THE ROLE OF MEMORY INTERFERENCE
IN THE REPOSITIONING OF BRANDS

DISSEPTION

Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of The Ohio State University

By
Robert D. Jewell, BS, MS

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The Ohio State University
1999

Dissertation Committee:
Professor H. Rao Unnava, Advisor
Professor Robert E. Burnkrant
Robert P. Leone

Approved by

Rao Unnava
Advisor
Graduate Program in Business Administration
ABSTRACT

Products can expect to go through a series of stages in which demand, revenue, and profitability will vary. However, brands can be strategically reformulated to postpone the inevitable decline stage and continue to make a contribution to a company. One such strategic alternative is repositioning, the changing of a currently untenable positioning to a more effective one. A brand's position represents the perception that consumers have of that brand, with regard to its attributes and benefits, when considering the market as a whole. For a repositioning effort to be successful (i.e., for a perceptual shift to occur), a new brand meaning must become accessible and the old brand meaning must be forgotten, blocked, or at least constrained.

The first two studies focus on constraining old brand associations by taking advantage of competitive interference, a phenomenon typically viewed as a marketer's problem. Extant research has shown that advertising effectiveness can be undermined within a competitive environment because of the similarity of attributes associated with brands aimed at the same market segment. However, the results of two experimental studies demonstrate that when a brand's repositioning effort occurs within the context of the brand's original competitive set, the likelihood that the brand's original positioning will be constrained, and the new positioning will become accessible is enhanced.
The third experimental study examines the comparative advertising format as a tool for repositioning. Results indicate that a combination comparative-advertising strategy is more effective than either a purely dissociative or purely associative advertising strategy in creating interference to the old-positioning attribute and enhancing the level of acceptability for the repositioning attribute. With a combination strategy, a target brand is first compared to a comparison brand from the original competitive set to dilute perceptions of differentiation between the old and new positionings. Subsequently, a second comparative ad, with a comparison brand from the new competitive set, is used to strengthen linkages to the new positioning. It is argued that the combination strategy functionally increases the level of similarity between the old and new positionings resulting in a greater level of interference to the old-positioning attribute.
Dedicated to my mother
Elizabeth Jewell

In loving memory of my father
Robert W. Jewell
ACKNOWLEDGEMENTS

There have been a number of people who have been instrumental in allowing me to earn my degree. I would like to acknowledge their help and support throughout this endeavor.

I owe a debt of gratitude to my advisor Rao Unnava. His support, encouragement, insights, and assistance have been invaluable to me in successfully completing every component of this degree. In addition, professor Unnava has had a profound influence on my professional development. I will strive to adopt an approach to research that is a direct reflection of his own.

I am grateful for the support of my other committee members. Bob Burnkrant has been a valuable resource in my research efforts. In addition, his steady support has greatly facilitated my ability to complete this degree. Bob Leone has provided a perspective that has helped me tremendously and has improved the dissertation significantly.

I would like to thank my parents for believing in me and understanding my motivation to undertake this endeavor. They are, and have always been, the bedrock on which I stand. Without their love and support, the successful completion of this degree would have been impossible. I would like to thank my children, Alex and Laura. They bring me great pride and joy and a greatly needed sense of perspective.
VITA

November 24, 1959

Born – Santa Monica, California

1981

B.S. Marketing, Indiana University

1983

M.S. Marketing, Northern Illinois University

1994-1996

Teaching and Research Assistant, Department of Marketing, The Ohio State University, Columbus, Ohio

1996-1999

Copy Editor, Journal of Consumer Research

PUBLICATIONS


FIELDS OF STUDY

Major Field: Business Administration
Minor Field: Marketing
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CHAPTER 1

INTRODUCTION

During a product’s life, a company will normally reformulate its marketing strategy several times. Not only do economic conditions change, and competitors launch new assaults, but in addition, the product passes through new stages of buyer interest requirements. The company hopes to extend the product’s life and profitability even knowing that the product will not last forever (Kotler 1991).

A strong case can be made for the proposition that change in the marketplace is inevitable. For example, at a macro-theoretical level, Dickson’s Theory of Competitive Rationality (1992) is based on the premise that changes in the marketplace offerings of suppliers (i.e., both the nature and quantity) lead to changes in demand which lead again to changes in supply. The variation in the rate of change among buyers and sellers produces, paradoxically, a constant state of marketplace disequilibrium in which supply exceeds demand, resulting in the intense level of marketplace competition characteristic of a free-market economy.

At the micro-firm level, change is predicted by various product life cycle models (e.g., Levitt 1965, Day 1981, Lambkin and Day 1989, Kotler 1991). The basic postulate of the PLC is that every product can expect to experience different stages in which demand, revenue and profitability will vary. In addition, product life cycle models assume that
products have a limited life and predict the demise of even a successful product due to evolving consumer wants, tastes, and preferences in a constantly changing and evolving marketplace. Given a state of marketplace disequilibrium, most strategic marketing decisions may have to be readdressed and reevaluated continually to fit the changing marketplace conditions.

In this dissertation, the focus is on a firm’s strategic repositioning efforts on behalf of its brands. Shifts in consumer tastes and wants, the entry of a new product or brand into the product category, the shift of a brand into its late maturity stage, or the lack of a good fit between what a brand stands for and what the market is looking for are some of the factors that can make it necessary for a marketer to reposition its brands in the market. For example, Arm & Hammer baking soda, faced with stagnant sales, repositioned itself not just as an aid in baking, but as a general purpose, natural deodorizer. The focus of this dissertation will be on identifying conditions under which the communication of a brand’s new positioning to the target market will be more or less effective. We will not focus on the appropriateness of any positioning strategy chosen by a company. Rather, the focus will be on advertising the new positioning to consumers and the conditions under which such advertising can be differentially effective.

Repositioning

One strategic alternative available to marketing managers faced with a product on the cusp of the downward side of the product life cycle is repositioning; that is, changing the current, presumably untenable positioning to a more viable, effective one. Firms that desire
to extend the life of a product through repositioning would find it advantageous to have available empirical evidence to guide its repositioning effort. The primary focus of this dissertation is on empirically demonstrating ways of making a firm’s repositioning efforts more efficient and more effective.

To understand the dynamics of repositioning, it is important to make a distinction between repositioning a brand and the position of that brand. Repositioning is the process of a firm attempting to achieve a new desired position in the marketplace for a particular brand. That is, the repositioning of a brand is characterized by firm-level activity on behalf of a brand with a specific, new brand position as its goal. Once the new position has been decided upon, the firm attempts to realize the new position via specific, tactical marketing mix decisions that support the desired new position. In contrast, the position of a brand is a cognitive construct that represents the perception that a consumer has of a particular brand, with regard to its attributes and benefits, when considering the market as a whole. As a cognitive construct, the position of a brand resides in an individual consumer’s long-term memory and is assessed relative to other brands of which the consumer has knowledge.

The aim of any repositioning effort is to alter perceptions of a brand position relative to other brands in the product category. That is, the firm is attempting to influence how consumers define and perceive the target brand in the market to its advantage. Hence, although the intended repositioning of a brand originates on the marketer’s drawing board, the success of the repositioning is based on the extent that the new position of a particular brand is salient within the mind of the consumer (Kotler 1994; Reis and Trout 1981).
However, consumers’ acceptance of a firm’s repositioning effort is generally difficult because an existing, familiar brand may have strong linkages to the current (undesirable) positioning attributes (Keller 1993).

Conceptually, it follows that a firm attempting to reposition an existing brand would benefit to the extent that it could decrease the accessibility of the target brand's previous or preexisting position within the minds’ of consumers when attempting to establish a new position. Hence, for a repositioning effort to be successful, the accessibility of the old position, relative to the new position, must be reduced thereby increasing the probability that consumers will retrieve the new position when presented with brand information (e.g., name, logo, packaging, advertising, etc.) as a cue. In sum, this dissertation takes a unique approach to repositioning. Rather than framing repositioning as the single problem of learning the new position, this dissertation views repositioning as a combination of two subproblems: (1) learning the new positioning, and (2) the functional forgetting, defined as constraining the accessibility, of the old positioning. Framing the repositioning problem to include constraining the accessibility of existing brand-positioning linkages makes it necessary to understand the processes involved in forgetting and memory interference.

Interference and Forgetting

The experience of forgetting something that was once known is a universal phenomenon of the human mind and one that is not trivial. Over 50 years ago, McGeoch (1942) expressed the opinion that the process of forgetting is almost as pervasive as the process of learning itself. The importance of the role of forgetting is supported by
Underwood (1983) who is of the opinion that the study of learning is, de facto, the study of the interplay between learning and forgetting. In more contemporary times, understanding the processes of forgetting is still considered a fundamental issue in the psychology of memory (e.g., Bower, Thompson-Schill, and Tulving 1994).

The contemporary view treats interference as the most important process that leads to forgetting (Murnane and Shiffrin 1991, Mensink and Raaijmakers 1988). Interference refers to the impaired ability to remember an item previously learned as a result of other learned items stored in long-term memory (Anderson and Neely 1996). According to this view, forgetting is the result of interactions among memorial items and is not driven by the decay, decrement, or alteration of a single memorial item in isolation. That is, the primary causal agent producing forgetting is not the passage of time per se but rather the amount and the nature of the activities that fill that time (McGeoch 1932). Therefore, marketers do not have to rely on the passage of time for consumer forgetting to occur, but can induce forgetting in consumers. It is this notion, that forgetting is a process that can be managed, which will be used in this research.

Focus of the Dissertation

The essential theoretical contribution of this dissertation is the insight that repositioning efforts can be facilitated by focusing on the forgetting, or more accurately, the memory interference, of prior brand associations. Traditional approaches to repositioning have focused solely on the process of learning via the establishment of new linkages between the desired new position and the target brand (e.g., Parker and Churchill 1986;
Pechmann and Ratneshwar 1991; Jaffe, Jamieson, and Berger 1992). Given unlimited resources and no time constraints, such a learning approach to repositioning may succeed. And indeed, the proposed approach to repositioning in this dissertation does not deny the need for consumers to learn the new position for repositioning to be successful. That is, the interference approach to repositioning advocated in this dissertation is intended to complement rather than entirely supplant the more traditional learning approach to repositioning. However, this dissertation will show that the phenomenon of memory interference represents a critical process involved in an efficient and successful repositioning of a brand in the mind of consumers.

The next chapter reviews the pertinent literature related to repositioning as framed by this dissertation. Specifically, this dissertation focuses on two important literature bases. From marketing and marketing management, the literature base relating to the strategic activity of positioning and repositioning a brand will be reviewed. From cognitive psychology, the variables and cognitive processes involved in interference and forgetting will be reviewed, and implications relating specifically to the repositioning of a brand will be considered. Although each of these domains, repositioning and interference, has a separate and relatively well-defined literature base, they have never been considered as impacting upon each other. This dissertation will attempt to demonstrate that these separate literature bases have a profound impact upon each other. In addition, this dissertation will demonstrate that the cornerstone of understanding the
cognitive processes involved in changing the perception or position of a brand in the mind of an individual consumer is based on the cognitive processes involved in memory interference.

Chapter 3 develops and tests hypotheses related to the repositioning of a familiar brand. The goal of the experiment discussed in chapter 3 is to demonstrate that acceptance of a repositioning attribute can be facilitated by inducing memory interference with the old positioning attribute.

Chapter 4 examines how the use of comparative advertising can help realize the acceptance of a repositioning communication. Specifically, the context of a comparative ad is manipulated to once again demonstrate how memory interference of the old-positioning attribute can enhance acceptance of the repositioning attribute.

The final chapter, chapter 5, is a summary of the issues addressed in this dissertation. In addition, contributions to theory and practice are highlighted as well as areas for future research.
CHAPTER 2

LITERATURE REVIEW

The purpose of this chapter is to review the existing literature pertaining to the two research domains relevant to this dissertation: the positioning/repositioning and the interference/forgetting literature bases. The goal of this review is to help in the development of hypotheses that will specifically address the issue of repositioning a familiar brand.

Strategic Positioning

There are two important strategic decisions that a firm must consider with regard to brand management: selecting a target market and positioning the brand. These two decisions are intrinsically intertwined (Green and Krieger 1991), and provide the foundation on which subsequent tactical marketing mix decisions, on behalf of the brand, are made (Aaker and Shansby 1982; Dickson 1994; Loden 1992).

After choosing to focus on a specific market segment, a firm must decide which attributes will both define its product for the target market, and will differentiate it from other competitors in the marketplace. The positioning decision, as defined by Aaker and Shansby (1981), involves selecting the specific product attribute(s), from among the total
set of attributes associated with the brand, which is (are) to be emphasized when communicating to the target market. A brand’s position is conceptually distinct from other brand-related constructs, such as brand image or brand equity, because it is conceived and defined relative to the brand’s competitors (Aaker and Shansby 1982, Walker, Boyd, and Larreche 1999).

Positioning is of importance to a firm because it represents the key strategic framework for a company’s communication campaign. By defining and delineating a brand with reference to other brands, it captures the essence of a marketer’s understanding of and response to, a competitive marketplace. Loden (1992) suggests that positioning is a fundamental strategic decision that is especially important for what he defines as “megabrands”. It is also believed that a well-positioned firm is capable of sustainable competitive advantage allowing the firm to earn high rates of return even in a relatively unattractive market (Porter 1985). At the consumer level, positioning is expected to drive consumer choice by linking a brand name to certain desired benefits (Aaker and Shansby 1982).

The Cognitive Position

It is not sufficient for a firm to decide what the positioning of its product will be. This information has to be communicated to the target market, and consumers must confer meaning upon the brand that is consistent with the firm’s intended positioning (Kotler 1994; Ries and Trout 1981). Hence, how consumers encode brand information in their long-term memories depends more on their perceptions of product attributes and
benefits rather than any "real" characteristics of the product (Czepeil 1992; Dalrymple and Parsons 1995; Dickson 1994). Ries and Trout (1981) go so far as to indicate "positioning is not what you do to the product. Positioning is what you do to the mind of the prospect" (p. 3). Thus, the communications employed by a marketer play a critical role in achieving the desired position for its brand in a consumer's mind.

Despite the strategic importance of positioning, academic research in this area has been rather limited. In modeling studies, several researchers have attempted to develop and validate methodologies (e.g., multidimensional scaling) which would help marketers understand how their brands are currently positioned within the competitive market structure (e.g., Allenby 1989; Chintagunta 1994; Elrod and Keane 1995; Srinivasan and Winer 1994). Strategy researchers have often discussed the importance of positioning for market success (e.g., Aaker & Shansby 1982; Dickson and Ginter 1987; Walker, Boyd, and Larreche 1999) but do not provide guidelines on how to achieve positioning success. Such extant empirical and theoretical efforts do not bear directly upon the issue of understanding the cognitive processes involved in establishing or changing a product's position in the long-term memory of the individual consumer. Rather than evaluating the cognitive positioning of a brand as a survey of preexisting perceptions, the foundation of this dissertation is on understanding the information processing involved in successfully establishing a new position for an existing, familiar
brand within the memory structure of the individual consumer. Therefore, the literature in the area of consumer information processing that has examined brand positioning will be reviewed next.

The Information Processing Approach to Positioning

The information processing approach to positioning focuses on how the cognitive position is formed. That is, the information processing view attempts to specifically explain the cognitive processes involved in establishing the cognitive position of brands.

Sujan and Bettman (1989) studied the information processing related to brand positioning from the perspective of product categories as schemas. Schemas are generalized knowledge structures that are abstracted from experience over time. When applied to brands in a product category, schema theory suggests that over time, consumers learn how attributes and benefits associated with existing brands relate to each other and to the product category as a whole. Based on such learning, consumers develop expectations about the product category. Such expectations would include hypotheses about brand-attribute associations, attribute importance, and the level of variability across brands with regard to category-relevant attributes.

Sujan and Bettman (1989) argue that the positioning of a new brand in the marketplace will be determined, to a large extent, from perceptions of how similar or dissimilar (i.e., how discrepant) the new brand is from the group of existing competitors. New products that have attributes that conform to, or are only moderately discrepant with, the expectations consumers have about established brands in the product category
will be assimilated or integrated into the existing cognitive structure with relatively little cognitive effort. Attributes that are characteristic of the product schema are ascribed to the new, moderately discrepant brand, and attributes of the new brand that are not easily represented by the existing product schema are associated to the product category via a "tag" that is unique to the new product. This unique tag represents the product’s cognitive position and exists within the framework of the category schema.

New products that are highly discrepant with category expectations cannot be easily assimilated into the existing memory schema for the product category and, hence, must be accommodated. The process of accommodation is more cognitively demanding than assimilation, as attribute discrepancies must be resolved. The result of such extensive processing is the addition of a subtype category to the schema, which leaves the preexisting associations of the schema largely in tact. The new subcategory represents the cognitive position of highly discrepant new brands.

Sujan and Bettman (1989) found results consistent with a schema-based account for positioning. Specifically, they found that processing of information about a new brand that was highly discrepant relative to the existing product schema resulted in a subtype position while processing information about a new brand that was only moderately discrepant from the existing product schema resulted in a differentiated (i.e., tag-based) position. They also found that for new brands, attributes that are highly discrepant with the existing product category were better remembered than attributes that
were only moderately discrepant with the existing product category. Such a result is consistent with the explanation of greater cognitive processing for new brands that are highly category discrepant.

An interesting implication of the results found by Sujan and Bettman (1989) is that when brand communications are inconsistent with consumer expectations, they may not be integrated into the existing schema structures (i.e., are subtyped) in order to maintain the basic integrity of the category schema. However, such inconsistency is necessarily true for a repositioning campaign wherein brand communications attempt to project a brand differently than anticipated or expected. Therefore, Sujan and Bettman's (1989) research suggests that one of the challenges to be surmounted during repositioning is the propensity for consumers to resist change pertaining to their prior perceptions about a brand’s attributes. Indeed, it will be later shown that literature in the area of consumer learning would make a similar prediction about how prior knowledge about a brand may interfere with the learning and retrieval of new information about the brand.

Because positioning of a brand is assessed relative to other brands in its category, some researchers have examined the information processing related to positioning within the framework of comparative advertising. A comparative advertising approach to positioning specifically names a competitor from the product category, and may either attempt to associate (i.e., enhance perceptions of similarity)
or dissociate (i.e., enhance perceptions of dissimilarity) the new brand with the comparison brand. Thus comparative advertising lends itself naturally to the study of positioning and repositioning.

Dröge and Darmon (1987) specifically examined the positioning implications of comparative advertising. In their research, they hypothesize that a direct comparative ad, which attempts to associate the new brand with a market leader, will more effectively approximate direct experience for the new brand than a noncomparative ad. The association with the market leader was expected to result in stronger (i.e., more accurate) beliefs related to the brand’s intended positioning, and greater confidence in those beliefs compared to a noncomparative ad. The results indicated no difference in the strength of beliefs related to the intended positioning of the target brand between subjects exposed to comparative versus noncomparative advertising. However, comparative ads were more effective than noncomparative ads in making subjects feel confident about the brand’s positioning.

In their attempts to understand the basis for the null effects reported by Dröge and Darmon (1987), Rose et al. (1993) argue that the dependent measures used to assess the positioning effects of comparative advertising should be relative rather than absolute. Rose et al. (1993) reason that because comparative advertising attempts to adjust a brand’s position in consumers’ minds with respect to the comparison brand, measures should be used that explicitly assess the target brand’s position relative to the comparison brand. The comparative measures, used in the research conducted by Rose et al. (1993), were derived by measuring the target brand on specific attributes relative to the
comparison brand. Nonrelative beliefs were assessed based on the likelihood that a particular attribute was descriptive of a particular brand. Nonrelative measures were assessed for each brand separately. To assess relative beliefs, subjects indicated the likelihood that one brand outperformed another on each of the attributes measured in the nonrelative format. Their results show that comparative ads outperform noncomparative ads on the relative measures proposed by them, but not on the absolute measures such as those used in prior research (e.g., Dröge and Darmon [1987]).

A number of researchers have concluded that comparative advertising is more effective than noncomparative advertising in achieving a brand's intended positioning (e.g., Pechmann and Stewart 1990; Pechmann and Ratneshwar 1991; Grewal et al. 1997). However, most research conducted in this area has focused on fictitious or new brands rather than existing brands. The effectiveness of comparative advertising for positioning (or repositioning) of known and familiar brands is less clear (e.g., Pechmann and Stewart 1990; Pechmann and Ratneshwar 1991).

In sum, research in the information processing area on brand positioning suggests that comparative advertising is an effective technique to establish a brand’s position in consumers’ minds, at least for unfamiliar brands. Dependent measures that are relative rather than absolute appear to clarify or strengthen this effect. Finally, communications that are inconsistent with consumer expectations may not be integrated with other aspects of the brand as intended, but rather, may be encoded as distinct from other elements of the brand.
We now turn from the positioning of a new or unfamiliar brand to the repositioning of an existing, familiar brand. As argued earlier, repositioning is necessarily more complicated than positioning because it involves relinquishing or weakening old brand associations in preference for newer associations. Thus, unlike positioning which relies solely on learning the new position, repositioning should accomplish both the learning of the new positioning as well as the weakening of the old positioning to be successful. We now examine the problem of repositioning, which is the focus of this dissertation.

Repositioning

Repositioning is the changing of a positioning for an existing or familiar brand. Hence, for a repositioning to be successful, consumers must begin to think about a brand in a different way. Changing perceptions related to an existing brand may seem so onerous that it would not be surprising to find that firms undertake such a task infrequently. Such is not the case, however. Examples of repositioning in the marketplace are numerous suggesting that the strategic decision to reposition a product or service is relatively common. In addition, the types of products and services undergoing repositioning represent a wide breadth suggesting that marketers may perceive few limitations on the types or characteristics of the products and services that can be repositioned.

For example, in 1997, Coca Cola company decided to reposition its Sprite brand from a cutesy image (i.e., “I like the Sprite in you”) to, what Coca Cola considered, a
fresher, more irreverent, urban hip-hop positioning aimed at younger consumers
(Brandweek 1997). In 1998, Quaker Oats spent an estimated $15 million to reposition its
rice cakes away from a fat-free positioning to one focused on taste (Brandweek 1998). In
1997, Volvo started to redesign their image along with their cars; they wanted to move
away from current perceptions of their cars being “quirky” to perceptions that their cars
were fast, technologically advanced, and individualistic. General Motors launched a $30
million campaign to reposition its Bonneville car away from being a luxury car one buys
until one can afford a more expensive luxury car to a positioning that focuses on the
Bonneville as a destination model in its own right (Brandweek 1997). In 1995, Budget
Car and Truck Rental spent close to $30 million to broaden its positioning from value
only to include elements of customer satisfaction and globalism (Brandweek 1995).

The examples cited above constitute a small sample of the amount of brand
repositioning that occurs in a wide variety of industries and product categories. What a
number of these case histories have in common is that the repositioning is replacing a
long-established old positioning. For example, Budget Car and Truck Rental had had the
same value positioning since 1958. Sprite had been positioned as “lymon” fruit drink for
36 years before its repositioning. Hence, it would seem extremely likely in these cases
that existing linkages between the brand and the old positioning would be quite strong.
Although repositioning is fairly common in the marketplace, academic literature on repositioning is limited. Our review of the marketing literature revealed a few studies that have explicitly addressed the issue of repositioning familiar brands. This research is reviewed below.

Anderson and Shugan (1991) used secondary data sources to demonstrate how changing consumer preferences for a single attribute can influence competitive repositioning. More specifically, they demonstrated that a competitively superior, high share product, beef, actually lost its relative position in the marketplace to poultry because of a change in consumer preferences for convenience. The loss of share for beef occurred even though poultry was demonstrably weaker than beef on the convenience attribute, which provides evidence that it is consumer perceptions which determine the success of a (re)positioning. However, a limitation of this study is that the repositioning of poultry relative to beef was not experimentally manipulated. Anderson and Shugan used secondary data sources which leaves their results open to multiple alternative explanations. That consumers perceive poultry to be more convenient than beef is speculative at best. Nevertheless, this research is important because it demonstrates that a change in perceptions for a single attribute can affect the overall positioning for a product.

Downs and Haynes (1984) examined the pre and post impact of a strategic repositioning of a retail store. Specifically, a large retailer located in a strip shopping mall desired to reposition its store as more prestigious by relocating to a new regional shopping mall. The methodology consisted first of a survey among a sample of the
store’s current population designed to measure perceptions of the target store. This was followed by the actual move of the store (i.e., the treatment). Follow-up surveys were conducted from a sample of the store’s new population, again designed to measure perceptions of the store.

Downs and Haynes (1984) found that the repositioning strategy was successful in changing perceptions of the store across a number of different variables. This study attempts to show that a repositioning strategy can be successful in changing consumers’ perceptions. Unfortunately, however, design of the study was flawed. As mentioned, the retail store moved locations as part of the repositioning and the respondent sample before repositioning was drawn from subjects living near the old location while the sample after the repositioning was drawn from subjects living near the new location. The post-test sample was not aware, and hence, could not have existing perceptions, of the store prior to the strategic repositioning. Thus, the results of Downs and Haynes’ (1984) study may reduce to a test of the effectiveness of a new positioning strategy because no preexisting beliefs were changed.

Pechmann and Ratneshwar (1991) used comparative advertising to achieve repositioning of a familiar brand. Specifically, they examined the effectiveness of a direct comparative ad, relative to an indirect comparative ad, in differentiating an advertised brand from a comparison brand. It was found that similarity ratings between the target brand and the target competitor were lowest (i.e., most differentiated) in the condition characterized by an indirect comparative ad promoting an atypical attribute (although there was differentiation between the direct and indirect comparative advertising formats
when the focal attribute was typical of the product category). However, there was no impact of their independent variables (i.e., direct/indirect comparative ad and typical/atypical attribute) on the featured repositioning attribute. Thus, the implications of Pechmann and Ratneshwar’s (1991) findings for repositioning a brand are not very clear.

In sum, it is proposed in this dissertation that successful repositioning is a consequence of two concurrent phenomena—the weakening of linkages between the brand and the old positioning and strengthening or learning of linkages between the brand and the new positioning. As defined in this dissertation, consumers’ perceptions of the position of a brand are based on the strength of the linkages between the brand and particular attributes. In this sense, the position of a brand represents the most salient belief or beliefs associated with a brand when considering the market as a whole. Hence, the emphasis of repositioning is on increasing the salience of the belief representing the new positioning rather than on a changing of the belief per se. Increased salience refers to an increase in the likelihood that information will be accessible in reference to the brand. Thus, the success of a repositioning is defined as the extent that the new position of a particular brand is more salient within the mind of the consumer than it was prior to repositioning.

The research that has addressed positioning and repositioning, which was reviewed earlier, has focused entirely on consumers’ learning of the newly presented information. It is argued in this dissertation that repositioning communications can be more effective if they not only encourage the learning of new information, but also facilitate the weakening of existing links. That is, instead of hoping that the old
positioning will gradually weaken over time, this dissertation attempts to uncover marketer-controlled interventions which will help hasten the weakening of associations to old information. The focus on reducing the strength of the links between a brand and its old positioning is a distinct feature of this dissertation. In fact, the major theoretical contribution of this research lies in its formulation of the repositioning problem as a combination of two sub-problems: the learning of the new positioning and the memory interference of the old positioning. To understand the nature of interference and forgetting and how marketers may be able to induce it, we now turn to research on memory interference and forgetting.

Interference and Forgetting

The research tradition in the area of interference and forgetting dates back to the turn of the century, and there is quite a wealth of empirical data within this domain. But what exactly does it mean when one indicates that they have forgotten something? According to Webster's Dictionary, to forget is "to be unable to think of or recall." More formally, Mensink and Raaijmakers (1988) define forgetting in terms of a lower probability of retrieval of a particular item in memory at Time B than at an earlier Time A. That is, forgetting represents a decline in learned performance as time passes since learning (Spear and Riccio 1994). Careful examination of this definition reveals two core characteristics of forgetting. The first characteristic is that forgetting, by definition, must occur as a function of time (Underwood and Freund 1968). The second characteristic of forgetting, one that is
no less important than the first but one that is sometimes overlooked, is that a currently forgotten item must have been available to a person at some time in the past; an item that is never learned cannot be forgotten.

The contemporary view of forgetting views interference as the most important process that leads to forgetting (e.g., Anderson and Neely 1996; J.R. Anderson 1995, Mensink and Raaijmaker 1988, Murnane and Shiffrin 1991). Interference refers to the impaired ability to remember an item previously learned as a result of other learned items stored in long-term memory (Anderson and Neely 1996). This interference-based definition of forgetting is viable because it incorporates the two important characteristics of the process of forgetting: (1) a temporal aspect of forgetting is implied in that an item learned at time A is forgotten at time B; and (2) it explicitly states that forgetting is demonstrated by the impaired ability to remember previously learned material. In addition, an interference account of forgetting specifies that forgetting is the result of an interaction among memorial items rather than a phenomenon produced by the decrement or alteration of a single memorial item in isolation.

The notion that forgetting is not caused by the passage of time per se, but depends on the nature and extent of learning activities that take place between learning something and being tested on it later is an important tenet of the interference-based explanation of forgetting. For the purposes of repositioning, this is important because it suggests that forgetting is not time-based and, thus, neither is it uncontrollable. Instead, interference depends on other learning taking place over time, and elements of such learning may be manipulated to a marketer’s advantage.
Several sophisticated theories about learning and forgetting were proposed as early as fifty years ago. Two paradigms have been used frequently in studies on memory and forgetting. The first is called the retroactive interference (RI) paradigm and the second is called the proactive interference (PI) paradigm. Retroactive interference refers to interference on the memory of previously learned material caused by what is learned presently. Proactive interference is the reverse; that is, PI refers to interference of the memory of recently learned material caused by what has been learned prior. Because the findings in both paradigms, and the theoretical explanations for the findings are similar, the next section will describe some of the research in the RI paradigm.

*Response Competition Theory of Retroactive Inhibition*

Exactly what forgetting is and how learning is facilitated or impeded by certain variables has fascinated researchers for many years. In his book *Psychology of Human Learning*, McGeoch (1942) outlined the response competition theory of retroactive interference. Inhibition was hypothesized as a function of competition among responses at a particular time with forgetting demonstrated when a desired response is inhibited and ultimately displaced by an incorrect item that dominated it. That is, an undesired response interferes with a desired response and blocks its retrieval. Conversely, the probability of eliciting a desired response would increase to the extent that the response was free of competition from other responses.

The response competition theory did not intend to imply that a single memorial item competes with all other items in memory. Rather, response competition was hypothesized by McGeoch (1942) only among those memory items sharing, to some extent, a relationship
with the stimuli present at the time of desired recall. Response competition leading to forgetting was believed to occur when (1) the stimuli necessary to elicit the originally learned items were not effectively present and/or, (2) new associations with a formerly effective stimuli were learned to such a degree that a particular stimulus evoked a competing response in sufficient strength to block the originally learned one. Hence, if two responses are attached to similar or identical stimuli, competition occurs and the stronger response has a higher probability of being given, and responses of equal strength may block each other (Postman 1961). Memory failure, then, is the result of a stimulus failing to uniquely evoke a previously learned response, and this lack of stimulus discrimination is a necessary antecedent to response competition.

This idea that forgetting is a result of the displacement of the correct response by a "stronger" incorrect response was later termed the response dominance characteristic of the theory (Postman 1961). Expanding on McGeoch’s theory, Underwood (1945) hypothesized that interference of a desired response was a function of two hypothetical constructs: (1) the associative strength between the interpolated learning responses (i.e., subsequent or new learning) and the stimuli; and (2) the degree of differentiation of the competing response sets. Thus, interference is purported to be a direct function of the associative strength between the common stimulus and the subsequent learning, and an inverse function of the degree of differentiation between the two response sets (Underwood 1945). This relationship is summarized in figure 2.1.

The theory of response competition leads to a somewhat counterintuitive implication for the repositioning of familiar brands. Consider the first construct related to
interference (fig. 2.1), the associative strength between the brand and the new positioning.

The theory of response competition predicts that information that has been well learned about a brand (i.e., the initial positioning) will dominate the memory of subsequently learned information (i.e., the new positioning) because the associative strength between the brand and the new positioning would be low. More specifically, the response dominance of the old position over the new position would result due to a low

**Figure 2.1**: Response Competition Theory of Memory Interference

degree of response competition and, hence, little interference between the old and new positionings. Conversely, if the associative strength between the old and new positionings were more equal, either via a strengthening of the link between the brand and the new positioning or a weakening of the link between the brand and the old positioning, response competition would increase. Such an increase would lead to an increased level
of interference between the old and new positionings. Such interference would reduce the dominance of the old positioning over the new. This leads to the somewhat counterintuitive implication that increased interference between the old and new positionings is actually desirable with respect to the enhanced accessibility of the new positioning. However, without such a weakening, it follows that the initial positioning of a familiar brand would be so strongly entrenched in memory that it would dominate the weak traces formed through the advertising for the new positioning. The result would be an individual’s failure to evoke the new positioning when the brand name is given as a cue.

Consider the second construct related to interference, the relationship between competing responses (i.e., the old and new positioning). This element of the theory suggests that minor changes in positioning (i.e., low levels of differentiation) may experience the greatest inhibition from the old positioning, which is corroborated by schema assimilation that was discussed earlier (e.g., Sujan and Bettman 1989).

As part of the theory of response competition, McGeoch (1942) also speculated that dominated responses were not lost from a person's repertoire, but rather were momentarily blocked from appearing by other responses. That is, when an item is forgotten, it is not because the material has been literally lost from memory, but rather the material has been functionally lost for a certain period and, theoretically, would potentially be retrievable at a later time. In other words, the effectiveness of the original link is presumed to decrease in a relative sense as the associations between the given stimulus and competitive responses
become more effective (Anderson and Neely 1996). This idea that the first item is not changed or degraded by subsequent learning or other interpolated activity was later termed the independence hypothesis of the response competition theory (Postman 1961).

This is also pertinent to the discussion on repositioning because it suggests that forgetting does not imply complete loss of information from memory but only a relative weakening of the trace in memory. Thus, forgetting may be demonstrated by slower responses to cues (Anderson 1981). The fact that a subject is able to retrieve a response should not detract us from concluding that interference had occurred as long as the response was emanated slower than another subject.

The two elements of response competition, the independence hypothesis and response dominance, place the locus of forgetting squarely and exclusively within the retrieval processes of memory. That is, the learning of a second item makes the memory for the first item less accessible upon retrieval attempt, but does not weaken the availability of the first memory item. The validity of such a narrow casting of forgetting will be discussed subsequently, but for now, the foundation of McGeoch's response competition theory is an exclusive locus of forgetting within the retrieval processes of memory.

Empirical Evidence in Support of Response Competition

To recap, under a response competition account for retroactive inhibition, interference results from competition among responses related, in some way, to a particular stimulus with retrieval characterized by the momentary dominance of one response over another. (McGeoch 1942). As noted above, Postman (1961) summarizes response competition as characteristic of two components: (1) response dominance, which accounts
for inhibition based on the displacement of one response by a stronger response given a particular stimulus; and (2) the independence hypothesis, that states that a forgotten stimulus-response association is not eliminated from memory, but rather becomes temporarily inaccessible due to a relative weakening of the link. The purpose of this section of the dissertation is to establish, based on empirical evidence, the phenomenon of response competition, and to evaluate the response competition theory relative to the two characteristics, response dominance and the independence hypothesis, posited by Postman (1961).

An early empirical example supporting response competition is Bunch and Winston (1936) who found more interference in an A-B, A-C paired associate paradigm than an A-B, C-D paradigm where there is no competition among responses for a specific stimulus. Thus, this study provides indirect support for the relationship between response competition and retroactive inhibition. That is, inhibition was greater under explicit conditions of response competition (i.e., two responses related to the same stimulus) than when competition was minimized (i.e., unique stimulus-response relationships). More direct evidence of response competition is provided by the common occurrence of overt intrusions (i.e., responses that would be correct for a previously learned list but that are actually incorrectly given for a more recently learned list). Early evidence of overt intrusions includes McKinney and McGeoch (1935), Melton and Irwin (1940), and Melton and von Lackum (1941). Thus, the fact that overt intrusions are well documented provides strong support for the concept of response competition at some level.
Turning now to the causes of response competition, a number of early studies impact directly upon the relative retrieval likelihood of competing responses. The probability of retrieving a desired response associated with a particular stimulus has typically been defined in terms of the relative strength of the association between the common stimulus and competing responses (including the desired response). The greater the relative strength of the desired response compared to competing responses, the higher the probability that the desired response will be elicited by the common stimulus, and visa versa. This assumption suggests a negative relationship between the extent of learning of a desired response (i.e., the original learning in the RI paradigm) and the level of interference from competing responses. This assumption also suggests a positive relationship between the strength of competing responses (i.e., interpolated learning in the RI paradigm) and the level of interference with the desired response.

In support of this contention, McGeoch (1936) found that as the frequency of original learning increased from six to 26 learning trials, relative retroactive inhibition did indeed decrease. With regard to the degree of interpolated learning, Thune & Underwood (1943), based largely on their own findings, as well as the findings from McGeoch (1932) and Melton & Irwin (1940), conclude that retroactive inhibition unequivocally increases with increases in the degree of interpolated learning. The Melton & Irwin (1940) data are particularly revealing. They found that as the number of learning trials of interpolated material increased, retroactive inhibition first increased to a maximum for 20 trials and then actually began to show signs of a slight decrease (i.e., an inverted-U shape) with extreme amounts (i.e., 40 trials) of interpolated learning. This pattern of data is generally
reproduced by Thune & Underwood (1943) and Underwood (1945). In addition, it was found (Melton & Irwin 1940; Underwood 1945) that upon relearning, retroactive inhibition dissipates more rapidly with higher levels of interpolated learning. An interesting implication from these data is that it seems that maximal retroactive inhibition occurs when original and interpolated activities have been learned to approximately equal degrees (Melton & Irwin 1940) which is exactly consistent with the response competition theory.

Two other factors related to interpolated learning and its relationship to retroactive inhibition have been explored. Twining (1940) found that as the number of interpolated lists increased (rather than increasing the learning trials of a single interpolated list), retroactive inhibition relative to the first list increased. In fact, Twining (1940) found that with five interpolated lists, recall of the first list was reduced to almost zero. This finding was supported by Underwood (1945) who found that as the number of interpolated lists reached six, recall of list 1 items was reduced to virtually zero. These results are conceptually consistent with the sleep/awake study of Jenkins & Dallenbach (1924) who found evidence of a linear relationship between retroactive inhibition and the amount of time subjects were awake between learning and testing. In addition, McGeoch (1936) found a positive association between the length (i.e., number of items) of the interpolated list and the amount of retroactive inhibition, indicating a relative weakening of first list responses due to the amount of second list competition. McGeoch's conclusion was that the longer interpolated list contained more items to carry over to the recall of the original list, making subjects more likely to become confused about members of the first list.
As indicated earlier, Melton & Irwin (1940) found evidence that response
competition was maximized when the relative strengths of the competing responses were
approximately equal. Postman & Underwood (1973) explain this effect by reasoning that
any variable that increases the probability of intrusions will increase retroactive inhibition.
This concept is broadened by the rather robust finding that for a wide range of conditions,
the amount of retroactive inhibition increases as the similarity between original and
interpolated materials increases from low to high (McGeoch 1942). In fact, Underwood
(1945, 1957) is of the opinion that similarity is the most important factor in forgetting, and
Spear & Riccio (1994) are of the opinion that similarity is the cornerstone of interference
theory. Examples of the effects of similarity on forgetting include Robinson (1927) and
Kennelly (1941). Both found within a serial learning, split list (i.e., memory span)
paradigm, that recall interference increased as the degree of similarity decreases from
identity indicating a high level of interference corresponding to a high level similarity (short
of identity). Within a paradigm of separately practiced lists (i.e., rather than a memory span
test), McGeoch & McDonald (1931) found that recall scores were lowest when the second
list was composed of list one synonyms, and that recall scores were significantly higher
when the interpolated lists were comprised of three-place numbers (i.e., high dissimilarity).
Melton & Von Lackum (1941) found that the amount of inhibition of both lists is greater
when the two lists are similar compared to when the two lists are dissimilar, and that when
the lists are dissimilar, inhibition disappears very early in the relearning process. Postman
& Stark (1969) found that given a multiple choice test of retention, retroactive inhibition was higher in an A-B, A-B' paradigm, where list 2 response terms were synonyms of list one responses, than in a A-B, A-C paradigm.

These data are consistent with the response dominance element of the theory of response competition (see fig. 2.1). The data relating to the relative strengths between the desired and competing responses are consistent with the notion that as the relative strengths of competing responses become more equal, memory interference increases resulting in a lower probability of recall for the desired response. The negative relationship between the differentiation among responses and interference is supported by the robust similarity effect; as the similarity among responses increases (i.e., as differentiation among responses decreases) interference also increases.

The second element of response competition is the independence hypothesis, which states that subsequent learning does not in any way impair the existing stimulus-response association of original learning; the two response systems remain independent and intact (Postman 1961), and inhibition of a response results not because of loss of the association from a subject's repertoire, but rather other responses keep the targeted response from appearing (McGeoch 1942). Any demonstration of an ability to recall an item after an initial recall attempt failure would be evidence that the recall failure did not result as a result of loss of a particular stimulus-response association.

There is a substantial amount of evidence supporting the viability of the independence hypothesis. W. Brown (1923) demonstrated that given a number of recall tests, successive recall attempts would produce items that were not recalled on previous
recall attempts, a phenomenon termed “reminiscence” (Ballard 1913). An empirical result initially reported by Tulving and Pearlstone (1966) and later replicated by Tulving & Psotka (1971) demonstrated that for a categorized list, responses that subjects were unable to retrieve under conditions of free recall became retrievable upon the presentation of category cues. That is, “This difference indicates that for the free-recall subjects, information was available (i.e., stored) that was not accessible (i.e., retrievable) on a free-recall test.” (Roediger and Guynn 1996, pg. 202; italics in original) These findings both support the notion of the integrity of the stimulus-response association and the idea that a response that is blocked at a particular point in time can become accessible at a later point.

Another example of subsequent recall after an initial failure is the tip-of-the-tongue (TOT) phenomenon. The TOT phenomenon occurs when an individual cannot presently retrieve a word, but feels that recall is imminent. Often, the individual is able to produce the first letter of the word or words similar in length and number of syllables to the target word, a process termed generic recall (Brown & McNeill 1966). The mere existence of the TOT phenomenon (demonstrated by Brown & McNeill 1966) is evidence of the integrity of a particular response even though recall is momentarily blocked. The TOT phenomenon is not rare but rather something that occurs frequently with many people (Brown 1991).

**Empirical Evidence that Contradicts Response Competition**

There is evidence of retroactive interference in the A-B, C-D paradigm relative to control conditions of single list learning (e.g., Bugelski & Cadwallader 1956; McGovern 1964). This is troublesome for the response competition theory because within this paradigm there is no overt competition among responses. McGovern (1964) provides an
explanation that appears to be viable. She hypothesizes that during the learning of two
different sets of responses in the A-B, C-D paradigm, a functional E-B, E-D relationship is
established where the stimulus E represents environmental or contextual stimuli and that the
presentation of either stimulus A or C will provide access to the common stimulus E
thereby inducing response competition among B and D responses. McGovern cites findings
from Bilodeau & Schlosberg (1951) and Greenspoon & Ranyard (1957) in support of this
theory. These researchers found that retroactive inhibition was reduced significantly if
interpolated learning took place in a different environment than original learning, such as a
different experimental room. In her own study, McGovern (1964) produced results that
suggest that associative connections are indeed formed between environmental or
contextual cues and list responses and that these connections are inhibited as a result of new
learning which forms similar associative connections. Further, and more importantly,
McGovern (1964) concluded that the retroactive inhibition observed in the A-B, C-D
paradigm was a result of response loss at recall and that no loss of the stimulus-response
association was found at recall, findings supported exactly by Postman & Stark (1969).
Anderson (1983) also found evidence of interference resulting from common context cues;
he showed that recall was inferior in a constant context condition (i.e., learning and test
conducted under the same contextual conditions) than in a changing context (i.e., learning
and test conducted under different contextual conditions). Thus, interference was
demonstrated based solely on overlap between the physical contexts for the two memory
items.
**Retroactive Inhibition: Summary**

The theory and empirical evidence reviewed above suggest a viable explanation for memory interference. That explanation is that response competition for a particular stimulus actually exists prior to the presentation of a stimulus and is based on probability of recall resulting from the *relative* strengths between competing responses and the common stimulus. Upon presentation of a stimulus, an association to one and only one response is activated in a probabilistic fashion based on its relative association strength. Once the activated response is evoked, activation of another response cannot occur until the stimulus is functionally changed. An incorrect response will not necessarily be given because an individual may actually know that an activated response is the incorrect response but will be unable to provide the correct response until an appropriate stimulus is provided. Functional changes in the stimulus can include the nominal stimulus itself, the context or surroundings, or activated responses that have been retrieved and placed into working memory.

The interference literature suggests that the relative strength of an association between a stimulus and a response (i.e., the actual probability of a response being evoked by a particular stimulus) is a function of two factors. The first factor is the absolute strength of the association between the stimulus and the response. As mentioned earlier, association strength is a function of a subject’s learning the relationship between the stimulus and the particular response over time. As the association strength between a stimulus and a response increases, so too does the probability of recall of the response when the appropriate stimulus is presented.
The second factor, which moderates the first, is the degree of differentiation among competing responses associated with a common stimulus. Differentiation seems to be best dimensionalized as a continuum with high levels of response similarity (the polar opposite of discrimination) increasing the level of response competition and thus negatively impacting the probability of recall for a particular response. Response competition is the direct antecedent of interference with high levels of response competition resulting in high levels of interference, which in turn results in high levels of forgetting.

These two factors related to response competition must be taken into consideration when thinking about the problem of repositioning. First, the task of repositioning an existing brand is a daunting one because the established link between the brand (i.e., the stimulus) and the old positioning (i.e., the response) would be, initially, much stronger than the link between the brand and the new positioning. In addition, it is likely that most desired repositionings are quite distinct from the original positioning. That is, the level of discrimination between the old and new positionings would be high thereby facilitating consumers’ ability to perceive them as distinct. Hence, the combination of the strong initial links between the brand and the old positioning, coupled with the high level of discrimination between the old and new positioning, would lead to a prediction of a low level of response competition. The predicted consequence of this low level of response competition is that the old positioning would severely dominate the new positioning. The dominance of the new positioning by the old would result in a very high probability of eliciting the old positioning rather than the new positioning when the brand (as stimulus) is encountered by consumers.
The purpose of this dissertation is to delineate options available to marketers to help ameliorate, to some extent, the predicted dominance of the old positioning over the new positioning, thereby increasing the likelihood of consumers' acceptance of the new positioning. As mentioned previously, the logical, although somewhat counterintuitive conclusion, based on the evidence from the interference literature, is that accessibility of the new positioning would benefit from increasing the level of response competition between the old and new positionings. This goal is with the understanding that forgetting of the old positioning does not imply that people will not associate the brand with the old positioning. Rather, it suggests only that the new positioning is learned and retrieved from memory without being dominated by the old positioning.

The research reviewed earlier on interference effects precedes the information processing approaches that have dominated memory research since the late 1960's. It is noteworthy that the researchers of this earlier era approached memory as a black box and concluded that interference was responsible for forgetting based on studies that employed basic stimulus-response paradigms. In the next chapter, we review some recent research on competitive interference in marketing and psychology. We pick the network model of memory (Anderson and Bower 1973; Anderson 1983) and spreading activation model of retrieval (Collins and Loftus 1975; Anderson 1995) as our framework within which the process of competitive interference and its effects are discussed. We then turn our attention to the problem of repositioning an existing brand and develop hypotheses pertaining to interference effects in repositioning communications.
CHAPTER 3
INTERFERENCE EFFECTS
ON THE REPOSITIONING OF FAMILIAR BRANDS

The focus of this dissertation is on understanding the role that competitive interference plays in facilitating the memory interference of an old positioning and enhancing the learning of a new positioning. This chapter will focus on synthesizing the literature on positioning/repositioning and interference and on developing specific research hypotheses to demonstrate that a repositioning communication can be facilitated by inducing interference to the old positioning. In addition, the methodology and results of a study designed to test these hypotheses will be described and discussed.

Hypotheses Development

It is clear from the review of the literature in the previous chapter that understanding the role that interference plays in the repositioning of a familiar brand involves the integration and reconciliation of the literature from the positioning and interference research domains. Synthesis of two such greatly disparate literature bases would be greatly facilitated if a theoretical framework of cognitive processing could be found that could accommodate both.
The Structure and Cognitive Processes of Long-Term Memory

The theoretical framework used to accommodate cognitive positioning in this dissertation is a semantic memory network model. More specifically, memory for the meaning of a brand (i.e., the cognitive position) is assumed to be stored in long-term, semantic memory, and the structure of semantic memory is assumed to be in the form of a memory network. A semantic memory network is purported to define the organization of our whole-world knowledge in long-term memory (Kintsch 1980) as well as provide structure for interpreting the meaning of, and relationships among, words and verbal symbols (Tulving 1972) such as brands. The raw materials for a memory network consist of nodes and linkages, but the key to how memory networks represent knowledge is how the nodes and linkages are purported to be organized. Each concept in the memory network is represented by a node, and concepts are defined based on their relational links to other concept nodes (Collins and Loftus 1975; Anderson 1995).

Within a network model of long-term memory, the probability of retrieval for a given concept at a particular time is said to be a function of the amount or level of activation residing at the corresponding node at the time of retrieval (Anderson 1995, 1983; Collins and Loftus 1975). Activation is conceptualized in terms of mental energy that flows throughout the memory network. Activation is distributed among nodes in the network with nodes receiving a greater amount of activation to the extent they are more closely and strongly associated with (i.e., more accessible to) the source or sources of activation (Anderson 1983). Actual retrieval of an item stored in long-term memory is purported to result from the build-up of activation at a particular node within the network,
and is realized when the amount of activation surpasses a particular threshold (Keller 1993). Hence, within this framework, spreading activation is the key cognitive process that mediates between presentation of a stimuli and the recovery of a response on a particular retrieval occasion.

**Memory Network and Interference**

As mentioned previously, interference refers to the impaired ability to remember an item previously learned as a result of other learned items stored in long-term memory (Anderson and Neely 1996). That is, memory interference is the result of an interaction among items stored in long-term memory. The empirical evidence, previously reviewed, strongly implicates retrieval processes as the locus of interference effects within both the retroactive and proactive research paradigms. Interpreting memory interference within the context of the memory network model would indicate that for a given retrieval occasion, an item stored in long-term memory could inhibit retrieval of another item if it could divert activation away from the target item. The diverting of activation away from a particular node would reduce the total amount of activation flowing to and ultimately residing at that node, thereby decreasing the probability of retrieving the node upon that specific retrieval occasion.

Expanding the memory network model into the domain of product categories, a brand is represented in long-term memory as a node, and perceived knowledge about the brand is based on linkages to various attributes that are characteristic of the product category. Interference for information about a brand, such as attribute information, would occur when other concept nodes (i.e., other brands) compete with a target brand for
activation of such attribute information. That is, interference between brands would occur to the extent that a nontarget brand could divert activation away from the target brand thereby diluting the amount of activation residing at the target node. Such a dilution of activation would, consequently reduce the probability of retrieval of information related to the target brand.

*The Role of Associative Strength in Interference Relationships.* As previously mentioned, within a memory network model, association or linkage strength is assumed to be variable, and the stronger the link between nodes the greater the amount of activation that spreads between them (Collins and Loftus 1975, Keller 1993). This suggests that, consistent with the interference literature, the stronger the linkage between the nontarget brand and the shared attribute, the more activation that would be diverted away from the target brand. Hence interference would increase to the extent that the linkage between a nontarget brand and the shared attribute was strengthened.

*The Role of Similarity in Interference Relationships.* As previously reviewed, the empirical evidence relating to interference strongly indicates that the amount of memory interference is, to a large extent, a function of the degree of similarity between items stored in long-term memory. The similarity effect is explained by network and spreading activation models quite comfortably. Similar concepts are more likely to share linkages with other concepts. For example, Crest toothpaste and Colgate toothpaste may both be associated with many common attributes (e.g., cavity prevention). When a person is asked if Crest is good at prevention of cavities, activation or energy flowing from Crest and cavity prevention nodes should intersect for a “yes” response to emerge (cf. Collins
and Loftus 1975). However, because cavity prevention is associated with Colgate as well, some of the activation from the cavity prevention node is diverted toward the Colgate node. The simultaneous activation of Crest and Colgate slows down an individual’s response. Under some conditions (e.g., if Colgate is very strongly linked to cavity prevention) the response may also be a “no” to the same question. In support of the similarity effect given marketing stimuli, Burke and Srull (1988) demonstrated that competitive advertising reduces the retrievability of target information, and that similarity between target and competitive ads enhances interference.

Although the level of activation of one concept or the other is determined by the types and number of relationships converging on the concept, the overall retrieval itself is modeled probabilistically. That is, given nodal links of varied strength, the likelihood of retrieving the different concepts is based on the probabilities associated with the different strengths of linkages. In the example of Crest and Colgate above, the links between the brands and attributes affect the probability of retrieval, and not the retrieval itself.

The idea that the level of similarity between nodes is positively associated with the level of interference between them would be supported to the extent that the level of uniqueness between nodes is negatively associated with the level of interference. This would be demonstrated if uniqueness between nodes is positively associated with the enhanced retrievability of a particular node. Such a proposition was tested by Keller (1987). In his study, Keller found that information that is provided on the package of a product served to enhance the retrievability of information provided in an ad for the same product. Such point-of-purchase cueing was shown by Keller to be highly effective in
helping subjects remember advertising information, which then affected their choice. In other words, Keller’s (1987) findings are consistent with the prediction of the network and spreading activation models’ (NSAM) that unique linkages between brands and their attributes, when used as cues, should reduce competitive interference.

The network and spreading activation models have also been used by Unnava and Sirdeshmukh (1994) to predict that unique cues which are associated with certain stimuli will render the stimuli more retrievable. In their study, Unnava and Sirdeshmukh (1994) argue that repetition of advertising information in the same modality (i.e., print or auditory) should only serve to enhance learning of advertising information without providing any distinctive cues that would aid in the retrieval of that information. In contrast, it was argued that when repetition occurs in varied modalities (i.e., print and auditory), the modality-specific cues were expected to enhance the retrievability of information. Their findings were supportive of the predictions of NSAM. It was found that keeping the level of repetition constant, the ill effects of competitive interference could be significantly reduced when repetition occurred in different rather than the same modality.

In sum, the theory of memory networks, consistent with the empirical findings form the interference literature posits that the probability of retrieving information related to a particular node is: (1) a positive function of the association strength between the brand and the attribute, and (2) a negative (positive) function of the similarity (uniqueness) of the node vis-a-vis other nodes in the network (Keller 1993). In addition to the breadth of findings reported in the psychology literature, the network and spreading
activation models of semantic memory have been used and supported in marketing studies as well. We will now employ this theoretical framework to understand the problem of repositioning and propose conditions under which the old positioning of a brand may be reduced in salience and the new positioning better internalized by targeted consumers.

**Network Models and Repositioning**

The goal of repositioning is to change consumers’ perceptions of a particular brand relative to competitors in the product category. For the successful repositioning of a brand, two conditions are necessary. The first condition is that linkages must be established between the target brand and the new positioning. This would come from the information contained in the repositioning advertising itself. The second condition is that within the memory network, associations between the target brand and the old positioning must be relatively constrained or weakened. If the association between the brand and the old position were not constrained, given the strength of the initial positioning, proactive interference would be predicted from the interference literature. From the perspective of NSAM, the strength of the links between a brand and its old positioning attributes (due to multiple experiences with the brand) should result in a higher probability of retrieval for those attributes than the new positioning attributes.

Consider, for illustration, a situation in which a clothing store, Abercrombie & Fitch, known as a store with expensive and stylish clothes, decides to reposition itself as a store suitable for everyday clothing needs (see Figure 3.1). An advertisement that conveys this new positioning may establish a new linkage in consumers’ minds between
Abercrombie & Fitch and the repositioning attribute, “has clothing for everyday needs”. However, because of the strong, established link between Abercrombie & Fitch and the old positioning of expensive and stylish clothes (represented by the thicker line), the new link is dominated by the old links and suffers a reduced probability of retrieval.

![Diagram](image)

**Figure 3.1: Hypothetical Memory Network Representing Abercrombie & Fitch**

In NSAM terms, because the links between Abercrombie & Fitch and the old positioning attributes are stronger than the links between Abercrombie & Fitch and the repositioning attribute, more activation will flow from Abercrombie & Fitch to the old-positioning attributes. It is the greater build up of activation that accounts for the greater probability of retrieval for the old positioning attribute relative to the repositioning
attribute. This phenomenon of the old positioning interfering with new information is what makes repositioning communications less effective than when no old links exist for the target brand (e.g., positioning of a new brand).

Heckler et al. (1998) provide support for these predictions of NSAM. They show that recall of a newly advertised attribute or claim was a function of the strength of the existing brand attribute link in memory. Specifically, Heckler et al. (1998) were able to show that if prior brand-attribute associations were well established in memory, then recall of new advertising claims was relatively low due to proactive interference. However, if prior brand-attribute associations were not well established, then recall of new advertising claims was either unaffected (i.e., no interference effect) or, in some cases, actually higher than if there had been no prior advertising at all.

In this dissertation, we extend Heckler et al.'s (1998) research in two important ways. First, we show that even when brands are strongly positioned, there exist conditions in which the salience of the old positioning is reduced and the retrieval of the new positioning is facilitated. Second, we show how comparative advertising may be used to make a brand's repositioning communications more effective.

The example above suggests that there are two ways by which a new positioning can achieve enhanced retrievability. Consider again Figure 3.1. First, the link between Abercrombie & Fitch and everyday clothing needs could be strengthened to a point where it becomes comparable to older links (i.e., stylish and expensive). This may be achieved through repetition, with the amount of repetition depending on the strength of the older links. For brands that are strongly entrenched in their segments, with relatively strong
brand-attribute associations, significant amounts of repetition would be needed before the new positioning is made salient. An alternative to this is the possibility that the old positioning be somehow made less salient. The review of the literature on interference and forgetting in the previous chapter suggests that the forgetting of information is not a passive process, but can be induced by an external agent, (e.g., manipulation of interpolated learning materials in list learning studies).

Statement of Hypotheses

As further illustration, consider the brand Abercrombie & Fitch, which is perceived as a stylish and expensive clothing store (Figure 3.1). The links between Abercrombie & Fitch and the attributes stylish and expensive should be fairly strong and well learned in consumers’ minds. Now, consider Figure 3.2 (p. 49) that shows that Abercrombie & Fitch is not uniquely possessive of these attributes. A competitor, such as Banana Republic for example, is also identified closely with the same attributes—stylish and expensive.

Therefore, when cued with the attributes stylish and expensive, Abercrombie & Fitch is not automatically retrieved by subjects because activation would spread throughout the memory network and be distributed to the brand nodes somewhat equally. Instead, Abercrombie & Fitch and Banana Republic are retrieved probabilistically with one or the other brand becoming more salient under various conditions. The probability of retrieval of one brand or the other depends on the relative strength of the link between each of the attributes and the brand. For illustration purposes, let us assume that both brands have links that are equally strong with the
attributes in question. Let us now assume that Abercrombie & Fitch decided to reposition itself as carrying clothing for everyday, basic needs. This positioning is quite different from their existing positioning and therefore new links have to be generated between the brand and repositioning attribute everyday clothing needs. Assume that an advertisement that conveys this new positioning is presented to the target market. According to NSAM, a relatively weak link between Abercrombie & Fitch and the new attribute is formed, which is dominated by the old positioning.

Now, consider a situation in which the target market is exposed to the new positioning ad for Abercrombie & Fitch and is also contemporaneously exposed to an advertisement for Banana Republic that emphasizes the attributes of stylish and expensive clothing. The Banana Republic ad should make the link between the brand Banana Republic and its attributes stronger momentarily. The increased salience of this link should, relatively speaking, reduce the salience of the link between Abercrombie & Fitch and its old positioning as more activation is accumulated at the Banana Republic node due to its strengthened links. The increased salience of Banana Republic, because of its advertising, is argued to reduce the relative salience of Abercrombie & Fitch due to a reduced amount of activation flowing to the Abercrombie & Fitch node. That is, given the old positioning as a cue, the probability of retrieving Banana Republic instead of Abercrombie & Fitch is now greater. The inhibition of the old positioning that has been achieved in this situation should then make the new positioning, relative to Abercrombie & Fitch, more salient as the amount of activation flowing to the old and new positioning nodes becomes relatively more equal.
In summary, if communication regarding a brand’s repositioning attribute is conveyed within the context of advertising from the brand’s existing competitors, we expect a higher probability of retrieving the new positioning compared to a situation in which the brand’s repositioning attribute is conveyed outside the context of competitive advertising. The reason for the increased likelihood of retrieving of the new positioning is the reduction in relative salience of the link between the old attribute and the target brand, which in turn is due to the increased salience of the link between the old positioning attributes and the competitive brand.
The above reasoning leads to the following hypotheses:

H1: A repositioning advertisement presented in the context of another ad for an existing competitor will effectively reposition an existing brand, relative to control.

H2: A repositioning advertisement presented in the context of another ad for an existing competitor will be more effective than a repositioning ad presented in the absence of the competitor’s ad.

Methodology

Design

Hypotheses one and two were tested using a single factor, between-subjects design. Three conditions were employed in the study. The first condition was a control condition. In this condition, subjects received no repositioning or competitive ads. They responded to questions pertaining to their perceptions the target brand used in this study without being exposed to any stimuli related to the target brand. These responses provided a baseline against which the responses of subjects in the experimental conditions were compared. In condition two, subjects were exposed to a repositioning ad from the target brand and four filler ads. In condition three, subjects processed the repositioning ad from the target brand followed by an ad from the target brand’s competitor representing the old positioning.

A summary of the experimental design is contained in table 3.1. The target ad was the second ad of five experimental ads in both conditions two and three. The competitive ad followed the target ad so that the encoding of the target ad was unaffected by experimental manipulations. For example if the competitive ad preceded the target ad
in condition three, any differential results between conditions two and three may be attributed to the effect of encoding the competitive ad prior to the target ad. In the present design, differences between conditions two and three can be safely attributed to the presence of the competitive ad in condition three because the processing of the target ad could not have been affected by a competitive ad that followed it.

It is important at this point to comment on the counterintuitive nature of the predicted results. Previous research (e.g., Burke and Srull 1989, Keller 1991) has indicated that a competitive ad will create interference to the detriment of the target ad. In this design we are actually predicting the opposite. That is, although we are predicting that a competitive ad will create interference within the memory network, in this design, we are predicting that the interference will work to the benefit (rather than the detriment) of the target ad because it will weaken the proportional strength between the target brand and the old positioning attribute.

<table>
<thead>
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<th>Order</th>
<th>Condition 1</th>
<th>Condition 2</th>
<th>Condition 3</th>
</tr>
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<td>Target ad</td>
<td>Target ad</td>
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<td>Filler ad</td>
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<tr>
<td>4</td>
<td>Filler ad</td>
<td>Filler ad</td>
<td>Competitive ad</td>
</tr>
<tr>
<td>5</td>
<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
</tr>
</tbody>
</table>

*Table 3.1: Summary of experimental design.*
Stimulus Development

To test our hypotheses, two advertisements were needed. The first ad is for a target brand seeking to reposition itself. The second ad is for the target brand’s competitor reinforcing its current position. A series of pretests were run to identify the product category from which to draw the target and competitive brands, and the attributes to be featured in the ads.

Pretest 1. We first looked for product categories that satisfied the following criteria: (1) The product category should be of interest to the subject pool (i.e., college students) and be a product category in which subjects make purchases and therefore are reasonably involved consumers; (2) Subjects should be able to classify the brands in the category into distinct groups with reasonable consistency so that the preexisting positioning of the brand can be uncovered; (3) Subjects should be able to articulate their rationale for classifying brands into different subgroups so that the basis of the classification is not derived from the experimenter’s guesswork, but from subjects’ own expressions.

The first pretest employed 50 college juniors and seniors who received extra credit for participation. Subjects were presented with three product categories and up to 19 brands within each product category. They were asked to categorize the brands in each product category into separate groups based on their perceptions of the overall similarities and differences among the brands. Subjects were then asked to provide a label for each category based on “what it is specifically that makes the products in that category similar”. From this
pretest it was determined that the product category of retail clothing stores best met the
criteria outlined above. Subjects showed very high levels of consistency in clustering the
stores and in the brands they placed in each cluster.

Pretest 2. A second pretest was then conducted to verify that the retail clothing
store category met the criteria outlined earlier. However, a smaller set of those ten stores
that demonstrated a high level of consistency in being classified into groups in the first
pretest was presented to a different sample of subjects. This pretest also sought to identify
the current perceptions of the stores individually, rather than as a group, for corroboration of
perceptions. Thirty five subjects from the same population as pretest 1 were asked to
perform the same sorting task on the ten retail clothing stores. Subjects were again asked to
label the groupings once the stores were sorted based on the similarities among the stores in
each group and the positive and negative characteristics associated with each group.

Three distinct groups of stores emerged from this sorting task. The first group
included the stores: Abercrombie & Fitch, Banana Republic, Eddie Bauer, and The Gap.
Each one of these four stores was paired with the other three stores over 50 percent of the
time. The most often paired stores were Abercrombie & Fitch and Banana Republic, paired
together by 77 percent of the subjects. As a group, these stores were perceived to be
positioned as expensive, contemporary, trendy, fashionable, and in-style. The second group
included the stores: Levi’s Stores, County Seat, and Casual Corner. Each one of these
stores was paired with the other two stores over 30 percent of the time. The most often
paired stores were Levi’s Stores and County Seat, grouped together by 57 percent of the
subjects. As a group, these stores were perceived to be currently positioned as jeans and
denim oriented, and casual. The third group included the stores: J.C. Penney, Kohl’s and Lazarus. Each one of these stores was paired with the other two stores over 50 percent of the time. The most often paired stores were J.C. Penney and Lazarus at 66 percent.

A second, independent sample of 35 subjects was asked to evaluate each of the 10 stores individually. Specifically, subjects were asked to list all attributes, both good and bad, that came to mind when thinking of each of the 10 stores listed in the sorting task. The individual store assessment strongly corroborated the perceptions of the stores determined from the sorting task. In addition, to an overall assessment of the stores, this second sample of subjects was asked to indicate their level of familiarity with each of the stores. Overall, familiarity was much higher for the stores in the first group compared to the other two groups.

Repositioning and Competitive Ads. Based on the results of the pretests, Abercrombie & Fitch was chosen as the target brand for the first study. Abercrombie & Fitch’s current positioning is strongly associated with providing trendy, fashionable, but expensive clothes. Based on this, a repositioning attribute of a store for basic, everyday clothes that are affordable was chosen. The repositioning attribute departed from the current positioning which ensured that the target ad had to change perceptions about the store significantly. Minor changes in positioning were deliberately not chosen because of the possibility of these changes being assimilated into the current brand schema (e.g., Sujan and Bettman 1989). Banana Republic was chosen to represent the competitive brand
based on the high percentage of times it was paired with Abercrombie & Fitch, and because of its shared links with Abercrombie & Fitch on the attributes of trendy, fashionable, and expensive clothes.

The first element of the repositioning ad for Abercrombie & Fitch is that it is a good store for basic, everyday clothing needs such as jeans. Because Abercrombie & Fitch already stocks jeans, this element of the repositioning required subjects to think of those jeans as basic, everyday clothes rather than as trendy and limited-use clothing.

The second element of the repositioning ad is that the clothing at Abercrombie & Fitch is affordable. Because Abercrombie & Fitch is currently perceived as carrying expensive clothes, adopting this element of the repositioning ad requires an extreme perceptual shift by consumers. That is, for the repositioning to be successful, consumers must overcome perceptions that are explicitly contrary to this element of the repositioning.

We used both elements to understand initial positioning effects on relatively moderate versus extreme repositioning efforts.

A second ad featured Banana Republic. As mentioned earlier, the goal of the Banana Republic ad was to reinforce the common linkages between Abercrombie & Fitch and Banana Republic as having clothing that is stylish, fashionable, cool, and trendy. These specific attributes were identified in the pretest as being among the most salient attributes that these two stores have in common. Thus, the advertising featured attributes with which Banana Republic is currently associated. Both the Abercrombie and Fitch and Banana Republic ads are included in the Appendix.
Pilot Study

It is predicted (H2) that a repositioning ad presented in the context of another ad will be more effective than a repositioning ad presented in the absence of the competitor’s ad. This effect is hypothesized as a result of a strengthening of the linkage between the competitor’s brand and the old positioning attribute. It is argued that if the linkage to the competitor’s brand and the target brand’s old positioning attribute is strengthened, and the linkage between the target brand and the old positioning attribute is left alone, that in a relative sense, the accessibility between the target brand and the old positioning attribute will decrease.

A pilot study was conducted to test the element of this manipulation that requires a strengthening of the competitor’s links to the old positioning attribute. Subjects were 20 college students from an introductory marketing course who received extra credit for participation in the study. Nine subjects were given a booklet to read that contained five filler ads; that is, ads that had no relevance to the current purposes of this study. Eleven subjects were given a booklet that contained four of the same filler ads but that also contained the ad for Banana Republic described above. For the dependent measure, subjects were asked to rate a number of different clothing stores on a number of specific characteristics. Specifically, subjects were asked to arrange or place on a continuum five different clothing stores so that the placement of each store represented, to them, the similarities and differences of the stores on specific store attributes. The key dependent
variable was the rating of Banana Republic on the attribute “has trendy fashions,” which represents the old positioning attribute for Abercrombie & Fitch. The pilot study questionnaire is contained in the Appendix.

This continuum-type rating measure was used to capture the relative nature inherent in positioning. It has been argued earlier that it is not appropriate to assess a brand’s position in isolation. Rather, in order to determine the position of a brand, attributes and benefits must be assessed relative to the competition.

The continuum scale described above is a version of a graphic rating scale (Barker 1983; Churchill 1976; Dodge, Fullerton, and Rink 1982; Lehmann 1985). In general, graphic rating scales have the desirable properties of being easy to use, they provide the opportunity for subjects to make fine distinctions, and they tend to eliminate carryover from one judgement to another (Churchill 1976). Specifically, a graphic rating scale was used for the pilot study because it is generally agreed that a graphic, continuous scale is an interval-scaled measure (Lehmann 1985). Hence the use of parametric data analysis methodologies would be appropriate for the pilot and future studies. In addition, graphic rating scales are appropriate in both comparative or noncomparative formats (Dodge et al. 1982).

Comparative rating scales require subjects to compare one set of stimulus objects directly against another (Dillon, Madden, and Firtle 1994) as desired in evaluating a positioning or repositioning. As previously mentioned, Rose et al. (1993) found that measures that capture relative perceptions of brands are more sensitive in registering advertising effects for
relative manipulations such as comparative advertising. It is reasoned that comparative measures are also needed to capture the advertising effects when a positioning is the desired dependent variable.

Narayana (1977) evaluated the appropriateness of using a graphic rating scale in which brands are simultaneously aligned along a continuum. Narayana compared what he called a “Graphic Positioning Scale” to the more traditional semantic differential scale in which one set of scales is needed for each brand in the study. Narayana (1977) concluded that the Graphic Positioning Scale “provides data and information as good or better than those obtained by traditional scales” (p. 122). In addition, Narayana (1977) argues that the Graphic Positioning Scale forces subjects to focus on the attribute (rather than the brand), and evaluate all brands on that attribute. Narayana contends that this is a process which is more similar to real-life evaluations and allows subjects to better discriminate across brand ratings.

By measuring positioning using a comparative graphic rating scale, the implicit assumption is that an increase in the accessibility (i.e., salience) translates into higher ratings on the scale. There is strong theoretical support for this assumption. Accessibility is defined theoretically as the likelihood that information about an object will be activated from memory (Fazio 1995). As previously discussed, the probability of activation is hypothesized to be a function of the strength of the association in memory between the object and the information about the object. The strength of a belief is based on the degree that a particular object is believed to be possessive of a particular characteristic (cf. Fishbein and Ajzen 1975). Within a brand context, the strength of a belief is based on the degree that
a particular brand is believed to be possessive of a particular attribute. Hence, a high degree of belief accessibility is operationalized, in this dissertation, by high ratings on the continuum scale.

Only the absolute ratings for the given brands were used for analysis. That is, relative differences among brands were not used as dependent measures. There are a number of reasons for this. First, Peter, Churchill, and Brown (1993) conclude that difference scores should generally not be used in consumer research due to problems with reliability, discriminant validity, and spurious correlation. In addition, difference scores do not utilize all of the information provided by the continuum scale. For example, reliance on difference scores would not recognize the actual placement of a brand along the scale. As a result, an increase in the distance between two brands rated below the midpoint on the continuum scale would appear advantageous to one of the brands even though the brand was not possessive of the particular attribute to any great degree. For these reasons, only the absolute ratings from the scale were utilized.

Subjects always rated the same five stores including Banana Republic. The continuum was labeled at the endpoints with descriptors that were bipolar opposites. No other markings were presented on the continuum. The actual rating for each store was the distance, measured in millimeters (cf. Churchill 1976), from the left end of the continuum to the mark that the subject made to represent the placement of the particular store. The length of the continuum was 120 millimeters.

The results indicated that the ratings for Banana Republic on Abercrombie & Fitch’s old positioning attribute increased as a result of the manipulation. In the control condition
the mean rating for Banana Republic on the attribute “has trendy fashions” was 70.22.

When subjects responded to the same question after reading the ad for Banana Republic, their rating of Banana Republic on the same attribute was 99.09, a significant increase relative to control ($t(18) = 2.21, p< .05$). Based on these results, it was concluded that when the Banana Republic ad is used in the final experiments, it will serve to enhance the association between Banana Republic and Abercrombie & Fitch’s old positioning attribute “has trendy fashions.”

**Subjects and Procedure**

Subjects were 98 college students enrolled in an introductory marketing course who received extra credit for participating in the study. The study was run in groups of five to eight students. Subjects were randomly assigned to one of the three conditions in the experiment.

The advertisements used in the study were presented in the guise of pretesting advertising in general. Subjects were given a booklet that contained the five print ads. They were told that the ads were in the preparation stage but that they were to read through the ads as if they were reading finished ads. They were asked to read through each ad entirely and carefully.

To ensure attention to the target ad, subjects were given semantic processing instructions (cf. Unnava and Burnkrant 1991). They were verbally instructed to pay particular attention to the attributes of various products whose advertisements were included
in the booklet. Further, after reading each ad, subjects were asked to indicate, on a seven-
point semantic differential scale, how meaningful and how persuasive they believed each ad
to be.

Because only one exposure of the target ad was being used, it was critical that
subjects paid attention to the repositioning message. The semantic processing instructions
served this purpose and ensured that the target ad was not processed under low attention
conditions. Subjects were paced as they read through the ads with one minute allocated to
each ad. They were told if they finished reading an ad before the time was up, they should
wait for the experimenter’s instructions before turning to the next ad. The pacing
instructions eliminated any social pressure to complete the task just because of differences
in reading speed, and to ensure that subjects spent adequate time reading the ads.
Debriefing indicated that one minute was sufficient time for subjects to read the ads. After
finishing the last ad in the booklet, subjects were given a two-minute distracter task to clear
short-term memory, after which the questionnaire was given.

*Dependent Measures*

The same continuum rating scale that was used in the pilot study was used in the
main study. The continuum rating scale was used to rate five retail clothing stores on three
attributes. The five retail clothing stores were: Abercrombie & Fitch (the target brand),
Banana Republic (the key competitor), JC Penney, Levi’s Stores, and The Gap. Hence,
each of the three categories of brands identified in the pretest was represented in the ratings.

The first continuum measure was anchored by “Does Not Have Trendy Fashions”
and “Has Trendy Fashions.” This attribute was included to represent the old positioning
attribute for the target brand Abercrombie & Fitch. The second continuum measure was anchored by “Not Very Affordable” and “Very Affordable.” This attribute was included to represent the extreme perceptual shift component of the repositioning. The third continuum measure was anchored by “Is not a Good Store for my Basic Everyday Clothing Needs” and “Is a Very Good Store for my Basic Clothing Needs,” which reflected the repositioning message’s content.

After responding to the continuum measures, subjects responded to another question which attempted to gauge the presence of Abercrombie & Fitch in subject’s consideration set when they were looking for basic, everyday clothing. If the repositioning advertising was successful in affecting perceptual changes about Abercrombie & Fitch, then it was reasoned that Abercrombie & Fitch would be considered more frequently and more readily by subjects in the competitive ad condition than in the other two conditions. After circling the stores that they would consider for everyday needs, subjects were asked to go back and rank order the stores that they had circled in the order of their preference. The rank order measure was used to show differences, if any, in the level of preference for the target store. Although a single exposure to a repositioning message may not be able to put a brand into a subject’s consideration set, it may be able to enhance its preference within the consideration set, which may be viewed as one measure of success of the message. We will refer to the order measure as salience from here on.

Because the number of stores that each subject ranked varied based on the number of stores included in the individual subject’s consideration set, rankings were converted into “salience scores”. Salience scores were computed as the store’s rank divided by the total
number of mentions. The inverse of this score was used in the analysis to make the results easier to interpret. For example, if a subject mentioned three brands in total that would be considered when shopping for basic clothing needs, and that subject mentioned Abercrombie & Fitch as the second most likely brand they would seriously consider, that subject’s salience score would be: $1/(2/3) = 3/2 = 1.5$. A second subject who mentioned six brands in total and ranked Abercrombie & Fitch second would have a salience score of: $1/(2/6) = 6/2 = 3$. Hence, a given ranking is considered to have a higher degree of salience when more brands are included in the evoked set because of the increased level of competition within the evoked set. This is because it is more difficult for a brand to achieve a high ranking when more brands are considered for purchase. Conversely, the salience score also shows that being ranked lower in a smaller set of brands is better than being ranked lower in a larger set of brands. Finally, subjects were asked a number of demographic questions and then were dismissed.

Results

Continuum Measures

Hypotheses one and two state that perceptual shifts consistent with the content of the repositioning message are expected to occur in the competitive ad condition to a greater extent than in the other two conditions. To test these predictions, our analysis centered on two orthogonal contrasts with the MSE term derived from an overall ANOVA. The first contrast compared the repositioning-ad-only-condition (i.e., condition 2) to the control condition to determine if a repositioning ad alone was effective in
repositioning a brand relative to a specified attribute. Although not specifically hypothesized, it was expected that interference from the old positioning attribute will make it difficult for the new information to be retrieved by the subjects. The second contrast compared the competitive ad condition (i.e., condition three) to the first two conditions to determine if the interference created by the strengthening of the linkage between Banana Republic and the old positioning attribute can facilitate the retrieval of the new positioning of Abercrombie & Fitch. Due to the directional nature of the hypotheses, all contrasts employed one-tailed t-tests.

Table 3.2 reports the means of the key continuum measures. The first point to note is the positioning of Abercrombie & Fitch within the control condition. The midpoint of the continuum is 60. Note that the intended repositioning attribute, "is a good store for my basic needs" is right about at the midpoint; Abercrombie & Fitch is

<table>
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<th>Condition 3</th>
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<tr>
<td>Affordable</td>
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<td>40.1</td>
<td>42.5</td>
</tr>
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<td>Trendy Fashions</td>
<td>93.2</td>
<td>85.2</td>
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<td>N</td>
<td>32</td>
<td>33</td>
<td>33</td>
</tr>
</tbody>
</table>

Table 3.2: Continuum ratings (maximum equals 120mm) for Abercrombie & Fitch across conditions.

neither perceived to possess or not possess this attribute to a great extent. The intended repositioning attribute "affordable" is well below the midpoint indicating a relatively strong association between Abercrombie & Fitch and not being affordable. The intended old positioning attribute, "trendy fashions" is well above the midpoint indicating a
relatively strong association between Abercrombie & Fitch and trendy fashions. These
ratings for the control group are all consistent with the pretest results for this brand in this
product category.

An ANOVA on the continuum measure for the attribute “basic, everyday clothing
needs” (MSE = 1067.22) indicated a significant effect of the treatment on subjects’
mean ratings ($F(2, 95) = 4.35, p = .01$). The first contrast examined the difference
between the control condition and the no competitive ad condition on this measure. This
contrast revealed that the no competitive condition ($M = 55.4$) and the control condition
($M = 65.0$) were not significantly different ($t(95) = 1.07, p > .15$) indicating that the
repositioning ad alone was not effective in changing subjects’ perceptions about
Abercrombie & Fitch. A second contrast between competitive ad condition ($M = 78.8$)
and the combined conditions was examined. This contrast was significant ($t(95) = 2.74,
p < .01$) indicating that the repositioning ad within the competitive context was effective in
enhancing subjects’ perceptions of Abercrombie & Fitch on the attribute “has trendy
fashions.” These findings support our hypotheses that a repositioning communication
from a present competitor is more effective than when the competitive communication is
absent.

A second ANOVA of the mean continuum measure scores on the affordability
attribute was not significant ($F(2, 95) < 1$). An examination of the mean scores revealed
minimal perceptual shifts across conditions. Further, a set of contrasts showed that
neither the control ($M = 46.4$) and no competitive ad conditions ($M = 40.1$) differed
significantly ($t(95) < 1$), nor did their combination differ significantly from the
competitive ad condition ($M = 42.5$, $t(95) < 1$). Presumably, repositioning a brand against an attribute that is strongly held (i.e., expensive) to one that is opposite of that (i.e., affordable) is difficult to achieve with one exposure. It is also possible that such dramatic repositioning might have caused subjects to counterargue and contrast it away (e.g., Sujan and Bettman 1989). This issue will be discussed in greater detail later.

**Consideration Set**

Analyses were first conducted to determine if the manipulation had any impact on the extent to which subjects would include Abercrombie & Fitch in their consideration set when shopping for their basic clothing needs. There was no difference across conditions with approximately half the subjects in each condition indicating that they would consider Abercrombie & Fitch when shopping for their basic clothing needs ($\chi^2(2) < 1$). Also of interest was the salience of Abercrombie & Fitch clothing needs (salience scores are defined above). An ANOVA was performed to for just those subjects who would consider that store when shopping for their basic assess the effect of the manipulation across the three conditions. The overall analysis indicated no difference in salience scores due to the manipulation ($F(2, 45) = 1.745, p > .1$). Despite the nonsignificant ANOVA, due to the nature of our hypotheses, two contrasts similar to the ones on the continuum scale were conducted. The first contrast between the no competitive ad condition ($M = 1.92$) and the control condition ($M = 1.60$) was not significant ($t(45) < 1$) indicating that the repositioning ad alone was not able to increase the salience of Abercrombie & Fitch in the consideration set of brands for everyday clothing. Again, these two conditions were combined and contrasted with the salience scores in the
competitive ad condition ($M = 2.29$). This contrast was significant ($t(45) = 1.66, p = .05$) indicating that Abercrombie & Fitch increased in salience in subjects’ minds after reading the repositioning ad in the presence of a Banana Republic ad.

Two factors were deemed to be responsible for our predicted effects. The first was a strengthening of the association between Banana Republic and the old positioning attribute for Abercrombie & Fitch “has trendy fashions” when Banana Republic advertising is present. This result was demonstrated in the pilot study. The second factor was a decrease in the proportional strength of the association between Abercrombie & Fitch and the old positioning attribute. However, an analysis of the continuum measure revealed that the ratings for the old-positioning attribute “trendy fashions” were not affected by the manipulation ($F(2,95) = 2.57, p > .05$). The pattern of means (see Table 3.2) revealed that the scores on this attribute were unaffected by the repositioning message, with or without competitive advertising. Although surprising, it is possible that the continuum measure failed to capture the changes in relative strengths of the links between Banana Republic, Abercrombie & Fitch, and the attribute “trendy fashions.”

Given the criticality of this finding for our theoretical reasoning to hold, we examined this issue more closely in the next experiment.

Discussion

We hypothesized that a repositioning ad placed within the context of a competitive ad would be effective in repositioning an existing brand. This effect was expected to occur because of the competitive ad’s ability to make the target brand’s old
positioning less salient which will then be less effective in interfering with the target brand’s new positioning. The results of our study supported our hypotheses. The target brand, Abercrombie & Fitch, was rated higher on the repositioning attribute “everyday clothing needs” when its repositioning communication was processed in the context of an ad for Banana Republic than when the latter ad was absent. Similarly, Abercrombie & Fitch was higher in salience in subjects’ consideration set for everyday clothing needs after reading the repositioning communication within close temporal proximity of the Banana Republic ad.

The main argument made in the first experiment is that, if the linkage between a competitor’s brand and the target brand’s old positioning is strengthened, the relative, proportional strength between the target brand and the old positioning attribute will be undermined. Therefore, when subjects are asked to retrieve attribute information associated with the target brand, a strengthened link between the competitive brand and the old positioning attribute will interfere with the activation of the link between the target brand and the old positioning attribute. Hence, the repositioning does not represent belief change per se; the differential effects in condition three are evidenced without directly addressing the key belief. Rather, differential effects are purported to be evidenced as a result of changing the salience of the belief in the memory network.

Because new positioning information is often dominated by a brand’s old positioning, and not remembered as well, any factor that causes interference with the recall of a brand’s old positioning should correspondingly increase the probability of retrieval of the brand’s new positioning. Consistent with the theoretical reasoning stated
above, and consistent with hypotheses one and two, perceptions of Abercrombie & Fitch being associated with the intended repositioning attribute “basic everyday needs” were greatest in condition three. That is, ratings for Abercrombie & Fitch, on the repositioning attribute, were higher in condition three than they were in either condition one or condition two.

One alternative explanation for our results is that the target ad was differentially encoded or elaborated upon across conditions. This explanation is not plausible, however, due to the fact that the target ad was placed in the same position across conditions and the competitive ad followed the target ad in condition 3. It is logically untenable to argue that an ad that follows a target ad will affect the elaboration of the target ad. Further, encoding equivalence between conditions was ensured through the use of an orienting task. The ratings of the meaningfulness and persuasiveness of the Abercrombie & Fitch ad, which subjects gave as part of the orienting task, were equivalent across conditions two and three. Thus, the pattern of results reported in this study support an interference-based interpretation as hypothesized.

More converging evidence on the hypothesized processes was found in the pilot study that showed that the competitive ad for Banana Republic indeed enhanced the link between Banana Republic and the attribute “has trendy fashions.” However, in study 1, ratings of Abercrombie & Fitch, on the same attribute, did not decrease (as expected) in condition three relative to the other conditions. This is a somewhat anomalous result given the results from the pilot study and given the effects of the treatment on the repositioning attribute “is a good store for my basic, everyday clothing needs.”
explanation is that the continuum measure used was not sensitive enough to capture the subtle changes that occurred in the strength of the linkage between Abercrombie & Fitch and the old positioning attribute “trendy fashions,” after exposure to the Banana Republic ad. Our pretests, described earlier, showed that the attribute “trendy fashions” is very strongly associated with Abercrombie & Fitch. The pretest results are further supported by the strong continuum ratings for Abercrombie & Fitch in the control condition of our study ($M = 93.2$). It is possible that our treatment affected this link, but not strongly enough to be captured by the continuum scale. If this were true, more sensitive measures should reveal the relative weakening of the Abercrombie & Fitch-trendy fashions link. This issue was addressed in the next study in which response time latencies were used to measure the strength of linkages between concepts.

Anderson (1981) has shown that reaction time (aka response latency) is a sensitive measure of interference. In experiments in which recall was equated across experimental conditions, interference, as operationalized by reaction time, was shown to vary (Anderson 1981). Further, because reaction time is measured in milliseconds, it has the potential to differentiate between smaller differences in linkage strengths which may not be reflected in recall- or recognition-based measures.

Although the repositioning ad appeared to successfully alter perceptions about the availability of basic, everyday clothing needs at Abercrombie & Fitch, it failed to affect subjects’ perceptions about the affordability of the store. In our study, most subjects indicated that they had shopped at an Abercrombie & Fitch store and had spent an average of $221$ the previous year in the store. Because Abercrombie & Fitch is indeed
expensive and subjects have experienced it, it may be more difficult to change perceptions on this attribute. In our pretest, the attributes “expensive” and “pricey” were among the most often mentioned spontaneous, verbatim responses given in association to Abercrombie & Fitch. In addition, in the control condition of the current study, ratings for Abercrombie & Fitch relative to the attribute “is affordable” were quite low. Study three will attempt to address the issue of repositioning a brand relative to an attribute that requires an extreme perceptual shift.

Study Two

The purpose of study two is to examine if the link between Abercrombie & Fitch and trendy fashions is weakened in the presence of a Banana Republic ad. It may be recalled that the continuum measure in the first study showed significant differences between conditions on the repositioning attribute, but failed to register any differences on the old positioning attribute. To address the possibility that the continuum measure may not have been sensitive enough to respond to small differences between experimental conditions, this study employed a reaction time task. If the link between the old positioning attribute and Abercrombie & Fitch is weakened due to the presence of a Banana Republic ad, then we would expect subjects to respond more slowly when asked if Abercrombie & Fitch is associated with the old positioning attribute.

The hypothesis of study 2 is similar to the hypotheses for study 1 except that they focus on predictions relating to reaction time rather than the continuum measure.
Specifically, it is expected that the encoding of a competitor’s advertisement will interfere with subjects’ accessibility, operationalized as reaction time, to the old positioning attribute.

**H3:** An advertisement for an existing competitor, presented within the context of a repositioning advertisement for the target brand, will interfere with the accessibility between the target brand and the old positioning attribute. This interference will result in a slower reaction time to the old positioning attribute relative to a control condition or a condition in which the repositioning advertisement is presented alone.

**Design**

Hypotheses three was tested using a single-factor, between-subjects design. The same three conditions used in study one were also used in study two. The target and competitive stimuli that were used in study 2 were exactly the same as the stimuli used in study 1.

**Subjects and Procedure**

Subjects were 100 college students who participated in the study for extra credit. The study was run in groups of two to five subjects at a time. The study was conducted in a computer lab that could accommodate up to five subjects at a time. Subjects were randomly assigned to one of the three experimental conditions.

The experimental procedure was essentially the same in study two as it was in study one in that subjects were paced as they read through a booklet of print ads in rough draft form. Subjects were given the same semantic processing instruction as were used in study one. After finishing the last ad in the booklet, subjects were once again given a two-minute distracter task to clear short-term memory.
After reading through the booklet, subjects were given instructions to familiarize them with the personal computer they were to use to answer the questions. Consistent with established procedures for measuring response latencies, subjects were told to be accurate above all but to try to answer the questions as quickly as possible while maintaining accuracy (Fazio et al. 1982; Berger and Mitchell 1989; Fazio 1990).

**Dependent Measures**

Subjects were asked to agree or disagree to 50 statements by hitting a separate key on their computer keyboard for each response (i.e., “z” for disagree and “l” for agree). In addition to the dependent measure, several filler and calibrating questions were included. The calibrating questions (e.g., are you male?) served to provide a baseline measure for each subject’s reaction time while the filler questions served to eliminate priming effects from responding to one measure prior to another and to disguise the objectives of the study.

The computer measured the time from the onset of the statement to the time that the subject responded agree/disagree. Embedded within the 50 statements was the critical statement relevant to this study. The statement related to the old positioning attribute was: “Abercrombie & Fitch has stylish clothes.” Subjects’ reaction times for agreeing to this statement was the key dependent variable.

In addition to the response latency measures, subjects were administered a paper and pencil ranking question to address the purchase intent implications of the manipulation. In study 1, subjects were asked to circle those stores that they would consider going to for everyday basic needs. Only the data from those subjects who indicated that they would consider Abercrombie & Fitch were analyzed for the relative salience of Abercrombie &
Fitch across the three experimental conditions. This procedure resulted in the elimination of several subjects. In addition, because the number of stores ranked by each respondent was different, traditional nonparametric statistics could not be applied. These two issues were addressed in this study by forcing subjects to rank order seven stores. Subjects were asked: “If you were shopping for basic, everyday clothes, such as jeans, of the clothing stores listed below … please rank each store based on which ones you would be most serious about purchasing from.” Seven stores were listed in alphabetical order. Subjects were asked to place a number from 1 to 7 next to each store, with a “1” indicating the “store you would be most serious about” to indicate their preferences via ranking. This procedure equated the number of stores that each subject ranked.

Results

Reaction Time. Subjects’ reaction times are highly variable across individuals. A slow reaction time for one individual could be a fast reaction time for another individual. Without adjusting reaction times for individual differences, one is simply identifying a continuum of generally fast versus slow subjects (Fazio 1990). To standardize reaction times across subjects, reaction times to the key question was divided by a subject-specific baseline measure (Fazio 1990). The baseline measure was derived from basic demographic information related to each subject such as gender (i.e., I am male), place of birth (i.e., I was born in Ohio), class standing (i.e., I am a Freshman), and heritage (English is my native language). It was expected that reaction times to these demographic questions would be short as the linkages to them are expected to be strong. The standardized accessibility measure was computed by dividing the reaction time to the target statement by the baseline
measure for each subject (Fazio 1990). In addition, only those who agreed with the key statements were included in the study. It is common practice to limit the analysis to those latencies associated with a given response (Fazio 1990).

The hypothesis was tested by analyzing the standardized reaction time measures using one-way analysis of variance (ANOVA). Once again, differences between specific conditions are predicted a priori, hence analyses were conducted with one-tailed contrasts. Analyses are again centered on two orthogonal contrasts with the MSE term (equal to .456) derived from the overall ANOVA. The first contrast compares the repositioning ad only condition (i.e., condition 2) to the control condition to determine if a repositioning ad alone can be effective in slowing down the reaction time to the old positioning attribute. The second contrast compares the repositioning ad plus competitive ad condition (i.e., condition three) to the first two conditions.

Table 3.3 reports the means of the key reaction time measure. The measure of interest is the reaction time to the old positioning attribute "Abercrombie & Fitch has stylish clothes." A contrast between condition two ($M = 1.07$) and the control condition ($M = 0.94$) was not significant ($t(81) < 1$) indicating that the repositioning ad alone was not effective in creating interference between Abercrombie & Fitch and the old positioning attribute. A second contrast between condition three ($M = 1.31$) and

<table>
<thead>
<tr>
<th>Measure</th>
<th>Condition 1</th>
<th>Condition 2</th>
<th>Condition 3</th>
</tr>
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<tbody>
<tr>
<td>Stylish</td>
<td>0.94</td>
<td>1.07</td>
<td>1.31</td>
</tr>
<tr>
<td>(n)</td>
<td>(25)</td>
<td>(27)</td>
<td>(32)</td>
</tr>
</tbody>
</table>

Table 3.3: Standardized reaction times (measured in milliseconds) for key attribute across conditions.

75
conditions one and two was significant ($t(81) = 1.99, p < .05$), indicating that the competitive ad placed within the context of the repositioning ad was effective in slowing down the reaction time between Abercrombie & Fitch and the old positioning attribute “has stylish clothes” in support of H3. Hence, by using a more sensitive dependent measure than the one used in study 1, the results of this study provide empirical support for our contention that a competitive ad, which strengthens the linkages between the competitor and the attribute representing the old positioning for the target brand, will inhibit the accessibility (as operationalized by reaction time) between the target brand and the old positioning attribute.

*Purchase Intent.* The other key dependent variable was the extent to which Abercrombie & Fitch was considered as a store for shopping for basic, everyday clothes such as jeans. Because the data is ordinal level, nonparametric analyses were performed. A median test was performed on the data. A median test is a chi-square test that analyzes the number of subjects who ranked Abercrombie & Fitch above and below the overall median across the three groups. The median test indicated a significant difference across the three conditions ($\chi^2(2)=6.57, p<.05$) with 70 percent of subjects in condition three ranking Abercrombie & Fitch at or below the median value of three compared to only 37 percent in condition one and 53 percent in condition two.

Analysis of purchase intentions often focuses on what is called the “top box” or “top 2 box” score (Dillon et al. 1987, Hawkins and Tull 1994). Top box refers to the percentage of respondents rating or ranking a brand in the most favorable category.
Ranking of Abercrombie & Fitch

<table>
<thead>
<tr>
<th>Rank</th>
<th>Condition 1</th>
<th>Condition 2</th>
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<tr>
<td></td>
<td>%</td>
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<tr>
<td>1</td>
<td>21.9</td>
<td>19.4</td>
<td>43.3</td>
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<td>2</td>
<td>6.3</td>
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<td>9.4</td>
<td>16.7</td>
<td>3.3</td>
</tr>
<tr>
<td>4</td>
<td>25.0</td>
<td>13.9</td>
<td>6.7</td>
</tr>
<tr>
<td>5</td>
<td>15.6</td>
<td>11.1</td>
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<td>15.6</td>
<td>11.1</td>
<td>13.3</td>
</tr>
<tr>
<td>N</td>
<td>32</td>
<td>36</td>
<td>30</td>
</tr>
</tbody>
</table>

Table 3.4: Percent of subjects ranking Abercrombie & Fitch on consideration for basic everyday clothes.

Top 2 box is the percentage of respondents rating or ranking a brand in the first and second most favorable categories. Analysis of purchase intentions focuses on top box and top 2 box because it is considered the most predictive measure (Hawkins and Tull 1994).

Table 3.4 above indicates the percentage of subjects ranking Abercrombie & Fitch from 1 to 7. When we focus on the percentage of subjects ranking Abercrombie & Fitch as either their first of second most preferred store (i.e., the top 2 box score), it becomes even more clear that the repositioning was more effective when communicated within a competitive context. Two-thirds of the subjects in condition three ranked Abercrombie & Fitch as the store they would rank first or second when shopping for basic everyday clothes. A test of proportions indicates that this percentage is significantly higher than the 28.13 percent that ranked Abercrombie & Fitch first or second in condition one ($z=3.29, p<.05$) or the 36.11 percent that ranked Abercrombie & Fitch first or second in condition two ($z=2.60, p<.05$).
Discussion

The primary purpose of study two was to utilize a more sensitive measure to determine what effects, if any there were on the weakening of the link between the target brand, Abercrombie & Fitch, and the old positioning attribute, stylish. In addition, a more straightforward behavioral intentions measure was included to supplement the measure used in study one.

Study 1 provided evidence that a repositioning ad, placed within the context of a competitor’s ad was effective (i.e., relative to a control condition) in repositioning the target brand, vis-à-vis the desired repositioning attribute. In addition, the repositioning ad placed within this competitive context was more effective in repositioning the brand than a repositioning ad that was not evaluated within a competitive context.

The observed effects on the repositioning attribute were hypothesized to result from interference in the accessibility of the attribute representing the old positioning. Although study one did not provide evidence of this, the measure used in study 1 may not have been sensitive enough to detect changes in the flow of activation due to the strength of the linkages between the target brand and the repositioning attribute. Study 2 provided evidence of interference to the old positioning attribute as the time to agree to a statement representing the old positioning attribute was slower in condition three compared to the other two conditions, as hypothesized.

In summary, it was predicted that a repositioning ad placed within the context of a competitor’s ad would be effective in repositioning a brand (H1—supported) and more effective than a repositioning ad without any competitive context (H2—supported). This
effect was hypothesized to result from a strengthening of the linkage of the competitor to
the old-positioning attribute (manipulation check—pilot study). Such a strengthening
would create interference between the target brand and the old-positioning attribute (H3—
supported).

Finally, study 1 provided some evidence that the greater level of acceptance for the
repositioning in condition 3 translated into an increase in behavioral intentions. The mean
ratings for subjects who indicated they would consider the target brand for purchase were
higher in condition 3 than in the other 2 conditions. Study 2 used a more straightforward
assessment of behavioral intentions and corroborated these findings; an increase in the
extent to which subjects would consider the target brand for purchase for those subjects in
the competitive ad condition compared to the other two conditions.

Two issues related to the advertising of repositioning information need further
consideration. First, from a theory perspective, we have demonstrated that repositioning
messages situated in the context of competitors’ advertising are more effective than when
they are deployed alone. For a marketer, it may not be possible to anticipate the timing and
medium of competitive advertising. How, then, are the findings of our research helpful to a
practitioner? This issue needs further clarification.

Second, although we were successful in altering subjects’ perceptions of
Abercrombie & Fitch as a basic everyday needs store, we were unsuccessful in changing
perceptions about its affordability. It is possible that such extreme shifts are difficult to
achieve through one exposure of an advertisement.
In the next study, we investigate the issue of repositioning within the context of comparative advertising. Within this context we can address the two issues raised above. First, the use of comparative advertising is easily controlled by a marketing manager, and does not rely on actual competitive advertising activity. Second, a comparative advertising format can easily test issues related to positioning when an extreme perceptual shift is required. These issues are discussed in much greater detail in the next chapter.
CHAPTER 4
REPOSITIONING A FAMILIAR BRAND
VIA COMPARATIVE ADVERTISING

The perspective of this dissertation is that the repositioning of a brand can be facilitated if accessibility to the old-positioning attribute can be constrained. Studies 1 and 2 provide evidence that when a repositioning ad is encountered concurrent with an ad for a competitor sharing linkages to the old-positioning attribute, repositioning, involving a moderate perceptual shift, can be achieved. We now turn to the problem of repositioning a brand significantly away from its original, established position.

Hypothesis Development

Repositioning Involving an Extreme-Perceptual Shift

In study 1, the target ad attempted to reposition Abercrombie & Fitch as a place where one can find basic everyday clothing that is affordable. Abercrombie & Fitch currently carries jeans even though its main positioning is stylishness, as evidenced in pretest data and in the ratings provided on this attribute by control group subjects in study 1. Thus, conveying the message that Abercrombie & Fitch has basic, everyday clothing is not
antithetical to subjects' expectations of the store. In other words, the perceptual adjustment needed to view Abercrombie & Fitch as having basic, everyday clothing from a viewpoint that it carries stylish and fashionable clothing is relatively modest.

However, our pretest and study 1 data indicated that Abercrombie & Fitch is perceived to be very expensive. Covariate information collected toward the end of the questionnaire in study 1 showed that subjects were very knowledgeable about this store and spent an average of $221 at this store in the previous year. Finally, the ratings from the control group on the continuum scale showed Abercrombie & Fitch to average about a 60 rating (out of 120 possible) for "basic everyday clothes," but only about a 30 rating for the "affordable" attribute. Therefore, the repositioning ad which suggested that Abercrombie & Fitch had affordable clothing attempted a perceptual shift in the audience that may be characterized as extreme. Exactly what happens when subjects encounter information that is not consistent with their existing knowledge structure needs to be understood for us to be able to enhance subjects' memory of new positioning information.

We rely on two streams of literature to help us understand how information that requires an extreme perceptual shift is processed. The first stream of literature is that of competitive interference, and the second is the schema literature.

One of the fundamental generalizations emerging from the research on interference is that of a positive correlation between interference and the level of similarity among responses. That is, as the similarity between responses associated with a common stimulus increases, interference between those responses will increase as well. The converse is also true: as the similarity between responses associated with a particular stimulus decreases, so
too does the level of interference between them. At the opposite end of the continuum from similarity is differentiation (i.e., discrimination). That is, responses that have low levels of similarity have high levels of discrimination, and responses that have high levels of similarity have low levels of discrimination. Hence, discrimination has a negative correlation with interference (see fig. 2.1).

When repositioning a brand, at least for a time, the brand, as the functional stimulus, is associated with two responses: the old positioning and the new positioning. In the case of a moderate-perceptual shift, one would expect the level of similarity between the old and new positionings to be greater than in the case of an extreme perceptual shift. Stated differently, an extreme perceptual repositioning would have a higher level of discrimination, vis-a-vis the old positioning, than a moderate-perceptual repositioning. Thus, a repositioning message that is highly discriminant from the original positioning should result in little interference between the old and the new positioning. As a result, accessibility of the old positioning and its ability to inhibit the new positioning will be high. However, if the similarity between the old and new positionings could be increased, the level of interference between the two positionings should increase as well. An increase in the interference between positionings, given that the old positioning will likely dominate the new positioning in terms of the strength of the association with the brand, should be beneficial to the new positioning relative to the old positioning.
The second stream of literature, based on schema assimilation and contrast, is not based on retrieval and interference of information. Rather, this literature attempts to address the encoding and acceptance of information that is discrepant with existing knowledge structures (Fiske and Linville 1980). The focus of this literature is on understanding how schemas facilitate encoding of new information and how schemas are updated.

When new information is received by a consumer that is consistent with existing knowledge structures, the new information is subsumed into the existing knowledge structure with minimal processing (cf. Sujan 1985). New information that is moderately discrepant from prior knowledge (which reflects a moderate perceptual shift in our research) receives more attention. According to the schema literature, new information that is moderately discrepant relative to an existing knowledge schema is assimilated into the schema; discrepant information is tagged to the schema but the basic schema remains intact (O'Sullivan and Durso 1984).

Although the assimilation process described above appears to be directly applicable to the repositioning communication used in study 1, one caveat is in order. Assimilation describes information processing related to the encoding of new information, with the assumption that what is encoded well will also be retrieved well. Although this may be true in general, we now know that encoding and retrieval are separate processes (e.g., Tulving 1983), and that interference can undermine recall even if encoding is strong. Thus, even after new information is assimilated into an existing schema, it may not be dominant within the schema and may not be retrieved at all.
Notwithstanding the limited attention to retrieval processes, schema literature makes interesting predictions when consumers face information that is highly discrepant from their existing knowledge and expectations. Schemas tend to resist change because they perform important functions (Crocker 1984), and because schema change is generally more effortful than schema maintenance (Sujan & Bettman 1989). One way that consumers attempt to reconcile highly discrepant information while maintaining the overall schema is through accommodation (Crocker 1984; Sujan and Bettman 1989). Highly schema-discrepant information is deeply processed and is believed to be accommodated by an existing schema through the formation of a subcategory (i.e., “subtyping”) for the new information. The result of subtyping is that the highly discrepant information is “set apart from the general product category” (Sujan and Bettman 1989, p. 456), thereby increasing the level of discrimination between the old and new information. For example, Sujan and Bettman (1989) found that when subjects faced new brand information which was discrepant from the features expected in the category, they did not modify their schema for the whole category. Instead, they showed evidence of setting the brand apart from its category in their memories.

Research on brand extensions in marketing provides evidence that is consistent with Sujan and Bettman’s (1989) results. When brand names are extended into categories that are reasonably related to the parent brand’s product category, the attitude toward the parent brand is transferred to its extension (e.g., Aaker and Keller 1990, Broniarczyk and Alba 1994). Conversely, when a brand is extended into unrelated categories, subjects are less willing to transfer parent brand attitudes to the extensions. In other words, as previously
mentioned, brand schemas resist change when faced with information that is inconsistent with the contents of the schema. People are also hesitant to generalize schema-specific knowledge to categories that are unrelated to the schema.

In summary, the interference literature, the schema literature, and the literature on brand extensions converge in predicting that strong preexisting brand-attribute links prevent internalization of new brand information that is highly discrepant, and provide evidence that the level of similarity between old and new learning can moderate the information processing relating to them. The memory interference perspective places the locus of this effect on the inability of extreme repositioning information to overcome proactive interference from prior knowledge. The schema perspective suggests that subjects resist integrating discrepant information with existing knowledge. Such active resistance is expected to manifest as counterargumentation by subjects faced with information that is highly discrepant. The implications for repositioning are: (1) the degree of similarity between the old positioning and the new positioning can vary; (2) the greater the degree of similarity between the old positioning and the new positioning, the greater the amount of interference between them; and (3) as evidenced from study 1, the greater the interference to the accessibility of the old positioning, the greater are the chances that the repositioning will be successful.

Given this understanding of how extreme repositioning information may be processed and retrieved, one should be able to devise strategies that would facilitate
consumer perceptual shifts even when faced with relatively extreme repositioning information. In this study, we use the context of comparative advertising to study repositioning.

**Repositioning and Comparative Advertising**

As mentioned in the literature review, one message technique commonly employed to position brands in the marketplace is comparative advertising (e.g., Dröge and Darmon 1987; Pechmann and Ratneshwar 1991). The interest in comparative advertising among academics practitioners is not surprising given the high level of effectiveness purported to be characteristic of comparative ads relative to noncomparative ads. In a recent meta-analysis, Grewal et al. (1997) report that relative to noncomparative ads, there is evidence that comparative ads: generate more attention, engender better message and brand recall, elicit more consumer thoughts, are perceived as more informative, generate more positive attitudes toward the brand, and increase both purchase intent and actual purchases.

In addition, one of the most commonly reported findings in the comparative advertising literature is how comparative ads encourage consumer perceptions of similarity between the advertised and comparison brands (e.g., Droge and Darmon 1989). Thus for a marketer looking to situate his or her brand in a competitive product-market space, comparative advertising is very useful. After choosing a comparison brand that presently is positioned where the marketer wants to be, a marketer can affect its brand’s position
through the use of comparative advertising. Thus, a critical step in achieving the intended positioning is the choice of the most appropriate comparison brand. We will now examine the problem of repositioning a brand using comparative advertising.

*Statement of Hypothesis*

Typically, the primary empirical focus relating to comparative advertising is enumerating the relative advantages and disadvantages of comparative advertising versus noncomparative advertising (cf. Grewal et al. 1997). What has not been explored in any great detail is the impact and implications of the specific brand chosen as the comparison brand and how the characteristics of the comparison brand can moderate the effectiveness of using comparative versus noncomparative advertising. In addition to evaluating the implications of using comparative advertising to reposition brands, study 3 attempts to provide insight on how the relationship between the comparison and target brands interact within the memory network to produce the predicted effects.

When a company selects a comparison brand to compare to the existing, familiar brand that it wants to reposition, the company has two basic options. The first alternative is for the company to select a comparison brand from among a set of competitors that share the current positioning with the target brand (i.e., a close current competitor) and then try to communicate points of distinction from that old, similar group (i.e., a dissociation strategy). The other alternative is to select a comparison brand from among a set of brands that is more closely associated with the desired repositioning and then try to communicate points of similarity (i.e., an association strategy). For example, suppose Suave shampoo, which is known as an economy brand, was to be repositioned as a salon-type shampoo. If the brand
were to adopt a dissociation comparative advertising strategy it would compare itself to another economy brand such as Prell, and points of distinction would be made between Suave and Prell in the comparative ad. If the brand were to adopt an association strategy, it would be compared to a salon-type shampoo such as Vidal Sasoon, and points of similarity would be made between Suave and Vidal Sasoon in the comparative ad.

Empirically and theoretically, it is not clear which alternative would be most effective in repositioning a brand when an extreme perceptual shift is desired. In their meta-analysis, Grewal et al. (1997) provide evidence that relative to noncomparative ads, comparative ads engender both a higher degree of attention and a greater degree of information processing. This is consistent with the schema literature which predicts increased elaboration resulting from the processing of discrepant information such as a repositioning communication. As a result of the increased information processing, encoding of a dissociative comparative ad would likely activate many of the linkages common to both the target and the comparative brand including the old-positioning attribute. Linkages between the two brands may also be strengthened. As a result of activating linkages to the old-positioning attribute, fewer cognitive resources would be available to generate retrieval cues to the repositioning attribute. In addition, the dissociative-comparative brand would have no direct links to the repositioning attribute. Hence, accessibility to the repositioning attribute would be weak. This reasoning is supported by Pechmann and Ratneshwar (1991) who found that a comparative ad was not effective in differentiating between two similar brands.
On the positive side, comparing a target brand with a competitor from the same competitive set would likely reduce the distinction (i.e., increase the level of similarity) between the old and new positionings relative to an associative comparative advertising strategy. This increased level of similarity would result because activating associations in common with the current competitor would help anchor the target brand to its old competitive set and hence, the repositioning message may seem relatively less discrepant.

Comparative ads that challenge existing beliefs are believed to induce a relatively high degree of counterarguing of message claims (Grewal et al. 1997). An extreme-perceptual-shift repositioning would be, by definition, contrary to existing perceptions. An associative comparative ad would likely enhance the distinction (i.e., level of dissimilarity) between the old and new positionings because consumers would not typically expect the target brand to be paired, in a comparative ad, with a brand that has a distinctly different positioning.

On the positive side, the associative-comparative brand would have direct links to the repositioning attribute. If the target brand were linked to the associative-comparative brand, relative to a dissociative advertising strategy, additional retrieval routes to the repositioning attribute would be available.

Hence, both the dissociative and associative comparative advertising strategies have advantages and disadvantages associated with them. It would seem beneficial to a marketer to attempt to integrate the two strategies into a combination strategy in order to benefit from the unique advantages of each. An example of a combination strategy would be if Suave were repositioned by first introducing a comparative ad with a member of the current
competitive set, such as Prell, as the comparison brand followed by a comparative ad with a member of the desired competitive set, such as Salon Selectives, as the comparison brand.

As indicated above, exposure to the dissociative element of the combination strategy would leave relatively few cognitive resources available for generating retrieval cues to the repositioning attribute. The dissociative element would also leave relatively few cognitive resources available for counterarguing the elements of the repositioning. After exposure to the dissociative element of the combination strategy, the consumer would have established a relatively weak link to the repositioning attribute, but one that was somewhat distinct from the original positioning.

Subsequent exposure to the associative element of the combination strategy would link the target brand to the desired competitive set. However, because a linkage had been established to the repositioning attribute via exposure to the dissociative element of the combination strategy, the repositioning attribute would not be perceived as quite so distinct from (i.e., more similar to) the old positioning attribute relative to a purely associative strategy. The result is an increased level of similarity between the old and new positioning.

These factors should render the repositioning more effective if it is delivered via the combination strategy compared to a purely dissociative or associative strategy. Hence:

**H4:** A repositioning strategy that utilizes a comparative advertising framework to first dissociate the brand from its current competitive set and then associate the brand to a new desired competitive set, will result in:

**A:** Increased acceptance of the new positioning relative to a purely dissociative or a purely associative comparative advertising strategy.

**B:** Increased interference of the old positioning.
Methodology

Design

The hypotheses were tested using a single factor, between-subjects design. Four conditions were employed in the study. The first condition was a control condition. In this condition, subjects received no repositioning ads. In condition two, subjects were exposed to the dissociative comparative advertising strategy. In condition three, subjects were exposed to the associative comparative advertising strategy. In condition four, subjects were exposed to the combination comparative advertising strategy.

A summary of the experimental design is contained in Table 4.1. Note that the target ads are all placed in the exact same position across all three experimental conditions. Also note that in condition four, the ads that are the same as conditions two and three are placed in the same position as they were in conditions two and three. That is, the current competitor ad is in position four in both conditions two and four; the desired competitor ad is in position eight in both conditions three and four.

Stimulus Development

In order to enhance the generalizability of the results, a different product category was used for study 3. As with study 1, pretesting was done to identify a product category that would be suitable for use in study 3.

Pretests. The first pretest was conducted among 45 college juniors and seniors who received extra class credit for participation. Because the goal of this pretest was the same as the pretests conducted prior to study 1, the same procedures were used to identify an
### Experimental Design

<table>
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<th>Control Condition 1</th>
<th>Dissociative Condition 2</th>
<th>Associative Condition 3</th>
<th>Combination Condition 4</th>
</tr>
</thead>
<tbody>
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<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
</tr>
<tr>
<td>2</td>
<td>Filler ad</td>
<td>Filler ad</td>
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<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
</tr>
<tr>
<td>4</td>
<td>Filler ad</td>
<td>Current</td>
<td>Desired</td>
<td>Current</td>
</tr>
<tr>
<td>5</td>
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<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
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<td>Filler ad</td>
<td>Filler ad</td>
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<td>8</td>
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<td>Current</td>
<td>Desired</td>
<td>Desired</td>
</tr>
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<td>10</td>
<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
<td>Filler ad</td>
</tr>
</tbody>
</table>

**Table 4.1:** Summary of experimental design for study 3.

appropriate product category and a suitable brand, but with one modification. Because research findings have established that market position (i.e., high-, moderate-, and low-share brands) can have an impact on the effectiveness of comparative advertising (Grewal et al. 1997), it was necessary to use comparison brands that were comparable in terms of market position. Familiarity with the brand was used to operationalize market position. Hence, in addition to the sorting task, subjects were asked to indicate if they were familiar with the brands that they were sorting by circling the brands with which they felt they had some level of familiarity, and placing an “X” through brands they had never heard of.

From this pretest it was determined that the product category of wrist watches best met the criteria (i.e., the criteria outlined in study 1) for inclusion in study 3. As with the clothing store category, three distinct groups of watches emerged from this sorting task. The first group included the watches: Timex, Casio and Nike. Timex and Casio were paired
together by 50 per cent of subjects, Casio and Nike by 42 percent of the subjects and Nike and Timex by 33 percent of the subjects. Ninety one percent of subjects indicated they were at least somewhat familiar with Casio, 93 per cent indicated they were at least somewhat familiar with Timex, and 82 per cent indicated they were at least somewhat familiar with Nike watches. The characteristics that this group of watches shared were sportiness, affordability, and digital readout.

The second group included the watches: Citizen, Pulsar, and Seiko. Citizen and Seiko were paired together by 60 percent of respondents. Eighty four per cent of the subjects indicated that they were at least somewhat familiar with Citizen and 89 per cent of subjects indicated they were familiar with Seiko. Familiarity of Pulsar was relatively lower, so that brand was dropped from further consideration for use in the study. The characteristics that this group of watches shared were good quality, medium price, and being a “nice” watch. The third group contained the watches Rolex and Swiss. Because these watches were not paired together as frequently as the watches in the other groups, they were dropped from further consideration for use in the study.

Based on this pretest it was decided that Nike watches would be used as the target brand. Representatives from the current competitive set would be Timex and Casio and representatives from the desired positioning competitive set would be Citizen and Seiko.

A second pretest was conducted to more firmly establish the current positioning of the target brand (Nike) and current positioning of the desired competitive set (Citizen and Seiko). This second pretest was conducted among 44 college juniors and seniors. Cooperation in the pretest was voluntary. Subjects were told that as an incentive, all of
those who participated in pretest would be entered into a lottery and that one student would be awarded $25. In this pretest, subjects were simply asked to write down everything that came to mind about the brands Nike, Citizen and Seiko. However the format for the thought listing enhanced the likelihood that the brands would be directly compared. That is, half the subjects listed attributes of Nike side-by-side with Citizen (i.e., in a “T” account format) and half listed attributes of Nike side-by-side with Seiko. From this pretest, the current positioning for Nike came across clearly as one of sports, sportiness, and athletic use. Consistent with the first pretest, the positionings of Citizen and Seiko were very similar. One attribute consistently listed for Citizen and Seiko in this pretest was that Citizen and Seiko were good watches to wear with dressy clothes and/or business attire. The cues that signaled this appropriateness were a gold or silver watch band and an analog readout. Based on these two pretests it was determined that Nike would be repositioned from being a sporty watch to being one that is appropriate for business attire and dressy occasions.

Comparative Ads. To test the hypotheses, four new advertisements were needed for study 3. These ads are contained in the Appendix. First, two dissociative comparative ads were developed that explicitly compared Nike to Casio and compared Nike to Timex Ironman. The two dissociative comparative ads were identical except that in the text where one of the ads has “Casio” the other ad has “Timex Ironman”. The headline of the ad stressed its comparative nature: “When it comes down to business, Nike watches are better than Citizen (Seiko).” The introductory paragraph specifically stressed the old positioning but only as it relates to the current competitors: “We agree that Casio (Timex Ironman)
watches are sporty.” The second paragraph introduced the desired repositioning: “A watch you can proudly wear with your best business attire.” The tagline emphasized the repositioning attribute: “Nike professional watches. We mean business.” The graphic contained a color picture of both a gold and a silver analog watch.

In addition, two associative comparative ads were developed that explicitly compared Nike to Citizen and compared Nike to Seiko. As with the dissociative ad, the associative ads were identical except that in the text where one of the ads has “Citizen” the other ad has “Seiko”. The introductory paragraph of the associative ads specifically stresses the current positioning of the desired competitors: “We agree that Citizen (Seiko) watches have long been known as a dressy watch.” This is the only element of the print ad that was different between the dissociative and associative ads. The picture, the second paragraph, and the tagline were all exactly the same. The headline was exactly the same in all four ads except for changing the brand name.

It is important to note that a total of four competitors were used in the comparison ads across the experimental conditions. In the combination condition, it was necessary to utilize ads with different brands; one from the current competitive set and one from the desired competitive set. If only one brand was used in the dissociative and associative strategies, an alternative explanation for any differential findings between these and the combination condition could be simply that exposure to multiple brands heightened subjects’ motivation to process the information in the combination condition relative to
exposure to a single brand twice in the other two conditions. Two brands were used in both the associative and dissociative conditions in order to make all three experimental conditions equivalent on this dimension.

**Subjects and Procedure**

Subjects were 140 college students enrolled in an introductory marketing course who received extra course credit for participating in the study. The study was run in groups of two to five. Subjects were randomly assigned to one of the four conditions.

The procedure from study 3 was somewhat of a combination of the procedures employed in studies 1 and 2 in that study 3 had subjects respond using both the computer and paper and pencil. Like studies 1 and 2, subjects were given a booklet containing the print ads and were given the same instructions as studies 1 and 2.

As with study 2, after reading through the booklet, subjects were given instructions to familiarize them with the personal computer they were to use to answer the questions. Subjects were once again told to be accurate above all but to try to answer the questions as quickly as possible while maintaining accuracy.

**Dependent Measures**

The dependent measures were also a combination of studies 1 and 2. As with study 2, subjects were asked to agree or disagree to 50 statements by hitting a separate key on their computer keyboard for each response (i.e., “2” for disagree and “1” for agree). The computer measured the time from the onset of the statement to the time that the subject responded agree/disagree (i.e., subjects’ reaction times). Embedded within the 50
statements was the critical statement relevant to this study related to the old positioning attribute: “Nike watches are sporty.” The subjects’ reaction times for agreeing to this statement were used as a dependent variable.

The same continuum rating scale that was used in study 1 was used study 3. The continuum rating scale was used to rate five wrist watches on two critical attributes. The five watches were the ones used in the comparative ads: Nike, Casio, Timex Ironman, Citizen and Seiko. The first key continuum measure was anchored by “Not At All Appropriate For Business Attire” and “Very Appropriate For Business Attire.” This attribute was included to represent the repositioning attribute. The second continuum measure was anchored by “Not Very Sporty” and “Very Sporty.” This attribute was included to represent the old positioning attribute.

Results

Manipulation Checks

The primary purpose of study 3 is to determine if a comparison advertising format can effectively reposition an existing brand when an extreme-perceptual shift is required. An extreme perceptual shift would be indicated by a strong perception that Nike watches are sporty, and an equally strong perception that Nike watches are not appropriate for business. Looking at the means within the control group, the average rating for Nike watches being sporty is 106.45 (out of 120 possible). The midpoint of the continuum is 60; average ratings for Nike being perceived as sporty are 46.45 points above neutral indicating a strong perception that Nike watches are sporty. The average rating among
members of the control group for Nike watches being perceived as appropriate for business is 29.80, 30.2 points below neutral indicating a strong perception that Nike watches are not appropriate for business. These ratings indicate that repositioning Nike watches as appropriate for business represents an extreme perceptual shift. To put these ratings in context, compare the difference in the old and new positioning attributes for Nike watches with the ratings in study 1 that contrast the old and new positionings for Abercrombie & Fitch. The old positioning for Abercrombie & Fitch (Trendy Fashions) was 93.2, 33.2 points above neutral. The repositioning for Abercrombie & Fitch—Basic Clothing Needs— was 65, 5 points above neutral. The repositioning for Abercrombie & Fitch—Affordable was 46.4, 13.6 points below neutral. Clearly, repositioning Nike as appropriate for business is a more extreme perceptual shift than repositioning Abercrombie & Fitch as a store for basic clothing needs and in line with, if not more extreme than, repositioning Abercrombie & Fitch as an affordable store.

Subjects in condition four received a second ad that provided somewhat newer material than the second of the two ads that was received in conditions two and three. Hence, an alternative explanation for any effects could be that the subjects in condition four were simply paying more attention to the second ad. To assess this, as the very last question, subjects were asked: “How much attention did you pay to the Nike ad the second time you saw it compared to the first time you saw it?” Subjects responded on a five-point Likert-type scale anchored at 5=A lot more attention and 1=A lot less attention. An ANOVA across the three noncontrol cells indicated that there was no difference in the amount of attention that subjects paid to the second to the two Nike ads (F(2,95) < 1).
Continuum Ratings

As with studies 1 and 2, hypotheses were tested using one-way ANOVA. Differences between specific conditions are predicted a priori, hence analyses were conducted with one-tailed contrasts. Once again analyses are focused on orthogonal contrasts. The first contrast compares the control group to the weighed average of the other three conditions to determine if the comparative advertising format is effective in repositioning the brand. Given the high level of processing expected from the comparative ads, it is expected that each of the treatment conditions will all have some success repositioning Nike toward being appropriate for business, relative to control. The second contrast compares the purely dissociative strategy to the purely associative strategy. Although not specifically hypothesized, it is expected that due to the problems associated with each of these approaches, there will be no differences between the two conditions on the key continuum measures. The third contrast is the most important contrast relative to the purposes of this study. This third contrast compares the combination strategy to the weighted average of the purely dissociative and purely associative repositioning strategies.

Table 4.2 reports the means of the key continuum measures. A one-way ANOVA on the repositioning attribute "Appropriate for Business" (MSE = 856.49) indicates an effect of the treatment on subjects' mean ratings ($F(3, 135) = 16.44, p<.001$). An orthogonal contrast between the control condition and the three treatment conditions indicates that the comparative ad format was effective in repositioning Nike relative to
### Mean Scores

<table>
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<tr>
<th>Measure</th>
<th>Control Condition</th>
<th>Dissociative Condition</th>
<th>Associative Condition</th>
<th>Combination Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nike Watches are Sporty</td>
<td>106.45</td>
<td>89.09</td>
<td>77.19</td>
<td>65.41</td>
</tr>
<tr>
<td>Nike Watches are Appropriate</td>
<td>29.80</td>
<td>60.94</td>
<td>62.86</td>
<td>75.94</td>
</tr>
<tr>
<td>for Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>33</td>
<td>36</td>
<td>31</td>
</tr>
</tbody>
</table>

*Table 4.2: Continuum ratings for Nike across conditions.*

the repositioning attribute \( t(135) = 6.719, p < .001 \). When examining the impact of the different comparative advertising strategies, an orthogonal contrast between the purely dissociative \( M = 60.94 \) and the purely associative \( M = 62.86 \) conditions indicates that these two strategies were equivalent in terms of repositioning Nike as appropriate for business \( t(135) < 1 \). When comparing the combination comparative-advertising strategy \( M = 75.94 \) to the other two strategies, an orthogonal contrast indicates that the combination strategy is more effective in repositioning Nike as appropriate for business than the other two comparative-advertising strategies \( t(135) = 2.212, p < .05 \) in support of H5A. Hence, of the three comparative advertising strategies, the combination strategies the most effective in repositioning the brand relative to the intended repositioning attribute.

Lower ratings on the continuum measure for the old positioning attribute would provide evidence that interference of the old positioning was facilitating acceptance of the repositioning attribute. A one-way ANOVA on the old-positioning attribute "sporty" (MSE
= 724.75) indicates an effect of the treatment on subjects' mean ratings ($F(3, 136) = 15.16$, $p < .001$). An orthogonal contrast between the control condition and the three treatment conditions indicates that the comparative ad format was effective in reducing perceptions of Nike relative to the old positioning attribute ($t(136) = 5.820, p < .001$). When examining the impact of the different comparative advertising strategies, an orthogonal contrast between the purely dissociative and purely associative conditions indicates that perceptions relative to the old positioning attribute were actually less in the purely associative comparative-advertising strategy ($M=77.19$) than in the purely dissociative comparative-advertising strategy ($M=89.09; t(136) = 1.834, p < .05$). When comparing the combination comparative-advertising strategy ($M = 65.41$) to the other two strategies, an orthogonal contrast indicates that the combination strategy is more effective in reducing perceptions of Nike as a sporty watch than the other two comparative-advertising strategies ($t(136) = 3.044, p < .01$) in support of H5B. These results are supportive of an interference explanation for the repositioning success of the combination comparative advertising strategy.

**Reaction Time Measures**

As with study 2, reaction time measures are used in this study as an additional measure of the predicted effects. Consistent with study 2, only those who agreed with the key positioning statement were included in the analysis. In addition, individual reaction times are again standardized by dividing the raw reaction time score by a baseline measure for each subject.
The hypotheses were further tested by analyzing the standardized reaction-time measures using one-way ANOVA. Once again, differences between specific conditions are predicted a priori, hence analyses were conducted with one-tailed contrasts. As with the rating continuum measure, analyses are centered on orthogonal contrasts. Table 4.3 reports the means of the key reaction time measures.

The measure of interest is the reaction time to the old positioning attribute: “Nike watches are sporty.” Interference to the old positioning attribute would be indicated by a decrease in the reaction time to the old-positioning attribute relative to control. A one-way ANOVA (MSE = .730) indicates an effect of the treatment on subjects’ mean reaction times (F(3,105) = 4.13, p < .01). An a priori, orthogonal contrast between the control condition and a weighted average of the other three conditions indicates that the comparative advertising strategy does create interference to the old positioning attribute (t(105) = 2.25, p < .05). As expected, an orthogonal contrast between the purely dissociative (M = 1.32) and purely associative (M = 1.48) conditions is insignificant (t(105) < 1). An orthogonal contrast between the combination condition (M = 2.25) and a weighted average of the dissociative and associative conditions is significant (t(105) = 3.63, p < .001). These findings suggest that the combination comparative-

<table>
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<th>Associative Condition</th>
<th>Combination Condition</th>
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<td>Nike Watches are Sporty</td>
<td>1.31</td>
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<td>1.48</td>
<td>2.25</td>
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<tr>
<td>(n)</td>
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Table 4.3: Standardized reaction times for key attribute across conditions in study 3.
advertising strategy creates greater interference to the old-positioning than either the purely dissociative or purely associative comparative advertising strategies as predicted by H5B, and consistent with the continuum measure on this attribute.

Discussion

It is the perspective of this dissertation that the intended repositioning of a brand can be facilitated by interference to the old-positioning attribute. The interference literature has shown that when a stimulus is associated with more than a single response, elicitation of any single, associated response is probabilistic relative to all other associated responses. That is, the addition of a response (or responses) associated with a common stimulus can interfere with (i.e., decrease) the likelihood that any of the other responses will be elicited upon presentation of the common stimulus.

The interference literature has also shown that there are a number of factors that can moderate the level of interference among responses associated with a common stimulus. One of the most robust findings from the interference literature is that the level of similarity among responses will affect the probability of retrieving any one particular response associated with a given stimulus. For example, as the similarity between two responses associated with a common stimulus increases, interference between the two responses also increases. As a result, the probability of retrieving either response becomes relatively more equal.

The repositioning approach that was utilized in study 1, although successful in repositioning the brand relative to an attribute requiring only a moderate perceptual shift,
was nevertheless unsuccessful in repositioning the brand relative to an extreme perceptual shift. Study 3 was designed to determine if there was a different approach to repositioning that could successfully reposition a brand when an extreme perceptual shift was desired.

A repositioning involving an extreme perceptual shift involves associating to a particular brand, two positionings that are, by definition, highly dissimilar to each other. However, by extending the findings from the interference and schema literature, it was reasoned that a brand desiring an extreme perceptual shift could be effectively repositioned by functionally increasing the similarity between the old and new positionings thereby increasing the interference between them.

Theoretically, it was proposed that when a brand is repositioned via a comparative advertising strategy, the choice of the comparison brand is of key importance. If the comparison brand is strongly associated with the repositioning attribute (i.e., a purely associative strategy), the target brand would be both directly linked to the repositioning attribute via the message delivered in the comparative ad, and indirectly linked via association to the comparison brand. However, the perception of a high level of differentiation between the old and new positionings would be maintained, if not enhanced, by a comparison brand strongly associated to the new positioning because of the perceptual disconnect associated with comparing brands that are typically not deemed appropriate to compare. Inclusion of a competitively dissimilar comparison brand would enhance the contrast between the old and new positionings thereby reducing the likelihood of interference between the two positionings.
If the comparison brand were strongly associated, and shared linkages with the target brand, to the old-positioning attribute, the contrast between the old and new positioning would not seem so great. However, dissociating the target brand from a member of its current competitive set would not effectively link the target brand to the repositioning attribute because the comparison brand has little or no association to the repositioning attribute. Hence, the old and new positionings would remain distinct under this configuration as well.

Based on the above reasoning, it was hypothesized that a combination strategy that first compared the target brand to a comparison brand from the current competitive set, and then compared the target brand to a comparison brand from the desired competitive set would first “push” the target brand away from the old positioning and then “pull” the target brand toward the new positioning. This process would increase the relative level of similarity between the old and new positionings, thereby increasing the amount of interference to the old positioning which would ultimately increase the level of acceptance of the repositioning attribute.

Study 3 provides evidence for this logic. First, with regard to the effects of the repositioning, the combination comparative advertising strategy was more effective than the purely dissociative or purely associative comparative advertising strategies in repositioning Nike watches as appropriate for business in support of H5A. Evidence of an interference explanation is provided by the significantly lower ratings for Nike among subjects in the combination comparative-advertising condition compared to the other two manipulation conditions for the old positioning attribute, Nike is Sporty. Further
evidence of an interference explanation is provided by slower reaction times to a statement representing the old positioning attribute (i.e., Nike is Sporty) among subjects in the combination comparative-advertising condition compared to the other two manipulation conditions in support of H5B. This pattern of results is consistent with the overall perspective of this dissertation: that a repositioning of a familiar brand can be facilitated if interference to the old positioning can be induced.

An alternative explanation for the findings of studies one and two is that condition three did not affect the salience of the belief representing the old positioning attribute but rather affected the confidence in which that belief was held. The fact that there were no differences on the continuum measure across conditions for the attribute “has trendy fashions” was because the continuum measure did not capture differences in confidence. Further, the increased reaction time for the old positioning attribute in study 2 for condition three could have reflected this lack of confidence. The results of study 3 tend to negate this explanation. In study 3, the continuum measure and the reaction time measure move in the same direction and demonstrate the same pattern across conditions, suggesting they are measuring the same phenomenon.

The impact of confidence on the repositioning of brands may very well be an important variable to consider. Future research on the mediating influence of confidence on repositioning effects would provide valuable insights.
CHAPTER 5
SUMMARY AND CONCLUSIONS

The motivation for selecting repositioning as the topic for this dissertation was generated by the proposition that change in the marketplace is inevitable and that to be effective in today's highly competitive marketplace a marketing manager must be proactive in managing change. To turn a blind eye to the inevitable change in the marketplace is what Theodore Levitt (1960) termed "marketing myopia." For marketing managers, the stakes are very high; a fatal consequence of marketing myopia is product obsolescence.

To successfully manage a brand in a highly competitive, constantly changing environment, a marketing manager must be familiar and knowledgeable with the options available with regard to strategic change. One important option available to marketing and brand managers desiring strategic change is repositioning. Repositioning is defined as changing the current, presumably untenable perceptions that consumers have of a particular brand to perceptions about the brand that are more conducive to marketplace success.
The Perspective of this Dissertation

By definition, successful repositioning requires a change in how consumers perceive a brand. That is, for an existing, familiar brand, perceptions of the brand’s positioning already exist. The perspective and key insight of this dissertation is that the repositioning of a brand can be facilitated to the extent that accessibility to the old-positioning attribute can be constrained.

The research program contained in this dissertation was designed to test the veracity of this perspective. Three research experiments were designed to attempt to provide evidence for the following link: If interference to the old positioning attribute can be induced, acceptance of the repositioning will be greater relative to a situation in which no interference was engendered. The results from study 1 provided initial support for this proposition in that a manipulation condition that encouraged interference to the old-positioning attribute realized higher ratings for the repositioning attribute relative to a manipulation condition with no interference to the old-positioning attribute. Study 2 provided more concrete support for linking interference to the successful repositioning of the brand. In study 2, the pattern of data associated with the reaction time measures was consistent with the hypothesized process. Study 3 explored repositioning within the framework of comparative advertising. Study 3 more explicitly linked interference of the old-positioning attribute to a successful repositioning of the brand.
Theoretical Contribution

The typical perspective taken with regard to repositioning is that given enough repetition, consumers will eventually learn the desired new positioning to be associated with a particular brand. The flaw in this reasoning is that consumers can represent both the old and new positionings in memory. That is, encoding of the new positioning in no way degrades the memory trace associated with the old positioning. Hence, learning of the new positioning is a necessary but by no means a sufficient condition for successful repositioning. Successful repositioning cannot be fully realized until consumers consistently retrieve the desired repositioning when presented with the brand as a stimulus.

Prior research on positioning and repositioning that has examined the issue from an information processing perspective has focused solely on learning of attribute information (e.g., Sujan and Bettman 1989; Dröge and Darmon 1987; Pechmann and Ratneshwar 1991). Prior research on interference has primarily documented the negative effects of competitive interference relative to the target brand (e.g., Burke and Srull 1988; Keller 1991). No other research has attempted to integrate the interference and positioning literature domains. Hence, the primary theoretical contribution of this dissertation is the insight that repositioning efforts can be facilitated by focusing on the interference of prior brand associations to complement the more traditional approach which focuses only on the learning of new attribute information.
Interference Literature

Although the focus of this dissertation is on the repositioning of familiar brands, the approach taken herein has broader theoretical implications. Previous research on interference has been very narrow, with interference effects sufficing as the key dependent variable. The results from this dissertation extend the past work on interference by suggesting that interference is a key process that can mediate the learning of new material under certain conditions. That is, the results of this dissertation suggest that the learning of material associated with a particular stimulus can be enhanced by weakening the associations between that stimulus and other responses. Hence, this dissertation contributes to understanding the learning of new materials by understanding the memory interference of old materials.

Further, the primary dependent variable in prior research on interference has been recall of specific copy points. For example, Burke & Snell (1988) used cued recall as the primary dependent variable related to interference. Subjects were given the brand name, model designation, and product class name and asked to verbally report any information about the brand they could recall. Keller (1991) provided subjects with mock package fronts as cues for the target brands and subjects were asked to describe all they could remember about the ads for the target brands. This dissertation is different from prior work on interference because it does not focus on recall of copy points as the primary dependent variable. The focus of this research was to demonstrate that interference within the semantic memory network would affect perceptions that consumers had of specific brands. This research makes a significant contribution to the interference
literature by demonstrating interference effects related to specific attribute nodes within the memory network. By operationalizing interference utilizing reaction time measures, the process of interference was explicitly examined. No other research has related interference and memory network models in this way.

This dissertation looks at interference relating to existing, familiar brands. Most of the other research on interference uses very low familiar or hypothetical brands. The one exception is Kent and Allen (1994). They compared the interference effects between high and low familiarity brands. But again, the primary dependent variable for these researchers was recall of product information contained in advertising. Like Kent and Allen (1994), this dissertation examines the impacts of interference on familiar brands. This dissertation examines the impact of interference (again operationalized via reaction time measures) on the perceptions of consumers related to specific attribute-based positionings. Neither Kent and Allen (1994) nor any other research has examined the interference effects to familiar brands in this way.

Positioning and Repositioning

Positioning is typically defined methodologically rather than theoretically. As mentioned previously, one of the most prevalent approaches to positioning is a market structure approach. A market structure approach to positioning is driven primarily by analytical tools such as multidimensional scaling. The primary emphasis of this approach is on the formulation of the algorithm for analyzing input data. Little attention is paid to the properties or characteristics of the input data.
This dissertation makes a contribution to the positioning and repositioning literature by making a distinction between positioning (a firm level activity) and the actual brand position, which is a cognitive construct. The cognitive position has been defined as distinct from other cognitive constructs, such as beliefs or attitudes, because it is based on perceptions of a brand relative to other brands in the marketplace. The cognitive position of a brand cannot be determined in isolation; it can only be assessed relative to its competitors. The dependent measures used in the studies described herein have attempted to tap into the relative nature of the cognitive position. No other research has looked at positioning from this perspective.

Managerial Contribution

Positioning is of importance to a firm because it represents the key strategic framework for a company’s communication campaign. Reis and Trout (1981) have opined that positioning is a concept that has changed the nature of advertising. It has also been suggested that the primary role of advertising is to affect positioning (Seggev 1982).

Although examples of repositioning attempts in the marketplace are numerous, very little research has been conducted to identify the characteristics and conditions that would make the chances of repositioning more or less successful. This dissertation suggests that for a repositioning effort to be successful, a firm must take steps to induce memory interference of at least some elements of the old positioning. The studies outlined in this dissertation suggest two methods for accomplishing this goal.
First is the idea of carefully selecting the competitive environment in which to communicate a repositioning. Although a firm may not have a great amount of control over the competitive environment, a savvy company will have data on competitors' advertising patterns or "flights". Studies 1 and 2 suggest that to the extent possible, the decision of the nature of the competitive environment in which to advertise is a strategic decision. Companies with multiple brands would have a greater degree of flexibility with regard to decisions concerning the competitive environment. The choice of which brands to advertise when should be expanded to consider the effects of competitive interference.

Second, this dissertation provides guidance with regard to the comparison brand to use when considering using comparative advertising to reposition a brand. When considering the use of comparative advertising as a repositioning strategy, an incremental approach which utilizes a combination (i.e., both a dissociative and an associative element) would be superior to either a purely dissociative or purely associative comparative advertising strategy. No other research has examined how the characteristics of a comparison brand used in comparison advertising can moderate the effects of the comparative advertising format. An additional study, which would contain a combination condition where the associative element was followed by a dissociative element, would provide even stronger support for the theoretical justification for this dissertation. Such a study would be the immediate logical extension of this research.

In addition, there is a managerial implication that is implied by these results. In study 3, repositioning was accomplished by the introduction of a new product. However, the dependent measures asked subjects to assess the brand (i.e., Nike watches) and not the
specific new product (i.e., Nike Professional watches). Whereas the line extension literature has provided guidelines on how perceptions of the parent brand can be transferred to the new product extension, the results of this dissertation suggest that the transfer works in both directions. That is, perceptions of a product extension can be transferred to the parent brand within the framework of a repositioning campaign.

Future Research

This dissertation demonstrates that memory interference is neither inherently good or bad with regard to a target brand. Rather, the fundamental issue centers on understanding the process by which interference operates within the memory structure. This dissertation demonstrates that knowledge of the nature of the interference processes can be transferred and used within specific marketing domains such as positioning and repositioning. Future research should focus on applying what is known about interference processes to other marketing domains. For example, elements of the marketing mix other than promotion may benefit from an understanding of memory interference. Pricing, for example, would be a research domain that would seem ripe for analysis from an interference perspective. It is generally assumed that consumers do a poor job of remembering specific prices of products (Dickson and Sawyer 1990). However, perhaps marketers could use tactics that would induce interference of competitors’ prices and thereby increase memory for the target brand’s price.

The future research opportunities related to repositioning are numerous. For example, in repositioning a brand, should a company remind consumers of the old
positioning to enhance the distinction between the old and new positionings? The results contained in this dissertation would suggest that this may not be a good idea because specifically mentioning the old positioning may actually take away necessary cognitive resources needed for developing retrieval cues to the repositioning attribute. Also, do other characteristics of the brand moderate the ability of a firm to reposition a brand? Marketers may find it to be more difficult to reposition a brand that is a category leader, or prototypical of a category than it is to reposition a brand considered somewhat atypical of the category. Do characteristics of the marketplace moderate the ability of a firm to reposition a brand? Is it easier or harder to reposition a brand in a mature versus a growing market?

Another issue worthy of consideration is the characteristics of the repositioning attribute. For example, attributes such as “expensive” or “reliable” may be considered more concrete as they tend to be more objectively demonstrable. Other attributes such as “modern”, “hip”, or “luxurious” may be less concrete and more open to individual interpretation. Evidence from this dissertation would suggest that repositioning would be easier to the extent that evidence contradictory to the repositioning assertion was not readily available. The research opportunities mentioned above just begin to scratch the surface of potential pool of issues related to interference and repositioning.
Endnotes

1 This interference-based definition of forgetting specifically delineates the pertinent memory domain: the forgetting of items stored in long term-memory. Forgetting phenomena in other memory domains such as working, perceptual, or implicit memory are not considered.

2 Since much work in this era of memory research employed word lists and paired associates as learning materials, the terms stimulus and response are generally used to describe the stimuli used in these tasks and how subjects responded when asked to recall.

3 In order to demonstrate the effectiveness of the competitive ad condition relative to control, and to ensure that the significant contrast was not being driven by the dip in ratings in the repositioning ad only condition, an analysis was performed that combined the competitive ad condition to the control only. As expected, ratings in the competitive ad condition were significantly higher than ratings in the control condition ($t(95) = 1.82$, $p < .05$).
Appendix A

Abercrombie & Fitch Repositioning Ad

Abercrombie Blue Jeans.
Comfortable. Affordable.

Just what your legs need.

All right. We know you want comfortable clothes that are affordable, especially the clothes that you buy for everyday use.

We know that you don’t want to spend a lot of money for a simple, casual pair of blue jeans. But we also know you don’t want to sacrifice comfort either, especially for your basic everyday clothing needs.

Well, let’s introduce to you Abercrombie & Fitch’s new relaxed fit jeans. Made specifically to give you a comfortable fit that is just what your legs need. Abercrombie blue jeans. Comfortable, yet affordable enough for everyday use. Basic, all-purpose jeans, yet not boring. No one makes a better pair of blue jeans at this price.

Abercrombie & Fitch. For a new definition of blue jeans.
Appendix B

Banana Republic Competitive Ad

Cool Fall? Yes it is at Banana Republic

You are not alone in wanting great clothes that are stylish, yet simple and of great quality. In some ways, we see ourselves as bringing to you all the luxuries that nature has to offer.

Natural style has always traveled well. And simple fashions like a suede blazer, a cashmere twin set, the right tee shirt—even the chic of a Kenya Convertible pant—all say something far more interesting than basic.

At Banana Republic, we design clothes for you. And we believe that style should never be overstated, but only inferred. Being fashionable is not about being a fashion layout. Rather it is about wearing cool clothes that you feel good about wearing.

Banana Republic. An essential part of your unique and individual style.
Appendix C

Nike and Casio Comparative Ad

When it comes down to business,
Nike watches are better than Casio

We agree that Casio watches are sporty. They are fairly durable watches that are pretty much scratch and water resistant with lots of timers and alarms and lap counters. They go well with t-shirts and jeans. But when it comes to dressing up for an occasion, such as your first day at your new job, you cannot wear a Casio watch.

Introducing the new Nike Professional. A watch you can proudly wear with your best business attire. Elegantly styled for men and women with gold and silver dials and a variety of metal bands to choose from.

Nike Professional watches. We mean business.
Appenidx D

Nike and Timex Ironman Comparative Ad

When it comes down to business,
Nike watches are better than Timex Ironman

We agree that Timex Ironman watches are sporty. They are fairly durable watches that are pretty much scratch and water resistant with lots of timers and alarms and lap counters. They go well with t-shirts and jeans. But when it comes to dressing up for an occasion, such as your first day at your new job, you cannot wear a Timex Ironman watch.

Introducing the new Nike Professional. A watch you can proudly wear with your best business attire. Elegantly styled for men and women with gold and silver dials and a variety of metal bands to choose from.

Nike Professional watches. We mean business.
Appendix E

Nike and Citizen Comparative Ad

When it comes down to business, Nike watches are better than Citizen

We agree that Citizen watches have long been known as a dressy watch. Citizen watches have been around for many years and they have a reputation for decent quality. But when it comes to dressing up for an occasion, such as your first day at your new job, you don't want to look old fashioned.

Introducing the new Nike Professional. A watch you can proudly wear with your best business attire. Elegantly styled for men and women with gold and silver dials and a variety of metal bands to choose from.

Nike Professional watches. We mean business.
Appendix F

Nike and Seiko Comparative Ad

When it comes down to business, Nike watches are better than Seiko

We agree that Seiko watches have long been known as a dressy watch. Seiko watches have been around for many years and they have a reputation for decent quality. But when it comes to dressing up for an occasion, such as your first day at your new job, you don’t want to look old fashioned.

Introducing the new Nike Professional. A watch you can proudly wear with your best business attire. Elegantly styled for men and women with gold and silver dials and a variety of metal bands to choose from.

Nike Professional watches. We mean business.
Appendix G

Questionnaire: Pretest 1

Questionnaire

We would like to get your impressions of a number of different brands in a few different product categories. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

1. Please think for a moment about retail clothing stores. Listed in alphabetical order below are a number of retail clothing stores that can be found in the Columbus area. Please take a moment to review the list.

   1. Abercrombie
   2. Banana Republic
   3. Casual corner
   4. County Seat
   5. Dockers Shop
   6. Eddie Bauer
   7. Express
   8. Gantos
   9. The Gap
   10. JC Penny
   11. Jacobson’s
   12. Kohl’s
   13. Lazurus
   14. The Levis’ Store
   15. The Limited
   16. Marshall Fields
   17. Old Navy
   18. Structure
   19. Talbots

2. Now, your task is to categorize these stores based on their overall similarity/difference from each other. Take a moment to again review the list of retail clothing stores, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these stores and what makes these stores similar to or different from each other. Listed below are 10 blank categories. We would like you to fill in these blank categories with the names of the retail clothing stores listed above so that each category contains stores that you consider to be the most similar to each other and the stores in different categories are perceived by you to be different from each other in some way.

   Do this task by taking the first store listed and write it on the first line under the first category. Next, evaluate the store listed second and specifically compare it to the first store that you have placed under category 1. If you believe that the second store listed is mostly or very similar to the first store, write the name of the second store on the second line in category 1 under the first store that you wrote down. However, if you think that the second store is not very similar, or even mostly dissimilar to the first store, write the name of the second store on the first line of category 2. Next, evaluate the store listed third by comparing it to the first and second store written down and again decide if the
third store belongs in a category that already contains a store or if it is different enough from the stores already written down that it needs to be in a separate category. Please evaluate all of the stores listed in this manner. Although there are 10 blank categories available, you need not use them all. If you think the stores can be accurately classified using 3, 4, 5, 6, etc. categories, this is fine; use only as many blank categories as you need.

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3. Now, please flip back to the previous page, that is, go back to the categories under which you listed the names of the stores, and above each category that contains at least one store, write down WHAT it is specifically that makes the stores in that category similar. That is, write down a phrase that summarizes to you why those stores are similar and why you categorized them together and what makes them different from the stores in the other categories.

4. Once again, flip back to the previous page, that is, go back to the categories under which you listed the names of the stores, and for each category that contains three or more stores, place an "X" next to the two stores that are most similar to you within that category.

Now, we would like to get your impressions of a number of different television (TV) brands. Again, there are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can.

5. Please think for a moment about TV brands. Listed in alphabetical order below are a number of TV brands that can be found in the Columbus area. Please take a moment to review the list.

1. Emerson  
2. Hitachi  
3. General Electric  
4. Gold Star  
5. JVC  
6. Magnavox  
7. Mitsubishi  
8. Panasonic  
9. Quasar  
10. RCA  
11. Samsung  
12. Sanyo  
13. Sharp  
14. Sony  
15. Sylvania  
16. Toshiba  
17. Zenith
6. Now, your task is to categorize these TV brands based on their overall similarity/difference from each other. Take a moment to again review the list of TV brands, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these brands and what makes these TV brands similar to or different from each other. Listed below are 10 blank categories. We would like you to fill in these blank categories with the names of the TV brands listed above so that each category contains TV brands that you consider to be the most similar to each other and the TV brands in different categories are perceived by you to be different from each other in some way.

Do this task by taking the first TV brand listed and write it on the first line under the first category. Next, evaluate the TV brand listed second and specifically compare it to the first TV brand that you have placed under category 1. If you believe that the second TV brand listed is mostly or very similar to the first TV brand, write the name of the second TV brand on the second line in category 1 under the first TV brand that you wrote down. However, if you think that the second TV brand is not very similar, or even mostly dissimilar to the first TV brand, write the name of the second TV brand on the first line of category 2. Next, evaluate the TV brand listed third by comparing it to the first and second TV brand written down and again decide if the third TV brand belongs in a category that already contains a TV brand or if it is different enough from the TV brands already written down that it needs to be in a separate category. Please evaluate all of the TV brands listed in this manner. Although there are 10 blank categories available, you need not use them all. If you think the TV brands can be accurately classified using 3,4,5,6, etc. categories, this is fine; use only as many blank categories as you need.

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7. Now, please flip back to the previous page, that is, go back to the categories under which you listed the names of the TV brands, and above each category that contains at least one TV brand, write down WHAT it is specifically that makes the TV brands in that category similar. That is, write down a phrase that summarizes to you why those brands are similar and why you categorized them together and what makes them different from the brands in the other categories.
8. Once again, flip back to the previous page, that is, go back to the categories under which you listed the names of the TV brands, and for each category that contains three or more TV brands, place an “X” next to the two TV brands that are most similar to you within that category.

9. Finally, we would like to get your impressions of a number of different brands of luxury cars. Again, there are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

10. Please think for a moment about luxury cars. Listed in alphabetical order below are a number of brands/makes of luxury cars that can be found in the Columbus area. Please take a moment to review the list.

   6. Infiniti 12. Oldsmobile 88

11. Now, your task is to categorize these luxury cars based on their overall similarity/difference from each other. Take a moment to again review the list of luxury cars, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these luxury cars and what makes these cars similar to or different from each other. Listed below are 10 blank categories. We would like you to fill in these blank categories with the names of the luxury cars listed above so that each category contains cars that you consider to be the most similar to each other and the cars in different categories are perceived by you to be different from each other in some way.

Do this task by taking the first luxury car listed and write it on the first line under the first category. Next, evaluate the luxury car listed second and specifically compare it to the first luxury car that you have placed under category 1. If you believe that the second luxury car listed is mostly or very similar to the first luxury car, write the name of the second luxury car on the second line in category 1 under the first luxury car that you wrote down. However, if you think that the second luxury car is not very similar, or even mostly dissimilar to the first luxury car, write the name of the second luxury car on the first line of category 2. Next, evaluate the luxury car listed third by comparing it to the first and second luxury car written down and again decide if the third luxury car belongs in a category that already contains a luxury car or if it is different enough from the cars already written down that it needs to be in a separate category. Please evaluate all of the luxury cars listed in this manner. Although there are 10 blank categories available, you need not use them all. If you think the luxury cars can be accurately classified using 3, 4, 5, 6, etc. categories, this is fine; use only as many blank categories as you need.
12. Now, please flip back to the previous page, that is, go back to the categories under which you listed the names of the luxury cars, and above each category that contains at least one car, write down WHAT it is specifically that makes the luxury cars in that category similar. That is, write down a phrase that summarizes to you why those cars are similar and why you categorized them together and what makes them different from the cars in the other categories.

Once again, flip back to the previous page, that is, go back to the categories under which you listed the names of the luxury cars, and for each category that contains three or more luxury cars, place an “X” next to the two cars that are most similar to you within that category.

Finally, just a few demographic questions.

13. What is your Gender? Male_________ Female_________

14. What is your age? __________

15. What is your race or ethnic heritage (PLEASE CIRCLE ONE)

African American  Asian/Pacific  Caucasian  Hispanic/Latino  Other

16. Is English your first language?

Yes ________ No ________
17. What is your class (PLEASE CIRCLE ONE)

Freshman  Sophomore  Junior  Senior  Graduate

18. What is your major? ________________

NAME:______________________________

Thank you for your participation!
Appendix H

Questionnaire: Pretest 2a

Questionnaire

We would like to get your impressions of a number of different brands. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

1. Please think for a moment about retail clothing stores. Listed in random order below are a number of retail clothing stores that can be found in the Columbus area. Please take a moment to review the list.

   1. Levi’s
   2. JC Penney
   3. Banana Republic
   4. County Seat
   5. Lazarus
   6. Kohl’s
   7. Abercrombie
   8. The Gap
   9. Casual Corner
   10. Eddie Bauer

2. Now, your task is to categorize these stores based on their overall similarity and difference from each other.

   Take a moment to again review the list of retail clothing stores, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these stores and what makes these stores similar to or different from each other.

   Listed below are 5 blank categories. We would like you to fill in these blank categories with the names of the retail clothing stores listed above so that each category contains stores that you consider to be the most similar to each other and the stores in different categories are perceived by you to be different from each other in some way.

   Do this task by taking the first retail clothing store listed (Levi’s) and write it on the first line under the first category. Next, evaluate the retail clothing store listed second (JC Penney) and specifically compare it to the first store that you have placed under category 1 (Levi’s).

   If you believe that Levi’s stores are mostly similar or very similar to JC Penney stores, write the name JC Penney on the second line in category 1 under Levi’s (that is, Levi’s
and JC Penney in the same category). However, if you think that JC Penney stores are not very similar, or even mostly dissimilar to Levi’s stores, write the name of JC Penney on the first line of category 2 (that is, Levi’s under category 1 and JC Penney under category 2).

Next, evaluate the retail clothing store listed third (Banana Republic) by comparing it to the first and second store written down and again decide if the third store belongs in a category that already contains a store or if it is different enough from the stores already written down that it needs to be in a separate category.

Please evaluate all of the stores listed in this manner. Although there are 5 blank categories available, you need not use them all. If you think the stores can be accurately classified using 2,3,4, etc. categories, this is fine; use only as many blank categories as you need.

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3. Now, please flip back to the previous page, that is, go back to the categories under which you listed the names of the stores, and for each category that contains at least two stores, think about WHAT it is specifically that makes the stores in that category similar.

Next, in the spaces provided below, write down a phrase that summarizes to you why those stores are similar, why you categorized them together, and what makes them different from the stores in the other categories.

Category 1: ____________________________

Category 2: ____________________________

Category 3: ____________________________

Category 4: ____________________________

Category 5: ____________________________

4. Next, once again please flip back to the previous page and for each category that contains at least one store, think about all of the positive attributes that each group of stores has in common. In the spaces provided below, write down all of the positive things that you can think of that each group of stores has in common.
5. Once again please flip back to the previous page and for each category that contains at least one store, think about all of the negative attributes that each group of stores has in common.

In the spaces provided below, write down all of the negative things that you can think of that each group of stores has in common.

Category 1:

Category 2:

Category 3:

Category 4:

Category 5:

6. One more time please flip back to the category page and for each category that contains at least one store, think about the type of people that shop in these stores. Think about them in terms of their demographics such as age, income, gender, etc, and also think of them in terms of their personalities.

In the spaces provided below, describe, in terms of both demographics and personality, all of the characteristics of the people that each group of stores has in common.

Category 1:

Category 2:

Category 3:

Category 4:

Category 5:
Finally, just a few demographic questions.

16. What is your Gender?    Male_____    Female_____

17. What is your age?        ________

18. What is your race or ethnic heritage (PLEASE CIRCLE ONE)
   African American   Asian/Pacific   Caucasian   Hispanic/Latino   Other

19. Is English your first language?
   Yes            No

20. What is your class (PLEASE CIRCLE ONE)
   Freshman   Sophomore   Junior   Senior   Graduate

21. What is your major?    _________

NAME:_____________________________________________________

Thank you for your participation!
Appendix I

Questionnaire: Pretest 2b

Questionnaire

We would now like to ask you to complete a survey for us. Please be sure to read the instructions carefully before proceeding to answer the questions. Be sure to answer all questions in the order in which they are provided. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

We would like to get your impressions of a number of different brands in the retail clothing product category.

For each brand listed below, think about your opinions, your experiences, and anything that you may have heard or read about each one. In the spaces provided, please write down everything that comes to mind when you think about each brand or retail clothing store.

Please try to write down the attributes and characteristics in the order in which they come to mind. Do not feel obligated to fill up all of the lines provided—extra lines are provided only in case they are needed. Stop writing at a the point when things have stopped coming to mind.

1. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of Levi’s clothing stores.

1. __________________________________________
2. __________________________________________
3. __________________________________________
4. __________________________________________
5. __________________________________________
2. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of **JC Penney** clothing stores.

   1. 
   2. 
   3. 
   4. 
   5. 

3. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of **Banana Republic** clothing stores.

   1. 
   2. 
   3. 
   4. 
   5. 

4. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of **County Seat** clothing stores.

   1. 
   2. 
   3. 
   4. 
   5. 

5. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of **Lazarus** clothing stores.

   1. 
   2. 
   3. 
   4. 
   5. 

6. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of **Kohl’s** clothing stores.

   1. 
   2. 
   3. 
   4. 
   5.
7. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of Abercrombie clothing stores.

1. 
2. 
3. 
4. 
5. 

8. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of The Gap clothing stores.

1. 
2. 
3. 
4. 
5. 

9. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of Causal Corner clothing stores.

1. 
2. 
3. 
4. 
5. 

10. Write down all of the attributes and characteristics, both good and bad if appropriate, that come to mind when you think of Eddie Bauer clothing stores.

1. 
2. 
3. 
4. 
5. 

11. Please go back and review the list of characteristics that you have written for each retail clothing store and think about the one characteristic that best represents, to you, the primary or single most important characteristic to describe each store. Please place an “X” next to the one characteristic above that best describes each of the 10 clothing stores above.
12. Next we would like you to think about the retail clothing stores listed above and how they are similar and different from each other. Below we would like you to rate the overall similarity/difference of a number of the retail clothing stores. Please circle the number below that bests represents your opinion.

**Overall, how similar are the following retail clothing stores to each other?**

<table>
<thead>
<tr>
<th>Very Dissimilar</th>
<th>Very Similar</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Gap vs. JC Penney</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>Levi’s vs. Abercrombie</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>Lazarus vs. Eddie Bauer</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>Levi’s vs. Kohl’s</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>The Gap vs. Banana Republic</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>The Gap vs. Levi’s</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>JC Penney vs. Abercrombie</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>Eddie Bauer vs. Kohl’s</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

11. Next, we would like you to rate the similarity of these same retail clothing stores but this time on specific characteristics. What we would like you to do is arrange or place on line the different retail clothing stores so that the placement of each restaurant represents, to you, the similarities and differences among the restaurants on specific restaurant attributes.

For example, suppose you were going to rate the fast food hamburger restaurants, McDonald’s, Wendy’s, and Burger King on how speedy their service is, and you thought that McDonald’s had the speediest service of the three, followed closely by Wendy’s and that Burger King was a distant third with regard to the attribute speedy service. You might place the restaurants on a line in the following manner:

```
       McD
        ↓
   Slow      ↑      ↑      Speedy
  Service    BK     Wen    Service
```

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We would now like you to rate the retail clothing stores in a similar manner. Using the following abbreviations:

LV = Levi’s   JC = JC Penney   BR = Banana Republic   CS = County Seat
LZ = Lazarus   K = Kohl’s   A = Abercrombie   G = Gap   CS = Casual Corner   EB = Eddie Bauer

a. How would you rate these retail clothing stores in terms of having in-style and current fashions?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Does Not Have Has In-Style/In-Style/Current Fashions Current Fashions</td>
</tr>
</tbody>
</table>

b. How would you rate these retail clothing stores in terms of being appropriate for students?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not At All Very</td>
</tr>
<tr>
<td>Appropriate Appropriate For Students For Students</td>
</tr>
<tr>
<td>For Students</td>
</tr>
</tbody>
</table>

c. How would you rate these retail clothing stores in terms of being affordable?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Very Very</td>
</tr>
<tr>
<td>Affordable Affordable</td>
</tr>
</tbody>
</table>

d. How would you rate these retail clothing stores in terms of how familiar they are to you?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not a Very Very</td>
</tr>
<tr>
<td>Familiar Familiar</td>
</tr>
</tbody>
</table>

Finally, just a few demographic questions.

19. What is your age? ___________

20. What is your race or ethnic heritage (PLEASE CIRCLE ONE)

African American    Asian/Pacific    Caucasian    Hispanic/Latino    Other

22. Is English your first language?

Yes    No
23. What is your class (PLEASE CIRCLE ONE)
   Freshman   Sophomore   Junior   Senior   Graduate

24. What is your major? ______________

Thank you for your participation!
Appendix J

Questionnaire: Pilot Study

Questionnaire

General Instructions
(Please Read Carefully)

We would now like to ask you to complete a survey for us. Below are a number of questions on a variety of topics. Please be sure to read the instructions carefully before proceeding to answer the questions. Be sure to answer all questions in the order in which they are provided. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

1. First, we would like you to rate the similarity of a number of clothing stores based on a number of specific characteristics. What we would like you to do is arrange or place on a line the different clothing stores so that the placement of each store represents, to you, the similarities and differences among the stores on specific store attributes.

For example, suppose you were going to rate the fast food hamburger restaurants, McDonald’s, Wendy’s, and Burger King on how speedy their service is, and you thought that McDonald’s had the speediest service of the three, followed closely by Wendy’s and that Burger King was a distant third with regard to the attribute speedy service. You might place the restaurants on a line in the following manner:

\[
\text{McD} \downarrow \text{Slow} \uparrow \text{BK} \uparrow \text{Wen} \text{Service} \text{Speedy}
\]

We would now like you to rate the retail clothing stores in a similar manner. Using the following abbreviations:

\[
A = \text{Abercrombie} \quad BR = \text{Banana Republic} \quad G = \text{The Gap} \quad JC = \text{JC Penney} \\
LS = \text{Levi’s Stores}
\]
a. How would you rate these retail clothing stores in terms of having trendy fashions?

<table>
<thead>
<tr>
<th>Does Not Have</th>
<th>Has</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trendy Fashions</td>
<td>Trendy Fashions</td>
</tr>
</tbody>
</table>

b. How would you rate these retail clothing stores in terms of being affordable?

| Not Very Affordable | Very Affordable |

2. Now, think about when you go shopping for clothes. We want you to tell us what brands you are most likely to consider when shopping for clothes, and what is important about those brands.

If you were shopping for clothes and you wanted to buy items that were stylish and trendy, of the clothing stores listed below which ones would you seriously consider? Please circle all the stores (listed below in alphabetical order) that you would seriously consider if you were shopping for stylish and trendy clothes. You may circle as many or as few brands as you like.

---

Abercrombie & Fitch  Banana Republic  Casual Corner
County Seat  The Dockers Shop  Eddie Bauer
JC Penney  Kohl’s  The Levi’s Store
The Limited  Talbots  Target
---

5. Look back at the clothing stores that you would seriously consider for purchasing stylish and trendy clothes (that is, the ones you circled). Please go back and rank each store based on which ones you would be most serious about purchasing from; that is, place a “1” next to the store that you would be most serious about, place a “2” next to the store that you would be second most serious about, etc. Please place a number next to each clothing store that you circled above as being a store that you would seriously consider purchasing from for stylish and trendy clothes.

6. If you were shopping for basic, everyday clothes, such as jeans, of the clothing stores listed below which ones would you seriously consider? Please circle all the stores (listed below in alphabetical order) that you would seriously consider if you were shopping for basic, everyday clothes, such as jeans. You may circle as many or as few brands as you like.
7. Look back at the clothing stores that you would seriously consider for purchasing basic, everyday clothes such as jeans (that is, the ones you circled). Please go back and rank each store based on which ones you would be most serious about purchasing from; that is, place a “1” next to the store that you would be most serious about, place a “2” next to the store that you would be second most serious about, etc. Please place a number next to each clothing store that you circled above as being a store that you would seriously consider purchasing from for basic, everyday clothes such as jeans.

8. If you were shopping for clothes and you wanted shop at a store that you believed was affordable, of the clothing stores listed below, which ones would you seriously consider? Please circle all the stores (listed below in alphabetical order) that you would seriously consider if you wanted to shop in a store that you considered to be affordable. You may circle as many or as few brands as you like.

   ____ Abercrombie & Fitch    ____ Banana Republic    ____ Casual Corner
   ____ County Seat            ____ The Dockers Shop    ____ Eddie Bauer
   ____ JC Penney              ____ Kohl’s             ____ The Levi’s Store
   ____ The Limited            ____ Talbots            ____ Target

9. Look back at the clothing stores that you would seriously consider as affordable (that is, the ones you circled). Please go back and rank each store based on which ones you would be most serious about purchasing from; that is, place a “1” next to the store that you would be most serious about, place a “2” next to the store that you would be second most serious about, etc. Please place a number next to each clothing store that you circled above as being a store that you would seriously consider purchasing from because it is affordable.

Finally, just a few demographic questions.

10. What is your Gender?  Male_________  Female_________

11. What is your age?  ___________

12. What is your race or ethnic heritage (PLEASE CIRCLE ONE)
    African American  Asian/Pacific  Caucasian  Hispanic/Latino  Other

13. Is English your first language?
    Yes  No
14. What is your class (PLEASE CIRCLE ONE)
   Freshman   Sophomore   Junior   Senior   Graduate

15. What is your major? ________________

NAME: ______________________________________

Thank you for your participation!
Appendix K

Questionnaire: Study 1

Name:_________________________
SS#:________________________
Booklet:______________________

Questionnaire

General Instructions
(Please Read Carefully)

We would now like to ask you to complete a survey for us. Below are a number of questions on a variety of topics. Please be sure to read the instructions carefully before proceeding to answer the questions. Be sure to answer all questions in the order in which they are provided. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

2. First, we would like you to rate the similarity of a number of clothing stores based on a number of specific characteristics. What we would like you to do is arrange or place on a line the different clothing stores so that the placement of each store represents, to you, the similarities and differences among the stores on specific store attributes.

For example, suppose you were going to rate the fast food hamburger restaurants, McDonald's, Wendy's, and Burger King on how speedy their service is, and you thought that McDonald's had the speediest service of the three, followed closely by Wendy's and that Burger King was a distant third with regard to the attribute speedy service. You might place the restaurants on a line in the following manner:

```
| Slow   |   BK   |   McD   |
```

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We would now like you to rate the retail clothing stores in a similar manner. Using the following abbreviations:

A = Abercrombie  
BR = Banana Republic  
G = The Gap  
JC = JC Penney  
LS = Levi's Stores

a. How would you rate these retail clothing stores in terms of having trendy fashions?

<table>
<thead>
<tr>
<th>Does Not Have</th>
<th>Has</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trendy Fashions</td>
<td>Trendy Fashions</td>
</tr>
</tbody>
</table>

b. How would you rate these retail clothing stores in terms of being affordable?

<table>
<thead>
<tr>
<th>Not Very Affordable</th>
<th>Very Affordable</th>
</tr>
</thead>
</table>

c. How would you rate these retail clothing stores in terms of carrying good jeans?

<table>
<thead>
<tr>
<th>Does Not Carry Good Jeans</th>
<th>Carries Good Jeans</th>
</tr>
</thead>
</table>

d. How would you rate these retail clothing stores in terms of satisfying your basic, everyday clothing needs?

<table>
<thead>
<tr>
<th>Is Not a Good Store for my Basic, Everyday Clothing Needs</th>
<th>Is a Very Good Store for my Basic, Everyday Clothing Needs</th>
</tr>
</thead>
</table>

145
e. How familiar are you with each one of these stores?

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Very Familiar</th>
</tr>
</thead>
</table>

6. Familiar

7. If you were shopping for basic, everyday clothes, such as jeans, of the clothing stores listed below which ones would you seriously consider? Please circle all the stores listed below in alphabetical order that you would seriously consider if you were shopping for basic, everyday clothes, such as jeans. You may circle as many or as few brands as you like.

___ Abercrombie & Fitch  ___ Banana Republic  ___ Casual Corner
 ___ County Seat  ___ The Dockers Shop  ___ Eddie Bauer
 ___ JCPenney  ___ Kohl's  ___ The Levi's Store
 ___ The Limited  ___ Talbots  ___ Target

8. Look back at the clothing stores that you would seriously consider for purchasing basic, everyday clothes such as jeans (that is, the ones you circled). Please go back and rank each store based on which ones you would be most serious about purchasing from; that is, place a “1” next to the store that you would be most serious about, place a “2” next to the store that you would be second most serious about, etc. Please place a number next to each clothing store that you circled above as being a store that you would seriously consider purchasing from for basic, everyday clothes such as jeans.

9. Now, please think about the print ads that you read that were contained in the booklet.

A. In the booklet that you read, was there a print ad for Abercrombie & Fitch?

   __ Yes (ANSWER QUESTION B BELOW)  __ No (SKIP TO QUESTION #12)

B. In the spaces below, please write down everything that you can remember about what was said in the print ad for Abercrombie & Fitch.

   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
10. Again, please think about the print ads that you read that were contained in the booklet.

A. In the booklet that you read, was there a print ad for Banana Republic?

    ______ Yes (ANSWER QUESTION B BELOW)    ______ No (SKIP TO QUESTION #13)

    B. In the spaces below, please write down everything that you can remember about what was said in the print ad for Banana Republic.

    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________

11. Once again, please think about the print ads that you read that were contained in the booklet.

A. In the booklet that you read, was there a print ad for Levi’s Stores?

    ______ Yes (ANSWER QUESTION B BELOW)    ______ No (SKIP TO QUESTION #14)

    B. In the spaces below, please write down everything that you can remember about what was said in the print ad for Levi’s Stores.

    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
    ________________________________________________________________
Now, we would like to ask you some general questions about retail clothing stores.

12. Overall, How knowledgeable would you say you are about the retail clothing store (PLEASE CIRCLE A NUMBER)?
   Not Very Knowledgeable 1 2 3 4 5 6 7 Very Knowledgeable

13. Think about the clothes you have purchased in the last two years. Please give a rough dollar estimate of how much you have spent at each of the following stores in the past two years.
   $_______ Abercrombie & Fitch
   $_______ Banana Republic
   $_______ The Gap
   $_______ JC Penney
   $_______ Levi’s Stores

Finally, just a few demographic questions.

14. What is your Gender? Male_______ Female_______

15. What is your age? ________

16. What is your race or ethnic heritage (PLEASE CIRCLE ONE)
   African American Asian/Pacific Caucasian Hispanic/Latino Other

17. Is English your first language?
   Yes  No

18. What is your class (PLEASE CIRCLE ONE)
   Freshman  Sophomore  Junior  Senior  Graduate

19. What is your major? ________

NAME:_____________________________________

Thank you for your participation!
Appendix L

Questionnaire: Study 2

Questionnaire

1. If you were shopping for **basic, everyday clothes, such as jeans**, of the clothing stores listed below (listed below in alphabetical order) which ones would you seriously consider?

   Please rank each store based on which ones you would be most serious about purchasing from for your basic, everyday clothing needs. That is, place a “1” next to the store that you would be most serious about, place a “2” next to the store that you would be second most serious about, place a “3” next to the store that you would be third most serious about, and so on. Please place a number next to each clothing store listed below.

   ____ Abercrombie & Fitch  ____ Banana Republic  ____ Casual Corner

   ____ County Seat  ____ Eddie Bauer  ____ JC Penney

   ____ The Levi’s Store
Appendix M

Questionnaire: Pretest 3

Questionnaire

We would like to get your impressions of a number of different brands in a few different product categories. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

13. Please think for a moment about wrist watches. Listed in alphabetical order below are a number of wrist watches that can be found in the Columbus area. Please take a moment to review the list.


14. Now, your task is to categorize these watches based on their overall similarity/difference from each other. Take a moment to again review the list of watches, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these watches and what makes these watches similar to or different from each other. Listed below are 5 blank categories. We would like you to fill in these blank categories with the names of the watches listed above so that each category contains watches that you consider to be the most similar to each other and the watches in different categories are perceived by you to be different from each other in some way.

Do this task by taking the first watch listed and write it on the first line under the first category. Next, evaluate the watch listed second and specifically compare it to the first watch that you have placed under category 1. If you believe that the second watch listed is mostly or very similar to the first watch, write the name of the second watch on the second line in category 1 under the first watch that you wrote down. However, if you think that the second watch is not very similar, or even mostly dissimilar to the first watch, write the name of the second watch on the first line of category 2. Next, evaluate the watch listed third by comparing it to the first and second watches written down and again decide if the third watch belongs in a category that already contains a watch or if it is different enough from the watches already written down that it needs to be in a separate category. Please evaluate all of the watches listed in this manner. Although there are five blank categories available, you need not use them all. If you think the watches can
be accurately classified using 2, 3, or 4, categories, this is fine; use only as many blank categories as you need.

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
<th>Category 4</th>
<th>Category 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

15. Now, look back to the categories under which you listed the names of the watches, and above each category that contains at least one watch, write down WHAT it is specifically that makes the watches in that category similar. That is, write down a phrase that summarizes to you why those watches are similar and why you categorized them together and what makes them different from the watches in the other categories.

16. Now, go up to the original list and circle those watches that you feel you have some level of familiarity and place an X through any brands which you have never heard of.

Now, we would like to get your impressions of a number of different toothpaste brands. Again, there are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can.

17. Please think for a moment about toothpaste brands. Listed in alphabetical order below are a number of toothpaste brands that can be found in the Columbus area. Please take a moment to review the list.


18. Now, your task is to categorize these toothpaste brands based on their overall similarity/difference from each other. Take a moment to again review the list of toothpaste brands, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these brands and what makes these toothpaste brands similar to or different from each other. Listed below are five blank categories. We would like you to fill in these blank categories with the names of the toothpaste brands listed above so that each category contains toothpaste brands that you consider to be the most similar to each other and the toothpaste brands in different categories are perceived by you to be different from each other in some way.

Do this task by taking the first toothpaste brand listed and write it on the first line under the first category. Next, evaluate the toothpaste brand listed second and specifically compare it to the first toothpaste brand that you have placed under category 1. If you believe that the second toothpaste brand listed is mostly or very similar to the first toothpaste brand, write the name of the second toothpaste brand on the second line in category 1 under the first toothpaste brand that you wrote down. However, if you think
that the second toothpaste brand is not very similar, or even mostly dissimilar to the first toothpaste brand, write the name of the second toothpaste brand on the first line of category 2. Next, evaluate the toothpaste brand listed third by comparing it to the first and second toothpaste brands written down and again decide if the third toothpaste brand belongs in a category that already contains a toothpaste brand or if it is different enough from the toothpaste brands already written down that it needs to be in a separate category. Please evaluate all of the toothpaste brands listed in this manner. Although there are five blank categories available, you need not use them all. If you think the toothpaste brands can be accurately classified using 2, 3, or 4 categories, this is fine; use only as many blank categories as you need.

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
<th>Category 4</th>
<th>Category 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

19. Now, look back to the categories under which you listed the names of the toothpaste brands, and above each category that contains at least one toothpaste brand, write down WHAT it is specifically that makes the toothpaste brands in that category similar. That is, write down a phrase that summarizes to you why those brands are similar and why you categorized them together and what makes them different from the brands in the other categories.

Now, go up to the original list and circle those toothpaste brands that you feel you have some level of familiarity and place an X through any brands of toothpaste which you have never heard of.

Finally, we would like to get your impressions of a number of different brands of shampoo. Again, there are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

20. Please think for a moment about shampoos. Listed in alphabetical order below are a number of brands of shampoos that can be found in the Columbus area. Please take a moment to review the list.


21. Now, your task is to categorize these shampoos based on their overall similarity/difference from each other. Take a moment to again review the list of shampoos, but now, think of your own perceptions, opinions, your experiences, and anything that you may have heard or read about these shampoos and what makes these brands of shampoo similar to or different from each other. Listed below are five blank
categories. We would like you to fill in these blank categories with the names of the shampoos listed above so that each category contains shampoos that you consider to be the most similar to each other and the shampoos in different categories are perceived by you to be different from each other in some way.

Do this task by taking the first shampoo listed and write it on the first line under the first category. Next, evaluate the shampoo listed second and specifically compare it to the first shampoo that you have placed under category 1. If you believe that the second shampoo listed is mostly or very similar to the first shampoo, write the name of the second shampoo on the second line in category 1 under the first shampoo that you wrote down. However, if you think that the second shampoo is not very similar, or even mostly dissimilar to the first shampoo, write the name of the second shampoo on the first line of category 2. Next, evaluate the shampoo listed third by comparing it to the first and second shampoo written down and again decide if the third shampoo belongs in a category that already contains a shampoo or if it is different enough from the shampoos already written down that it needs to be in a separate category. Please evaluate all of the shampoos listed in this manner. Although there are five blank categories available, you need not use them all. If you think the shampoos can be accurately classified using 2, 3, or 4 categories, this is fine; use only as many blank categories as you need.

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
<th>Category 4</th>
<th>Category 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

22. Now, look back to the categories under which you listed the names of the shampoos, and above each category that contains at least one shampoo brand, write down WHAT it is specifically that makes the shampoos in that category similar. That is, write down a phrase that summarizes to you why those shampoos are similar and why you categorized them together and what makes them different from the shampoos in the other categories.

23. Now, go up to the original list and circle those shampoo brands that you feel you have some level of familiarity and place an X through any brands of shampoo which you have never heard of.

Thank you for your participation!
Appendix N

Questionnaire: Study 3

Questionnaire

We would now like to ask you to complete a survey for us. Below are a number of questions on a variety of products. Please be sure to read the instructions carefully before proceeding to answer the questions. Be sure to answer all questions in the order in which they are provided. There are no right or wrong answers. Please simply answer the questions as frankly and honestly as you can. Thank you.

1. First, please think about Nike watches. In the spaces provide below, please write down everything, good and bad if appropriate, that comes to mind when you think about Nike watches. Please use a separate line for each thought and try to write down your responses in the order in which they come to mind.

1. ____________________________________________
2. ____________________________________________
3. ____________________________________________
4. ____________________________________________
5. ____________________________________________
6. ____________________________________________
7. ____________________________________________
8. ____________________________________________
9. ____________________________________________
10. ____________________________________________

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2. Next, we would like you to rate the similarity of a number of wrist watches based on a number of specific characteristics. What we would like you to do is arrange or place on a line the different watches so that the placement of each watch represents, to you, the similarities and differences among the watches on specific watch attributes.

For example, suppose you were going to rate the fast food hamburger restaurants, McDonald’s, Wendy’s, and Burger King on how speedy their service is, and you thought that McDonald’s had the speediest service of the three, followed closely by Wendy’s and that Burger King was a distant third with regard to the attribute speedy service. You might place the restaurants on a line in the following manner:

```
  McD
  ______________
  Slow   ↑   BK   ↑   Speedy
  Service  Wen  Service
```

We would now like you to rate watches in a similar manner. Using the following abbreviations:

\[ \text{CAS} = \text{Casio}, \text{Cit} = \text{Citizen}, \text{NW} = \text{Nike Watches}, \text{S} = \text{Seiko}, \text{T1} = \text{Timex Ironman} \]

a. How would you rate these watches in terms of being appropriate to wear with business attire?

```
  Not At All
  |__________________________|  Very
  Appropriate For
  Business Attire
  Appropriate For
  Business Attire
```

b. How would you rate these watches in terms of being sporty?

```
  Not Very
  |_________|  Very
  Sporty  Sporty
```
c. How would you rate these watches in terms of quality?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Very High Quality</td>
</tr>
<tr>
<td>Very High Quality</td>
</tr>
</tbody>
</table>

d. How would you rate these watches in terms of being durable?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Very Durable</td>
</tr>
<tr>
<td>Very Durable</td>
</tr>
</tbody>
</table>

e. How familiar are you with each one of these watches?

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all Familiar</td>
</tr>
<tr>
<td>Very Familiar</td>
</tr>
</tbody>
</table>

Now, we would like to ask you some general questions.

2. Overall, how knowledgeable would you say you are about (PLEASE CIRCLE A NUMBER)?

<table>
<thead>
<tr>
<th>Not Very Knowledgeable</th>
<th>Very Knowledgeable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watches 1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

Finally, just a few demographic questions.

3. What is your Gender? Male________ Female________

4. What is your age? ___________

5. What is your race or ethnic heritage (PLEASE CIRCLE ONE)

   African American  Asian/Pacific  Caucasian  Hispanic/Latino  Other

   ___________

6. Is English your first language?

   Yes  No
7. What is your class (PLEASE CIRCLE ONE)

Freshman    Sophomore    Junior    Senior    Graduate

8. What is your major? __________________

9. Some of the ads appeared twice. Please think about the Nike ad. It appeared twice. How much attention did you pay to the Nike ad the second time you saw it compared to the first time you saw it?

(CIRCLE ONE RESPONSE)

5—A lot more attention
4—Somewhat more attention
3—About the same attention
2—Somewhat less attention
1—A lot less attention

NAME: ________________________________

Thank you for your participation!
References


