Research Article
The Effect of Initial Brand Image on Category Fitness and Brand-Extension Attitude

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Abstract: The introduction of products with a similar brand name can function as a lever on the brand image, brand awareness and in general in reaching the brand equity in the established markets, the relation or connection of an existing brand with a new product can affect the relations and connections of the existing brand image as well as the loyalty to the brand. This effect can be positive or negative. Through investigating this image the researcher tried to help the company to guaranty a fit image, compete in the global scene and stabilize its position. The study in this research took place on Tehran districts. As the sample, the researcher chose 500 of Faloodeh-ice-cream consumers of Mihan Company through simple cluster sampling and gained the required data about the consumers' views and ideas through questionnaire. The data has been analyzed by using Lisrel software. The research findings showed that the brand image has positive and direct influence on the perceived category fitness, the perceived category fitness on the brand-extension attitude and the initial brand image on the brand -extension attitude respectively. Companies had better avoid ruining the original brand position in the consumers' mind by maintaining the appropriateness of their new products which were produced in proportion with the consumers' ideas and needs.

Keywords: Brand-extension attitude, initial brand image, perceived category fitness

INTRODUCTION

Now day's companies invest noticeable sources in the extension of their names with a favorable image. Another advantage of a positive image is the development of commercial facilities through brand extension (Keller and Aaker, 1992). Therefore, product introduction with a similar brand name can function as a lever in brand image, brand awareness and in general in reaching the brand equity in the established market (Milberg *et al*., 1997). Low cost and high possibility of success has led to selection of brand extension by more than 80% of the companies as a way of product marketing and services (Keller, 2003). The relation or linkage of an existing brand with a newly-named geographical phenomenon, a person or in this case a product, may affect the relations and linkage of the existing brand image. This effect can be positive, therefore memory and power increases. These relations and connections often happen as attitudes which are not very serious (Morrin, 1999; Aaker, 2002).

Some researchers have tried to explain according to a psychological based theory that brand extension is the reflex of different theoretical views (Loken and John, 1993). Other researchers have investigated the effect of some factors including customers' attitudes on the generalization of the product to the brand image.
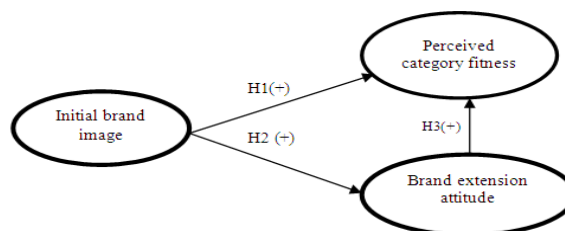

Fig. 1: Conceptual mode

Another analysis of this reflex took place on different factors like the effect of consumers' attitude towards the developed product on the brand image (Chang, 2002; Alexander and Colgate, 2005). Anyhow, these studies use a limited number of variables that limit the analysis realm and harden a generalization. The purpose of this study is to show the effect of the initial brand image on the perceived category fitness and brand-extension attitude (Fig. 1).

THEORETICAL FRAMEWORK

The initial brand image is the consumers' knowledge and interpretation of a brand like a original brand. In fact this is the brand initial image that demonstrate the brand awareness and familiarity before

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information extension (Van Riel *et al*., 2001; Volckner and Sattler, 2006).

Brand image: Set of beliefs that people have about a special brand (Keller, 2003).

Brand extension: A marketing strategy in which a company markets a product with an appropriate image that entertain the brand name but is in a different product category. Institutes use this strategy to increase and lever the brand equity of a brand. Brand extension depends on the extent of how strong is the customers' association of the brand value and purpose.

Category fitness: reflects the similarity between the new category and other productions of the extended brand (Park *et al*., 1991).

HYPOTHESES

The perceived fitness is a strategic factor in the process of brand extension evaluation that fills the gap between the brand beliefs and production evaluation and the new product. Different measurements that have taken place finds the action and reaction effects of the perceived fitness from the image (Aaker and Keller, 1990; Boush *et al*., 1987) therefore it is the fitness of a meditative and intermediary effect between the brand - extension attitude and its image. The brand image affects the perceived brand fitness and such a perception directly influences the product evaluation (production) or new services. Some authors distinguish the category fitness from a brand image fitness for the correct analysis of this factor (Bhat and Reddy, 2001; Grime *et al*., 2002; Czellar, 2003). The former (category fitness) reflect the similarity between the new category and other extended brand productions, but the latter (brand image fitness) determines the extent of the role that the brand plays in the feelings and conformities of the brand global concept like its prestige or efficiency (Grime *et al*., 2002; Czellar, 2003). When the brand conceptions gets more desirable, the potentiality of brand popularity (De Ruyter and Wetzels, 2000) and also the conformity of the product in which our brand has been extended will be increased (Czellar, 2003). Park *et al*. (1991) by using the attitudes towards a brand image stated that the similarity of a brand concept is more for reputable brands compared to the less reputable ones; since the interpretations made from reputation is more extensively known and the potentiality of their generalizability is more. Boush (1997) certifies that consumers are able to perceive a physical similarity more since both products share the same brand name. These results lead to the following hypothesis:

H1: The initial brand image has direct and positive influence on the perceived category fitness: The

perceived fitness affects directly the belief related to the extended category. Consumers believe that the extensions of the non-related categories are not that much valid and reliable and have a negative attitude towards them (Kirmani *et al*., 1999). Therefore as we get much closer to a brand even about the invalid brands, the evaluation of a brand will get more positive and constructive (Aaker and Keller, 1990; Volckner and Sattler, 2006). The effect of a desirable fitness is seen in the studies and investigations that take in to consideration the fitness from two dimensions of " category" (Boush *et al*., 1987; Boush and Loken, 1991) and image (Park *et al*., 1991). Romeo (1991) considers the category fitness as the most important dimension while Bhat and Reddy (2001) have an opposite view. In each case, the consumers who perceive more fitness, have better beliefs towards the brand extension regardless of their views. Empirical reasons assure the following hypotheses.

H2: Perceived category fitness has a positive influence on the brand -extension attitude: Therefore the purpose of the model in picture 1 is reaching the attitude about the way the extensions influence the brand image. This model includes variables with a more influence on the brand -extension attitude (Aaker and Keller, 1990; Hem *et al*., 2003; Volckner and Sattler, 2006; etc.)

Such an attitude is the determinant of the occurrence of the brand image (Lane and Jacobson, 1997). This model stems from the initial brand image andin what follows it explains the relations, actions and reactions that take place in order that the extension of a brand cause the emergence of a new brand image. Therefore the first variable which is investigated is the initial brand image that demonstrates the brand awareness and knowledge before the extension information. Also, this model considers the perceived category fitness as well as the perceived brand image fitness by paying attention to the new category and its relation with the mother (original) brand. Variables like brand-extension attitude and consumers 'creation are personal characteristics that have modifying influences. Talking about this point is important since researchers haven't already examined and investigated the whole process-brand extension evaluation and its reflective influences-. Therefore, the investigation of the relations whose conformity in the texture of a model has been realized through scientific literatures and the demonstration of the more dependent variables and also their internal relations are necessary. Brand -extension attitude is the first factor that this model seeks to explain. According to this model, the initial brand image, category fitness and image fitness are among the fundamental and basic determining factors .The brand image is a complicated structure that is made of different dimensions. As proved by some researchers, brand-extension attitude among other relations is better for those types of brands that are in relation with the high quality standard criteria (Van Riel *et al*., 2001;

Table 1: Variables and indexes

Variables	Indexes	References
Initial brand image	Functional image • Products have high quality • These products have better features in comparison with the competitors' products • These products are usually cheaper compared to the competitors' products Influential image • This brand (Mihan) is a good brand • This brand has a different feature that distinguishes it from other brands. • This is the brand that doesn't disappoint its consumers. Reputation • This brand is one of the best in its realm. • This brand is a completely established one in market.	Martin and Brown (1990) Aaker (1996) and Weiss *et al*. (1999) Villarejo (2002)
Perceived fitness	Category fitness • The extension (of Faloodeh-ice-cream) is like other products of (Mihan) brand subcategory. • Product extension is in conformity with the mental image of brand. Image fitness • Doing such an extension (Faloodeh-ice-cream) by the company, was a reasonable and justifiable act . • Doing such an extension (Faloodeh-ice-cream) is suitable for Mihan company.	Aaker and Keller (1990) Taylor and Bearden (2002)
Brand -extension attitude	• Extension favorableness (of Faloodeh-ice-cream) was an acceptable one. • (Faloodeh-ice-cream) extension lived up to our expectation from the view point of quality. • The effort to extend (Faloode_ice cream) was a right thing.	Aaker and Keller (1990) Pryor and Brodie(1998)

Table 2: Variables reliability indexes

Variable	Initial brand image	Perceived fitness	Brand -extension attitude
Reliability index	0.76	0.80	0.71

Volckner and Sattler, 2006), Reputation (Hem *et al*., 2003), prestige (Park *et al*., 1991) or well-knownness (Sheinin and Schmitt, 1994).

In the field of a registered company and services, a brand image can apparently lead to desirable perceptions about new products and productions (Brown and Dacin, 1997; De Ruyter and Wetzels, 2000). In fact, the nature of brand strategies invest in the brand image by using the brand name itself. Therefore the following hypothesis will be made:

H3: The initial brand image has a positive and direct effect on brand -extension attitude:

RESEARCH METHODOLOGY

Statistical population: This research took place on different districts of Tehran. The researcher chose 500 of Mihan company consumers through random cluster sampling and gained the required data about the consumers' ideas and beliefs through questionnaires. Regarding the fact that the main axis of this research is brand extension, the researcher tries to observe the effects of the considered variables of the conceptual model on these components, therefore the researcher considers the consumers of Mihan company its statistical population; after the complementary studies, the suitable sampling will take place. (mother or original brand) Faloodeh ice-cream (initial brand) in Tehran who buy and use them as.

- **Tools of data collection:** In this research to investigate the related literature library research and to get the consumers' point of views field research

Table 3: Evaluation of model fit

Fit test indexes	Quality
X2/df	2/27
RMSEA	0/06
Goodness of fit Index (GFI)	0/91
Adjusted Goodness of Fit Index (AGFI)	0/82
Normed Fit Index (NFI)	0/94
NNFI (Non-Normed Fit Index)	0/96
CFI (Comparative Fit Index)	0/96

will be used. Also the instrument of data collection will be questionnaires (Table 1).

- **Validity and reliability:** Regarding the fact that the used variables in this research were proposed by Roehrich (1995), Martin and Brown (1990), Aaker (1996), Weiss *et al*. (1999) and Villarejo (2002), we can come to the conclusion that the used questionnaire was valid and in fact has content validity. Regarding the above points, a preliminary sampling took place two times in this research. The first time 50 questionnaires were given to the customers, the questions which seemed vague to these customers were pointed out based on which the questionnaire was reformed and then at the end the preliminary sampling took place for the second time on the same number of customers and the reliability of the questionnaire was calculated through cronbach's alpha and the main sampling took place after becoming certain of the questionnaire reliability (Table 2).

After determining the number of the sample, first the related questionnaire to the brand image was distributed among the customers and their ideas were evaluated about Mihan brand. Then regarding the production of the new product of this brand (Faloodeh-

Table 4: The results of the structural model and its analysis

Hypotheses	β	T	Sig	S.E.	Result
Brand image has a positive and direct influence on the perceived fitness	0.64	4.88	p<001	0.132	Hypothesis accepted
The perceived fitness has a positive and direct role on the brand-extension attitude	0.54	3.09	p<01	0.174	Hypothesis accepted
Brand image has a positive and direct influence on brand-extension attitude.	0.43	3.24	p<01	0.104	Hypothesis accepted

ice cream) the related questionnaire to the brand-extension attitude and also the final brand image was distributed and gathered among the customers.

Evaluation of model fit: The general fit test of the conceptual model has been directly tested through multiple criteria of goodness of fit test. Generally different indexes are used to do the fit test of the used model but usually three to five indexes are enough to certify the model (Table 3).

According to the output of Laser software, the index of AGFI equals 0.82, GFI equals 0.91, NFI equals 0.9, CFI equals 0.94, NNFI equals 0.96 and RMSEA equals 0.06 which shows a good and appropriate fit test and all the numbers and parameters of the model are significant.

Testing the hypotheses: To investigate the research hypotheses and the relation between the variables, some variables have been analyzed. To do so, structural equation model and clearly the path analysis methodology has been used. The gained result of the path analysis has been provided in Laser software in Table 4.

According to Table 4 all the hypotheses were significant and accepted. The above table shows that the initial brand image strongly influences the perceived fitness (0.64), the perceived fitness strongly influences brand extension (0.54) and also the brand image strongly influences brand -extension attitude (0.43).

CONCLUSION

The first subordinate hypothesis stating the influence of the initial image on the perceived fitness (β = 0/64) is significant and accepted. Therefore the gained results from this research are in the same direction with Aaker and Keller (1990), Boush *et al.* (1987), Bhat and Reddy (2001), Grime *et al.* (2002), Czellar (2003), De Ruyter and Wetzels (2000) and Boush (1997) research. And based on the certification of this theory it is suggested to the company to try to maintain and improve its product quality through more advertisements in order to make a good image of this brand in the consumers' mind.

The second hypothesis which states the influence of the perceived fitness on the brand -extension attitude (β = 0/54) is significant and accepted. Therefore the gained results from this research id in the same direction with Kirmani *et al.* (1999), Aaker and Keller (1990), Volckner and Sattler (2006), Boush *et al.*

(1987), Boush and Loken (1991), Park *et al.* (1991), Romeo (1991) and Bhat and Reddy (2001) research.

The third subordinate theory which states that the initial brand image has a positive and direct influence on the brand -extension attitude (β = 0/64) is significant and accepted. Therefore the gained results from this research is in the same direction with Lane and Jacobson (1997), Van Riel *et al.* (2001), Volckner and Sattler (2006), Hem *et al.* (2003), Park *et al.* (1991), Sheinin and Schmitt (1994), Brown and Dacin (1997) and De Ruyter and Wetzels (2000) research. And regarding the certification of this hypothesis it is suggested to the company to distinguish its products through product look, lower price in comparison with that of the competitors and higher quality which cause a better initial image for the consumers that in return causes a better sale of the extended products.

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