Journal of Product & Brand Management

Corporate brands as brand allies

Mayoor Mohan, Kevin E Voss, Fernando R. Jiménez, Bashar S Gammoh,

Corporate Brands as Brand Allies

Structured Abstract

Purpose: This research examines the role of the corporate brand in a brand alliance that includes one of the corporation's product brands.

Design/Methodology/Approach: Employing a scenario-based study, 899 participants were randomly assigned to one of 84 unique brand alliance scenarios involving a corporate brand, a product brand ally, and a focal product brand; a total of 33 corporate brands were represented. Results were estimated using a three-stage least squares model.

Findings: Consumers' evaluations of a focal brand were enhanced when a corporate brand name associated with a product brand ally was included in the brand alliance. The effect was mediated by attitude toward the product brand ally. The indirect effect of the corporate brand was stronger when consumers had low product category knowledge.

Research limitations/implications: Consistent with competitive cue theory, the findings suggest that a corporate brand can provide superior, consistent, and unique information in a brand alliance.

Practical implications: Practitioners should note that the effectiveness of adding a corporate brand name into a product brand alliance is contingent on the extent of consumers' product category knowledge.

Originality/value: This article examines when and why corporate brands are effective endorsers in product brand alliances. This paper adds empirical support to previous assertions that, if managed effectively, corporate brands can be valuable assets that convey unique valuable information to consumers.

Keywords: Brands; Corporate Brands; Brand Name; Consumer Attitudes; Consumer Behaviour, Brand Alliances; Marketing Management; Product Management; Statistical Analysis.

Introduction

About two decades ago, Balmer (1995) introduced the notion of corporate brand management. A corporate brand is a name, logotype or trademark defining the organisation that will deliver and stand behind the offering (Balmer and Gray, 2003; Aaker, 2004). It is a covenant between the organisation and its stakeholders (Balmer, 2003). Corporate brands deliver additional and different information from product brands. Product brands provide information about product performance to consumers. Corporate brands, in contrast, communicate organisations' values, culture, and ethos (Balmer, 2013); thereby eliciting key associations among stakeholders (Brown and Dacin, 1997), differentiating the organisation from competitors, and enhancing loyalty among stakeholders (Balmer and Gray, 2003). Thus, corporate brand management has become an important topic for managers and a promising research context for marketing scholars.

Managers today are interested in creating and maintaining well-established corporate brands and reaping the synergistic effects and opportunities that arise from such investments (Saunders and Guoqun, 1996). Strong corporate brands "can be bought, borrowed, sold and, in certain circumstances, be shared among a variety of organisations" (Balmer and Gray, 2003, p. 992). Consequently, a recently observed marketing tactic consists of including a corporate brand in a brand alliance between one of the corporation's product brands and another entity. A brand alliance involves the combination of two or more brands to achieve a strategic objective (Rao and Ruekert, 1994; Simonin and Ruth, 1998). It is a mutually beneficial arrangement between a focal brand (typically incapable of eliciting favourable consumers' evaluations by itself) and a well-known reputable brand ally capable of eliciting favourable consumer evaluations and transferring them to the focal brand (Fang *et al.*, 2013; Gammoh and Voss, 2013). For example, Dairy Queen recently advertised its Blizzard of the Month, which featured Rolo brand candy blended in. The name of Rolo's corporate parent, Nestlé, was displayed in a small typeset above the much larger Rolo brand name. Managers add the brand ally's corporate parent's brand to the brand alliance with the hope of increasing the total transfer effect on the focal brand.

Despite the increased popularity of this practice, the incremental value of adding the corporate brand to a product brand alliance remains unclear. Brand alliance researchers have repeatedly found that adding brand names to a brand alliance does not produce a significant incremental effect on consumers' evaluations of the focal brand (Voss and Gammoh, 2004; Gammoh *et al*., 2010; Fang *et al.*, 2013). However, more recently, Cunha *et al*., (2015) suggest that the effectiveness of multiple brand allies depends on whether or not allies provide consistent or competitive information cues. Following this recent perspective, in this article the authors examine when and why adding a corporate brand in a brand alliance—one that includes one of the corporation's product brands—increases consumers' evaluations of the focal brand. Based on signalling theory and consumer learning theory, the authors propose that a corporate brand can enhance a brand alliance when the corporate brand meets three conditions. First, the corporate brand should be in a position to have superior knowledge to the customer (Rao and Ruekert, 1994). Second, the corporate brand should provide consistent cues (Miyazaki *et al*., 2005). Third, the corporate brand should provide unique and relevant information (Price and Dawar, 2002).

An analysis of 33 corporate brands across 84 brand alliance scenarios supports these propositions. Specifically, we found that attitude toward the corporate brand ally affects attitude toward the focal brand through attitude toward the product brand ally (Figure 1). Furthermore, our results showed that the effect of the corporate brand ally depends on the consumer's level of product category knowledge. Attitude toward the corporate brand ally works through attitude toward the product brand ally only when product category knowledge is low. These findings build on existing work on corporate brand management and brand architecture by identifying the role corporate brands play in brand alliances. Importantly, the results provide managerial recommendations regarding when and how to employ corporate brands in brand alliances.

We begin by reviewing the literature on corporate brands and brand alliances. We then develop our conceptual model and generate testable hypotheses. Following this, we describe our study design, data collection, and analysis. Finally, we discuss the research findings and implications along with recommendations for future research.

Insert Figure 1 about here

Background

Corporate Brands

In the 1950's marketing practitioners and scholars began to investigate the effect of a corporation's name on stockholder, employee, vendor, and buyer behaviour (Martineau, 1958). Over the following decades, this line of inquiry evolved into robust streams of research on corporate image (Andreassen and Lindestad, 1998), corporate identity (van Riel and Balmer, 1997), and corporate reputation (Gray and Balmer, 1998). These efforts highlight the strategic importance of developing a consistent corporate identity to portray a positive corporate image and attain a strong corporate reputation. However, these research streams tend to discuss the corporate or "company" name as a company identifier—not as a brand.

In 1995 Balmer introduced the terms "corporate brand," "corporate branding," and "corporate brand management" into the literature (Balmer, 1995). Since then, a vast and fertile body of research has emerged stressing the utility of corporate brands to communicate the firm's values, differentiate the firm and its products from competitors, and enhance the emotional connection and loyalty among stakeholder groups (Balmer, 2001a; Balmer and Gray, 2003; Kaufmann *et al.*, 2012). The emergence of this new research stream reconciles the customer focus of the marketing perspective and the organisational focus of the multi-disciplinary perspective on brand and corporate image (Bickerton, 2000; Knox and Bickerton, 2003). At the same time, new theoretical lenses are applied including the resource-based view (Balmer and Gray, 2003) and social identity theory (Balmer and Liao, 2007), marking a notable pivot towards establishing a theoretical foundation to the nascent field.

Corporate Brands and Product Brands

Concerning managerial application, several scholars have devoted their efforts to identify best practices in corporate brand management. Managing corporate brands requires a different toolbox than the one used to manage product brands (Balmer, 2001). Product brands are typically targeted at a specific customer segment through traditional integrated marketing communications (IMC) approaches, often managed by a marketing team that is led by a mid-level (brand) manager, and represent values that are by and large contrived (Balmer, 2003). In contrast, corporate brands target multiple internal and external stakeholders, demand long-term strategic focus, and are therefore managed by senior executives (i.e., CEO, COO, etc.) who impart responsibility for managing the brand on all personnel throughout the organisation (Balmer, 2012). Likewise, corporate brands requires a total corporate communications strategy that goes beyond a traditional IMC approach, are affected by all personnel's behaviours, and represent values that emerge from the founders of the company and overall organisational culture (Hatch and Schultz, 2001; Balmer, 2003, 2011; Curtis *et al.*, 2009; Knox and Bickerton, 2003). As such, corporate brands and product brands represent fundamentally different concepts and failing to recognise the need to manage the corporate brand separately can lead to a corporation's demise (Balmer, 2011). Table I presents several factors related to successful corporate brands.

Insert Table I about here

Indeed, well-known favourable corporate brands serve as assets that can be incorporated into product branding strategies (Balmer, 1995; Hatch and Schultz, 2001; Aaker, 2004). The addition of the corporate brand to a product brand increases the credibility of the product's claims and elicits more favourable consumer attitudes towards the product (Saunders and Guoqun, 1996). Accordingly, as illustrated in the introduction, managers have begun to incorporate corporate brand names into product brand alliances. However, when and why corporate brands become effective endorsers in product brand alliances remains unclear. The following section details this void in the corporate brand literature.

Corporate Brand Hierarchy

Corporate brands occupy an important place in a firm's brand architecture; a framework which "refers to the relationships among and between corporate, company (subsidiary), and product brands" (Balmer and Gray, 2003, p. 983), and summarises how a firm's family of brands come together in a customer facing portfolio. (Muzellec and Lambkin, 2009). Firms have different approaches for building brand portfolios: some use a portfolio branding (or "house of brands") strategy while others use a family branding (or "branded house") strategy. In a house of brands approach, consumer brands stand on their own without strong association to a parent (Aaker, 2004; Rao *et al.*, 2004). Whereas in a branded house approach all products share the same brand name (Aaker, 2004; Rao *et al.*, 2004). Many firms use a mixed strategy somewhere between the two poles (Rao *et al.*, 2004). Muzellec and Lambkin (2009) conceptualise distinct approaches to the treatment and alignment of corporate brands within each strategy. They suggest that a trade name approach to corporate brands (i.e., a basic identity under which the business operates) aligns best with a house of brands configuration, while a holistic corporate brand (i.e., one that serves a consumer-facing role in addition to a default identification role) suits a branded house configuration best.

In addition, Balmer and Gray (2003, p. 983) note an "increasing incidence of shared corporate brands and the rise of networks centred on a corporate brand." As such, the strategic implications surrounding corporate brands often go beyond one organisation (Balmer, 2010). Accordingly, corporate brand typologies—offering unique and novel categorisations—have been put forth to account for a myriad of brand relationships centred around corporate brands specifically (Balmer, 2012; Balmer and Grey, 2003). These include corporate brand phenomenon that involve parent corporations, subsidiary corporations, shared corporate brands and other pertinent arrangements (Balmer, 2012). Importantly, Balmer and Gray (2003) discuss a new category within their corporate brand typology which they refer to as the supra category. Here, alliance strategies wherein multiple corporate brands come together are accounted for, like in the case of airline alliances such as Oneworld. Balmer and Gray (2003) also propose a multiplex corporate brand category, which captures a variety of different uses of corporate brands not captured by the five other categories put forth, including cases where one corporate brand is used across multiple industries. However, the focus of this study is on alliances of the type between two or more product brands (referred to as a brand alliance) that includes a corporate brand. As such, this research touches on one of the potential ways in which brands can be arranged within a firm's brand architecture (Balmer and Gray, 2003).

Corporate Brands in Brand Alliances

In published brand alliance papers, researchers have generally not made a distinction between product brands and corporate brands. This is to some extent understandable because brand alliance researchers have focused on exploring whether and how the brand alliance affects consumer evaluations of a focal brand. Hence, as long as the brand is consumer-facing and credible, it can serve as an ally for a previously unknown focal brand. Nonetheless, there is an emerging interest in exploring corporate brands in contrast with, or in addition to, product brands. For instance, researchers using ally brands such as Sony and Northwest Airlines, which are "branded house" or umbrella brands, find significant effects on consumers' evaluations of a focal brand (e.g., Ruth and Simonin, 2003; Voss and Gammoh, 2004). He and Balmer (2006) also report that alliance brands such as Oneworld and Star Alliance benefit airline brands due to the positive associations of the corporate brand. Similarly, corporate brands are also effective allies to sponsorships or causes (Lafferty and colleagues, 2004, 2005, and 2009). However, little is known about how product brands and corporate brands can be used together in affecting consumer evaluations of a focal brand.

Corporate brands can influence consumers' product evaluations because they communicate a corporation's "set of fundamental core values," (Uggla, 2006, p. 786). To quote Brown and Dacin (1997, p. 79) "what consumers know about a company can influence their reactions to the company's products." For example, corporate social responsibility associations effect consumer reactions (Sen and Bhattacharya, 2001; Becker-Olsen *et al*., 2006; Marin *et al*., 2009). When the corporate brand has a high degree of visibility in product-related communications, the corporate brand appears to have maximum influence on consumers' product brand attitude (Berens *et al*., 2005). In addition, a firm's capability associations influence consumer product attitudes (Biehal and Sheinin, 2007). Lafferty and Goldsmith (1999) as well as Goldsmith *et al*., (2000) find that corporate credibility has an effect on consumer brand evaluations. Likewise, strategic decisions regarding the corporate brand after mergers and acquisitions have important implications in terms of key consumer evaluations (Jaju *et al*., 2006). Thus, we suggest there is a transfer of associations between the corporate brand and product brand and that this transfer will carry through the brand alliance to affect consumer evaluations of a previously unknown focal brand.

The incremental value of including the corporate brand in brand alliances, however, is not clear. Past research in brand alliances involving multiple brand allies has not met with success. Voss and Gammoh (2004) tested the effects of combining Sony and HP as brand allies for a previously unknown focal brand in the digital camera category. On the basis of two experiments, Voss and Gammoh concluded that the combination did not increase subject's evaluation of the focal brand relative to either Sony or HP acting as a solo ally. Voss *et al*., (2012) explored the effects of different combinations of multiple allies in influencing evaluations of a previously unknown focal brand. In multiple experiments, the effect of adding one or more additional allies was not significantly greater than using a single brand ally. More recently, Fang *et al.* (2013) combined a brand ally with a warranty under the theory that both warranties and brand allies have been suggested as marketplace signals of quality. In this study, either the brand ally or the warranty significantly improved perceived quality evaluations of a previously unknown focal brand, however, combining the brand ally with the warranty did not provide a marginal lift to subject's perceived quality evaluations. Accordingly, reading the published literature leads to the conclusion that using more than one brand ally in a brand alliance is sub-optimal.

Showing that the corporate brand can add to subjects' perceived quality and attitude evaluations of the focal brand, over and above the positive effect of a product brand ally, would be an initial step toward solving the multiple ally problem. Examining the effects of creating a brand alliance with a product brand ally together with its corporate parent's brand is also timely. For example, one recently observed brand alliance involved Nike+ making a shoe add-on compatible with the iPod Nano. The packaging for the product incorporates the logo of iPod's parent company: Apple. Not known though is how and when the corporate brand works together with the product brand to influence consumer evaluations of a previously unknown focal brand.

Insert Figure 2 about here

Conceptual Model and Hypothesis Development

We propose a testable model in Figure 2 that examines the influence of both the product brand ally and that ally's corporate brand (hereafter referred to as the *corporate brand ally*) on consumers' evaluation of an unknown focal brand. In the proposed model, the corporate brand ally is operationalised by the respondent's attitude toward the corporate brand ally while the product brand ally is operationalised by the respondent's attitude toward the product brand ally. We propose that attitude toward the product brand ally has a positive effect on perceived quality and attitude toward the unknown focal brand. We argue that attitude toward the corporate brand ally will influence consumers' evaluation of the unknown focal brand through its association with the attitude toward the product brand ally. In addition, our model proposes that consumers' product category knowledge moderates such effects.

The Brand Alliance Effect

As discussed above, in published brand alliance research, theorists have established the positive effect of a known product brand ally on consumer's evaluation of a previously unknown focal brand (e.g., Rao *et al*., 1999; Washburn *et al*., 2004; Voss and Gammoh, 2004; Gammoh *et al.*, 2010). For example, Voss *et al.*'s (2012) results across multiple experiments using different product categories showed that perceived quality of an unknown focal brand was enhanced as a result of allying with a well-known product brand. In another study, Gammoh *et al.*'s (2010) results indicate that perceived quality and attitude toward an unknown focal brand were higher when a well-known brand ally is present as compared to when no brand ally is present. Accordingly, we expect that attitude toward the product brand ally will be positively related to respondent's perceived quality and attitude toward the focal brand. However, we do not offer formal hypotheses since these effects are well established in the literature.

Competitive Cue Theory and the Corporate Brand Effect

Adding the brand of another entity to a brand alliance between a product brand ally and a focal brand introduces the possibility that the additional brand ally might compete for attention and learning with the product brand ally (Mackintosh, 1975). Here, Janiszewski and van Osselaer (2000) propose a connectionist learning model. In this view, when a brand name is linked to differences in performance not indicated by other available information cues, it acquires predictive validity (Janiszewski and van Osselaer, 2000). In a similar vein, van Osselaer and Alba (2000) propose that consumer learning about unknown brands is a forward-looking process. Thus, valuable information is derived from brands that can help the consumer predict future consumption outcomes (van Osselaer and Alba, 2000). When multiple information cues are available to the consumer, these cues interact in the predictive process implemented by the consumer (van Osselaer and Janiszewski, 2001). Cunha *et al.* (2015, p. 1286) describe competitive cue interaction occurring when a lesser known cue "is trained in the presence of a second prominent cue." Competitive cue effects are thought to be due to simple associations and not an outcome of in-depth reasoning (Cunha *et al.*, 2015).

Because competitive cue interactions are complex, it is not surprising that conflicting findings occur in the literature. As outlined above, numerous studies have consistently found that multiple allies in a brand alliance do not increase consumer evaluations of the focal brand relative to a single brand ally. However, other published studies contain divergent findings. For example, Miyazaki *et al*., (2005) find that multiple cues are more effective when they are consistent, that is provide corroborating information, with each other. Price and Dawar (2002) argue that cues can have a synergistic effect if they each provide unique relevant information and/or increase signal credibility. Aiken and Boush (2006, p. 320) find that multiple cues can sometimes be more effective together, but that "a firm having more signals of trust is not as effective as having a 'better' signal of trust."

The perspective offered in this study helps to reconcile these disparate findings. First, we acknowledge that brand cues are relatively powerful cues (Price and Dawar, 2002). Accordingly, the brand cue will often be the most diagnostic cue for assessing a previously unknown focal brand. Second, we harken back to signalling theory, which contends that in order to remedy an information asymmetry, the signalling party must have superior knowledge relative to the signal receiving parties (Rao and Ruekert, 1994). We combine this notion with the idea that cues must be consistent (Miyazaki *et al.*, 2005) and provide unique relevant information (Price and Dawar, 2002). Hence, we suggest that adding a corporate brand to a brand alliance between one of the corporation's product brands and a focal brand will significantly increase consumers' evaluations of the focal brand because 1) the parent-child nature of the corporation and its product brands is naturally a consistent one, that is the corporate brand can provide corroborating information, 2) the corporation is in a de-facto position to have superior information relative to the consumer, and 3) the information provided by the corporate brand is additive to the product brand because it captures unique relevant information that is not captured by the product brand, such as corporate social responsibility associations. Therefore, based on the previous arguments, we propose the following:

H1a: *Attitude toward the corporate brand ally will influence consumers' attitude toward the unknown focal brand through its association with attitude toward the product brand ally.*

H1b: *Attitude toward the corporate brand ally will influence consumers' perceived quality of the unknown focal brand through its association with attitude toward the product brand ally.*

The Role of Product Category Knowledge

We supplement the preceding conceptualisation by including product category knowledge as a moderator. Product category knowledge "reflects individual differences among consumers" (Malaviya and Sivakumar, 1998, p. 94). Consumers with high levels of product category knowledge are considered to be more "expert" regarding products and brands in the category than customers with lower level of product category knowledge (Alba and Hutchinson, 1987). Knowledgeable individuals tend to expend more resources into the search and acquisition of information prior to making purchase decisions while novice buyers tend to rely on decision making heuristics (Alba and Hutchinson, 1987; Brucks, 1985; Gatignon and Robertson, 1991; Moreau *et al*., 2001).

A similar pattern has been found in brand alliances (e.g., Gammoh *et al*., 2010; Voss and Gammoh, 2004). Individuals with high product category knowledge are more likely to know the corporations and brands operating in that particular product space. They are also more likely to already know which corporate brands and which product brands are from the same family. Accordingly, for these consumers the corporate brand may not provide unique superior information in addition to the information provided by the product brand. In other words, the corporate brand and the product brand may provide redundant information for highly knowledgeable consumers. On the other hand, consumers with lower levels of product category knowledge are more novice, and hence less likely to know about the brands and corporations operating in the category. Then too, they are less likely to know about the connections between corporate and product brands because they spend less time thinking about the category, are less likely to attend to information about the product category, and have less ability to integrate new information about the product category because their initial knowledge structure is relatively sparse (Mishra *et al*., 1993). For these consumers, the presence of the corporate brand may add new, unique, and superior information in addition to the product brand. As such, we propose the following:

H2*: The influence of attitude toward the corporate brand ally on consumers' evaluations of the unknown focal brand through its association with consumers' attitude toward the product brand ally will be stronger when product category knowledge is low than when product category knowledge is high.*

Method

Subjects and Design

To test the research hypotheses, a convenience sample of 935 students at a large mid-western university in the United States participated in a scenario-based study in exchange for course-credit. Participants were randomly assigned to one of 84 unique brand alliance scenarios comprising 33 corporate brand allies, 84 product brand allies, and a focal brand. This research tests theoretical propositions and was not designed to produce results generalisable to specific populations. Thus, the use of a homogeneous sample is advantageous because observed effects are more persuasive (Calder *et al*., 1981). Because theory is general, statistically significant effects for the hypotheses will permit the theory to apply in a wide range of situations. However, caution should be exercised in trying to generalise the results herein to specific brands, corporations, or populations. Preferably, further replications would be required to confirm the results here and produce results generalisable to specific target populations. A complete list of the corporations and brands used in the scenarios appears in Appendix A.

The scenario described a marketing plan by a fictitious focal brand called MAX, owned by a fictitious corporate parent Mountain Lake Inc., to launch a new product. It stated that MAX's plan included an agreement with [a product brand ally], owned by [a corporate brand], to include the brand ally's logo in advertisements and promotional materials. Our approach to scenarios is consistent with past brand alliance research (e.g., Gammoh *et al.*, 2010) where all scenarios used the same storyline and the same fictitious focal brand. However, modifications regarding MAX's product category were necessary to ensure fit, credibility, and realism of the brand alliance (Samu *et al.*, 1999). The scenario is provided in Appendix B.

Corporate Brand Allies. The selection of a sample of corporate brand allies consisted of several steps. Initially, a list of corporations that either employ a portfolio or mixed (umbrella) branding strategy was generated across six broad consumer product categories: automobiles, apparel, food and beverage, household products, entertainment and media, and restaurants. A total of 71 corporations were identified. Next, to ensure variance in familiarity and favourability, all the corporations were pre-tested. Pre-test participants rated corporations using single-item seven-point semantic differential scales that measured familiarity (anchored by "very unfamiliar" to "very familiar") and favourability (anchored by "very unfavourable" to "very favourable"). Due to the large number of corporations, the pre-tests were broken down into three parts. In the first pre-test (N_{C1} = 82) participants rated a set of 26 corporations. In the second pre-test (N_{C2} = 31) participants rated a set of 21 corporations. In the third pre-test (N_{C3} = 30) participants rated a set of 64 corporations. Based on pre-test scores, 33 corporations that own between 4 and 11 product brands were selected across the six product categories. Both very familiar/favourable and very unfamiliar/unfavourable corporations were included. The mean and variance in familiarity/favourability between the selected sample and the larger pool of corporations was not significantly different which reduces concerns regarding selection bias.

Product Brand Allies. After corporations were selected, every product brand from each of the corporations was pre-tested. This was necessary to arrive at a more manageable number of brand alliance scenarios since creating scenarios based on every product brand owned by each of the 33 corporations would have resulted in an unwieldy and wasteful data collection effort. In two pre-tests (N_{B1} = 37; N_{B2} = 32), participants rated a list of brands for familiarity and favourability while adopting methods that replicate our earlier pre-tests. Brands were presented with no reference to the corporate parent. A total of 84 brands, two to four brands per corporation, were selected. These brands were highly or moderately rated within their corporate family. Extremely low-rated (unknown) brands were not included because theory suggests such brands would be ineffective as brand allies.

Focal Brand. Extant brand alliance research has routinely adopted the use of an unknown focal brand to control extraneous sources of variation. Consistent with this approach, we chose a fictional brand (MAX) and a fictitious corporate parent (Mountain Lake Inc.) to serve as the unknown focal brand in the brand alliance.

Procedure

Participants were told that the session consisted of three unrelated studies and were provided with three booklets. In part 1, participants had to complete the first booklet containing a questionnaire with measures of attitude, familiarity, and favourability for three product brands and three corporate brands. One of the three product brands and its corporate parent were part of the target brand alliance which would be presented in part 3. The other two product brands and corporate brands were randomly selected from the set of 33 corporations and 84 product brands without replacement. We constrained selection to ensure that participants did not respond to two product brands from the same corporation. The presentation of product brands preceded the presentation of corporate brands. Product brand and corporate brand names were rotated to control for order effects. In part 2, participants completed the second booklet containing a 15-minute filler task, unrelated to the present study. Finally, in part 3 participants completed the third booklet, which included the brand alliance scenario followed by measures of dependent and demographic variables. Participants were subsequently thanked, debriefed, and dismissed.

Measures

All measurement scales were adopted from previously published literature. Attitude toward the unknown focal brand, attitude toward the product brand ally, and attitude toward the corporate brand ally were measured with three-item semantic differential scales based on MacKenzie *et al*., (1986). Perceived quality was measured using a six-item, Likert-type scale from Ratneshwar and Chaiken (1991). The covariate, product category knowledge, was measured using three semantic differential items adopted from Rao and Monroe (1988) and

Brucks (1985). In addition, two control variables were included in the model: familiarity with the product brand ally and familiarity with the corporate brand ally. Published articles suggest that capturing the variance in consumer's attitudes toward product brands and corporate brands due to mere familiarity is important (Simonin and Ruth, 1998). Measurement items for familiarity were adopted from Simonin and Ruth (1998). All measures are outlined in Table II alongside results from a confirmatory factor analysis.

Insert Table II about here

Results

Psychometrics

After accounting for missing values we were left with responses from 899 participants. Before testing the model, the psychometric properties of the measures were assessed via exploratory (EFA) and confirmatory factor analysis (CFA). The EFA showed that each scale resulted in a single factor solution with factor loadings exceeding 0.77 and explaining more than 70% of the variance. For all measures, Cronbach's alpha exceeded 0.90 (Table II). These results support the unidimensionality and reliability of the measures.

Convergent validity was assessed by performing a CFA and computing the composite reliability (CR) and average variance extracted (AVE) for each measure. As indicated in Table II, the CFA exhibited good fit statistics. All items loaded onto their respective hypothesised factor. In addition, Table II shows that all CRs exceeded 0.90 and the AVEs were above 0.50 providing evidence of convergent validity (Fornell and Larcker, 1981). Discriminant validity was assessed using two approaches. First, the AVE for each construct was compared to the squared multiple correlation between each pair of constructs (Fornell and Larcker, 1981). All AVEs were higher than squared multiple correlations (Table III). Second, the authors tested whether the construct correlations were less than unity by performing a chi-square difference test between a constrained and un-constrained model (Anderson and Gerbing, 1988; Bagozzi *et al*., 1991). The tests confirmed that the inter-construct correlation among each pair of constructs was less than one (Table III). Taken together, the results support the unidimensionality, reliability, and validity of the measures. Next, summated variables were created for estimating the model. Construct means, standard deviations, and zero-order correlations are presented in Table IV.

Insert Table III and IV about here

Hypothesis Testing

The research model presented in Figure 2 was fit using a system of hierarchical regression equations and estimated using three-stage least squares. Although the three-stage least squares approach limits the researcher's ability to model measurement error, it permits the simultaneous estimation of several regression equations including the combination of a mediated network of dependent measures and a categorical moderator (Voss and Jiménez, 2010). Thus, this analytical method is especially well-suited to the proposed model and the data.

First, we conducted a pooled model estimation run that contained all 899 responses. A three-stage least squares system-weighted R^2 of 0.38 indicated that the model fit the data well (Table V). First, familiarity toward the corporate brand ally is positively related to attitudes toward the corporate brand ally. Second, both attitude toward the corporate brand ally and familiarity toward product brand ally are associated with attitude toward the product brand ally. These findings demonstrate that favourable attitudes toward corporate brand ally effects evaluations of the associated attitude toward the product brand ally. Consistent with published literature, attitude toward the product brand ally was positively associated with attitude toward the focal brand and with the perceived quality of the focal brand; ($\beta = .06$, $p = .03$ and $\beta = .17$, p

< .01 respectively). In addition, the link between perceived quality of the focal brand and attitude toward the focal brand was also significant. Overall, these findings confirm that evaluations of unknown brands that are presented with a brand ally are affected by the brand ally's reputation. In addition, the model shows that familiar brands add value to the brand alliance by strengthening attitude toward the brand ally.

Insert Table V about here

Hypotheses 1a and 1b. We proposed that the effect of the corporate brand ally on evaluations of the unknown focal brand would be mediated by attitudes toward the product brand ally. Two approaches were used to examine mediation. First we conducted a standard Baron and Kenny (1986) test for mediation. Second, following the recommendations of Zhao *et al*., (2010), we utilise PROCESS that tests for mediation using bootstrapping techniques (Hayes, 2013). Using both methods, we find support for both H1a and H1b and conclude that the effects of the ally's corporate brand effects consumer evaluation of the unknown focal brand through its associations with attitude towards the product brand ally (Table V).

Specifically, in H1a we suggested that the effect of attitude toward the corporate brand ally on attitude toward the focal brand would be mediated by attitude toward the product brand ally. This is what the results suggest. The unstandardised regression coefficient between attitude toward the corporate brand ally and attitude toward the product brand ally was statistically significant ($\beta = .266$, $p < .01$), as was the unstandardised regression coefficient between attitude toward the product brand ally and attitude toward the focal brand ($\beta = .151$, $p < .01$). The unstandardised effect of attitude toward the corporate brand ally on attitude toward the focal brand controlling for attitude toward the product brand ally was non-significant ($\beta = .052$, $p = .09$). The unstandardised indirect effect was (.266)(.151) = .04 and the normal theory (Sobel) test on the indirect parameter was significant ($z = 4.05$, $p < .01$). The combined results support the mediation. Additionally, the PROCESS macro allows us to test the significance of this indirect effect using bootstrapping procedures. Bias corrected confidence intervals for the indirect effect using each of 1,000 bootstrapped samples showed a lower bound of .019 and an upper bound of .062, thus providing additional evidence of a significant indirect effect and support for H1a.

As we suggested in H1b, the effect of attitude toward the corporate brand ally on attitude toward the focal brand is mediated by attitude toward the product brand ally. In this case, the unstandardised regression coefficients between attitude toward the corporate brand ally and attitude toward the product brand ally ($\beta = .266$, $p < .01$), and between attitude toward the product brand ally and perceived quality of the focal brand ($\beta = .149$, $p < .01$) were both statistically significant. The unstandardised effect of attitude toward the corporate brand ally on attitude toward the focal brand controlling for attitude toward the product brand ally was non-significant ($\beta = .053$, $p = .06$). The unstandardised indirect effect of attitude toward the corporate brand ally on attitude toward the focal brand was (.266)(.149) = .04 which as confirmed by a Sobel test was significant ($z = 4.36$, $p < .01$). Results from PROCESS with respect to the indirect effect confirmed the significant mediation. Estimates from 1,000 bias corrected bootstrapped samples suggested a lower bound for the confidence interval of .023 and an upper bound of .062.

Hypothesis 2. Recall that the effect of the corporate brand ally on the focal brand through its effects on attitudes towards the product brand ally should be stronger when product category knowledge is low. Our approach to examining moderated mediation effects follow the techniques prescribed by Edwards and Lambert (2007) and Muller *et al.*, (2005). To test H2, respondents were split into high and low product category knowledge groups via a median split (median = 4.33). The mean for product category knowledge for the low product category knowledge group (N = 421) was 2.83, while the average product category knowledge for the high product category knowledge group (N = 478) was 5.31. Next, the model presented in Figure 2 was estimated in three-stage least squares for each group independently. The system-weighted R^2 was 0.37 for the low product category knowledge group and 0.39 for the high product category knowledge group. Again, this suggests that in both cases the split data fit the model well. Table V summarises the standardised estimates obtained from the low and high product category knowledge groups. A cursory review of the results suggest that the relationships outlined in Figure 2 are contingent on product category knowledge as given by the difference in the number of statistically significant parameter estimates between the low and high product category knowledge models. Yet, we establish moderation using methods that are more robust.

Since we rely on simultaneous estimation of equations using three-stage least squares to test for moderation, we follow the recommendations of Cohen and Cohen (1983). Specifically, we examine the statistical significance of the difference in unstandardised parameters between the low and high product category knowledge groups for each path using t-tests and pooled variances. As outlined in Table V, all but one path shows a significant *t*-statistic for the difference in unstandardised parameters between the two groups. Importantly, in support of H2 the effect of the corporate brand ally on attitudes towards the focal brand via attitudes towards the brand ally only holds in the low product category knowledge condition and not in the high product category knowledge condition. This is further apparent when comparing the standardised estimates between the low and high product category knowledge models. The effect of attitude toward the corporate brand ally on attitude toward the product brand ally ($\beta = .03$, $p = .33$) and the effect of attitude toward the product brand ally on attitude toward the focal brand ($\beta = .03$, $p = .42$) are not significant in the high product category knowledge model. Our conclusion is that for high product category knowledge individuals, attitude toward the focal brand is dependent on attitude toward the product brand ally working through its relationship on perceived quality. Here, attitude toward the corporate brand ally played no role. On the other hand, all parameter estimates from the low product category knowledge model, including attitude toward the corporate brand ally on attitude toward the product brand ally ($\beta = .18$, $p < .01$) and the effect of attitude toward the product brand ally on attitude toward the focal brand ($\beta = .09$, $p = .01$) are statistically significant. We conclude that attitude toward the corporate brand ally is a significant antecedent of attitude toward the product brand ally and both affected attitude to the focal brand both directly and indirectly through perceived quality.

In addition to performing the difference t-tests between the low and high product category knowledge groups' unstandardised parameters, we performed a moderated mediation analysis using Preacher and Hayes' PROCESS macro. First, a model was specified wherein product category knowledge moderated the path from attitude toward the corporate brand ally to attitude toward the product brand ally in a mediated model that included attitude toward the focal brand as the outcome variable (i.e., Preacher and Hayes Model 7). We also specified a second model wherein product category knowledge moderated the direct paths from attitude toward the corporate brand ally to attitude toward the product brand ally, and between attitude toward the product brand ally and attitude toward the focal brand, where attitude toward the product brand ally was the mediator (i.e., Preacher and Hayes Model 58). In both cases, the PROCESS results confirmed hypothesis 2.

Discussion

A corporate brand represents a unique identity that captures the implicit bond firms offer their stakeholders (Gupta *et al*., 2015). Ever since Balmer (1995) formally introduced the notion of corporate brands, interest in the concept among practitioners and academics has grown tremendously. On the practitioner side, Balmer (2001, p. 15) initially recognised that managers were "realising that a strong and favourable corporate brand can be a powerful weapon in their armoury." Fifteen years later, the evidence for this seems to be well and truly borne out by the strategic emphasis placed nowadays on corporate brand management and in efforts to maximise the potential of the corporate brand (Vallaster *et al*., 2012). In step with the practitioner community, the proliferation of academic articles examining the role of the corporation as a brand has continued unabated in the two decades since Balmer's initial conceptualisation (e.g., Aaker, 2004; Balmer,1995, 2001, 2001a, 2003, 2010, 2011, 2012, 2013; Balmer and Gray, 2003; Bickerton, 2000; Burt and Sparks, 2002; de Chernatony and Cottam, 2008 Harris and de Chernatony, 2001; Ind, 1998; Knox, 2004; Merrilees and Miller, 2008; Vallaster *et al.*, 2012; Gupta *et al.*, 2015). This abundance of work speaks to the traction corporate brands and corporate brand management has received and underscores the importance of the topic. The current study keeps with this trend—focussing specifically on how consumers perceive corporate brands differently from product brands—an area of increasing interest (Balmer, 2003). Indeed, further explicating the differences in how consumer's perceive corporate brands and product brands is critical to how firms manage their brand portfolio and accompanying brand architecture, their overall communication strategies with respect to these brands, and their ability to fully leverage the corporation's image and reputation (Balmer, 2001). This is important given that corporate and product brands offer unique, complementary, and combined competencies to the firm.

This research is a first step toward resolving mixed findings in the literature with regards to the successful use of corporate brands in brand alliance strategies, thereby examining how corporate and product brands interact in a pertinent branding context. On the one hand, brand alliance researchers have repeatedly found no incremental effect of adding multiple brands to an alliance (Voss and Gammoh, 2004; Gammoh *et al.*, 2010; Fang *et al.*, 2013). On the other hand, recent research suggests that the effectiveness of multiple brand allies depends on whether or not allies form competitive cues (Cunha *et al.*, 2015). By integrating signalling theory with consumer learning theory, it is suggested that informational cues are effective when 1) the sender is in a position to have superior knowledge to the customer (Rao and Ruekert, 1994), 2) provides corroborating information (Miyazaki *et al.*, 2005), and 3) provides unique relevant information (Price and Dawar, 2002). The corporate brand meets these three criteria and thus, on average, attitude toward the corporate brand ally had a positive influence on attitude toward the focal brand while mediated by attitude toward the product brand ally. Accordingly, our conceptualisation provides a launching point for further research aimed at sorting out the issues surrounding the use of multiple brand allies.

Our conceptual model reveals that a corporate brand can serve a complex but important role in brand alliances and this was supported by the data. For many consumers, the corporate brand adds to the overall brand alliance effect, thereby improving consumers' evaluations of the focal brand. Importantly, this effect occurs via the influence that attitude toward the corporate brand ally has on attitude toward the product brand ally. In other words, the addition of the corporate brand influences evaluations of the focal brand, but not directly. This result is consistent with our theorising. Since corporate brands and product brands are congruent and not competitive cues, and because corporate brands can provide additional information that the product brand would be unable to signal by itself, the brand alliance signal is enhanced by its addition.

We find that consumers' product category knowledge is a boundary condition that moderates the indirect influence of attitude toward the corporate brand ally on consumers' evaluations of the focal brand. Consistent with previous research on brand alliances (e.g., Gammoh *et al.*, 2010), the current study leads to the conclusion that product category knowledge plays an important role when considering the addition of the corporate brand to a brand alliance. Since consumers with a high degree of product category knowledge are unlikely to gain much information from the corporate brand signal, the role it plays in evaluations of the focal brand is diminished within this context. On the other hand, the indirect effect of attitude toward the corporate brand ally on evaluations of the focal brand is stronger in situations when consumers have low knowledge of the product category. In this situation, the corporate brand ally has an incremental effect over the product brand ally alone because it is in a position to have superior knowledge to the customer and can consistently convey relevant additional information.

Theoretical Implications

The present study helps us resolve mixed findings in the brand alliance literature regarding the incremental value of multiple allies by conceptualising and testing a theoretical explanation of why and when additional allies are relevant and effective. Specifically, based on competitive cue theory, multiple brand allies serve as information cues which consumers use to assess an unknown focal brand. These cues are less effective when they provide redundant information. In such cases, multiple brand allies compete for consumer's attention and learning (Mackintosh, 1975) and lead consumers to use the most predictive cue and ignore the rest. As the current research demonstrates, an additional ally is more effective when the ally offers superior information to the consumer and provides both corroborating and additional information. The association between a product brand and a corporate brand is a case in point.

We identify and provide evidence of a boundary condition for the effectiveness of the corporate brand ally in a brand alliance. The consumer's level of product category knowledge moderates the effect of the corporate brand ally in evaluations of the focal brand. For consumers with high product category knowledge, who are considered experts in the category, the corporate brand ally does not seem to provide additional information over and above what the product brand ally provides. For consumers with low product category knowledge the corporate brand cue leads to an overall improvement in evaluations of the focal brand.

In addition, this paper provides insight to the corporate brand management literature by employing new theoretical perspectives (i.e., competitive cues and consumer learning theory) to enrich our understanding of meaning transfer between the corporate brand and a product brand within a firm's brand architecture. While our research effort explored meaning transfer in the context of brand alliances, our theoretical approach could be applied to explore meaning transfer across a varied array of vertical and/or horizontal types of relationships between corporate brands and product brands.

Managerial Implications

From a managerial perspective, this study offers specific recommendations to managers seeking to partner their brand with another brand in a brand alliance. Our results confirm the ability of a well-known corporate brand ally to enhance consumer's perceptions of an unknown focal brand. Therefore, managers interested in building or enhancing consumers' perceptions of their brand are encouraged to consider allying with a reputable product brand ally and its corporate parent brand to accomplish this objective. In addition, our findings inform managers when corporate brands are most effective in a brand alliance setting. Specifically, corporate brand allies are most effective in cases when consumers possess low product category knowledge. Therefore, managers are advised to assess the potential use or lack of use of the corporate brand ally depending on the degree of product category knowledge of specific target audiences. That is, when communicating with high product category audiences the simultaneous use of a corporate brand ally and product brand ally probably will not help. Although, since we did not find a negative effect from using the corporate brand, managers could conceivably use the same alliance approach with all audiences.

Our results can also inform managers about how to choose brand allies. Our findings indicate that additional allies (i.e., information cues) are effective as long as they do not compete with each other and provide additional information beyond what is provided by the brand ally. Cue competitiveness is reduced when consumers see some association between the different information cues available (i.e., cues that are congruent). As such, one important recommendation for managers interested in using multiple allies is to identify the role (or added benefits) of each additional ally and to clearly communicate such benefits to their target consumers.

Indeed, Balmer and Gray (2003, p. 983) discuss how “brand management has not only become more important, but also more intricate and complex.” Together, these findings highlight the importance of corporate brand management and further encourage managers to invest in the creation and maintenance of reputable corporate brands. In this regard, managers will find value in extant corporate brand typologies offered in the literature (e.g., Balmer, 2012) that offer guidance on how corporate brands ought to be managed. Such typologies can also be employed for the purpose of clarifying key relationships between brands contained within the corporation’s portfolio of brands; thereby allowing managers to clearly signal the added value of the corporate brand compared to its product brands. In this regard, the findings here come close to addressing the type of brand relationships captured by supra and multiplex corporate brand categories (Balmer and Gray, 2003). In sum, market forces often dictate how corporate brands are leveraged, and therefore, managers would be well-served developing successful corporate brands that deliver long-term competitive advantages (Balmer, 2001; Foster *et al*., 2010).

Limitations and Directions for Future Research

In creating our stimuli, we attempted to portray brand alliances in realistic scenarios across multiple product categories. However, future research is encouraged to replicate our findings using actual brand alliance situations using different methodological approaches. For example, a longitudinal examination following specific brand alliances promises to shed more light into the dynamics of such phenomenon. Relatedly, whether or not the relationship between corporate and product brands remain consistent across multiple product categories remains an open question. This study included corporate brands from multiple product categories and found no category specific effects, but future studies ought to explore the consistency of such brand interrelationships across multiple product categories further. We also conducted the research with a student sample. Use of a homogeneous sample is advantageous because observed effects are more persuasive (Calder *et al.*, 1981). However, replication of this research with non-student samples would increase the external validity and generalisability of the results. Another important avenue for future research relates to the issue of potential negative outcomes from participating in the alliance for both the product brand ally and the corporate brand ally. Existing brand alliance research demonstrate the potential of negative influence on consumers' attitudes and perceptions toward the brand ally as a result of allying with an unknown focal brand (Simonin and Ruth, 1998; James, 2005). Such research should be extended to examine any potential negative effects on the corporate brand ally. Furthermore, future research would benefit from employing our theoretical reasoning to understand other situations in which the corporate brand appears with product brands such as in brand or line extensions.

In the current study, we attempted to test the differences in the mediation process based on differences in product category knowledge. We do this by employing a technique that splits the sample into low and high groups based on the median value of the moderator. While such approaches are widely employed (see Edwards and Lambert, 2007; Muller *et al.*, 2005), there are nevertheless criticisms of the technique. Most notable is the effect that splitting the sample has on overall loss of power (Irwin and McClelland, 2003). Since we find significant results that support our conceptualisation, concerns regarding the loss of power are mitigated. Moreover, we do not use cross-product terms to examine moderation. Rather, we use simultaneous estimation of parameter coefficients in two groups and then test for differences using the pooled variance. Since all of the data is used in determining the variance, loss of power is minimal.

Conclusion

Corporate brands are important assets to a firm because they provide additional and unique information to consumers; beyond that provided by product brands. Managers can exploit this asset by adding the corporate brand name to a traditional brand alliance. The addition will enhance quality perceptions and attitudes towards a focal brand. Overall, this article provides additional support to Balmer's (2013) call for the adoption of a corporate brand orientation and the application of corporate marketing. Managers are urged to invest in the creation, building, and maintenance of well-known and reputable corporate brands.

References

Aaker, D. A. (2004), "Leveraging the corporate brand", *California Management Review,* Vol. 46 No.3, pp.6-18.

Aiken, K. D., & Boush, D. M. (2006), "Trustmarks, objective-source ratings, and implied investments in advertising: investigating online trust and the context-specific nature of internet signals", *Journal of the Academy of Marketing Science,* Vol. 34 No. 3, pp.308-323.

Alba, J. W., & Hutchinson, J. W. (1987), "Dimensions of consumer expertise", *Journal of Consumer Research*, pp. 411-454.

Anderson, J. C., & Gerbing, D. W. (1988), "Structural equation modeling in practice: A review and recommended two-step approach", *Psychological bulletin,* Vol. 103 No. 3, pp. 411.

Andreassen, T. W., & Lindestad, B. (1998), "Customer loyalty and complex services: The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying degrees of service expertise", *International Journal of Service Industry Management*, Vol. 9 No. 1, pp. 7-23.

Bagozzi, R. P., Yi, Y., & Phillips, L. W. (1991), "Assessing construct validity in organisational research", *Administrative Science Quarterly*, pp. 421-458.

Balmer, J.M.T. (1995), "Corporate branding and connoisseurship", *Journal of General Management*, Vol. 21 No. 1, pp. 24-46.

Balmer, J.M.T. (2001), "The three virtues and seven deadly sins of corporate brand management", *Journal of General Management*, Vol. 27 No. 1, pp. 1-17.

Balmer, J.M.T. (2001a), "Corporate identity, corporate branding and corporate marketing - Seeing through the fog", *European Journal of Marketing*, Vol. 35 No. 3/4, pp. 248-291.

Balmer, J.M.T. (2003), "The three virtues and seven deadly sins of corporate brand management", In J.M.T. Balmer and S.A. Greyser (2003), *Revealing the Corporation: Perspectives on Corporate Identity, Image, Reputation, Corporate branding and Corporate Marketing*, Routledge, London and New York.

Balmer, J.M.T. (2010), "Explicating corporate brands and their management: Reflections and directions from 1995", *Journal of Brand Management*, Vol. 18 No. 3, pp. 180-196.

Balmer, J.M.T. (2011), "Corporate marketing myopia and inexorable rise of a corporate marketing logic: perspectives from identity based views of the firm", *European Journal of Marketing*, Vol. 42 No. 9/10, pp. 879-906.

Balmer, J.M.T. (2012), "Corporate Brand Management Imperatives", *California Management Review*, Vol. 54 No. 3, pp. 6-33.

Balmer, J.M.T. (2013), "Corporate brand orientation: What is it? What of it?", *Journal of Brand Management*, Vol. 20. No. 9, pp. 723-741.

Balmer, J. M. T., & Gray, E. R. (2003), "Corporate brands: what are they? What of them?", European *Journal of Marketing,* Vol. 37 No. 7/8, pp. 972-997.

Balmer, J.M.T. & Liao M-N. (2007), "Student corporate brand identification: an exploratory study", *Corporate Communications: An International Journal*, Vol. 12 *No.* 4, pp. 356-375.

Baron, R. M., & Kenny, D. A. (1986), "The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations", *Journal of Personality and Social Psychology,* Vol. 51 No. 6, pp. 1173.

Becker-Olsen, K. L., Cudmore, B. A., & Hill, R. P. (2006), "The impact of perceived corporate

social responsibility on consumer behaviour", *Journal of Business Research,* Vol. 59 No. 1, pp. 46-53.
Berens, G., Riel, C. B. v., & Bruggen, G. H. v. (2005), "Corporate associations and consumer product responses: The moderating role of corporate brand dominance", *Journal of Marketing,* Vol. 69 No. 3, pp. 35-48.
Bickerton, D. (2000), "Corporate reputation versus corporate branding: the realist debate", *Corporate Communications: An International Journal*, Vol. 5 No. 1, pp. 42-48.
Biehal, G. J., & Sheinin, D. A. (2007), "The influence of corporate messages on the product portfolio", *Journal of Marketing,* Vol. 71, No. 2, pp. 12-25.
Brown, T. J., & Dacin, P. A. (1997), "The company and the product: Corporate associations and consumer product responses", *Journal of Marketing*, Vol. 61 No. 1, pp. 68-84.
Brucks, M. (1985), "The effects of product class knowledge on information search behaviour", *Journal of Consumer Research*, pp. 1-16.
Burt, S. L. & Sparks, L. (2002), "Corporate branding, retailing, and retail internationalization", *Corporate Reputation Review*, Vol. 5 No. 2/3, pp. 194-212.
Calder, B. J., Phillips, L. W., & Tybout, A. M. (1981), "Designing research for application", *Journal of Consumer Research*, Vol. 8 No. 2, pp. 197-207.
Cohen, J. & Cohen, P. (1983), *Applied multiple regression/correlation analysis for the behavioral sciences,* Hillsdale, NJ: L. Eribaum.
Cunha Jr., M., Forehand, M. R., & Angle, J. W. (2015), "Riding Coattails: When Co-Branding Helps versus Hurts Less-Known Brands" *Journal of Consumer Research,* Vol. 41 No. 5, pp. 1284-1300.
Curtis. T., Abratt R., & Minor. W, (2009), "Corporate brand management in higher education: the case of ERAU", *Journal of Product & Brand Management,* Vol. 18 No. 6, pp. 404-413
de Chernatony, L., & Cottam, S. (2008), "Interactions between organisational cultures and corporate brands," *Journal of Product & Brand Management*, Vol. 17 No. 1, pp. 13-24.
Edwards, J. R. & Lambert, L. S. (2007), "Methods for integrating moderation and mediation: A general analytical framework using moderated path analysis", *Psychological Methods*, Vol. 12 No. 1, pp. 1-22.
Fang, X., Gammoh, B. S., & Voss, K. E. (2013), "Building brands through brand alliances: combining warranty information with a brand ally", *Journal of Product & Brand Management,* Vol. 22 No. 2, pp. 153-160.
Fornell, C., & Larcker, D. F. (1981), "Evaluating structural equation models with unobservable variables and measurement error", *Journal of Marketing Research*, pp. 39-50.
Foster, C., Punjaisri, K., & Cheng, R. (2010), "Exploring the relationship between corporate, internal and employer branding", *Journal of Product & Brand Management*, Vol. 19 No. 6, pp. 401-409.
Gammoh, B. S., & Voss, K. E. (2013), "Alliance competence: The moderating role of valence of alliance experience", *European Journal of Marketing,* Vol. 47 No. (5/6), pp. 964-986.
Gammoh, B. S., Voss, K. E., & Fang, X. (2010), "Multiple brand alliances: a portfolio diversification perspective", *Journal of Product & Brand Management,* Vol. 19 No. 1, pp. 27-33.
Gatignon, H., & Robertson, T. S. (1991), "Innovative decision processes", *Handbook of consumer behaviour*, Prentice-Hall, Englewood Cliffs, NJ, pp. 316-348.
Goldsmith, R. E., Lafferty, B. A., & Newell, S. J. (2000), "The impact of corporate credibility

and celebrity credibility on consumer reaction to advertisements and brands", *Journal of Advertising,* Vol. 29 No. 3, pp. 43-54.

Gray, E. R. & Balmer, J. M. T. (1998), "Managing corporate image and corporate reputation," *Long Range Planning*, Vol. 31 No. 5, pp. 695-702.

Gupta, S., Balmer, J. M., & Low, B. (2015), "Brands in, from and to emerging markets: The role of industrial relationships", *Industrial Marketing Management*, Vol. 51 No. (November), pp. 4-10.

Harris, F., & de Chernatony, L. (2001), "Corporate branding and corporate brand performance", *European Journal of Marketing*, Vol 35 No. (3/4), pp. 441-456.

Hatch, M. J. & Schultz, M. (2001), "Are the strategic stars aligned for your corporate brand?", *Harvard Business Review*, Vol. 79 No. 2, pp. 128-134.

Hayes, A. F. (2013), *Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach*, New York, NY: Guilford Publication.

He, H.-W., & Balmer, J. M. T. (2006), "Alliance brands: Building corporate brands through strategic alliances?", *Journal of Brand Management,* Vol. 13 No. (4-5), pp. 242-256.

Ind, N. (1998), "An integrated approach to corporate branding", *Journal of Brand Management*, Vol. 5 No. 5, pp. 323-329.

Irwin, J. R., & McClelland, G. H. (2003), "Negative Consequences of Dichotomizing Continuous Predictor Variables", *Journal of Marketing Research.* Vol. 40 No. 3, pp. 366-371.

Jaju, A., Joiner, C., & Reddy, S. K. (2006), "Consumer evaluations of corporate brand redeployments", *Journal of the Academy of Marketing Science,* Vol. 34 No. 2, pp. 206-215.

James, D. (2005), "Guilty through association: brand association transfer to brand alliances", *Journal of Consumer Marketing,* Vol. 22 No. 1, pp. 14-24.

Janiszewski, C., & van Osselaer, S. M. (2000), "A connectionist model of brand–quality associations", *Journal of Marketing Research,* Vol. 37 No. 3, pp. 331-350.

Kaufmann, H. R., Vrontis, D., Czinkota, M., & Hadiono, A. (2012), "Corporate branding and transformational leadership in turbulent times", *Journal of Product & Brand Management*, Vol. 21 No. 3, pp. 192-204.

Knox, S. & Bickerton, D. (2003), "The six conventions of corporate branding", *European Journal of Marketing*, Vol. 37 No. 7/8, pp. 998-1016.

Knox, S. (2004), "Positioning and branding your organization", *Journal of Product & Brand Management*, Vol. 13 No. 2, pp. 105-115.

Lafferty, B. A. (2009), "Selecting the right cause partners for the right reasons: The role of importance and fit in cause-brand alliances", *Psychology & Marketing,* Vol. 26 No. 4, pp. 359-382.

Lafferty, B. A., & Goldsmith, R. E. (1999), "Corporate credibility's role in consumers' attitudes and purchase intentions when a high versus a low credibility endorser is used in the ad", *Journal of Business Research,* Vol. 44 No. 2, pp. 109-116.

Lafferty, B. A., & Goldsmith, R. E. (2005), "Cause–brand alliances: does the cause help the brand or does the brand help the cause?", *Journal of Business Research,* Vol. 58 No. 4, pp. 423-429.

Lafferty, B. A., Goldsmith, R. E., & Hult, G. T. M. (2004), "The impact of the alliance on the partners: a look at cause–brand alliances", *Psychology & Marketing,* Vol. 21 No. 7, pp. 509-531.

MacKenzie, S. B., Lutz, R. J., & Belch, G. E. (1986), "The role of attitude toward the ad as a mediator of advertising effectiveness: A test of competing explanations", *Journal of Marketing Research*, pp. 130-143.

Mackintosh, N. J. (1975), "A theory of attention: Variations in the associability of stimuli with reinforcement", *Psychological Review,* Vol. 82 No. 4, pp. 276.

Malaviya, P., & Sivakumar, K. (1998), "The moderating effect of product category knowledge and attribute importance on the attraction effect", *Marketing Letters,* Vol. 9 No. 1, pp. 93-106.

Marin, L., Ruiz, S., & Rubio, A. (2009), "The role of identity salience in the effects of corporate social responsibility on consumer behaviour", *Journal of Business Ethics,* Vol. 84 No. 1, pp. 65-78.

Martineau, Pierre (1958), "Sharper focus for the corporate image," *Harvard Business Review,* Vol. 36 No. 6, pp. 49-58.

Merrilees, B., & Miller, D. (2008), "Principles of corporate rebranding", *European Journal of Marketing*, Vol. 42 No. (5/6), pp. 537-552.

Mishra, S., Umesh, U. N., & Stem D. E. Jr. (1993), "Antecedents of the attraction effect: An information processing approach", *Journal of Marketing Research*, Vol. 30 No. 3, pp. 331-339.

Miyazaki, A. D., Grewal, D., & Goodstein, R. C. (2005), "The effect of multiple extrinsic cues on quality perceptions: A matter of consistency", *Journal of Consumer Research,* Vol. 32 No. 1, pp. 146-153.

Moreau, C. P., Lehmann, D. R., & Markman, A. B. (2001), "Entrenched knowledge structures and consumer response to new products", *Journal of Marketing Research,* Vol. 38 No. 1, pp. 14-29.

Muller, D., Judd, C. M., & Yzerbyt, V. Y. (2005), "When moderation is mediated and mediation is moderated", *Journal of Personality and Social Psychology,* Vol. 89 No. 6, pp. 852-863.

Muzellec, L., & Lambkin, M. C. (2009), "Corporate branding and brand architecture: a conceptual framework", *Marketing Theory,* Vol. 9 No. 1, pp. 39-54.

Price, L. J., & Dawar, N. (2002), "The joint effects of brands and warranties in signalling new product quality", *Journal of Economic Psychology*, Vol. 23 No. 2, pp. 165-190.

Rao, A. R. & Monroe, K. B. (1988), "The moderating effect of prior knowledge on cue utilization in product evaluations", *Journal of Consumer Research*, Vol. 15 No. 2, pp. 253-2

Rao, A. R., Qu, L., & Ruekert, R. W. (1999), "Signalling unobservable product quality through a brand ally", *Journal of Marketing Research*, pp. 258-268.

Rao, A. R., & Ruekert, R. W. (1994), "Brand alliances as signals of product quality", *MIT Sloan Management Review,* Vol. 36 No. 1, pp. 87.

Rao, V. R., Agarwal, M. K., & Dahlhoff, D. (2004), "How is manifest branding strategy related to the intangible value of a corporation?" *Journal of Marketing,* Vol. 68 No. 4, pp. 126-141.

Ratneshwar, S., & Chaiken, S. (1991), "Comprehension's role in persuasion: The case of its moderating effect on the persuasive impact of source cues", *Journal of Consumer Research*, pp. 52-62.

Ruth, J. A., & Simonin, B. L. (2003), "Brought to you by Brand A and Brand B" Investigating Multiple Sponsors' Influence On Consumers' Attitudes Toward Sponsored Events", *Journal of Advertising,* Vol. 32 No. 3, pp. 19-30.

Samu, S., Krishnan, H. S., & Smith, R. E. (1999), "Using advertising alliances for new product introduction: interactions between product complementarity and promotional strategies", *Journal of Marketing,* Vol. 63 No. 1, pp.57-74.

Saunders, J., & Guoqun, F. (1996), "Dual branding: how corporate names add value", *Marketing Intelligence & Planning*, Vol. 14 No. 7, pp. 29-34.

Sen, S., & Bhattacharya, C. B. (2001), "Does doing good always lead to doing better? Consumer reactions to corporate social responsibility", *Journal of Marketing Research,* Vol. 38 No. 2, pp. 225-243.

Simonin, B. L., & Ruth, J. A. (1998), "Is a company known by the company it keeps? Assessing the spillover effects of brand alliances on consumer brand attitudes", *Journal of Marketing Research*, pp. 30-42.

Uggla, H. (2006), "The corporate brand association base: A conceptual model for the creation of inclusive brand architecture", *European Journal of Marketing,* Vol. 40 No. (7/8), pp. 785-802.

Vallaster, C., Lindgreen, A., & Maon, F. (2012), "Strategically leveraging corporate social responsibility", *California Management Review*, Vol. 54 No. 3, pp. 34-60.

van Osselaer, S. M., & Alba, J. W. (2000), "Consumer learning and brand equity", *Journal of Consumer Research,* Vol. 27 No. 1, pp. 1-16.

van Osselaer, S. M., & Janiszewski, C. (2001), "Two ways of learning brand associations", *Journal of Consumer Research*, Vol. 28 No. 2, pp. 202-223.

van Riel, C. B. M. & Balmer, J.M.T. (1997), "Corporate Identity: the concept, its measurement and management," *European Journal of Marketing*, Vol. 31 No. (5/6), pp. 340-355.

Voss, K. E., & Gammoh, B. S. (2004), "Building brands through brand alliances: does a second ally help?", *Marketing Letters,* Vol. 15 No. 2/3, pp. 147-159.

Voss, K. E., Gammoh, B. S., & Fang, X. (2012), "How does a Brand Ally Affect Consumer Evaluations of a Focal Brand?", *Psychology & Marketing,* Vol. 29 No. 12, pp. 929-940.

Voss, K. E. & Jiménez, F. R. (2010), "Social and Equity Inferences in Customers' Evaluation of Services", *Journal of Marketing Theory and Practice,* Vol. 18 No. 3**,** pp. 219-232.

Washburn, J. H., Till, B. D., & Priluck, R. (2004), "Brand alliance and customer-based brand-equity effects", *Psychology & Marketing,* Vol. 21 No. 7, pp. 487.

Zhao, X., Lynch, J. G., & Chen, Q. (2010), "Reconsidering Baron and Kenny: Myths and truths about mediation analysis", *Journal of Consumer Research,* Vol. 37 No. 2, pp. 197-206.

About the authors

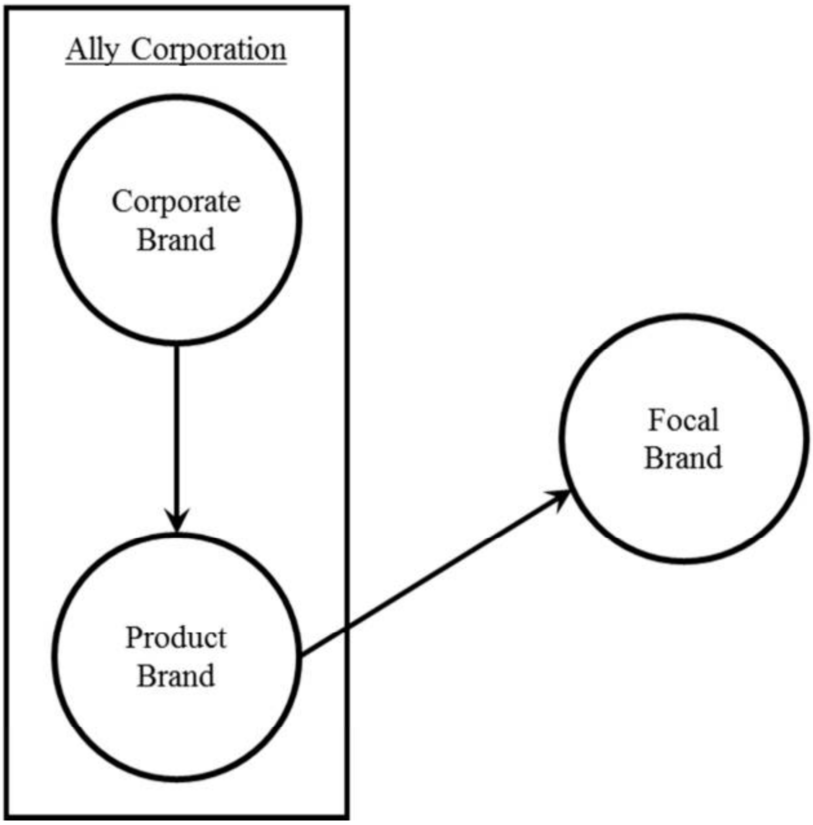
Dr. Mayoor Mohan is an Assistant Professor in the Department of Marketing at Virginia Commonwealth University. He received his Ph.D. in marketing from Oklahoma State University and his research focuses on managerial decision-making, innovation strategy, and brand strategy. His research in these areas has been published in journals including the *Journal of Business Research* and the *European Journal of Marketing*.

Dr. Kevin Voss is Don and Cathey Humphreys Chair and Professor of Marketing, William S. Spears School of Business, Oklahoma State University. His research interests are in the areas of international marketing, brand management, and measurement issues. His publications include articles in *Journal of Marketing Research*, *Journal of Business Research*, *Marketing Letters*, and *Psychology and Marketing* among others.

Dr. Fernando R. Jiménez is an Associate Professor of Marketing at The University of Texas at El Paso. He earned his Ph.D. in Marketing from Oklahoma State University. His research interests include product/brand evaluations, international marketing, and research methodology. His work has been published in academic journals including the *Journal of Business Research, Psychology & Marketing*, *Journal of International Marketing, Journal of Service Research, Journal of Interactive Marketing, International Marketing Review, European Journal of Marketing, and Journal of Marketing Theory and Practice.*

Dr. Bashar S. Gammoh is an Associate Professor in the Department of Marketing and International Business at The University of Toledo. He received his Ph.D. in marketing from Oklahoma State University and his research focuses on marketing strategy and brand managements among other topics. His research in these areas has been published in journals including *Journal of Product & Brand Management, Marketing Letters, Journal of Personal Selling & Sales Management, International journal of Electronic Commerce,* and the *European Journal of Marketing* among others.

Figure 1. Conceptual Model of the Effect of the Corporate Brand on a Focal Brand as mediated by one of the Corporation's product brands.



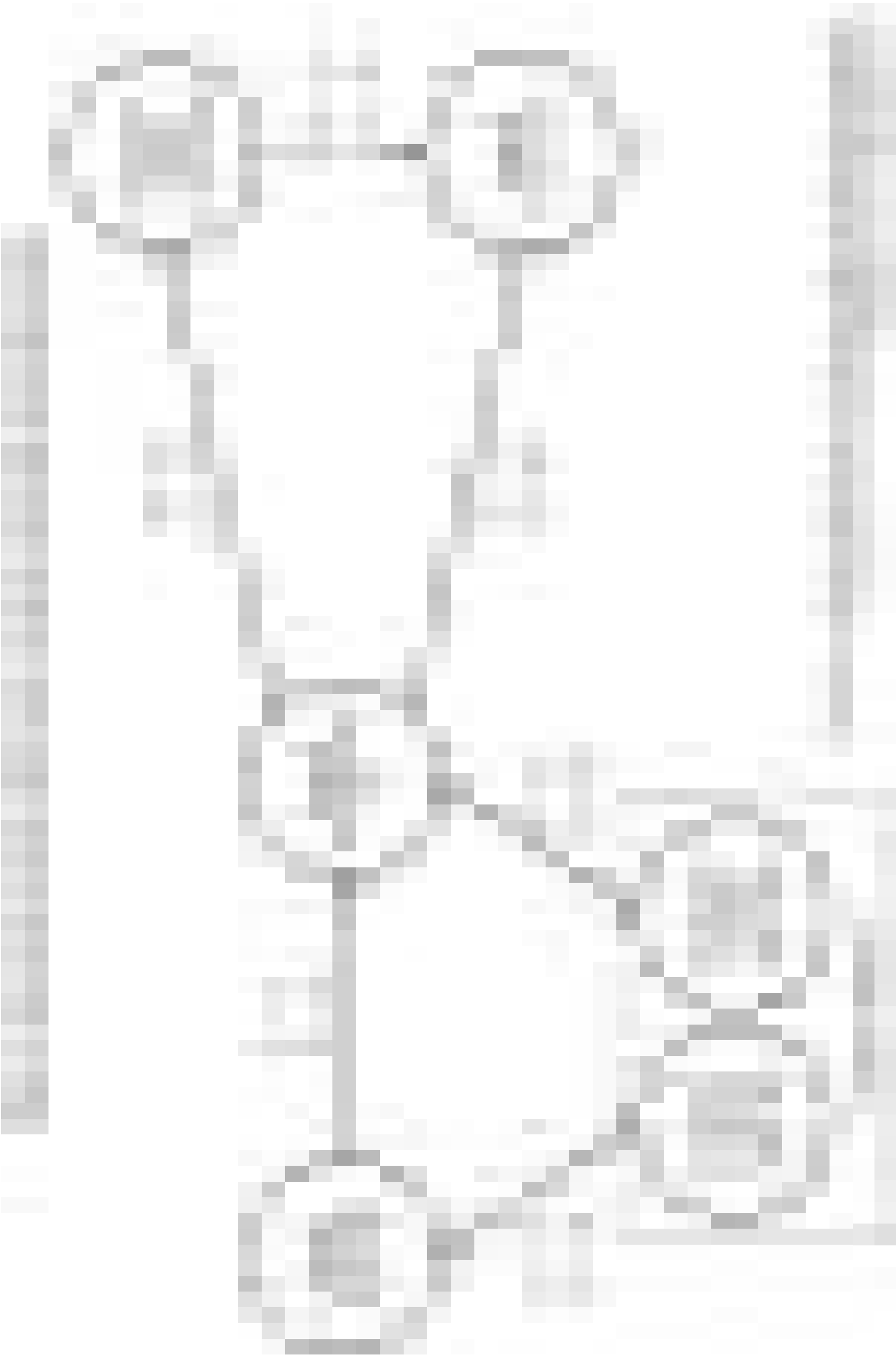


Table I Factors Related to Successful Corporate Brands

Author(s)	Success Factors
Harris and de Chernatony (2001)	• Narrow the gap between corporate identity and corporate reputation. • Internal marketing campaigns to reinforce organisational culture. • Congruency and consistency between organisational values and employee behaviours.
Hatch and Schultz (2003)	• Strategic vision, organisational culture, and corporate image.
Knox and Bickerton (2003)	• Brand context, brand construction, brand confirmation, brand consistency, brand continuity, and brand conditioning.
de Chernatony and Cottam (2008)	• Employee behaviour and employee empowerment. • Alignment between manager's and employee's perception of organisational culture. • Alignment between organisational culture and corporate brand image.
Merrilees and Miller (2008)	• Maintain core values and cultivate the brand, alignment of brand elements, and corporate brand promotion.
Balmer (2011)	• Senior management custodianship, building and maintaining brand credibility, and calibrating the corporate brand constellation.

Table II Scale Reliabilities and Confirmatory Factor Analysis

Construct	Standardized Loading	*t*-value[a]	CR	AVE
Attitude toward the focal brand (AB); α = .92			0.923	0.800
1. Good - Bad	0.90	33.80		
2. Pleasant - Unpleasant	0.93	35.90		
3. Favorable - Unfavorable	0.85	31.10		
Attitude toward the product brand ally (ABA); α = .92			0.924	0.801
1. Good - Bad	0.92	35.61		
2. Pleasant - Unpleasant	0.90	34.40		
3. Favorable - Unfavorable	0.86	32.03		
Attitude toward the corporate brand ally (ACA); α = .95			0.951	0.865
1. Good - Bad	0.92	35.78		
2. Pleasant - Unpleasant	0.95	38.41		
3. Favorable - Unfavorable	0.92	35.91		
Familiarity toward the product brand ally (FBA); α = .94			0.943	0.891
1. Unrecognized - Recognized	0.92	34.33		
2. Unfamiliar - Familiar	0.97	37.19		
Familiarity toward the corporate brand ally (FCA); α = .97			0.973	0.948
1. Unrecognized - Recognized	0.97	38.94		
2. Unfamiliar - Familiar	0.98	40.10		
Perceived quality of the focal brand (PQ); α = .90			0.904	0.654
1. The workmanship of the Max brand is likely to be very high	0.77	26.44		
2. The Max brand appears to be of very high quality	0.82	29.34		
3. I would consider the Max brand to be very functional	0.77	26.38		
4. The Max brand is likely to be durable	0.83	29.64		
5. The Max brand would be very dependable	0.86	31.27		
Product category knowledge (PCK); α = .91			0.926	0.811
Please rate your knowledge of the ___________ category.				
1. Unrecognized - Recognized	0.79	36.13		
2. Unfamiliar - Familiar	0.97	38.58		
3. Least knowledgeable - Most knowledgeable[b]	0.73	25.35		

Model Fit: χ^2 =593.08(168); p <.01; NFI = .97; TLI = .98; CFI = .98; RMSEA = .053; SRMR = .027.

Notes: Cronbach's alpha (α); composite reliability (CR); average variance extracted (AVE); [a] all values significant at the 0.01 level; [b] anchors were prefaced by the text "Compared to the average person, one of the" least(most) knowledgeable.

Table III Discriminant Validity Tests

Construct Pairs	Test 1[a] AVE	Test 1[a] SMC	Test 2[b] $r_{xy} < 1$
Attitude toward the focal brand	0.800	0.033	$\Delta\chi^2 = 2035.81$ (1); $p < 0.01$
Attitude toward the product brand ally	0.801		
Attitude toward the product brand ally	0.801	0.095	$\Delta\chi^2 = 2560.48$ (1); $p < 0.01$
Attitude toward the corporate brand ally	0.865		
Familiarity toward the product brand ally	0.889	0.032	$\Delta\chi^2 = 2019.38$ (1); $p < 0.01$
Familiarity toward the corporate brand ally	0.948		
Perceived quality of the focal brand	0.654	0.009	$\Delta\chi^2 = 2209.78$ (1); $p < 0.01$
Product category knowledge	0.811		

Notes: [a] Comparison of average variance extracted (AVE) and squared multiple correlations (SMC); [b] Correlation less than 1 test; results from a chi-square difference test between the constrained and unconstrained models are reported.

Table IV Means, Standard Deviations, and Zero-order Correlations

Variable	Mean	SD	AB	ABA	ACA	FBA	FCA	PQ
Attitude toward the focal brand (AB)	4.60	1.32						
Attitude toward the product brand ally (ABA)	5.41	1.38	.174**					
Attitude toward the corporate brand ally (ACA)	5.02	1.47	.103**	.285**				
Familiarity toward the product brand ally (FBA)	5.77	1.83	.072*	.641**	.223**			
Familiarity toward the corporate brand ally (FCA)	4.73	2.34	.067*	.157**	.743**	.173**		
Perceived quality of the focal brand (PQ)	4.52	1.20	.558**	.190**	.114**	.096**	.032	
Product category knowledge (PCK)	4.15	1.48	.087**	.094*	-.019	.034	-.009	.085*

Notes: standard deviation (SD); **correlation is significant at the 0.01 level (2-tailed); *correlation is significant at the 0.05 level (2-tailed).

Table V Mediating and Moderating Effects in Brand Alliances which include the Ally's Corporate Brand

Mediation Tests - Hypothesis 1a and 1b

	Mediation path coefficients			95% Bootstrap confidence interval			
Mediated Relationship	*c*	*c′*	*ab*	Lower bound	Upper bound	Zhao, Lynch, & Chen (2010) classification	Remarks
ACA → ABA → AB	.092**	.052	.040**	.019	.062	Complementary mediation	H1a supported
ACA → ABA → PQ	.093**	.053	.040**	.023	.062	Complementary mediation	H1b supported

Moderation Tests - Hypothesis 2

Instrument Variable	Endogenous Variable	Pooled Model[a]	S.E.	Low PCK Model[a]	S.E.	High PCK Model[a]	S.E.	Difference *t*-tests[b] *t*-value	Remarks
Familiarity toward the corporate brand ally (FCA)	ACA	.745**	.014	.748**	.021	.745**	.018	3.68**	Control
Familiarity toward the product brand ally (FBA)	ABA	.609**	.019	.556**	.029	.654**	.025	-2.74**	Control
Attitude toward the corporate brand ally (ACA)	ABA	.105**	.024	.180**	.035	.034	.033	5.50**	H2 supported
Attitude toward the product brand ally (ABA)	PQ	.167**	.028	.135**	.038	.185**	.042	-2.37*	H2 supported
Attitude toward the product brand ally (ABA)	AB	.060*	.027	.085*	.038	.031	.039	2.80**	H2 supported
Perceived quality of the focal brand (PQ)	AB	.545**	.031	.504**	.047	.573**	.041	-1.90	—
Model system-weighted R^2		.377		.366		.391			

Notes: [a] standardized coefficients reported; [b] difference tests conducted with unstandardized regression coefficients, see Cohen and Cohen (1983); ** significant at the 0.01 level; * significant at the 0.05 level; standard error (SE); attitude toward the focal brand (AB); product category knowledge (PCK).

Appendix A
List of Brand Allies and Corporate Parents

Brand Strategy	Corporation	Brand Allies			
Mixed	3M	Post-It	Scotch-Guard		
Mixed	Adidas AG	adidas	Reebok		
Portfolio	Brinker International	Chili's	On the Border		
Mixed	Campbell’s Soup Co.	Pace Salsa	V8 V.Fusion	Godiva	
Mixed	CBS	CBS	Showtime	The CW	
Portfolio	Church and Dwight Co.	Arm and Hammer	Pepsodent		
Portfolio	Darden Restaurants, Inc.	Red Lobster	Olive Garden		
Mixed	Fiat S.p.A.	Alfa Romeo	Ferrari	Fiat	
Mixed	Ford Motor Company	Ford	Mazda		
Mixed	Gap Inc.	Banana Republic	Old Navy		
Mixed	Johnson & Johnson	Tylenol	Band-Aid		
Mixed	Limited Brands	Victoria’s Secret	The White Barn Candle Co.	Bath & Body Works	
Mixed	Liz Claiborne	Luck Brand Jeans	Liz Claiborne		
Portfolio	LVMH	Givenchy	Louis Vuitton	Fendi	
Mixed	Mars Inc.	M&M	Starburst		
Portfolio	Matsushita Industrial Electrical Corp.	Panasonic	Quasar		
Mixed	Michelin	Michelin	Uniroyal		
Mixed	Nestlé	Hot Pockets	Power Bar	Babe Ruth	Häagen-Dazs
Portfolio	News Corp.	My Space	Fox News		

Appendix A (Continued)
List of Brand Allies and Corporate Parents

Brand Strategy	Corporation	Brand Allies			
Mixed	Nike Incorporated	Nike	Hurley International	Converse	
Mixed	Pepsico	Pepsi-Cola	Gatorade		
Mixed	Phillips-Van Heusen	Calvin Klein	Izod	Sean John	Kenneth Cole
Portfolio	Proctor and Gamble	Downy	Old Spice	Oral-B	
Portfolio	Royal Phillips Electronics	Phillips	Magnavox	Sonicare	
Mixed	Sears, Inc.	Route 66	Structure		
Mixed	The Coca-Cola Company	Coca-Cola	PowerAde		
Mixed	The Walt Disney Company	ABC TV	Disney Consumer Products	ESPN	
Mixed	Time Warner	HBO	CNN		
Mixed	Toyota Motor Corporation	Toyota	Lexus		
Portfolio	VF Corporation	North Face	Nautica	Jansport	
Mixed	Viacom	Paramount Pictures	Comedy Central	MTV	Nickelodeon
Mixed	Volkswagen Group	Lamborghini	Audi	Volkswagen	
Portfolio	Yum! Brands	Taco Bell	Pizza Hut	KFC	

Appendix B

Experimental Stimulus: Product Concept Description

Mountain Lake Inc. is a company with various products in the soaps and detergents category. The firm is developing a new product in this category. The new product is a concentrated laundry detergent with fabric softener. The firm will sell the product under the brand name MAX. The new brand will be priced competitively with existing products of this type. The firm intends to offer the product through major retailers. The new product will be advertised on standard media including TV, radio, and magazines. The firm will also use sales promotions including coupons and point of purchase materials. The promotional strategy will emphasize MAX's gentleness and cleaning power.

An element of MAX's marketing plan includes an agreement with Calvin Klein which is owned by Phillips-Van Heusen. As part of this agreement, Calvin Klein's name and logo will appear in MAX's advertisements and promotional material.

Note: Underlined words were changed contingent on the focal brand to ensure fit (Samu et al., 1999).