Can Being Similar in Product Category a Liability for Cross-gender Brand Extension?

Tsunwai Wesley Yuen
Lincoln International Business School, University of Lincoln, UK
Marzena Nieroda
Alliance Manchester Business School, The University of Manchester
Hongwei He
Alliance Manchester Business School, The University of Manchester
Yunseul Park
Alliance Manchester Business School, The University of Manchester

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Abstract:

A cross-gender brand extension strategy refers to brands introducing new product offerings under the same brand name to customers of the opposite sex. While many companies adopt a high categorical fit brand extension approach by launching new products in the same or similar product category, little is known about how categorical fit influences consumers' perception of the parent brand under the condition of cross-gender brand extension. An experimental study revealed that introducing high (versus low) categorical fit product to the opposite sex diminishes the perceived level of original brand gender personality. Consequently, the male (female) consumers' parent brand attitude is negatively affected when they encounter a male (female) brand introduces high categorical fit female (male) products. The results contribute to the cross-gender brand extension literature and provide a guideline for marketers when launching cross-gender brand extensions.

Keywords: Cross-gender brand extension, Categorical fit, Reciprocal Spillover effects

Track: Product and Brand Management

1. Introduction

Cross-gender brand extension refers to 'extending the products with the same brand name to target the opposite sex' (Jung & Lee, 2006, p. 67). While such practices become popular in facilitating an increase in market share and revenue stream (Ulrich, 2013), they do not come without risk on the parent brand. For example, Porsche upset their male customers when the company introduced Porsche Cayenne SUV targeting female customers because the masculinity image of Porsche is being endangered (Avery, 2012).

Previous research on cross-gender brand extensions has predominantly focused on exploring how consumer characteristics such as biological sex or multifactorial gender influence the perception of cross-gender brand extensions of different product categories (e.g. Jung & Lee, 2006; Ulrich, 2013). For product category, the approach most likely to succeed is to extend to a new product in the same or similar product category, known as high categorical fit (Pina, Riley, & Lomax, 2013). This is why cross-gender brand extensions are usually introduced with the high categorical fit. For example, Michael Kors, predominantly a female clothing and accessories brand, introduced Michael Kors for men in the same product category; Lynx, a personal care brand targeting male, introduced a body wash for women. Meanwhile, brand extensions in high categorical fit are found more susceptible to reciprocal spillover effects than those in low categorical fit (Lane & Fastoso, 2016). Reciprocal spillover effects occur when consumers' beliefs about the attributes of the parent brand, be it brand equity, quality or personality, are affected by brand extension strategies (Childs, 2017). While previous brand extension research has predominantly suggested a positive relationship between categorical fit and reciprocal spillover effects (e.g. Boush & Loken, 1991), to our knowledge, how does categorical fit influence the reciprocal spillover effects has not been examined in the cross-gender brand extension context. Understanding this issue is important because while consumers are expressing their sexual identity through their brand consumptions, cross-gender brand extensions in the high categorical fit may create a negative reciprocal spillover effect on the parent brand, which is what marketers want to prevent.

To address this research gap, we draw upon associative learning and brand concept fluency theories to understand the reciprocal spillover effect in the context of cross-gender brand extensions (e.g. Gluck & Bower, 1988; Lee & Sternthal, 1999; Parker, Lehmann, Keller, & Schleicher, 2018). How people react to brand extensions depends on their existing knowledge about the given brand and the learning processes taking place in result to the exposure to a brand extension. Associative learning theory proposes that consumers learn new

information by retrieving and updating their existing mental associations (van Osselaer & Janiszewski, 2001).

We propose that for cross-gender brand extensions that are in the same/similar product category as the original products (high fit condition versus low fit condition), it is easier for consumers to activate existing knowledge about the parent brand, and thus enable reciprocal spillover effects to the parent brand. However, since this cross-gender brand extension information is inconsistent with consumers' knowledge about their sex-typing behaviours, this "mental conflict" is likely to dilute the original parent brand gender personality. Consequently, male (female) brands introducing female (male) product in high categorical fit (versus low fit) are likely to suffer from negative attitude shifts of their original consumers, i.e. males (females).

2. Conceptual Framework

Previous research on brand extensions indicates that high categorical fit extensions enable stronger reciprocal spillover effects to the parent brand (Loken & John, 1993). This is because, according to the categorisation theory, the consistency between the parent brand and the extended product allow consumers to easily forge mental association back to the parent brand (Boush & Loken, 1991). While previous studies in brand extension suggest that higher categorical fit brand extensions are more likely to succeed and brands can benefit from the positive spillover, such as strengthening parent brand's image, knowledge and attitude (Czellar, 2003), this recommendation might not hold for cross-gender brand extensions.

The cognitive developmental theory indicates that people are cognitively educated and developed to behave according to their sexual identity, i.e. male (female) should purchase a male (female) brand in order to express their own biological sex identity and self-concept (Bussey & Bandura, 1984; Sirgy, Johar, Samli, & Claiborne, 1991). This is why some brands have been established as male brands, such as Lynx and Hugo Boss while other brands are recognised as female brands, such as Michael Kors and UGG. This knowledge can be well-established amongst consumers, regardless of their biological sex. However, when these brands extend to the opposite sex, consumers are likely to re-evaluate the original brand gender personality.

The adaptive network model of associative learning further illustrates that consumers tend to update their knowledge about the parent brand when they receive new information

which is inconsistent to what is stored in their existing memory (Gluck & Bower, 1988; Kruschke & Johansen, 1999). Hence, while high categorical fit cross-gender brand extensions allow consumers to easily retrieve the linkage about the parent brand (Boush & Loken, 1991), an update occurs on the mental association of the original parent brand gender personality. This means that while consumers will consider the parent brand and cross-gender brand extension as closely related, the new information about the brand extending to the opposite sex is likely to dilute the original gender personality of the parent brand. On the contrary, since it is more difficult for consumers to cognitively discover the linkage between parent brand and the low categorical fit extended product, the mental association of the parent brand about the original gender personality is more likely to be maintained. Consequently, we propose:

H1a: Regardless of biological sex, when a male brand introduces a female product, the masculinity of the male brand will be diluted in the high than the low categorical fit condition.

H1b: Regardless of biological sex, when a female brand introduces a male product, the femininity of the female brand will be diluted in the high than the low categorical fit condition.

The same consumers' existing knowledge and associative learning process are also likely to have an impact on the attitude of original consumers towards parent brand offering cross-gender products. Alter and Oppenheimer (2009) indicate that attitude towards the brand is formed by the brand concept fluency. When brands introduce cross-gender products, original consumers' existing knowledge about the sex-typed expressive benefits of the brand would be violated (Reghunathan & Joseph, 2017). This parent brand concept disfluency is likely to negatively influence the attitude towards parent brand amongst original customers. For instance, Ulrich (2013) shows that consumers who possess stronger traditional gender role attitudes are more likely to have a negative attitude towards the parent brand. Moreover, Jung and Lee (2006) find that symbolic brands with self-expressive meaning have negative reciprocal spillover effects on the parent brand when launching cross-gender brand extensions. Avery (2012) also indicates that originally targeted consumers are angry about the brand extending to the opposite sex easily identified products because they resist accepting the brand being occupied by a large group of customers with the opposite sex. On the other hand, the brand concept disfluency is likely to be weaker in the low categorical fit situation because

consumers need more cognitive efforts to identify the linkage between the parent brand and the cross-gender extended product. Therefore, we propose:

H2a: When a male brand introduces a female product, male consumers have a lower attitude towards the parent brand in the high than the low categorical fit condition.

H2b: When a female brand introduces a male product, female consumers have a lower attitude towards the parent brand in the high than the low categorical fit condition.

4. Method

4.1 Design

The study employed a scenario-based experiment by using real brands with fictitious brand extension product. This approach follows prior research in that subject (Chun, Park, Eisingerich, & MacInnis, 2015; Park, Milberg, & Lawson, 1991). The study is a 2 (categorical fit: high/low) x 2 (direction of cross-gender brand extension: male to female/ female to male, M→F and F→M hereafter) x 2 (biological sex: male/female) between-subject design. Respondents were South Korean adults (n=200) recruited through an online survey panel, Qualtrics, and were randomly allocated to one of the four experimental scenarios (biological sex was recorded as a categorical demographic variable).

4.2 Stimuli development

Extensive pretesting focusing on brand selection preceded the main study. First, we chose the facial skincare product category for the study because the nature of the product has shaped some highly gender-specific brands. Second, we needed to select brands that have predominantly masculine and feminine brand image. In order to do this we employed the brand selection criteria as suggested by Ulrich (2013); 1) the brands should be perceived strongly as either masculine or feminine image in order to reflect the sex-typed brand; 2) the brands should be well-known to consumers with the targeted sample; 3) the brands have not done any cross-gender brand extension strategy by the date of the study. After all these considerations, 11 potential brands were identified, including Bulldog, Estee Lauder, Gatsby, Clean & Clear, Shu Uemura, Bioderma, ShingMulNara, UL-OS, NARS, Uriage and Benefit. Respondents (n=76) recruited from Qualtrics rated brand gender personality of the identified brands using the scale adapted from Grohmann (2009) (see scale items in section 4.3 on page 6). In order to select two brands, we evaluated the difference between masculinity and femininity scores for those brands. The results point to 1) Bulldog as a brand with perceptions

of masculinity (M_{MBP}=4.25, SD=1.27) significantly higher than perceptions of femininity (M_{FBP}=2.90, SD=1.11, t(75)=7.82, p<.01); 2) Estee Lauder as a brand with perceptions of femininity (M_{FBP}=6.43, SD=1.24) significantly higher than perceptions of masculinity (M_{MBP}=4.75, SD=1.71, t(75)=7.42, p<.01).

Second, we examined product categories which represent high and low categorical fit for Bulldog and Estee Lauder. Considering the dominant product category of those brands, i.e. facial skincare, and product categories that other facial skincare brands have extended into, 4 product categories were considered: facial skincare, shampoo, body wash, make-up and after-shave. The results of the test prompted the selection of facial skincare for high categorical fit and shampoo for low categorical fit for both brands. The level of categorical fit is significantly different in the brand-level; Bulldog ($M_{skincare}$=5.09, SD=1.93 versus. $M_{shampoo}$=2.98, SD =1.73, t(49) =5.422, p<.01) and Estée Lauder ($M_{skincare}$=5.87, SD=1.50 versus. $M_{shampoo}$=2.69, SD =1.73, t (49) =9.687, p<.01).

4.2 Procedure

The experimental questionnaire started with some demographic questions, including a question about respondents' biological sex. Then, subjects were randomly assigned to one of the four experimental scenarios. They saw brief information about the parent brand. After this, respondents were asked about their attitude and familiarity toward the parent brand and perceived parent brand gender personality. As brand familiarity and pre attitude towards parent brand can potentially affect consumer responses to cross-gender brand extensions (Diamantopoulos, Smith, & Grime, 2005; Sar, Duff, & Anghelcev, 2011), these measures were used as a covariate in the subsequent analyses. The measure of perceived parent brand gender personality at this stage was used as a manipulation check.

Then, respondents saw the brief information about the cross-gender brand extension and were asked about the brand gender personality and attitude towards parent brand.

4.3 Measures

All items were measured using a 7 point Likert scale (1 = strongly disagree to 7 = strongly agree). Brand familiarity was measured with a single item *Please indicate your familiarity toward the brand Bulldog/Estee Lauder*. The perceived parent brand gender personality was adapted from Grohmann (2009) with 6 items evaluating masculinity: *adventurous, aggressive, brave, daring, dominant* and *sturdy* (α = 0.89), and 6 items evaluating femininity: *expresses tender feelings, fragile, graceful, sensitive, sweet* and *tender*

(α = 0.91). The attitude towards the parent brand (original parent brand attitude and attitude after being exposed to cross-gender brand extension) was also adapted from Grohmann (2009) with the 3 items: *positive, like, favourable* (α = 0.88).

4.3 Manipulation check

Manipulation check was conducted to verify the selected brands were perceived as predominantly masculine and feminine. The parent brand gender personality measure before the experimental treatment in the main study confirmed that Bulldog is perceived as a more masculine brand ($M_{MBulldog}$=4.48, SD=0.97) than Estee Lauder (M_{MEstee}=3.89, SD=1.05); t(198)=4.14, p<.01) and Estee Lauder is perceived as a more feminine brand (M_{FEstee}=4.93, SD=0.83) than Bulldog ($M_{FBulldog}$=3.72, SD=1.33; t(198)=-7.81, p<.01).

5. Results

Testing H1, we first entered biological sex and categorical fit into a 2 x 2 ANCOVA (parent brand attitude and familiarity were entered as covariates) to confirm that the categorical fit's effects on perceptions of parent brand personality are independent of biological sex. We performed 2 separate tests: one in the M→F condition and one in the F→M condition. Insignificant interaction results for M→F condition (F(3,94)=.59, p>.10, η_p^2=.00) and F→M condition (F(3,98)=2.30, p>.10, η_p^2=.02) confirm that any fit effects are independent of biological sex. To test the H1a, a one-way ANCOVA (with the same covariates in the model) indicated that the masculinity perception of the Bulldog brand (M→F) is significantly lower in the high categorical fit ($M_{highfit}$=3.94, SE=.16) than the low fit condition (M_{lowfit}=4.457, SE=.16; F(1,96)=5.29, p<.05, η_p^2=.053). For H1b, a one-way ANCOVA indicated that the femininity perception of the Estee Lauder brand (F→M) is lower in the high categorical fit ($M_{highfit}$=4.44, SE=.14) than the low fit condition (M_{lowfit}=4.75, SE=.13; F(1,100)=2.55, p=.11, η_p^2=.03). Although the effect is not significant, we gained directional support. Hence, H1a was supported while H1b was directionally supported, as illustrated in Figure 1.

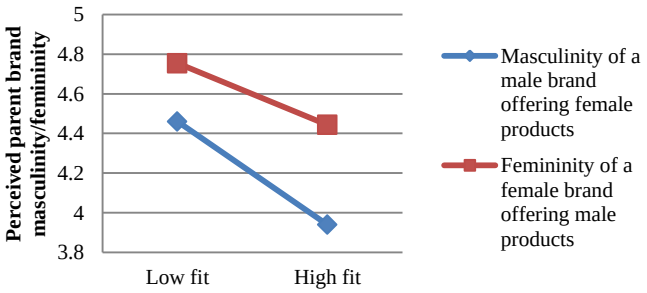

Figure 1. Perceptions of parent brand gender personality

A 2x2x2 ANCOVA (parent brand attitude and familiarity were entered as covariates) testing H2 indicates a significant three-way interaction ($F(7,192)=3.27$, $p=.07$, $\eta_p^2=.017$), as illustrated in Figure 2. As expected in H2a, the attitude towards the Bulldog brand (M→F) is significantly lower in the high categorical fit ($M_{highfit}=4.47$, $SE=.20$) than the low fit condition ($M_{lowfit}=5.07$, $SE=.22$; $F(1,39)=4.21$, $p<.05$, $\eta_p^2=.102$). For H2b, the attitude towards the Estee Lauder brand (F→M) is also significantly lower in the high categorical fit ($M_{highfit}=4.86$, $SE=0.17$) than the low fit condition ($M_{lowfit}=5.35$, $SE=.17$; $F(1,59)=4.23$, $p<.05$, $\eta_p^2=.069$). Therefore, H2a and H2b were supported.

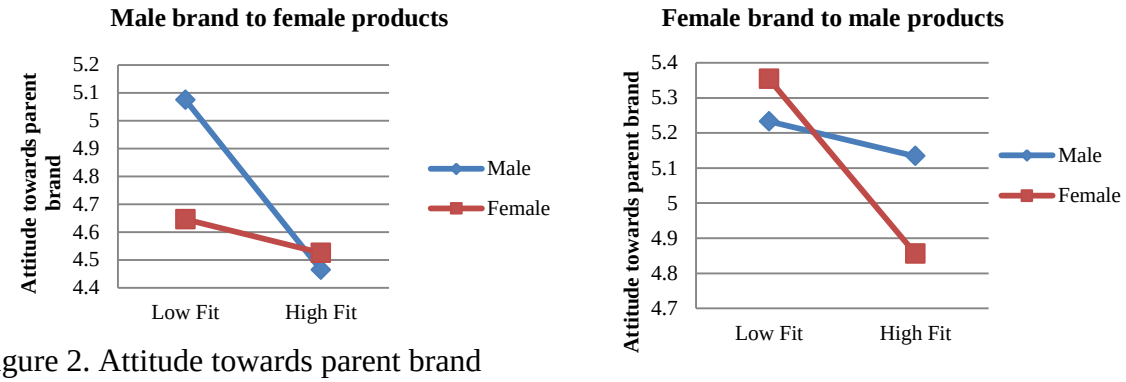

Figure 2. Attitude towards parent brand

6. Discussion and Contribution

Our research has shown that cross-gender brand extensions in high categorical fit (extension in the same or similar product category) diminish the level of original perceptions of parent brand gender personality in eyes of all consumers. Then, when brands extending to the opposite sex, high as compared to low categorical fit also negatively affect originally targeted consumers' attitude towards the parent brand.

The results of this research add to our understanding of categorical fit in the cross-gender brand extension literature. Prior research has not examined the relationship between categorical fit and reciprocal spillover effect in cross-gender brand extensions. This research contributes to the literature by demonstrating categorical fit as an antecedent to the negative reciprocal spillover effect to the parent brand in the cross-gender brand extension context. Although many of the previous studies in the general brand extension area suggest a positive relationship between categorical fit and reciprocal spillover effects (e.g. Boush & Loken, 1991; Czellar, 2003), our research poses a question on whether this positive relationship holds under the cross-gender brand extension context. Our study finds that as categorical fit becomes higher, the perceived original parent brand gender personality is diluted for both male and female consumers and the attitude towards parent brand for originally targeted

consumers also becomes lower. This is different from the findings in the previous brand extension studies on the reciprocal spillover effects. Hence, the results of this research contribute to the brand extension reciprocal spillover effects literature by suggesting a new angle specifically in the cross-gender brand extension context where the low categorical fit is more preferable to the high categorical fit on keeping the parent brand away from negative reciprocal spillover effects.

As marketers attempt to leverage their brand value by introducing cross-gender extensions in similar product categories, the potential negative reciprocal spillover to the parent brand becomes an important issue for marketers to manage, especially considering the brand stewardship in the long-term. With this in mind, managerially, the current research suggests that marketers should launch low categorical fit brand extension products to acquire new consumers with opposite sex in order to avoid negative reciprocal spillover to the parent brand. The research also poses a threat to those brands which have already launched cross-gender brand extensions with high categorical fit because they may lose original biological sex group of consumers in the long-term.

7. Limitations and Further Research Recommendations

Although the findings of this study are encouraging, our work also has some limitations. Firstly, the research was conducted in a single country, i.e. South Korea. Despite the popularity of using a single country sample, it will also be interesting to see cross-cultural research in cross-gender brand extension. This is because cultural background may shape the existing knowledge of consumers about sex-typed behaviours. Secondly, while our study only used facial skincare and shampoo, future research can consider applying our conceptual framework to different product categories to explore the low and high categorical fit conditions.

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