
THE ROLE OF PRESTIGIOUS AND FUNCTIONAL BRAND CONCEPTS AND PRODUCT FIT IN CONSUMERS' EVALUATIONS OF CO-BRANDED PARTNERSHIPS

Ceren HAYRAN¹

ABSTRACT

Co-branding is an extensively employed brand marketing strategy as well as a broadly investigated topic in academic research. Extant co-branding research has emphasized the importance of perceived fit between the partnering brands and product categories in evaluations of a co-branded partnership. The current work seeks to advance this research stream by exploring the interplay of partnering brands' prestige and functional brand concept fit with their product fit. Specifically, it shows that when two prestigious brands collaborate, they induce favorable consumer attitudes and purchase intentions even in the absence of product fit. Due to the ease of finding superordinate common links between the prestige brand concepts, brand fit overrides product fit in evaluations of prestigious brand collaborations. However, because functional brands are evaluated predominantly on their concrete functional attributes, categorical associations become more important. Therefore, the presence of product fit is crucial in inducing favorable attitudes and purchase intentions in co-branded partnerships that include functional brands. Theoretical and practical implications of the results are discussed, and potential future research avenues are proposed.

Keywords: Co-branding, brand alliances, brand management, prestigious brands, functional brands

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¹ Dr. Öğretim Üyesi, Özyeğin Üniversitesi İşletme Fakültesi, ceren.hayran@ozyegin.edu.tr,
ORCID: 0000-0002-9990-0839

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TÜKETİCİLERİN ORTAK MARKALARI DEĞERLENDİRMELERİNDE PRESTİJLİ VE İŞLEVSEL MARKALARIN VE ÜRÜN KATEGORİLERİ ARASINDAKİ UYUMUN ROLÜ

ÖZ

Ortak markalama, yaygın olarak kullanılan bir marka pazarlama stratejisi ve akademik arařtırmalarda genişçe incelenmiş bir konudur. Ortak markalama arařtırmaları, marka ortaklıklarının tüketiciler tarafından değerlendirilmesinde biraraya gelen markalar ve ürün kategorileri arasındaki algılanan uyumun önemini vurgulamıştır. Mevcut çalışma, ortak markalama stratejisinde bir araya gelen markaların prestij ve işlevsel marka konseptleri ile ürün kategorileri uyumunun etkileşimini arařtırır. Bulgular, iki prestijli markanın bir araya geldiğinde, aralarında kategori uyumu olmasa bile, bu işbirliğinin olumlu tüketici tutumları ve satın alma niyetleri oluşturduğunu gösterir. Prestijli marka kavramları arasında ortak bağlantılar bulmanın kolay olması nedeniyle, prestijli marka işbirliklerinde marka kavramı uyumu, kategori uyumunun önüne geçer. Ancak, işlevsel markalar somut ve fonksiyonel özellikleri üzerinden değerlendirildikleri için, kategorik uyumlar işlevsel marka işbirliklerinde daha önemlidir. Bu nedenle, işlevsel marka içeren marka ortaklıklarında, olumlu tüketici tutum ve satın alma niyetlerinin oluşması için markalar arasında kategori uyumu olması önemlidir. Bulguların teorik ve pratik çıkarımları tartışılmış, mevcut çalışmayı takip edebilecek potansiyel arařtırma soruları önerilmiştir.

Anahtar Kelimeler: Ortak markalama, marka işbirlikleri, marka yönetimi, prestijli marka, işlevsel marka

1. Introduction

Companies often use well-established brand names in creating new product offers. One way of doing this is through line extensions, in which an existing brand name is used to introduce a new item in the existing product category (e.g., Coca-Cola Zero). Another way is through brand extensions, in which an existing brand name is used to enter an entirely new product category (e.g., Starbucks ice cream). Yet, another brand marketing strategy that is the focus of this article is co-branding, where two or a higher number of brands are presented to consumers together in the form of a new offer (e.g., Betty Crocker cake mix with Hershey's chocolate).

Used interchangeably with the term brand alliance, co-branding refers to an agreement between companies that combine two or more brands, products, or other properties (Simonin and Ruth, 1998). A co-branding strategy aims to transmit the partnering brands' positive attributes to the co-branded product (Dacin and Smith, 1994; Spethman and Benezra, 1994). From a brand equity perspective, brands are valuable assets. They form a synergistic alliance upon collaborating with other brands (Ruekert and Rao, 1994). Co-branding can help marketers promote their brands more effectively or bring new skills and ideas to a project. It provides a competitive advantage, and the constituent brands can benefit from each other in achieving their objectives. In broader terms, co-branding activities may take different forms, such as bundled products (e.g., bundling a variety of cereal packs), true product combinations (e.g., a branded vodka/cola product), component products (e.g., a brand used as an ingredient of another branded product), composite brand extensions (e.g., using two brand names as the header and modifier in naming a new product), or joint sales promotions (e.g., getting a free brand upon buying another one), (Simonin and Ruth, 1998).

Research has revealed several factors which influence consumer attitudes toward co-branded offers. Previous studies have highlighted perceived product and brand fit between the partnering brands (Aaker and Keller, 1990; Dickinson and Heath, 2008; Helmig et al., 2007; James, 2006; Simonin and Ruth, 1998) and consumers' pre-existing perceptions of constituent brands (Dickinson and Heath, 2006; Helmig et al., 2007; James, 2006; Washburn et al., 2004) as key influencers in the success of a co-branding activity. Product fit refers to the perceived congruency, or match, of the partnering brands' product categories (e.g., chocolate and cake mix); brand fit refers to the perceived congruency of the partnering brands' images (e.g., two authentic brands). Brand extension literature has also conveyed substantial findings that help us understand the determinants of co-branding success (Bouten et al., 2011; Dickinson and Heath, 2006; Helmig et al., 2007; James, 2006).

The current work investigates an unexplored factor that is likely to influence consumers' attitudes and purchase intentions toward a co-branded offer. Extending

previous findings regarding the effects of perceived brand and product fit between partnering brands in the success of a co-brand, we explore how prestigious and functional brand concepts of the partnering brands influence the evaluations of a co-branded offer. Specifically, we show that consumers tend to favourably evaluate partnerships composed of prestigious brands, regardless of whether there is product fit among the partners (e.g., Porsche Rolex watch). We argue that the perceived prestige compatibility of the partnering brands overrides the necessity of product fit (i.e., the categorical fit of the partnering brands) due to the ease of finding superordinate links between the brands' luxury and high-status image appeals. However, consumers look for product fit in co-branded offers of functional brands, such as prestigious-functional (e.g., Porsche Casio watch) and functional-functional (Honda Casio watch) brand partnerships. In other words, we predict that when both brands are prestigious, the dominant view that product fit is needed for co-branding success will no longer prevail. However, a functional brand will still necessitate product fit among partners to be evaluated positively.

While previous co-branding research has highlighted the importance of both product and brand fit, it did not examine the specific effect of prestige and functional congruence of partnering brands in evaluations of a co-branded product. Theoretically, we extend the brand fit concept by exploring the more specific prestige and functionality attributes of the partnering brands and their interaction with product fit. In doing so, we apply brand extension literature findings, which show that prestigious brands are able to extend to unrelated product categories due to assessing superordinate broader links among the categories (Park et al., 1991) to the co-branding context. Managerially, our results suggest that prestigious (vs. functional) brands are more advantageous in terms of pursuing partnerships with brands from different product categories as long as there is a prestige concept fit among the partners and hence can more easily pursue diverse partnership opportunities in the marketplace.

2. Literature Review and Hypotheses Development

2.1. Perceived Product and Brand Fit

One key assumption determining the success of a co-branding activity is that consumers should be able to perceive a fit, in other words, a meaningful connection between the partnering brands. This notion of fit can pertain to partnering brands' product categories (i.e., product fit) or brand images (i.e., brand fit). Specifically, if consumers perceive partnering brands' product categories or the partnering brands' images as matching, the co-branded offer will likely induce favorable consumer evaluations.

The importance of fit has been broadly studied in the brand extension domain

and applied to the co-branding context. When a brand enters into a new product category through a brand extension strategy, the aim is that the focal brand's positive associations that exist in consumers' memory will be transmitted to the extension. Aaker and Keller's (1990) brand extension framework has shown that a higher fit between the parent brand and the extended product category leads to more favorable evaluations of the brand extension. The necessity of fit in the success of brand extensions has been supported by many researchers (Bottomley and Holden, 2001; Dacin and Smith, 1994; Park et al., 1991)

In a similar vein, co-branding literature has revealed that a higher fit between the partner brands, both in terms of product category and brand image consistency, leads to more positive evaluations of the co-branded offer. James (2006) and Dickinson and Heath (2006) applied Aaker and Keller's (1990) brand extension framework to co-brands. When the constituent partners in a co-branding activity were perceived to fit well together, customers were more likely to buy the resultant offer. The presence of fit, whether related to a product category (e.g., chocolate and cake mix) or brand meaning (e.g., two authentic brands), enhanced positive evaluations of the co-branded offer. Simonin and Ruth's (1998) study supported that both product and brand fit considerably influence attitudes toward a co-branded product, the latter having more impact. According to Helmig et al. (2007), product fit has a higher effect on consumers' co-branded product evaluations. Extending Simonin and Ruth's (1998) work, Bouten et al. (2011) showed that consumers evaluate a co-branded product more positively when one of the brands fits the co-branded product more than its partner, because consumers prefer an unbalanced contribution of the partner brands. Dickinson and Heath (2008) further showed that parent brand attitudes could be transmitted to the co-branded product only when the collaborating brands have a high perceived fit. Both parent brands may receive high-quality ratings individually. However, the co-branded product will rate relatively low if the brand fit is not present. In sum, extant findings in co-branding literature reveal that product and brand fit influence how consumers evaluate a co-branding offer. However, there is no consensus on whether, and in what circumstances, product or brand fit is more effective in consumers' evaluations of a co-branded partnership.

2.2. Pre-existing Brand Attitudes

An individual's pre-existing brand attitudes are another critical factor influencing evaluations of co-branded products (Simonin and Ruth, 1998). In a co-branding activity, individual brands bring associations to the new offer and create a new set of associations. Brands with favorable associations and strong quality perceptions help the partnership be more successful. High product quality signals of the partnering brands increase the potential success of the co-branded product

(Ruekert and Rao, 1994). Hence, partnering brands should each possess high brand equity to induce favorable evaluations (Helmig et al., 2007).

Zeithaml (1988) describes perceived brand quality as “the consumer’s judgment about a product’s overall excellence or superiority.” Perceived quality allows brands to stand out and gives consumers a reason to purchase a brand (Pappu et al., 2005). Dickinson and Heath’s (2006) findings support that consumers make evaluations based on the original brand attitudes based on perceived quality. This enables brands with high quality to form co-brands with less risk. In line with Dickinson and Heath’s (2006) findings, James’s (2006) review of Aaker and Keller’s (1990) model indicated that high-quality perceptions of partner brands are transferred to the co-branded product. However, the role of quality is of lesser importance than perceived fit among the partnering brands in co-branding evaluations.

Inferred beliefs about partnering brands may enhance and harm a co-branded product’s evaluations. When one of the brands incurs brand image or quality problems, this may spill over to the partnership (e.g., NutraSweet–Diet Coke partnership suffering from NutraSweet’s association with brain cancer; Helmig et al., 2007). Further negative consequences may arise when partnering brands’ images are perceived as inconsistent (e.g., the co-branded offer of a high share, a high-quality McDonald’s brand with a low share, a low-quality brand of soda drink; Simonin and Ruth, 1998).

Summing up previous findings, both product and brand fit, as well as one’s pre-existing brand attitudes regarding the brand image and quality, are viewed as significant determinants of the success of a co-branded product. Unlike prior work, we focus on a specific type of brand fit; the effect of partnering brands’ prestige and functionality concepts in co-branding success. Although there are divergent views on which type of fit (whether product or brand) is more important, to our knowledge, no research has explored the interacting effect of product fit with brand concept fit (prestigious vs. functional brand concept). Next, we elaborate on why a brand being prestigious or functional may influence the evaluations of a co-branded product.

2.3. Prestigious and Functional Brands

According to Park, et al.’s (1986) brand concept management framework, brands are based on either symbolic or functional brand concepts. Functional brands satisfy practical and immediate needs. For example, Casio would be perceived as a functional watch brand since it is mainly used for its function of telling the time. Symbolic brands satisfy needs like prestige, social identification, and self-expression. Rolex would be perceived as a symbolic brand because it is used mainly for its status and luxury appeal rather than its functional value. As consumers’ needs can be

functional or symbolic in choosing products, brands can be positioned accordingly to fulfill these needs. Bhat and Reddy (1998) state that functionality and symbolism are different concepts, yet they do not have opposite meanings. Some brands may convey both functional and symbolic meanings. For example, although Nike and Converse would be rated as symbolic and functional, respectively, they may convey both evaluations. The literature on hedonic vs. utilitarian products similarly posits that consumers make meaning of hedonic and utilitarian products in different ways. People often have functionality-related goals in choosing utilitarian products (e.g., textbooks) and pleasure-related goals in choosing hedonic products (e.g., designer clothes) (Chemev, 2004; Chitturi et al., 2008).

Park et al. (1991) showed that consumers had more positive evaluations toward brand extensions that had high brand concept congruency and product attribute similarity (i.e., prestigious extensions of prestigious brands and functional extensions of functional brands). However, prestigious brands were more extendible to unrelated product categories than functional brands when the two product categories shared common prestige concepts. For example, Ralph Lauren, a brand signifying a prestigious lifestyle, is successful in extending into different product categories like sunglasses, fragrances, and furniture. However, the beer brand Heineken is less extendible to unrelated product categories due to its strong association with the beer category. Also, when consumers encountered prestige brand names with dissimilar products (e.g., Mercedes and Lenox), they perceived connections between these brand names around status, quality, and luxury concepts. When consumers encountered functional brand names with dissimilar products (e.g., Sony and Honda), they were less likely to perceive connections between them. Supporting this notion, previous research has also revealed that more superordinate abstract associations can fit into a higher number of product categories more easily than tangible associations (e.g., entertainment versus television sets; Johnson, 1984; Rosch et al., 1976).

We argue that Park et al. (1991)'s important finding that concept consistency is more important than the effects of categorization for brands with prestige positioning can be applied to co-branding. A brand with a high-prestige concept (e.g., Armani) has the potential to extend into unrelated product categories more easily (e.g., clothing, fragrances, luxury hotels, and home furniture). By the same logic, when a prestigious brand collaborates with another prestigious brand from an unrelated product category (i.e., forms a co-brand with low product fit), the resultant offer should induce positive evaluations and purchase intentions due to ease of finding superordinate links between partnering brands' luxury and status appeals. In other words, when both brands are prestigious, the dominant view that product fit is needed for co-branding success will lose ground. Nevertheless, because functional brands are evaluated mainly on their functional and concrete associations, co-branded partnerships of functional brands will necessitate product fit among partners for the co-branded offer to be evaluated positively.

Hypothetically, the Porsche car brand may successfully co-brand with the Cartier jewelry brand to introduce the Porsche Cartier watch. Although cars and jewelry represent distinct product categories with low product fit, consumers will likely have positive attitudes and purchase intentions toward the co-branded offer due to constituent brands' congruent prestige images. However, a prestigious-functional (e.g., Versace H&M clothing line) or a functional-functional brand collaboration (e.g., Milka Oreo chocolate bar) will still necessitate product fit to derive favorable evaluations. This prediction suggests that prestigious brands have the chance to involve in diverse co-branding activities and widen their product portfolio through co-branding strategies as long as they unite with other prestigious brands. Prestigious brands can benefit from each other and increase overall sales through collaborations, even when they belong to unrelated product categories.

In sum, we expect that consumers will pay more attention to abstract symbolic cues in evaluating co-branded offers of prestigious brands and expect prestige congruence between the allied partners. Thus, co-branded products composed of prestigious brand partners (prestigious-prestigious partnerships) will derive favorable attitudes and purchase intentions even when product fit is low. On the other hand, consumers will pay more attention to concrete functional attributes of the products while evaluating collaborations of functional brands. Product fit will outweigh brand concept consistency in forming attitudes and purchase intentions toward co-branded offers that include functional brands. Therefore, when product fit is high, attitudes and purchase intentions toward co-branded products of functional brands (i.e., functional-functional, functional-prestigious, or prestigious-functional partnerships) will not differ. More formally, we hypothesize that;

H1: *When there is low product fit, co-branded offers of prestigious-prestigious brand partners will generate more favorable attitudes and purchase intentions than co-branded offers of prestigious-functional, functional-prestigious and functional-functional brand partners. Brand concept fit overrides product fit in evaluations of prestigious brand partnerships.*

H2: *When there is high product fit, co-branded offers of prestigious-functional, functional-prestigious and functional-functional brand partners will generate similarly favorable attitudes and purchase intentions.*

These hypotheses are tested with an experimental study preceded by two pre-tests.

3. Methodology

The reported studies were created by using Qualtrics online survey tool and conducted on Prolific crowdsourcing platform for scientific research. Respondents from the USA and the UK who had a minimum approval rate of 96% on Prolific were recruited. Participation was voluntary, and participants were assured that their responses were kept confidential. All participants received financial compensation for their involvement. Ethical approval dated 10.02.2022 and

numbered 2022/02/04 was obtained from Ozyegin University Ethics Committee.

Two pre-tests were conducted to select the brands and the high and low-fitting product categories to be used in the main study. We used real rather than fictitious brand names to obtain participants' genuine brand evaluations and increase our findings' external validity. We also tested our hypotheses with multiple brand combinations to strengthen the results and to be able to generalize the findings across different product categories. Scale items from prior co-branding studies with proven validity and reliability were used.

3.1. Pre-test 1

3.1.1. Method

The aim of the first pre-test was to determine the brands to be used in the main study. We recruited 66 individuals on the Prolific online panel ($M_{\text{Age}} = 38.68$, $SD = 13.58$, 51% women, one person indicated as non-binary), who were randomly assigned to one of two conditions. In order to prevent the presumably functional and prestigious brands from affecting each other's perceived functionality and prestige attributes, the study was designed as a between-subjects experiment. Half of the participants evaluated five functional brands (Honda, Casio, Pilot, Gap, Puma), and the other half evaluated five prestigious brands (Porsche, Rolex, MontBlanc, Louis Vuitton, Gucci) on a set of attributes in random order. Specifically, the participants indicated their familiarity ('I am familiar with this brand'; Simonin and Ruth, 1998), prior brand attitudes ('I am favorable toward this brand'; Simonin and Ruth, 1998), and to what extent they found the brand to be functional and prestigious ('This is a functional brand' and 'This is a prestigious brand') all on a 7-point Likert scale (1 = not at all, 7 = very much).

3.1.2. Results

Results of the first pre-test revealed that the prestige and functionality aspects of the selected brands were in line with our expectations. ANOVA results revealed that Porsche was perceived as more prestigious than Honda ($M_{\text{Porsche}} = 6.30$ vs. $M_{\text{Honda}} = 4.42$; $F(1, 98) = 72.96$, $p < .05$); whereas Honda was perceived as more functional than Porsche ($M_{\text{Honda}} = 6.08$ vs. $M_{\text{Porsche}} = 4.90$; $F(1, 98) = 24.69$, $p < .05$). Familiarity ($M_{\text{Porsche}} = 4.96$ vs. $M_{\text{Honda}} = 5.52$; $F(1, 98) = 3.17$, $p = .08$) and prior brand attitudes ($M_{\text{Porsche}} = 4.48$ vs. $M_{\text{Honda}} = 4.68$; $F(1, 98) = .38$, $p > .05$) of the two brands did not significantly differ.

Rolex was perceived more prestigious than Casio ($M_{\text{Rolex}} = 6.32$ vs. $M_{\text{Casio}} = 3.84$; $F(1, 98) = 92.11$, $p < .05$); whereas Casio was perceived more functional than Rolex ($M_{\text{Casio}} = 5.70$ vs. $M_{\text{Rolex}} = 4.62$; $F(1, 98) = 14.27$, $p < .05$). Familiarity ($M_{\text{Rolex}} = 4.76$ vs. $M_{\text{Casio}} = 4.84$; $F(1, 98) = .05$, $p > .05$) and prior brand attitudes ($M_{\text{Rolex}} = 4.34$ vs. $M_{\text{Casio}} = 4.28$; $F(1, 98) = 3.82$, $p > .05$) of the two brands did not significantly differ.

MontBlanc was perceived more prestigious than Pilot ($M_{\text{MontBlanc}} = 5.44$ vs. $M_{\text{Pilot}} = 3.54$; $F(1, 98) = 58.67, p < .05$); whereas Pilot was perceived more functional than MontBlanc ($M_{\text{Pilot}} = 4.78$ vs. $M_{\text{MontBlanc}} = 4.14$; $F(1, 98) = 7.14, p < .05$). Familiarity ($M_{\text{MontBlanc}} = 3.34$ vs. $M_{\text{Pilot}} = 3.62$; $F(1, 98) = .58, p > .05$) and prior brand attitudes ($M_{\text{MontBlanc}} = 4.14$ vs. $M_{\text{Pilot}} = 3.82$; $F(1, 98) = 1.41, p > .05$) of the two brands did not significantly differ.

LV was perceived more prestigious than Gap ($M_{\text{LV}} = 6.24$ vs. $M_{\text{Gap}} = 3.62$; $F(1, 98) = 111.45, p < .05$); whereas Gap was perceived more functional than LV ($M_{\text{Gap}} = 5.62$ vs. $M_{\text{LV}} = 4.82$; $F(1, 98) = 8.72, p < .05$). Familiarity ($M_{\text{LV}} = 4.72$ vs. $M_{\text{Gap}} = 5.28$; $F(1, 98) = 2.82, p = .10$) and prior brand attitudes ($M_{\text{LV}} = 4.10$ vs. $M_{\text{Gap}} = 3.96$; $F(1, 98) = .19, p > .05$) of the two brands did not significantly differ.

Gucci was perceived more prestigious than Puma ($M_{\text{Gucci}} = 6.18$ vs. $M_{\text{Puma}} = 4.14$; $F(1, 98) = 60.19, p < .05$); whereas Puma was perceived more functional than Gucci ($M_{\text{Puma}} = 5.62$ vs. $M_{\text{Gucci}} = 4.92$; $F(1, 98) = 6.02, p < .05$). Familiarity ($M_{\text{Gucci}} = 4.74$ vs. $M_{\text{Puma}} = 5.26$; $F(1, 98) = 2.48, p > .05$) and prior brand attitudes ($M_{\text{Gucci}} = 4.06$ vs. $M_{\text{Puma}} = 4.32$; $F(1, 98) = .58, p > .05$) of the two brands did not significantly differ.

These findings support that Honda, Casio, Pilot, Gap and Puma are perceived predominantly as functional brands, whereas Porsche, Rolex, MontBlanc, Louis Vuitton and Gucci are perceived mainly as prestigious brands. Based on the results, this set of pre-tested brands were used in the main study.

3.2. Pre-test 2

3.2.1. Method

The aim of the second pre-test was to determine the high and low-fitting product categories to be used in the main study. We recruited 80 individuals on the Prolific online panel ($M_{\text{age}} = 33.79, SD = 10.77, 45\%$ women). Participants were presented with four product pairs and indicated whether they thought a connection between the two product categories was plausible ('I think these products fit each other' and 'I think these products are consistent'; Bhat and Reddy, 2001; Simonin and Ruth, 1998), (1 = strongly agree, 7 = strongly disagree).

Cars were selected as the stimulus product category due to the pervasiveness of real-life automobile co-branding practices in the marketplace. Cars collaborating with clothing manufacturers to introduce special edition designed models (e.g., Maserati GranCabrio with Fendi car seat design, Peugeot Lacoste edition; Ashdown, 2017) and driving shoes (Adidas Porsche design, Puma Ferrari shoes; Kalvapalle, 2014) are prevalent practices in the marketplace. Based on these real-life examples, two co-branded combinations were predicted to have high product fit: 1) cars and car seat clothing, 2) cars and driving shoes. Two co-branded combinations were predicted to have low product fit: 1) cars and pens, 2) cars and wristwatches.

3.2.2. Results

As expected, cars had a high fit with car seat clothing ($M = 5.87$, $SD = 1.21$) and driving shoes ($M = 4.66$, $SD = 1.56$) with mean values above the mid-point on a 7-point Likert scale. We compared the mean values ($M = 5.87$ and $M = 4.66$) with the mid-point of the scale ($M = 4.00$). A one-sample t -test revealed that the mean values were significantly greater than the mid-point of the scale ($t = 13.83$, $p < .05$ and $t = 3.75$, $p < .05$, respectively), supporting that cars had high fit with car seat clothing and driving shoes. On the contrary, cars had a low fit with pens ($M = 2.38$, $SD = 1.65$) and wristwatches ($M = 3.01$, $SD = 1.77$) with mean values below the mid-point on a 7-point Likert scale. A one-sample t -test revealed that the mean values were significantly lower than the mid-point of the scale ($t = -8.83$, $p < .05$ and $t = -5.01$, $p < .05$, respectively), supporting that cars had a low fit with pens and wristwatches. In conclusion, cars - car seat clothing and cars-driving shoes were selected as product categories with the high fit, whereas cars - pens and cars - wristwatches were selected as product categories with the low fit.

Based on the results of the two pre-tests, we created sixteen different co-branded products composed of prestigious and functional brand alternatives to be used in the main study (please see Table 1). Since the co-branded offers of car and clothing companies are generally indicated as “special edition models” or “designs” in common practice (e.g., Maserati GranCabrio with Fendi car seat design), we used the term “design car” in naming the new co-branded offer in the main study.

Table 1. Co-branded products to be used in the main study

New product	Product fit	Brand type
Porsche Louis Vuitton design car	High	Prestigious-Prestigious
Porsche GAP design car	High	Prestigious-Functional
Porsche Gucci driving shoes	High	Prestigious-Prestigious
Porsche Puma driving shoes	High	Prestigious-Functional
Porsche MontBlanc pens	Low	Prestigious-Prestigious
Porsche Pilot pens	Low	Prestigious-Functional
Porsche Rolex watches	Low	Prestigious-Prestigious
Porsche Casio watches	Low	Prestigious-Functional
Honda Louis Vuitton design car	High	Functional-Prestigious
Honda GAP design car	High	Functional-Functional
Honda Gucci driving shoes	High	Functional-Prestigious
Honda Puma driving shoes	High	Functional-Functional
Honda MontBlanc pens	Low	Functional-Prestigious
Honda Pilot pens	Low	Functional-Functional
Honda Rolex watches	Low	Functional-Prestigious
Honda Casio watches	Low	Functional-Functional

3.3.Main Study

3.3.1.Method

For the main study, we recruited 110 individuals on the Prolific online panel ($M_{age} = 35.74$, $SD = 12.66$, 46% women). Participants evaluated co-branded products of either the prestigious or the functional focal brand. Specifically, half of the participants evaluated the eight co-branded offers of Porsche (the prestigious focal brand); the other half evaluated the eight co-branded offers of Honda (the functional focal brand). All products were indicated to be newly launched. Attitudes toward the new co-branded products were measured with five items ('I think this is a good product', 'I think this is a pleasant product', 'I am positive toward this product', 'I think this product is nice' and 'I am favorable toward this product'; Samu et al., 1999; Simonin and Ruth, 1998) on a 7-point likert scale (1 = not at all, 7 = very much). Since these products are expensive and may be difficult to afford for many individuals, participants were asked to assume that they had the resources to buy the products. Accordingly, purchase likelihood was measured with one item 'Assuming that you have the resources, how likely would you be to buy this product?'; Miniard et al. (1990), (1 = not at all, 7 = very much).

3.3.2.Results

To understand participants' attitudes toward the co-branded offers, we took the average of the five attitude item scores. Cronbach's alpha for these five items was above 0.95 for each co-branded product, which indicates a good internal consistency for the measurement of attitudes toward the co-branded products.

First, we tested H1, which proposed that when there is low product fit, co-branded offers of prestigious-prestigious brand partners generate more favorable attitudes and higher purchase intentions than co-branded offers of prestigious-functional, functional-prestigious and functional-functional brand partners. Participants' attitudes and purchase intention scores are provided in Table 2.

We had two prestigious-prestigious co-branded products in low product fit condition: Porsche MontBlanc pens and Porsche Rolex watches. Comparisons of attitudes and purchase intentions of Porsche MontBlanc pen with the respected co-brands were as follows. A repeated measures ANOVA showed that Porsche MontBlanc pen was evaluated more favorably ($M = 4.48$, $SD = 1.89$) than Porsche Pilot pen (prestigious-functional co-brand with low product fit) ($M = 3.53$, $SD = 1.76$; $F(1, 54) = 19.79$, $p < .05$). A one-way ANOVA showed that Porsche MontBlanc pen was evaluated more favorably than Honda Pilot pen (functional-functional co-brand with low product fit) ($M = 4.48$, $SD = 1.89$ vs. $M = 3.26$, $SD = 1.81$; $F(1, 108) = 12.00$, $p < .05$). Also, a one-way ANOVA showed that Porsche MontBlanc pen was evaluated more favorably than Honda MontBlanc

pen (functional-prestigious co-brand with low product fit) ($M = 4.48$, $SD = 1.89$ vs. $M = 3.27$, $SD = 1.98$; $F(1, 108) = 10.71$, $p < .05$) In parallel to attitude scores, purchase intentions for Porsche MontBlanc pen was higher than purchase intentions for Porsche Pilot pen ($M = 4.16$, $SD = 2.06$ vs. $M = 3.33$, $SD = 1.99$; $F(1, 54) = 10.21$, $p < .05$), Honda Pilot pen ($M = 4.16$, $SD = 2.06$ vs. $M = 3.09$, $SD = 2.08$; $F(1, 108) = 7.37$, $p < .05$) and Honda MontBlanc pen ($M = 4.16$, $SD = 2.06$ vs. $M = 3.11$, $SD = 2.09$; $F(1, 108) = 7.11$, $p < .05$).

Comparisons of attitudes and purchase intentions of Porsche Rolex watch with the respected co-brands were as follows. A repeated measures ANOVA showed that Porsche Rolex watch was evaluated more favorably ($M = 4.87$, $SD = 2.05$) than Porsche Casio watch (prestigious-functional co-brand with low product fit) ($M = 3.35$, $SD = 1.69$; $F(1, 54) = 39.45$, $p < .05$). A one-way ANOVA showed that Porsche Rolex watch was evaluated more favorably than Honda Casio watch (functional-functional co-brand with low product fit) ($M = 4.87$, $SD = 2.05$ vs. $M = 3.41$, $SD = 1.59$; $F(1, 108) = 17.22$, $p < .05$). Also, a one-way ANOVA showed that Porsche Rolex watch was evaluated more favorably than Honda Rolex watch (functional-prestigious co-brand with low product fit) ($M = 4.87$, $SD = 2.05$ vs. $M = 3.58$, $SD = 1.86$; $F(1, 108) = 17.22$, $p < .05$). In parallel to attitude scores, purchase intentions for Porsche Rolex watch was higher than purchase intentions for Porsche Casio watch ($M = 4.76$, $SD = 2.22$ vs. $M = 3.16$, $SD = 1.78$; $F(1, 54) = 37.05$, $p < .05$), Honda Casio watch ($M = 4.76$, $SD = 2.22$ vs. $M = 3.25$, $SD = 1.81$; $F(1, 108) = 15.29$, $p < .05$) and Honda Rolex watch ($M = 4.76$, $SD = 2.22$ vs. $M = 3.38$, $SD = 2.14$; $F(1, 108) = 11.06$, $p < .05$).

Next, we tested H2, which proposed that when there is high product fit, co-branded offers of prestigious-functional, functional-prestigious and functional-functional brand partners generate similarly favorable attitudes and purchase intentions. We compared the attitude and purchase intention scores for the high-fitting car-car seat clothing and car-driving shoe partnerships. A repeated measures ANOVA showed that Honda Louis Vuitton (functional-prestigious co-brand with high product fit) and Honda Gap car design (functional-functional co-brand with high product fit) were evaluated equally favorably ($M = 4.27$, $SD = 1.53$ vs. $M = 4.09$, $SD = 1.56$; $F(1, 54) = .51$, $p > .05$). Also, a one-way ANOVA showed that Porsche Gap car design (prestigious-functional co-brand with high product fit) was evaluated equally favorably with Honda Gap car design ($M = 4.19$, $SD = 1.61$ vs. $M = 4.09$, $SD = 1.56$; $F(1, 108) = .11$, $p > .05$) and Honda Louis Vuitton car design ($M = 4.19$, $SD = 1.61$ vs. $M = 4.27$, $SD = 1.53$; $F(1, 108) = .07$, $p > .05$). In parallel to attitude scores, purchase intentions for Honda Louis Vuitton and Honda Gap car design were not significantly different ($M = 3.78$, $SD = 1.91$ vs. $M = 3.45$, $SD = 1.85$; $F(1, 54) = 1.28$, $p > .05$). Also, a one-way ANOVA showed that purchase intentions

for Porsche Gap car design did not significantly differ from Honda Gap car design ($M = 3.87$, $SD = 1.75$ vs. $M = 3.45$, $SD = 1.85$; $F(1, 108) = 1.48$, $p > .05$) and Honda Louis Vuitton car design ($M = 3.87$, $SD = 1.75$ vs. $M = 3.78$, $SD = 1.91$; $F(1, 108) = .07$, $p > .05$).

A repeated measures ANOVA showed that Honda Gucci (functional-prestigious co-brand with high product fit) and Honda Puma driving shoes (functional-functional co-brand with high product fit) were evaluated equally favorably ($M = 4.05$, $SD = 1.75$ vs. $M = 3.96$, $SD = 1.56$; $F(1, 54) = .10$, $p > .05$). Also, a one-way ANOVA showed that Porsche Puma driving shoes (prestigious-functional co-brand with high product fit) were evaluated equally favorably with Honda Puma shoes ($M = 4.15$, $SD = 1.76$ vs. $M = 3.96$, $SD = 1.56$; $F(1, 108) = .34$, $p > .05$) and Honda Gucci shoes ($M = 4.15$, $SD = 1.76$ vs. $M = 4.05$, $SD = 1.75$; $F(1, 108) = .09$, $p > .05$). In parallel to attitude scores, purchase intentions for Honda Gucci and Honda Puma driving shoes were not significantly different ($M = 3.75$, $SD = 1.91$ vs. $M = 3.64$, $SD = 1.75$; $F(1, 54) = .17$, $p > .05$). Also, a one-way ANOVA showed that purchase intentions for Porsche Puma driving shoes did not significantly differ from Honda Puma shoes ($M = 3.85$, $SD = 1.75$ vs. $M = 3.64$, $SD = 1.75$; $F(1, 108) = .43$, $p > .05$) and Honda Gucci shoes ($M = 3.85$, $SD = 1.75$ vs. $M = 3.75$, $SD = 1.91$; $F(1, 108) = .10$, $p > .05$).

In aggregate, these results support our hypotheses. As predicted by H1, prestigious-prestigious partnerships (Porsche Mont Blanc pen and Porsche Rolex watch) induced more favorable attitudes and purchase intentions than prestigious-functional (Porsche Pilot pen and Honda Rolex watch), functional-prestigious (Honda MontBlanc pen and Honda Rolex watch) and functional-functional co-brands (Honda Pilot pen and Honda Casio watch) when product fit was low.

Regarding H2, co-branded partnerships composed of functional brands (either functional-prestigious, prestigious-functional or functional-functional partnerships) necessitated product fit. Therefore, in the presence of high product fit, co-branded offers of functional products induced equally favorable evaluations. Importantly, the brand concept consistency, i.e., partnering brands both being functional (Honda Gap car design and Honda Puma driving shoes), did not generate more favorable evaluations than functional-prestigious partnerships (Honda Louis Vuitton car design and Honda Gucci driving shoes) or prestigious-functional partnerships (Porsche GAP car design and Porsche Puma driving shoes). The effect of brand concept consistency outweighed the effect of product fit only when both brands had prestige concepts.

Table 2. Attitudes and purchase intentions_Main study

New product	Product fit	Brand type	Attitudes		Purchase intentions	
			Mean	SD	Mean	SD
Porsche Louis Vuitton design car	High	Prestigious-Prestigious	4.87	1.63	4.56	1.85
Porsche GAP design car	High	Prestigious-Functional	4.19	1.61	3.87	1.75
Porsche Gucci driving shoes	High	Prestigious-Prestigious	4.56	1.86	4.35	2.00
Porsche Puma driving shoes	High	Prestigious-Functional	4.15	1.76	3.85	1.75
Porsche MontBlanc pens	Low	Prestigious-Prestigious	4.48	1.89	4.16	2.06
Porsche Pilot pens	Low	Prestigious-Functional	3.53	1.76	3.33	1.99
Porsche Rolex watches	Low	Prestigious-Prestigious	4.87	2.05	4.76	2.22
Porsche Casio watches	Low	Prestigious-Functional	3.35	1.69	3.16	1.78
Honda Louis Vuitton design car	High	Functional-Prestigious	4.27	1.53	3.78	1.91
Honda GAP design car	High	Functional-Functional	4.09	1.56	3.45	1.85
Honda Gucci driving shoes	High	Functional-Prestigious	4.05	1.75	3.75	1.91
Honda Puma driving shoes	High	Functional-Functional	3.96	1.56	3.64	1.75
Honda MontBlanc pens	Low	Functional-Prestigious	3.27	1.98	3.11	2.09
Honda Pilot pens	Low	Functional-Functional	3.26	1.81	3.09	2.08
Honda Rolex watches	Low	Functional-Prestigious	3.58	1.86	3.38	2.14
Honda Casio watches	Low	Functional-Functional	3.41	1.59	3.25	1.81

4. Discussion and Implications

Co-branding, the association of two brands in a product or service, has been a widely employed brand marketing strategy as well as a broadly investigated topic in academic research with increasing importance (Pinello et al., 2022). While several factors have been shown to influence the performance of a co-branded partnership, extant research has put particular focus on the role of “fit” between the partnering brands and product categories. The accepted notion is that the higher the perceived fit between the partnering brand images and product categories in an alliance, the higher the success of a co-branded partnership is. The current work advances this particular research stream by exploring the interplay of partnering brands’ prestige, and functional brand concept fit with their product fit. Specifically, we show that when two prestigious brands collaborate, they induce favorable evaluations and purchase intentions even in the absence of product fit. Due to the ease of finding superordinate common links between the prestige brand concepts, brand fit overrides product fit in evaluations of prestigious brand collaborations. However, because functional brands are evaluated predominantly

on their concrete functional attributes, categorical associations become more important in evaluations of co-branded products that include functional brands. Therefore, the presence of product fit is crucial in inducing favorable attitudes and purchase intentions in co-branded partnerships that include functional brands.

To our knowledge, this is the first study in the literature that focuses on the evaluations of prestigious and functional brand partnerships by examining their interaction with product fit. While previous research has examined the role of brand fit in general, it did not examine the specific effect of prestige and functional congruence of partnering brands in the presence and lack of product fit among the partners. Therefore, theoretically, we extend the brand fit concept by exploring the prestige and functionality attributes of the partnering brands in a co-branded partnership from a consumer behavior perspective. Our findings also support previous findings in brand extensions literature, which suggest that prestigious brands are more extendible to unrelated product categories than functional brands (e.g., Ralph Lauren extending into different product categories such as sunglasses, fragrances and furniture) due to perceiving superordinate broader links among categories (Park et al., 1991). We apply the extendibility advantage of the prestige brand concept to the co-branding context and show that perceived prestige fit overrides the necessity of categorical fit in co-branded partnerships that are composed of prestigious brands.

As co-branding is a relatively practical and cost-effective way of introducing new products to the market, our findings provide important implications, especially in managing prestigious brands. Any brand alliance aims to benefit from the partner brand and enhance the value of the brands involved in the partnership. An unsuccessful co-branding strategy may create significant consequences such as negative spillover effects to the partnering brands, hurt the brand image, or result in negative returns on investment (Pinello et al., 2022). Therefore, partner selection is a key issue with risks. Importantly, co-branding activities are becoming increasingly ubiquitous and popular among luxury and fashion brands that are highly competitive and difficult to grow (Romagnoli, 2020). Supporting this real-life practice, our findings suggest that prestigious brands are advantageous in the sense that they can collaborate with other prestigious brands even from unrelated product categories (e.g., Porsche car co-branding with Rolex watch). Consumers will be able to find common links between the partners due to their prestige congruence and hence make meaning of the partnership. This will translate into positive consumer attitudes and purchase intentions. In other words, it is less risky for prestigious brands to be involved in co-branding activities with similar other brands. Two or a higher number of prestigious brands can benefit from each other and increase overall sales through collaborations, even when they belong to unrelated

product categories. This provides an opportunity to be involved in diverse co-branding activities and widen their product portfolio through co-branding strategies more easily than functional brands. However, our results suggest that managers should look for categorical fit among the partnering brands when a functional brand (e.g., Honda) is involved in a co-branding activity. Functional brands are evaluated predominantly on their concrete functional attributes. Hence, the presence of product fit becomes important in evaluations of functional-functional (e.g., Honda car co-branding with Casio watch), prestigious-functional (e.g., Porsche car co-branding with Casio watch) or functional-prestigious partnerships (e.g., Honda car co-branding with Rolex watch).

4.1. Limitations and Future Research Directions

Our work is not without limitations. To increase the external validity of our findings, we used real brands rather than fictitious brands in our studies. However, given that the intention-behaviour gap is quite prevalent in consumer research, it would be ideal to replicate the results with individuals' real-world experiences by conducting a field study. It would be especially helpful in validating the findings concerning consumers' purchase intentions, which are difficult to understand via self-administered questions. Relatedly, we used the Prolific online panel to recruit native English-speaking participants from USA and UK. While Prolific is widely used in academic research, conducting studies in other contexts (e.g., with student samples or in different geographic locations) would help increase the generalizability of our results by validating them with a more diverse participant group.

In our work, we adopted a consumer behavior perspective and focused on understanding consumers' general attitudes and purchase intentions, which are individual-level outcomes. Further research may look into firm-level outcomes, such as the effects of different partnership strategies on company revenue and market share figures, by using secondary data. Given that co-branding activities are becoming increasingly popular, especially among luxury fashion brands, it would be valuable to have a firm perspective and assess whether prestigious brand partnerships translate into positive financial outcomes for companies.

We specifically focused on two-brand partnerships in our research. In real practice, however, brands may involve in multiple different co-branding activities (e.g., Cadbury Oreo Chocolates, Milka Oreo Chocolates, Wall's Oreo ice cream or H&M collaborating with a different high-end fashion brand each year such as Versace for H&M and Kenzo H&M). In the brand extension context, Dacin and Smith (1994) showed that extending a brand into multiple categories does not weaken the focal brand when quality consistency is kept among the extensions.

Accordingly, we hypothesize that a prestigious brand may involve in multiple partnerships as long as brand concept consistency among the partners is assured. Arguably, each additional prestigious partner may strengthen the matching prestige appeal of the focal brand. Future research may adopt a portfolio perspective and explore whether our results will be valid as the number of co-branding activities that a prestigious brand undertakes increases.

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