

In comparison to single brand extension, a second brand can reinforce spillover effects (Simonin and Ruth, 1998), enhance trustworthiness of product and brand quality (Rao, et al., 1999; Helmig, et al., 2008), and contribute with competitive advantages, operational benefits, and enhanced brand equity (Shocker, 1995; Park, et al., 1996). A successful synergy of brands can thereby strengthen the reputation and image of each engaging constituent brand (Bengtsson and Servais, 2005) and add value to the composite brand (Helmig, et al., 2008). Hence, by creating a fusion of brands a win-win situation can be reached.

From a financial standpoint, co-branding can minimize the risks and costs associated with product development or entering new markets (Thompson and Strutton, 2012). Additionally, the aim is to gain more marketplace exposure and customer traffic (Washburn, et al., 2000).

Simonin and Ruth (1998), who studied co-branding spillover effects, found that consumers' prior attitudes to each constituent brand influence the response to the composite brand. Conversely, perceptions of the composite brand form attitudes toward the constituent brands. They found that the level of familiarity of the constituent brands therefore has a beneficial impact on how consumers evaluate the co-branding. In addition, Washburn, et al. (2000) stated that if consumers do not have any prior experience with the composite brand, they would evaluate it by using the names of the constituent brands. Thereby, combining two constituent brands that can contribute to a successful co-branding is challenging but essential.

Dimensions of brand equity

All marketers are constantly under pressure to justify marketing activities by calculating return on investment and thus the ability to measure the impact of marketing activities is as important as ever (O'Sullivan and Abela, 2007). This is as valid in co-branding as in any other branding strategy.

Financial measures cannot give a full understanding of marketing due to their historical emphasis and lack of long-term perspective (Mizik and Jacobson, 2008). Instead, intangible market-based assets are necessary to create a richer understanding of

the marketing performance and one key asset would be brand equity. Brand equity has become a frequently used marketing performance measure (Ambler, 2003). Understanding the different dimensions of brand equity and acting to raise it creates barriers for competitors and drives brand wealth (Yoo, et al., 2000).

There is due to a large body of literature not a consensus on what brand equity is or how to measure it, which has created a number of different definitions and methodologies of how to treat brand equity, both practically and academically (Christodoulides and de Chernatony, 2008). Aaker (1991) defines brand equity as "*a set of assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or that firm's customers*" (p. 15), while Keller (1993) defines it in a more general sense as "*the marketing effects uniquely attributable to the brand*" (p. 1). Simon and Sullivan (1993, p. 29) have a more financial view and define brand equity as the incremental cash flows that would result from having a brand name, compared to if the product was unbranded.

Although there is an inconsistency in the literature and many authors suggest different perspectives of brand equity, the most influential perspective is consumer-based brand equity, or CBBE (see Aaker, 1991; Keller, 1993; Christodoulides and de Chernatony, 2008). According to Aaker (1991), CBBE is a multidimensional concept consisting of brand loyalty, brand awareness, perceived quality, brand associations, and other proprietary brand assets. Aaker roots this conceptualization in cognitive psychology, as does Keller (1993) who defines CBBE as "*the differential effect of brand knowledge on consumer response to the marketing of the brand*" (p.2). Keller's model of brand knowledge consists of two components, brand awareness, relating to brand recall and recognition; and brand image referring to the associations linked to the brand that consumers hold in memory.

Brand associations

A midpoint of the two models of CBBE from Aaker (1991) and Keller (1993) is brand associations. Keller (1993) states that brand associations are informational nodes, linked

to the brand node, that contain meaning in the minds of the consumers. He further argues that it is the strength, favorability and uniqueness of these associations that offer ways of differentiation and makes up brand equity. Keller (1993, p 7) also categorizes brand associations as attributes, benefits, and attitudes. *Attributes* are referred to as product characteristics, such as price and design. *Benefits* are defined as the personal value consumers attach to the attributes of the brand or product, either in terms of functional, experiential or symbolic benefits. *Attitudes* are consumers' overall evaluation of a brand or product, such as perceived quality.

Associations that are linked to important benefits sought by consumers through purchase can influence market success, and to establish and enhance such associations are worth heavy investments since they can be the platform for a successful entry to new product classes, i.e. brand extensions (Broniarczyk and Alba, 1994). Besides the brand-oriented division of associations by Keller (1993), Supphellen (2000) divides associations in a more memory-oriented way, into verbal, visual, and sensory associations, which can also be represented as emotional impressions and even, be unconscious (p. 321). He also emphasizes that one characteristic of associations is that they are often stored as metaphors.

In order to transfer CBBE to the composite brand, brand-specific associations must be transferred from the constituent brands. Gwinner and Eaton (1999) discussed transfer of associations in their study of event sponsorship, and argued that if associations are equally strong in the two entities a strong transfer has occurred. In order to measure this transfer they measured a number of associations in terms of strength for an event. Repeated measures were then used to measure the same associations for the sponsor brand. If the difference in strength is zero the transfer is perfect. Accordingly, a congruence index can be created in which all absolute differences are summated; this is called *full association transfer* (Gwinner and Eaton, 1999). Boisvert (2011) applied this theory on brand extension and compared the mean strengths of associations on the parent brand and the extension product. He created

a framework to interpret not only the difference in strength but also the direction, i.e. in which entity the association is stronger (p.546).

An important difference between Boisvert (2011) and Gwinner and Eaton (1999) is that the former summates the difference in mean strengths of associations, whereas the latter summate the difference in measured strength for each individual respondent.

The success of this transfer of brand-specific associations relates to how appropriate and logical the consumers find the co-branding to be for the respective constituent brand, which is conceptualized as perceptual fit (Thompson and Strutton, 2012, p. 16).

Perceptual fit

In single brand extension theory (Aaker and Keller, 1990; Thompson and Strutton, 2012), perceptual fit has been characterized by three dimensions: complementarity, substitutability, and transferability (Aaker and Keller, 1990, p. 30). Moreover, perceptual fit has been referred to as the product category match (Nkwocha, et al., 2005; Boush and Loken, 1991) and/or image match (Broniarczyk and Alba, 1994; Bhat and Reddy, 2001) of the single parent brand and its extension product. Aaker and Keller (1990) believed a high degree of perceptual fit would enhance the transfer of perceived quality.

On the other hand, in co-branding perceptual fit refers to the level of similarity, transferability and compatibility between the constituent brands (Simonin and Ruth, 1998) and the composite brand (Bouten, et al., 2011). Simonin and Ruth (1998) studied perceptual fit between constituent brands from a product category perspective (*product-product fit*) and a brand image perspective (*brand-brand fit*). Their research indicates that these measurements and prior brand associations of the constituent brands influence consumers' evaluation of the co-branding setup, and additionally their transfer of associations to the composite brand.

Bouten, et al. (2011) extended the model of Simonin and Ruth (1998) by adding two additional measurements for perceptual fit; (1) *new-product-product fit*, the degree of perceptual fit between the new

extended product (composite brand) and each of the existing product categories of the constituent brands, and (2) *new-product-brand fit*, the degree of perceptual fit between the new extended product (composite brand) and the image of each of the constituent brands. By investigating the two added measurements the authors could determine the relation between each constituent brand and the composite brand. Bouten, et al. (2011) used a regression analysis and found that product-product fit, brand-brand fit, and new-product-brand fit, in addition to brand familiarity, had a positive impact on consumers' evaluations of composite brands. The influence of new-product-product fit was of less relevance. Thereby, the research on perceptual fit was going back to that of single brand extension theory (see Aaker and Keller, 1990; Nkwocha, et al., 2005; Völckner and Sattler, 2006), indicating that the fit between the parent brand (each of the constituent brands) and the extension product (the composite brand) was of great importance.

Additional research has supported that the most essential driver of success is the perceptual fit between the constituent brands and the composite brand and not the product or image match between the constituent brands alone (Park, et al., 1996; Washburn, et al, 2000; Thompson and Strutton, 2012).

Thompson and Strutton (2012) also found the fit between each constituent brand and the new extended product to prove most importance. Subsequently, their findings showed that the image of the constituent brands affects consumers' attitudes toward the composite brand.

Additionally, Washburn, et al. (2000) found that consumers form their attitudes toward the composite brand by prior perceptions of each constituent brand in the co-branding setup. Their study also implied that consumers' attitudes toward the brand alliance influence how they observe the constituent brands and the degree of perceptual fit.

Conceptual model and propositions

The objective of co-branding is mainly to reduce the risks of new product introductions by transferring the consumer-based brand equity built up by the constituent brands to the composite brand (Washburn, et al., 2000). CBBE can as previously discussed be measured in various ways and in this article the association-based model by Keller (1993), incorporating brand awareness and brand image, is used.
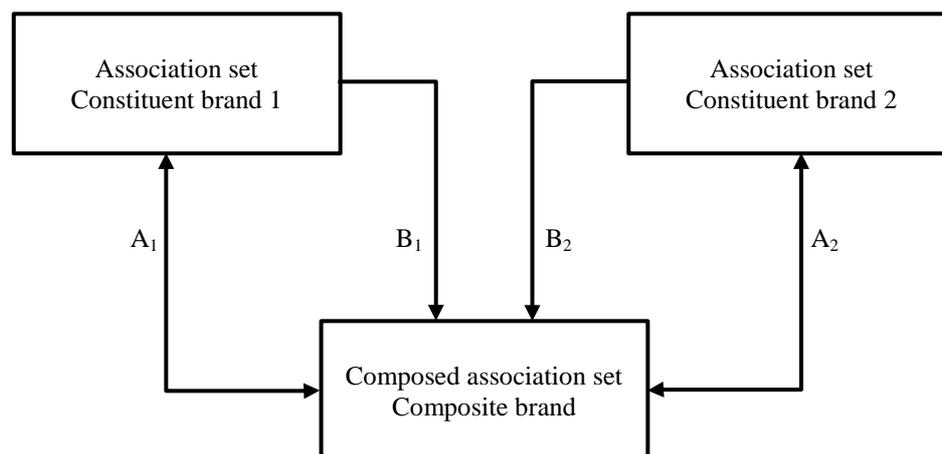
A_1: *Perceptual fit between constituent brand 1 and the composite brand*
B_1: *Association transfer from constituent brand 1 to the composite brand*
B_2: *Association transfer from constituent brand 2 to the composite brand*
A_2: *Perceptual fit between constituent brand 2 and the composite brand*

Figure 1   Conceptualization of association transfer and perceptual fit in co-branding

Brand awareness, although a prerequisite for building brand equity is not being considered in this article, nor is the effect on constituent brands of the co-branding in terms of market exposure and effects on brand equity. Instead the dimension brand image is the focal point and more precisely the transfer of brand-specific associations (*benefits, attitudes and attributes*, [Keller, 1993]) in co-branding.

There are numerous aspects of co-branding that must be considered in order to fully understand the concept. In this article two of the most important aspects are being addressed simultaneously: *brand association transfer* (Gwinner and Eaton, 1999; Boisvert, 2011) and *perceptual fit* (Bouten, et al., 2011).

This article's conceptualization is shown in Figure 1, which presents the latter two aspects in a model. A_1 and A_2 represent the transfer of brand associations that occur in single brand extension (Boisvert, 2011), with the difference that there is an additional parent brand (two constituent brands) present in the model. B_1 and B_2 represent one of the most important fit measures in co-branding according to Bouten, et al. (2011); the degree of perceptual fit between the composite brand and the image of each of the constituent brands, i.e. *new-product-brand fit*.

As Aaker and Keller (1990), Simonin and Ruth (1998) and Bouten, et al. (2011) showed, the degree of perceptual fit has a large impact on the evaluation of newly introduced products. Further, Park, et al. (1996) and Thompson and Strutton (2012) discussed the logic behind brand extension and co-branding and argued that the aim is to transfer CBBE. Keller (1993) conceptualized CBBE as a set of associations, hence this article proposes that:

P1: There is a correlation between brand association transfer and perceptual fit.

In our model there are two constituent brands, implying that they may compete for the strongest brand association transfer. Supposing that P1 is true, this article therefore proposes that:

P2: The strongest (weakest) brand association transfer to the composite brand will occur from the constituent brand with the higher (lower) perceptual fit.

METHODOLOGY

Procedure

In order to address the propositions made in this article, the study has been conducted in two phases (see Table 1). In the first phase a qualitative pre-study was made in order to elicit consumers' associations to the different constituent brands used in the main study. In the second phase a quantitative main study was conducted, in which the following three dimensions were surveyed using an online questionnaire: (1) The level of familiarity of the constituent brands, (2) the elicited associations' strengths on the constituent brands and on the composite brands respectively, and (3) the degree of perceptual fit between each constituent brand and their respective composite brands. Moreover, in order to increase the reliability of the survey, pretests and a pre-study were conducted. An online questionnaire was distributed to students and employees at the School of Business, Economics and Law at the

Table 1   Procedure

Procedure	Test	Methodology	Sample	Objective
Phase 1	Pretest of pre-study		n = 3	Check for improvements
	Pre-study	Qualitative	n = 12	Elicit brand associations Check for brand familiarity
Phase 2	Pretest of main study		n = 13	Check for improvements
	Second pretest		n = 3	Check for further improvements
	Main study	Quantitative	n = 401	Measure level of brand familiarity, strength of brand association transfer, and degree of perceptual fit

University of Gothenburg via university emails with a link to the questionnaire.

Selection of composite brands

Co-branding is as aforementioned apparent in all sectors, but highly relevant in the FMCG sector (Washburn, et al., 2000). Consequently, brands from the FMCG sector have been chosen for this study. The selection was made among existing composite brands and thus the constituent brands were given. This distinguishes this study from most prior research in which constituent brands are chosen based on various criteria and hypothetical composite brands are created (Leuthesser, et al., 2003).

The chocolate brand Marabou was chosen based on its frequent usage of co-branding strategies and its high awareness and brand equity on the Swedish market (Superbrands, 2010). In order to reduce the number of variables at play only composite brands with Marabou as one of the constituent brands were chosen. A number of composite brands were found on the Swedish market and the following three were chosen for this study: *Philadelphia-Marabou*, cream cheese with chocolate flavor; *Tassimo-Marabou*, hot chocolate beverage; and *Almondy-Marabou*, frozen meringue cake with chocolate.

A fourth brand, GB-Glace Maraboupinne, was also considered in the pre-study but was later excluded due to an extreme association similarity between GB-Glace and Marabou. See Table 2 for a list of the included constituent brands.

Table 2   List of constituent brands

Company	Founded	Origin	Product category
Marabou	1910's	Sweden	Chocolate
Almondy	1980's	Sweden	Frozen cake
Philadelphia	1880's	USA	Cream chees
Tassimo	2000's	France	Hot beverage system

Pre-study

A qualitative pre-study was conducted in order to elicit the brand-specific associations of each constituent brand used in the main study. Prior, a pre-test with three respondents was performed in order to aid the formulation of comprehensible questions for the pre-study. Subsequently, improvements were made of the pre-study interview questions.

In the pre-study, an open-ended free-association procedure (Aaker and Keller, 1990) was conducted with a sample of 12 respondents, which according to Guest, et al. (2006) implies an acceptable saturation of responses. On average, each interview lasted 15-20 minutes. Respondents were presented with each constituent brand's logotype, one at the time, and were requested to freely give personal top of mind associations and additional thoughts regarding each brand.

The level of familiarity of the logotype Tassimo was lower compared to the other three constituent brands in the study. However, when introduced to the product category of Tassimo the level of familiarity rose significantly among the respondents. Reasons for the low level of familiarity could be that Tassimo changed their logotype in 2010 or that the brand is less known in Sweden. According to Bouten, et al. (2011) it is essential that all brands included in a co-branding research study have a high level of recognition and familiarity, above 75 % (p. 460), among survey respondents. The level of familiarity of Tassimo reached an acceptable level, and hence it was included in the main study. The additional three constituent brands reached a level of familiarity above 90 %.

The pre-study resulted in a list of 11-15 brand-specific associations per respondent and constituent brand, which were then operationalized and grouped into clusters of 12-18 associations per brand. The selection was made using the criteria salience scores and frequency of mentioning of associations, as proposed by Supphellen (2000). Six brand-specific associations per constituent brand were finally selected to the main study, two from each of Keller's (1993) three categories of brand associations: attributes, benefits, and attitudes (see Table 3 and Appendix A).

Table 3   List of brand-specific associations

	Attributes	Benefits	Attitudes
Marabou	Rewarding.	Typically Swedish.	Great taste.
	Enjoy when I want.	Great when eager for something sweet.	High quality.
Almondy	Offer to my friends.	Saves me time.	High quality.
	Family gatherings.		Original.
	Finer coffee breaks.		
Philadelphia	A healthy alternative.	Satisfying hunger.	High quality.
	Associate with food.	Adds a little bit of luxury in everyday life.	First choice when buying cream cheese.
Tassimo	Suitable to offer.	Simplifies everyday life.	High quality.
	For young professionals.	Adds a little bit of luxury in everyday life.	Trendy.

Main study

Sampling strategy

A self-administered online questionnaire, distributed through the web-based survey application Webropol, was send to a non-probability sample including 716 Swedish speaking students and 350 employees at the School of Business, Economics and Law at the University of Gothenburg. The survey was distributed to university affiliated email addresses, which were retrieved from the university administration office and from the university homepage.

The members of the student sample included undergraduate students from the programme in Business and Economics registered in 2010 (n=176) and in 2012 (n=289), and postgraduate students from the master programs registered in 2011 and 2012 (n=251). In total, 401 respondents completed the questionnaire, a response rate of 37,6 %. The questions in the online questionnaire were compulsory, and therefore there was no item non-response. The sample's demographics are shown in Table 4.

The sampling method was partly chosen due to time and cost restraints. Student subject pools are commonly used in social science and consumer research (Peterson, 2001; Flere and Lavrič, 2008), especially when investigating attitudes (Gächter, 2010). Since the purpose of this article is to address co-branding, in terms of association transfer and perceptual fit, it can be defined as a *theory application* (TA) study. As oppose to *effects applications*

(EA), student samples are found suitable respondents for TA studies (Calder and Tybout, 1999, p. 360). Moreover, since the composite brands in this study are from within the FMCG sector students are part of the target market. However, Peterson (2001) stated that students are often referred to as having less life experience than older people and as more homogeneous. Therefore, a student sample as surrogate cannot fully represent a non-student sample or the general population. Thus, in order to widen the age span and to cover the non-student gap in the sample, employees at the university were included in the study.

Data collection

The main study was divided into two sections: (1) the level of familiarity and the brand associations of each constituent brand were measured, and (2) the associations, which were derived from the constituent brands were measured on respective composite brand, and the degree of perceptual fit between each of the constituent brands and their composite brands were also measured. All items were measured using seven-point Likert scales (1 = "*don't agree at all*", 4 = "*neutral*", and 7 = "*totally agree*") (Thompson and Strutton, 2012).

An incentive in form of a chance to win movie theatre tickets was given, and in accordance with the Swedish Lottery Act (1994), respondents were requested to answer a knowledge-based question in the end of the questionnaire. The purpose with the incentive was to increase the chance of

Table 4   List of demographics

Demographic	Percentage
Age	
-25	44.1 %
26-35	23.0 %
36-45	14.7 %
46-55	10.2 %
56-65	6.4 %
66-	1.6 %
Gender	
Male	42.0 %
Female	57.0 %
No answer	1.0 %
Occupation	
Student	61.1 %
Working full time	32.4 %
Working part time	4.5 %
Own business	0.7 %
Job applicant	0.2 %
Other	1.0 %
Educational status	
High School	2.0 %
Folk High School	0.5 %
University - undergraduate	40.9 %
University - graduate	28.4 %
University - post graduate	27.2 %
Other	1.0 %

greater response rate (Hair Jr., et al., 2008; Heerwegh, 2006).

A pretest was conducted (n=13) in order to evaluate the length, content and outline of the online questionnaire. Ten respondents were interviewed during and after the pretest and the remaining three respondents via email. The pretest resulted in items being deleted, changed, fused and added due to misunderstanding and confusion of questions. A second pretest was conducted (n=3) with two representable respondents and one professional researcher. The two pretests increased the reliability of each question and item in the main study.

Moreover, in the first section of the questionnaire respondents were presented with each brand's logotype, one at the time. However, for the brand Tassimo a product image was shown as well. All questions in the second section were presented in conjunction with an image of the product, and below each image a short presentation of the composite brand was given.

The data collected through Webropol was transferred to the IBM SPSS Statistics, version 21. This allowed for further statistical analyzes of the data.

Non-response error analysis

The average response rate for surveys in academic studies has over time stabilized at 48 % (Baruch and Holtom, 2009). Moreover, according to Manfreda, et al. (2008) web-based surveys yield 11 % lower response rate on average than other survey methods, indicating that the response rate of this survey at 37.6 % can be regarded as satisfactory.

There are various sources of non-response in quantitative survey methods. These can occur in the stages of survey development, survey delivery, and survey completion (Fan and Yan, 2010, p. 133) (see Table 5). In this article, the pre-tests and the pre-study increased the reliability of the main survey and thereby decreased the issues related to *survey development*. Non Swedish-speaking recipients and former university

Table 5   Sources of non-response and actions taken

	Issues	Action	Result
Survey development	Design and content	Pretests and a pre-study	Increased reliability
Survey delivery	Language barriers[1], and invalid email addresses		
Survey completion	Technical issues, lack of interest, or over-surveying	Computer skill, incentive, and academies	Increased response rate

[1] Some employees were not Swedish-speaking, resulting in non-response from these individuals.

students and employees are not part of the population. Thereby, non-response from these recipients does not bias the result or cause *survey delivery* failure. Finally, issues regarding *survey completion* may depend on technical issues etc. These were minimized due to the high computer skills among university employees and students (Fan and Yan, 2010).

Further, in order to analyze the external validity of the survey, early (prior to first reminder) and late respondents were compared using an independent t-test. No significant difference between early and late respondents in the main survey ($p>0.05$) was found. As non-respondents tend to be similar to late respondents (Studer, et al., in press) this result indicates that there is no non-response bias.

Measurements

Since this article aims to increase knowledge of brand equity transfer in co-branding by addressing the relation between the strength of brand-specific association transfer and the degree of perceptual fit the following part will clarify the measurement scales that were applied. The study was designed to measure three concepts: *familiarity*, *brand association transfer*, and *perceptual fit* (see Table 6). This article used a theory-driven approach to survey design (Rogelberg and Stanton, 2007).

Familiarity

In order to measure the level of familiarity of each constituent brand, the measurement scale by Bouten, et al. (2011, p. 468) was used. However, the Swedish translations of the items proved to be very similar and the pretests showed that the respondents had difficulties separating the items. Therefore, the level of familiarity in this study was measured by only one of Bouten's, et al. (2011) items: "*I am familiar with this*

brand". Respondents who "don't agree at all" (alternative 1 in the Likert scale) are characterized as unfamiliar with the brand.

Moreover, an additional item, purchase frequency, was added in order to see whether the respondents are heavy users or not: "*I often buy the brand's products*".

Brand association transfer

The six brand-specific associations (see Table 3 and Appendix A) were measured in terms of strength on a Likert scale from 1 to 7 on the constituent brands. Repeated measurement design was then used to measure the same associations on the composite brands. Brand association transfer was then evaluated by comparing the strengths of the associations (Boisvert, 2011).

If the mean value of one association for the composite brand is significantly lower than the mean value for the same association for the constituent brand, limited transfer of that association has occurred. If the mean value is significantly higher, still only limited transfer has occurred since the composite brand already owns the association. If there is no significant difference between the mean values, a strong transfer has occurred (Boisvert, 2011).

In order to assess how well all six associations from a constituent brand have transferred to the composite brand, the Full Association Transfer theory by Gwinner and Eaton (1999) and Boisvert (2011) was used (see Figure 2). This theory is designed to measure how well associations are transferred from one entity to another (for example from a constituent brand to a composite brand) and to create a congruence index. However, in order to correlate this measure with perceptual fit, it must be measured on each individual respondent, and thus the calculation method used by Gwinner and Eaton (1999) was used.

Table 6   List of measurements

Concept	Measurement scale	Abbreviation	Source
Familiarity	Level of familiarity	Familiarity	Bouten, et al., 2011
Association transfer	Association transfer strength	FAT	Gwinner and Eaton, 1999; Boisvert, 2011
Perceptual fit	New-product brand fit	FIT	Bouten, et al., 2011

The absolute differences between the association strength for the composite brand and the constituent brand were summated (E_d-B_d), giving a range between 0 and 36. A lower value would thus mean a better transfer of associations. This measurement will be referred to as *FAT*.

$$FAT = \sum_{i=1}^{n} \left[E_{d_i} - B_{d_i} \right]$$

E_d = The association strength in the composite brand.
B_d = The association strength in the constituent brand.

Figure 2   Full association transfer theory

Perceptual fit

Since this article intends to measure perceptual fit between each constituent brand and its composite brand, the appropriate measurement would be the one of new-product-brand fit (Bouten, et al., 2011). Bouten, et al. (2011) operationalized prior research performed by Bhat and Reddy (2001), Bridges, et al. (2000), and Simonin and Ruth (1998) in order to create this specific measurement scale. Thereby, applying an existing measurement scale assures high validity for this study.

The following items were used: (1)"*I think the brand and the new product complement each other*", (2) "*I think the brand and the new product are consistent*" (this item was re-translated from Swedish to English as "*I think the brand and the product communicate equivalent characteristics*"), (3) "*I think the new product adds to the brand*", (4) "*I think the brand adds to the new product*" (in item three and four "*adds*" was changed to "*adds value to*", and (5) "*I think this is a very appropriate product for this brand*". The pretest indicated a confusion concerning the item "*I think the brand fits the product*" and therefore that item was deleted from the questionnaire.

The degree of perceptual fit between each constituent brand and its composite brand was determined by summating the five items of each construct, giving a summated score between 5 and 35 for each setup (Thomspon and Strutton, 2012). A higher value thus means a higher degree of perceptual fit. Moreover, this measurement will be referred to as *FIT*.

RESULTS

This article addresses the relationship between brand association transfer and perceptual fit (see Figure 1). Subsequently, the main purpose is to determine if the two propositions (P1) *"there is a correlation between brand association transfer and perceptual fit"* and (P2) *"the strongest (weakest) brand association transfer to the composite brand will occur from the constituent brand with the higher (lower) perceptual fit"* can be supported or not.

The strength of the brand association transfer between each constituent brand and the related composite brand was determined by calculating FAT (Gwinner and Eaton, 1999; Boisvert, 2011). A paired sample t-test was then used to test the difference in FAT-scores. Simultaneously, a summated scale of FIT was computed for each constituent brand. Thereby, the correlation between FIT and FAT could determine the strength of the relationship and additionally if the two propositions could be supported or not.

The level of familiarity for each constituent brand was 99.5 % for Marabou, 93.5 % for Almondy, 99.3 % for Philadelphia, and 70.3 % for Tassimo. These results show an acceptable level (Bouten, et al., 2011), although the constituent brand Tassimo shows a slightly lower level of familiarity. Respondents who were completely unfamiliar with a constituent brand were excluded from the analyses of that particular brand.

Full association transfer, FAT

The computed FAT-scores show a non-normal distribution ($p<0.05$). A paired-sample t-test was applied in order to compare the mean value of the same sample on two variables, (1) FAT for constituent brand 1 and (2) FAT for constituent brand 2. Thereby, the result determined if there was a statistically significant difference between the mean scores, meaning that one constituent brand had a stronger brand-specific association transfer than the other in the same co-branding setup (Pallant, 2010).

The results in Table 7 show a highly significant difference between each pair of FAT-scores ($p<0.001$). Further, for Almondy-Marabou, the constituent brands Almondy and Marabou show a large

Table 7   Result FAT

	Mean	(S.D)
Almondy-Marabou		
Almondy	5.13*	(4.14)
Marabou	10.42*	(6.37)
Philadelphia-Marabou		
Philadelphia	12.33*	(6.27)
Marabou	15.50*	(8.13)
Tassimo-Marabou		
Tassimo	6.23*	(4.27)
Marabou	12.60*	(6.84)

* Significantly different, p<0.001
** Significantly different, p<0.01
*** Not significantly different, p>0.05

difference in means, 5.13 and 10.42 respectively, meaning that Almondy had a stronger transfer of brand-specific associations. Additionally, the means for the constituent brands for Tassimo-Marabou also differ notably. Tassimo shows a mean of 6.23 and Marabou a mean of 12.60. In comparison with the latter mean scores, there is a considerably smaller difference in the mean scores between the two constituent brands of Philadelphia-Marabou, 12.33 for Philadelphia and 15.50 for Marabou.

All standard deviations (S.D) are fairly large, indicating a wide spread in the data (see Table 7), however as the data is not normally distributed no further analysis of the standard deviations was performed.

Moreover, the mean values for each association category (Keller, 1993) indicate that among the three co-branding setups in this study, associations in terms of attitudes have the strongest transfer, 1.6667. In addition, the mean value for attributes was 1.8142 and 1.9676 for benefits (see Table 8).

Table 8   FAT for groups of associations

Group of associations	Mean	(S.D)
Attributes	1.814	(0.72)
Benefits	1.968	(0.73)
Attitudes	1.667	(0.69)

Perceptual fit, FIT

The five items measuring perceptual fit show very high internal validity for each setup, with Cronbach's alpha values of 0,861-0,931 shown on Table 9 (Hair Jr., et al., 2010). The modified version of Bouten's, et al. (2011) measurement scale of new-product-brand fit is therefore a validated scale for this study.

The items measuring FIT also show a non-normal distribution ($p<0.05$). The results (see Table 10) show a higher mean value for the constituent brands of Almondy-Marabou (Almondy 22.17; Marabou 21.04) and Tassimo-Marabou (Tassimo 21.49; Marabou 21.32) compared to Philadelphia-Marabou (Philadelphia 12.22; Marabou 12.41). This indicates that the overall perceptual fit is lower in the Philadelphia-Marabou setup.

The standard deviations for the constituent brands of Philadelphia-Marabou are fairly large, indicating a wide spread in the data for this setup, however as the data is not normally distributed no further analysis of the standard deviations was performed.

Moreover, the mean value for each separate item and constituent brand is presented in Appendix B. The constituent brands Almondy and Marabou both show a high degree of perceptual fit to the composite brand, with a mean value per item between 3.74 and 4.89 for Almondy, and 3.64 and 4.82 for Marabou. Likewise, the constituent brands of Tassimo-Marabou show a high mean value for each of the five items, between 3.89 and 4.63 for Tassimo, and 3.89

Table 9   Cronbach's alpha of FIT

	Cronbach's alpha
Almondy-Marabou	
Almondy	0.861
Marabou	0.863
Philadelphia-Marabou	
Philadelphia	0.913
Marabou	0.920
Tassimo-Marabou	
Tassimo	0.929
Marabou	0.931

Table 10   Result FIT

	Mean	(S.D)
Almondy-Marabou		
Almondy	22.17*	(6.45)
Marabou	21.04*	(6.65)
Philadelphia-Marabou		
Philadelphia	12.22***	(7.40)
Marabou	12.41***	(7.15)
Tassimo-Marabou		
Tassimo	21.49***	(7.50)
Marabou	21.32***	(7.45)

* Significantly different, p<0.001
** Significantly different, p<0.01
*** Not significantly different, p>0.05

and 4.63 for Marabou. In the setup Philadelphia-Marabou the mean values for each item show a distinctive lower degree of fit (below 3). In this case the mean values for the items are between 2.23 and 2.76 for Philiadelphia, and between 2.32 and 2.79 for Marabou.

The FIT-scores for the constituent brands of Almondy-Marabou show a high significant difference ($p<0.001$). However, the other two composite brands show no significant difference in FIT between the constituent brands (Philadelphia-Marabou, $p>0.05$, and Tassimo-Marabou, $p>0.05$). Consequently, the proposition that the strongest brand association transfer to the composite brand will occur from the constituent brand with the higher perceptual fit, P2, cannot be satisfactorily tested in this study. Only the composite brand of Almondy-Marabou supports the second proposition.

Correlation between FIT and FAT

The relationship between FIT and FAT was measured using Pearson's correlation coefficient. The results show a low to medium negative correlation of FIT and FAT for each individual constituent brand (-0.112 and -0.359) (see Table 11), meaning that a high degree of perceptual fit implies a strong transfer of brand-specific associations.

The correlation of FIT and FAT in the setup Almondy-Marabou shows a weak correlation, -0.144 ($p<0.01$) for Almondy, and -0.196 ($p<0.001$) for Marabou. In the setup Philadelphia-Marabou the correlation is stronger, -0.241 ($p<0.001$) for Philadelphia and -0.359 ($p<0.001$) for Marabou. The setup Tassimo-Marabou shows a low correlation of -0.112 ($p>0.05$) for Tassimo and close to medium correlation of -0.292 ($p<0.001$) for Marabou. The results show that the correlation between FIT and FAT can be determined as low to medium (thus supporting P1). However, in the case of Tassimo the p-value is larger than 0.05 and this correlation is thus not significant.

The constituent brand Almondy in the setup Almondy-Marabou has the strongest brand association transfer (FAT of 5.13) and additionally the highest degree of perceptual fit (FIT of 22.17). Subsequently, the other constituent brand in this setup, Marabou, has a weaker brand association transfer (FAT of 10.42) and additionally a lower perceptual fit (FIT of 21.04). In this case, P2 is supported. However, in the setups Philadelphia-Marabou and Tassimo-Marabou, no significant difference in FIT was found between each of the constituent brands and the composite brand (Table 11). Consequently, P2 cannot be satisfactorily tested in this article.

Table 11   Correlation between FIT and FAT

	Pearson's correlation coefficient
Almondy-Marabou	
Almondy	- 0.144**
Marabou	- 0.196*
Philadelphia-Marabou	
Philadelphia	- 0.241*
Marabou	- 0.359*
Tassimo-Marabou	
Tassimo	- 0.112***
Marabou	- 0.292*

* Significant correlation, p<0.001
** Significant correlation, p<0.01
*** Not significant correlation, p>0.05

DISCUSSION

Theoretical implications

This article focuses on the transfer of brand-specific associations in co-branding and relates this to perceptual fit. The prior research in co-branding has primarily focused on highlighting the differences between brand extension and co-branding; in terms of brand equity (Washburn, et al., 2000; 2004), and in terms of measures for perceptual fit and how those measures affect product evaluation (Simonin and Ruth, 1998; Bouten, et al., 2011). Research has been limited by not addressing the transfer of brand equity as a possible difference from brand extension.

The present article is a first attempt to fill this gap by correlating brand association transfer with perceptual fit (shown in the conceptual model, see Figure 1), and further to add empirical contribution by investigating real contemporary composite brands in the FMCG sector on the Swedish market. The theory of full association transfer by Boisvert (2011) and the theory of perceptual fit by Bouten, et al. (2011) were used.

Findings show that there is a low to medium, but highly significant, correlation of perceptual fit (FIT) and brand association transfer (FAT) and thus P1 is supported. Further, P2 is supported in only one case, Almondy-Marabou, where the strongest association transfer occurred from Almondy, which also had the higher degree of perceptual fit. It cannot, however, be concluded that this article supports P2, since this was only applicable in one case.

The fact that the negative correlation between FIT and FAT is low to medium indicates that there are additional factors influencing the relation between the degree of perceptual fit and the strength of brand association transfer in co-branding.

Managerial implications

This article provides evidence that there is a correlation between perceptual fit and how well brand-specific associations transfer from the constituent brands to the composite brand. It sheds light on how consumer-based brand equity is transferred in co-branding setups, which has implications for marketers when considering using a co-branding

partner in order to reduce risks associated with new product introductions. If a co-branding partner is chosen based on certain brand-specific associations, it is imperative that there is a high degree of perceptual fit between that brand and the planned co-branded product. Otherwise those sought after associations may not be transferred as well as intended. Conversely, if the co-branding partner is chosen based on some other criteria, and the brand-specific associations are unwanted, the new product should instead be positioned in a manner that creates a relatively lower perceptual fit.

Knowledge of brand-specific associations and perceptual fit can thus aid in the formulation of positioning strategies of composite brands. If brand-specific associations are wanted from a constituent brand, the composite brand should be positioned close to that brand, i.e. creating a high perceptual fit. Conversely, if the associations are unwanted the composite brand should be positioned further away from that constituent brand.

The significance of the correlation between perceptual fit and full association transfer is very high, yet it should be noted that the correlation is low to medium, thus implying that there are additional factors influencing the transfer. Therefore, any co-branding partner should be chosen based on individual assessment.

Limitations and future research

This article addresses the relation between brand association transfer and perceptual fit. The relation was deliberately tested on actual composite brands found on store shelves in Sweden. The usage of real products provided an opportunity to test the highly theorized concept of co-branding in a real-world setting. However, it also meant that there was a fair amount of fit between all constituent brands and their respective composite brands. This limited the research in the sense that there were only minor differences in perceptual fit between respective constituent brand and the composite brands. Thus, P2 could only be tested on one composite brand. It would be beneficial to test this proposition on hypothetical composite brands, where the fit of constituent brands can be controlled for and different combinations of fit (high-high,

high-low, low-low) can be tested. Moreover, using a qualitative approach for the main study could give different results.

Bouten, et al. (2011) found that the perceptual fit between the existing products of the constituent brands and the new product (new-product-product fit) had no impact on the evaluation of composite brands. It does however affect the transfer of attitudes to a brand extension according to Aaker and Keller (1990). Thus, it would be interesting to test the influence of product category similarity on brand-specific association transfer.

Supphellen (2000) argues that associations are stored in different forms in the memory; as verbal, visual, and sensory associations, and further Keller (1993) divides associations into attributes, benefits, and attitudes. This article found indications that there is a difference in how well different categories of associations transfer. However, the study was not designed to test this and therefore it could be an interesting area for further testing.

This article has not discussed the issue of primary and secondary brands. In some cases of co-branding one constituent brand is perceived as the primary brand and the other constituent brand is perceived as an ingredient or modifier (secondary) brand (Park, et al., 1996). Future research can take this issue into account when testing association transfer and also test its effect on perceptual fit.

All composite brands included in the study were non-durable food products, hence it would be valuable to test the correlation between association transfer and perceptual fit in other sectors as well.

REFERENCES

Aaker, D.A., 1991. *Managing Brand Equity*. New York: Free Press.

Aaker, D.A., and Keller, K.L., 1990. Consumer Evaluation of Brand Extensions. *Journal of Marketing*, 54(1), pp. 27-41.

Albratt, R., and Motlana, P., 2002. Managing co-branding strategies: Global brands into local markets. *Business Horizons*, 45(5), pp. 43-50.

Ambler, T., 2003. *Marketing and the Bottom Line: Creating the Measures of Success*. London: Financial Times/Prentice Hall.

Baruch, Y., and Holtom, B.C., 2008. Survey response rate levels and trends in organizational research. *Human Relations*, 61(8), pp. 1139-1160.

Bhat, S., and Reddy, S.K., 2001. The impact of partner brand attribute associations and affect on brand extension evaluation. *Journal of Business Research*, 53(3), pp. 111-122.

Bengtsson, A., and Servais, P., 2005. Co-branding on industrial markets. *Industrial Marketing Management*, 34(7), pp. 706-713.

Broniarczyk, S.M., and Alba, J.W., 1994. The Importance of the Brand in Brand Extension. *Journal of Marketing Research*, 31(2), pp. 214-228.

Boisvert, J., 2011. Conceptualisation and modelling of the process behind brand association transfer. *International Journal of Market Research*, 53(4), pp. 541-556.

Boush, D.M., and Loken, B., 1991. A Process-Tracing Study of Brand Extension Evaluation. *Journal of Marketing* Research, 28(1), pp. 16-28.

Bouten, L.M., Snelders, D., and Hultink, E.J., 2011. The Impact of Fit Measures on the Consumer Evaluation of New Co-Branded products. *Journal of Product Innovation Management*, 28(4), 455-469.

Bridges, S., Keller, K.L., and Sood, S., 2000. Communication Strategies for Brand Extensions: Enhancing Perceived Fit by Establishing Explanatory Links. *Journal of Advertising*, 29(1), pp. 1–11.

Calder, B.J., and Tybout, A.M., 1999. A Vision of Theory, Research, and the Future of Business Schools. *Journal of the Academy of Marketing Science*, 27(3), pp. 359-366.

Christodoulides, G., and de Chernatony, L., 2008. Consumer-based brand equity conceptualisation and measurement: A literature review. *International Journal of Market Research*, 52(1), pp. 43-66.

Cordiero, A., 2007. Consumer Companies hunt for growth through brand extensions. *Dow Jones News Service*, March 14, pp. A1-A4.

Desai, K.K, and Keller, K.L., 2002. The Effects of Ingredient Branding Strategies on Host Brand Extendibility. *Journal of Marketing,* 66(1), pp.73-93.

Dibb, S., Simkin, L., Pride, W., and Ferrell, O., 2006. *Marketing: Concepts and Strategies.* 5th ed. Boston: Houghton Mifflin.

Fan, W., and Yan, Z., 2010. Factors affecting response rates of the web survey: A systematic review. *Computers in Human Behavior*, 26(2), pp. 132-139.

Flere, S., and Lavrič, M., 2008. On the Validity of Cross-Cultural Social Studies Using Student Samples. *Field Methods*, 20(4), pp. 399-412.

Guest, G., Bunce, A., and Johnson, L., 2006. How many interviews are enough? An experiment with data saturation and variability. *Field Methods*, 18(1), pp. 59-82.

Gwinner, K.P., and Eaton, J., 1999. Building Brand Image Through Event Sponsorship: The Role of Image Transfer. *Journal of Advertising*, 28(4), pp. 47-57.

Gächter, S., 2010. (Dis)advantages of student subjects: What is your research question? *Behavioral and Brain Sciences*, 33(2-3), pp 92-93.

Hair Jr., F.J., Black, C.W., Babin , J.B., and Anderson, E.R., 2010. *Multivariate Data Analysis – A Global Perspective.* 7th Ed. New Jersey: Pearson Education.

Hair Jr., F.J., Wolfinbarger, M.F., Ortinau, D.J., and Bush, R.P., 2008. *Essentials of Marketing Research*. New York: McGraw-Hill Irwin.

Heerwegh, D, 2006. An Investigation of the Effect of Lotteries on Web Survey Response Rates. *Field Methods*, 18(2), pp. 205-220.

Helmig, B., Huber, J-A., and Leeflang, P.S.H., 2008. Co-Branding: The State of the Art. *Schmalenbach Business Review*, 60(4), pp. 359-377.

James, D., 2005. Guilty through association: brand association transfer to brand alliences. *Journal of Consumer Marketing*, 22(1), pp. 14-24.

Kapferer, J-N., 2004. *The New Strategic Brand Management*. London: Kogan Page.

Keller, K.L., 1993. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing*, 57(1), pp. 1-22.

Keller, K.L., and Aaker, D.A., 1992. The effects of sequential introduction of brand extensions. *Journal of Marketing Research*, 29(1), pp. 35-50.

Kumar, P., 2005. The impact of Cobranding on Customer Evaluation of Counterextensions. *Journal of Marketing*, 69(3), pp. 1-18.

Leahy, R., 2011. Relationships in fast moving consumer goods markets: The consumers' perspective. *European Journal of Marketing*, 45(4), pp. 651-672.

Leuthesser, L., Kohli, C., and Suri, R., 2003. 2 + 2 = 5? A framework for using co-branding to leverage a brand. *Brand Management*, 11(1), pp. 35-47.

Levin, I.P., and Levin, A.M., 2000. Modeling the Role of Brand Alliances in the Assimilation of Product Evaluations. *Journal of Consumer Psychology*, 9(1), pp. 43-52.

Lottery Act (1994). *Lotterilagen.* Stockholm: SFS 1994:1000.

Manfreda, K.L., Bosnjak, M., Berzelak, J., Haas, I., and Vehovar, V., 2008. Web surveys versus other survey modes: a meta-analysis comparing response rates. *International Journal of Market Research*, 50(1), pp. 79-104.

Mizik, N., and Jacobson, R., 2008. The Financial Value Impact of Perceptual Brand Attributes. *Journal of Marketing Research,* 45(1), pp. 15-32.

Nkwocha, I., Bao, Y., Johnson, W., and Brofspies, H., 2005. Product fit and consumer attitude toward brand extensions: the moderating role of product involvement. *Journal of Marketing*, 13(3), pp. 49-62.

O'Sullivan, D., and Abela, A.V., 2007. Marketing Performance Measurement Ability and Firm Performance. *Journal of Marketing,* 71(2), pp. 79-93.

Pallant, J., 2010. *SPSS Survival manual: A step by step guide to data analysis using SPSS*. 4th ed. Maidenhead: Open University Press/McGraw-Hill.

Park, C.W., Milberg, S.J., and Lawson, L., 1991. Evaluation of Brand Extensions: The Role of Product Feature Similarity and Brand Concept Consistency. *Journal of Consumer Research,* 18(2), pp. 185-193.

Park, C.W., Jun. S.Y., and Shocker, A.D., 1996. Composite Branding Alliances: an Investigation of Extension and Feedback Effects. *Journal of Marketing Research*, 33(4), pp. 453-466.

Peterson, R.A., 2001. On the Use of College Students in Social Science Research: Insights from a Second-Order Meta-analysis. *Journal of Consumer Research*, 28(3), pp. 450-461.

Prince, M., and Davis, M., 2002. Co-branding partners: What do they see in each other? *Business Horizons*, 45(5), pp. 51-55.

Rao, A.R., and Ruekert, R.W., 1994. Brand Alliances as Signals of Product Quality. *Sloan Management Review*, 36(1), pp. 87-97.

Rao, A.R., Qu, L., and Ruekert, R.W., 1999. Signaling Unobservable Product Quality Through a Brand Ally. *Journal of Marketing Research*, 36(2), pp. 258-268.

Rogelberg, S. G., and Stanton, J. M., 2007. Introduction understanding and dealing with organizational survey nonresponse. *Organizational Research Methods*, *10*(2), pp. 195-209.

Shocker, A.D., 1995. Positive and Negative Effects of Brand Extension and Co-Branding. *Advances in Consumer Research*, 22(1), pp. 432-434.

Simon, C.J., and Sullivan, M.V., 1993. The Measurement of Determinants of Brand Equity: A Financial Approach. *Marketing Science,* 12(1), pp. 28-52.

Simonin, B., and Ruth, J., 1998. Is a Company Known by the Company it Keeps? Assessing the Spillover Effects of Brand Alliances on Consumer Brand Attitudes. *Journal of Marketing Research*, 35, pp. 30-42.

Studer, J., Baggio, S., Mohler-Kuo, M., Dermota, P., Gaume, J., Bertholet, N., and Gmel, G., (in press) Examining non-response bias in substance use research - Are late respondents proxies for non-respondents? *Drug and alcohol dependence*. (Accepted for publication February 2013).

Superbrands, 2010. *Top 100 Superbrands*. [online] Available at: <http://www.superbrands.com/se/sv/superbrands/top100_2009.asp.html> [Accessed 10 April 2013].

Supphellen, M., 2000. Understanding core brand equity: guidelines for in-depth elicitation of brand associations. *International Journal of Market Research*, 42(3), pp. 319-338.

Tauber, E., 1988. Brand Leverage: Strategy for Growth in a Cost-Control World. *Journal of Advertising Research,* 28(4), pp. 26-30.

Tellis, G.J., and Stremersch, S., 2002. Strategic Bundling of Products and Prices: A New Synthesis for Marketing. *Journal of Marketing*, 66(1), pp. 55-72.

Thompson, K., and Strutton, D., 2012. Revisiting perceptual fit in co-branding applications. *Journal of Product & Brand Management*. 21(1), pp. 15-25.

Van Osselaer, S.M., and Alba, J.W., 2003. Locus of equity and brand extension. *Journal of Consumer Research*, 29(4), pp. 539-550.

Völckner, F., and Sattler, H., 2006. Drivers of Brand Extension Success. *Journal of Marketing*, 70(2), pp. 18-34.

Washburn, J., Till, B., and Priluck, R., 2000. Co-branding: brand equity and trial effects. *Journal of Consumer Marketing*, 17(7), pp. 591-604.

Washburn, J., Till, B., and Priluck, R., 2004. Brand Alliance and Customer-Based Brand Equity Effects. *Psychology & Marketing*, 21(7), pp. 487-508.

Yoo, B., Donthu, N., and Lee, S., 2000. An Examination of Selected Marketing Mix Elements and Brand Equity. *Journal of the Academy of Marketing Science,* 28(2), pp. 195-211.

APPENDIX A. List of association items

Association	Item	Type of association (Keller, 1993)
Marabou		
Mar1	A brand that is typically Swedish.	Benefit
Mar2	A brand that distinguishes itself with great taste.	Attitude
Mar3	A brand I would reward myself with.	Attribute
Mar4	A brand that is great when I eager for something sweet.	Benefit
Mar5	A brand that stands for high quality.*	Attitude
Mar6	A brand I can enjoy when I want.	Attribute

APPENDIX A. (Contd.)

Association	Item	Type of association (Keller, 1993)
Almondy		
Alm1	A brand I would like to offer to my friends.	Attribute
Alm2	A brand that saves me time.	Benefits
Alm3	A brand that stands for high quality.*	Attitude
Alm4	A brand that is suitable for family gatherings.	Attribute
Alm5	A brand that is suitable for finer coffee breaks.	Attribute
Alm6	An original brand	Attitude
Philadelphia		
Phil1	A brand that is a healthy alternative.	Attribute
Phil2	A brand suitable when I want to satisfy my hunger.	Benefit
Phil3	A brand that adds a little bit of luxury in everyday life.	Benefit
Phil4	A brand I associate with food.	Attribute
Phil5	A brand that stand for high quality.*	Attitude
Phil6	First choice when buying cream cheese.	Attitude
Tassimo		
Tass1	A brand that simplifies everyday life.	Benefit
Tass2	A trendy brand.	Attitude
Tass3	A brand that stands for high quality.*	Attitude
Tass4	A brand suitable to offer.	Attribute
Tass5	A brand that adds a little bit of luxury in everyday life.	Benefit
Tass6	A brand for young professionals.	Attribute

* The item was only tested once per composite brand

APPENDIX B. Result of FIT per item

	Almondy-Marabou				Philadelphia-Marabou				Tassimo-Marabou			
	Almondy		**Marabou**		**Philadelphia**		**Marabou**		**Tassimo**		**Marabou**	
	Mean	(S.D)	Mean	(S.D)	Mean	(S.D)	Mean	(S.D)	Mean	(S.D)	Mean	(S.D)
Item 1	4.59	(1.60)	4.35	(1.70)	2.36	(1.67)	2.39	(1.66)	4.46	(1.69)	4.63	(1.74)
Item 2	4.42	(1.59)	4.07	(1.59)	2.23	(1.56)	2.32	(1.59)	3.98	(1.67)	3.89	(1.70)
Item 3	3.74	(1.66)	4.82	(1.74)	2.76	(1.86)	2.79	(1.93)	4.01	(1.74)	4.53	(1.77)
Item 4	4.53	(1.66)	3.64	(1.63)	2.55	(1.77)	2.48	(1.68)	4.41	(1.77)	4.04	(1.70)
Item 5	4.89	(1.62)	4.16	(1.68)	2.31	(1.69)	2.43	(1.74)	4.63	(1.80)	4.47	(1.74)
FIT	22.17	(6.45)	21.04	(6.65)	12.22*	(7.40)	12.41*	(7.50)	21.49*	(7.50)	21.32*	(7.50)

* Not significant, $p > 0.05$