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“Every action matters”

- The effect of contradictory activities on the family brand image

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Abstract

Due to increased globalization and the increased competition that it entails, brand extensions and repositionings are used by companies as measures to differentiate, change and strengthen their family brands. These brand extensions and repositionings can sometimes be contradictory to the family brand image, which is the phenomenon this research revolves around. In this study, we examine the way consumers perceive contradictory brand extensions and repositionings, as well as the effect contradictory extensions and repositionings have on the family brand image. The case studies of H&M and Volvo are applied in our research since both brands have conducted contradictory launches. H&M, commonly associated with “cheapness”, is frequently launching high end design collaborations, while Volvo, which is commonly associated with “safety”, is investigated through the launching of a hypothetical sports car. 80 face-to-face interviews are conducted in order to map out the effect contradictory brand extensions have on the family brand image. Our findings imply that a common factor to whether a brand extension/repositioning is considered typical or untypical to the family brand, is the degree of consumer exposure to the extension/repositioning. The higher the exposure, the higher is the familiarity and the higher the familiarity, the more typical becomes the contradictory brand extension/repositioning to the family brand image and vice versa. Previous research on familiarity and exposure is thus strengthened. We also found that when consumers perceive brand extensions/repositionings to be too contradictory to the family brand image, the extensions/repositionings have a high risk of being perceived as an exception to the family brand image. This finding also strengthens the previous theories in the matter. The effect of dilution and confusion are, on the other hand, not as evident in our findings as previous research explains it to be. A minimal number of the respondents perceived the family brand image to be affected in this way due to untypical brand extensions/repositionings. What on the other hand is evident in our findings yet not as evident in previous research, is the outcome of improvement of the family brand image due to contradictory brand extensions. This thesis is summed up by ideas on future research based on our findings and conclusions.

Keywords: Brand image, brand extension, brand repositioning, contradictory, brand fit.

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We hope you enjoy taking part of our work and find this contribution useful. Happy reading!

Gothenburg, May 2012

Bahar Davoodi & Randa Omran

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1. Introduction

Companies are keen on finding innovative ways to strengthen their brands. Since we live in a globalized world, companies of today often compete not only with companies inside national borders, but also with those located in various parts of the world. The phenomenon of globalization implies increased competition for companies, which requires of them to be rather adaptable to change in order to keep up with the fast paced changes in customer demands (Hill, 2011).

Due to an ongoing and evident competition, points of brand differentiation quickly become points of parity, causing a need of strengthening and sometimes repositioning the family brand (Mårtenson, 2009). This has led companies to sometimes reach outside their original brand image to broaden it and thus create new brand associations (Mårtenson, 2009). This becomes apparent when well-known brands use activities aiming at repositioning as well as extending the family brand. The intention of these activities can be various and include strengthening the brand, attracting consumers as well as creating positive attitudes and associations towards the family brand.

With this said, some measures taken by companies are often contradictory to the family brand image. The contradictory activities are interesting areas of investigation and they increase in importance when taking the effect of the contradictory activities on the family brand image into consideration. Since activities of this sort regard an existing phenomenon, it becomes important to understand whether and in what way the family brand image becomes affected in the perception of the consumers. This area is of great importance to investigate when aiming to create contradictory brand extensions and brand repositionings in a successful way.

1.2 Previous research

Previous research is numerous in the area of brand extension, usually regarding brands aiming to produce new product categories. Previous research is also wide in the area of brand repositioning, usually regarding the issue of brands aiming to change their position and the overall vision of the company in one way or another.

This research will focus on the effects that specific and contradictory launches have on the family brand image. Our research area does thus not imply a repositioning of the entire brand, nor a brand extension to new product categories, as evident in numerous previously written research. What our research area does revolve around are the outcomes of temporary launches, which are in contradiction to the family brand and the effects they have on the brand in whole. This area is not covered in previous research and thus we find it important to investigate further.

1.3 Relevance

A thorough understanding of the effects that contradictory brand extensions have on the family brand image, is of high relevance for marketing students, marketers as well as companies and organizations. In short, the subject is relevant for everyone interested in understanding the impact of contradictory brand extensions and repositionings on a family brand's image.

An understanding of how consumers perceive a brand image after being exposed to launches which are in contradiction to the family brand image in whole, is another area providing relevant

information. Knowledge concerning consumer perception of family brands due to such launches, is beneficial for companies as well as anyone interested in consumer behavior and the subject of marketing in whole.

1.4 Aim

According to the previously expressed background, the aim of this thesis will thus be:

To examine if and how the consumer's impression of a brand in whole is affected when exposed to launches, which are in contradiction to the family brand image.

The aim of this study is divided into two aspects. The first aspect aims at creating a descriptive comprehension of the consumer's perception on the family brand image due to contradictory brand extensions and brand repositionings. The second aspect aims to provide an explanatory foundation through which one can understand the results achieved through the descriptive findings.

The purpose of this thesis is to provide a theoretical foundation to anyone affected by the subject of brand extensions and brand repositionings.

1.5 Research question

The presented research question below is used to clarify the aim of this thesis:

What effect do launches, which are in contradiction to the family brand image, have on consumers impression of the brand in whole and what does this result in?

1.6 Sub-questions

In order to answer the main research question of this thesis, one must answer the 4 empirical sub questions presented below:

1. What associations do consumers have towards the family brand image?
2. What associations do consumers have towards the contradictory launches?
3. What spillover-effect has the family brand image had on the launches?
4. What type of outcomes does an eventual spillover-effect, transferred from the brand extension/ repositioning to the family brand image, give rise to?

These 4 sub questions are strongly related. In order to answer if and how the family brand image is affected by the extension/repositioning done, one must investigate whether there is a mutual spillover-effect between the two. This answer is in turn founded on a comparison between associations towards the family brand image and associations towards the brand extension/ repositioning. An explanation of the concepts presented in this section as well as a comprehensive explanation on the relationship between them, is provided thoroughly further in this thesis.

2. Theory

This chapter presents the theoretical background of our thesis.

The chapter is divided into two major parts: Brand image and Brand fit, each constituting several subtitles. At the end of each part, a short summary is put forth to conclude the relationship between the concepts discussed, along with a presentation of the sections constituting our research model. Finally, the chapter concludes with a holistic presentation of the research model. This model is the foundation of our research and provides a unified comprehension of all sections in this chapter.

2.2 Introduction

The best way to describe the research area of this thesis is by figure 2.1

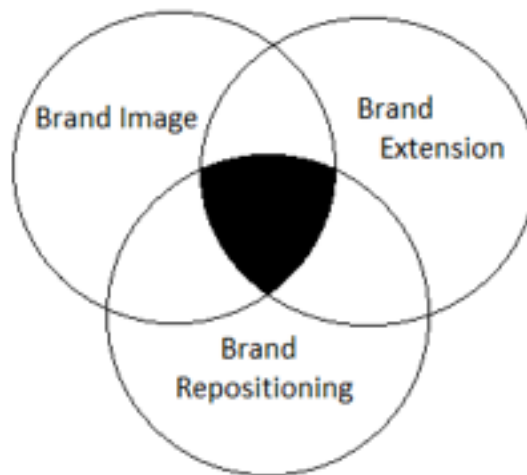


Figure 2.1

Each of the three circles above presents topics that to a great extent have been covered and examined by previous research. All the circles consider different dimensions and aspects of a brand.

This thesis considers the phenomenon of temporary brand activities which are incongruous to the family brand image. These activities are not defined as typical brand extensions due to the fact that the products offered are still in the same category (Montaner and Pina, 2009), nor are they considered as typical brand repositionings, which is defined as modifying something already existing in the consumer's mind (Gwin and Gwin, 2003). However, the expression "Brand repositioning" is often used when changing an overall vision of a company (Mårtenson, 2009) and not when implementing temporary brand strengthening activities that are in contrast to the family brand image.

With this in mind, we have interpreted the chosen research of this thesis as a combination of the three circles presented above. In figure 2.1 the research area is symbolized by the part coloured in black. In order to enable the research of our subject, we have created an unity based on different theories regarding the three topics in the figure. These theories constitute the foundation of the

conclusions that will be drawn further on. The theories will also be used as tools when shaping the research model that is comprehensively explained at the end of this chapter.

2.3 Brand image

In this section, the concept of brand image and brand associations are explained. Further, a definition of the concepts brand extension and brand repositioning are outlined, followed by a presentation of the spillover-effect.

There are various ways to describe a brand image. One way is through perceiving brands as “clusters of associations”. According to Belén del Río et al. (2001, p. 411), “*perceptions about a brand as reflected by the cluster of associations that consumers connect to the brand name in memory*”. A brand image is thus the cluster of associations consumers hold towards the brand. For example, a brand which offers clothes and is associated with comfort, style and femininity has a brand image which is comprised of the three associations. The associations are in this way the factors that create and shape the brand image. Similarly, marketingpower.com¹ considers the perception of a brand to be in people's minds: “*The brand image is a mirror reflection (though perhaps inaccurate) of the brand personality or product being. It is what people believe about a brand-their thoughts, feelings, expectations*” In addition to brand associations, people's feelings and thoughts, as well as expectations, are also factors which help shape an image, widening the understanding of the concept of brand image previously mentioned.

These components in the image of a brand can be divided into “hard” and “soft” attributes and associations (James, 2005). Examples of “hard” associations and attributes for a sports brand, for example, can be that they provide soccer balls of high quality, or sports equipment which provides safety. On the other hand, “soft” associations and attributes of the sports brand can be that consumers find the brand trustworthy or exciting.

The definition of the concept of brand image is thus wide, since it consists of several variables. However, one of these variables, brand associations, is distinctly wide and therefore the next section is dedicated to explaining and defining this variable in detail.

2.3.2 Brand associations

According to Keller (1993, 1998, cited in Belén del Río et al., 2001), brand associations are the tool with which to measure the brand image. The associations have a crucial relevance for both marketers and consumers, and are used as tools to measure the brand image by both parties. Brand associations are crucial to companies when they aim to reposition or extend the brand. This is because a brand extension or a repositioning aims at changing the way consumers perceive the brand. A make-up brand that, for example, wants to reposition itself and extend its products to more environmentally aware consumers, may try to change the colors of its packaging to green. The color green can more easily be associated with the environment and thus consumers will start associating the brand itself with environmentally aware issues.

Since consumers use brand associations as guidance to categorize and organize brand information in their memory (Low and Lamb Jr, 2000), it becomes self evident that companies use brand associations as tools in order to modify and increase positive attributes and attributes to consumers

¹ [http://www.marketingpower.com/ layouts/Dictionary.aspx?dLetter=B#brand+image](http://www.marketingpower.com/layouts/Dictionary.aspx?dLetter=B#brand+image)

(Low and Lamb Jr, 2000). An example of two brands that are well known as a result of their strong brand associations are Porsche and Volvo. Porsche cars are often associated to success and wealth while safety and intellect often characterize Volvo (James, 2005).

Brand associations can, as previously mentioned, also be used as tools to measure a brand image. One way to measure a brand image is by dividing the associations into three major categories: *attributes*, *benefits* and *attitudes* (Keller, 1993, 1998, cited in Belén del Río et al., 2001) *Attributes* are defined as the features that describe the brand. These features are often linked to the consumers' consumption. The brand attributes are often closely related to the brand *benefits*, which represent the personal values of the consumers (Belén del Río et al., 2001). *Attitudes* are described as the "consumers' overall evaluations of a brand" (Belén del Río et al., 2001, p. 411). The attitudes have a great impact on the consumer's brand choice, because consumers' tend to choose a brand linked to positive attitudes (James, 2005).

Attributes and benefits are in this thesis, measured through associations. Associations can in turn be measured in different ways, one of which is 'top of mind awareness' (TOMA). The concept is to present a product category or a brand and let the consumer in turn respond by naming a brand respectively a connotation. By testing top of mind awareness, conclusions regarding the impressed brands and their prominent attributes can be drawn (Mårtenson, 2009).

On the other hand, in order to measure an attitude, one must measure the three components it is constituted and shaped by. These elements are the *affective*, *cognitive* and *conative* components (Evans et al., 2008). The affective component takes into account both the positive and negative feelings generated by a brand. The cognitive component rests upon a person's knowledge, understanding and view of something, and is a subjective rather than objective measurement. The third component is the conative, which is a behavioral component. A person's understanding, views and feelings towards something culminate into a certain behavior. In this way the three components are all parts of what defines an attitude (Evans et al., 2008).

2.3.3 Brand extension & Brand repositioning

When speaking of brand extensions and brand repositionings, it is important to clarify the object that the brand is extended or repositioned from, which is the family brand. This can be defined as "A brand that is used on two or more individual products. The product group may or may not be all of that firm's product line" (marketingpower.com²).

The family brand is, in other words, the point of reference when analyzing brand extensions and brand repositionings. A brand extension can be defined according to Arslan and Altuna (2010, p. 170): "a brand extension may imply introducing a new product line to the firm by using an existing brand name; in other words extending an existing brand name into new product categories".

The concept considers, in other words, the launching of a new product that is not in harmony with the original product category, whilst carrying the same brand name.

A brand repositioning is, on the other hand, defined as a decision made on behalf of the company regarding the aspect it chooses to emphasize (Mårtenson, 2009). The positioning takes place in the consumer's mind only and aims to occupy a certain territory. The chosen brand position should be in

² [http://www.marketingpower.com/ layouts/Dictionary.aspx?dLetter=F](http://www.marketingpower.com/layouts/Dictionary.aspx?dLetter=F)

harmony with the main benefits that the brand offers. Having that said, a brand repositioning considers a company's effort to change the already existing position in the consumer's mind.

Brand extensions and brand repositionings are two separate, yet related expressions to a certain extent, due to the fact that brand extensions can often result in brand repositionings in the consumer's mind. This is evident when implementing brand extensions characterized by associations that are not in harmony with the family brand. If the new associations have a great impact on the brand image as perceived by the consumer, the result may thus be a brand repositioning.

2.3.4 Spillover-effect

Even though brand extensions have become a highly explored area, few studies focus on the possible transfer of brand associations from the parent brand to the new extended line (Boisvert and Burton, 2011). One definition of the phenomenon is a “*transfer of meaning*” (McCraken, 1989, cited in Boisvert and Burton, 2011, p. 57), while Fiske and Pavelchack (1986, cited in Boisvert and Burton, 2011) define the transfer of brand associations as a match between the feelings towards the family brand and the feelings towards the new object. Fiske and Pavelchack (ibid.) also believe that the transfer is most likely to occur when a successful extension is made, as opposed to when the extension is unsuccessful. The designation for this phenomenon in our thesis is the 'spillover-effect'.

Basu (1993, cited in Boisvert and Burton, 2011) claims that there are two views when perceiving the spillover-effect. The first view is that the higher the level of similarity between the family brand and the brand extension, the higher the level of belonging to the family brand. This results in transferring effects (Boisvert and Burton, 2011). In the second view, the associations of the extension and the consumer perception of these associations, are of great importance. The overall judgment will then be made after comparing the associations of the brand extension to the ones held by the family brand, and vice versa.

In this thesis, the spillover-effect will be examined when analyzing the relationship between the image of the family brand and the image of brand extensions/repositionings.

Summary part 1:

The areas discussed so far in this thesis are the concepts of brand image, brand association (including the way in which they can be measured), brand extension and brand repositioning, as well as the spillover-effect. These four areas constitute the first part of our research model as presented in the figure below.

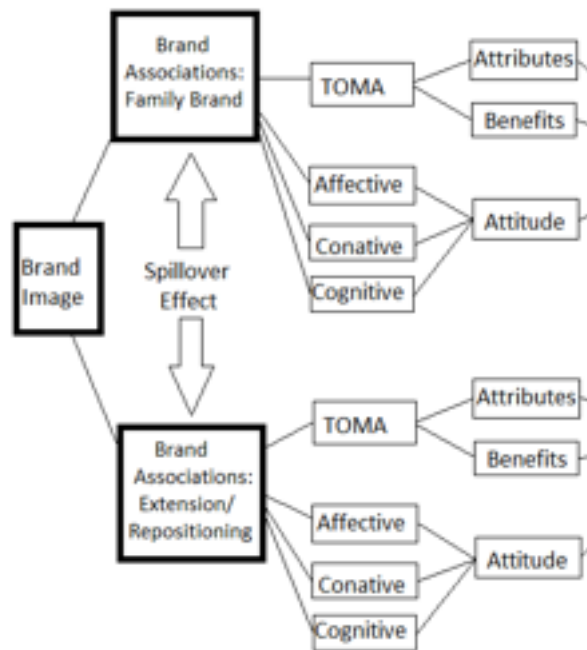


Figure 2.2

In order to measure the brand image, one must identify the brand associations. The brand associations are comprised of consumers' attributes, benefits and attitudes towards any given family brand. The tools to measure these three are through an investigation of consumers' top of mind awareness, as well as their affections, behavior and thoughts surrounding the family brand image. These four components are presented as TOMA, affective, conative and cognitive in the figure.

The image of a brand extension/repositioning is also measured through brand association. The brand association of the brand extension and the brand repositioning includes consumers attributes, benefits and attitudes towards the brand extension/repositioning. These are measured in the same way as the family brand image.

The relationship between a family brand image and the image of a brand extension/repositioning can affect one another through a spillover effect. The way in which consumers perceive a brand extension may thus affect their perception of the family brand image and vice versa.

Through this summary, it becomes evident how the discussed components are related to each other. A comprehensive understanding of the first part of our research is now put forth, enabling us to proceed with mapping out the second part of the model, starting with the concept of brand fit.

2.4 Brand fit

This section is the second part of our theory and treats the concept of brand fit followed by its eventual outcomes.

The brand extension can be connected to the brand image in different ways. The spillover-effect, presented above, is, however not, the only possible relationship between brand extensions and the family brand image. Another relationship between the family brand image and the brand extension can be perceived through the concept of a brand fit. The subject is defined as the size of the gap

between the two objects. Consumers “*appear to react to brand extensions depending on how well the new brand fits the category it is entering in*” (Lahiri and Gupta, 2009, p. 46).

The concept of brand fit revolves around comparing two objects in order to interpret the level of harmonisation between the two. The interpretation of the concept is usually connected to whether or not the brand extension fits in the category of the family brand.

Let us now exemplify the concept of brand fit by considering a sports brand that is well known for its running shoes. For example, socks made for exercising, can in this case be interpreted as a brand fitted extension. A low fitted brand extension is on the other hand evident if the sports brand carries out a brand extension consisting of jeans.

To summarize the concept, the degree of a brand fit depends on how usual/unusual the brand extension is in comparison to the family brand image. We will throughout this thesis primarily apply the concept of brand fit as defined above. However, it is important to emphasize the fact that different designations have been used when describing the concept in previous literature. We will therefore, in order to create a wider comprehension of the concept, present several designations below.

2.4.2 Varying designations of brand fit

The concept of the brand fit is an evident part of the research made in the area of brand extension and brand repositioning. However, it is given a broad range of appellations in previous research literature. Hence, the most relevant appellations concerning brand fit follow to provide a broader understanding of the term.

Much of the existing research literature found relevant to this subject does not use the term “brand fit”, yet we find much of what is written in previous research literature to fall under this appellation. One example of when the topic of brand fit is concerned, yet not mentioned using the exact designation, is by describing it as either same or different in comparison to the product category of the family brand (Loken and Roedder, 1993). This designation refers to cases similar to the one exemplified above. By launching a brand extension that, to a great extent, is in harmony with the product category of the family brand, it is often described as being in the same category, as opposed to when the extended line belongs to a different product category.

Another appellation to the concept of brand fit is that of “perceptual fit”. In the context of brand extension “*perceptual fit has been variously defined as “perceptual fit”, “extension typicality”, “fit”, “logical consistency” and “category-to-category relatedness*” (Tauber, 1988; Bohush and Loken, 1991; Keller and Aaker, 1992; Smith and Andrews, 1995; Thompson, 1988; Farquhar et al., 1990, cited in Thompson and Strutton, 2012, p. 16).

The “perceptual fit” is, in other words, closely related to the other designations presented above. However, the concept emphasizes the psychological aspect of the term by concentrating on the perceptions of the fit, regardless of the actual fit. The preciously cited pieces also demonstrate that the concept of perceptual fit has been given numerous labels, one of which is the “extension typicality”. This concept is explored in detail (see section Typical brand extensions).

One other possible definition of the perceptual fit is, according to the cited pieces “the logical consistency”. Consistency is a term used in the same context and can be used to define the meaning of a brand fit. It is claimed that the “*consumer perceives the new item to be consistent with the parent brand*” (Tauber, 1988, cited in Aaker and Keller, 1990, p. 29). The concept of consistency

refers to maintaining the structure of something already existing. Mårtenson (2009) describes the concept by using the brands Marlboro and Absolut Vodka. These two brands are considered as consistent brands due to their continuous symbols: the cowboy and the famous bottle design respectively. Once keeping the common denominator in every move, consistency occurs.

The issue of brand fit can evidently be described in different ways: whether the brand extensions are the same as/ different from the family brand; high/ low perceptual fit between family brands and the new product categories; and consistency/ inconsistency in the family brand image and its extensions. Depending on the degree to which brand fit exists, there are two different outcomes. The terms often used in research literature (e.g. Aaker and Keller, 1992) in this topic are those of brand extensions being typical or untypical to the family brand. The following section considers this further.

2.4.3 Typical and untypical brand extensions

The concepts of typicality and untypicality refer to brand extensions with a high and low brand fit respectively. For example, considering a sports brand once again, the extension from running shoes to socks made for exercising is in this case consisting of typical brand extension due to the high brand fit. The launching of jeans, extended from the same sports brand, is instead interpreted as untypical as a result of the low brand fit.

The question of whether typical and untypical brand extensions harm consumers' image of the brand, and the way they perceive it, is an evident discussion in the area of marketing (Arslan and Altuna, 2010). We will start by presenting the concept of typicality.

2.4.4 Typical brand extension

As mentioned when considering the concept of perceptual fit above, extension typicality is a term frequently used when treating the concept of brand fit. The relationship between the two concepts becomes evident when taking consideration to the level of brand fit. The greater the fit is, the more typical is the extension interpreted to be. In other words, the concept of a typical brand extension is applied on the cases where there is an evident brand fit between the extension made and the family brand image (Aaker and Keller, 1992).

Brand extensions which are typical to the family brand image are interesting subjects for researchers. According to Arslan and Altuna (2010), it is claimed that the bigger the fit, and thus the typicality of the extension to the family brand is, the more positive the effect of the extension on the family brand.

A brand fit and hence typical brand extensions are argued to be very important because the perceived quality of the brand will be enhanced when the extension and the family brand fit together (Aaker and Keller, 1990). In this way, a typical brand extension can help create an enhanced family brand image. However, an enhanced family brand image should not be confused with an improved family brand image. The last mentioned indicates a positive change in the perception of the family brand.

2.4.5 Untypical brand extensions

There are various outcomes that untypical brand extensions can be followed by: *confusion*, *seen as an exception/no dilution* and *dilution*. The following parts of this section explore these three outcomes.

Confusion:

Some researchers argue that changing and developing a brand personality is a condition for surviving, while some argue that a change only creates confusion. Mårtensson (2009) discusses the importance of holistic thinking when it comes to shaping the brand and this holistic way of thinking should be based on consistency. It is argued that in order to strengthen a brand, it is extremely important to maintain the territory chosen by the family brand. Due to this way of perceiving consistency, it is believed that consistency should always take priority over creativity in all market communications. However, there is a subtle line between being continuous in a positive manner and being predictable in a negative manner. According to Mårtensson (ibid.), reminding the consumer of a brand simplifies when the brand associations and clues develop. However, all associations should hold a common thread in order to prevent confusion when interpreting the brand identity. It is argued that when the genuine brand identity is not incorporated in all market communications, conflicting messages are sent out, which in turn may result in the failure of brand image strengthening and create a brand identity crisis. Confusion is hence the result of the family brand (Srivastava, 2011).

Seen as an exception/ No dilution:

Another way to perceive brand extensions untypical to the family brand image is that they become exceptions in the eyes of the consumer, and thus the way consumers perceive the extensions does not affect the way they perceive the brand. A consumer will in other words, not connect the brand extension to the family brand as a result of an overly big gap between the two. This is often the case when already well-established and strong brands launch an extended line that is too dissimilar to the original brand. As a result of a strong positioning in the consumer's mind, such an extension/repositioning is interpreted as an exception (Gürhan-Canli and Maheswaran, 1998).

This way of understanding the impact of untypical brand extensions is closely linked to the idea of dilution. Dilution is when the family brand image is weakened, a concept often referred to in the area of brand extension and repositioning. It is stated that *"unsuccessful brand extensions will dilute the equity associated with a well-established brand name. In fact, some observers believe that the combination of "wear out" and "dilution" effects will eventually result in the total demise of a brand's equity"* (Loken and Roedder John, 1993, p. 71).

Dilution is, in other words, a phenomenon that is not sought after in the context of branding. When the brand extension is seen as an exception by the consumers, the extension does not affect the family brand image. Thus, the way consumers perceive the family brand remains undiluted by the extensions made, and the value of the family brand remains the same (Loken and Roedder John, 1993). We return to the concept of dilution below.

The more untypical the brand extension is perceived by the consumer, the more the extension is perceived as an exception (Gürhan-Canli and Maheswaran, 1998). This way of understanding the implications of brand extensions is in many ways the complete opposite of the prior understanding, where the untypical extension causes confusion to the family brand. Instead, this perception stands for the idea that the more untypical the brand extension is, the more the family brand image is unaffected due to consumers perceiving it as an exception. Therefore, it is evident that the underlying factor that determines whether the extension is seen as an exception or as confusing is the level of untypicality between the family brand and the brand extension.

However, there is one other way of perceiving the implications of untypical extensions, which is through dilution. The concept will now be carried out more carefully.

Dilution:

Brand extensions untypical to the family brand image have been viewed by some researchers as creating a dilution to the family brand. Dilution is as previously mentioned a negative term once considered through the lens of research in brand extension. Family brands are affected negatively by diluted brands, which are the opposite of strong, united and memorable brands.

It is argued by researchers that brand extensions that are not typical for the family brand cause consumers to create a negative picture of the brand in whole, causing the family brand to be weakened and diluted. Thus a brand's image can be damaged *“when a brand is extended into product categories that are not consistent with the original product or if different associations are created by the extension...”* (Arslan and Altuna, 2010, p. 172).

The previously mentioned citation demonstrates that the concept of dilution is closely related to the concept of consistency, since launching an inconsistent brand extension may result in a dilution of the brand image. Through this, it becomes obvious that an untypical brand extension may cause dilution as a result of a damaged brand image.

As mentioned above, inconsistency may also contribute to the creation of a confusing brand image in the same way as it may contribute to a diluted brand image. This clarifies the close relationship between the concept of confusion and the concept of dilution.

Summay part 2:

The second section of this chapter discussed the concept of brand fit and its various designations. It also discussed the meaning of untypicality followed by its three different eventual outcomes: confusion, seen as an exception/no dilution, and dilution. The concept of typicality concluded the section with enhancement being its eventual outcome. A figure, offering a comprehension of the second section of this chapter, follows.

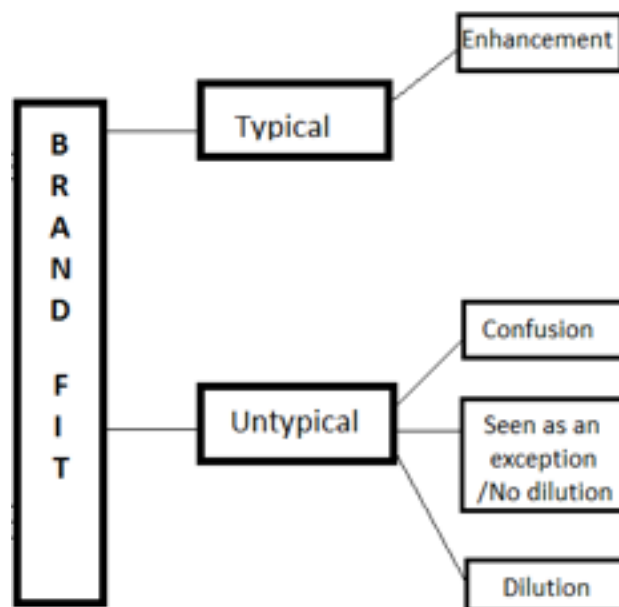


Figure 2.3

Brand fit, which is a term used to describe whether the image of the brand extension/repositioning is contradictory to the family brand image, is hence of either high or low degree. A brand fit is evident in cases where consumers perceive the image of a brand extension/repositioning as typical to the family brand image. Accordingly, a brand fit is non-existent in case consumers perceive the image of the brand extension/repositioning as untypical to the family brand image.

The perception of untypicality by consumers can cause three possible outcomes. Consumers can be confused due to the contradiction between the image of the family brand and the extension made by the given brand. Perceiving the extension as an exception to the family brand is the second outcome. The third alternative is that consumers perceive the family brand as diluted due to the contradictory extension/repositioning made.

The perception of typicality by consumers can, on the other hand, result in an enhanced family brand image. The relationship between the various components in the second section of this chapter have now been explained.

2.5 The comprehensive research model

The two parts of the research model presented at the end of each part in this chapter can be combined to form a composite and complete research model. This research model provides a comprehensive understanding of the entire theoretical chapter and constitutes the base on which the entire research is built.

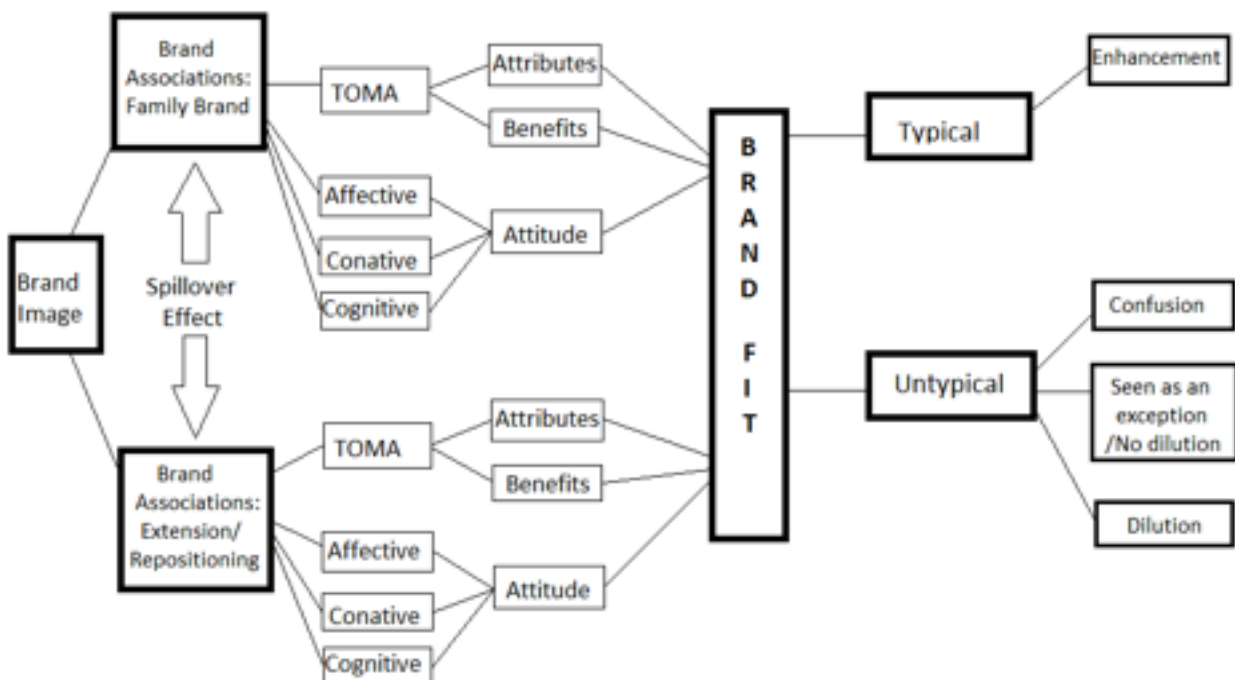


Figure 2.4

A family brand image mirrors the image of a brand extension/repositioning, composed of consumer attributes, benefits and attitudes. Attributes and benefits can be measured through top of mind awareness (TOMA), while the attitudes can be measured through consumers affective, conative and cognitive feelings, behaviour and thoughts. An understanding of the family brand image, as well as

an understanding of the image of a brand extension/repositioning, are of utter importance in order to investigate the existence of a spillover-effect between the two. To complete the analysis, which aims at mapping out the effect of contradictory brand extension/repositioning, one must regard the research model as one unified course, with its beginning in the first part and with the definite outcomes of confusion, seen as an exception and dilution as the final destination.

In order to reach the the end of the model and map out the final outcomes, one must measure the level of brand fit. The level of brand fit can be high or low, and thus, typical or untypical. To understand whether confusion, seen as an exception or dilution is the outcome of untypical brand extensions, one must take the spillover-effect into consideration. In cases in which a spillover-effect from the extension/reposition to the family brand image is evident, and thus consumers perceive a change in the family brand image due to the extension/reposition, the change can be shaped in different ways. The family brand image can either be confused due to the extension/reposition, or it can be diluted. In the same way, in cases where the spillover-effect is nonexistent , the brand extension/reposition is perceived as an exception to the family brand image. This is the third outcome of untypical brand extensions.

2.6 The effect of time

In addition to the components constituting our research model, it is important to emphasize one more aspect that carries a great importance in the subject: the effect of time. The time that has passed since the launching of a brand extension/repositioning, entails a repeated exposure to the consumer. Therefore, in order to achieve a comprehensive understanding on consumers' attitudes and associations to brand extensions which are untypical to the family brand, we must not neglect the effect of time.

Time is an important variable since it renders a possibility of a repeated contact between the consumers and the new brand extension. The number of times consumers have been exposed to the extension can thus affect the way they evaluate it, since increased exposure results in increased familiarity. The term familiarity is based on brand experiences and brand knowledge (Low and Lamb Jr, 2000). Attitudes towards untypical brand extensions can in this way be affected by time (Lane, 2000).

3. Case study background

This section summarizes the background information regarding the two case studies chosen for this thesis: Hennes&Mauritz and Volvo.

3.2 Hennes & Mauritz: Introduction

The year 1947 was the starting point of something that would last for decades: the clothing company “Hennes” was established in Västerås, located in Sweden, providing women’s clothing. After the opening of stores in other parts of the country, as well as in other nordic countries, in 1968 the company was further extended through the launch of men’s and children’s clothing. Parallell to this development, the name of the company was changed to Hennes&Mauritz, which quickly became a well-known brand. The following decades were characterized by success and growth, including being listed on the Stockholm Stock Exchange, entering new international markets and expansion through wider assortments, such as the launching of accessories, underwear and cosmetics (H&M Website³).

The acquisition of the firm Fabric Scandinavia AB took place in 2008, giving Hennes&Mauritz AB the position of a parent company. The brand Hennes & Mauritz (H&M) later became independent in the Hennes&Mauritz group together with four other brands: COS, Monki, Weekday and Cheap Monday (H&M Website⁴).

The case study of this thesis refers to the independent brand H&M.

3.2.2 Hennes & Mauritz: The business concept

H&M has always been characterized by its ability to provide fashion to a very low price:

“Our business concept is to give the customer unbeatable value by offering fashion and quality at the best price.”

(H&M Website⁵)

The cost consciousness of H&M is combined with efforts to reduce the amount of middlemen which enables the company to always provide the best price. In addition to this, H&M presents seven core values that are of great importance in their daily work. Three of these values are presented below:

- Keeping it simple
- Team work
- Believing in people

³ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/People-and-History/Our-History.html#cm-menu>

⁴ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/Brands-and-Collections/HM-Group.html#cm-menu>

⁵ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/About-HM/Business-Concept-and-Growth.html#cm-menu>

According to H&M, the goal of the company is to grow by increasing the number of retail stores, by 10-15 percent annually, at the best locations around the world (H&M Website⁶).

3.2.3 Hennes & Mauritz: Design collaborations

In 2004, H&M introduced a distinctive initiative to the world. The concept of combining luxurious designs for low budget was presented in order to make luxury affordable to everyone. The idea was initiated with the launch of a collection designed by Karl Lagerfeld. During the last eight years Karl Lagerfeld has been complied with designers such as Stella McCartney, Jimmy Choo, Lanvin and Versace, to name only a few (H&M Website⁷).

The majority of these highly creative collections have been extremely successful, creating great promotion and brand strengthening results for H&M. The groundbreaking idea of the design collaborations has now turned into a continuous strategy of the company, which launches collections by new designers frequently (Sydsvenskan Website⁸).

3.3 Volvo: Introduction

Volvo claims to be one of the greatest manufacturers for transportation in Sweden, as well as in the world. The company was born in 1927 and success was confirmed after less than a year. When launching the first vehicle in 1928, the series were completely sold out in six months. It took only five years for the company to gain international advantages. The Swedish krona was strengthened in relation to the dollar, enabling the company to enjoy the benefits of the foreign exchange trade. Parallel to this, the first export took place, which increased the internationalization and further success was achieved.

After years of expansion, launching of new series, entering new partnerships and acquisitions with different corporations, Volvo, which is one of ten subsidiaries in the Volvo Group, has become a well known and powerful brand all over the world (Volvo Group Website⁹).

3.3.2 Volvo: The business concept

The vision of the Volvo Group is:

“to become the world leader in sustainable transport solutions...”

(Volvo Group Website¹⁰)

⁶ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/About-HM/Business-Concept-and-Growth.html#cm-menu>

⁷ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/People-and-History/Our-History.html#cm-menu>

⁸ www.sydsvenskan.se/ekonomi/samarbeten-bygger-varumarket/

⁹ http://www.volvogroup.com/group/global/en-gb/volvo%20group/history/ourhistory/Pages/history_timeline.aspx

¹⁰ <http://www.volvogroup.com/group/global/en-gb/volvo%20group/visionmission/Pages/vision.aspx>

To maintain this vision, Volvo aims to provide quality and safety along with environmental consciousness.

The values of the brand Volvo are divided into four parts: *quality, design, environment* and *safety*. In order to be associated with these four components, the company aims to portray the values in every car they sell (Volvo Cars Website¹¹).

3.3.3 Volvo: Launching race cars

As mentioned above, Volvo has launched many series over the last decades. In 1996, the company entered a partnership with Polestar, which is a company that specializes car racing (Polestar Website¹²). The vision of Polestar is:

“to continue to meet the needs of Volvo Cars for an exclusive partner in global motorsport, regardless of championship type or market”.

(Polestar Website¹³)

In 2008, Polestar developed the C30 Polestar in collaboration with Volvo, aiming to create a car for competitive racing. The components that are modified to create the race cars are the engine, electronics, chassis and aerodynamics (Polestar Website¹⁴).

3.3.4 Volvo R40 GT AWD Polestar

As a natural subsequent step from the collaborations between Volvo and Polestar, a hypothetical car called Volvo R40 GT AWD Polestar, was introduced in (Teknikens Värld Website¹⁵). This highly luxurious sports car was portrayed and depicted as the ultimate race car. Polestar was, according to the article, said to be given free rein when producing the car, which would have a maximum speed ability of 380 km/hour. However, the allowed speed was limited to 330 km/hour since the car carries Volvo’s brand and is therefore constrained to abide by the safety values of the company. The price of the car was estimated to be over one million Swedish kronor.

When considering Volvo in the case study of this thesis, it regards the simulated Volvo R40 GT AWD Polestar.

¹¹ <http://www.volvocars.com/uk/top/about/values/pages/default.aspx>

¹² <http://www.polestar.se/en-gb/about/facts/>

¹³ <http://www.polestar.se/en-gb/about/vision/>

¹⁴ <http://www.polestar.se/en-gb/about/facts/>

¹⁵ <http://www.teknikensvarld.se/2012/04/01/29962/volvo-r40-gt-awd-polestar-avslojad/>

4. Method

This chapter describes why we chose to carry out a case study, how we executed the interviews and how the collected data was analyzed. The reliability and validity are comprised throughout the whole section, and an extract of these measures concludes the chapter.

4.2 Research approach

The research approach of this thesis is primarily qualitative. This method has been chosen due to the fact that the consumer's perceptions and associations are the main subjects in our study. Silverman (2006 p. 33) defines the concept as an approach that "... seem to promise that we will avoid or downplay statistical techniques..." and further argues that "the choice between different research methods should depend upon what your are trying to find out"(Silverman, 2006, p. 34).

Hence, the aim of the qualitative research is to capture, identify and document underlying factors without modeling it in quantitative terms. Based on this, qualitative research was considered suitable in order to find the essence of the phenomenon studied in our thesis.

According to Silverman (2006), there are four ways to execute a qualitative research: observations, analyzing texts and documents, interviews and focus groups, as well as audio and video recording. These are evident in the figure below:

Method	Methodology	
	Quantitative research	Qualitative research
Observation	Preliminary work, e.g. prior to framing questionnaire	Fundamental to understanding another culture
Textual analysis	Content analysis, i.e. counting in terms of researchers' categories	Understanding participants' categories
Interviews	Survey research: mainly fixed-choice questions to random samples	'Open-ended' questions to small samples
Audio and video recording	Used infrequently to check the accuracy of interview records	Understanding the organization of talk, gaze and body movements

Figure 4.1: "Different uses for four methods"

Source: David Silverman 2006, p. 19

As seen in figure 4.1, two different types of interviews can be conducted depending on the chosen approach: survey researches or 'open-ended' questions. Silverman (2006) argues that these methods are often combined, which is the main reason to the chosen research approach of our thesis.

Our research was carried out by surveys constituting of both closed and 'open-ended' questions (appendix 1-2) and has therefore been defined as a semi-qualitative study, which endures both aspects presented by Silverman in the figure above. The reason we define this research as semi-qualitative is because the questions asked were formulated in a manner that generated 'one-word'

responses, as well as lengthier justifications. This mix gave rise to both quantitative and qualitative aspect to the answers.

Even though the survey was based on qualitative grounds, it is necessary to define the concept of a quantitative research as well. The quantitative approach is often characterized by fixed surveys, resulting in statistical coding and other evaluation techniques that differ from the ones applied in the qualitative approach. The results of a quantitative research can be used to draw reliable conclusions regarding a large sample. In other words, the quantitative research aims to explain the reasons behind a phenomenon by building up a quantitative model (Silverman, 2006).

4.3 Research strategy

Why H&M and Volvo?

The decision to use H&M's campaigns with designer collaborations and Volvo's hypothetical launching of a specific car model was due to several reasons. In order to answer the aim of this research, revolving around consumer attitudes to contradictory brand extensions and their effect on consumers' perception of the family brand, well known familiar brands are most suitable to study. H&M and Volvo are both international brands with roots in Sweden; hence, it becomes natural to use these two brands as our case studies. Swedes usually have a strong sense of the two companies as well as a familiarity with them which is necessary in order for us to gain the valuable information we need about consumer attitudes revolving brands. Through using these well known brands, we are aware that the respondents, to a great extent, have previous knowledge concerning these brands. However, we find this previous knowledge valuable, since it increases the effect of our study.

The phenomenon of a change in consumers' attitudes becomes more interesting to study once the brands already have an existing place in their surroundings and thus an existing attitude towards the chosen brands.

Why these case studies?

H&M's designer collaborations are contradictory to H&M's family brand image. The family brand is associated with value for money, and up-to-dated and trendy clothes (H&M Website¹⁶). The association with cheap clothes is one of the company's biggest cornerstones, while well known fashion designer clothes are commonly associated with luxury. The design collaborations are thus in many ways contradictory to the family brand image.

The hypothetical launch by Volvo has many features which are highly untypical to Volvo's family brand. It is contradictory through its design, since its design is more familiar to a sports car than a family car, which is what Volvo is famous for (appendix 5). It is also contradictory through its features, since Volvo cars are associated with safety and security (Volvo Cars Website¹⁷) and the new launching can in contrast, be associated with speed, racing and risk (Teknikens Värld¹⁸). The hypothetical launching of the car model R40 is therefore in many ways not in harmony with the family brand consumers are used to. Based on this, the launching of this specific car provides a relevant and suitable case study for this thesis.

¹⁶ <http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/About-HM/Business-Concept-and-Growth.html#cm-menu>

¹⁷ <http://www.volvocars.com/uk/top/about/values/pages/default.aspx>

¹⁸ <http://www.teknikensvarld.se/2012/04/01/29962/volvo-r40-gt-awd-polestar-avslojad/>

The similarities between the cases of H&M's designer collaborations and Volvo's hypothetical new launching of R40 are strong, once perceived through the lens of contradictory brand extension/repositioning. However, there is one difference between the two cases, which is important to stress. H&M's designer collaborations started in 2004. To this date, the collaborations have been ongoing for more than eight years and may already have transformed consumer attitudes towards the family brand. The case of designer collaborations is thus complementary to that of Volvo since both cases are examples of contradictory brand extensions/repositionings, where one is new and hypothetical (Volvo R40), while the other one being well established and existing (H&M designer collaborations). Due to this, the case of Volvo gives us information regarding how consumers react to brand extensions that are contradictory to the family brand, which they have not been exposed to before. The case of H&M, however, gives us information regarding how consumers react to contradictory brand extensions that they have been exposed to before. The decision to use these two case studies is therefore, to a large extent, based on the information they may provide concerning the effect of time and the repeated exposure this involves.

4.4 Data collection

Through the brand extensions/repositionings previously mentioned concerning H&M and Volvo, we have, through adequate questions, investigated several components explained and mapped out in the theoretical section of this thesis.

The components we investigated through our case studies were the following:

- The attributes, benefits and attitudes of the consumers towards the family brand image. To measure the attitudes, questions regarding consumers' affective, conative and cognitive feelings, behaviors and thoughts. In order to measure the attributes and the benefits, top of mind awareness (TOMA) was used.
- The attributes, benefits and attitudes of the consumers towards the brand extensions/repositionings made. These were measured in the same manner as previously mentioned. Even the associations were measured as mentioned above.
- Whether there is a spillover-effect between the image of the brand extension/repositioning and the family brand image.
- Whether the brand extension/repositioning is perceived as typical or untypical to the family brand, which thus also answers whether there is a brand fit or not.
- Whether the extension/repositioning causes confusion, is seen as an exception, or causes dilution to the family brand in the mind of the consumers, when perceiving the brand extension/repositioning as untypical to the family brand.

We have, as previously mentioned, chosen to execute surveys which were conducted through short face-to-face interviews. Each interview took approximately ten minutes to carry out.

4.5 Sample collection

Choice of respondents

Because of socially constructed gender dominance in the fashion and car industries, we have chosen to create a balance between the brands by dividing them, and thus the questions concerning them into, two parts. Females were asked questions concerning the brand H&M, while males were asked questions regarding Volvo.

The respondents were randomly chosen and asked to participate in the interviews. To ensure that these respondents were a part of the brand's target group, females were asked whether they were interested in fashion and clothes, while men were asked whether they were interested in cars. Those who answered yes to this question were interviewed.

Further, the interviews were conducted at the University of Gothenburg's School of Business, Economics and Law. The respondents were thus students in different ages with different backgrounds. It is important to mention that since the School of Business, Economics and Law is a university in which students are educated in business and law, many of the respondents thus had prior knowledge in the subject of business and marketing. We find this prior knowledge as positive to our research since it provides us with the thoughts, ideas, attitudes and associations of people who have a nuanced and wide understanding of marketing and brands. The prior knowledge, which many of these students possess, also increases the possibility of being given answers of high quality and relevance, as well as decreasing the risk of being given unmotivated answers.

From the outset, we were aiming to conduct 100 short interviews. However, while conducting the interviews we found, provided with 80 answers, a theoretical saturation necessary to our research. The answers already showed an obvious pattern and the more interviews conducted, the stronger the proof of the pattern became. The theoretical saturation became the reason why we were satisfied with 80 conducted interviews, 40 applied in the case of H&M and 40 applied in the case of Volvo.

Interview methodology

The interviews were conducted by one person being interviewed at a time. We made sure that the respondents had not overheard the questions before in order to decrease the risk of influencing participants' answers, as well as to give more time to consider the questions than other respondents.

Throughout the 80 interviews, one of us asked the questions, while the other one simultaneously typed the answers on a laptop; this was done to make sure that both of us were fully concentrated on the answers given. We also made an effort to remain consequent in the way that the questions were asked through our body language, tone of voice and the words used during the interviews. This in order to remain objective and minimize the impact of our own thoughts and opinions on the respondents.

However the measurement techniques used to measure the associations through top of mind awareness were somewhat limited, since the respondents were, unintentionally, given time during the interviews to reflect upon their associations to the brand and the brand extension/repositioning. Due to this, the credibility of the results achieved by the top of mind awareness (TOMA), is somewhat limited.

The layout of the short face-to-face interviews follows:

1. Questions regarding the family brand were asked.
2. The respondents were shown pictures of the brand extension/repositioning; men were shown the Volvo R40, while women were shown a sample of H&M's designer collaborations (appendix 4-5).
3. Questions regarding the brand extension/repositioning were asked.
4. Questions regarding the impact and relationship between the family brand image and the brand extensions/repositioning were asked.

The layout of our interviews was based on a disposition where the typical aspects were presented prior to the untypical. The first part of the questions concerned the family brand of (Volvo for men and H&M for women). This in order to make sure the respondents' ideas surrounding the brand extension/repositioning did not affect the answers concerning the family brand image. Before beginning with the questions concerning the brand extension/repositioning applied to our case studies, a photo of the extension/repositioning was shown to the respondents. Men were shown a photo of the car R40, while women were shown a picture of the various designer collaborations of H&M. We decided to ask the questions regarding the family brand before showing the pictures of

the extension/repositioning because doing the opposite could affect the respondents' answers on the questions considering the family brand image, as argued above.

The last questions asked concerned the perceived impact of the family brand image on the brand extension/repositioning and vice versa. Questions regarding an eventual brand fit concluded our interviews. The male respondents were told that the car Volvo R40 had been launched in reality. This was in order to get a clear understanding of the way they reacted and whether the car changed their attitudes towards the family brand image or not. However, it is important to stress that the male respondents were, after the interviews were conducted, told that Volvo R40 was only a simulated car, which had no connection to Volvo.

4.6 Compiling the collected data

The data collected through our research was compiled in two steps, each step aiming to create a quantitative foundation followed by a qualitative foundation. All the answers provided have been considered as useful since we, before starting the interviews, we ensured that each respondent was suitable for participation.

After concluding the categorizations, we started to calculate the shares. This was done in order to map out the overall patterns of the answers provided and to clarify majorities as well as minorities. Each category in every question asked was thereafter compiled into 24 diagrams, 12 diagrams referring to each case study (appendix 3).

After executing the quantitative compilation, we started to analyze the qualitative aspects of the answers provided. This was done through "TagCrowd", which functioned as the main tool in this step. TagCrowd is "*a web application for visualizing word frequencies in any text by creating what is popularly known as a word cloud, text cloud or tag cloud*" (TagCrowd Website¹⁹).

All documentation collected during the interviews, was once again categorized. This enabled us to receive different images for each category. After registering the information on TagCrowd, we were provided with images that stressed the most frequently used keywords by the respondents when they were asked to justify their answers. In this way, we could easily comprehend the essence of the answers, each presented in their own category of answers. In order to gain a comprehension of the context in which the words were used, the justifications provided in the interviews were reviewed carefully. All images presented in TagCrowd constituted of 50 words.

Through the steps presented above, we considered that we had been provided with the information needed in order to map out the quantitative and qualitative aspects of our research. The subsequent step was thus to compile the information in running text.

4.7 Reliability & Validity

To conduct high-quality research, terms such as *reliability* and *validity* are of great importance. The concepts of reliability and validity help explain this further. Reliability refers to "*the degree to which the findings of a study are independent of accidental circumstances of their production*" (Kirk and Miller, 1986, cited in Silverman, 2006 p. 282).

The previous citation indicates the importance of our findings to be independent of specific circumstances. Validity, on the other hand, is defined as "*another word for truth*" (Silverman, 2006,

¹⁹ <http://www.tagcrowd.com/blog/about/>

p. 47). The concept thus aims at creating truthful and credible answers by decreasing the risk of receiving dishonest and adjusted answers.

In order to increase the reliability of our thesis, we chose to apply two cases: H&M and Volvo. This was based on the socially constructed gender dominance in the fashion and car sector represented by these companies. We aimed for a balance between the genders since doing the opposite could result in two unwanted scenarios. The first possible scenario concerns an investigation applied to on a brand socially characterized by one of the genders, which would result in findings concerning a narrow segment. The second possible scenario would be to include both sexes irrespective of the prevailing dominance in the chosen case study and thus risk receiving answers based on disinterest and lack of knowledge. Hence, the credibility and reliability of our research is strengthened by the decision to use the two cases of H&M and Volvo since they represent the attributes, benefits and attitudes of both men and women.

The survey questions composed by us are tools to measure the components which are of great importance in this thesis. Every question was carefully chosen and based on the theoretical research. In this way every answer yields specific information directly connected to the theoretical framework presented above. This increases the validity of our research since it measures what it is proposed to measure.

To further increase the validity of this research, the survey questions were translated into Swedish. This was done in order to improve the quality of the answers given during the interviews since all the respondents spoke Swedish fluently. Executing the interviews in Swedish can therefore result in more nuanced and specific answers, which is of great importance to this research.

Further, the survey questions were tested through a preliminary round, where two short interviews were held: one with a female concerning the brand H&M and one with a male concerning the brand Volvo. Through this, we had the opportunity to modify our survey questions and make sure the respondents thoroughly understood the questions asked.

In order to maximize the level of concentration on the answers given, both of us participated in the interviews, enabling simultaneous typing, which in turn decreased the risk of missing out on important information.

The fact that the surveys were answered through interviews enabled the respondents to provide thorough answers instead of short ones. It also enabled us to insist on some justifications for the answers provided, something which would not have been possible for us to do through traditional handed out surveys.

5. Empirical data

This chapter is divided into three sections that map out the empirical results achieved by our semi-qualitative research: the first section discusses the survey questions and their theoretical relevance; the second section explains the results gained through the interviews that regard the case of H&M; the third and final section presents the results achieved from the interviews regarding the case of Volvo.

Further detailed empirical results, as well as the complete survey including answering alternatives, can be found in the appendices.

5.2 The theoretical relevance of the survey questions

1: What is the first thing you associate with the brand H&M/Volvo?

The purpose of this question is to map out the attributes and benefits towards the brands H&M and Volvo through the concept of top of mind awareness (TOMA). This is achieved through questions considering the brand associations.

2: What do you think about the brand H&M/Volvo?

This question aims at mapping out the respondent's cognitive understanding of the family brand of H&M/Volvo. The cognitive aspect is one of the three components that compose an attitude.

3: What feelings do you associate with the brand H&M/Volvo?

This question aims at examining the respondent's affections regarding the family brand. The affective aspect is one of the three components that compose an attitude.

4: Does the brand H&M/Volvo evoke a purchasing will in you?

This question investigates the respondent's conative behavior regarding the family brand. The conative aspect is one of the three components that constitute an attitude.

5: What is the first thing you associate with these campaigns/this launch?

The purpose of this question is to map out the attributes and benefits towards the brand extension/repositioning of H&M and Volvo through the concept of top of mind awareness (TOMA). This is achieved through questions considering the brand associations.

6: What do you think about these campaigns/this launch?

This question aims at mapping out the respondent's cognitive understanding of the brand extension/repositioning executed by H&M/Volvo. As mentioned before, the cognitive aspect is one of the three components that compose an attitude.

7: What feelings do you associate with these campaigns/this launch?

This question aims at examining the respondent's affections regarding the extension/repositioning. As mentioned before, the affective aspect is one of the three components that compose an attitude.

8: Do these campaigns/this launch evoke a purchasing will in you?

This question investigates the respondent's conative behavior regarding the brand extension/repositioning. As mentioned before, the conative aspect is one of the three components that constitute an attitude.

9: Do you feel that your perception of the brand H&M/Volvo in whole, affects your perception of these campaigns/this launch?

This question investigates whether there is a spillover-effect from the family brand image of H&M/Volvo to the image of the extension/repositioning made. The spillover-effect constitutes the tool with which the different outcomes of the brand fit are analyzed.

10: Now, after that you have been exposed to these campaigns/this launch, do you feel that your perception of the brand H&M/Volvo in whole has been changed?

This question investigates whether there is a spillover-effect from the brand extension/repositioning made by H&M/Volvo to the family brand image of H&M/Volvo. The spillover-effect constitutes the tool with which the different outcomes of the brand are analyzed.

11: Do you feel that these campaigns/this launch fit the brand H&M/Volvo?

This question examines whether there is a brand fit between the family brand image and the image of the brand extensions/repositioning made.

12: If answered 'no' to the question above, which of the alternatives presented below fits the best?

1. I feel that the new campaigns/new launch create a confusing image of the brand H&M/Volvo.

This alternative investigates whether or not the brand extensions/repositionings, which are untypical to the family brand image, create a confusing picture of the family brand.

2. I perceive the campaigns/launch as an exception to what H&M/Volvo usually stands for and this does not affect my perception of the brand.

This alternative investigates whether or not the brand extensions/repositionings, which are untypical to the family brand image, are seen as an exception to the family brand, and thus, does not affect the family brand image in whole.

The respondents were deliberately not asked any questions regarding the concept of dilution. However, they were asked whether or not their perception of the family brand image had changed or remained the same after the exposure. Those respondents who did perceive the image as transformed developed this opinion further via justifications. The idea was then to wait and see if any of the respondents would by themselves bring up the concept of dilution. We were, in other

words, aiming to see if the justifications following the answers of an existing spillover-effect, considered any negative reasonings. By not taking any initiative in this matter, we could easily analyze whether or not the untypical brand extension/repositioning caused a family brand image to be diluted.

5.3 Collected data: H&M

1: What is the first thing you associate with the brand H&M?

This question gave the respondents the opportunity to associate freely. The answers have been composed into separated categories, each comprised of different associations.

The association to “cheapness” was most common, representing 60 percent of the respondents. The second most common association was “trendy”, as 10 percent of the respondents answered. Examples of other associations were “international/global”, “Sweden/Swedish”, “clothes”, “mass-production”, “youthfulness” and “the logo”.

2. What do you think about the brand H&M?

Here, the respondents were given the opportunity to answer freely. The answers were divided into “Positive reasonings”, “Negative reasonings”, and “Indifferent reasonings”.

92 percent of the respondents provided positive reasonings to the brand H&M. The negative reasonings were 8 percent and no answers fell under the category of "Indifferent reasonings".

The most usual motivations among the positive reasonings revolved around H&M’s clothes being “nice”, “cheap” and “out of good quality”. Other frequently used descriptions were that the clothes of H&M are “trendy” and “various”.

The negative reasonings were often justified by the “bad quality” of H&M as well as the “mass-production”.

3. What feelings do you associate with the brand H&M?

The respondents were given three options when answering this question. The results of the answers are divided into “Positive feelings”, “Negative feelings” as well as “Indifferent feelings”.

77 percent of the respondents had positive feelings towards the brand H&M. The most usual justifications concerned that H&M provide “nice clothes to a rather good quality”, that they are “cheap”, “trendy” and that they have “something for everyone”. One respondent expressed that “*it is a positive, up to date and trendy brand*”. 20 percent of respondents had indifferent feelings towards H&M. This was often justified by them making “*nice clothes to a cheap price but to a bad quality and through mass-production*”.

The alternative chosen least by the respondents was that of “Negative feelings”. Only 3 percent of the respondents had negative feelings towards H&M and the most usual justification concerned that H&M “use child labour” and provide clothes of “bad quality”.

4. Does the brand H&M evoke a purchasing will in you?

The respondents were given three alternatives to this question: “Yes”, “No” as well as “Indifferent”.

The great majority of the answers, 95 percent, fell under the category of “Yes”, that the brand H&M does evoke a purchasing will, while 5 percent answered that it does not. No respondents were indifferent in this matter.

The most common motivations from the respondents, who answered “Yes”, were that H&M provide “cheap and trendy clothes”, that they offer “basic clothes” and that their clothes are “easy to combine with other brands”. A majority of the answers in this category constituted by justifications claiming that one can “buy fashionable clothes to a cheap price.”

The most common justification among those who answered “no” were that H&M provide “cheap” clothes to a low quality” and that their clothes are “mass-produced”.

5. What is the first thing you associate with these campaigns?

This question gave the respondents the opportunity to associate freely. The answers have been composed into separated categories, each consisting of different associations.

The most frequently used association, representing 26 percent of the respondents, was that of “luxury”. The second usual association was “cool/good” and was represented by a share of 15 percent, closely followed by “success”, representing 10 percent.

6. What do you think about these campaigns?

The respondents answered, reasoned and justified their thoughts regarding this question without our interference. When compiling the provided information, the answers were categorized into “Positive reasonings, “Negative reasonings” and “Indifferent reasonings”.

The majority, consisting of 55 percent of the answers, reasoned positively. Such reasoning revolved around the campaigns being “fun” and “creating an excitement” among consumers. It was generally appreciated that the campaigns enabled everyone to “afford designer clothes”. A typical justification provided by one the respondents who was positive about the design collaborations, was that they *“create an excitement and curiosity around which designer 's next and so on...”*.

30 percent of the respondents reasoned negatively. These reasonings were often justified by them not wanting to go to H&M when desiring real designer clothes.

They experienced that the designer collaboration produced “weird” and “expensive” clothes, and that the clothes are “still from H&M”, despite the designer name behind the piece.

The remaining 15 percent were indifferent in this matter. This standpoint consisted of both positive and negative justifications. The indifferent reasoning mainly revolved around that they found it positive, however, not desirable due to reasons such as “bad quality” and “mass-production”. One justification that falls under this category is that the *“idea of ”making designer clothes affordable for everyone” is great, but the clothes offered are not my type of style.”*

7. What feelings do you associate with these campaigns?

In order to simplify this question, the respondents were given three alternatives: “Positive feelings”, “Negative feelings” or “Indifferent feelings”.

A great majority, 75 percent, of the respondents had positive feelings towards the campaigns. The most common motivations concerned the “collections being fun”, “brought new ideas to the table”, and that it is good to have a “cheap alternative to fashionable clothes”. A typical justification was that it “creates a luxurious feeling, giving H&M an even greater width”.

The second most usual answer was that the respondents had indifferent feelings towards the campaigns. This group, consisting of 18 percent of the respondents, described their feelings as positive towards the idea but negative towards “the rush and the crowd that the campaigns involve”. They often argued that it is a smart move on behalf of H&M, yet nothing they would like to wear.

The remaining 7 percent had negative feelings towards the campaigns. This was commonly justified by “the campaigns creating a rush”, that the stores get “too crowded” and that the design of the clothes were not “likable”. This group also found the clothes “too expensive” since they are not “real designer clothes”.

8. Do these campaigns evoke a purchasing will in you?

In order to simplify this question, the respondents were given three alternatives: “Yes”, “No” or “Indifferent”.

A majority of 60 percent of the respondents, answered “no” to this question. This answer was usually justified by the clothes being more suitable for “catwalks”, meaning that they are difficult to wear in real life. These respondents also argued that the clothes are too expensive, that they only fulfill a marketing purpose for H&M as well as causing a rush and making the stores too crowded.

27 percent of the respondents answered “yes” to the question. Their justifications were mainly described as the clothes being “fun” and “providing inspiration”.

The 13 percent that were indifferent in this matter, and mainly answered that they were “positive to the campaigns” yet “negative to the expensive pricing”.

9. Do you feel that your perception of the brand H&M in whole, affect your perception of these campaigns?

The respondent were given two alternatives when answering this question: “Yes” or “No”.

A majority of 58 percent of the respondents answered that their overall perception of H&M does affect their perception of the campaigns. This effect was perceived as a negative aspect. When asking for justification, the most common answers revolved around the campaigns becoming categorized as “cheap”, as a result of H&M being perceived as “cheap”. Another common argument was that the designer clothes were considered “of bad quality” since the quality of H&M clothes in general were perceived of “low quality”. One respondent perceived that the the designer clothes of H&M are of bad quality and stated that they don’t “*keep the same standard as “real” Versace clothes, it is just the design of Versace*”.

Another justification that was frequently used when answering this question, revolved around the “mess” in the H&M stores. Since the H&M stores were perceived as “messy”, the campaigns were perceived in the same manner.

42 percent of the respondents answered that their perception of H&M in whole does not affect their perception of the campaigns. This was often justified by the campaigns being considered as “more luxurious than H&M”. Some respondents perceived the designer collaborations as a completion that “spices up” the image of H&M.

10. Now, after that you have been exposed to these campaigns, do you feel that your perception of the brand H&M in whole has been changed?

The respondents were given two alternatives when answering this question: “Yes” or “No”.

A majority, representing a share of 57 percent, answered that their perception of H&M had been changed after being exposed to the campaigns. This was mostly explained as a result of the campaigns now “becoming a part of H&M”. It was also often claimed that the campaigns had altered the way they perceived the family brand image, through increasing its associations with “trendy”, “luxury”, “change” and “exclusiveness”. One respondent described that H&M has become “*less trashy and more classy*”.

The remaining 43 percent answered that their perception of H&M had not changed after being exposed to the campaigns. The motivations used by these respondents revolved around the campaigns being considered as a “spin off” separated from the primary work of H&M.

11. Do you feel that these campaigns fit in the brand H&M?

A great majority, containing of 88 percent of the respondents, answered “yes” to this question, while 12 percent answered “no”.

12: If answered 'no' to the question above, which of the alternatives presented below fit the best?

- 1. I feel that the new campaigns create a confusing image of the brand H&M.**
- 2. I perceive the campaigns to be an exception to what H&M usually stands for and this does not affect my perception of the brand.**

The respondents were asked to choose one of the alternatives provided.

A majority, representing 60 percent, answered “Alternative 2”, while the remaining 40 percent answered “Alternative 1”.

5.4 Collected data: Volvo

1: What is the first thing you associate with the brand Volvo?

This question gave the respondents the opportunity to associate freely. The answers have been composed into separated categories, each constituting of different associations.

“Safety” was, with a share of 38 percent, the most common top-of-mind association. Associations such as “Sweden/Swedish”, followed by “other car brands” such as Ford and Kombi, representing 28 and 10 percent respectively. Examples of associations under the category of “Other” were “boring”, “sustainability” and “development”. This category represented a share of 16 percent.

2: What do you think about the brand Volvo?

The respondents answered, reasoned and justified their thoughts regarding this question without our interference. When compiling the provided information, the answers were categorized into “Positive reasonings”, “Negative reasonings” and “Indifferent reasonings”.

A clear majority, 80 percent, answered with very positive reasonings. The positive answers were often justified by the Volvo cars being “safe”, “stable” and “secure”. Other arguments that were frequently used were the fact that Volvo is “carrying a strong and well known brand”, “representing Sweden internationally” and “is the best choice for families with children”.

However, a small number of negative aspects were also presented, constituting 15 percent of the answers. These answers were mostly motivated by describing the brand as “dull”, “flat” and “mainstream”.

5 percent of the respondents answered through indifferent reasonings. One respondent stated that *“the brand Volvo is too boring and therefore it has never influenced me. However, I do believe that Volvo is an important actor in the Swedish business sector”*.

3: What feelings do you associate with the brand Volvo?

In order to simplify this question, the respondents were given three alternatives: “Positive feelings”, “Negative feelings” or “Indifferent feelings”.

The majority of the respondents, 78 percent, had positive feelings towards the brand Volvo. Most of the positive feelings were described as a result of Volvo being “safe” and “fearless”. Some respondents argued that “the beautiful car design” created positive feelings, while some referred to the country of origin. One respondent explained that *“if one has very positive feelings towards a certain country, it is natural to associate big companies from that certain country with the same feelings. It is a matter of patriotism”*.

Examples of justifications that were used when answering with an indifferent impression, constituting 22 percent, were Volvo being “too old”, “too dull” and “too mainstream”, but at the same time “creating value and job opportunities in the Swedish society”.

This question did not result in any answers associated with complete negative feelings.

4: Does the brand Volvo evoke a purchasing will in you?

In order to simplify this question, the respondents were given three alternatives: “Yes”, “No” or “Indifferent”.

A majority of the respondents, representing 65 percent, did not have a purchasing will towards the brand Volvo. These answers were mostly justified by the target group of the company. The brand was considered being suitable for “people that put value in technology ahead of excitement and adventure”.

However, a share of 33 percent considered the brand to evoke a purchasing will. One respondent expressed that Volvo *“creates value for money by providing safe cars with modern designs. There is no reason not to consider the brand when planning on purchasing a car”*.

A minority of 2 percent were indifferent in the subject. One of the respondents in this category claimed that Volvo is *“made for families that are seeking stability. I am not in that phase now, but maybe in the future”*.

5: What is the first thing you associate with this launch?

This question gave the respondents the opportunity to associate freely. The answers have been composed into separated categories, each constituting of different associations.

The most frequent top-of-mind associations that appeared in relation to the new launching, were “other car brands”, representing a share of 33 percent. This category was constituted of answers like “Audi R8”, “Porsche” and “Lamborghini”. The second biggest category was “Racing/Sports cars”, representing 23 percent, closely followed by “Not Volvo”, representing 25 percent. Examples of associations from the category “Other” were “money”, “modern” and “Wow!” This category represented a share of 15 percent.

6: What do you think about this launch?

The respondents answered, reasoned and justified their thoughts regarding this question without our interference. When compiling the provided information, the answers were categorized into “Positive reasonings”, “Negative reasonings” and “Indifferent reasonings”.

A clear majority of the respondents, representing 65 percent, reasoned positively when considering the new launching. This group considered the car to be “really nice” and “modern” as well as to be a “successful effort in trying to reach out to new target groups”. Other positive justifications focused on the fact that Volvo had managed to be “unpredictable”, a characteristic that was appreciated by many respondents.

On the other hand, a clear argumentation among the negative reasonings considered the design of the car. One respondent expressed that the car is *“a clear imitation of other famous cars, such as the Audi R8, and I was not expecting Volvo to make a move like this. It is unethical and ridiculous”*. The category of the negative reasonings represented a share of 28 percent. Among the indifferent reasonings, representing 7 percent, one respondent explained that *“the car is very cool, but it is just too much.”*

7: What feelings do you associate with this launch?

In order to simplify this question, the respondents were given three alternatives: “Positive feelings”, “Negative feelings” or “Indifferent feelings”.

A share of 55 percent interpreted their feelings as positive. This was often based on the “modern looks of the car”, the fact that it felt “fresh” and “new”, as well “created futuristic feelings”.

The negative reasonings, representing 15 percent, were mostly described as a result of Volvo walking away from what they are known for and best at. This group did not appreciate the contemporary aspect of the launching and interpreted the car as “fake”. One respondent claimed that the car is *“just too much of an upper class-product”*.

However, a relatively large share, representing 30 percent of the respondents, described their feelings as indifferent. These reasonings were mostly explained as a combination of the positive and negative feelings presented above.

8: Does this launch evoke a purchasing will in you?

In order to simplify this question, the respondents were given three alternatives: “Yes”, “No” or “Indifferent”.

58 percent of the respondent would not buy this car. One of the respondents expressed that *“if I would be willing to pay a big amount of money for a sports car, I would never choose a Volvo car”*. Another respondent claimed that *“Volvo does not communicate the spirit of racing, no matter how much they try.”*

In opposition to this, a share of 40 percent considered that the launch evoked cravings. One respondent said that the car is *“sporty, modern and impressive. It carries the brand of Volvo, which also makes it Swedish and safe. It is great!”*

A small minority of 2 percent did not lean towards either “Yes” or “No” when answering the question.

9: Do you feel that your perception of the brand Volvo in whole, affect your perception of this launch?

The respondents were given two alternatives when answering this question: “Yes” or “No”.

The category “No” constituted a majority of the answers with a share of 62 percent. These answers were frequently justified as the launch being “too dissimilar” to the brand image of Volvo and thus the main associations like “safety” and “mainstream” did not transfer to this launch. The launch was very often perceived as being separated from what Volvo usually stands for.

The respondents that did perceive the launching through the lens of Volvo, representing 38 percent, justified this by claiming that Volvo is *“associated with safety. This car carries the brand of Volvo, which means that it should be very safe too”*.

Other respondents, from the same category of answers, interpreted the transfer of associations as negative. One of the respondents stated that *“the brand Volvo is dull and mainstream. Therefore, I see this new launch as dull and mainstream.”*

10: Now, after that you have been exposed to this launch, do you feel that your overall perception of the brand Volvo has been changed?

The respondent were given two alternatives when answering this question: “Yes” or “No”.

A share of 63 percent answered that they did not perceive the brand image of Volvo to have changed. Most of the justifications considered that Volvo already has created a strong positioning and that nothing could change that. Other respondents from the same category of answers considered that their brand perception had remained the same because of the “small amount of exposure”. One respondent explained that *“if the purpose is to change the perception of the brand, it is going to take a lot more than just launching a couple of new cars”*. A number of respondents claimed that the launch is “just an exception” when justifying their answers.

Those respondents who believed that their perceptions had been changed after being exposed to the new launching saw the brand Volvo in a more positive light. They now interpreted the company as more “creative”, “modern” and “wider”. Others argued that Volvo is, by launching this car,

communicating a “financial strength in the market”, which improves the overall image of the company. This group represented 37 percent of all the respondents.

11: Do you feel that this new launch fits the brand Volvo?

The respondent were given two alternatives when answering this question: “Yes” or “No”.

A clear majority of 90 percent answered “no” to this question, while 10 percent answered “yes”.

12: If answered 'no' to the question above, which of the alternatives presented below fit the best?

- 1. I feel that the new launch creates a confusing image of the brand Volvo.**
- 2. I perceive the launch as an exception to what Volvo usually stands for and this does not effect my perception of the brand.**

The respondents were asked to choose one of the alternatives provided.

A clear majority of 84 percent answered “Alternative 2” to this question, while 16 percent answered “Alternative 1”.

6. Empirical results

This chapter considers the 4 sub questions that were presented in the introduction of this thesis. The answers of these questions are based on the empirical data of our research. In order to answer the main research question of our study, one must map out the results of the 4 empirical sub questions. The answer to the main research question will thus be founded on the answers to these questions.

This chapter may also be interpreted as a summary of the empirical findings of our research.

1. What associations do consumers have towards the family brand image?

The overall answer to this question is based on the different components investigated during the interviews. These components contain answers regarding the attributes, benefits and attitudes towards the family brand and have been investigated through the concept of associations as well as the affective, conative and cognitive aspects.

As demonstrated in the previous chapter, the most common associations towards the family brand of H&M are “cheap” and “trendy”. The majority of the respondents considered their thoughts and feelings towards the family brand as positive and thus a purchasing will was evident. The overall attitude towards the brand H&M was, in other words, very positive.

The most common associations towards the family brand of Volvo are “safety” and “Sweden/Swedish”. The majority of the respondents considered their thoughts and feelings towards the family brand as positive. Despite an inadequate purchasing will, the overall attitude towards the brand Volvo, was thus positive.

2. What associations do consumers have towards the contradictory launches?

The answer to this question is compiled similar to sub question 1.

The most common associations towards the new launches of H&M are “luxury” and “cool/good”. The majority of the respondents considered their thoughts and feelings towards the launches as positive. Despite an inadequate purchasing will, the overall attitude towards the launches, was thus positive.

“Other car brands” and “not Volvo” are the most common associations towards the new launching of Volvo. The majority of the respondents considered their thoughts and feelings towards the launch as positive. Despite an inadequate purchasing will, the overall attitude towards the launch, was thus positive.

3. What spillover-effect has the family brand image had on the launches?

The spillover-effect was evident in the case of H&M due to associations like “cheap” and “bad quality” being transferred from the family brand to the brand extension/repositioning.

There was no spillover-effect in the case of Volvo due to the brand extension/repositioning being too dissimilar to the family brand image.

4. What type of outcomes does an eventual spillover-effect, transferred from the brand extension/repositioning to the family brand image, give rise to?

The family brand image was perceived as enhanced in the case of H&M, where the respondents regarded the brand extension as typical to the family brand. Since the respondents perceived the brand extension/repositioning as a part of the family brand, the perception of the brand in whole did not change.

In the case of Volvo, where the brand extension/repositioning was regarded as untypical, the perception of the family brand image was improved.

7. Analysis

In this chapter, the results achieved are analyzed and combined with the theoretical background which constituted our research model. The most relevant outcomes of this research are explained and new conclusions presented.

The effect of time is the decisive factor in the consumer's perception regarding whether the brand extension/repositioning is typical or untypical. This is evident in the results from our research, which prove that in the case of H&M respondents found the brand extension/reposition typical to the family brand image, while respondents who were asked about the case of Volvo mainly answered that they perceive the brand extension/reposition to be untypical to the family brand image. Since the brand extension/repositioning in both cases are very similar, the various outcomes are based on the effect of time towards the brand extension/repositioning made by a brand. The familiarity consumers have towards a brand extension/repositioning, which they have been exposed to for several years, is of great importance for the way they perceive the extension/reposition. Hence, a brand extension/repositioning which consumers have not been exposed to is not familiar to the consumers and is therefore perceived as untypical to the family brand.

The effect of time is thus a decisive factor as to whether consumers perceive the extension/repositioning as typical or untypical. A respondent justified his answer as to why the brand extension/repositioning of Volvo is considered untypical to the family brand by saying:

“Spontaneously, I feel that Volvo does not make cars like this one, since it does not feel like a family car, nor like a safe car. This picture does not, however, affect the way I perceive Volvo right now, but I think it might in the future.”

When reasoning freely, the respondents stressed the effect of a continued exposure and its effect on the perception of the family brand in whole. Another comment where the effect of time is mentioned, follows.

“No, it does not change the way I perceive the overall brand right now, but I believe that it will change my perception further on in the future if they continue like this.”

These sorts of comments were numerous as respondents brought up the importance of exposure to the way they perceive the extension/repositioning as untypical to the family brand. The fact that they could see themselves perceiving the extension/repositioning as typical to the brand in the future became evident through these sorts of justifications. The effect of time is hence clear in their justifications.

This finding strengthens the implication of the effect of time discussed in the theoretical chapter of this research. Previous research on the subject becomes thus of utmost importance to understand the results achieved by us concerning consumers' perception of typicality and untypicality.

The forthcoming parts of the analysis predominantly consider the case of untypicality and the conclusions drawn regarding this phenomenon. As presented in the theoretical model of this research, there are three different outcomes once a brand extension/repositioning is considered as untypical: confusion, seen as an exception/no dilution, and dilution. These outcomes are based on the elucidated areas in previous literature. One evident finding that regards these outcomes, consider the case of “Seen as an exception/No dilution”

As explained above, perceiving a brand as untypical is often a result of a small amount of exposure. Once the untypical perception is existent, there are evidently different degrees in which the concept can be interpreted. Our findings support the claim that the greater the degree of untypicality is, the more often the brand extension/repositioning is perceived as an exception. This does not, in other words, result in a diluted family brand image. This became evident when the respondents who did not consider the family brand image as changed after being exposed to the brand extension were asked to motivate their answer freely. A clear majority then explained the gap between the family brand and the brand extension/repositioning as being great, therefore making it impossible to see a clear connection between the two concepts. Hence, the result is that the brand extension/repositioning is perceived as a separated line in addition to the primary activities of the company. One respondent commented that this is:

“too dissimilar to what Volvo usually stands for. I cannot make the connection between the two because it feels like the launch is an exception.”

Hence, this findings strenghtens Gurhan-Canli and Maheswaran (1998) theory. They also highlight the strength of the family brand image, which is a theory our research supports completely. Many respondents justified their perception of the family brand image as unchanged, by the family brand image being too strong. As a result of this, many respondents argued that contradictory launches on behalf of companies that already have a clear positioning in their minds, will always be perceived as temporary and thus as exceptions. Our findings also support the claim that there is a clear connection between this case and an absence of dilution. When a brand extension/repositioning is disconnected from its family brand, there is no effect on the overall family brand image. This is evident in the following piece, commented by one of the respondents:

“Volvo has already established itself as a very strong brand representing safety. Temporary things like this could never affect my perception of the brand in whole.”

Our findings regarding the outcome “Seen as an exception/No dilution” are therefore in harmony with both aspects presented in the theoretical background. These aspects consider the degree of untypicality between the family brand image and the brand extension/repositioning, as well as the strength of the family brand image.

The conclusions drawn were also confirmed when analyzing the answers to the last question asked in the interviews (appendix 1-2). This question was, as mentioned earlier, only asked to those respondents who did not believe the brand extension/repositioning fitted the family brand image. When they were given two alternatives presented as statements, a clear majority considered the brand extension/repositioning to be an exception rather than causing confusion. The following piece will now present the findings regarding the outcome of “Confusion”.

Previous research literature elucidates the aspect of inconsistent marketing activities. The concept has often been described as the main ingredient in creating a brand identity crisis which causes brand confusion. It has therefore been presented as one of three different outcomes in the research model of this thesis.

After conducting the interviews, it was found that the concept of confusion did not have a great impact on the consumer's perception of the family brand in whole. Those respondents who believed that the family brand image had been changed as a result of a spillover-effect were asked to freely motivate their answer and explain in which way their perception had been transformed. Out of these respondents, no one argued that the brand extension/repositioning had created a brand confusion.

The absence of brand image confusion might be evident since well-established brands, with strong positionings, constituted our case studies. The results might have differed if two relatively unknown brands that lacked a strong positioning in the consumers mind had been applied. Despite this, the fact remains that this share of respondents, as opposed to the group who perceived the extension/repositioning as an exception, interpreted the family brand image as changed. Yet this change was not described with the concept of confusion. Hence, the conclusion drawn by this is that the outcome of “Confusion” is non-existent when considering untypical brand extensions/repositionings of strong and already well-known brands.

This finding is contradictory to a number of theories in previous literature, such as the theories of Mårtenson (2009), who argues that inconsistency and conflicting messages enable the failure of brand image strengthening in any case, an outcome that has been supported by Srivastava (2011).

Our research, on the other hand, claims that a lack of consistency among well established brands, does not create a confusing family brand image. This finding was also confirmed when analyzing the two statements presented at the end of our interviews. As mentioned when considering the outcome of “Seen as an exception/No dilution” above, only a few respondents chose the alternative regarding the family brand being confused (appendix 1-2).

The third outcome in the presented research model regards the concept of dilution. Our theoretical background carried out the concept based on a number of previous studies. These studies concluded that a diluted brand image is a negative result of untypical brand extensions/repositionings. Despite this, our findings show that the concept of dilution lacks importance in the context of brand extensions/repositionings. Once again, it is necessary to emphasize that the foundation of this conclusion considers strong and well-known brands. We do not exclude the possibility of dilution occurring when executing brand extensions/repositionings from newly established and/or weak brands. However, the studies reviewed prior to our research, refer the concept of dilution to all cases (Arslan and Altuna, 2010). This means that our findings regarding this concept are, to a great extent, in contradiction to the theories presented in the theoretical chapter.

Our conclusion finds support in the majority of the interviews carried out, where a clear majority of the respondents did not bring up the concept of dilution. This enables us to infer that the possibility of an untypical brand extension/repositioning, resulting in a diluted family brand image, is close to non-existent in the case of strong brands. However, the absence of motivations considering the concept of confusion and dilution, brought forth by the respondents, did leave room and give rise to a new outcome: “Improvement”.

Through analyzing the justifications following the answers on the spillover-effect, we found rather unpredicted results. When the cases in which the answers regarding untypical brand extensions/repositionings were combined with the perception of an existing spillover-effect, the information provided, demanded a new category under which a majority of the answers were placed. When the respondents were provided the opportunity to answer freely, it was found that a great share of the respondents find the untypical brand extension/repositioning to improve their perception of the family brand. This is evident in the following comments where respondents justified their answers on both cases (H&M and Volvo). The first comments are from the Volvo case.

“This launching communicates a new way of thinking and proves that Volvo has a good financial position, with evident resources for new launches.”

“Volvo is proving that they want to keep up with the world of sports car and this car shows everyone that they know how to!”

The following comment is from the case of H&M:

“H&M has managed to become more trendy since the launching of these campaigns. Now, the fashion world is on their side.”

As evident in the previous comments, the concepts of confusion and dilution have been minimally prescribed as the result of untypical brand extensions/repositionings. They have now been replaced by the outcome of “Improvement”. The fact that untypical brand extensions can contribute to an improved family brand image, is not a usual phenomenon described in previous research literature. Confusion, dilution and having the extension/repositioning seen as an exception are, on the other hand, three phenomena frequently used and described in previous research.

The findings of our research which stress the fact that an improvement of the family brand image is likely to occur due to untypical brand extensions more or less stand in contradiction to previously written research on confusion and dilution. Furthermore, it replaces the importance of a confused brand image and a diluted brand image, with the phenomenon of an improved brand image.

In order to complement the discussion above and to create a comprehensive understanding of the most evident findings of his thesis, a modified version of the theoretical research model is presented below.

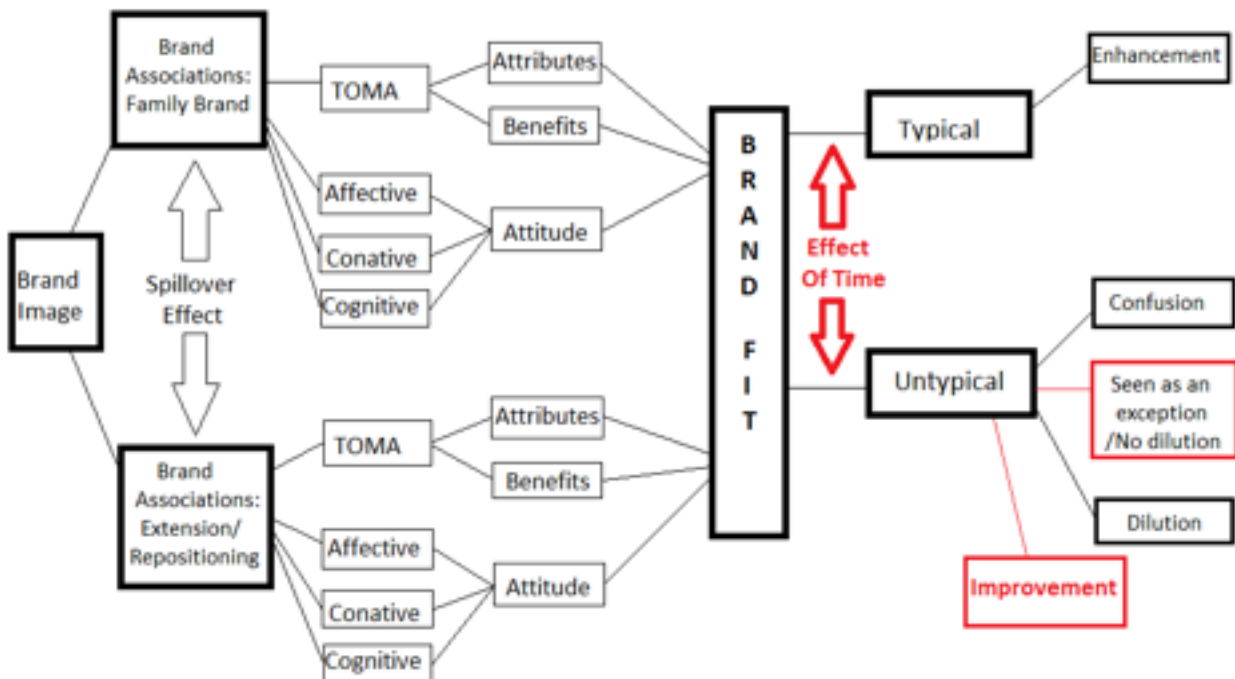


Figure 7.1

The research model demonstrates the importance of the effect of time, as presented in the theoretical chapter. Brand extensions/repositionings which are untypical to the family brand image are mostly seen as an exception to the brand in whole and thus they are not diluted. Finally, the research model is complemented through the outcome of an improved family brand image, due to untypical brand extensions/repositionings. These three findings are marked in red in the research model above. The weight of the outcomes “Confusion” and “Dilution” have thus, in this context, decreased.

Even though our results support the theories regarding enhancement being an outcome of brand extensions which are perceived as typical, we have chosen not to include this result as a finding since it is not included in the aim of our research.

8. Conclusion

The aim of this research was: *to examine if and how the consumers impression of a brand in whole is affected when exposed to launches, which are in contradiction to the family brand image.*

The findings of this thesis mapped out the most evident outcomes of brand extensions/repositionings that are in contradiction to the family brand image. Some of these findings have supported and strengthened previous studies, while others have disregarded some of the theories presented in the theoretical chapter. The disregarded theories are now replaced with new outcomes.

The conclusions drawn by our research can be presented in five comprehensive findings. The first finding considers the effect of time, and the ways in which it effects the perception of contradictory brand extensions/repositionings. Our research supports the fact that a newly launched brand extension/repositioning, which consumers have not been exposed to, is interpreted as untypical to the family brand. As opposed to this, our research further claims that a great amount of exposure creates familiarity, which in turn contributes to perceiving the brand extension/repositioning as typical.

The second conclusion drawn, considers the outcome “Seen as an exception/No dilution”. Our thesis prove and support previous studies regarding the subject. It is evident that an untypical brand extension/repositioning is perceived as an exception to the primary activities of the family brand. The research further claims that the higher the degree of untypicality, the more likely is the brand extension/repositioning to be perceived as an exception. The result of this outcome is thus proven to be a non diluted family brand image.

The two following findings consider the outcomes “Confusion” and “Dilution”. In contrast to the presented theories in the theoretical chapter, our research claims that these two concepts lack importance when treating strong and well-known brands. A confused and diluted family brand image is thus not, through the lens of a consumer, the common result of a contradictory brand extension/repositioning.

The almost complete absence of confusion and dilution have generated a new phenomenon, which constitutes the fifth finding of our thesis. This outcome is designated “Improvement” and considers the positive changes in the perception of a family brand image. Hence, the conclusion drawn proves that a brand extension/repositioning which is contradictory to the family brand image, can affect the perception of the family brand in a positive manner.

9. Final discussion

The results achieved by this thesis are relevant to everyone affected by the subject of marketing. This is important for marketing students, for companies looking to use brand extension/repositioning in order to, in some way, change the family brand image. It is also important for marketers who must have a comprehension of the effects of brand extensions and repositionings.

This thesis stresses the importance of exposure when aiming to achieve a succeeded brand extension/repositionings and a strong family brand image, according to the effect of time. If a company's purpose is to achieve a strong family brand, due to a successful brand extension/repositioning, they must know the importance of exposure. Due to this, since familiarity is the key factor to a successful brand extension/repositioning, the higher the exposure, the greater the possibility that the brand extension/repositioning will succeed. Thus, companies aiming to achieve a strengthened and improved family brand image, should take the effect of time into consideration when executing contradictory brand extensions/repositionings.

When companies use brand extensions/repositionings in order to change or improve their family brand image, the degree of untypicality plays a crucial part. If the level of untypicality is great, there is a risk of the brand extension/repositioning being perceived as an exception and thus, the family brand image becomes unchanged. For a company looking to change consumers' perception on the family brand image, having the brand extension/repositioning seen as an exception is thus in many ways a failure since the purpose of the extension/repositioning is unfulfilled.

If, on the other hand, the level of untypicality is too small, the risk of the brand extension being perceived as typical to the family brand image, is great. The typical activities will only contribute to an enhancement of the prevailing family brand and if the intention of the activity is to change the family brand image, then the activity is doomed to not succeed.

However, if the company manages to find the right degree of untypicality, the chances of having the family brand image improved in consumers' perception, is much greater than the risk of the family brand image becoming diluted or confusing to the consumers. According to our findings, the risk of causing dilution or confusion due to an untypical brand extension is minimal, compared to the chances of creating an improved image of the family brand. This is evident in the cases where the family brands are already strong and well-known. Hence, strong brands should not fear contradicting brand extensions/repositionings, since the chances of improving the family brand is much greater than the risk of diluting it or causing confusing to the consumers .

10. Future research

One can question whether the cases of H&M and Volvo are the most optimal cases to use in order to answer our main question regarding the effect of brand extensions/repositionings on the family brand image. One might argue that improvement was an evident finding in our research since the case studies applied considered two strong and well-known brands. This reasoning can also be applied on the results achieved, which claim dilution and confusion to have a minimal effect on the family brand image. The question that arises is whether the same results would have been evident in case two other less known and less strong brands were chosen to be applied in this research. This question is of utter relevance and would therefore be suitable for future research since it would provide a more justified and comprehensive answer to our main research question.

Another important aspect that we have not taken into consideration is that of consumer inconsistency. Some answers provided by the respondents were inconsistent to a certain degree, which is a relevant issue when aiming to interpret the answers and provide justified results. By taking consideration to this, one can increase the significance of the inconsistent answers and thus help provide a fair comprehension of the ideas and opinions presented. Since this aspect was not taken into consideration by us, future research which regard the same subject should consider consumer inconsistency in order to increase the credibility of their findings.

Another phenomenon that we find interesting when executing future research considers the purchasing will of consumers. We have noticed that positive associations, feelings and thoughts do not always contribute to a purchasing will. The underlying causes behind this contradiction is thus an interesting aspect for investigation in future research.

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12. Appendices 1-5

Appendix 1: Survey questions

Q1: What is the first thing you associate with the brand H&M/Volvo?

Q2: What do you think about the brand H&M/Volvo?

Q3: What feelings do you associate with the brand H&M/Volvo?

- Positive
- Negative
- Indifferent

Q4: Does the brand H&M/Volvo evoke a purchasing will in you?

- Yes
- No
- Indifferent

Q5: What is the first thing you associate with these campaigns/this launch?

Q6: What do you think about these campaigns/this launch?

Q7: What feelings do you associate with these campaigns/this launch?

- Positive
- Negative
- Indifferent

Q8: Do these campaigns/this launch evoke a purchasing will in you?

- Yes
- No
- Indifferent

Q9: Do you feel that your perception of the brand H&M/Volvo in whole, affect your perception of these campaigns/this launch?

- Yes
- No

Q10: Now, after that you have been exposed to these campaigns/this launch, do you feel that your perception of the brand H&M/Volvo in whole has been changed?

- Yes
- No

Q11: Do you feel that these campaigns/this launch fit the brand H&M/Volvo?

- Yes
- No

Q12: If answered 'no' to the question above, which of the alternatives presented below fit the best?

- 1. I feel that the new campaigns/new launch create a confusing image of the brand H&M/Volvo.**
- 2. I perceive the campaigns/launch as an exception to what H&M/Volvo usually stands for and this does not effect my perception of the brand.**

Appendix 2: Enkätfrågor

Q1: Vad är det första du associerar med varumärket H&M/Volvo?

Q2: Vad tycker du om varumärket H&M/Volvo?

Q3: Vilka känslor förknippar du med varumärket H&M/Volvo?

- Positiva
- Negativa
- Likgiltiga

Q4: Skapar varumärket H&M/Volvo en köpvilja hos dig?

- Ja
- Nej
- Likgiltig

Q5: Vad är det första du associerar med dessa kampanjer/denna lansering?

Q6: Vad tycker du om dessa kampanjer/denna lansering?

Q7: Vilka känslor förknippar du med dessa kampanjer/denna lansering?

- Positiva
- Negativa
- Likgiltiga

Q8: Skapar dessa kampanjer/denna lansering en köpvilja hos dig?

- Ja
- Nej
- Likgiltig

Q9: Upplever du att din syn på varumärket H&M/Volvo som helhet färgar din syn på dessa kampanjer/denna lansering?

- Ja
- Nej

Q10: Efter att du nu blivit exponerad för dessa kampanjer/denna lansering, upplever du att din varumärkesuppfattning av H&M/Volvo som helhet har förändrats?

- Ja
- Nej

Q11: Upplever du att de nya kampanjerna/den nya lanseringen passar in i varumärket H&M/Volvo?

- Ja
- Nej

Q12: Om 'nej' på ovanstående fråga, vilken av nedanstående alternativ passar bäst in?

1: Jag upplever att de nya kampanjerna/den nya lanseringen skapar en förvirrande bild av varumärket H&M/Volvo.

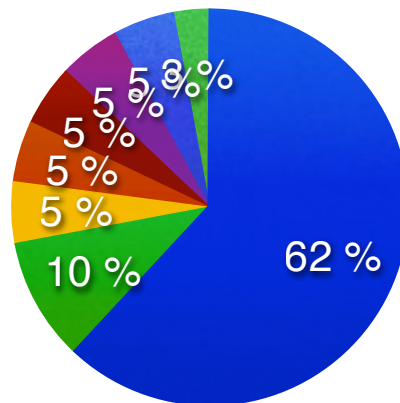
2. Jag ser endast kampanjerna/lanseringen som ett undantag för vad H&M/Volvo vanligtvis står för och den påverkar inte min helhetsbild av varumärket.

Appendix 3: Empirical results presented in diagrams

H&M

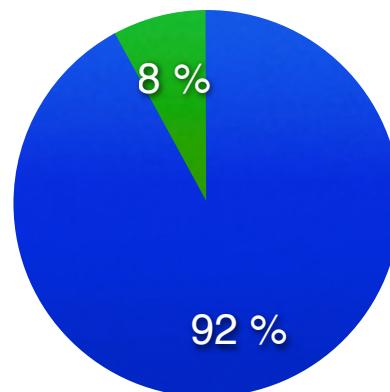
1: What is the first thing you associate with the brand H&M?

- Cheap ● Trendy ● International/Global ● Sweden/Swedish
- Clothes ● Massproduction ● Youthfulness ● The logo



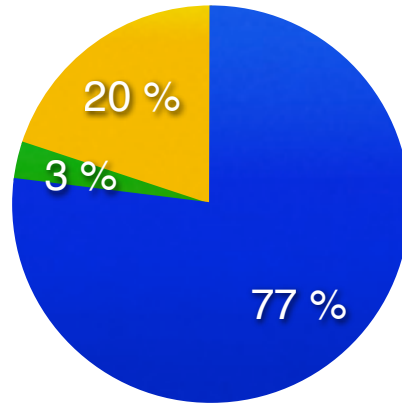
2: What do you think about the brand H&M?

- Positive reasonings ● Negative reasonings ● Indifferent reasonings



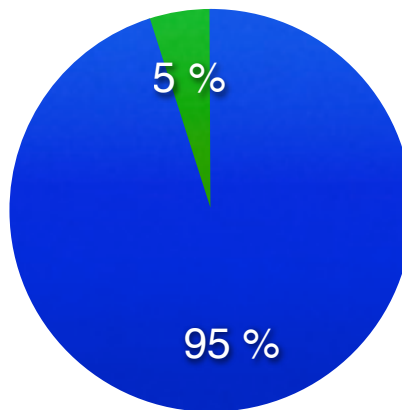
3: What feelings do you associate with the brand H&M?

- Positive feelings
- Negative feelings
- Indifferent feelings



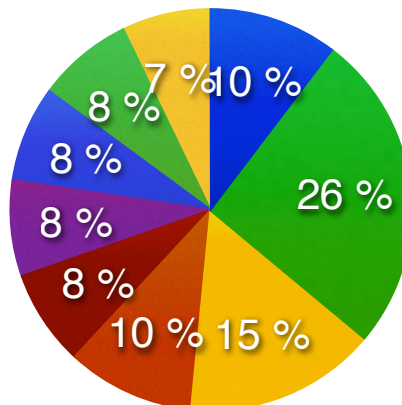
4: Does the brand H&M evoke a purchasing will in you?

- Yes
- No
- Indifferent



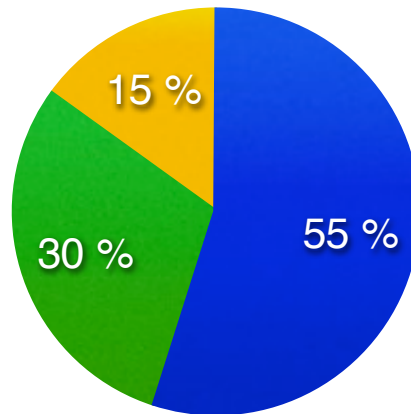
5: What is the first thing you associate with these campaigns?

- Fashion
- Luxury
- Cool/Good
- Success
- Expensive
- Something New/Something Extra
- Rush/Crowded
- Celebrities
- Other



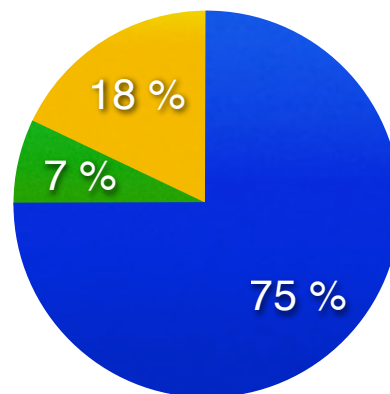
6: What do you think about these campaigns?

- Positive reasonings
- Negative reasonings
- Indifferent reasonings



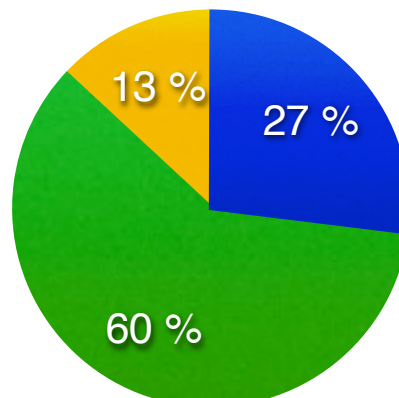
7: What feelings do you associate with these campaigns?

- Positive feelings
- Negative feelings
- Indifferent feelings



8: Do these campaigns evoke a purchasing will in you?

- Yes
- No
- Indifferent

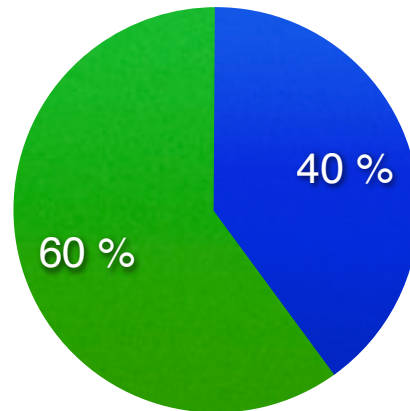


12: If answered 'no' to the question above, which of the alternatives presented below fit the best?

- 1. I feel that the new campaigns create a confusing image of the brand H&M.**
- 2. I perceive the campaigns as an exception to what H&M usually stands for and this does not effect my perception of the brand.**

● Alternative 1

● Alternative 2



Volvo

1: What is the first thing you associate with the brand Volvo?

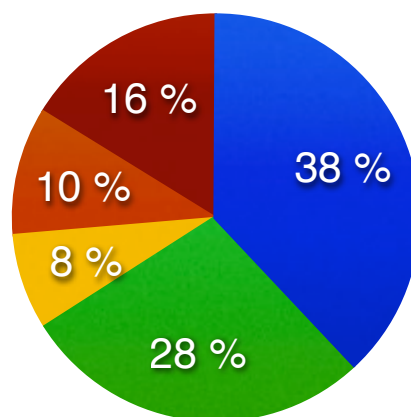
● Safety

● Sweden/Swedish

● Family

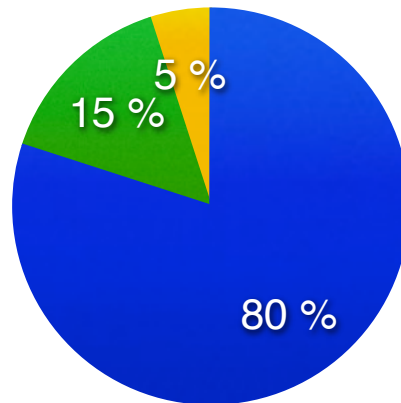
● Other car brands

● Other

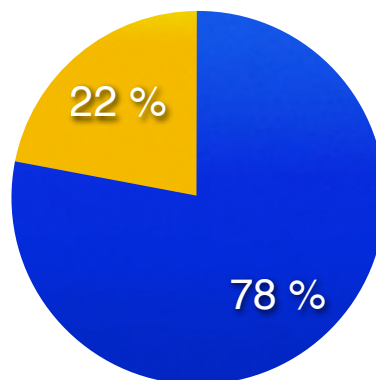


2: What do you think about the brand Volvo?

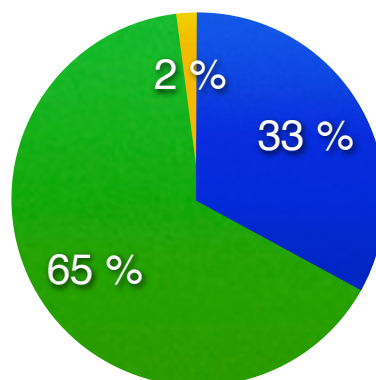
- Positive reasonings ● Negative reasonings ● Indifferent reasonings

**3: What feelings do you associate with the brand Volvo?**

- Positive feelings ● Negative feelings ● Indifferent feelings

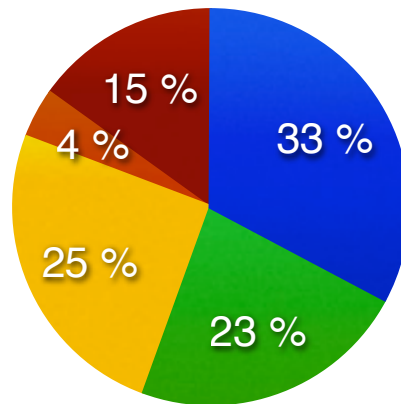
**4: Does the brand Volvo evoke a purchasing will in you?**

- Yes ● No ● Indifferent



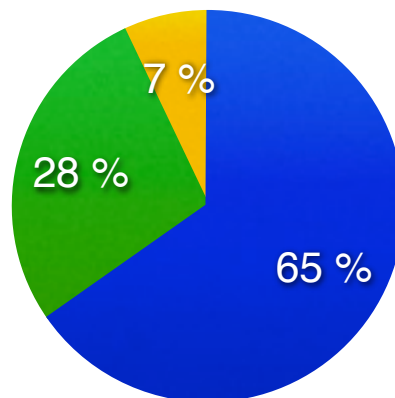
5: What is the first thing you associate with this launch?

- Other car brands
- Racing/Sports Cars
- Not Volvo
- Nice/Charming/Cool
- Other



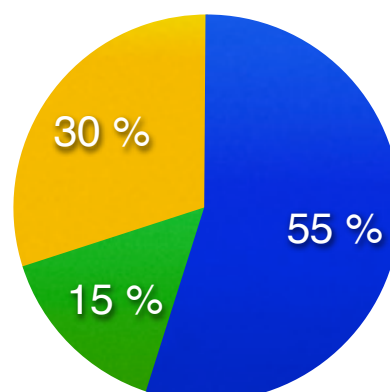
6: What do you think about this launch?

- Positive reasonings
- Negative reasonings
- Indifferent reasonings



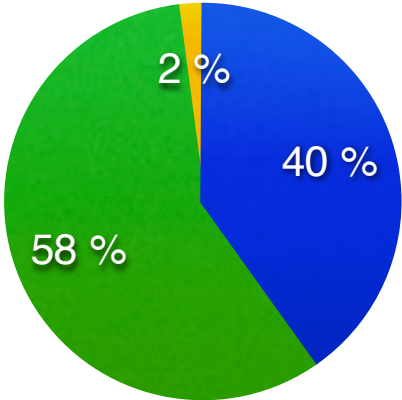
7: What feelings do you associate with this launch?

- Positive feelings
- Negative feelings
- Indifferent feelings



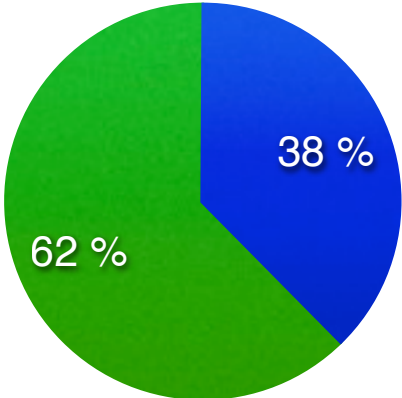
8: Does this launch evoke a purchasing will in you?

● Yes ● No ● Indifferent



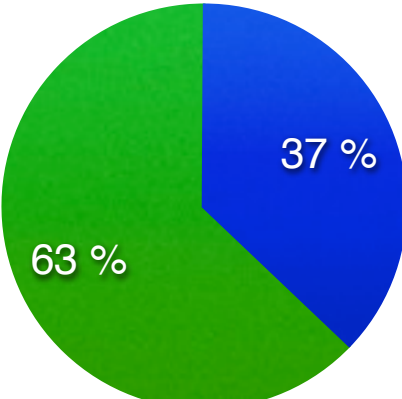
9: Do you feel that your perception of the brand Volvo in whole, affect your perception of this launch?

● Yes ● No



10: Now, after that you have been exposed to this launch, do you feel that your perception of the brand Volvo in whole has been changed?

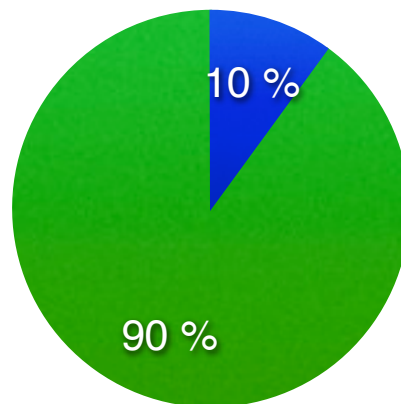
● Yes ● No



11: Do you feel that this new launch fits the brand Volvo?

● Yes

● No



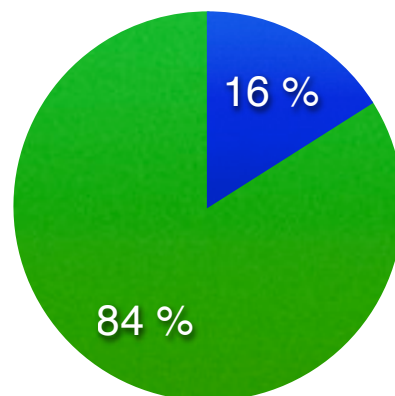
12: If answered 'no' to the question above, which of the alternatives presented below fit the best?

1. I feel that the new launch creates a confusing image of the brand Volvo.

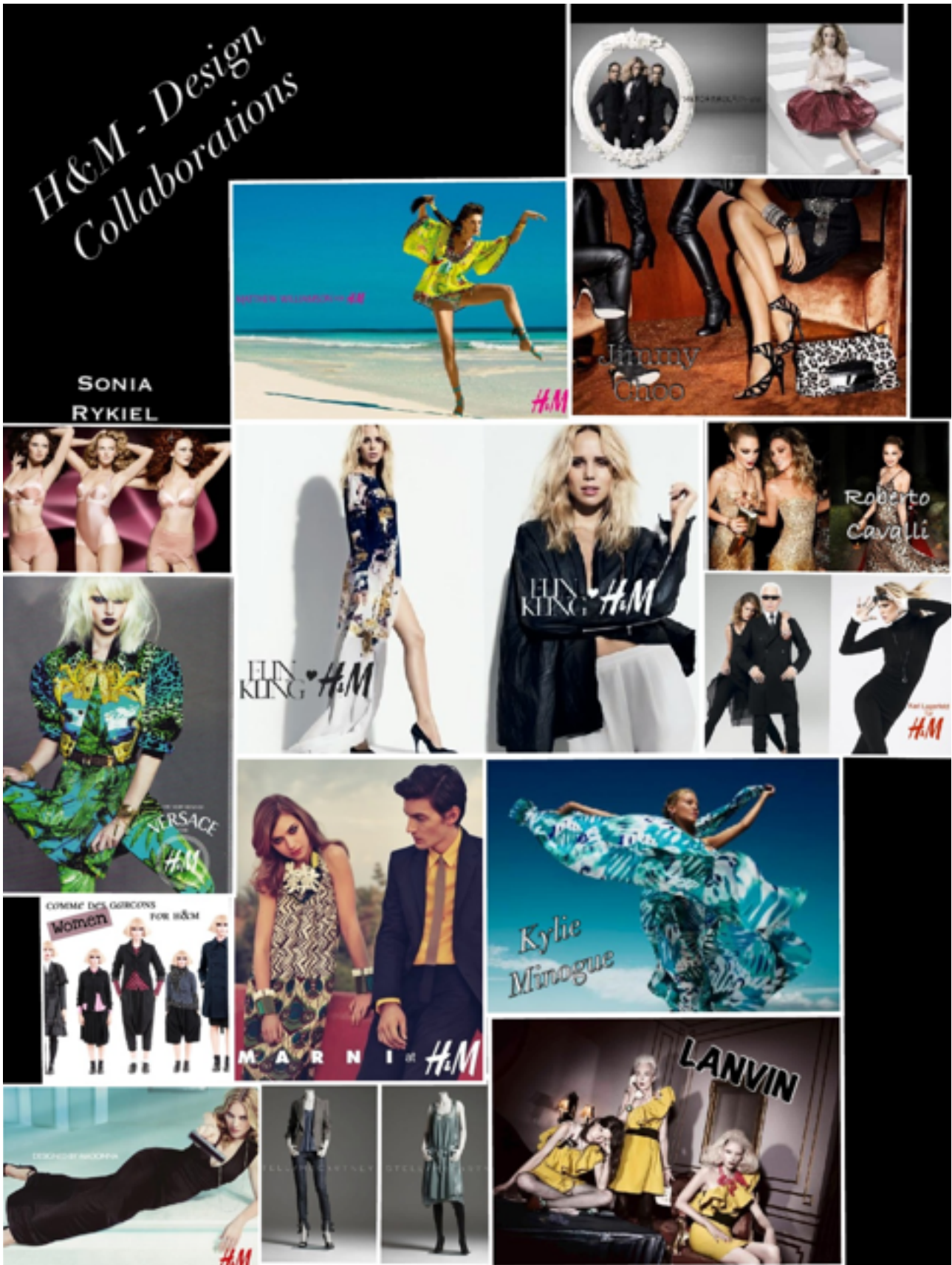
2. I perceive the launch as an exception to what Volvo usually stands for and this does not affect my perception of the brand.

● Alternative 1

● Alternative 2



Appendix 4: A sample of H&M's designer collaborations



Appendix 5: Pictures of the simulated Volvo R40 GT AWD Polestar

Volvo har nyligen lanserat den nya Volvo R40 GT AWD Polestar. Nedan följer två bilder på den nylanserade bilen.

