



## A Study On Impact Of Brand Extension On Brand Personality

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### Abstract

Business organizations are currently competing to gain a distinct advantage over their rivals so that they can use it to their advantage and progress towards more notable flourishing. To outsmart competitors and succeed in the market, building stronger brands is one basic way to accomplish this. It is important to understand that the age of a strong brand would lower the advertising cost and increase the overall productivity of the company.

Numerous research have looked into how brand attributes affect brand extendibility, or how easily positive brand outcomes may be achieved by introducing brand extensions. Despite the fact that brand personality is extremely important for brand image, there are currently no insights on how brand personality affects brand extendibility. On the basis of prior findings regarding processing fluency, this research asserts that brand personality influences the fluency with which brand extensions are processed and, as a result, influences extension outcomes.

There was no evidence to support the hypothesis that brand personality could affect extension results through processing fluency. The findings show a positive correlation between processing fluency and extension evaluations, but they do not support the notion that brand personality affects how easily brand extensions are processed. But variances in extension evaluations and brand extensions' impact on the parent brand show that brand personality is generally relevant for brand extendibility. The study found that brand extension had a positive impact on brand personality, thus marketers would take brand personality into consideration as they expanded their companies into new product categories.

**Keywords:** Brand extension, Brand personality, Perceived quality, Processing fluency.

### Introduction

There are many definitions and metrics related to a brand, but in general it can be understood as a name, sign, image, or plan, or it can be a combination of these characteristics. These characteristics help merchants distinguish their goods from those of their competitors, giving them an advantage over others. Without a doubt, the creation of a brand begins with the growth of a company; whenever a company joins forces with another project or business, it triggers brand creation. In today's sophisticated commercial environment, the value of a brand has reached a new height. According to current opinions, characteristics that determine a brand's personality have surpassed those that determine its product line in importance. In simpler terms, the brand character is legally linked to the real benefits of the product; nevertheless, it also lends distinctive aspects of the brand a symbolic value. The more fragile the brand, Keller (2018) contends, the more significant consideration it needs in terms of advertising and limited-time activities, in order to enhance its image character and generally make the brand more noticeable in the market. According to Boush and David (2020), the brand impression and item class resemblance actually play major roles. To take this a step further, the brand's growth might be evaluated as a joint function of how the brand is favoured in its unique categorization and the similarity it reaches in the first and augmentation classes. The usage of brand augmentation as a strategy for growth and greater profit has been reinforced by a similar viewpoint regarding directors (Springen and Miller, 2021).

### The Impact of Brand Personality on Brand Outcomes

There has been research on how brand personality affects how consumers perceive and assess brand stimuli, brand behaviours, and brand experiences. This has been accomplished principally by concentrating on two areas of interest: the impact of brand personality and consumer personality congruence on brand outcomes.

In addition to effects on how well a brand's personality aligns with customers' perceptions of themselves, brand personality also affects how consumers perceive and assess brand stimuli, brand behaviour, and brand experiences. For instance, J. Aaker et al. (2014) demonstrate in their analysis of consumer-brand connections that brand behaviour is assessed differently depending on brand personality, which in turn results in diverse brand outcomes. The authors specifically show how some relationship violations (i.e., brand behaviour that violates relationship rules) have a negative impact on the strength of consumer-brand relationships if they are committed by a sincere brand, whereas they have a positive impact on the strength of consumer-brand relationships if they are committed by an exciting brand.

The discussion that follows closes these research gaps by developing a theoretical link between brand personality and brand extendibility based on the interpretation of brand extension as an example of brand behaviour. To do this, the discourse is broken up into three halves. The first section conceptualises brand personality perception processes based on the most recent research on how people perceive human personality. The potential relationship between brand personality,

processing fluency, and assessments of brand behaviour based on this conceptualization is elaborated in the second part. The third portion comes to a close by highlighting how the bigger viewpoint from the second section may be applied to the context of brand extension and discussing the importance of processing fluency for brand extension results.

### **Relationship between Brand Personality and Brand Extensibility**

The aforementioned literature streams are merged in the subsequent parts to enable the development of the research hypotheses for this dissertation concerning the relationship between brand extensibility and personality. As was mentioned at the outset, it appears that this influence has not yet been examined by marketing research. Earlier studies have concentrated on the impact of extensions on brand personality (Diamantopoulos, Smith, & Grime, 2015) and the consistency between brand personality and extension characteristics on extension outcomes (Yorkston et al., 2019), but it doesn't seem that the impact of brand personality on extension outcomes across product categories has been covered. Additionally, despite the experimentally supported relevance of customers' affect for such assessments (Fedorikhin et al., 2018), little knowledge about the relationship between processing fluency and customers' affective responses to these interactions appears to exist.

### **Review of Literature**

Expansions typically present a lower risk of item dissatisfaction in the marketplace and are easier to recognise. Additionally, according to Keller (2019), "item or brand augmentation occurs when a company introduces a different brand into a different item category using its already established brand name. Size, preferences, and other details must be entered by the organisation. According to Aaker (2020), this process can be referred to as "flat expansion" when the name of the current item is used to extend to a similar item classification, but "vertical augmentation" includes the introduction of another item in the item class, with varying cost and quality levels. Fundamentally said, any brand growth, if done improperly, may also have negative effects and may change the first brand's identity. As a result, businesses must approach the process of brand augmentation carefully and thoughtfully.

Customers buy products with which they are genuinely connected, and as a result, they place a greater emphasis on the brand of their choice and inclinations. Brand image, brand character, and brand esteem are all legitimately associated with the psyches and feelings of the customers. In some ways, the physical similarity between the core brand and the bundled brand also affects the brand expansion. If the bundled brand is high-quality and similar to the core brand, there is a good chance that it will also be successful in the market. However, the converse is also true in some cases (Tripathi et al., 2020). In her analysis, Romeo (1991) argued that, from some angles, brand expansion is similar to family augmentation in that it may succeed if done with the appropriate and sufficient information, but any deception may cause it to fail and actually damage the brand's reputation.

According to marketing research, which is based on the dynamic capacities hypothesis, a company's capacity to compete in a market that is changing swiftly is correlated with its capacity for adaptive marketing (Divya, 2019). These marketing skills include things like the ability to experiment in the market and the capacity to learn from markets in order to be more market-oriented.

The Patel (2021) scale is frequently used to assess brand personality. Sincerity, excitement, competence, sophistication, and ruggedness are the five personality traits that make up this scale. The several facets that make up the scale's elements are another way in which the dimensions are arranged. For instance, the facets tough and outdoorsy, which include the things difficult and rugged, and outdoorsy, masculine, and Western, respectively, structure the dimension sophistication.

### **Research Problem**

Business organisations are currently competing to gain a distinct advantage over their rivals so that they can use it to their advantage and progress towards more notable flourishing. To outsmart competitors and succeed in the market, building stronger brands is one basic way to accomplish this. It is important to understand that the age of a strong brand would lower the advertising cost and increase the overall productivity of the company.

Ahmad (2021) makes a key point in this passage by stating that, generally speaking, brand expansion strategies may not prove to be acceptable for all brands and that brand augmentation can have both positive and negative effects on the parent brand's brand character. The launch of a competing brand may have positive or negative effects, but it also may prove to be risky in terms of how it influences consumer perceptions of the brand's personality and its growth strategies (Mudit 2020). This is the primary justification for why businesses expand on well-known brands that are highly valuable to customers and effective in the market. They also value strong brand personalities. These criteria determine whether a brand should be expanded or not in order to reduce the risk of disappointments.

In this way, the strategy that aids in the growth of a brand may be referred to as a "Decent Brand Extension Strategy." It is important to keep in mind that good brand augmentation ultimately strengthens the brand. However, the opposite is also true; an off-base brand extension may limit the market potential of the first brand. The analyst was motivated and energised by all of these perspectives and circumstances to finish this investigation and look at this examination viewpoint. The focus of brand augmentation research is on consumers' perceptions of brand expansions.

Contrasting the structural characteristics of human personality is the variation in brand personality structure across various circumstances. In reality, research on human psychology has discovered that throughout cultures, personality traits are consistently organised along five elements.

### Research Objectives

- To examine the impact of consumer mindset on brand personality.
- To investigate how brand mindfulness affects brand personality.
- To investigate the relationships between brand mindfulness and expansion strategies.

### Scope of Research

The current study could prove to be quite beneficial in the cutting-edge business environment where every brand is planning to increase the scope of their offerings and market share. Making the appropriate decision regarding the company's image augmentation techniques is really important. In general, this research may prove to be important and remarkable for them.

### Methodology

**Research Design:** The current study will employ a quantitative research strategy approach; in this method, the analyst will make use of planned surveys conducted among both clients and organisations.

**Data collection method:** A survey will be used to gather data for this investigation; it will include detailed questions and look into how brand growth strategies affect the essence of the brand.

**Sample Size:** The probe anticipates compiling a sample size of 100 respondents in Delhi's National Capital Region, which will enable it to acquire crucial information. About 80 clients and 20 officials from the organisations in and near Delhi's National Capital Region would be included in the example.

**Sampling Technique:** The researcher intends to use likelihood structure, such as the Purposive Sampling Technique, in order to collect tests for this investigation. Every respondent will therefore have an equal chance of being selected for this assessment because the examples will be gathered on an arbitrary basis.

### Hypothesis of the study

Ha: Perceptions of fit increase, the difference in processing fluency between the extensions of active and responsible brands declines.

Hb: Perceptions of fit negatively moderate the effect of processing fluency of brand extensions on extension evaluations.

### Data Analysis & Interpretation.

**Table 1: Demographic Information**

Gender	Frequency	percentage
Male	37	44
Female	47	55
<b>Total</b>	84	100

Here, the data has been collected from 84 respondents of the Delhi region. Out of which 37 are male and 47 are females.

### Respondents of Age

**Table no. 2: Age**

CHOICES	%	COUNT
LESS THAN 20	19	19
20-50	68	68
50-70	12	12
70 OR MORE	1	1
TOTAL		100

Source: Primary Data

### Interpretation:

Table shows that the majority of customers who are the prominent users comes under age group of 20-50.

### Respondents Occupation.

**Table no. 3: Occupation**

CHOICES	%	COUNT
STUDENT	64	64
SALARIED PERSON	24	24
BUSINESSMAN/WOMAN	6	6
HOUSEWIFE	6	6
TOTAL		100

Source: Primary Data

### Interpretation:

From (Table), we can conclude that majority of customers are students (64%) and (24%) of customers are salaried person,

(6%) of customers are house- wife, and the rest (6%) of customers are business persons.

**Testing of Hypothesis**

Ha: Perceptions of fit increase, the difference in processing fluency between the extensions of active and responsible brands declines.

Choices	Response	Total
Processing fluency	43	43
Brands decreases	57	57

Source: Primary Data

t-Test: Two-Sample Assuming Unequal Variances		
Mean	10	38
Variance	0	50
Observations	2	2
Hypothesized Mean Difference	1	
Df	1	
t Stat	-5.8	
P(T<=t) one-tail	0.054347	
t Critical one-tail	6.313752	
P(T<=t) two-tail	0.010869	
t Critical two-tail	12.7062	

Source: Primary Data

Significant relation between students believe and gender is proved as P(T<=t)on tail valueis 0.05 and accepted value is 0.05. Hence the hypothesis is accepted.

**HYPOTHEIS**

Hb: Perceptions of fit negatively moderate the effect of processing fluency of brand extensions on extension evaluations.

Choices	Response	Total
Brand extensions	60	60
Processing fluency	40	40

Source: Primary Data

t-Test: Two-Sample Assuming Unequal Variances		
Mean	30	59.5
Variance	18	40.5
Observations	2	2
Hypothesized Mean Difference	1	
Df	2	
t Stat	-5.63945	
P(T<=t) one-tail	0.015017	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.030034	
t Critical two-tail	4.302653	

Source: Primary Data

Significant relation between salaried people and Fit from brand personality and Brand Extension isproved as p (T<=t) one tail value is 0.01 and the accepted value for P is 0.05. Hence the hypothesis is accepted.

**Conclusion**

Modern business analysts evaluate brand importance in terms of competitive advantage and give exceptional weight to potential career opportunities that are present in various company sectors. As a result, the businesses can look into new markets for their current brand; doing so will assist to cut down on the cost of introducing new products as well as the risk associated with the nuances of item letdown. That is what motivates and pushes businesses to pursue the brand strategy. Customers are the key in this perspective, according to Klink and Smith (2001), who mention a crucial objective fact in this context. This is because the success or failure of a brand depends on the preferences and decisions of the target audience. The customers who fit into the present categorization can examine how brand expansions are evaluated. This facilitates the transfer of the beliefs and behaviors associated with the parent brand to the new product.

In addition to building on earlier research on the effects of brand personality characteristics on brand extension outcomes, this study offers theoretical insights pertinent to the impact of perceived fit between the brand personality and the extension product on extension outcomes.

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