BRAND ALLIANCES:
AN EXAMINATION OF PARTNER BRAND SELECTION
IN A CONGRUENCE PARADIGM

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# TABLE OF CONTENTS

CHAPTER 1 .......................................................................................................................... 1
INTRODUCTION AND LITERATURE REVIEW ................................................................ 1

Introduction ..................................................................................................................... 1
Literature Review ............................................................................................................. 2
   Definition of Brand Alliance ....................................................................................... 2
   Why Firms Form Brand Alliances .............................................................................. 4
   Brand Alliance Research ........................................................................................... 6
   Summary ................................................................................................................. 20
Dissertation Purpose ..................................................................................................... 22
Contributions of the Study ............................................................................................ 24
Organization of the Dissertation .................................................................................. 25

CHAPTER 2 ..................................................................................................................... 27
CONCEPTUAL FRAMEWORK AND HYPOTHESES ....................................................... 27
   Congruence Theory and Its Applications ................................................................... 27
   Congruence Theory and Advertising ......................................................................... 30
   Congruence Theory and Sponsorship Effect ............................................................. 34
   Congruence Theory and Brand Alliance .................................................................... 37
   Effect of Expectancy Congruence on Brand Alliance .............................................. 38
   Effect of Relevancy Congruence on Brand Alliance ............................................... 40
   Spillover Effect on Brand A and Brand B ................................................................. 42
   Effect of Country Image on Brand Alliance ............................................................ 43
   Effect of Consumer Ethnocentrism on Brand Alliance ........................................... 45
   Summary ..................................................................................................................... 47

CHAPTER 3 ..................................................................................................................... 48
METHOD ......................................................................................................................... 48
   Subjects and Design ................................................................................................... 48
   Preparation of Stimulus Material .............................................................................. 49
      Pretest 1 .................................................................................................................. 49
      Pretest 2 .................................................................................................................. 51
      Pretest 3 .................................................................................................................. 52
      Pretest 4 .................................................................................................................. 53
      Pretest 5 .................................................................................................................. 55
   Experiment Procedure ............................................................................................... 55
   Measures ..................................................................................................................... 59
      Dependent Variables ............................................................................................... 59
      Independent Variables ............................................................................................ 60
   Summary ..................................................................................................................... 64

CHAPTER 4 ..................................................................................................................... 65
DATA ANALYSIS AND RESULTS ................................................................................. 65
LIST OF FIGURES

Figure 1 Summary of the Brand Alliance Literature ......................................................111
Figure 2 Partner Brand Selection in Brand Alliance (From Brand A’s perspective) ...... 112
Figure 3 Partner Brand Selection in Brand Alliance (From Brand B’s perspective) ...... 113
Figure 4 A Congruence Framework for Partner Brand Selection in Brand Alliance...... 114
LIST OF TABLES

Table 4. 1 U.S. Ice Cream Alliances Treatment Conditions ..........................................115
Table 4. 2 Canada Ice Cream Alliances Treatment Conditions .....................................116
Table 4. 3 U.S. Airline Alliances Treatment Conditions .................................................117
Table 4. 4 Canada Airline Alliances Treatment Conditions ...........................................118

Table 5. 1 Means of Expectancy Condition in Ice Cream Alliance ................................119
Table 5. 2 Means of Expectancy Condition in Airline Alliance ........................................120
Table 5. 3 Means of Relevancy Condition in Ice Cream Alliance (U.S. Sample) ..........121
Table 5. 4 Means of Relevancy Condition in Ice Cream Alliance (Canada Sample) ....122
Table 5. 5 Means of Relevancy Condition in Ice Cream Alliance (Pooled Sample) ......123
Table 5. 6 Means of Relevancy Condition in Airline Alliance (U.S. Sample).................124
Table 5. 7 Means of Relevancy Condition in Airline Alliance (Canada Sample) ..........125
Table 5. 8 Means of Relevancy Condition in Airline Alliance (Pooled Sample) ..........126
Table 5. 9 Impact of Brand Alliance on Host Brand Attitude (U.S.)...............................127
Table 5. 10 Impact of Brand Alliance on Host Brand Attitude (Canada).........................128
Table 5. 11 Impact of Brand Alliance on Host Brand Attitude (Pooled).........................129
Table 5. 12 Impact of Brand Alliance on Host Brand Attitude (U.S.).............................130
Table 5. 13 Impact of Brand Alliance on Host Brand Attitude (Canada).........................131
Table 5. 14 Impact of Brand Alliance on Host Brand Attitude (Pooled).........................132
Table 5. 15 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (U.S.).......133
Table 5. 16 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (Canada).......134
Table 5. 17 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (Pooled)....135
Table 5. 18 Impact of Brand Alliance on Airline Partner Brand Attitude (U.S.) ..........136
Table 5. 19 Impact of Brand Alliance on Airline Partner Brand Attitude (Canada).......137
Table 5. 20 Impact of Brand Alliance on Airline Partner Brand Attitude (Pooled) .......138
Table 5. 21 ANCOVA Results for Covariates (U.S.) ..................................................139
Table 5. 22 ANCOVA Results for Covariates (Canada).............................................140
Table 5. 23 ANCOVA Results for Covariates (Pooled Sample) ..................................141
CHAPTER 1
INTRODUCTION AND LITERATURE REVIEW

Introduction

Brand alliance has been around for years and is being used increasingly by marketers. Brand alliance may take different forms, such as co-branding, ingredient branding, composite brand extension, and dual branding (Keller and Lehmann 2006). Given the increasing popularity of brand alliances (Kapferer 2004; Abratt and Patience 2002; Keller and Lehmann 2006), it is not surprising that both academic and practitioners have attempted to examine the effects of different types of brand alliances.

By forming a brand alliance with the right partners, firms may gain a host of benefits, including facilitating new product introduction, entering into new markets, decreasing risk, reducing cost, and enhancing their positions in current markets (Desai and Keller 2002; Norris 1992; Park et al. 1996; Rao and Reukert 1994; Voss and Tansuhaj 1999). The key to a successful brand alliance is in choosing the right partner brand. From an individual partner brand’s perspective, a critical question in forming a brand alliance is how to identify the right partner brand?

To date, little academic research in the brand alliance literature has directly addressed this critical issue nor provided any integrated framework to examine this problem. To fill the gap, this study attempts to investigate partner brand selection based on a congruence theory that is derived from social psychology (Osgood and Tannenbaum 1955; Shaver 1987). By proposing and empirically testing an integrated framework combining brand alliance literature and congruence theory, this study
provides practical guidelines for marketing practitioners in choosing brand alliance partners.

This chapter provides a comprehensive review of brand alliance research. The review of brand alliance literature is followed by the purpose of this dissertation. In conclusion, this chapter will include a discussion of the contribution of the proposed study and offer an overview of the remaining chapters.

**Literature Review**

Marketing academics have played an active and important role in investigating key theoretical and managerial issues regarding the topic of brand alliance. Brand alliance research has become an important research area in the last two decades. In this section, a comprehensive review of the published research on brand alliances is provided. This review serves two objectives: 1) to summarize the major findings of brand alliance research, and 2) to identify potential research areas that have been neglected in the brand alliance literature.

In this section I will first review the definition of brand alliance and explain why firms form brand alliances. This is followed by a review of the main streams of research that have been conducted to date in brand alliances. After that, a summary of understudied areas will be identified.

**Definition of Brand Alliance**

An extensive review of the brand alliance literature shows that the definitions of brand alliances that have been used for the last two decades are heavily based on the particular form of brand alliance the researcher is interested in. Brand alliances come in
several forms, such as joint-branding, composite branding, ingredient branding, co-branding, joint promotion, and dual branding (e.g., Desai and Keller 2002; Keller and Lehmann 2006; Levin 2002; Park, Jun, and Shocker 1996; Rao and Ruekert 1994; Simonin and Ruth 1998). For example, in Rao and Ruekert’s study (1994), the term brand alliance is used to describe joint-branding situations in which the perception is that two brands are linked, like IBM and INTEL or BACARDI RUM and COCA-COLA, as a consequence of their joint promotion. According to their argument, joint-branding may involve physical product integration, in which one product cannot be used or consumed without the other, or could be the symbolical association of brand names, logos, or other dimensions of the brand in joint promotion, in which one product can be used or consumed independently of the other.

Park, Jun, and Shocker (1996) examine how to combine two existing brand names to create a composite brand name for a new product. They define this type of brand alliances as composite brand extension. Some examples include Healthy Choice cereal by Kellogg’s, Special K frozen waffles by Eggo, and Slim-Fast chocolate cakemix by Godiva.

Another form of brand alliance is ingredient branding, where key attributes of one brand are incorporated into another brand as ingredients (Desai and Keller 2002; Norris 1992). Some examples of ingredient branding include Beechnut Baby foods with Chiquita Banana, and Fat Free Cranberry Newtons with Ocean Spray cranberries. Using ingredient branding may help differentiate the host brand from competitors by characterizing the ingredient attribute in the host brand more specifically and indicate to consumers that the host brand provides the combined benefits of the two partner brands.
Dual brand is used to describe a brand alliance where two retail brands (usually restaurants) share the same facilities while consumers have the opportunity to use either one or both brands (Levin 2002; Levin and Levin 2000). For instance, Dunkin' Donuts and Haagen-Dazs are housed under a single roof.

Regardless of the nature of the link between the partner brands, a common theme among all types of brand alliance is that consumers perceive the partner brands are linked to each other. To be consistent with the existing literature, this study adopts a broad view of brand alliances where two brands (or more than two) are combined in some way as part of a product or some other aspects of the marketing program (Keller and Lehmann 2006). The linkage between the partner brands includes physical combination or symbolical association. To summarize, for the purpose of this dissertation, the term “brand alliance” will be used as an umbrella term encompassing all forms of marketing activities wherein two brands are linked in a manner visible and meaningful to the customers.

**Why Firms Form Brand Alliances**

Firms gain a host of benefits by forming a successful brand alliance, including facilitating new product introduction, entering into new markets, decreasing risk, reducing cost, and enhancing their positions in current markets (Desai and Keller 2002; Norris 1992; Park et al. 1996; Rao and Reukert 1994; Voss and Tansuhaj 1999). In general, these benefits can broadly be categorized as those that facilitate new product/service acceptance or new market entry and those that provide feedback benefits to the individual partner brand.
New products introduced in the market have suffered a high failure rate. Researchers estimate that only 1 of 10 new products will be successful (Keller 1993). A brand alliance may increase the chance of success of a new product introduction compared to a similar offer bearing only a single brand. With brand alliance being formed, consumers make inferences and form expectations about the performance of the new product based on their perception of each of the well-known individual brands. If, indeed, consumers perceive the synergy of the brand alliance, these inferences may improve the strength and favorability of new product/service.

Another benefit of brand alliance is that it assists a brand owner to enter new markets (Kapferer 2004). These new markets could be additional segments of existing markets, or they could be new countries or regions which an individual brand can not access by itself. Entering into an unfamiliar either domestic or international market with a well-established local brand increases the chances of success.

From a financial point of view, sharing of production, development, and promotion costs of new product/service is another potential advantage to the firms that form brand alliance (Norris 1992). According to Aaker (1990), new product brand introductions can cost anywhere from $50 million to $100 million. A brand alliance helps avoid the cost of developing a new brand. For example, when two partner brands are well-known brands, the new product benefits from high brand recognition, loyal customers, and lower launching costs (Kapferer 2004).

Besides the benefits explained above, there are a number of ways that a brand alliance can provide positive feedback to each of the partner brands. A successful brand alliance may enhance the partner brand image by “strengthening an existing brand association, improving the favorability of an existing brand association, adding a new
brand association, or a combination of these” (Keller 1993, p. 501). A brand alliance can also help expand market coverage of the partner brands. In other words, brand alliance brings new customers to the partner brands.

Despite its potential benefits, brand alliance has a number of disadvantages, such as dilution of partner brand image, cannibalization of partner brand sales, and so on. One of the worst possible scenarios for a brand alliance is to harm the partner brand’s image in the process. Sometimes, negative feedback dilution effects happen. In another scenario, consumers may switch to the brand alliance product or switch to the other partner brand product, in effect cannibalizing the original brand.

In sum, although firms may gain a host of benefits from a successful brand alliance, the challenging question remaining to be answered is how to identify the most ideal partner to form an alliance with. Despite the increasing use of brand alliance strategies, little academic research has been conducted to address the issue of how to identify the most ideal partner brand from the perspective of an individual brand in order to forming a successful brand alliance. To fill the gap, the objective of this dissertation is to examine brand alliance evaluation from the perspective of an individual brand in a partner brand selection context. Following is an overview of the literature on brand alliance research.

**Brand Alliance Research**

Various theoretical approaches have been employed to understand how consumers react to brand alliances and examine the factors that have an influence on the effectiveness of such alliances. To date, prior brand alliance research that have been examined can be summarized as (a) the fit between partner brands and brand alliance
evaluation, (b) the formation of brand alliance and its effectiveness, (c) spillover effect in brand alliance, and (d) global brand alliance studies.

**The Fit between Partner Brands and Brand Alliance**

As a seminal piece in brand alliance research, Simonin and Ruth (1998) proposed that brand alliance evaluation was a function of the fit between the partner brands. They investigated the influence of the relationship between partner brands on brand alliance evaluation. Simonin and Ruth (1998) used “fit” concept to define the relationship between the two partner brands and further decomposed the fit concept into two dimensions: product fit and brand fit. Product fit refers to consumer’s perceptions of the compatibility of the two product categories involved in a brand alliance.

The concept of “product fit” was adapted from the brand extension literature. In brand extension studies, Aaker and Keller (1990) systematically conceptualized the concept of “product fit” in terms of consistency between two product categories, which was measured along three dimensions: complement, substitute, and transfer. Product fit is an important concept in brand extension research: When a brand extends to a new product category, the transfer of the perceived quality of a brand will be enhanced when the two product classes in some way fit together. In Aaker and Keller’s (1990) study, fit or similarity is used interchangeably to describe the relationship between the original and extension product classes. Specifically, three measures are developed to measure product category consistency (product fit). Complement refers the degree to which consumers view the two product classes are consumed jointly to satisfy some particular need. The relationship between a printer and a cartridge is an example of complement. Substitute is the extent to which one product can replace the other due to their common
application and use context. The extension of downhill skis to ice skates is an example of substitute dimension. Transfer pertains to consumers’ perception of the capability of any firm operating in the original product class to make a product in the second product class. The authors found evidence that the fit between the original product class and the extension product class had a positive impact on the attitude toward the extension. Aaker and Keller’s (1990) study is a seminal piece in this area. Since then numerous studies have revealed the similar results (e.g., Bottomley and Holden 2001; Sunde and Bordie 1993).

Giving consideration of the differences between brand extension and brand alliance, Simonin and Ruth (1998) adapted Aaker and Keller’s product fit concept into brand alliance research. Accordingly, product fit was defined as “the extent to which consumers perceive the two product categories to be compatible” (Simonin and Ruth 1998, p. 33). Specifically, product fit was measured through seven-point bipolar semantic differential scales (is/is not consistent and is/is not complementary). Further, a brand fit concept was proposed to describe the relationship between the two partner brands. This introduction of brand fit concept is necessary because conceptually the problem context of brand extension is different from that of brand alliance. In the case of brand extension, a brand extension occurs when a firm uses an established brand name to introduce a new product or enter a completely different product class (Aaker and Keller 1990; Keller 1998). The three components of a brand extension are one brand and two product categories. Therefore, product category consistency is expected to play an important role in how consumers respond to the brand extension. In the case of brand alliance, because each of the two partner brands is assumed to contribute its own expertise based on what it does best in its own product category, product category
consistency is assumed. Therefore, brand fit is expected to play an important role in how consumers evaluate the brand alliance. Simomin and Ruth (1988) defined brand fit as “consumers' perception of brand image cohesiveness and consistency between the two partner brands involved in a brand alliance” (p. 33). Their findings suggested that brand fit and product fit were related positively to attitudes toward the brand alliance.

Overall, research findings discussed above demonstrate that consumers’ perception of “fit” between partner brands is an important issue that influences consumer evaluation of brand alliances. Specifically, according to this stream of research, brand alliance evaluation is a direct function of product fit and brand fit. Although consumers’ perception of the fit between partner brands is an important issue and has long been discussed in the context of brand alliance, there is no consensus regarding the notion of “fit”.

The Formation of Brand Alliance and Its Effectiveness

Concept combination theory, signaling theory, and assimilation and contrast theory were used to examine the formation of brand alliance and its effectiveness compared with brand extension leverage strategy. However, these theories have their limitations. Following is a brief overview of different theories used to examine the formation of brand alliance and its effectiveness.

**Concept Combination Theory**. Park, Jun, and Shocker (1996) used concept combination theory to examine the formation and the effectiveness of a composite brand alliance. A composite brand alliance was defined as combining two existing brand to create a composite brand for a new product. In their study, concept combination theory was used to investigate how consumers form the concept of a composite brand based
on the concepts of its partner brands. The concept combination process involved assessing two independent concepts to form a new concept (Wisniewski 1996). For example, the composite concept “apartment dog,” is comprised of two independent concepts: apartment and dog. Two types of composition models exist in the concept combination literature: the selective modification model which was developed for adjective-noun conjunctions (e.g., yellow shirt) and the concept specialization model which was developed for noun-noun conjunctions (Park, Jun, and Shocker 1996).

Park, Jun, and Shocker (1996) examined noun-noun composite brand alliance (e.g., Godiva cakemix by Slim-fast). In the concept combination literature, two independent concepts that form a conceptual combination were described as modifier and header. The last concept in a noun-noun concept combination was termed as header concept and the preceding concept was defined as modifier concept. According to Wisniewski (1998), two processes were used to interpret noun-noun concept combination: property mapping and relation linking. In the case of property mapping, people first align the modifier and the header concepts, then compare them to find similarities between these concepts. These shared similarities form the basis for a property to be transferred from the modifier to the header concept. In the case of relation linking, when combining two concepts, people do not map a property from the modifier to the header, but create a new combination by linking the two concepts through a thematic relation. For example, the combination of mountain stream is linked by the locative relation as a stream located in mountains rather as a stream that has a property of mountain. Park, Jun, and Shocker (1996) attempt to apply concept combination theory to brand alliance research.
According to Park, Jun, and Shocker (1996), a composite brand alliance is composed of at least a header brand and a modifier brand which are determined by their positions in the composite brand. In the case of Slim Fast chocolate cake mix by Godiva, the header is the first noun (Slim Fast) and the modifier is the noun following the preposition “by” (Godiva). According to concept combination theory, a set of core attributes in a concept is the most essential and salient set of attributes for understanding a concept (Eysenck and Keanne 1990), and it is difficult to change when the concept is combined with others. Since a brand can be operationalized in terms of a set of attributes, Park, Jun, and Shocker (1996) argue that when an attribute is highly salient to one of the partner brands, it is also highly salient to the combined composite brand. Further, according to Hampton (1988), formation of attribute information for a combined concept is based more on the dominant concept than on the dominated concept. In the case of a composite brand alliance, the header brand is used to identify the brand alliance; thus, it is expected to be more dominant in influencing the interpretation of composite brand alliance than the modifier brand.

Each attribute of the partner brands has a salience and performance level ratings. Salience refers to the importance of an attribute in brand evaluation while performance is measured as the effectiveness of a brand in performance of each attribute. Park, Jun, and Shocker (1996) suggest that an alliance would make sense when the performance-level strengths and weaknesses of their relevant attributes mesh well together.

The empirical results supported their proposal that the evaluation of the composite brand alliance depended on the degree of complementarity between the partner brands. In addition, their results indicated that the positions of the partner brands played a role in consumer evaluation of brand alliance. For example, Godiva by Slim-
Fast and Slim-Fast by Godiva, two different composite brand alliances composing with the same partner brands, had different attribute profiles due to the different positions of the partner brands.

The findings of the study of Park, Jun, and Shocker (1996) are important but limited. First, they defined complementarity in terms of whether the performance-level strengths and weaknesses of the partner brands’ relevant attributes meshed well together. However, brand alliance evaluation may be based on an overall brand image (Simonin and Ruth 1998). Also, they did not examine it empirically. In addition, they only examined one product category and one pair partner brands, which limited the generalizability of the results.

**Signaling Theory.** Signaling theory has been used by some researchers (Rao, Qu, and Ruekert 1999; Rao and Rueker1994; Washburn, Till, and Priluck 2000) to explore the formation of brand alliance and its effectiveness. According to Spence (1974), signaling occurs when the holder of information takes observable action to make information available to those who do not have it in order to facilitate their decision making. In consumer markets, buyers/consumers and sellers/producers may hold different levels of information about the product’s quality. In most cases, the sellers or producers have the information of the product’s inherent quality that consumers may not have (Rao and Ruekert 1994). This Information asymmetry is a problem for products whose quality is unobservable prior to purchase but is revealed fully after purchase (Akerlof 1970). In his famous used car market example, Akerlof (1970) illustrated the information asymmetry. In the used car market, individual car sellers have more information about their car’s condition than do buyers. Buyers may worry that they will
buy a “lemon” if they can not evaluate the car’s quality before the deal. One alternative to solve the problem is to provide marketplace signals (Rao and Ruekert 1994). Car sellers may use signals to convey high quality information. Similarly, firms often use different marketing-mix elements to signal the quality of their products. A brand name is often considered to serve as signals of product quality (Akerlof 1970; Rao, Qu, and Ruekert 1999; Rao and Ruekert 1994).

A branded product’s claim of unobservable quality is likely to be true because false claims may lead to losses of reputation and losses of future profits due to reduced repeat purchasing (Erdem and Swait 1998). In other words, consumers know who the manufacturer of the product is and who to punish if a false claim is experienced. From this perspective, Rao and Ruekert (1994) argue that brand names can serve as signals of product quality (Montgomery and Wernerfelt 1992) because brand names deliver consumers credible information about product quality. Based on the signaling theory in information economics (Spence 1974), Rao and Ruekert (1994) in their theoretical piece on brand alliances suggest that brand alliances might be an appropriate strategy for enhancing the perceived quality of the unknown partner brand in brand alliances. Following the same logic, brand alliance can also serve as a credible signal of product quality. They argue that firms with established brand reputations will not likely form alliances with low quality products, which may lead to negative outcomes, such as losses of brand equity and profits. Rao, Qu, and Ruekert (1999) empirically investigated the circumstances in which a brand alliance might enhance the perceived quality of partner brands. Overall, the results indicated that the alliance between a reputable brand and a fictitious unknown brand was effective in enhancing consumer quality perception.
of a fictitious unknown when product quality was a priori unobservable and when the
signal was credible.

Using signaling theory, Washburn, Till, and Priluck (2000) examined the effects
of brand alliance on the brand equity of the partner brands. In their study, brand equity
referred to customer-based brand equity which was measured along four dimensions:
perceived quality, brand loyalty, brand awareness, and brand associations. They argued
that consumers assumed that a high equity brand would likely form alliances with other
high equity brands, increasing the value of the alliance and consequently enhancing
each partner brand. Different combinations of brands with high and low initial brand
equity were examined. Their results indicated that the mere act of pairing in a brand
alliance had a positive impact on both partner brands, irrespective of each brand’s initial
equity. In addition, Voss and Gammoh (2004) employed the signaling approach to
examine the effects of multiple brand alliances. Specifically, they examined the effects of
an alliance with two, one, or zero well-known partner brands on evaluations of a
previously unknown brand.

Although signaling theory has been used to address an alliance between an
established brand and a new brand, it does not answer the fundamental question why a
well-known brand wants to form an alliance with an unknown brand. In other words, it is
in the unknown brand’s interest to form an alliance with the established brand, but it is
not in the interest of the established brand to form alliance with the unknown brand. In
addition, partner brands involved in a brand alliance may be equally established brands.
Therefore, a proposed framework should be flexible enough to account for these
different brand alliance strategies.
**Assimilation and Contrast Theory.** Some scholars employed social judgment theory in investigating the impact of brand alliances (Levin 2002; Levin and Levin 2000). According to social judgment theory (Shrif and Hovland 1961), judgments toward a stimulus are affected by the context within which it is evaluated. A stimulus is judged not only by its own characteristics but also by other stimuli that are presented concurrently (Sherman et al. 1978). The stimuli that accompany a stimulus under judgment are known as contexts. Research has revealed that context effects may generate two forms of effects: contrast and assimilation effects (Meyers-Levy and Sternthal 1993). A contrast effect occurs when the evaluation of an object is moving away from the point of reference while an assimilation effect occurs when judgment of an object tends to move toward a contextual reference point (Levin 2002). Two factors, feature overlap and cognitive effort, have been found to determine whether contrast or assimilation will occur in consumer evaluations of multiple products (Meyer-Levy and Sternthal 1993). For example, Herr (1989) suggested that the degree of feature overlap between a context and a target object accounted for the occurrence of assimilation or contrast. The author argued that the greater the amount of feature overlap, the more likely assimilation would occur, while less feature overlap between the context and target object might trigger contrast effects. In addition to feature overlap, Marthin, Seta, and Crelia (1990) proposed that assimilation and contrast were affected by the amount of cognitive effort available to the judgment task. Specifically, they predicted that contrast process required more cognitive effort than assimilation.

From a context effects point of view, Levin and Levin (2000) investigated the formation of dual-brand and the effects of a dual-branding alliance on partner brands. Dual-brand alliance was a special case of brand alliance where two retail brands share...
the same roof. Their studies focused only on one of the determinants of assimilation and contrast effect: overlap between context and target products. Cognitive effect was not the focus of the study. Specifically, they proposed that the strategic linkage of two brands in a dual branding condition promoted the expectancy of similarities of qualities, resulting in assimilation.

Levin and Levin (2000) conducted two experiments to empirically test their hypotheses. The first experiment compared dual-branding and non-dual-branding conditions. Subjects were told that the two restaurant brands were linked by a dual-branding arrangement where they shared the same location and customer base, while in the non-dual-brand condition, subjects were told that the two restaurants were located in the same vicinity. With each pair, the first restaurant was used as the context and the second restaurant as the target. The dependent measures were the ratings of each restaurant. Results from this study suggested that higher evaluations were found in the dual-brand condition than in the non-dual-brand condition. Therefore, a greater assimilation occurred in the dual-branding conditions.

The effects of the strength of alliance between two brands were examined in a second experiment. The strength of dual-brand was operationalized by the overlap of features shared by the two brands and was manipulated at three levels. The first condition was operationalized by indicating that the pair of restaurants shared both food service and food preparation. Under second condition, the pair of restaurants shared food service but not food preparation. The third condition was established by indicating that the pair of restaurants shared neither food service nor preparation. Results from this experiment demonstrated that the highest rating occurred for dual-brand where both food service and preparation were shared, and the lowest evaluation occurred when
neither service nor preparation were shared. Overall, Levin and Levin (2000) found that the strategic linkage of two brands in a dual-branding alliance may result in assimilation, which led to a higher evaluation on target brand. In another study, Levin (2002) found similar context effects that one brand might be on another when they were evaluated separately versus combined as a dual branding.

**Spillover Effects in a Brand Alliance**

Spillover effects refer to the reciprocal effects of brand alliances on partner brands (Park, Jun, and Shocker 1996). Some researchers have examined the spillover effects of different forms of brand alliances on partner brands (Levin and Levin 2000; Park, Jun, and Shocker 1996; Simonin and Ruth 1998; Rao and Ruekert 1994; Washburn, Till, and Priluck 2000). In general, these studies have demonstrated that brand alliance strategy has a positive influence on consumers’ evaluations of the partner brands.

Different approaches were employed in investigating the spillover effects of brand alliances. Park, Jun, and Shocker (1996) argued that different types of composite brand alliances may have different spillover effects on the partner brands. A composite brand alliance was composed of at least a header brand and a modifier brand, which were determined by their positions in the composite brand. For example, in the case of Slim Fast chocolate cake mix by Godiva, the header was the first noun (Slim Fast) and the modifier was the noun following the preposition by (Godiva). The research findings suggested that consumers’ attitude towards the composite brand alliance had a positive impact on the subsequent impressions of both the header brand and modifier brand. Furthermore, the study provided evidence that composite brand alliance did not have the
same degree of feedback on the partner brands. The header brand received more feedback effect than the modifier brand. Subsequent empirical findings in the brand alliance literature were consistent with the asymmetrical feedback effects reported by Park, Jun, and Shocker (1996). For example, Simonin and Ruth (1998) investigated how brand familiarity played a role in the context of a brand alliance and its subsequent effects on partner brands. According to the authors, the relative degree of liking for the familiar brand was established and stable due to the extensive brand-related association and experiences (Bettman and Sujan 1987) while that was not the case for an unfamiliar brand. Simonin and Ruth (1998) demonstrated that the partner brands did not contributed equally to the brand alliance evaluations when the partner brands differed in familiarity to consumers. Further, they provided evidence that the effect of the brand alliance on unfamiliar brands was larger than that on familiar brand. In another study, Washburn, Till, and Priluck (2000) found that partner brand with low initial brand equity benefited more from the brand alliance than partner brand with high initial equity brands.

A review of the previous studies shows that the effects of a brand alliance have a positive impact on post-alliance partner brand evaluation regardless of the brand alliance form examined by the researcher. To further our understanding of the spillover effect, in the dissertation the spillover effects is examined using an integrated congruence framework to identify the conditions under which brand alliance may cause an enhancement effect or dilution effect on a partner brand. Examining the conditions under which an enhancement or dilution effect will occur is important because brand alliances are not without complexities and potential negative effects. However, relatively little is known about how exposure to brand alliances has an influence on consumer evaluations of partner brands.
Global Brand Alliances

Most of past research on brand alliance has examined the brand alliance comprising two domestic partner brands. To the author’s knowledge, only two studies have investigated global brand alliances (Bluemelhuber, Carter, and Lambe 2007; Voss and Tansuhaj 1999). In this study, global brand alliance refers to a type of brand alliance where at least one of the partner brands is a foreign brand. Global brand alliance is not a new idea in international business. Fuji-Xerox and Northwest & KLM Dutch are examples of global brand alliances. In a global brand alliance context, a number of factors, such as country of origin and consumer ethnocentrism may play a role in evaluation of the cross-border brand alliances. For example, Voss and Tansuhaj (1999) examined brand alliance in a market entry context, and, more specifically, they were interested in how a brand might be successfully introduced into another country. Their research findings demonstrated that consumer evaluations of an unknown brand from another country were more positive when the brand formed an alliance with a local reputable brand than when it entered into the country without an alliance. Further, their research findings indicated that country of origin factor was an important covariate in brand alliance evaluation. Most recently, Bluemelhuber, Carter, and Lambe (2007) also examined the role of country of origin in brand alliance evaluations. In addition to replicating Simonin and Ruth’s (1998) model in the context of cross-border brand alliances, they introduced the concept of country of origin fit, which referred to the consumer’s perception of the overall compatibility of the two countries of origin involved in the brand alliance. Compatibility was defined as the consumer’s overall perceptions of the countries’ ability to produce quality goods. According to the authors, when evaluating the country of origin information of a cross-border brand alliance, consumers relied on
their perceptions of the overall quality of products made in each of the partner countries. The inconsistency of the country of origin information could lead to unfavorable brand alliance evaluation. Their results confirmed that country of origin fit was positively related to consumer attitudes about a cross-border brand alliance.

The preceding discussion has suggested the importance of the country of origin effect in global brand alliance evaluation; however, past research has not examined the direct effect of country of origin image on global brand alliance evaluation. For example, Voss and Tansuhaj (1999) failed to confirm that country of origin is positively related to brand alliance evaluation. Thus, in the current study, the direct effect of country of origin image on consumer evaluation of global brand alliances is examined.

**Summary**

To summarize, several theories, such as signaling theory (Rao and Ruekert 1994; Rao et al. 1999), concept combination theory (Park et al. 1996; Vaidayanathan and Aggarwal 2000), and contrast and assimilation theory (Levin and Levin 2000), have been used to study various aspects of brand alliances. A review of the brand alliance literature shows several major research findings that contribute to our understanding of brand alliances from the consumer perspective. First, past research has indicated that the relationship between the two partner brands, which is termed as “fit” in brand alliance literature, influences the consumer’s evaluation of the brand alliance. Specifically, this stream of research indicate that the greater the degree of fit between the partner brands, the more positive the brand alliance evaluation is. Second, the literature review has examined the spillover effect of brand alliance on consumer evaluation of partner brands. In general, significant spillover effects of brand alliances on the partner brands are
observed and these effects do not influence the partners equally. Third, the previous studies also have proposed that country of origin image has a positive influence on consumer evaluations of a cross-border brand alliance.

However, a close review and examination of brand alliance identifies several research questions that will be explored in this study.

First, major findings of past research can be summarized as shown in Figure 1. In the first stream of literature, scholars have emphasized the fit between the two partner brands and its impact on the brand alliance; however, no consensus has been made about how to define the fit concept and what are the bases for the fit concept. Another stream of research has examined the spillover effect of brand alliance on partner brands. In the third stream, researchers have focused on the formation of brand alliance and its effectiveness. It is clear that no studies in the brand alliance literature have examined the direct relationship between each individual brand and the brand alliance, which are indicated by the two dotted arrows in Figure 1. We propose that brand alliance effects should also be examined separately from each individual partner brand’s perspective. Specifically, in a partner selection context, from brand A’s perspective (see Figure 2), it is necessary to identify which brand B is the best partner with which to form a brand alliance (AB). Similarly, from brand B’s perspective (see Figure 3), it is important to identify with which brand A is the best partner to form a brand alliance (BA). Brand alliances may be a powerful marketing strategy, but it has potential negative effects. From the perspective of an individual partner brand, brand alliance may bring favorable outcomes but may also cause difficulties in financial and marketing areas if forming a poor brand alliance. Thus, determining the correct partner for an alliance is vital to the success of the brand alliance. This dissertation examines brand alliance evaluation from
an individual brand perspective in a partner selection context (See Figures 2 and 3).
Further, in order to model the relationship between each individual brand and brand alliance, a congruence framework, which originated from social psychology and has been applied in advertising and sponsorship research, will be employed to help identify the best partner brand for each individual brand. A detailed discussion of the congruence framework is provided in Chapter two.

Second, the literature has indicated a spillover effect of brand alliance on partner brands. However, few studies have investigated the conditions under which positive or negative spillover effects will occur. In addition, past research has assumed that two partner brands are treated equally; thus, it is difficult within the literature to identify differential effects of brand alliance on each of the partner brands. To fill this gap, the spillover effect of brand alliance will be examined in the current study from the individual partner brand’s perspective.

Third, with the exception of two studies (Bluemelhuber, Carter, and Lambe 2007; Voss and Tansuhaj 1999), there has been a lack of research on global brand alliance. In this study, global brand alliance is defined as a form of alliance between brands from different countries. A host of factors including country of origin and consumer ethnocentrism may have an impact on consumer evaluation of brand alliance. For the purpose of this study, only two factors, country of origin and consumer ethnocentrism, will be examined.

**Dissertation Purpose**

In order to fill the research gaps that were identified previously, the purpose of this dissertation is threefold. Building on a two-factor congruence framework, expectancy
congruence and relevancy congruence, this study examines the impact of congruence on consumer evaluation of brand alliance from a partner brand A’s perspective in a partner selection context (see Figure 2). Even though brand alliance may take different forms, such as composite branding, ingredient branding, and co-branding, this study attempts to develop a general integrated congruence framework that can be applied to different contexts and types of brand alliances. Second, this study investigates the differential spillover effect of brand alliance on each of the partner brands separately. Third, the congruence framework is further examined in a global context. Specifically, the effects of two important factors, country of origin image and consumer ethnocentrism, on consumer evaluation of brand alliances are tested in two countries: U.S. and Canada.

In reference to these dissertation objectives, more specifically, the following research questions will be addressed:

- What is the role of congruence in affecting consumer evaluations of brand alliance?
- For partner brand A (host brand), can a more relevancy-congruent partnership lead to a more positive brand alliance evaluation?
- For partner brand A (host brand), can a more expectancy-congruent partnership lead to a more positive brand alliance evaluation?
- Under what conditions, does brand alliance have a positive/negative spillover effect on partner brand A (host brand)?
- Under what conditions, does brand alliance have a positive/negative spillover effect on partner brand B?
- What is the relationship between country of origin image and global brand alliance evaluation?
• What is the relationship between consumer ethnocentrism and global brand alliance evaluation?

**Contributions of the Study**

Our research findings help to fill a critical gap in the brand alliance literature with respect to the important topic of partner brand selection from an individual brand’s perspective. In particular, an integrated two-factor congruence framework has been introduced into brand alliance research to help identify the potential partner for a given brand. This study provides empirical support of the positive impact of congruence on consumer evaluation of brand alliance in a partner brand selection setting. Forming an alliance with the congruent partner can not only help increase brand equity of newly formed alliance but also enhances the host brand equity. From a practical perspective, the current study provides concrete guidelines for marketers’ decision making about which partners to form an alliance with.

Further, the study examines the differential effects of brand alliance on both brand A and brand B. Past research has indicated a positive effect of brand alliance on post-alliance partner brands evaluation (Park, Jun, and Shocker 1996; Simonin and Ruth 1998). Consistent with prior research, a positive impact on partner brand B is confirmed. In contrast, the predicted enhancement effect on brand A is not found. Specifically, the research findings show that partnering with a low-congruent brand may lead to a negative spillover effect. Thus, this research furthers our understanding of which brands might win or lose in a brand alliance context. Our research indicates that brand alliances are not always a win-win phenomenon and potential negative effects could occur on both sides. Future research should pay more attention to examine the spillover effects
on host brand and partner brand separately so that the differential effect may be detected more accurately.

In addition, this study has validated the conceptual framework in a global context. More specifically, the effect of country of origin image and consumer ethnocentrism on consumer evaluation of brand alliance has been tested. The research findings support a positive impact of country of origin image on consumer evaluation of brand alliances. Better understanding of the phenomenon of global brand alliances may provide insights to international marketers seeking alliance partners in other countries. One less risky way to enter a new international market is to form some type of alliance with a company currently operation in that market (Keller 1998, Voss and Tansuja 1999). Although this research is tested using global airline alliances, the added knowledge will be transferable to other types of global brand alliances.

Overall, the research findings add to our knowledge of brand alliance partner selection and global brand alliance evaluation.

**Organization of the Dissertation**

The dissertation is organized into five chapters. Following the introduction and literature review discussed in Chapter one, assimilating the literature from social psychology, celebrity endorsement, and event sponsorship, an integrated congruence framework for brand alliance evaluation is presented in Chapter two. Further, specific hypotheses are developed based on this integrated framework. Chapter three presents the methodology used to test the hypotheses presented in Chapter two. Specifically, it provides the description of the experimental design used to test the hypotheses, the preparation of the stimuli, the main study procedure, and the measurements of the key
constructs in this study. Chapter four explains data analysis and presents the research findings. Chapter five provides a discussion of the results, highlights the contribution of the study, and outlines the theoretical and managerial implications. A summary of study limitations and directions for future research are also included in this final chapter.
CHAPTER 2
CONCEPTUAL FRAMEWORK AND HYPOTHESES

In the previous chapter, a review of brand alliance research was provided. The purpose of this chapter is to develop a conceptual framework and derive testable hypotheses. This chapter is organized as follows: First, a brief review of congruence theory in social psychology is provided. Then, a description of how the congruence theory has been used and operationalized in alternative research is provided. In the final section, an integrated conceptual model to study brand alliance is proposed and a set of testable hypotheses derived.

Congruence Theory and Its Applications

Congruity theory was formulated in 1955 by the U.S. psychologist Charles Osgood and the Canadian born US psychologist Percy Tannenbaum. The foundation of congruity theory is the principle of cognitive consistency, which suggests that people tend to behave in ways that minimize the internal inconsistency among their interpersonal relations, among their intrapersonal cognitions, or among their beliefs, feelings, and actions (Solomon 2004). Consistency is a desired state and inconsistency is sufficiently unpleasant to serve as a motivational force to reduce the inconsistency. In other words, people value harmony among their thoughts, feelings, and behaviors; therefore, they have the motivation to maintain the uniformity among these elements (Solomon 2004). The congruence theory was originally developed as a specific explanation for attitude change that occurs when a source is connected to a particular attitude object (Tannenbaum 1968). The three elements of congruency theory are
sources and objects, associative and dissociative statements, and evaluation on both sources and objects (Shaver 1987). Sources consist of documents, publications, and people while attitude objects include things, people, social condition, and so forth. In short, sources are the makers of statements of objects. There are two types of statements that sources can make about objects: an associative one and a dissociative one. An associative one refers to those statements that imply a positive connection between the source and the object whereas a dissociative one implies a negative connection between the source and the object. The assumption of congruity theory is that both the sources of statements and the objects of those statements can be described by their position on the seven-point evaluative scale. According to Shaver (1987), incongruity results whenever a source of one sign is joined to an object having the opposite sign, regardless of whether the statement is associative or dissociative. Further, the resolution of incongruity will involve “some alteration to the evaluation of each element involved in the incongruous relationship, and the change in each element will be inversely proportional to its original scale position” (Shaver 1987, p.173). Since then, congruity theory has been applied in social psychology to examine such topics as memory, affect, attitude formation and change.

Social psychologists have investigated the issue of how social expectations influence when and how behavior and trait information that is congruent or incongruent with expectation about persons or groups is stored in and retrieved from memory (Fiske and Taylor 1984; Srull and Wyer 1989; Stangor and McMillan 1992). Specifically, Stangor and McMillan (1992) conducted a meta-analysis of 54 studies that investigated how a person’s memory will be influenced by information that is congruent or incongruent with expectations about social targets. According to Stangor and McMillan
information about social targets has two forms: behavior information (e.g., “John helped an elderly lady across the street”) or trait information (e.g., “John is a helpful person”). Their review indicates that generally congruent information is better remembered than information incongruent or irrelevant with existing expectancy. According to Stangor and McMillan (1992), the storage in memory and retrieval of information is influenced by prior expectations about social targets. Expectations about social targets lead perceivers to preferentially remember information that is congruent with those expectations. Based on this prediction, Stangor and McMillan (1992) further reviewed how schema-based congruence has been used to examine the effects of expectancy-congruent or expectancy-incongruent information on memory. The basic assumption of this stream of research is that social expectations are represented in the form of generic knowledge structures or schemata that guide processing of social information. Schema, or schematic memory, sometimes called a knowledge structure, refers to a pattern of associations around a particular concept (Hawkins, Mothersbaugh, and Best 2007).

Past research findings suggest that incoming information about an object or situation may activate schemata that are used to analyze and interpret it (Srull and Wyer 1979; Wyer and Srull 1981). Based on the assumption above, one important argument of schema congruence is that schemata often guide information processing such that information congruent with existing expectations (existing schema) will be preferentially encoded and retrieved from memory in comparisons with schema-incongruent information (Stangor and McMillan 1992). In sum, this stream of research has found that congruent information is remembered better than information incongruent with existing schema because congruent information is easier to assimilate into existing schematic
representations. The schema offers a structure for understanding and storing schema-congruent materials. In contrast, schema-incongruent information will be less likely to be encoded because this information may be ignored or filtered. In addition, expectancy congruent information will be favorably retrieved because it is associated with the schema in memory. The schema congruence has been widely used in the celebrity endorsement and sponsorship research.

Other researchers have used congruity theory to investigate whether the congruence theory help explain the affect transfer process (Fisker 1982; Meyers-Levy and Tybout 1989; Peracchio and Tybout 1996). Fiske (1982) proposes that if an item is congruent with an existing schema, it may receive the affect linked to that schema. Affect, a generic term in this case, refers to the way a consumer feels about an object (Solomon 2004). Embedded in the affect transfer process is the notion of congruence between schemas. Research findings indicate that with relevant or congruent items, where a match does occur, the transfer of affect to the item does take place. Based on the findings in social psychology, congruence theory has been successfully applied to consumer research such as advertising and sponsorships.

**Congruence Theory and Advertising**

Congruence theory has been applied to advertising such as celebrity endorsements. In the case of a celebrity endorsement, the uses of celebrities help cut through the clutter of commercials and gain consumers’ attention. In addition, celebrities are hired to endorse products in the hope that the affect from a celebrity endorser will be transferred to the brand, product, or the company (Kamins and Gupta 1994). Using congruence theory, scholars have examined the effect of congruence on brand recall.
and brand affect (Bower and Landrech 2001; Kahle and Homer 1985; Kamins 1990; Russel 2002).

For example, Misra and Beatty (1990) found evidence that congruence was more influential in consumer evaluation than incongruence by examining the effects of endorser/brand congruence on brand recall and affect toward the brand. In their study, schema-based congruence from social psychology has been used to examine the effect of celebrity-brand congruence. According to Taylor and Crocker (1981), a schema is an abstract knowledge structure that represents some stimulus domain, for example, a person, a place, event, or thing. When new information is received, individuals will tend to use existing schemas to process the congruence of this information. Misra and Beatty (1990) suggest that in the case of celebrity endorsement, individuals may have person schemas which are representative of the celebrity in terms of the person’s abilities and physical appearance. When a brand is endorsed by a celebrity, consumers may compare the characteristics of that celebrity with the advertised attributes of the brand for congruence with their available person schema. Consequently, the level of recall of the new information may be affected by the degree of congruence between the brand attributes and the celebrity’s characteristics. In addition, they propose that when brand information is congruent with the celebrity spokesperson, it will receive the affect linked with the spokesperson.

The degree of congruence (i.e., congruent/incongruent) between spokesperson and brand was manipulated. Two celebrities and three fictitious new brands were used. Brand names along with a description of brand attributes were carefully chosen to provide high consistency with the celebrities’ schemas. Two dependent variables were measured including brand recall and brand affect. Results from this study demonstrated
that when the spokesperson was congruent with the brand, the recall of brand information was significantly higher. With regard to brand affect, it was found to be more positive in the congruent condition than in the incongruent condition.

Other researchers have examined the effect of congruence between celebrity spokesperson and product type (Kamins and Gupta 1994). McCracken (1989) suggested that the effectiveness of an endorser depended upon the meaning the endorsers bring to the endorsement process. According to McCracken (1989), meaning transfer follows three stages: the formation of celebrity image, transfer of meaning from celebrity to the product, and from the product to the consumer. More specifically, McCracken (1989) states: “In the best of all possible worlds, the marketing/advertising firm first would determine the symbolic properties sought for the product...It would then consult a roster of celebrities and the meanings they made available, and taking into account budget and availability constraints, would choose the celebrity who best represents the appropriate symbolic properties” (p. 312). Consistent with the research of McCracken (1989), Kamins and Gupta (1994) argue that the image of the celebrity must be congruent with the product. Further, they propose that the spokesperson should be perceived as more attractive when advertising a more congruent product than a less congruent product.

In order to test the effect of congruence between celebrity image and product types, Kamins and Gupta (1994) manipulated the degree of congruence (i.e., high/low) between the image of each celebrity and the product. Specifically, a personal computer was used to represent a product with which the spokesperson’s image was relatively congruent, while running shoes were chosen to represent an incongruent product. Several dependent measures were taken relating to advertiser and spokesperson
believability, spokesperson attractiveness, attitude toward the product and the ad, and purchase intention. The results of their studies showed that the higher the degree of congruence between product and celebrity image, the greater are the spokesperson believability and attractiveness as well as attitude and purchase intention toward the product.

In sum, these researchers have the similar findings that the congruence between a celebrity and an advertised product/brand enhances product and advertisement evaluations (Bower and Landrech 2001; Kahle and Homer 1985; Kamins 1990; Russell 2002). These findings are consistent with the theory of congruity in social psychology.

Beyond celebrity endorsement, advertising researchers have also sought to investigate the effect of congruence between visual and verbal information in advertising (Heckler and Childers 1992; Houston, Childers, and Heckler 1987; Kellaris and Cline 2007; Lee and Mason 1999). Along this line, one important conceptual piece about congruence theory is that Heckler and Childers (1992) first proposed a two-dimensional conceptualization of congruence in terms of expectancy and relevancy. In their seminal piece, Heckler and Childers (1992) suggested that the congruence between visual and verbal ad elements influenced ad recall and recognition. The focus of their study was to investigate the role of expectancy congruence and relevancy congruence in memory for verbal and visual information, and their conceptual bases of congruence were well defined. Congruence was defined in terms of the expectation of seeing an object in the picture portion of an ad and the relevance of an object in the picture portion of an ad. In general, the effects of congruence have been supported in their experimental studies. Subsequent empirical research findings in this area are consistent with the two factor congruence framework proposed by Heckler and Childers (1992). For example, some
researchers (Kellaris and Cline 2007; Lee and Mason 1999) extended the expectancy-
relevancy congruence classification to include information congruent/incongruent
through humor. Further, they examined the effect of congruence on both attitudes and
memory measures for advertisements.

Although the application context is different, conceptualizing congruence as a
two-factor framework in terms of expectancy and relevance congruence provides the
guidance when researchers attempt to apply it into event sponsorship research and
other research domains.

**Congruence Theory and Sponsorship Effect**

Comparing with the research area above, congruence theory has also been
applied to sponsorship research, which is more closely related to brand alliance
phenomena. One of the most rapidly growing marketing activities is sponsorship where a
company provides financial support for an event (Hawkins, Mothersbaugh, and Best
2007). Sponsorship is used by companies to help building brand awareness, brand
image, and brand attitude, as well as to boost sales (McDaniel 1999).

The most frequently examined theoretical concept related to the effect of
sponsorship is the issue of congruence between the sponsor and the other object, such
as event or activities (e.g., Becker-Olsen and Hill 2006; Cornwell et al. 2005; Fleck and
Quester 2007; Gwinner and Eaton 1999; Johar and Pham 1999; Poon and Prendergast
2006; Rifon et al. 2004; Speed and Thompson 2000). For example, in a sport
sponsorship context, Gwinner and Eaton (1999) examined the event/sponsor
congruence effects on the degree to which a sporting event’s image was transferred to a
brand through event sponsorship. Brand image has been defined as “perceptions about
a brand as reflected by the brand associations held in memory” (Keller 1993, p. 3).

According to Keller (1993), brand image is based upon the linkages (associations) consumers hold in their memory structure. These associations are developed through various sources such as experiences of brand and product category, product attributes, price information, and usage occasions. Keller (1993) suggests that brand associations can be influenced when a brand is linked with a sporting event through sponsorship activities because the pre-existing associations held in consumers’ memories regarding a sporting event become linked in memory with the sponsor brand; thus, the event image is transferred to the brand.

Based on Keller’s (1993) view of image transfer, Gwinner and Eaton (1999) further proposed that the image transfer process was a function of congruence between a sporting event image and the image of the sponsor brand. In their study, the degree of the congruence between a sporting event and a sponsor brand was manipulated by pairing sporting events and sponsoring brands. The pairing of the U.S. Open Golf Championship and Acura Automobiles and the pairing of the Indianapolis 500 Auto Race and Goodyear Tires were illustrations of congruent conditions while the pairing of World Cup Soccer and Camel Cigarettes was the case of incongruent condition. The results of their studies demonstrated that the image transfer was stronger for brands pairing with congruent event than when brand pairing with incongruent event. Similarly, in another study, McDaniel (1999) investigated the effect of congruence between the image of the sponsor and the image of event on subjects’ attitude towards the sponsor. They found that the congruence positively influenced consumers’ attitudes towards sponsor.

Still under a sport sponsorship context, but using a survey approach, Speed and Thompson (2000) attempted to examine the determinants of sports sponsorship. In their
study, consumers’ responses to a sports sponsorship were proposed to be affected by attitudes toward the event, attitudes toward the sponsor, and perception of congruence between sponsor and event. Each subject was asked to evaluate four possible sponsor-event pairs with the unit of analysis being the sponsorship. The congruence construct was defined as the degree to which the pairing of event and sponsor was perceived as congruent without any restriction on the basis used to establish congruence. Since the focus of their study was not the different bases of congruence, perception of congruence between event and sponsor was modeled in a general and global sense. Specifically, the construct was measured on a five-item, 7-point Likert-type scale. The items were framed as statements about abstract notions of congruence such as similarity, a logical connection, and making sense. Their research findings suggested that congruence between event and sponsor improved sponsorship effectiveness, which was measured in terms of consumers’ interests in sponsor, their favorability towards sponsor, and purchase intention toward the sponsor’s product.

In sum, across a range of field and experimental studies, this stream of research demonstrates that the perceived congruence between sponsor and event generally have a significant positive impact on some sponsorship outcomes, such as awareness, image, and liking.

Interestingly, although congruence is such an important construct in sponsorship research, to the author’s knowledge, only Fleck and Quester (2007) examined the dimensionality of the congruence construct. They followed Heckler and Childers’ (1992) study which first proposed a bi-dimensional conceptualization of congruence. According to Heckler and Childers (1992), congruence has two dimensions: expectancy congruence and relevancy congruence. Fleck and Quester (2007) validated this two
factor congruence construct by using samples from two different countries. The Heckler and Childers (1992) and Fleck and Quester (2007)’s two-factor congruence framework have been applied successfully to advertising and sponsorship. Thus, the congruency theory may be equally applicable to building a theoretical understanding with regard to brand alliance evaluation.

**Congruence Theory and Brand Alliance**

Although the congruity theory in social psychology was originally developed to examine encoding, storage, and memory for person perception, it has been applied successfully to information processing of advertising, celebrity endorsement, and event sponsorship in explaining consumer brand/product recall and attitude formation (Fleck and Quester 2007). Based on the review in Chapter one and the review in the first part of this chapter, a natural extension is suggested that this congruity model may be equally applicable to a brand alliance context where two or more brands are forming a brand alliance.

For the purpose of this study, brand alliance is defined as two brands linked in a manner visible and meaningful to the customers. For illustration purpose, in this study, brand alliance comprising two partner brands will be used as an example. The objective of this study is to identify the right partner brand for brand A by using the two-factor congruence theory. In the brand alliance literature, no studies have been conducted to examine partner selection from a specific partner brand perspective. In order to fill the gap and develop a general conceptual framework for brand alliance evaluation in a partner selection context, we model the relationship between the partner brand and
brand alliance in terms of a two-factor congruence comprising expectancy congruence and relevancy congruence.

Applying congruence theory, which has been successfully applied to advertising, celebrity endorsement, and sponsorship areas to brand alliance, the model in Figure 4 is proposed for evaluating brand alliance. From brand A’s perspective, consumers’ responses to a brand alliance are proposed to be affected by (1) perception of expectancy congruence of the partner brand B, and (2) perception of relevancy congruence of the partner brand B. In addition, consumers’ responses to each of the partner brands after brand alliance is formed are also proposed to be affected by the congruence effect. Further, in order to extend this framework into a cross-national context, two factors, country image and consumer ethnocentrism, are proposed to have an effect on consumer evaluations of brand alliance. The remainder of this section discusses the nature of these constructs, outlines the research that justifies their inclusion, and proposes the hypotheses about their relationship with brand alliance.

**Effect of Expectancy Congruence on Brand Alliance**

In their seminal paper, Heckler and Childers (1992) define expectancy as the degree to which an item or information falls into a predefined structure evoked by the theme in the specific context of advertising. Based on the guidance of Heckler and Childers’s study, Fleck and Quester (2007) extended it into the sponsorship context and defined expectancy as the degree to which a company is expected to sponsor the event. Following Fleck and Quester (2007)’s conceptualization of expectancy, in the current study, expectancy is the degree to which brand A (host brand) is expected to form a brand alliance with brand B (partner brand).
Expectancies are beliefs about a future state of affairs. According to the social psychology literature, expectancies are derived from beliefs whereas beliefs come from people’s direct experience and information from others or are logically inferred from other beliefs. Ultimately, expectancies come from either personal experience or information from others. Because expectancy is a future state of affairs, it can be confirmed or disconfirmed. This confirmation or disconfirmation is likely to have its consequences. In general, confirmation of expectancy will induce positive affect. For example, Srull (1981) provided evidence that people best remembered information that was in congruence with prior expectations. In another study, Heckler and Childers (1992) empirically confirmed the expectancy effect and further proposed that the congruence effect could easily affect research on attitude formation, inference making, and decision making. Although it is not empirically examined, the positive effect of expectancy congruence on sponsorship is proposed by Fleck and Quester’s (2007) recent study, in which the focus of the study is the validation of the expectancy construct.

Despite the obvious importance of expectancy congruence in contributing to the notion of congruence from a consumer perspective, few studies in the brand alliance literature have considered it and none have done so directly. Extending the expectancy argument to the brand alliance context, it would seem intuitively logical that the degree to which brand B is an expected partner is positively related to consumers’ response towards the newly formed brand alliance. In other words, the higher the congruence between the host brand and the partner brand in terms of expectancy, the greater is the effect of the congruence on consumers’ responses to the brand alliance. Therefore, we hypothesize:
H1: From the perspective of brand A (host brand), a brand alliance will be more highly evaluated under the high-expectancy congruence condition than under the low-expectancy congruence condition.

Effect of Relevancy Congruence on Brand Alliance

Relevancy also contributes to the notion of congruence. Relevancy, the second dimension of the congruence, is defined as material pertaining directly to the meaning of the theme and reflects the extent to which information contained in the stimulus contributes to the clear identification of theme or the primary message being communicated (Heckler and Childers 1992). In relation to sponsorships, Fleck and Quester (2007) suggest that a sponsorship/event is deemed relevant if it makes sense and contributes some meaning to the sponsor. Applying to the context of brand alliance, relevancy refers to brand image consistency between partner brand A and partner brand B. Specifically, it refers to the extent to which the brand image of brand B is consistent with that of brand A. Brand image is defined as perceptions of the brand that reflect consumer associations of the brand in memory (Keller 1993). Some scholars have used schema theory to examine the congruent effect of partner brand images on evaluation of brand alliance (Simonin and Ruth 1998; Washburn, Till, and Prilluck 2000). According to Fiske (1982), if an item is congruent with an existing schema, it will receive the affect associated with that schema. The basis of this affect transfer process is the congruence between schemas. A consumer evaluates a brand alliance using a variety of criteria based on his/her knowledge (e.g., schemas) and perceptions about the brands used to name the brand alliance (Simonin and Ruth 1998; Walchli 2007). When the host brand and the partner brand are presented jointly, both brands’ specific associations are likely
to be elicited (Broniaczyk and Alba 1994). In addition, consumers have affect associated with host brand and partner brand, which is evoked when they encounter a brand alliance (Boush and Loken 1987). If the two brand images and associations are not consistent, confusion may result about why the brand alliance should be formed, which in turn will reduce or eliminate the likelihood of successful affect transfer from the partner brands to the brand alliance. In contrast, if there is an overall perception of consistency in terms of brand images, the effect of congruence will trigger a positive affect, which in turn will lead to a positive evaluation towards the brand alliance. Thus, it is hypothesized:

H2: From the perspective of brand A (host brand), a brand alliance will be more highly evaluated under the high-relevancy congruence condition than under the low-relevancy congruence condition.

**Effect of Expectancy and Relevancy Congruence on Brand Alliance**

In the previous discussion, we proposed that congruence between the two brands has a positive effect in relation to consumers’ evaluation of the brand alliance. Both expectancy and relevancy aspects contribute to the congruence effect. Thus, this research proposes that under a high-expectancy and high-relevancy condition, evaluation of a brand alliance will be highest, whereas under a low-expectancy and low-relevancy condition, evaluation of brand alliance will be lowest in comparison. Under a mixed condition (i.e., a high-expectancy and low-relevancy condition or a high-relevancy and low-expectancy condition), it is difficult to make predictions since the effects are based on mixed high/low congruence. Therefore, we hypothesize:
H3: From the perspective of brand A (host brand), the highest evaluation of brand alliance will be in the high-expectancy and high-relevancy condition while lowest brand alliance evaluation will be in the low-expectancy and low-relevancy condition.

**Spillover Effect on Brand A and Brand B**

Spillover effect refers to the impact of brand alliance on individual partner brand after a brand alliance is formed (Baumgarth 2004; Park, Jun, and Shocker 1996). Simonin and Ruth (1998) have examined the spillover effect of brand alliance on the partner brands. Their results suggest that consumers’ attitudes towards a brand alliance could influence subsequent evaluation of each partner brand. Such an assertion that a brand alliance improves consumer evaluation of the partner brands has been replicated several times (e.g., Baumgarth 2004; Lafferty, Goldsmith, and Hult 2004; Washburn et al., 2004; Voss and Gammoh 2004). In general, these studies are consistent and indicate that the brand alliances that are positively evaluated have positive spillover effects on the individual brands that formed the brand alliance. Thus, we propose that:

H4: The alliance brands A and B will individually have higher evaluations than that held prior to the alliance.

In order to expand the brand alliance literature into the international marketing domain, we also examine the proposed conceptual model in a global context. The next section explores the effects of country image and consumer ethnocentrism on consumer evaluation of brand alliances.
Effect of Country Image on Brand Alliance

In this study, global brand alliance refers to the type of brand alliance comprising partner brands from different countries (Bluenmelhuber, Carter, and Lambe 2007; Voss and Tansuhaj 1999). Since the brands are from different countries, it indicates that country of origin information may have a role in the evaluation of brand alliance. By examining the effect of country of origin on consumers’ evaluations of a brand alliance, marketers can determine when and how to use this information to potentially increase the probability of consumer favorableness of their cross-border partnerships.

According to Broniarczyk and Alba (1994), evaluating a brand typically evokes certain brand-specific associations stored within the consumer’s memory that make up an overall brand image. Consumers differentiate a brand from other competing brands by using these brand-specific associations. There are different types of brand associations, such as product-related and non-product-related, functional, experiential, or symbolic attributes of the brand (Keller 1993). In reality, consumers are often forced to operate in a state of imperfect information, in which the existing brand associations are deficient in some way; therefore secondary brand associations can be leveraged to create strong, favorable brand association that otherwise may be lacking (Keller 1998). According to Keller (1998), secondary associations may be created by linking the brand to information that is not directly related to the product or service. For example, the brand may be linked to some factors, such as the company, countries (through identification of country of origin), the distribution channel, other brands (through brand alliance), a spokesperson, or an event (Keller 1993). Although country of origin is one type of second association that marketers may create and leverage, its strength as a brand association relies on the emphasis it receives. Consumers may allow the
information to serve as a heuristic cue to simplify the construction of their brand evaluation when there is an absence of primary brand associations (Keller 1993).

Previous research has shown that a product’s country of origin influences consumer judgment (e.g., Essoussi and Merunka 2007; Han 1989; Haubl and Elrod 1999; Hong and Wyer 1990). For example, in their seminal study, Hong and Wyer (1989) compared the effects of product attribute information and country of origin on product evaluations and demonstrated that the product’s country of origin has a direct influence on consumers’ quality perceptions. Since then, a large body of research has provided some evidence of country of origin effects on product/brand evaluation as well as its effects on consumer’s purchase intention. Several meta-analyses have been conducted in attempting to synthesize the country of origin findings (Bilkey and Nes 1982; Peterson and Jolibert 1995; Samiee 1994; Verlegh and Steenkamp 1999), and the results confirm the global country of origin effect on product/brand evaluation and purchase intention.

To date, only two studies in brand alliance area have investigated the effect of country of origin effect. In experiments with Japanese and American subjects, Voss and Tansuhaj (1999) show that country of origin stereotypes have a positive impact on brand evaluations. In their study, the construct was measured by a single item scale. However, existing literature clearly shows that the country of origin construct is a complex phenomenon and a multidimensional cue (Pecotich and Ward 2007; Voss and Tansuhaj 1999). In another study, Bluemelhuber, Carter, and Lambe (2007) demonstrate the positive influence of country of origin fit on attitudes toward brand alliance. Country of origin fit refers to the consumer’s perception of the overall compatibility of the two countries of origin involved in the brand alliance, which was manipulated in their studies.
Both of these studies operationalize the country of origin image construct as a one-dimensional construct as well as specific to any product category. Recent studies suggest an alternative way to measure this construct where country of origin image (country image) is described as the overall and general country image comprising two dimensions: macro and micro images (Pappu, Quester, and Cooksey 2007). Micro image refers to the totality of beliefs one has about the products of a given country (Darling and Wood 1990; Han and Terpstra 1988; Nagashima 1977; Roth and Romeo 1992) while macro image is described as the totality of all descriptive, inferential and informational beliefs one has about a particular country (Martin and Eroglu 1993).

According to Pappu, Quester, and Cooksey (2007), country of origin image/country image has two dimensions which are interrelated, and thus overcomes the limitation of country of origin research where most of studies consider either the macro or micro image of the country.

In sum, brands are likely to be impacted by an array of country of origin effects ranging from positive/negative perceptions rooted in typical country stereotype to possible positive/negative perceptions of the products from that country. Thus, country image is expected to influence global brand alliance evaluations. In line with country of origin literature, we hypothesize:

**H5**: Country of origin image/country image is positively related to global brand alliance evaluation.

**Effect of Consumer Ethnocentrism on Brand Alliance**

Sumner (1906) was the first to provide a formal definition of ethnocentrism. According to his definition, ethnocentrism refers to the view of things in which one’s own
group is the center of everything, and all others are scaled with reference to it. Some scholars argue that ethnocentrism is a universal phenomenon rooted in most areas of inter-group relations (Levin and Campell 1972; Sharma et al. 1995).

Shimp and Sharma (1987) first introduced the concept of consumer ethnocentrism to the marketing area. Consumer ethnocentrism is defined as a belief held by consumers about the appropriateness of purchasing foreign made products. Their research findings indicate that ethnocentric consumers make an effort to purchase local products and avoid purchasing imported products. Consumer ethnocentrism results from the love and concern for one’s own country and the fear of losing control of one’s economic interests. Herche’s (1992) study demonstrated a strong positive relationship between consumer ethnocentrism and the quality evaluation and buying intention for domestic products. Netemeyer (1991) obtained similar findings for Japanese, French, and American consumers. Similar studies have been replicated in some developed countries or less developed countries, such as the Netherlands (Verlegh 2007), Russia and Poland (Supphellen and Rittenburg 2001), China (Klein, Ettenson, and Morris 1998), Taiwan, India, Indonesia, Korea, and Malaysia (Ang et al., 2004). In sum, ethnocentric consumers prefer domestic products over foreign products.

The present study extends the concept of consumer ethnocentrism into a global brand alliance context. Applying this logic to global brand alliance evaluation, it is hypothesized that:

H6: Consumer ethnocentrism is negatively related to global brand alliance evaluation.
Summary

Chapter two provides the basic theoretical framework that can be used to understand congruence effects in the context of partner brand selection. It also provides a foundation for empirically testing the congruence effects on brand alliance evaluation and on each of the two partner brands. In addition, this chapter describes various ways that researchers have employed congruence theory. It offers alternative methods of operationalizing congruence, which might be appropriate for the purpose of this dissertation. For the purpose of this dissertation, the congruence construct has been conceptualized with two factors: expectancy congruence and relevancy congruence.

This chapter also extents the congruence framework to a global brand alliance context by proposing that the effect of country of origin image and consumer ethnocentrism on global brand alliance evaluation should be examined.

Chapter three describes the methodology employed in order to conduct this research and test the hypotheses as they were presented here.
CHAPTER 3

METHOD

This chapter describes the method used to test the hypotheses developed in the previous chapter. This chapter is organized into three parts. The first section of this chapter provides a description of the subjects and discusses the pretests that develop appropriate stimuli and manipulations and identify potential problems with the instrument and procedures. Then, the overview of design and procedure of the main study is presented. The chapter concludes with a discussion of the measurement issues, the operationalization of constructs, and the development of the measurement instrument.

Subjects and Design

In this study, undergraduate students in a business school participated in the study in exchange for extra credits. Data were collected in two countries: the United States (N=498) and Canada (N=283).

The study employed a 2 (expectancy: high; low) x 2 (relevancy: high; low) x 2 (products: two sets) mixed design. Expectancy is a between-subject factor indicating the extent to which partner brand A is expected to form a brand alliance with a potential partner brand B. Relevancy is a within-subject factor capturing the extent to which the image of partner brand B is consistent with the image of partner brand A. The products set is within-subject replication factor containing two different types of brand alliances: chocolate and ice cream alliances, and an international airlines alliance. Each subject evaluated four different brand alliances: two brand alliances comprising a chocolate brand and ice cream brand, and another two brand alliances comprising different
international airlines. The subjects were told that the focus of the study was on consumers’ opinions about different brands and products.

**Preparation of Stimulus Material**

The purpose of this section is to identify the product categories and brands, to develop hypothetical brand alliances, and to check the final instruments. The study was conducted in two countries: the United States and Canada. To make the illustration efficient and easy to follow, the U.S. sample is used to explain the method and experimental procedure but the difference between these two samples will be pointed out when appropriate.

**Pretest 1**

The objective of this pretest was to identify the appropriate product categories that were used to form hypothetical brand alliances. Considering the external validity of the proposed model, different product categories (both product and service) were used to generate hypothetical brand alliances. This provided evidence that the research findings were not dependent on any specific product categories used in the study.

Several pairs of brand alliances based on the brand alliance literature, such as digital camera and memory card (Voss and Gammoh 2004), chocolate and ice cream (Park, Jun, Shocker 1996), cooking oil and cheese (Rodrigue and Biswas 2004), computer and video games (Glynn and Brodie 1998), and car and microprocessor (Simonin and Ruth 1998), were used for the initial screening process. Based on the brand extension literature, consumers’ perceptions of similarity between the two product categories play a significant role in how consumers respond to the extension. In other
words, from the consumers’ perspectives, it may not make sense for chocolate brands to produce a computer, but it seems more logical for them to produce ice cream either by forming an alliance or a brand extension. Therefore, the product pairs selected had to be reasonable and logical.

Thirty undergraduate students were asked to evaluate the product pairing as logical or not (on a 7-point scale, where 1= not at all logical, 7=very logical), and as appropriate or not (on a 7-point scale, where 1=very inappropriate, 7=very appropriate). Each participant evaluated all the product pairings. They were also asked to indicate to what extent they are familiar with each product category (on a 7-point scale, where 1= not at all familiar, 7= very familiar). In addition, they were asked to name as many brands as possible for each product category as potential partner brands that will be used for the next stage pretest.

A close examination of the data revealed that the chocolate and ice cream pairing was the most logical. Students were more familiar with the chocolate and ice cream product categories than the others. Thus, based on the stimuli used in the literature and the initial pretest results, two product categories were selected: chocolate and ice cream.

Considering the generalizability of the proposed model, airlines service was selected to generate another type of hypothetical brand alliance. An airline was chosen in the study for several reasons. First, airline alliances are growing rapidly. Today more than 35 of the world’s largest air carriers have joined some sort of airline brand alliances (Kleymann and Seristo 2004). Second, airlines have been used to examine country of origin effect (Bruning 1997). Therefore, for this study, it was deemed appropriate to select airlines to form a hypothetical brand alliance.
Pretest 2

This pretest was designed to identify the potential brand from the chocolate category that was used as host brand to form alliances with potential ice cream brands. In this study, existing and relatively familiar brands were used to form brand alliance for two reasons. First, well-known brands facilitate activating brand affect, whereas it is not the case for fictitious brands (Broniaczyk and Alba 1994). Second, using well-known brands, positive, neutral, or negative brand affect and other brand associations are activated naturally, thus capturing the real brand affect toward the brands and the brand alliances.

The potential brand was selected on the criteria of having perceived high quality and well-known brand. A high quality and well-known brand was chosen because low quality brands tend to generate less realistic alliances (Aaker and Keller 1990; Park, Jun, and Shocker 1996). Two familiar brands from the chocolate category reported in pretest 1, Godiva and Hershey, were pretested in this stage. Fourteen students participated in this pretest. They were asked to assess the overall quality of each brand (a 7-point scale, where 1= inferior, 7= superior). Due to its high quality image, Godiva chocolate brand was selected as the host brand for the next stage pretest. Thus, the problem setting for the next stage pretest would be such a scenario where Godiva chocolate expanded into the ice cream market by forming brand alliance with a potential ice cream brand.

For airline alliances, a national carrier with a country name affiliation was chosen as the host airline brand. Accordingly, American Airlines and Air Canada were chosen for each country as host brands.
Pretest 3

This pretest was conducted to identify the ice cream partner brands that were to be employed to form different brand alliances in terms of expectancy and relevance congruence.

For ice cream brands, the initial list was based on subjects’ report in pretest 1, in which subjects were asked to write down the brand name they know in the ice cream category. Four potential ice cream brands were selected for pretest in this stage: Häagen-Dazs, Ben & Jerry’s, Breyers, and Ruggles.

Seventy-seven undergraduate students participated in this pretest. The pretest procedure started with explaining the concept of brand alliances and the logic behind brand alliances. Next, examples from daily lives were used to help students capture the brand alliance concept. After that, each subject was asked to indicate to what extent it was reasonable to expect Godiva to form a brand alliance with a potential ice cream partner brand (on two 7-point semantic differential scales: not unexpected/extremely unexpected and not surprising/extremely surprising). They were also asked to rate to what extent the ice cream partner brand image was consistent with Godiva brand image (on two 7-point semantic differential scales: not complementary/complementary and not consistent/consistent). In addition, subjects were asked to indicate how familiar they were with the brands and how appropriate it was for Godiva to enter into the ice cream market.

The pretest results provided a comparison of two levels of expectancy between ice cream partners. The expectancy of Häagen-Dazs and Ben & Jerry’s were rated higher (M=3.76) than that of Breyers and Ruggles (M= 3.44, t = 5.01, p<.05). The relevancy check shows that the high-relevant ice cream partners (Häagen-Dazs and
Breyers) were rated higher (M=4.87) than the low-relevant partners (Ben & Jerry’s, Ruggles) with the average mean value of 3.98 (t = 6.55, p<.05). Based on the results of the pretest, four ice cream partner brands (Häagen-Dazs, Ben & Jerry’s, Breyers, and Ruggles) were selected for the main study. The manipulation of ice cream partner brand expectancy and relevancy were presented as Table 4.1

When pretested in Canada, a similar procedure was followed except the partner brands used are different. The final four ice cream brands identified were Häagen-Dazs, Ben & Jerry’s, Breyers, and Lucerne (see Table 4.2.).

**Pretest 4**

This pretest was conducted to identify the international airline partner brands that were employed to form different brand alliances with American Airlines in terms of expectancy and relevance congruence.

For international airline partners, the potential partner airlines were selected based on the country of origin literature and airline industry experts’ recommendations. The potential partner airlines selected for this stage pretest were British Airways, Air Canada, Air France, Japan Airlines, Air China, Aero Mexico, Korean Air, and Air India.

The procedure is similar to pretest 3. Forty-eight subjects participated in this pretest. The pretest procedure started with an explanation of the concept of brand alliances and the logic behind brand alliances. Next, examples from daily lives were used to help students capture the brand alliance concept. After that, they were asked to indicate to what extent American Airlines was expected to form a brand alliance with each of the potential international airline partners (on two 7-point semantic differential scales: not unexpected/extremely unexpected and not surprising/extremely surprising).
Next, they were asked to indicate the degree to which each of the international airline partner brand images was consistent with American Airlines brand image (on two 7-point semantic differential scales: not complementary/complementary and not consistent/consistent).

In terms of expectancy, the pretest results indicated that the high-expectancy airline partners (British airways, Air Canada, Air France, Japan Airlines) were rated higher (M=3.81) than the low-expectancy partners (Air China, Aero Mexico, Korean Air, and Air India) with the average mean value of 3.52 (t = 5.29, p<.05). The relevancy check showed that the high-relevancy airline partners (British Airways, Air China, Air France, Korean Air) were rated higher (M=4.24) than the low-relevancy partners (Air Canada, Aero Mexico, Japan Airlines, Air India) with the average mean value of 3.94 (t = 3.65, p<.05). The manipulation of international airline partner brand expectancy and relevancy were presented as Table 4.3.

The pretest in Canada followed a similar procedure. Eight international airlines identified were British Airways, American Airlines, Air France, Japan Airlines, Air China, Aero Mexico, Korean Air, and Air India. In terms of expectancy, the pretest results indicated that the high-expectancy partners were British Airways, American Airlines, Air France, and Japan Airlines while the low-expectancy partners were Air China, Aero Mexico, Korean Air, and Air India. The relevancy check suggested the following high-relevancy partners: British Airways, American Airlines, Air China, and Air India while the low-relevancy partners were Air France, Japan Airlines, Aero Mexico, and Korean Air. The finalized manipulation of expectancy and relevancy was detailed in Table 4.4.
Pretest 5

The purpose of the final pretest was to determine if the described brand alliances situations were realistic and to help identify potential problems with the procedure.

Fifteen undergraduate students participated in this pretest. Subjects were given a booklet containing the consent form and the questionnaire. The consent form explained the purpose of the study and the procedures to complete the questionnaire. The students were told that the researcher would lead them through the questionnaire section by section. The questionnaire used was the same as the one used in the formal data collection.

After completing the experiment, the researcher led an open discussion in order to give subjects an opportunity to address their thoughts and comments, which will be took into consideration for finalizing the study. This pretest indicated that no change is needed for the experiment.

The five pretests above ensured that the selected hypothetical brand alliances were based on real brands and relevant to the subjects and the different levels of congruence of the different alliances were successfully manipulated.

Experiment Procedure

Subjects participated in the experiment in groups of eight to twelve individuals per session. Each session took about 45 minutes. Before the booklet containing four different brand alliances and the various measurements was distributed to the subjects, they were asked to fill out a consent form. The consent form briefly explained the general nature of the experiment and the rights of participants. They were also told that there were no right or wrong answers for all these questions and that the purpose of the
study was to collect their honest response towards different brands and products. After this brief introduction, one of the eight versions of the questionnaire was randomly assigned to each subject.

Subjects were told that the research instrument had three sections and they were led through section by section.

Section One

In the first stage, subjects were told that the study was interested in consumers’ evaluations of different brands and products. Subjects then were asked to evaluate a host brand (chocolate) and two potential partner brands (ice cream) in terms of their familiarities with the brands, attitudes towards the brands, evaluations of each brand, and also evaluations of the brands on several specific attributes. After all subjects had finished this part, they were asked to move together to the next page in the booklet.

In the second stage, subjects were told that the host brand was considering expanding into the ice cream market by forming a brand alliance with a potential partner brand from the ice cream market. Deciding how to choose the right partner brand is strategically important to the host brand. They were also told that they were one of a small group being selected to participate in the study and their opinions were very important for the company’s decision making. After the brief explanation, subjects were asked to evaluate the alliance between host brand and one of the potential partner brands in terms of familiarity, attitude, and product evaluation. Next, they were asked to indicate to what extent the host brand is expected to form an alliance with the partner brand and to what extent the partner brand image is consistent with the host brand.
Subjects were again asked to indicate their attitudes towards these two brands with the knowledge that indeed the two brands had formed a brand alliance.

In the final stage, subjects were told that another partner brand was also considered by the host brand. They were asked to evaluate this brand alliance following the same procedure as in the second stage. In addition, at the end of this section, subjects were asked to indicate whether it was appropriate for the host brand to enter into the ice cream market and how familiar they were with chocolate and ice cream products.

Section Two

In the first stage, subjects were asked to evaluate a host brand (American airlines for U.S. study/Air Canada for Canada study) and two potential partner brands (international airlines) in terms of their familiarities with the brands, attitudes towards the brands, evaluations of each brand, and evaluations of the brands on several specific attributes. After all subjects had finished this part, they were asked to move together to the next stage in the booklet.

In the second stage, subjects were told that the home country airline was considering expanding into the international airline market by forming a brand alliance with a partner brand from international airlines. Deciding how to choose the right partner brand is strategically important to the host brand. They were also told that they were one of a small group being selected to take the study and their opinions were very important for the company’s decision making. After the brief explanation, subjects were first asked to evaluate the alliance between home country airline and one of the potential international airline partners in terms of familiarity, attitude, and product evaluation. Next,
they were asked to indicate to what extent the home country airline is expected to form alliance with the partner brand and to what extent the partner brand image is consistent with the home country airline. They were again asked to indicate their attitudes towards these two brands with the knowledge that indeed the two brands had formed a brand alliance.

In the final stage, subjects were told that another partner brand was also considered by the home country airline. They were asked to evaluate this brand alliance following the same procedure as in the second stage. In addition, at the end of this section, subjects are asked to indicate how knowledgeable they felt about choosing an air carrier, how often they traveled by airline, and how many trips they expected to take in the next twelve months.

Section Three

Consumer ethnocentrism and country image questions were administered. Subjects were asked to indicate their attitudes toward foreign-made products (eight items). Immediately after that, they were asked to respond to the country image measures (15 items).

Some demographic information, such as major, gender, age, and nationality, was collected. At the conclusion of the experiment, subjects were debriefed, then thanked and dismissed.

The questionnaire used is shown in the Appendix.
Measures

Dependent Variables

Drawing on the brand alliance research to date, we examined the effect of congruence on consumers' responses toward the brand alliance in terms of three conceptually distinct constructs: attitude, product evaluation, and affect.

**Attitude** Attitude construct was assessed via three seven-point bipolar semantic differential scales. These items were anchored by negative/positive, bad/good, unfavorable/favorable (e.g., “Based on your knowledge and experience of the brand, please indicate your overall attitude toward this brand” Burnkarnt and Unnava 1995; Aaker and Keller 1990; Osgood et al. 1955). For each attitude construct, these three items were averaged to create a summated scale. The scale achieved satisfactory reliability with average Cronbach's $\alpha = 0.82$.

Each attitude construct was measured as three different stages. Specifically, subjects' pre-alliance attitude towards partner brands, post-alliance attitude towards partner brands, and their attitudes towards different brand alliances were all measured.

**Product Evaluation** Product evaluation was measured using three 7-point items: low quality/high quality, inferior product/superior product, not at all likely to try/very likely to try (Aaker and Keller 1990). These three items were averaged to create a summated scale. The scale achieved satisfactory reliability with average Cronbach's $\alpha = 0.90$. Consumers' product evaluation was measured at pre-alliance stage and also measured after exposure to the brand alliance.
There has been considerable research of the role played by affect in marketing. Hirschman and Holbrook (1982) argue that cognitive models may not be adequate in explaining many consumption behavior and other marketing phenomena. The studies of affect may provide a richer understanding of the experiential aspects of consumption. Affect is distinguished from attitude in that affect is a valenced feeling state (Cohen 1982), while attitude is an evaluative judgment. More specifically, in this study, affect toward brand was defined as the feeling of liking and favorability toward the brand (Holbrook and Batra 1987). Accordingly, extending the concept to the brand alliance context, affect toward a brand alliance was defined as the feeling of liking and favorability toward the brand alliance.

Three 7-point semantic differential scales were used to assess brand affect. These questions were: “I will feel good when I have the product,” “This product will make me happy,” and “I will feel pleasure when I use the product” (Chaudhuri and Holbrook 2001; Holbrook and Batra 1987). The reliability of this construct in this study was reliable with average Cronbach’s $\alpha = 0.81$. This dependent variable was measured for chocolate brand and ice cream brand, and their alliances at two different stages. Before they were told that the host brand would form alliances with partner brands, subjects were asked to indicate their feeling toward each individual brand. At the second stage, after learning of the alliances between the host brand and the partner brand, subjects were asked to rate their feeling towards different brand alliances.

**Independent Variables**

The two key manipulated independent variables in this study are the two different dimensions of congruence between host brand and partner brand.
**Congruence** Perception of the fit between the host brand and partner brand has been shown to have a direct impact on consumers’ evaluation toward the brand alliance (Simonin and Ruth 1998). In this study, congruence theory has been applied to examine the relationship between brand A and brand B and its impact on consumers’ response to the brand alliance. Integrating with the literature from social psychology, celebrity endorsement, and event sponsorship, the congruence concept was operationalized in terms of two dimensions: expectancy congruence and relevancy congruence.

**Expectancy Congruence** Expectancy is defined as the degree to which the host brand is expected to form a brand alliance with a potential partner brand. The two levels of expectancy congruence for the brand pairs in this study were established in pre-tests. To check if the host brand and the partner brand are congruent in terms of expectancy, the following approach was employed: “It is ______ for the host brand to form a brand alliance with the partner brand.” The seven-point semantic differential scales: not unexpected/extremely unexpected, and not surprising/extremely surprising (Fleck and Quester 2007; Heckler and Childers 1992; Lane and Jacobson 1997) were used to assess the expectancy congruence.

**Relevancy Congruence** Relevancy refers to brand image consistency between the host brand and the partner brand. There are two levels of relevancy congruence in this study. Based on the brand alliance described in the study, subjects were asked to answer: “What do you think about the image between the host brand and the partner brand?” Relevancy congruence was measured via two seven-point semantic differential scales: not complementary/complementary, and not consistent/consistent (Aaker and
Keller 1990; Park, Jun, and Shocker 1996; Simonin and Ruth 1998). In order to improve the generalizability of this model, brand image consistency was conceptualized in a general and global sense.

**Country of Origin Image** Country of origin image is a set of country of origin associations that are organized into groups in a meaningful way (Keller 1993; Pappu, Quester, and Cooksey 2007). Country of origin image has been measured in different ways, such as country of design and country of manufacture (Essoussi and Merunka 2007; Pecotich and Ward 2007). For the purpose of this study, consumers’ perceptions of country of origin image were measured at two levels: macro and micro level (Pappu, Quester, and Cooksey 2007). Perceptions at the macro level refer to consumers’ perception of a given country in terms of its technological, economic, and political dimensions, whereas perceptions at the micro level refer to the perceptions of products of a given country in general. For macro level image, subjects were asked to indicate the extent to which they agree or disagree with the following statements on a seven-point scale:

- This country has a low level of technological research.
- This country has a high standard of living.
- This country has high labor costs.
- This country has a great welfare system.
- This country has a high level of industrialization.
- This country has a civilian non-military government.
- This country has a highly developed economy.
- This country has a free-market system.
• This country is a democratic country.

For the micro level image, subjects were asked to answer the extent to which they agree or disagree with the following statements on a seven-point scale:” Products made in this country are carefully produced and have fine workmanship”, “Products made in this country are generally of a lower quality than similar products available from other countries”, “Products made in this country show a very high degree of technological advancement”, “Products made in this country are usually quite reliable and seem to last the desired length of time”, and “Products made in this country are usually a good value for the money.” Subjects gave responses on 1 = disagree to 7 = agree scale.

**Consumer Ethnocentrism** Shimp and Sharma (1987) were the first to develop a comprehensive scale of consumer ethnocentrism, which has been widely cited in the international marketing literature. Although originally developed in the United States, it has been supported by quite a few international studies (Acharya and Elliott 2003; Herche 1992; Javalgi et al., 2005; Klein, Ettenson, and Krishnan 2006; Netemeyer et al., 1991; Ruytera et al., 1998; Sharma et al. 1995; Shoham and Brencic 2003; Supphellen and Rittenburg 2001; Verlegh 2007). Originally, it consisted of 17 items, which are presented as Likert-type statements. As mentioned before, the reliability and validity has been examined in different countries. When measuring this construct, the use of all 17 items may result in question redundancy; thus, some researchers applied a simple version of the consumer ethnocentrism scale ranging from 6 items to 10 items (Acharya and Elliott 2003; Herche 1992; Javalgi et al., 2005; Klein, Ettenson, and Krishnan 2006;
Shoham and Brencic 2003; Verlegh 2007). For the purpose of this study, a revised six-item version was used to measure the level of consumer ethnocentrism (Bruning 1997). Subjects were asked to indicate their attitudes towards foreign-made products by answering the following statements (using the United States as example):

- American products, first, last, and foremost.
- A real American should always buy United States-made products.
- Americans should not buy foreign products because this hurts American business and causes unemployment.
- It may cost me in the long-run but I prefer to support American products.
- American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.
- We should buy from foreign countries only those products that we can not obtain within our own country.

Subjects gave responses on a scale of 1= strongly disagree to 7 = strongly agree. These eight items were averaged to create a summed consumer ethnocentrism scale.

**Summary**

This chapter presents the methodology used to test the congruence framework and the hypotheses developed in Chapter two. Specifically, it discusses the design and subjects for the experiment, as well as the pretests, experimental procedures, and the measures. Chapter four discusses the method of data analysis and the results.
CHAPTER 4
DATA ANALYSIS AND RESULTS

This chapter discusses the data analysis and presents the results for each of the six hypotheses proposed in Chapter two of this study. This chapter is organized as following. First, descriptive information about the samples is provided. Next, overview of the data analysis method is offered. This is followed by an investigation of the experimental manipulations. The chapter concludes with a detailed summary of the examinations of the hypotheses.

Descriptive Information and Data Preparation

Data collection was conducted in two countries: U.S. and Canada. In the U.S, data about consumer evaluations of different brand alliances were collected from 498 undergraduate students who participated in the study for extra credit. Two questionnaires were not useable because major parts of the questionnaire were omitted. This resulted in a total of 496 useable questionnaires for analysis.

Similarly in Canada, data were collected from undergraduate students for extra credit. Five incomplete questionnaires were deleted from the sample resulting in a total of 278 useable questionnaires.

A preliminary analysis was performed to assess the order effects because each subject evaluated two types of brand alliances. An ANOVA test shows that order effects are insignificant.
Data Analysis Overview

The primary purpose of the study was to test the congruence effect on brand alliance evaluation. Hypotheses 1 and 2 were proposed to investigate the congruence effect: expectancy and relevancy congruence. H1 and H2 were first tested using a multivariate analysis of variance (MANOVA) method. In testing of H1 and H2, the dependent variables were the three constructs: attitude toward brand alliance, product evaluation of brand alliance, and affect toward brand alliance. The between-subject factor was expectancy congruence (two levels: low expectancy, high expectancy) whereas the within-subject factor was relevancy congruence (two levels: low relevancy, high relevancy). To further analyze the significance of the congruence effects on each dependent variable, a series of ANOVA analysis were conducted.

Hypothesis 3 examined the differences of brand alliance evaluation under high-expectancy and high-relevancy condition versus under low-expectancy and low-relevancy condition. Thus, ANOVA analysis was conducted to test the differences across different conditions.

Hypothesis 4 proposed a spillover effect of brand alliances on each of the partner brands. Specifically, the post-alliance evaluations of both partner brands were compared with pre-alliance evaluations. Therefore, before and after paired t-tests were employed to examine the differences. Further, ANOVA analysis was conducted to examine the spillover effect across four different conditions.

Hypotheses 5 and 6 examined the effects of country of origin image and consumer ethnocentrism on consumer evaluations of global brand alliances. For the purpose of this study, these two variables were used as covariates. Thus, H5 and H6 were tested using a univariate analysis of covariance (ANCOVA). In the case of H5 and
H6, two dependent variables were testing separately: attitude toward brand alliance and product evaluation of brand alliance. The between-subject factor was expectancy congruence (two levels: low expectancy, high expectancy) whereas the within-subject factor was relevancy congruence (two levels: low relevancy, high relevancy). The two covariates examined were country of origin image and consumer ethnocentrism.

Overall, in this study, we provided three sets of data: U.S. sample, Canada sample, and the pooled sample. The similarity of responses between the U.S. and Canada samples allowed them to be combined as pooled sample. In order to cross-validate the research findings, all hypotheses were examined using each of the three sets of data. Within each sample, two types of brand alliances, ice cream brand alliances and global airline alliances, were examined. Accordingly, for each hypothesis, the results of ice cream brand alliances were presented first, followed by the results of global airline alliances. Within each type of brand alliances, the results were presented in the following order: U.S. sample, Canada sample, and the pooled sample. Although information about each individual international airline has been collected, for the purpose of this study, all results were presented at the level of treatment condition.

**Manipulation Check**

Two manipulation checks were conducted. One was the two levels of expectancy and the other one was the two levels of relevancy.

**Expectancy Congruence**

Expectancy refers to the degree to which consumers expect the host brand to form alliance with a potential partner brand. To check whether the host brand was
expected to form alliance with a partner brand, subjects were presented with two items on a seven-point scale anchored by the following: not expected/ extremely unexpected, not surprising/ extremely surprising (Lane and Jacobson 1997). These items were averaged to create a general expectancy congruence scale (Cronbach’s $\alpha = 0.86$). The results were as manipulated.

**Ice cream alliances.** In the U.S. sample, the expectancy ratings of ice cream brands in the high-congruent condition were higher (M=3.84) than those in low-congruent condition (M= 3.37, t (494) = 5.22, p<.001). The Canada sample had similar results (M= 3.84 vs. M=3.29, t (276) = 4.63, p<.001). Similarly, the pooled sample had the same pattern (M= 3.84 vs. M=3.34, t (770) = 6.94, p<.001).

**Airline alliances.** In the U.S. sample, the expectancy ratings of international airlines in high-congruent condition were higher (M=3.94) than those in low-congruent condition (M= 3.50, t (494) = 5.14, p<.001). The Canada sample had similar results (M= 3.97 vs. M=3.25, t (276) = 5.70, p<.001). Similarly, the pooled sample had the same pattern (M= 3.95 vs. M=3.41, t (770) = 7.57, p<.001).

Taking together, the above results across three samples provided strong evidence that the manipulations of the two levels of expectancy congruence performed as expected and were successful.

**Relevancy Congruence**

Relevancy refers to the degree to which the partner brand image is consistent with the host brand. To check the degree to which the partner brand image was consistent with the host brand, subjects were presented with two items measured on a seven-point scales anchored by the following: not complementary/complementary and
not consistent/consistent (Simonin and Ruth 1998). These items were averaged to create a general relevancy congruence scale (Cronbach’s $\alpha =0.89$). A series of ANOVA analysis were used to analyze the differences between the high-relevancy group and low-relevancy group, conditioned on the level of expectancy.

*Ice cream alliances.* In the U.S. sample, the relevancy of Häagen-Dazs was rated higher ($M=5.00$) than that of Ben & Jerry’s ($M= 4.17$, $t (494) = 6.38$, $p<.001$) and the relevancy of Breyers was higher ($M=4.74$) than that of Ruggles ($M=3.79$, $t (494) =8.37$, $p<.001$). The results from the Canada sample had the same pattern. The relevancy of Häagen-Dazs were rated higher ($M=4.83$) than that of Ben & Jerry’s ($M= 4.09$, $t (276) = 5.17$, $p<.001$) while the relevancy of Breyers was higher ($M=4.49$) than that of Lucerne ($M=3.67$, $t (276) =5.74$, $p<.001$). Similarly, the pooled sample further confirmed this pattern ($M= 4.94$ vs. $M= 4.14$, $t (770) = 8.15$, $p<.001$; $M=4.65$, $M=3.74$, $t (770)=10.15$, $p<.001$).

*Airline alliances.* The results from the U.S. sample showed that under high-expectancy condition the high-relevant airline partners were rated higher ($M=4.46$) than the low-relevant partners ($M= 4.15$, $t (494) = 3.99$, $p<.001$) and the same pattern appeared under low-expectancy condition where the ratings of the high-relevant group was higher ($M=4.03$) than that of the low-relevant group ($M=3.74$, $t (494) =3.65$, $p<.001$). In the Canada sample, the pattern was similar to the U.S. sample (under high-expectancy condition: $M=4.87$, $M= 4.22$, $t (276) = 5.20$, $p<.001$; under low-expectancy condition: $M=3.92$, $M=3.61$, $t (276) =2.18$, $p<.05$). The results from the pooled sample added confirmation to this pattern (under high-expectancy condition: $M=4.60$, $M= 4.17$, $t (770) = 6.40$, $p<.001$; under low-expectancy condition: $M=3.98$, $M=3.69$, $t (770) =4.12$, $p<.001$).
Overall, the above results provided strong support that the manipulations of the two level of relevancy congruence were as expected.

**Hypothesis Testing**

**Overall Analysis of Hypothesis 1 and Hypothesis 2**

As discussed previously, H1 and H2 were first tested using two-way multivariate analysis of variance (MANOVA). The between subject factor was expectancy congruence with two levels: high-expectancy congruence versus low-expectancy congruence. The within subject factor was relevancy with two levels: high-relevancy congruence versus low-relevancy congruence. The three dependent variables were attitude toward the brand alliance, evaluation of the brand alliance, and affect toward the brand alliance.

For the ice cream alliances, as expected, the results of MANOVA showed that the main effect of expectancy congruence was statistically significant (Wilks’ lambda = .939; F = 19.54, p < 0.001). Likewise, the main effect of relevancy congruence was significant (Wilks’ lambda = .949; F = 20.25, p < 0.001). An insignificant interaction effect was found between expectancy congruence and relevancy congruence (Wilks’ lambda = .992; F = 3.18, p = 0.061). The results from Canada and the pooled sample had the same pattern.

For the airline alliances, the results of the MANOVA showed that the main effect of expectancy congruence (Wilks’ lambda = .926, F = 69.38, p < .001) and relevancy congruence (Wilks’ lambda = .983; F = 22.03, p < .001) were both significant. The interaction effect between expectancy congruence and relevancy congruence was not significant (Wilks’ lambda = .995; F = .785, p = 0.457). The results from the Canada and
pooled sample also provided evidence to support the main effects of expectancy congruence and relevancy congruence.

To address the hypotheses specifically, separate univariate analyses for each of the three dependent measures were conducted.

**Hypothesis 1**

As discussed before, expectancy was defined as to which extent the host brand was expected to form a brand alliance with a potential partner brand. Hypothesis 1 suggested that expectancy congruence had a positive effect on the dependent variables of interest. The influence of expectancy congruence was further tested by using a series of ANOVA analysis, and all the mean values of each dependent variable under different treatment condition were presented accordingly.

*Ice cream alliances.* In the U.S. Sample, a series of ANOVA results revealed that the main effect of expectancy congruence was significant for attitude towards brand alliance (\(F (1, 494) =23.10, p<.001\)), evaluation towards brand alliance (\(F (1, 494) =40.77, p<.001\)), and affect towards brand alliance (\(F(1, 494)=33.52, p<.001\)). Specifically, the results from Table 5.1 showed that brand alliance attitude rating was higher under high-congruent condition (\(M_{\text{high-expectancy}} = 5.53\)) than under low-congruent condition (\(M_{\text{low-expectancy}} = 5.14, t (494) =4.72, p<.001\)). The same is true for brand alliance evaluation (\(M_{\text{high-expectancy}} =5.83 \text{ and } M_{\text{low-expectancy}} =5.36, t (494) =6.68, p<.001\)), and for brand alliance affect (\(M_{\text{high-expectancy}} = 5.24 \text{ and } M_{\text{low-expectancy}} =4.74, t (494) =5.75, p<.001\)).

The results from the Canada sample provided the same pattern. A series of ANOVA analysis revealed that the main effect of expectancy congruence was significant for attitude towards brand alliance (\(F (1, 276) =12.05, p=.001\)), evaluation toward brand
alliance \( (F(1, 276) = 30.44, p < .001) \), and affect towards brand alliance \( (F(1, 276) = 3.85, p = .051) \). Specifically, brand alliance attitude rating was higher under high-congruent condition \( (M_{\text{high-expectancy}} = 5.12) \) than under low-congruent condition \( (M_{\text{low-expectancy}} = 4.72, t(276) = 3.91, p < .001) \). The same is true for brand alliance evaluation \( (M_{\text{high-expectancy}} = 5.53 \) and \( M_{\text{low-expectancy}} = 4.92, t(276) = 6.05, p < .001) \) and for brand alliance affect \( (M_{\text{high-expectancy}} = 4.73 \) and \( M_{\text{low-expectancy}} = 4.43, t(276) = 2.49, p = .013) \). The results based on the pooled sample also indicated the same pattern. A series of ANOVA analysis revealed that the main effect of expectancy congruence was significant for attitude toward brand alliance \( (F(1, 770) = 33.12, p < .001) \), evaluation toward brand alliance \( (F(1, 770) = 67.56, p < .001) \), and affect toward brand alliance \( (F(1, 770) = 29.52, p < .001) \). Specifically, brand alliance attitude rating was higher under high-expected condition \( (M_{\text{high-expectancy}} = 5.38) \) than under low-expected condition \( (M_{\text{low-expectancy}} = 4.99, t(770) = 5.99, p < .001) \). The same is true for brand alliance evaluation \( (M_{\text{high-expectancy}} = 5.72 \) and \( M_{\text{low-expectancy}} = 5.21, t(770) = 8.84, p < .001) \) and for brand alliance affect \( (M_{\text{high-expectancy}} = 5.06 \) and \( M_{\text{low-expectancy}} = 4.63, t(770) = 6.01, p < .001) \). In sum, the proposed expectancy congruence effects were confirmed across the U.S., Canada, and pooled samples. Hypothesis 1 was supported by the results from ice cream alliances.

**Airline alliances.** A series of ANOVA analysis results revealed that the main effect of expectancy congruence was significant for attitude towards brand alliance \( (F(1, 494) = 39.45, p < .001) \) and evaluation towards brand alliance \( (F(1, 494) = 53.05, p < .001) \). Specifically (Table 5.2), brand alliance attitude rating was higher under high-expected condition \( (M_{\text{high-expectancy}} = 4.99) \) than under low-expected condition \( (M_{\text{low-expectancy}} = 4.44, t(494) = 7.46, p < .001) \), and brand alliance evaluation rating was higher under high-expected condition \( (M_{\text{high-expectancy}} = 5.03) \) than under low-expected condition \( (M_{\text{low-expectancy}} = 4.49, t(494) = 6.05, p < .001) \).
=4.50, t (494) =8.52, p<.001). Similarly, the results from the Canada sample revealed that the main effect of expectancy congruence was significant for attitude towards brand alliance (F (1, 276) =90.36, p<.001) and evaluation towards brand alliance (F (1, 276) =92.87, p<.001). Specifically, brand alliance attitude rating was higher under high-expected condition (M_{high-expectancy} = 5.15) than under low-expected condition (M_{low-expectancy} = 4.12, t (276) =9.63, p<.001), and the same pattern held for brand alliance evaluation (M_{high-expectancy} = 5.15 vs. M_{low-expectancy} =4.21, t (276) =9.64, p<.001). Further, the results from the pooled sample demonstrated that the main effect of expectancy congruence was significant for attitude towards brand alliance (F (1, 770) =111.40, p<.001) and evaluation toward brand alliance (F (1, 770) =128.54, p<.001). Brand alliance attitude rating was higher under high-expected condition (M_{high-expectancy} = 5.04) than under low-expected condition (M_{low-expectancy} = 4.32, t (770)=11.82, p<.001), and brand alliance evaluation rating was higher under high-expected condition (M_{high-expectancy} = 5.07) than under low-expected condition (M_{low-expectancy} =4.37, t(770)=12.63, p<.001). Therefore, Hypothesis 1 was supported by the results from airline alliances.

Overall, the results from ice cream alliance in parallel with that of airline alliances indicated a positive effect of expectancy congruence on brand alliance evaluations. Thus, the results provided strong support for Hypothesis 1.

**Hypothesis 2**

Relevancy was defined as the extent to which the partner brand image was consistent with the host brand image. Hypothesis 2 posited that relevancy congruence had a positive effect on the dependent variables of interest. The influence of relevancy congruence was further tested by examining the differences in each of dependent
variables in the high-relevant congruent versus low-relevant congruent treatment conditions while holding the level of expectancy consistent. The results based on the ice cream alliances and airline alliances were presented separately, and all the mean values of each dependent variable were presented accordingly.

*Ice cream alliances.* The results of a series of ANOVA analysis revealed that the main effect of relevancy congruence was significant for attitude towards brand alliance ($F(1, 494) = 24.29, p < .001$), evaluation towards brand alliance ($F(1, 494) = 49.84, p < .001$), and affect towards brand alliance ($F(1, 494) = 5.21, p = .023$). When conditioning on the high-expectancy scenario (Table 5.3), brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.69$) than under low-congruent condition ($M_{\text{low-relevancy}} = 5.37, t(494) = 2.80, p = .005$). The same was true for brand alliance evaluation ($M_{\text{high-relevancy}} = 5.97$ and $M_{\text{low-relevancy}} = 5.70, t(494) = 3.14, p = .002$), but it was not significant for brand alliance affect ($M_{\text{high-relevancy}} = 5.28$ and $M_{\text{low-relevancy}} = 5.22, t(494) = 0.38, p = .699$). When conditioning on low-expectancy scenario, brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.39$) than under low-congruent condition ($M_{\text{low-relevancy}} = 4.89, t(494) = 4.11, p < .001$). The same pattern held for brand alliance evaluation rating ($M_{\text{high-relevancy}} = 5.68$ and $M_{\text{low-relevancy}} = 5.06, t(494) = 6.67, p < .001$) and brand alliance affect rating ($M_{\text{high-relevancy}} = 4.92$ and $M_{\text{low-relevancy}} = 4.56, t(494) = 2.77, p = .006$). In general, the results in the U.S. sample supported the main effect of relevancy congruence on each of the dependant variables. Hypothesis 2 was supported.

The ANOVA analysis results from the Canada sample showed that the main effect of relevancy congruence was significant for attitude towards brand alliance ($F(1, 276) = 23.23, p < .001$), evaluation toward brand alliance ($F(1, 276) = 32.93, p < .001$), and marginally significant for affect towards brand alliance ($F(1, 276) = 47.37, p = .051$). When
conditioning on high-expectancy scenario (See Table 5.4), brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.35$) than under low-congruent condition ($M_{\text{low-relevancy}} = 4.89$, $t (276) = 4.29$, $p < .001$). The same was true for brand alliance evaluation ($M_{\text{high-relevancy}} = 5.72$ and $M_{\text{low-relevancy}} = 5.34$, $t (276) = 3.63$, $p < .001$) and brand alliance affect ($M_{\text{high-relevancy}} = 4.98$ and $M_{\text{low-relevancy}} = 4.48$, $t (276) = 5.80$, $p < .001$). Similarly, when conditioning on low-expectancy scenario, brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 4.90$) than under low-congruent condition ($M_{\text{low-relevancy}} = 4.54$, $t (276) = 2.70$, $p = .008$). The same pattern held for brand alliance evaluation rating ($M_{\text{high-relevancy}} = 5.21$ and $M_{\text{low-relevancy}} = 4.64$, $t (276) = 4.43$, $p < .001$) and brand alliance affect rating ($M_{\text{high-relevancy}} = 4.65$ and $M_{\text{low-relevancy}} = 4.22$, $t (276) = 4.12$, $p < .001$). Overall, the results from the Canada sample were consistent with that of the U.S. sample, which indicated a positive effect of relevancy congruence on these dependent variables. Hypothesis 2 was supported.

The results of ANOVA analysis from the pooled sample revealed that the main effect of relevancy congruence was significant for attitude towards brand alliance ($F (1, 770) = 44.60$, $p < .001$), evaluation toward brand alliance ($F (1, 770) = 82.85$, $p < .001$), and affect towards brand alliance ($F (1, 770) = 22.89$, $p < .001$). When conditioning on high-expectancy scenario (See Table 5.5), the brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.56$) than under low-congruent condition ($M_{\text{low-relevancy}} = 5.20$, $t (770) = 4.52$, $p < .001$). The same was true for brand alliance evaluation ($M_{\text{high-relevancy}} = 5.87$ and $M_{\text{low-relevancy}} = 5.57$, $t (770) = 4.66$, $p < .001$) and brand alliance affect ($M_{\text{high-relevancy}} = 5.16$ and $M_{\text{low-relevancy}} = 4.95$, $t (770) = 2.48$, $p = .013$). Similarly, when conditioning on low-expectancy scenario, the brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.21$) than under low-congruent condition
(\text{M}_{\text{low-relevancy}} = 4.77, \ t(770) = 4.91, \ p < .001). \ The \ same \ pattern \ held \ for \ brand \ alliance \ evaluation \ rating \ (\text{M}_{\text{high-relevancy}} = 5.51 \ and \ \text{M}_{\text{low-relevancy}} = 4.91, \ t(770) = 8.00, \ p < .001) \ and \ brand \ alliance \ affect \ rating \ (\text{M}_{\text{high-relevancy}} = 4.82 \ and \ \text{M}_{\text{low-relevancy}} = 4.44, \ t(770) = 4.21, \ p < .001). \ In \ sum, \ the \ proposed \ relevancy \ congruence \ effects \ were \ supported \ by \ the \ pooled \ sample. \ Hypothesis \ 2 \ was \ supported.

\textit{Airline alliances.} \ For \ the \ U.S. \ sample, \ a \ series \ of \ ANOVA \ analysis \ revealed \ that \ the \ main \ effect \ of \ relevancy \ congruence \ was \ significant \ for \ attitude \ towards \ brand \ alliance \ (F(1, 494) = 18.63, \ p < .001) \ and \ evaluation \ towards \ brand \ alliance \ (F(1, 494) = 26.48, \ p < .001). \ When \ conditioning \ on \ high-expectancy \ scenario, \ the \ brand \ alliance \ attitude \ rating \ was \ higher \ under \ high-congruent \ condition \ (\text{M}_{\text{high-relevancy}} = 5.10) \ than \ under \ low-congruent \ condition \ (\text{M}_{\text{low-relevancy}} = 4.89, \ t(494) = 2.84, \ p = .005), \ and \ it \ was \ also \ true \ for \ brand \ alliance \ evaluation \ (\text{M}_{\text{high-relevancy}} = 5.21 \ vs. \ \text{M}_{\text{low-relevancy}} = 4.85, \ t(494) = 5.18, \ p < .001). \ When \ conditioning \ on \ low-expectancy \ scenario, \ the \ brand \ alliance \ attitude \ rating \ was \ higher \ under \ high-congruent \ condition \ (\text{M}_{\text{high-relevancy}} = 4.58) \ than \ under \ low-congruent \ condition \ (\text{M}_{\text{low-relevancy}} = 4.31, \ t(494) = 3.26, \ p = .001), \ and \ it \ also \ held \ for \ brand \ alliance \ evaluation \ (\text{M}_{\text{high-relevancy}} = 4.54 \ vs. \ \text{M}_{\text{low-relevancy}} = 4.36, \ t(494) = 2.27, \ p = .024). \ In \ general, \ Hypothesis \ 2 \ was \ supported.

In the case of the Canada sample, ANOVA analysis results demonstrated that the main effect of relevancy congruence was significant for attitude towards brand alliance \( (F(1, 276) = 18.33, \ p < .001) \) and evaluation towards brand alliance \( (F(1, 276) = 13.15, \ p < .001) \). Specifically, when conditioning on high-expectancy scenario (see Table 5.7), the brand alliance attitude rating was higher under high-congruent condition \( (\text{M}_{\text{high-relevancy}} = 5.33) \) than under low-congruent condition \( (\text{M}_{\text{low-relevancy}} = 4.97, \ t(276) = 2.60, \ p = .010) \), but it was not significant for brand alliance evaluation rating \( (\text{M}_{\text{high-relevancy}} = 5.24) \).
and $M_{\text{low-relevancy}} = 5.06, t(276) = 0.18, p = .171$). However, the general pattern was still in the positive direction. When conditioning on low-expectancy scenario, the brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 4.38$) than under low-congruent condition ($M_{\text{low-relevancy}} = 3.85, t(276) = 3.40, p = .001$), and brand alliance evaluation rating was higher under high congruent condition ($M_{\text{high-relevancy}} = 4.47$) than under low congruent condition ($M_{\text{low-relevancy}} = 3.96, t(276) = 3.66, p < .001$). Overall, Hypothesis 2 was supported.

ANOVA results based on the pooled sample showed that the main effect of relevancy congruence was significant for attitude towards brand alliance ($F(1, 770) = 36.81, p < .001$) and evaluation toward brand alliance ($F(1, 770) = 38.12, p < .001$). Under high-expectancy condition, the brand alliance attitude rating (see Table 5.8) was higher under high-congruent condition ($M_{\text{high-relevancy}} = 5.18$) than under low-congruent condition ($M_{\text{low-relevancy}} = 4.91, t(770) = 3.84, p < .001$), and the same was true for brand alliance evaluation ($M_{\text{high-relevancy}} = 5.22$ vs. $M_{\text{low-relevancy}} = 4.92, t(770) = 4.60, p < .001$). Similarly, when conditioning on low-expectancy scenario, the brand alliance attitude rating was higher under high-congruent condition ($M_{\text{high-relevancy}} = 4.50$) than under low-congruent condition ($M_{\text{low-relevancy}} = 4.14, t(770) = 4.70, p < .001$), and brand alliance evaluation rating was also higher under high congruent condition ($M_{\text{high-relevancy}} = 4.51$) than under low congruent condition ($M_{\text{low-relevancy}} = 4.22, t(770) = 4.15, p < .001$). The results from the pooled sample supported Hypothesis 2.

To summarize, the results demonstrated a positive relevancy congruence effect on the dependent variables. High relevancy congruence led to more favorable outcomes. Overall, there was strong support for Hypothesis 2.
Hypothesis 3

This hypothesis proposed that due to the effects of congruence, brand alliance was evaluated higher under a high-expectancy and high-relevancy congruent condition than under a low-expectancy and low-relevancy congruent condition.

To test this hypothesis, the cell means for the four conditions (high-expectancy and high-relevancy, high-expectancy and low-relevancy, low-expectancy and high-relevancy, and low-expectancy and low-relevancy) were compared using ANOVA analysis. The ANOVA results showed a significant main effect of congruence on consumers’ evaluation of the brand alliance.

Ice cream alliances. The results from the U.S. sample revealed that the main effect of four different types of congruence combinations were significant for attitude towards brand alliance (F (3, 988) =16.25, p<.001), evaluation towards brand alliance (F(3, 988) =32.08, p<.001), and affect towards brand alliance (F(3, 988) =13.89, p<.001). Specifically, subsequent Tukey’s analysis indicates that brand alliance attitude ratings (M<sub>high-high</sub>=5.69 and M<sub>low-low</sub>=4.89, p<.001), brand alliance evaluation ratings (M<sub>high-high</sub>=5.97 and M<sub>low-low</sub>=5.06, p<.001), and brand alliance affect ratings (M<sub>high-high</sub>=5.28 and M<sub>low-low</sub>=4.56, p<.001) were higher under a high-expectancy and high-relevancy congruent condition than under a low-expectancy and low-relevancy congruent condition. Hypothesis 3 was supported.

The results based on the Canada sample demonstrated that the main effect of four different types of congruence combinations were significant for attitude towards brand alliance (F (3, 552) =21.19, p<.001), evaluation towards brand alliance (F (3, 552) =10.73, p<.001), and affect towards brand alliance (F (3, 552) =7.52, p<.001). Specifically, subsequent Tukey’s analysis indicated that brand alliance attitude ratings
(M_{high-high} = 5.35 and M_{low-low} = 4.54, p < .001), brand alliance evaluation ratings (M_{high-high} = 5.72 and M_{low-low} = 4.64, p < .001), and brand alliance affect ratings (M_{high-high} = 4.98 and M_{low-low} = 4.22, p < .001) were higher under a high-expectancy and high-relevancy congruent condition than under a low-expectancy and low-relevancy congruent condition. Clearly, the results from the Canada sample supported Hypothesis 3.

The results from the pooled sample had the same pattern. ANOVA results revealed that the main effect of four different types of congruence combinations were significant for attitude towards brand alliance (F(3, 1544) = 25.60, p < .001), evaluation toward brand alliance (F(3, 1544) = 51.33, p < .001), and affect towards brand alliance (F(3, 1544) = 563.49, p < .001). Subsequent Tukey’s analysis indicated that brand alliance attitude ratings (M_{high-high} = 5.56 and M_{low-low} = 4.77, p < .001), brand alliance evaluation ratings (M_{high-high} = 5.87 and M_{low-low} = 4.91, p < .001), and brand alliance affect ratings (M_{high-high} = 5.16 and M_{low-low} = 4.44, p < .001) were higher under a high-expectancy and high-relevancy congruent condition than under a low-expectancy and low-relevancy congruent condition. Therefore, the results in the pooled sample supported Hypothesis 3.

Overall, the results based on ice cream alliances indicated the same pattern as predicted. The results supported this hypothesis.

*Airline alliance.* In the case of the U.S. sample, ANOVA results revealed that the main effect of four different types of congruence combinations was significant for attitude towards brand alliance (F(3, 988) = 22.35, p < .001) and evaluation towards brand alliance (F(3, 988) = 30.60, p < .001). Subsequent Tukey’s analysis indicated that brand alliance attitude rating was higher under a high-expectancy and high-relevancy congruent condition (M_{high-high} = 5.10) than under a low-expectancy and low-relevancy congruent
condition \((M_{\text{low-low}} = 4.31, p<.001)\), and brand alliance evaluation rating was also higher under a high-expectancy and high-relevancy congruent condition \((M_{\text{high-high}} = 5.21)\) than under a low-expectancy and low-relevancy congruent condition \((M_{\text{low-low}} = 4.36, p<.001)\).

ANOVA results from the Canada sample revealed that the main effect of four different types of congruence combinations was significant for attitude towards brand alliance \((F (3, 552) = 38.08, p<.001)\) and evaluation toward brand alliance \((F (3, 552) = 36.84, p<.001)\). Subsequent Tukey’s analysis indicated that brand alliance attitude rating was higher under a high-expectancy and high-relevant congruent condition \((M_{\text{high-high}} = 5.33)\) than under a low-expectancy and low-relevant congruent condition \((M_{\text{low-low}} = 3.85, p<.001)\), and brand alliance evaluation rating was also higher under a high-expectancy and high-relevant congruent condition \((M_{\text{high-high}} = 5.24)\) than under a low-expectancy and low-relevant congruent condition \((M_{\text{low-low}} = 3.96, p<.001)\).

The results based on the pooled sample demonstrated that the main effect of four different types of congruence combinations was significant for attitude towards brand alliance \((F (3, 1544) = 56.45, p<.001)\) and evaluation toward brand alliance \((F (3, 1544) = 63.49, p<.001)\). Subsequent Tukey’s analysis indicates that brand alliance attitude rating was higher under a high-expectancy and highrelevant congruent condition \((M_{\text{high-high}} = 5.18)\) than under a low-expectancy and low-relevant congruent condition \((M_{\text{low-low}} = 4.14, p<.001)\) and brand alliance evaluation rating was also higher under a high-expectancy and high-relevant congruent condition \((M_{\text{high-high}} = 5.22)\) than under a low-expectancy and low-relevant congruent condition \((M_{\text{low-low}} = 4.22, p<.001)\).

Based on the results from both ice cream alliances and airline alliances, there was strong support for Hypothesis 3.
Hypothesis 4

Hypothesis 4 proposed a positive spillover effect of brand alliance on both partner brands. First, we examined the spillover effect of brand alliance on the host brand (brand A). In order to detect the pre-alliance and post-alliance differences, before and after paired t-test were employed to investigate the difference on each of the dependent variables.

Ice cream alliance. In the case of the U.S. sample, before examining the effect of brand alliance on the host brand (Godiva), manipulation checks of pre-alliance attitudes toward Godiva yielded non-significant results across all four treatment conditions ($F(3, 988) = .012, p = .998$), which was expected and indicated a successful pre-attitude manipulation. Next, the comparison of pre-alliance attitude and post-alliance attitude toward the host brand was conducted using a series of t-tests. Two of the four pairs of comparisons were significant (Table 5.9). Specifically, the comparisons under a high-expectancy and high-relevancy condition ($M_{\text{before}} = 5.36$ vs. $M_{\text{after}} = 5.54$, $t(494) = 2.06$, $p = .040$) and under a low-expectancy and low-relevancy condition ($M_{\text{before}} = 5.35$ vs. $M_{\text{after}} = 4.76$, $t(494) = 5.00$, $p < .001$) were significant whereas the comparisons under a high-expectancy and low-relevancy condition ($M_{\text{before}} = 5.36$ vs. $M_{\text{after}} = 5.43$, $t(494) = 0.66$, $p = .508$) and under a low-expectancy and high-relevancy condition ($M_{\text{before}} = 5.35$ vs. $M_{\text{after}} = 5.46$, $t(494) = 1.29$, $p = .196$) were not significant. The results indicated a positive spillover effect under high-relevancy and high-expectancy condition but a negative spillover effect under low-relevancy and low-expectancy condition.

In the case of the Canada sample, as expected, manipulation checks of pre-alliance attitudes toward host brand yielded non-significant results across all four treatment conditions ($F(3, 552) = .267, p = .849$). Next, the comparison of pre-alliance
attitude and post-alliance attitude toward host brand was conducted using a series of t-tests. Two of the four pairs of comparisons were significant (Table 5.10). Specifically, the comparisons under a high-expectancy and high-relevancy condition \( (M_{before}=4.69 \text{ vs. } M_{after}=5.19, t(276)=4.57, p<.001) \) and under a low-expectancy and high-relevancy condition \( (M_{before}=4.77 \text{ vs. } M_{after}=5.25, t(276)=4.35, p<.001) \) were significant whereas the comparisons under a high-expectancy and low-relevancy condition \( (M_{before}=4.69 \text{ vs. } M_{after}=4.83, t(276)=1.11, p=.267) \) and the low-expectancy and low-relevancy condition \( (M_{before}=4.77 \text{ vs. } M_{after}=4.56, t(494)=1.62, p=.107) \) were not significant. The pattern of the results from this sample was slightly different from that of the U.S. sample; however, the general pattern held that a positive spillover effect occurred under a high-relevancy and high-expectancy condition and a negative spillover effect occurred under a low-expectancy and low-relevancy condition.

In the case of the pooled sample, as predicted, the manipulation checks indicated that pre-alliance attitudes toward the host brand yielded non-significant results across all four treatment conditions \( (F(3, 1544) =.063, p=.979) \). The comparison of host brand attitude pre-alliance and post-alliance was conducted using a series of t-tests. Three of four pairs of comparisons were significant (Table 5.11). Specifically, the comparisons under a high-expectancy and high-relevancy condition \( (M_{before}=5.11 \text{ vs. } M_{after}=5.41, t(770)=4.29, p<.001) \), under a low-expectancy and high-relevancy condition \( (M_{before}=5.14 \text{ vs. } M_{after}=5.38, t(770)=3.37, p=.001) \), and under a low-expectancy and low-relevancy condition \( (M_{before}=5.14 \text{ vs. } M_{after}=4.69, t(770)=5.09, p<.001) \) were significant whereas the comparisons under a high-expectancy and low-relevancy condition \( (M_{before}=5.11 \text{ vs. } M_{after}=5.21, t(770)=1.18, p=.236) \) were not significant. The results in the pooled sample were mixed. The differences under two conditions (a high-expectancy
and high-relevancy condition; a low-expectancy and low-relevancy condition) were significant, but not on the same direction. Under a high-expectancy and high-relevancy condition a positive spillover effect was supported. In contrast, under a low-expectancy and low-relevancy condition, a negative spillover effect appeared. Further, under either a high-expectancy and low-relevancy or a high-relevancy and low-expectancy condition, the differences between pre-alliance and post-alliance measures tended to be non-significant.

*Airline alliances*. In the U.S. sample, before examining the effect of brand alliance on the host airline brand (American Airlines), the manipulation checks indicated that pre-alliance attitudes toward American Airlines yielded non-significant results across all four conditions ($F(3, 988) = 1.05, p=.369$), which were as expected. Next, the comparison of pre-alliance and post-alliance American Airlines attitude was conducted using a series of t-tests. Two of the four pairs of comparisons were significant (Table 5.12). Specifically, the comparisons under a high-expectancy and high-relevancy condition ($M_{before}=4.88$ vs. $M_{after}=5.11$, $t(494)=2.47$, $p=.014$) and under a low-expectancy and low-relevancy condition ($M_{before}=4.76$ vs. $M_{after}=4.55$, $t(494)=2.30$, $p=.022$) were significant whereas the comparisons under a high-expectancy and low-relevancy condition ($M_{before}=4.88$ vs. $M_{after}=4.89$, $t(494)=0.14$, $p=.890$) and under a low-expectancy and high-relevancy condition ($M_{before}=4.76$ vs. $M_{after}=4.75$, $t(494)=0.10$, $p=.920$) were not significant.

For the Canada sample, as expected, the manipulation checks indicated that pre-alliance attitudes toward host brand yielded non-significant results across all four conditions ($F(3, 552) = .079$, $p=.971$). The comparison of host brand attitude before and after the alliance was conducted using a series of t-tests. Three of the four pairs of comparisons were significant (Table 5.13). Specifically, the comparisons under a high-
expectancy and high-relevancy condition ($M_{before}$=4.68.11 vs. $M_{after}$=5.03, $t(276)=2.99$, $p=.003$), under a high-expectancy and low-relevancy condition ($M_{before}$=4.68 vs. $M_{after}$=4.94, $t(276)=1.88$, $p=.062$), and under a low-expectancy and low-relevancy condition ($M_{before}$=4.63 vs. $M_{after}$=3.88, $t(276)=5.09$, $p<.001$) were significant whereas the comparisons under a low-expectancy and high-relevancy condition ($M_{before}$=4.63 vs. $M_{after}$=4.46, $t(276)=1.45$, $p=.149$) were not significant. The pattern of the results from this sample was slightly different from that of the U.S. sample.

The manipulation checks results from the pooled sample indicated that pre-alliance attitudes toward host brand yielded non-significant results across all four conditions ($F(3, 1544) =.878$, $p=.452$), which were as expected. The comparison of host brand attitude before and after the alliance was conducted using a series of t-tests. Two of the four pairs of comparisons were significant (Table 5.14). Specifically, the comparisons under a high-expectancy and high-relevancy condition ($M_{before}$=4.80 vs. $M_{after}$=5.08, $t(770)=3.75$, $p<.001$) and under a low-expectancy and low-relevancy condition ($M_{before}$=4.71 vs. $M_{after}$=4.31, $t(770)=5.06$, $p<.001$) were significant whereas the comparisons under a high-expectancy and low-relevancy condition ($M_{before}$=4.80 vs. $M_{after}$=4.90, $t(770)=1.33$, $p=.184$) and under a low-expectancy and high-relevancy condition ($M_{before}$=4.71 vs. $M_{after}$=4.64, $t(770)=0.91$, $p=.362$) were not significant.

Overall, the results indicated a positive spillover effect of brand alliance on host brand under high-relevancy and high-expectancy condition. In contrast, it appeared there was a negative spillover effect under a low-expectancy and low-expectancy condition. However, under the mixed condition (high-relevancy and low-expectancy or high-expectancy and low-relevancy condition), no clear spillover effect were found. The
implications of this interesting finding are discussed in the discussion section in the Chapter Five.

Hypothesis 4 also proposed a positive spillover effect of brand alliance on the partner brand. In order to examine the pre-alliance and post-alliance attitude differences, before and after t-test was employed to investigate the differences on each of the dependent variables.

*Ice cream alliance.* In the case of the U.S. sample, the comparison of pre-alliance and post-alliance partner brand attitude was conducted using a series of t-tests. All the four pairs of comparisons (Table 5.15), under a high-expectancy and high-relevancy condition ($M_{before}$=5.31 vs. $M_{after}$=5.54, $t$(494)=3.08, $p$=.002), under a high-expectancy and low-relevancy condition ($M_{before}$=5.30 vs. $M_{after}$=5.58, $t$(494)=2.80, $p$=.006), under a low-expectancy and high-relevancy condition ($M_{before}$=5.28 vs. $M_{after}$=5.62, $t$(770)=4.38, $p$<.001), under a low-expectancy and low-relevancy condition ($M_{before}$=4.77 vs. $M_{after}$=5.05, $t$(770)=3.00, $p$=.003), were significant. Clearly, the results indicated a positive spillover effect of brand alliance on the partner brand.

Similarly, the results from the Canada sample indicated that all four pairs of comparisons (Table 5.16), under a high-expectancy and high-relevancy condition ($M_{before}$=5.47 vs. $M_{after}$=5.67, $t$(276)=1.91, $p$=.048), under a high-expectancy and low-relevancy condition ($M_{before}$=5.01 vs. $M_{after}$=5.42, $t$(276)=3.52, $p$=.001), under a low-expectancy and high-relevancy condition ($M_{before}$=5.08 vs. $M_{after}$=5.62, $t$(276)=4.78, $p$<.001), under a low-expectancy and low-relevancy condition ($M_{before}$=4.85 vs. $M_{after}$=5.13, $t$(276)=2.63, $p$=.009), were significant. Thus, the pattern of the results from this sample replicated the pattern from the U.S. sample.
The results from the pooled sample had the same pattern. All four pairs of comparisons (Table 5.17), under a high-expectancy and high-relevancy condition ($M_{\text{before}}=5.37$ vs. $M_{\text{after}}=5.59$, $t(770)=3.60$, $p<.001$), under a high-expectancy and low-relevancy condition ($M_{\text{before}}=5.19$ vs. $M_{\text{after}}=5.52$, $t(770)=4.26$, $p<.001$), under a low-expectancy and high-relevancy condition ($M_{\text{before}}=5.20$ vs. $M_{\text{after}}=5.62$, $t(770)=6.39$, $p<.001$), under a low-expectancy and low-relevancy condition ($M_{\text{before}}=4.80$ vs. $M_{\text{after}}=5.07$, $t(770)=3.96$, $p<.001$), were significant. Overall, the results based on ice cream alliances provided evidence to support a positive spillover effect of brand alliance on the partner brand.

Airline alliance. The results in Table 5.18 indicated that all the four pair of comparisons, under a high-expectancy and high-relevancy condition ($M_{\text{before}}=4.27$ vs. $M_{\text{after}}=5.04$, $t(494)=9.93$, $p<.001$), under a high-expectancy and low-relevancy condition ($M_{\text{before}}=3.95$ vs. $M_{\text{after}}=4.81$, $t(494)=9.73$, $p<.001$), under a low-expectancy and high-relevancy condition ($M_{\text{before}}=3.93$ vs. $M_{\text{after}}=4.70$, $t(494)=10.12$, $p<.001$), under a low-expectancy and low-relevancy condition ($M_{\text{before}}=3.80$ vs. $M_{\text{after}}=4.64$, $t(494)=10.81$, $p<.001$), were significant. The same pattern held for the Canada sample (Table 5.19). All the four pairs of comparisons, under a high-expectancy and high-relevancy condition ($M_{\text{before}}=4.49$ vs. $M_{\text{after}}=4.99$, $t(276)=5.62$, $p<.001$), under a high-expectancy and low-relevancy condition ($M_{\text{before}}=4.29$ vs. $M_{\text{after}}=4.78$, $t(276)=4.39$, $p<.001$), under a low-expectancy and high-relevancy condition ($M_{\text{before}}=3.98$ vs. $M_{\text{after}}=4.58$, $t(276)=5.71$, $p<.001$), under a low-expectancy and low-relevancy condition ($M_{\text{before}}=3.91$ vs. $M_{\text{after}}=4.36$, $t(276)=4.50$, $p<.001$), were significant. The same was also true for the pooled sample. The results in Table 5.20 indicated that all the four pair of comparisons, under a high-expectancy and high-relevancy condition ($M_{\text{before}}=4.35$ vs. $M_{\text{after}}=5.02$,}
(M_{before}=4.07 \text{ vs. } M_{after}=4.80, \ t(770)=10.38, \ p<.001), \ under \ a \ low-expectancy \ and \ high-relevancy \ condition \ (M_{before}=3.95 \text{ vs. } M_{after}=4.66, \ t(770)=11.50, \ p<.001), \ under \ a \ low-expectancy \ and \ low-relevancy \ condition \ (M_{before}=3.83 \text{ vs. } M_{after}=4.53, \ t(770)=11.29, \ p<.001), \ were \ significant.

In sum, the overall pattern of these results suggests that there is a positive spillover effect on partner brand across all four conditions. However, it is not the case for the host brand. Under high-relevancy and high-expectancy condition, a positive spillover effect on host brand appears while under a low-relevancy and low-expectancy condition, a negative spillover effect may occur.

**Hypothesis 5**

Hypothesis 5 proposed that the effect of country image was positively related to global brand alliance evaluation. For the purpose of this study, country image was measured from two dimensions: macro country image and micro country image. This variable was tested as covariates. A series of ANCOVA analysis of covariance were conducted to test the hypotheses. Two sets of dependent variables are related to the research purpose: attitude toward global brand alliance and evaluation of global brand alliance. In these analyses, the between-subject factor was expectancy congruence (two levels: high vs. low) whereas the within-subject factor was relevancy congruence (two levels: high vs. low).

The results from the ANCOVA analysis were presented in Table 5.21 to Table 5.23. In the case of the U.S. sample, the results clearly supported the prediction that macro image was positively related to global brand alliance (attitude: \( F (1, 985) =12.99, \).
p<.001; evaluation: (F (1, 985) = 21.62, p<.001)). The Canada sample also provided support for this positive relationship (attitude: (F (1, 549) =17.18, p<.001; evaluation: (F (1, 549) = 12.13, p=.001)). Similarly, in the pooled sample the macro image effect was positive and statistically significant for attitude (F (1, 1541) = 28.30, p<.001) and evaluation (F (1, 1541) = 29.98, p<.001).

The results from the ANCOVA analysis also indicated that the micro image was positively related to global brand alliance evaluation. In the case of the U.S. sample, the results provided support that micro image was positively related to global brand alliance (attitude: (F (1, 985) =12.25, p<.001; evaluation: (F (1, 985) = 26.97, p<.001)). The Canada sample had the same pattern (attitude: (F (1, 549) =10.14, p=.002; evaluation: (F (1, 549) = 30.64, p<.001)). Similarly, in the pooled sample the micro image effect was positive and statistically significant for attitude (F (1, 1541) = 24.64, p<.001) and evaluation (F (1, 1541) = 59.65, p<.001).

Overall, these ANCOVA results from individual and pooled samples demonstrated the same patterns. The research findings indicated that both macro image and micro image had a positive effect on global brand alliance evaluation. There was strong support for Hypothesis 5.

**Hypothesis 6**

Hypothesis 6 examined the inverse relationship between consumer ethnocentrism and consumer evaluation of a global brand alliance. For the purpose of this study, consumer ethnocentrism was examined as a covariate. A series of ANCOVA analyses were used to test the hypotheses. In the case of H6, two sets of dependent variables are related to the research purpose: attitude toward global brand alliance and
evaluation of global brand alliance. In this ANCOVA analysis, the between-subject factor was expectancy congruence (two levels: low vs. high) whereas the within-subject factor was relevancy congruence (two levels: low vs. high).

In the U.S. sample, the results from the ANCOVA (Table 5.21) showed non-significant results (F (1, 985) =.484, p=.487 and F (1, 985) =.020, p=.887). The results from the pooled sample (Table 5.23) also had non-significant results (F (1, 1541) =3.59, p=.058 and F (1, 1541) =2.79, p=.095). However, the results from Canada sample (Table 5.22) provided evidence to support the opposite prediction (F (1, 549) =4.60, p=.032 and F (1, 549) =8.48, p=.004). In sum, hypothesis 6 was not supported by the ANCOVA results. More discussions are provided in Chapter Five.

Summary
In general, these findings provide evidence for supporting the proposed integrated congruence model. In particular, the results of the current study support the hypothesized effect of expectancy congruence and relevancy congruence on brand alliance evaluation. Further, the results also demonstrate a differential spillover effect on each of the partner brands. The study also supports the positive relationship between country of origin image and global brand alliance evaluation. However, contradictory results regarding the relative role of consumer ethnocentrism on global brand alliance evaluation were observed, and the implications of these research findings are discussed in Chapter 5.
CHAPTER 5
DISCUSSION AND CONCLUSIONS

This chapter is organized in the following way: First, a discussion of the research findings is provided. Next, implications for researchers and managers are presented. Finally, study limitations are discussed and future research directions are outlined.

Overall Summary

The main purpose of this dissertation was threefold. First, the study proposed an integrated congruence framework of brand alliance evaluation and empirically investigated the proposed hypotheses in the context of partner brand selection. The main objective was to examine the impact of congruence in terms of expectancy and relevancy on consumers’ responses to brand alliance. Consumers’ responses towards brand alliances were measured in terms of attitude towards brand alliance, evaluation of brand alliance, and affect towards brand alliance. The results from the current study supported the general proposition of Hypothesis 1 and Hypothesis 2 that the congruence between host brand and partner brand led to favorable evaluation towards brand alliance. For a given host brand, consumers have expectations about a potential partner brand and consequently they feel more favorably towards the brand alliance when their expectations have been met. In this study, when the Godiva chocolate brand formed a brand alliance with a high-expected ice cream partner brand, the evaluation of brand alliance is higher than when the Godiva brand formed a brand alliance with a low-expected ice cream partner brand. Similarly, when the host airline brand partners with a high-expected international airline, consumers provide more positive evaluation of the
brand alliance than when the host airline brand partners with a low-expected international airline. The results also suggest that host brands partnering with more image-congruent partner brands lead to favorable evaluations of the brand alliances than those partnering with less image-congruent partner brands. In addition, Hypothesis 3 supports the general proposition that the highest brand alliance evaluation occurs when consumers’ perception of both expectancy and relevancy are met whereas the lowest brand alliance evaluation occurs when both of them are not met.

Overall, these results from Hypothesis 1 through Hypothesis 3 are consistent with congruence theory. Consumers’ perceptions of congruence in terms of expectancy, relevancy, or both between the host brand and the partner brand result in positive responses towards the brand alliance.

The second objective of this study is to investigate the spillover effect of a brand alliance on the host brands and partner brands. Hypothesis 4 proposes a spillover effect of brand alliance on host brand evaluation. Contrary to the brand alliance literature, a general enhancement effect of brand alliance on the host brand is not confirmed in this study. Specifically, under a high-expected and high-relevant condition, a positive effect of brand alliance on host brand evaluation is found while under a high-expected and low-relevant condition, such a dominant enhance effect is not found. In other words, the difference between pre-alliance and post-alliance host brand evaluation is non-significant. Further, under a low-expected and high relevant condition, the results show a mixed pattern but in favor of non-significant difference where four pairs of between pre-alliance and post-alliance comparisons are non-significant and two pairs are significant. Surprisingly, under a low-expected and low-relevant condition, the post-alliance evaluation is rated consistently lower than the pre-alliance evaluation which in fact
indicates a dominant dilution effect. The results indicate that the effect of a brand alliance on post-alliance host brand evaluation may be dependent on the salience of congruence both in terms of expectancy and relevancy. This finding is a significant contribution to the brand alliance literature because such effects have not been demonstrated previously and past research has not examined the spillover effect in a specific partner selection context.

The results pertaining to Hypothesis 4 also support the general proposition that there is a positive impact of brand alliance on post-alliance partner brand evaluations. It is worthwhile to note that the positive spillover effects of brand alliance on partner brands cross all four different conditions.

The third objective of the study is to examine the two-factor congruence framework into a global brand alliance context. In other words, the integrated congruence framework of brand alliance evaluation was examined both across countries and across different global brand alliances. Specifically, the data were collected in two countries: U.S. and Canada and subjects were asked to evaluate different global brand alliance combinations.

In the same vein, equally important to the contribution of this study to the literature is the examination of the effect of country image and consumer ethnocentrism on consumers’ responses to global brand alliances. Hypothesis 5 supports the general proposition that both the macro and micro country of origin image of the brands are positively related with the global brand alliance evaluation. It was found that a favorable country image leads to a higher brand alliance evaluation, which indicates that consumers’ perception of both the country image (macro) and the product image (micro) has influenced the brand alliance evaluation.
The results of Hypothesis 6 fail to confirm the prediction that consumer ethnocentrism is negatively related to global brand alliance evaluation. Several reasons may contribute to this result. First, researchers have generally studied the comparisons between home brand and foreign brand, or between home country product and foreign product. In a brand alliance context where a home country brand forms an alliance with a foreign brand, consumers may not be sensitive to the foreign brand differences if the home country brand plays a dominant role. Second, the original consumer ethnocentrism scale has two components that measure consumers' evaluation toward both in-group and out-group simultaneously. In this study, a simplified consumer ethnocentrism scale is used, and this may not capture the complex effect simultaneously. The theoretical and practical implications of the research findings are presented next.

**Theoretical implications**

Theoretical implications can be derived from several perspectives. First, a two-factor congruence framework has been applied to brand alliance research. In this study, by integrating the literatures on brand alliance, celebrity endorsement, and the more recent research on event sponsorship, an integrated congruence conceptual framework in terms of expectancy and relevancy has been developed to investigate brand alliance evaluations in a partner selection context. The congruence between the host brand and the partner brand is an important factor in consumers’ brand alliance evaluations. This study clarifies the concept of congruence and successfully extends it into brand alliance research.

Second, this study provides empirical evidence that the congruence between host brand and partner brand is derived from two distinct sources: expectancy and
relevancy. Further, the operationalization of congruence in terms of expectancy and relevancy has been examined in a cross-national context with both U.S. and Canada samples. The study indicates that the two-factor congruence construct provides similar results in different national settings and is robust.

Third, the prior brand alliance literature indicates a general impact of brand alliance on post-alliance partner brand evaluation. In addition, in most of the previous studies, the two partner brands were not examined in a partner selection context. In the current study, the spillover effect was examined from a partner selection perspective, which provides researchers the opportunities to investigate the spillover effects on host brand and partner brand separately. Contrary to the previous research findings, a dominant enhancement effect of brand alliance on host brand was not found in this study. In fact, under the low-expectancy and low relevancy, host brand experiences a brand dilution effect. Particularly, the findings of this research call attention to the need to investigate the spillover effect in a partner brand selection perspective in order to better capture the different spillover effect on host brand and partner brand.

Finally, the present study sheds further light onto the importance of the role of country of origin image in evaluation of global brand alliances. Particularly, this study has empirically examined the operationalization of country of origin image in term of macro country image and micro product image and provides strong support for the influence of general country image on brand alliance evaluation.

**Managerial Implications**

In addition to its theoretical contributions, this study has important implications for practitioners.
First, the study provides compelling evidence that the nature of congruence between host brand and partner brand must be considered by industry practitioners when selecting a potential partner to form a brand alliance. When consumers’ attention is focused on the nature of the brand alliance, it becomes apparent that the level of congruence between host brand and partner brand can matter. It seems that congruence between host brand and partner brand has a positive effect in relation to consumers’ evaluations of the brand alliance. By being aware of the factors that influence brand alliance evaluation, marketers should look for partner brands that portray a congruent image to their own. In addition, a robust and solid scale of congruence may allow host brands to determine the types of partner brands most likely to be perceived as congruent based on expectancy and relevancy that may be estimated by marketers.

Second, the potential spillover effects of brand alliance on host brands and partner brands have been examined in this study. This research suggests that whether there is an enhancement or dilution effect on host brand depends on the level of congruence between host brand and partner brand. Marketers should take precautionary steps against possible post-alliance host brand dilution when forming a brand alliance with a potential partner brand. It is imperative for marketers to have some knowledge about both host brand and partner brand’s image, which will help them to determine the right partner brand.

Finally, this research has implications for international marketers. The results indicate that country of origin image plays a role when consumers evaluate global brand alliances. Both macro image and micro image are relevant in this case. Thus, marketers should choose their international partners carefully because country image associated
with a specific international partner has direct impact on consumers’ evaluation of the brand alliance.

**Limitations and Future Research**

Some of the research limitations and several research opportunities of this study are noted in this section. One limitation of this research is that the use of student sample, which may limit its generalizability. Although the real brands and the hypothetical brand alliance used in this study are relevant to the student population, future research utilizing target consumers, specifically airline passengers, could more deeply assess the external validity of the proposed model.

Second, one question that needs to be clarified is the order of brand in naming the brand alliance, which may have an impact on consumers’ evaluations of the brand alliance (Dawar and Anderson 1994; Park, Jun, and Shocker 1996). For example, does the Godiva/Haagen Dazs ice cream have the same evaluation as the Haagen Dazs/Godiva ice cream? Although the order of the brand names in naming brand alliance is not the focus of this study, future research may further explore the potential order effect.

Third, the results in the current study indicate a dilution effect of brand alliance on the host brand. Future research may explore the factors that can moderate the spillover effects.

Another interesting area of research is to investigate the relative effects of different forms of brand alliances on customer reactions to brand alliances and their subsequent effects on the partner brands (Keller and Lehmann 2006). A brand alliance is formed for a number of reasons, and consumers may have various options about
different forms of brand alliances (e.g., composite brand extension, ingredient branding, dual-branding). Therefore, firms need to collect consumer information in order to decide on the optimal form that brand alliances take to enable them to achieve their intended goals.

Fifth, in this study, only the brand alliance comprising two different partner brands has been examined. The extendibility and applicability of the proposed framework may be tested in a brand alliance comprising more than two individual brands.

Finally, to the author’s knowledge, no study has been executed that sufficiently investigated the potential drivers of brand alliance success. Many issues need to be addressed with respect to brand alliance success and its drivers. In addition, little is known about the relative importance of the drivers in explaining brand alliance success because each previous study investigated the effects of only a small fraction of all relevant drivers at one time. The lack of a comprehensive investigation of this phenomenon is a fundamental limitation in the extant brand alliance literature.
References


Darby, Mark (2006), *Alliance Brand: Fulfilling the Promise of Partnering*. West Sussex, England: John Wiley & Sons Ltd.


Memory and Cogniton, 26 (6), 1330-47.

and Empirical Issues Concerning the Processing of Social Stimulus Information," 

Wyer, Robert S. and Thomas K. Srull (1989), Memory and Cognition in Its Social 


Yeung, Catherine W. M. and Robert S. Wyer (2005), "Does Loving a Brand Mean Loving 
Its Products? The Role of Brand-Elicited Affect in Brand Extension Evaluations," 
Journal of Marketing Research, 12 (4), 495-506.
Figure 1 Summary of the Brand Alliance Literature

Partner Brand A

Fit

Partner Brand B

Brand Alliance AB

Spillover Effect

Spillover Effect
Figure 2 Partner Brand Selection in Brand Alliance (From Brand A's perspective)
Figure 3 Partner Brand Selection in Brand Alliance (From Brand B’s perspective)
Figure 4 A Congruence Framework for Partner Brand Selection in Brand Alliance

From Brand A’s perspective

- Partner Brand A
- Brand Alliance (AB₁)
- Expectancy
- Relevancy
Table 4. 1 U.S. Ice Cream Alliances Treatment Conditions

<table>
<thead>
<tr>
<th>Host Brand</th>
<th>Partner Brand</th>
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<tbody>
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<td></td>
<td>High-Relevancy</td>
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<td>Godiva</td>
<td>High-Expectancy</td>
</tr>
<tr>
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<td>Low-Expectancy</td>
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Table 4. 2 Canada Ice Cream Alliances Treatment Conditions

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<td>Godiva</td>
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<td>Breyers</td>
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<td>Partner</td>
<td>Brand</td>
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<td>-------------</td>
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<td>High-Expectancy</td>
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</tr>
<tr>
<td></td>
<td></td>
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<td>Air France</td>
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<td></td>
<td>Japan Airlines</td>
</tr>
<tr>
<td>American Airlines</td>
<td>Low-Expectancy</td>
<td>Aero Mexico</td>
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<td>Korean Air</td>
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<td></td>
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<td>Air India</td>
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<tr>
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<td>Partner</td>
<td>Brand</td>
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<tr>
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<td>American Airlines</td>
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<td>Air India</td>
</tr>
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<td>Air China</td>
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Table 5.1 Means of Expectancy Condition in Ice Cream Alliance

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<th>Low-Expectancy</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
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<td>U.S.A.</td>
<td>Affect</td>
<td>5.24 (1.36)</td>
<td>4.74 (1.40)</td>
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<td>5.14 (1.34)</td>
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<td>4.72</td>
<td>0.001</td>
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<td>Evaluation</td>
<td>5.83 (1.03)</td>
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<td>Canada</td>
<td>Affect</td>
<td>4.73 (1.31)</td>
<td>4.43 (1.40)</td>
<td>0.30**</td>
<td>2.49</td>
<td>0.013</td>
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<td>Attitude</td>
<td>5.12 (1.24)</td>
<td>4.72 (1.15)</td>
<td>0.40**</td>
<td>3.91</td>
<td>0.001</td>
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<tr>
<td></td>
<td>Evaluation</td>
<td>5.53 (1.17)</td>
<td>4.92 (1.15)</td>
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<td>6.05</td>
<td>0.001</td>
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<td>Total Sample</td>
<td>Affect</td>
<td>5.06 (1.38)</td>
<td>4.63 (1.41)</td>
<td>0.43**</td>
<td>6.01</td>
<td>0.001</td>
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<td>Attitude</td>
<td>5.38 (1.26)</td>
<td>4.99 (1.29)</td>
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<td>5.99</td>
<td>0.001</td>
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<td>Evaluation</td>
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<td>8.84</td>
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</table>

Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 2 Means of Expectancy Condition in Airline Alliance

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<th>Country</th>
<th>Dependent Variables</th>
<th>High-Expectancy</th>
<th>Low-Expectancy</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.A.</td>
<td>Attitude</td>
<td>4.99 (1.12)</td>
<td>4.44 (1.18)</td>
<td>0.55**</td>
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<tr>
<td></td>
<td>Evaluation</td>
<td>5.03 (1.06)</td>
<td>4.45 (1.13)</td>
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<td>8.52</td>
<td>0.001</td>
</tr>
<tr>
<td>Canada</td>
<td>Attitude</td>
<td>5.15 (1.15)</td>
<td>4.12 (1.37)</td>
<td>1.03**</td>
<td>9.63</td>
<td>&lt;0.001</td>
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<tr>
<td></td>
<td>Evaluation</td>
<td>5.15 (1.06)</td>
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<td>9.64</td>
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<td>Total Sample</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 3 Means of Relevancy Condition in Ice Cream Alliance (U.S. Sample)

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<th>Dependent Variables</th>
<th>High-Relevancy</th>
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<td>4.92 (1.40)</td>
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<tr>
<td>Attitude</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>High-Expectancy</td>
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<td>5.37 (1.36)</td>
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<td>2.80</td>
<td>0.005</td>
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<td>Low-Expectancy</td>
<td>5.39 (1.36)</td>
<td>4.89 (1.32)</td>
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<td>4.11</td>
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<tr>
<td>Evaluation</td>
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<tr>
<td>High-Expectancy</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 4 Means of Relevancy Condition in Ice Cream Alliance (Canada Sample)

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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
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<td>&lt;0.001</td>
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<td>Low-Expectancy</td>
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<td>4.12</td>
<td>&lt;0.001</td>
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<td>High-Expectancy</td>
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<td>5.34 (1.17)</td>
<td>0.38**</td>
<td>3.63</td>
<td>&lt;0.001</td>
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<td>4.43</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 5 Means of Relevancy Condition in Ice Cream Alliance (Pooled Sample)

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<th>Dependent Variables</th>
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<th>Low-Relevancy</th>
<th>Mean Difference</th>
<th>t-statistic</th>
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<td>5.56 (1.16)</td>
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<td>4.52</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 6 Means of Relevancy Condition in Airline Alliance (U.S. Sample)

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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
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<td>Low Relevancy</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Attitude</td>
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<td>0.005</td>
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<td>4.31 (1.13)</td>
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<td>4.36 (1.04)</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 7 Means of Relevancy Condition in Airline Alliance (Canada Sample)

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</tr>
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<td>5.06 (1.00)</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 8 Means of Relevancy Condition in Airline Alliance (Pooled Sample)

<table>
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<th>Dependent Variables</th>
<th>High-Expectancy Relevancy</th>
<th>Low-Expectancy Relevancy</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
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</thead>
<tbody>
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<tr>
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<td>High</td>
<td>Low</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.18 (1.15)</td>
<td>4.91 (1.11)</td>
<td>0.27**</td>
<td>3.84</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td></td>
<td>4.50 (1.21)</td>
<td>4.14 (1.29)</td>
<td>0.36**</td>
<td>4.70</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td><strong>Evaluation</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.22 (1.08)</td>
<td>4.92 (1.04)</td>
<td>0.30**</td>
<td>4.60</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td></td>
<td>4.51 (1.06)</td>
<td>4.22 (1.17)</td>
<td>0.29**</td>
<td>4.15</td>
<td>&lt;0.001</td>
</tr>
</tbody>
</table>

*Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5.9 Impact of Brand Alliance on Host Brand Attitude (U.S.)

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Before</th>
<th>After</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.36 (1.24)</td>
<td>5.54 (1.07)</td>
<td>0.18**</td>
<td>2.06</td>
<td>0.040</td>
</tr>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.36 (1.24)</td>
<td>5.43 (1.35)</td>
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<td>0.66</td>
<td>0.508</td>
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<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.35 (1.22)</td>
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<td>0.11</td>
<td>1.29</td>
<td>0.196</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.35 (1.22)</td>
<td>4.76 (1.40)</td>
<td>0.59**</td>
<td>5.00</td>
<td>&lt;0.001</td>
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</tbody>
</table>

Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 10 Impact of Brand Alliance on Host Brand Attitude (Canada)

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Before</th>
<th>After</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
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<tr>
<td></td>
<td>Mean</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>High_e-High_r</em></td>
<td>4.69(1.27)</td>
<td>5.19 (1.14)</td>
<td>0.50**</td>
<td>4.57</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td><em>High_e-Low_r</em></td>
<td>4.69(1.27)</td>
<td>4.83 (1.16)</td>
<td>0.14</td>
<td>1.11</td>
<td>0.267</td>
</tr>
<tr>
<td><em>Low_e-High_r</em></td>
<td>4.77(1.16)</td>
<td>5.25(1.03)</td>
<td>0.48**</td>
<td>4.35</td>
<td>&lt;0.001</td>
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<tr>
<td><em>Low_e-Low_r</em></td>
<td>4.77(1.16)</td>
<td>4.56 (1.26)</td>
<td>0.21</td>
<td>1.62</td>
<td>0.107</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5.11 Impact of Brand Alliance on Host Brand Attitude (Pooled)

<table>
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<th>Dependent Variables</th>
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<th>After</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
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<td>High&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.11(1.29)</td>
<td>5.41 (1.11)</td>
<td>0.30**</td>
<td>4.29</td>
</tr>
<tr>
<td></td>
<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.11(1.29)</td>
<td>5.21 (1.32)</td>
<td>0.10</td>
<td>1.18</td>
</tr>
<tr>
<td></td>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.14(1.23)</td>
<td>5.38(1.17)</td>
<td>0.24**</td>
<td>3.37</td>
</tr>
<tr>
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<td>Low&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.14(1.23)</td>
<td>4.69 (1.35)</td>
<td>0.45**</td>
<td>5.09</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
### Table 5. 12 Impact of Brand Alliance on Host Brand Attitude (U.S.)

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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>( High_e - High_r )</td>
<td>4.88 (1.07)</td>
<td>5.11 (1.28)</td>
<td>0.23**</td>
<td>2.47</td>
<td>0.014</td>
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<tr>
<td>( High_e - Low_r )</td>
<td>4.88 (1.07)</td>
<td>4.89 (1.19)</td>
<td>0.01</td>
<td>0.14</td>
<td>0.890</td>
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<tr>
<td>( Low_e - High_r )</td>
<td>4.76 (1.04)</td>
<td>4.75 (1.25)</td>
<td>0.01</td>
<td>0.10</td>
<td>0.920</td>
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<tr>
<td>( Low_e - Low_r )</td>
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<td>4.55 (1.28)</td>
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<td>2.30</td>
<td>0.022</td>
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**Note:** Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5.13 Impact of Brand Alliance on Host Brand Attitude (Canada)

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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
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<td>4.68(1.29)</td>
<td>5.03 (1.28)</td>
<td>0.35**</td>
<td>2.99</td>
<td>0.003</td>
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<td>4.68(1.29)</td>
<td>4.94 (1.15)</td>
<td>0.26</td>
<td>1.88</td>
<td>0.062</td>
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<td>4.63 (1.27)</td>
<td>4.46(1.27)</td>
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<td>1.45</td>
<td>0.149</td>
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<td>4.63 (1.27)</td>
<td>3.88 (1.45)</td>
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<td>5.06</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 14 Impact of Brand Alliance on Host Brand Attitude (Pooled)

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<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
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<td></td>
<td>4.80(1.16)</td>
<td>5.08 (1.27)</td>
<td>0.28**</td>
<td>3.75</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.80(1.16)</td>
<td>4.90 (1.17)</td>
<td>0.10</td>
<td>1.33</td>
<td>0.184</td>
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<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.71 (1.13)</td>
<td>4.64 (1.27)</td>
<td>0.07</td>
<td>0.91</td>
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<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.71 (1.13)</td>
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<td>0.40**</td>
<td>5.06</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.71 (1.13)</td>
<td>4.31 (1.38)</td>
<td>0.40**</td>
<td>5.06</td>
<td>&lt;0.001</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5.15 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (U.S.)

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<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.31(1.10)</td>
<td>5.54 (1.10)</td>
<td>0.23**</td>
<td>3.08</td>
<td>0.002</td>
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<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.30(1.09)</td>
<td>5.58 (1.29)</td>
<td>0.28**</td>
<td>2.80</td>
<td>0.006</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.28 (1.08)</td>
<td>5.62 (1.12)</td>
<td>0.34**</td>
<td>4.38</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.77 (1.17)</td>
<td>5.05 (1.26)</td>
<td>0.28**</td>
<td>3.00</td>
<td>0.003</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 16 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (Canada)

<table>
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<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
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<td>5.47(1.01)</td>
<td>5.67 (1.17)</td>
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<td>5.01(1.22)</td>
<td>5.42 (1.20)</td>
<td>0.39**</td>
<td>3.52</td>
<td>0.001</td>
</tr>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.08 (1.16)</td>
<td>5.62 (1.11)</td>
<td>0.54**</td>
<td>4.78</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.85 (1.08)</td>
<td>5.13 (1.12)</td>
<td>0.28**</td>
<td>2.63</td>
<td>0.009</td>
</tr>
<tr>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
### Table 5.17 Impact of Brand Alliance on Ice Cream Partner Brand Attitude (Pooled)

<table>
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<th>Before</th>
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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
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<td>Mean</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.37 (1.07)</td>
<td>5.59 (1.12)</td>
<td>0.22**</td>
<td>3.60</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>High&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.19 (1.15)</td>
<td>5.52 (1.26)</td>
<td>0.33**</td>
<td>4.26</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>5.20 (1.16)</td>
<td>5.62 (1.11)</td>
<td>0.42**</td>
<td>6.39</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;e&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.80 (1.13)</td>
<td>5.07 (1.21)</td>
<td>0.27**</td>
<td>3.96</td>
<td>&lt;0.001</td>
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</table>

Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 18 Impact of Brand Alliance on Airline Partner Brand Attitude (U.S.)

<table>
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<tr>
<th>Dependent Variables</th>
<th>Before</th>
<th>After</th>
<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High e-High r</td>
<td>4.27(1.04)</td>
<td>5.04 (1.18)</td>
<td>0.77**</td>
<td>9.93</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>High e-Low r</td>
<td>3.95(.91)</td>
<td>4.81 (1.13)</td>
<td>0.86**</td>
<td>9.73</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low e-High r</td>
<td>3.93 (.80)</td>
<td>4.70(1.18)</td>
<td>0.77**</td>
<td>10.12</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low e-Low r</td>
<td>3.80 (.74)</td>
<td>4.64 (1.20)</td>
<td>0.84**</td>
<td>10.81</td>
<td>&lt;0.001</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5.19 Impact of Brand Alliance on Airline Partner Brand Attitude (Canada)

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<th>Dependent Variables</th>
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<th>Mean Difference</th>
<th>t-statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
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<td>High_e-High_r</td>
<td>4.49(0.91)</td>
<td>4.99 (1.19)</td>
<td>0.50**</td>
<td>5.62</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>High_e-Low_r</td>
<td>4.29(0.81)</td>
<td>4.78 (1.19)</td>
<td>0.49**</td>
<td>4.39</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low_e-High_r</td>
<td>3.98(0.74)</td>
<td>4.58(1.15)</td>
<td>0.60**</td>
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<tr>
<td>Low_e-Low_r</td>
<td>3.91(0.69)</td>
<td>4.36 (1.27)</td>
<td>0.45**</td>
<td>4.50</td>
<td>&lt;0.001</td>
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Note: Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
### Table 5.20 Impact of Brand Alliance on Airline Partner Brand Attitude (Pooled)

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<th>t-statistic</th>
<th>p-value</th>
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<td>High&lt;sub&gt;h&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.35(1.00)</td>
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<td>0.67**</td>
<td>11.33</td>
<td>&lt;0.001</td>
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<tr>
<td>High&lt;sub&gt;h&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>4.07(0.88)</td>
<td>4.80 (1.15)</td>
<td>0.73**</td>
<td>10.38</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Low&lt;sub&gt;v&lt;/sub&gt;-High&lt;sub&gt;r&lt;/sub&gt;</td>
<td>3.95(0.78)</td>
<td>4.66(1.16)</td>
<td>0.71**</td>
<td>11.50</td>
<td>&lt;0.001</td>
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<tr>
<td>Low&lt;sub&gt;v&lt;/sub&gt;-Low&lt;sub&gt;r&lt;/sub&gt;</td>
<td>3.83 (0.72)</td>
<td>4.53 (1.23)</td>
<td>0.70**</td>
<td>11.29</td>
<td>&lt;0.001</td>
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</table>

**Note:** Values enclosed in parentheses represent standard deviations.

*P<0.05, **P<0.01
Table 5. 21 ANCOVA Results for Covariates (U.S.)

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<th>p-value</th>
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<td><strong>Main Effects</strong></td>
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<td>Expectancy (A)</td>
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<td>Evaluation</td>
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<td>Relevancy (B)</td>
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<td>.003</td>
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<td>Interactions</td>
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Table 5. 22 ANCOVA Results for Covariates (Canada)

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<th>Dependent Variables</th>
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<th>F statistics</th>
<th>p-value</th>
</tr>
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<tr>
<td><strong>Main Effects</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
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<td>Expectancy (A)</td>
<td>Attitude</td>
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<td>0.019</td>
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<td>12.83</td>
<td>&lt;0.001</td>
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<td>0.165</td>
</tr>
<tr>
<td><strong>Covariates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Micro image</td>
<td>Attitude</td>
<td>1</td>
<td>10.14</td>
<td>0.002</td>
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<tr>
<td></td>
<td>Evaluation</td>
<td>1</td>
<td>30.64</td>
<td>&lt;0.001</td>
</tr>
<tr>
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<td>Attitude</td>
<td>1</td>
<td>17.18</td>
<td>&lt;.001</td>
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<tr>
<td></td>
<td>Evaluation</td>
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<td>12.13</td>
<td>.001</td>
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<td>4.60</td>
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<td>0.004</td>
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<tr>
<td>Error</td>
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Table 5.23 ANCOVA Results for Covariates (Pooled Sample)

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<th>df</th>
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<th>p-value</th>
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<tr>
<td>Expectancy (A)</td>
<td></td>
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<tr>
<td>Attitude</td>
<td>1</td>
<td>12.59</td>
<td>&lt;.001</td>
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<tr>
<td>Evaluation</td>
<td>1</td>
<td>10.66</td>
<td>.001</td>
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<tr>
<td>Relevancy (B)</td>
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<tr>
<td>Evaluation</td>
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<td>59.65</td>
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<td>Macro image</td>
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<td></td>
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<td>&lt;.001</td>
</tr>
<tr>
<td>Evaluation</td>
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<td>29.98</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>CE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude</td>
<td>1</td>
<td>3.59</td>
<td>.058</td>
</tr>
<tr>
<td>Evaluation</td>
<td>1</td>
<td>2.79</td>
<td>.095</td>
</tr>
<tr>
<td><strong>Error</strong></td>
<td>1541</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix

Branding Study
(2Q1)

Dear Respondent,

You have been invited to participate in this survey. The study attempts to understand how consumers evaluate different brands and brand alliances.

We estimated that your participation will take approximately thirty-five to forty minutes and all information you provide in this survey will be used only in combination with those of other respondents. There is no risk to participating, and you are free to cease the experiment at any time without penalty or prejudice.

If you have any questions concerning this study, please email the researcher, Andy Wei Hao, whao@kent.edu.

Sincerely,

Andy Wei Hao
Department of Marketing
Kent State University

Participant’s Signature____________________________________
Date__________________________________________
Part One

In this part, you are asked to evaluate a number of airline brands. Please evaluate each of the following airline brands by circling the appropriate number on the following measures. Once you turn the paper, do not turn back to an earlier page.
Section I: The following questions ask your opinion about American Airlines Brand. (Please circle the appropriate number).

1. Have you heard of American Airlines before?
   (1) Yes          (2) No

2. How familiar are you with the “American Airlines” brand?
   Not at all familiar 1 2 3 4 5 6 7 Very familiar

3. How difficult is it to recognize American Airlines among other airlines?
   Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of American Airlines, please indicate your overall attitude toward American Airlines:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

5. I believe American Airlines is of:
   a. Low quality 1 2 3 4 5 6 7 High quality
   b. Inferior service 1 2 3 4 5 6 7 Superior service
6. If you were going to buy an international air ticket in the near future, how likely would you be to buy an American Airlines ticket?

Very unlikely 1 2 3 4 5 6 7 Very likely to buy

Section II: The following questions ask your opinion about British Airways Brand.

(Please circle the appropriate number).

1. Have you heard of British Airways before?

(1) Yes  (2) No

2. How familiar are you with the “British Airways” brand?

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

3. How difficult is it to recognize British Airways among other airlines?

Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of British Airways, please indicate your overall attitude toward British Airways:

a. Negative 1 2 3 4 5 6 7 Positive

b. Bad 1 2 3 4 5 6 7 Good

c. Unfavorable 1 2 3 4 5 6 7 Favorable
5. I believe British Airways is of:
   a. Low quality 1 2 3 4 5 6 7 High quality
   b. Inferior service 1 2 3 4 5 6 7 Superior service

6. If you were going to buy an international air ticket in the near future, how likely would you be to buy a British Airways ticket?
   Very unlikely to buy 1 2 3 4 5 6 7 Very likely to buy

Section III: The following questions ask your opinion about Air Canada Brand.
(Please circle the appropriate number).

1. Have you heard of Air Canada before?
   (1) Yes (2) No

2. How familiar are you with the “Air Canada” brand?
   Not at all familiar 1 2 3 4 5 6 7 Very familiar

3. How difficult is it to recognize Air Canada among other airlines?
   Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of Air Canada, please indicate your overall attitude toward Air Canada:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
5. I believe Air Canada is of:
   a. Low quality
   b. Inferior service

6. If you were going to buy an international air ticket in the near future, how likely would you be to buy an Air Canada ticket?
Part Two

Now American Airlines is considering expanding globally by forming a brand alliance with a partner airline brand. Deciding how to choose the right partner brand is strategically important to American Airlines. You are one of a small group being selected to take this survey, so your opinions are very important for American Airlines decision making. Please evaluate each of the following brand alliances by circling the appropriate number on the following measures. Once you turn the paper, do not turn back to an earlier page.
1. American Airlines & British Airways alliance

Imagine American Airlines forming a brand alliance with British Airways by sharing marketing activities and jointly offering services to customers. *(Please circle the appropriate number).*

1. How do you evaluate the alliance between American Airlines & British Airways brands?
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

2. Based on all your knowledge about the American Airlines and British Airways brands, please carefully evaluate the American Airlines & British Airways alliance.
   a. I believe the American Airlines & British Airways brand alliance is:
      a. Low quality 1 2 3 4 5 6 7 High quality
      b. Inferior service 1 2 3 4 5 6 7 Superior service
   b. If you were going to buy an international air ticket in the near future, how likely would you be to buy the ticket from the American Airlines & British Airways brand alliance?
      Very unlikely to buy 1 2 3 4 5 6 7 Very likely to buy
3. What do you think about American Airlines and British Airways brand images?
   a. Highly dissimilar
   b. Not complementary
   c. Not consistent

4. It is ______________ for American Airlines to form a brand alliance with British Airways.
   a. Not unexpected
   b. Not surprising

5. If American Airlines indeed has formed a brand alliance with British Airways, please indicate your overall attitude towards American Airlines brand:
   a. Negative
   b. Bad
   c. Unfavorable

6. If American Airlines indeed has formed a brand alliance with British Airways, please indicate your overall attitude towards British Airways brand:
   a. Negative
   b. Bad
c. Unfavorable 1 2 3 4 5 6 7 Favorable

7. How strongly do you feel the American Airlines brand is associated with its home country—United States?

   Weak association 1 2 3 4 5 6 7 Strong association

8. How strongly do you feel the British Airways brand is associated with its home country—Great Britain?

   Weak association 1 2 3 4 5 6 7 Strong association
2. American Airlines & Air Canada alliance

*Imagine* American Airlines forming a brand alliance with Air Canada by sharing marketing activities and jointly offering service to customers. 

*(Please circle the appropriate number).*

1. How do you evaluate the alliance between American Airlines & Air Canada brands?
   
   a. Negative 1 2 3 4 5 6 7 Positive
   
   b. Bad 1 2 3 4 5 6 7 Good
   
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

2. Based on all your knowledge about the American Airlines and Air Canada brands, please carefully evaluate the American Airlines & Air Canada brand alliance.

   a. I believe the American Airlines & Air Canada brand alliance is:
      
      a. Low quality 1 2 3 4 5 6 7 High quality
      
      b. Inferior service 1 2 3 4 5 6 7 Superior service

   b. If you were going to buy an international air ticket in the near future, how likely would you be to buy the ticket from the American Airlines & Air Canada brand alliance?
      
      Very unlikely 1 2 3 4 5 6 7 Very likely to buy
3. What do you think about American Airlines and Air Canada brand images?
   a. Highly dissimilar 1 2 3 4 5 6 7 Highly similar
   b. Not complementary 1 2 3 4 5 6 7 Complementary
   c. Not consistent 1 2 3 4 5 6 7 Consistent

4. It is ______________ for American Airlines to form a brand alliance with Air Canada.
   a. Not unexpected 1 2 3 4 5 6 7 Extremely unexpected
   b. Not surprising 1 2 3 4 5 6 7 Extremely surprising

5. How strongly do you feel the Air Canada brand is associated with its home country—Canada?
   Weak association 1 2 3 4 5 6 7 Strong association

6. If American Airlines indeed has formed a brand alliance with Air Canada, please indicate your overall attitude towards American Airlines brand:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable
7. If American Airlines indeed has formed a brand alliance with Air Canada, please indicate your overall attitude towards Air Canada brand:

   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

8. Generally speaking, how knowledgeable do you feel you are in choosing an air carrier?

   Not knowledgeable 1 2 3 4 5 6 7 Knowledgeable

9. How often do you travel by airline? (Please check the appropriate box)

   ( ) less than once per year ( ) 9-12 times per year
   ( ) 1-3 times per year ( ) over 12 times per year
   ( ) 4-8 times per year

10. How many trips do you expect to take in the next twelve months? _________________ trips.
Part Three

Please evaluate each of the following chocolate and ice cream brands by circling the appropriate number on the following measures. Once you turn the paper, do not turn back to an earlier page.
Section I: The following questions ask your opinion about Godiva Brand. (Please circle the appropriate number).

1. Have you heard of Godiva chocolate before?
   (1) Yes  (2) No

2. How familiar are you with the “Godiva” brand?
   Not at all familiar 1 2 3 4 5 6 7 Very familiar

3. How difficult is it to recognize Godiva chocolate among other chocolates?
   Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of Godiva chocolate, please indicate how much you agree or disagree with each of the following statements:

   Disagree  Agree
   a. I will feel good when I have Godiva chocolate. 1 2 3 4 5 6 7
   b. Eating Godiva chocolate will make me happy. 1 2 3 4 5 6 7
   c. I will feel pleasure when I eat Godiva chocolate. 1 2 3 4 5 6 7

5. Based on your knowledge and experience of Godiva products, please indicate your overall attitude toward the Godiva brand:

   a. Negative  1 2 3 4 5 6 7 Positive
   b. Bad  1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

6. I believe Godiva chocolate is of
a. Low quality 1 2 3 4 5 6 7 High quality

b. Inferior product 1 2 3 4 5 6 7 Superior product

7. If you were going to buy chocolate in the next two weeks, how likely would you be to buy Godiva chocolate?

Very unlikely to buy 1 2 3 4 5 6 7 Very likely to buy

Section II: The following questions ask your opinion about Haagen Dazs Brand.

(Please circle the appropriate number).

1. Have you heard of Haagen Dazs ice cream before?
(1) Yes (2) No

2. How familiar are you with the “Haagen Dazs” brand?
Not at all familiar 1 2 3 4 5 6 7 Very familiar

3. How difficult is it to recognize Haagen Dazs ice cream among other ice creams?

Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of Haagen Dazs ice cream, please indicate how much you agree or disagree with each of the following statements:

<table>
<thead>
<tr>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. I will feel good when I have Haagen Dazs ice cream.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>b. Eating Haagen Dazs ice cream will make me happy.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>c. I will feel pleasure when I eat Haagen Dazs ice cream.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>
5. Based on your knowledge and experience of Haagen Dazs products, please indicate your overall attitude toward the Haagen Dazs brand:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

6. I believe Haagen Dazs ice cream is of
   a. Low quality 1 2 3 4 5 6 7 High quality
   b. Inferior product 1 2 3 4 5 6 7 Superior product

7. If you were going to buy ice cream in the next two weeks, how likely would you be to buy Haagen Dazs ice cream?
   Very unlikely to buy 1 2 3 4 5 6 7 Very likely to buy

Section III: The following questions ask your opinion about Ben & Jerry’s Brand.
(Please circle the appropriate number).

1. Have you heard of Ben & Jerry’s ice cream before?
   (1) Yes (2) No

2. How familiar are you with the “Ben and Jerry’s” brand?
   Not at all familiar 1 2 3 4 5 6 7 Very familiar
3. How difficult is it to recognize Ben & Jerry’s ice cream among other ice creams?
   Very difficult 1 2 3 4 5 6 7 Very easy

4. Based on your knowledge and experience of Ben & Jerry’s ice cream, please indicate how much you agree or disagree with each of the following statements:
   a. I will feel good when I have Ben & Jerry’s ice cream. 1 2 3 4 5 6 7
   b. Eating Ben & Jerry’s ice cream will make me happy. 1 2 3 4 5 6 7
   c. I will feel pleasure when I eat Ben & Jerry’s ice cream. 1 2 3 4 5 6 7

5. Based on your knowledge and experience of Ben & Jerry’s products, please indicate your overall attitude toward the Ben & Jerry’s brand:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

6. I believe Ben & Jerry’s ice cream is of
   a. Low quality 1 2 3 4 5 6 7 High quality
   b. Inferior product 1 2 3 4 5 6 7 Superior product

7. If you were going to buy ice cream in the next two weeks, how likely would you be to buy Ben & Jerry’s ice cream?
<table>
<thead>
<tr>
<th>Very unlikely to buy</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>Very likely to buy</th>
</tr>
</thead>
</table>

Part Four

Now Godiva chocolate is considering expanding by forming a brand alliance with a partner brand from the ice cream market. Deciding how to choose the right partner brand is strategically important to Godiva. You are one of a small group being selected to take this survey, so your opinions are very important for Godiva decision making. Please evaluate each of the following brand alliances by circling the appropriate number on the following measures. Once you turn the paper, do not turn back to an earlier page.
1. Godiva/Haagen Dazs ice cream

*Imagine* Godiva launches the new ice cream product by forming a brand alliance with Haagen Dazs. The new ice cream will be named Godiva/Haagen Dazs ice cream.

*(Please circle the appropriate number).*

1. If you had the opportunity to try the new Godiva/Haagen Dazs ice cream, please indicate how much you would agree with the following statements:

<table>
<thead>
<tr>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

a. I will feel good when I have Godiva/Haagen Dazs ice cream.

b. Eating Godiva/Haagen Dazs ice cream will make me happy.

c. I will feel pleasure when I eat Godiva/Haagen Dazs ice cream.

2. Based on your knowledge and experience of Godiva and Haagen Dazs’ products, please indicate your overall attitude toward the alliance between Godiva and Haagen Dazs brands:

<table>
<thead>
<tr>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

a. Negative

b. Bad

c. Unfavorable

Positive

Good

Favorable

3. Based on all your knowledge about Godiva and Haagen Dazs products, please carefully evaluate the new Godiva/Haagen Dazs ice cream.

a. I believe the Godiva/Haagen Dazs ice cream is:

<table>
<thead>
<tr>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

a. Low quality

b. Inferior product

High quality

Superior product
b. If you were going to purchase ice cream in the next two weeks, how likely would you be to purchase the Godiva/Haagen Dazs ice cream?

| Very unlikely to buy | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Very likely to buy |

4. What do you think about the Godiva chocolate and Haagen Dazs ice cream brand images?

   a. Highly dissimilar
      
      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Highly similar |

   b. Not complementary
      
      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Complementary |

   c. Not consistent
      
      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Consistent |

5. It is ________________ for Godiva to form a brand alliance with Haagen Dazs to make ice cream.

   a. Not unexpected
      
      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Extremely unexpected |

   b. Not surprising
      
      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Extremely surprising |
6. If Godiva indeed has formed a brand alliance with Haagen Dazs, please indicate your overall attitude towards Godiva brand:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable

7. If Godiva indeed has formed a brand alliance with Haagen Dazs, please indicate your overall attitude towards Haagen Dazs brand:
   a. Negative 1 2 3 4 5 6 7 Positive
   b. Bad 1 2 3 4 5 6 7 Good
   c. Unfavorable 1 2 3 4 5 6 7 Favorable
2. Godiva/Ben & Jerry’s ice cream

*Imagine* Godiva launches the new ice cream product by forming a brand alliance with Ben and Jerry’s. The new ice cream will be named Godiva/Ben & Jerry's ice cream.

*(Please circle the appropriate number).*

1. If you had the opportunity to try the new Godiva/Ben & Jerry’s ice cream, please indicate how much you would agree with the following statements:

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>a. I will feel good when I have Godiva/Ben &amp; Jerry’s ice cream.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>b. Eating Godiva/Ben &amp; Jerry’s ice cream will make me happy.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>c. I will feel pleasure when I eat Godiva/Ben &amp; Jerry’s ice cream.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

2. Based on your knowledge and experience of Godiva and Ben & Jerry’s products, please indicate your overall attitude toward the alliance between Godiva and Ben & Jerry’s brands:

<table>
<thead>
<tr>
<th>Negative</th>
<th>Bad</th>
<th>Unfavorable</th>
<th>Positive</th>
<th>Good</th>
<th>Favorable</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

3. Based on all your knowledge about Godiva and Ben & Jerry’s products, please carefully evaluate the new Godiva/Ben & Jerry’s ice cream.

   a. I believe the Godiva/Ben & Jerry’s ice cream is:

      | Low quality | High quality |
      | 1 2 3 4 5 6 7 | 1 2 3 4 5 6 7 |
b. Inferior product 1 2 3 4 5 6 7 Superior product

b. If you were going to purchase ice cream in the next two weeks, how likely would you be to purchase the Godiva/Ben & Jerry’s ice cream?

Very unlikely to buy 1 2 3 4 5 6 7 Very likely to buy

4. What do you think about the Godiva chocolate and Ben & Jerry’s ice cream brand images?

a. Highly dissimilar 1 2 3 4 5 6 7 Highly similar

b. Not complementary 1 2 3 4 5 6 7 Complementary

c. Not consistent 1 2 3 4 5 6 7 Consistent

5. It is ______________ for Godiva to form a brand alliance with Ben & Jerry’s to make ice cream.

a. Not unexpected 1 2 3 4 5 6 7 Extremely unexpected

b. Not surprising 1 2 3 4 5 6 7 Extremely surprising
6. If Godiva indeed has formed a brand alliance with Ben and Jerry’s, please indicate your overall attitude towards Godiva brand:

   a. Negative  1 2 3 4 5 6 7  Positive

   b. Bad  1 2 3 4 5 6 7  Good

   c. Unfavorable  1 2 3 4 5 6 7  Favorable

7. If Godiva indeed has formed a brand alliance with Ben & Jerry’s, please indicate your overall attitude towards Ben & Jerry’s brand:

   a. Negative  1 2 3 4 5 6 7  Positive

   b. Bad  1 2 3 4 5 6 7  Good

   c. Unfavorable  1 2 3 4 5 6 7  Favorable

8. I believe it is ______________ for Godiva to make ice cream.

   a. Very inappropriate  1 2 3 4 5 6 7  Very appropriate

   b. Very unfavorable  1 2 3 4 5 6 7  Very favorable

9. Generally speaking, how familiar are you with ice cream products?

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

10. Generally speaking, how familiar are you with chocolate products?

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

Please refresh your mind. Regardless of all your previous answers, please answer the following questions:

Section 1: The following questions ask about your attitudes towards foreign-made products. Please circle a number on the scale that indicates your Best response.
(“1” — disagree, “7” — agree.)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>agree</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>American products, first, last, and foremost.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>2.</td>
<td>A real American should always buy United States-made products.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>3.</td>
<td>Americans should not buy foreign products, because this hurts American business and causes unemployment.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>4.</td>
<td>It may cost me in the long-run but I prefer to support American products.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>5.</td>
<td>American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>6.</td>
<td>We should buy from foreign countries only those products that we can not obtain within our own country.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>
Section II: The following questions ask about your opinions about Great Britain. Please circle a number on the scale that indicates your Best response. ("1" — disagree, "7" — agree.)

<table>
<thead>
<tr>
<th></th>
<th>Great Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Products made in this country are carefully produced and have fine workmanship.</td>
</tr>
<tr>
<td>2</td>
<td>Products made in this country are generally of a lower quality than similar products available from other countries.</td>
</tr>
<tr>
<td>3</td>
<td>Products made in this country show a very high degree of technological advancement.</td>
</tr>
<tr>
<td>4</td>
<td>Products made in this country usually show a very clever use of color and design.</td>
</tr>
<tr>
<td>5</td>
<td>Products made in this country are usually quite reliable and seem to last the desired length of time.</td>
</tr>
<tr>
<td>6</td>
<td>Products made in this country are usually a good value for the money.</td>
</tr>
<tr>
<td>7</td>
<td>This country has a low level of technological research.</td>
</tr>
<tr>
<td>8</td>
<td>This country has a high standard of living.</td>
</tr>
<tr>
<td>9</td>
<td>This country has high labor costs.</td>
</tr>
<tr>
<td>10</td>
<td>This country has a great welfare system.</td>
</tr>
<tr>
<td>11</td>
<td>This country has a high level of industrialization.</td>
</tr>
<tr>
<td>12</td>
<td>This country has a civilian non-military government.</td>
</tr>
<tr>
<td>13</td>
<td>This country has a highly developed economy.</td>
</tr>
<tr>
<td>14</td>
<td>This country has a free-market system.</td>
</tr>
<tr>
<td>15</td>
<td>This country is a democratic country.</td>
</tr>
</tbody>
</table>
Section III: The following questions ask about your opinions about Canada. Please circle a number on the scale that indicates your Best response.
( “1” — disagree, “7” — agree.)

<table>
<thead>
<tr>
<th></th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>← Disagree ← Agree →</td>
</tr>
<tr>
<td>1</td>
<td>Products made in this country are carefully produced and have fine workmanship.</td>
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<td>2</td>
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</tr>
</tbody>
</table>
Section IV: The following questions ask about your opinions about the United States. Please circle a number on the scale that indicates your Best response.  
( “1” — disagree, “7” — agree.)

<table>
<thead>
<tr>
<th></th>
<th>The United States</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Disagree</td>
</tr>
<tr>
<td>1</td>
<td>Products made in this country are carefully produced and have fine workmanship.</td>
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</tbody>
</table>
Demographic Information

Please answer the following questions:

1. What is your major? ______________________

2. What year of university are you in? _____________________

3. You are______________.
   a. Female
   b. Male

4. Your age is between: ______________.
   a. Under 18
   b. 18-25
   c. 26-35
   d. Above 35

5. What is your nationality? _______________

Thanks for your participation!