TOM MEYVIS, KELLY GOLDSMITH, and RAVI DHAR*

It is well established that consumers’ evaluations of brand extensions depend on the quality of the parent brand and the fit between that brand and the extension category. The authors propose that the relative importance of these two factors is influenced by two key features of a typical shopping environment: the presence of visual information and the availability of comparison brands. In particular, the authors demonstrate that adding pictures and enabling brand comparisons shift consumers’ preference from extensions of better-fitting brands to extensions of higher-quality brands. The authors propose that this occurs because pictures and brand comparisons create a more concrete representation of the extension, which in turn increases the importance of parent brand quality relative to brand–extension fit. They provide support for this underlying mechanism and discuss the practical implications of their findings.

Keywords: brand extension, shoppers’ mindset, visual information, brand comparisons, decision context

The Importance of the Context in Brand Extension: How Pictures and Comparisons Shift Consumers’ Focus from Fit to Quality

Treating their brands as assets, many firms try to leverage their equity by launching new products under established brand names. Prior research has demonstrated that consumers’ evaluations of these brand extensions depend primarily on two factors: the perceived quality of the parent brand and the perceived fit between the parent brand and the extension category (Aaker and Keller 1990; Bottomley and Holden 2001). While previous studies have demonstrated that the importance of fit can vary as a function of brand and consumer characteristics (Kim and John 2008; Yeung and Wyer 2005), the current research examines how the relative importance of fit versus quality varies as a function of the consumer decision environment. Understanding the impact of the decision context is essential for both theoretical and practical reasons. At a theoretical level, the decision context may change how consumers process and evaluate brand extensions. At a practical level, understanding the effect of the decision context can improve predictions of brand extension success, given that the decision context in the marketplace not only varies between shopping situations but also may differ from the decision context in brand extension concept testing.

The current research examines how the relative importance of fit versus quality is affected by two basic features of the consumer decision context: the presence of visual information and the presence of competing brands. Both these features naturally vary across consumer decision environments and have been shown to change how consumers weigh different attributes in their decisions. First, consumer decision environments vary in terms of the opportunity to visualize the product (McCabe and Nowlis 2003). For example, consumers can visually inspect the extension if it is a product on a shelf in a grocery store but not if it is a product ordered in a restaurant or a product mentioned by a friend. Furthermore, visual imagery has been shown to

*Tom Meyvis is Associate Professor of Marketing, Stern School of Business, New York University (e-mail: tmeyvis@stern.nyu.edu). Kelly Goldsmith is Assistant Professor of Marketing, Kellogg School of Management, Northwestern University (e-mail: kelly-goldsmith@kellogg.northwestern.edu). Ravi Dhar is George Rogers Clark Professor of Management and Marketing, Yale School of Management, Yale University (e-mail: ravi.dhar@yale.edu). Stephen Nowlis served as guest editor for this article, and Ziv Carmon served as associate editor for this article.
influence how consumers respond to new product introductions (Zhao, Hoeffler, and Dahl 2009) and change the weight consumers assign to different types of information (Pham, Meyvis, and Zhou 2001). Second, consumer decision contexts also vary in terms of the opportunity to engage in brand comparisons, with consumers either evaluating the extension product in isolation or choosing between the extension product and other brands. Comparisons are an essential feature of consumer choice (Dhar, Nowlis, and Sherman 1999), and the ability to engage in comparisons has been shown to systematically change the attributes to which consumers attend (Hsee et al. 1999). In summary, we examine how consumers’ evaluation of a brand extension (e.g., Heineken popcorn) is affected by two basic variations in the decision context: the presence of visual cues (seeing the bag of popcorn) and the availability of comparison brands (seeing Heineken in the context of other popcorn brands).

To understand the process by which the decision context can change the relative importance of brand–extension fit versus parent brand quality, we build on recent work by Kim and John (2008), who demonstrate that consumers’ sensitivity to brand–extension fit depends on consumers’ tendency to think abstractly. We propose that the decision context can change the level of abstraction at which consumers represent the extension and, as a result, change how they evaluate that extension. Specifically, we demonstrate that merely presenting a product picture or presenting the extension in the context of other brands in the product category leads consumers to adopt a more concrete representation of the extension, which not only reduces the importance of extension fit but also increases sensitivity to parent brand quality. As a result, decision contexts that allow consumers to visualize the extension or compare it with other brands shift consumers’ preference from extensions of better-fitting brands to extensions of higher-quality brands.

To illustrate, consider a consumer who is evaluating two extensions in the deodorant category: a Nike deodorant (an extension of a high-quality brand that does not fit well with the deodorant category) and a CVS deodorant (an extension of a better-fitting but lower-quality brand). We posit that the consumer’s liking of the Nike deodorant extension relative to the CVS deodorant extension will increase in the presence of other deodorant brands or in the presence of a visual cue (a picture of a deodorant stick). Before empirically investigating this prediction, we briefly review prior research on brand extension evaluations and discuss how consumers’ reactions to brand extensions can be altered by changes in the decision context.

**CONSUMER EVALUATIONS OF BRAND EXTENSIONS: QUALITY VERSUS FIT**

Although early studies on consumers’ response to brand extensions acknowledged the importance of the perceived quality of the parent brand, they also suggested that this quality perception will transfer to a brand extension only if consumers perceive a good fit between the brand and the extension category (Aaker and Keller 1990; Boush and Loken 1991). In more general terms, a good fit between the brand and the extension category has been widely considered a necessary condition for favorable consumer reactions (Völkner and Sattler 2006), regardless of whether fit is conceptualized as a function of overlapping category associations (Aaker and Keller 1990), the match between the brand image and the extension category (Park, Milberg, and Lawson 1991), or overlapping benefit associations (Bionarzycz and Alba 1994).

However, other studies have cast doubt on this assumption by demonstrating that favorably regarded brand names can directly increase extension evaluations, regardless of fit (Bottomley and Holden 2001), and that the effect of fit can even disappear completely when consumers have sufficient attribute information to base their evaluation on (Klink and Smith 2001). Furthermore, recent studies have shown how consumers react to differences in fit depends on their information processing style, including whether they process information holistically or analytically (Monga and John 2007) and whether they tend to think abstractly or concretely (Kim and John 2008). Building on these prior demonstrations of the effect of processing style on extension evaluations, we propose that common variations in the decision environment can systematically alter consumers’ processing style and, as a result, change their relative emphasis on fit versus quality.

**CHANGING EXTENSION EVALUATIONS BY CHANGING THE DECISION CONTEXT**

Consumers evaluate brand extensions in a variety of decision contexts. We propose that the visual and comparative nature of the decision context can change how consumers mentally represent the extension. According to construal-level theory, people can represent objects at different levels of abstraction, ranging from lower-level, concrete representations that are contextualized and include incidental object features to higher-level, abstract representations that are decontextualized and include only the core features of the object (Liberman and Trope 2008). We posit that the presence of visual cues and comparison brands lead consumers to adopt a more lower-level, concrete representation of the brand extension.

First, consider the effect of visual cues. Visual information is readily imaginable and distinctive, whereas verbal information is more pallid and decontextualized. For example, when consumers contemplate the mere concept of a “Nike deodorant,” their representation is not bounded by a particular context. However, adding visual product cues (however basic) will activate incidental features (e.g., “rectangular”) beyond the core features implied by the category (e.g., “odor protection”), thus facilitating the formation of a more vivid and specific image of the product. This suggests that the presence of visual information can activate a lower-level, more concrete representation. This view is consistent with recent findings that people tend to categorize objects into more categories when these objects are represented by pictures as opposed to words (Amit et al. 2008) and that people process pictures more quickly when they represent psychologically close objects but process words more quickly when they represent psychologically distant objects (Amit, Algom, and Trope 2009).

Similar to visual cues, the presence of comparison brands in the extension category can also influence how consumers mentally represent the brand extension. Comparisons with other brands in the same product category will highlight the lower-level, incidental differences between the branded
products, while de-emphasizing the core features of the product category, which are shared across brands and thus irrelevant to preference (Tversky 1977). This contextualization and the accompanying emphasis on (distinguishing) lower-level rather than (shared) higher-level features should result in a more concrete representation when consumers consider brand extensions in the context of other brands in the product category rather than in isolation. In summary, we propose that both visual cues and brand comparisons can shift consumers’ representation of brand extensions from a schematic, abstract representation to a more detailed and concrete representation—thus moving these extensions psychologically closer to the consumer (Liberman, Trope, and Stephan 2007).

If the decision context changes how consumers represent the brand extension, how does it affect their extension evaluations? Building on prior findings in the brand extension and psychological distance research streams, we expect that more concrete representations will increase the importance of parent brand quality relative to brand–extension fit. Kim and John’s (2008) recent work demonstrates that concrete mindsets are associated with reduced sensitivity to differences in fit. Specifically, they show that people who tend to think abstractly evaluate a high-fit extension of a brand (Nike insoles) more favorably than a low-fit extension of that brand (Nike treadmills), whereas people who tend to think concretely do not show any such difference. This is consistent with findings in the literature on psychological distance indicating that more abstract mindsets tend to increase reliance on normative ideals and general principles (Kivetz and Tyler 2007; Liberman, Trope, and Stephan 2007). Thus, consumers in a more abstract mindset should place greater weight on the normative appropriateness of the extension—that is, whether the extension fits with the image and skills of the parent brand.

Conversely, consumers in a more concrete mindset should place greater weight on parent brand quality. People in a concrete mindset tend to have an immediate temporal focus, as well as a focus on lower-level features rather than higher-level principles (Liberman, Trope, and Stephan 2007). It follows that consumers in a concrete mindset should be primarily concerned about the immediate benefits that the brand extension can provide them with—benefits that can be inferred from the quality of the parent brand.

In summary, we propose that the presence of visual cues or comparison brands will activate more detailed, lower-level representations of the brand extension and, as a result, shift consumers’ focus from brand–extension fit to parent brand quality. We test this proposition by examining how changes in the decision context influence people’s preferences between extensions that are superior on fit and extensions that are superior on parent brand quality.

**OVERVIEW OF THE EXPERIMENTS**

As in previous brand extension research, participants in our studies were presented with a set of brand extensions that they are asked to evaluate. Within this paradigm, we systematically manipulated the presence of visual cues and the availability of comparison brands and examine how these changes affect the importance of brand quality relative to extension fit. To infer the relative importance of quality versus fit, we measure participants’ preference between a low-fit extension of a high-quality brand (e.g., Nike deodorant) and a better-fitting extension of a lower-quality brand (e.g., CVS deodorant). A shift in preference from the extension of the better-fitting brand to the extension of the higher-quality brand indicates an increase in the importance of quality relative to fit.

In the first set of studies, we examine the effect of visual cues and find that adding a generic product picture increases preference for extensions of higher-quality, worse-fitting brands (Studies 1a and 1b). Furthermore, we show that this shift in preference is caused by a more concrete thinking style because adding the product picture makes people think more concretely (Study 2) and thinking more concretely shifts preference toward the extensions of the higher-quality brands (Study 3). In the second set of studies, we examine the effect of comparisons and find that enabling brand comparisons causes a similar shift in extension preferences (Studies 4a and 4b) and mental representations (Study 5).

Finally, we demonstrate that these shifts in extension preferences indeed reflect a change in the relative importance consumers attach to fit versus quality, as consumers’ thoughts shift from extension fit to brand quality (Studies 6a and 6b).

**STUDY 1A: THE EFFECT OF VISUAL CUES ON BRAND EXTENSION PREFERENCES**

In the first study, we examined the effect of visual cues on consumers’ brand extension preferences. We predicted that adding a generic, nondiagnostic product picture would shift consumers’ preference from high-fit brand extensions to high-quality brand extensions.

**Method**

Two hundred twenty-seven college students completed this study, either without compensation after being approached on campus or for compensation in a lab session. Participants were randomly assigned to either the control condition or the picture condition. All participants were shown eight product categories (two target categories and six filler categories). Within each product category, they were asked to choose between extensions of two brands. In the picture condition, the two brands in each extension category were accompanied by the same generic picture of a typical product with the brand logo imposed on it, whereas in the control condition, only the brand logo was presented (for the picture stimuli, see Appendix A). As in subsequent studies, we counterbalanced the order in which the two brands in each category were presented.

Each target extension pair consisted of an extension of a higher-quality national brand and an extension of a better-fitting store brand. We selected Nike deodorant and Speedo camping gear as the low-fit, high-quality national brand extensions and CVS deodorant and Kmart camping gear as the better-fitting, lower-quality store brand extensions. This selection was based on a pretest in which participants (n = 23) rated the quality of the brands and the fit with the extension category on nine-point scales. According to this pretest, participants perceived the Nike brand as significantly higher in quality than the CVS brand ($M_{\text{Nike}} = 7.35$, $M_{\text{CVS}} = 5.57$; $t(22) = -4.54$, $p < .001$) but as a significantly worse fit with deodorant ($M_{\text{Nike}} = 4.23$, $M_{\text{CVS}} = 7.66$; $t(21) = -5.33$, $p < .001$). Similarly, they perceived the Speedo brand as signifi-
stantly higher in quality than the Kmart brand ($M_{\text{Speedo}} = 6.45$, $M_{\text{Kmart}} = 3.95$; $t(21) = -4.34, p < .001$) but as a significantly worse fit with camping gear ($M_{\text{Speedo}} = 3.77$, $M_{\text{Kmart}} = 7.05$; $t(21) = 4.76, p < .001$).

After making their choice for each product category, participants were presented with a list of the brands used in the study and asked to circle any brand names they did not know. We excluded participants who did not know one of the parent brands for one of the replicates from the analyses for that replicate. We used this same brand familiarity check in all studies. Brand familiarity did not vary as a function of the manipulations for any of the replicates in any of the studies.

**Results and Discussion**

We expected that adding a visual cue would shift preference toward the extension of the higher-quality (but worse-fitting) brand. Consistent with this prediction, we found that presenting a generic picture of the product category significantly increased preference for Nike deodorant over CVS deodorant ($P_{\text{Control}} = 50.3\%; P_{\text{Picture}} = 80.0\%; \chi^2(1) = 16.23, p < .001$) and for Speedo camping gear over Kmart camping gear ($P_{\text{Control}} = 68\%; P_{\text{Picture}} = 80\%; \chi^2(1) = 4.67, p = .031$). Despite the subtlety of the manipulation, it had a substantial effect on participants’ preferences: Simply providing the outline of a deodorant stick increased the choice share of Nike deodorant from 50% to 80%. In summary, adding a picture of the product category shifted people’s preferences from extensions of better-fitting store brands to extensions of higher-quality national brands.

**STUDY 1B: THE EFFECT OF VISUAL CUES, GENERALIZING BEYOND STORE BRANDS**

Because all lower-quality brands used in the previous study were store brands, we attempted to replicate the effect using only national brands, thus ensuring that the picture effect is not dependent on idiosyncratic store brand characteristics.

**Method**

Two hundred thirty-two college students participated in the study for partial fulfillment of a course requirement. All participants were shown 11 product categories (4 target categories and 7 filler categories). The four target pairs consisted of Chick-fil-A versus Taco Bell guacamole, Apple versus JanSport suitcases, Mrs. Field’s versus McDonald’s barbecue sauce, and Nike versus Bic razors. A separate pretest ($n = 93$) using the same scales we used in the previous study confirmed that the first brand in each pair was perceived as higher quality but a worse fit with the extension category (all $Fs (1, 92) > 15.44, ps < .001$). Note that the four lower-quality brand extensions were not merely a better fit with the product category but were existing products. Including existing products enhanced the realism of the procedure and enabled us to test whether visual cues could increase preference for poor-fitting extensions of high-quality brands over existing offerings by low-quality brands.

Participants were again randomly assigned to either the control condition or the picture condition (for the picture stimuli, see Appendix B). Unlike in the previous study, no brand logos were presented in either condition.

**Results and Discussion**

Adding a visual cue again shifted preference from better-fitting brands toward higher-quality brands. Presenting a generic picture of the product category increased preference for Apple suitcases over JanSport suitcases ($P_{\text{Control}} = 32.2\%; P_{\text{Picture}} = 46.8\%; \chi^2(1) = 5.05, p = .025$), for Chick-fil-A guacamole over Taco Bell guacamole ($P_{\text{Control}} = 23.8\%; P_{\text{Picture}} = 35.9\%; \chi^2(1) = 3.56, p = .059$), for Mrs. Field’s barbecue sauce over McDonald’s barbecue sauce ($P_{\text{Control}} = 16.3\%; P_{\text{Picture}} = 38.8\%; \chi^2(1) = 11.78, p < .001$), and for Nike razors over Bic razors ($P_{\text{Control}} = 27.1\%; P_{\text{Picture}} = 40.0\%; \chi^2(1) = 3.92, p = .047$). These results demonstrate not only that the picture effect generalizes to choices between national brand extensions but also that pictures can increase the relative preference for poor-fitting high-quality brands over existing lower-quality products.

Whereas this study demonstrates the robustness of the picture effect, the next two studies test the proposed mechanism. We have argued that visual cues increase preference for the extension of the higher-quality (but worse-fitting) brand by inducing a more concrete representation that shifts consumers’ emphasis from brand–extension fit to parent brand quality. To test this proposed mechanism, we follow the “chain of experiments” approach that Spencer, Zanna, and Fong (2005) propose: While the first study demonstrated the effect of visual cues on extension preferences, the second study tests the effect of visual cues on the proposed mediator, and the third study tests the effect of the proposed mediator on extension preferences. Specifically, Study 2 tests whether the presence of a visual cue activates a more concrete mindset, and Study 3 tests whether a more concrete mindset shifts people’s preference to the higher-quality brand extension.

**STUDY 2: THE EFFECT OF VISUAL CUES ON CONSUMERS’ MINDSET**

To test whether adding product pictures activates a more concrete mindset, we first presented participants with a list of brand extensions that were either accompanied by a picture of the product category or not, and then we measured participants’ preference for abstract versus concrete representations of a list of behaviors, a method commonly used to measure the level of abstraction of people’s current mindset (e.g., Fujita et al. 2006).

**Method**

Ninety undergraduate students who participated in fulfillment of a course requirement were randomly assigned to either the control condition or the picture condition. All participants were first shown a list of 18 brand extensions, including the target extensions used in the previous studies. In the control condition, participants were only given the brand names, whereas in the picture condition, the brand names were accompanied by a generic picture of the extension product. Next, as part of a seemingly unrelated task,

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1. We removed data from participants who did not know one of the parent brands for the deodorant ($n = 57$) or camping gear ($n = 12$) extensions from the analysis for that replicate.

2. We removed data from participants who did not know one of the parent brands for the suitcase ($n = 7$), guacamole ($n = 28$), barbecue sauce ($n = 35$), or razor ($n = 21$) extensions from the analysis for that replicate.
they were given a mindset measure developed by Fujita et al. (2006) based on Vallacher and Wegner’s (1989) behavioral identification form. This measure consisted of a list of eight behaviors (e.g., sweeping the floor), each of which was accompanied by both a low-level description (e.g., moving a broom) and a high-level description (e.g., being clean). For each behavior, participants were asked to circle which of the two statements they thought best described that behavior. We used the number of high-level statements circled as an indicator of the level of abstraction of the participant’s mindset.

**Results and Discussion**

We expected that presenting participants with product pictures would activate a more concrete mindset. Consistent with this prediction, we observed that participants in the picture condition circled significantly fewer high-level statements than those in the control condition (M<sub>Control</sub> = 4.34, M<sub>Picture</sub> = 3.41; F(1, 88) = 6.19, p = .015). Whereas this result confirms that adding generic product pictures can lead consumers to think more concretely, we next test whether thinking more concretely can shift consumers’ emphasis from brand–extension fit to parent brand quality.

**STUDY 3: THE EFFECT OF CONSUMERS’ MINDSET ON BRAND EXTENSION PREFERENCES**

To examine the effect of consumers’ mindset on the relative importance of brand–extension fit versus parent brand quality, we first induced either a concrete or an abstract mindset using a task unrelated to the main study. Next, participants were asked to choose between extensions of high-quality national brands and extensions of better-fitting but lower-quality store brands. We expected that participants in a concrete (rather than abstract) mindset would be more likely to choose the extensions of the worse-fitting but higher-quality national brands.

**Method**

Eighty undergraduate students and members of a national online panel participated in exchange for either monetary compensation or lottery prizes. They were randomly assigned to either the abstract or the concrete mindset condition. We manipulated participants’ mindset using a task adapted from Fujita et al. (2006). They were asked to either generate superordinate category labels (abstract mindset) or subordinate exemplars (concrete mindset) for 16 words, such as “singer,” “king,” “chair,” and “car.” For example, those in the abstract mindset condition were asked to indicate what a chair is an example of (e.g., furniture), whereas those in the concrete mindset condition were asked to provide an example of a chair (e.g., a desk chair).

Following the mindset manipulation, participants were asked to fill out a second, seemingly unrelated survey in which they were asked to imagine that they were shopping for five products (two target categories and three filler categories). For each product category, they were presented with two brands and asked to indicate which brand they would prefer in that category. As in previous studies, each target pair consisted of a high-quality, poor-fitting brand and a lower-quality, better-fitting brand: Crest versus Wal-Mart facial moisturizers and Häagen-Dazs versus ShopRite cottage cheese. A separate pretest (n = 67), using the same scales as used in the previous studies, confirmed that the first brand in each pair was perceived as higher quality but a worse fit with the extension category (all Fs > 6.00, ps < .05).

**Results and Discussion<sup>3</sup>**

Compared with participants in the abstract mindset condition, those in the concrete mindset condition were significantly more likely to prefer Crest over Wal-Mart facial moisturizer (P<sub>Abstract</sub> = 37.5%, P<sub>Concrete</sub> = 61.5%; χ²(1) = 4.60, p = .032) and marginally more likely to prefer Häagen-Dazs over ShopRite cottage cheese (P<sub>Abstract</sub> = 41.7%, P<sub>Concrete</sub> = 62.5%; χ²(1) = 2.97, p = .085). Furthermore, collapsing across both replicates reveals that inducing a more concrete mindset significantly increased preference for the extensions of the worse-fitting but higher-quality national brands (F(1, 65) = 5.22, p = .026).

These results are consistent with Kim and John’s (2008) finding that consumers who tend to think more concretely are more sensitive to differences in fit between extensions of the same brand to multiple categories (i.e., Nike insoles vs. Nike treadmills). We extend their finding by directly manipulating people’s mindsets and by varying quality as well as fit, thus demonstrating that people who are put in a concrete mindset through an unrelated task shift their emphasis from brand–extension fit to parent brand quality.

Together with Study 2, these results explain why simply adding a generic product picture can substantially alter consumers’ brand extension preferences (as observed in Studies 1a and 1b). Although the pictures in our studies did not add any diagnostic information, they induced a more concrete mindset (Study 2), and in turn, a more concrete mindset shifted consumers’ emphasis from fit to quality (Study 3). The next set of studies examines whether a similar effect can be produced by another feature of the decision environment: the presence of other brands in the category.

**STUDY 4A: THE EFFECT OF BRAND COMPARISONS ON EXTENSION PREFERENCES**

To examine how brand comparisons can change consumers’ extension preferences, we presented participants with the same target brand extension pairs used in Study 3, but now manipulated the ease of comparing the two brands in each extension category. In two of the conditions, we made brand comparisons easy by presenting the two brands next to each other and asking participants either to choose between the brands (choice condition) or to sequentially evaluate the brands (proximal evaluation condition). In contrast, in the third condition (isolated evaluation), brand comparisons were made more difficult, and thus less likely, by separating the two brands with filler brands and a distraction task.<sup>4</sup> We expected that being able to compare the two brands would activate a more concrete representation of the context of the brand with which it was paired, they were assumed to be in joint evaluation mode (Hsee et al. 1999), whereas participants in the third condition were assumed to be in separate evaluation mode, as they considered each brand in isolation.

<sup>3</sup> We removed data from participants who did not know one of the parent brands for the cottage cheese replicate (n = 12) or the moisturizer replicate (n = 1) from the analysis for that replicate.

<sup>4</sup> Because participants in the first two conditions assessed each brand in the context of the brand with which it was paired, they were assumed to be in joint evaluation mode (Hsee et al., 1999), whereas participants in the third condition were assumed to be in separate evaluation mode, as they considered each brand in isolation.
extensions and thus benefit the extensions of the higher-quality, but worse-fitting brands.

Method

Two hundred ten people at a large public transit station were asked to fill out a short questionnaire in exchange for a small incentive. Participants were randomly assigned to the choice condition, the proximal evaluation condition, or the isolated evaluation condition. All participants were presented with two target brand extension pairs (Crest and Wal-Mart facial moisturizer, Häagen-Dazs and ShopRite cottage cheese) as well as six filler extension pairs.

Participants in the choice condition were asked to indicate which of the two brands they would choose if they were shopping in that product category (similar to the procedure in the previous studies). In the two other conditions, participants evaluated each brand extension separately on two nine-point scales adopted from Broniarczyk and Alba (1994), measuring liking (1 = “dislike,” and 9 = “like”) and perceived performance (1 = “one of the worst,” and 9 = “one of the best”). For each participant, the brand with the highest average rating on these two scales was inferred to be that participant’s preferred brand for that extension category. In the proximal evaluation condition, the two brands in each extension category (e.g., Crest and Wal-Mart facial moisturizer) were presented adjacent to each other, encouraging participants to compare the two brands as they formed their evaluations. In contrast, in the isolated evaluation condition, to minimize the possibility of brand comparisons, participants first rated one brand from each of the eight extension pairs, then completed a brief distraction task (unscrewing four unrelated anagrams), and only then rated the other brand from each extension pair.

Results and Discussion

Consistent with our prediction, enabling brand comparisons significantly increased preference for the extensions of the higher quality, but worse-fitting brands. Participants in the isolated evaluation condition were less likely to prefer Häagen-Dazs cottage cheese over ShopRite cottage cheese (P = 34.0%) than participants in the proximal evaluation condition (P = 83.3%; $\chi^2(1) = 23.7$, \(p < .001\)) or in the choice condition (P = 61.4%; $\chi^2(1) = 8.55$, \(p = .003\)). Furthermore, participants in the isolated evaluation condition were also less likely to prefer Crest facial moisturizer over Wal-Mart facial moisturizer (P = 41.8%) than participants in the proximal evaluation condition (P = 64.3%; $\chi^2(1) = 5.23$, \(p = .022\)) or in the choice condition (P = 59.4%; $\chi^2(1) = 4.09$, \(p = .043\)). In summary, participants showed an increased preference for the extension of the worse-fitting but higher-quality brand when the decision environment made it easier to engage in brand comparisons.

Whereas prior research has demonstrated that brand comparisons can change preferences by increasing the impact of easily comparable attributes (Nowlis and Simonson 1997), we propose that the presence of brand comparisons also alters the decision maker’s mindset and, as a result, increases the weight of attributes that are congruent with this activated mindset. Although both brand–extension fit and parent brand quality were easily evaluable (i.e., the national brand was clearly superior on quality and clearly inferior on fit), the presence of brand comparisons increased the weight of the attribute associated with concrete benefits (i.e., parent brand quality) at the expense of the attribute associated with abstract principles (i.e., brand–extension fit).

STUDY 4B: THE EFFECT OF BRAND COMPARISONS, GENERALIZING BEYOND STORE BRANDS

Because both lower-quality brands in the previous study were store brands, we attempted to replicate the effect using only national brands. This will ensure that the effect of brand comparisons is not dependent on specific store brand characteristics.

Method

Three hundred two undergraduate and graduate students participated in this study either in fulfillment of a course requirement or for monetary compensation. Participants were randomly assigned to either the isolated evaluation condition or the choice condition. The procedure in each condition was identical to that in the corresponding condition in Study 4a. We selected the brand extensions using the same pretest procedure as in the previous studies, with exception of a change in the anchors of the quality scale (–4 = “extremely low quality,” 0 = “moderate quality,” and +4 = “extremely high quality”). On the basis of the pretest results \((n = 56),\) we selected two target pairs, consisting of Subway versus McDonald’s milkshake machines and Applebee’s versus Taco Bell Mexican cookbooks. In each pair, the first brand was perceived as higher-quality than the second brand but a worse fit with the extension category (all \(F(1, 55) > 19.45, ps < .001\)).

Results and Discussion

Enabling brand comparisons again increased the relative preference for the extensions of the higher-quality but worse-fitting brands. Compared with participants who made isolated evaluations, those who made choices were relatively more likely to prefer Subway milkshake machines over McDonald’s milkshake machines (\(P_{\text{Evaluation}} = 12.7\%\), \(P_{\text{Choice}} = 21.7\%\); $\chi^2(1) = 4.09$, \(p = .043\)) and Applebee’s Mexican cookbooks over Taco Bell Mexican cookbooks (\(P_{\text{Evaluation}} = 41.2\%\), \(P_{\text{Choice}} = 58.9\%\); $\chi^2(1) = 8.72$, \(p = .003\)). Thus, across a variety of brands and extension categories, we find that adjusting the decision environment to enable brand comparisons shifts people’s preference from extensions of better-fitting brands to extensions of higher-quality brands. We have argued that the act of comparing the brands results in a more concrete representation of the brand extension, which shifts consumers’ emphasis from brand–extension fit to parent brand quality. In the next study, we test this proposed mechanism by examining whether enabling brand comparisons indeed activates a more concrete mindset.

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5We removed data from participants who did not know one of the parent brands for the cottage cheese \((n = 84)\) or moisturizer \((n = 29)\) replicates from the analysis for that replicate. In addition, we removed data from participants who gave identical average evaluations to both cottage cheese brands \((n = 19)\) or both facial moisturizer brands \((n = 17)\) from the analysis for that replicate because no preference could be inferred. Distributing these participants equally over both brands does not affect the results (see also Novemsky and Dhar 2005; Nowlis and Simonson 1997).
STUDY 5: THE EFFECT OF BRAND COMPARISONS ON CONSUMERS’ MINDSET

In Study 5, participants first saw a series of brand extensions, either in the same format as in the choice condition (and were asked to compare the brands) or in the same format as in the isolated evaluation condition (and were asked to separately evaluate each brand). After they completed this task, we measured the level of abstraction of their current mindset. We expected that participants who could compare the brands would be in a more concrete mindset than those who considered each brand separately.

Method

One hundred four undergraduate students participated in the study for course credit. Participants were randomly assigned to either the choice or the isolated evaluation condition. The procedure was similar to the corresponding conditions in Study 4a, including the selection of target and fillerbrand extensions and the order in which they were presented. However, unlike in Study 4a, participants were not asked to explicitly choose or evaluate the brands (because explicit responses could interfere with the subsequent mindset measure); instead, they were shown the extensions on a computer screen and asked to “think about which product you would choose” (in the choice condition) or to “think about how you would evaluate each product” (in the isolated evaluation condition). To make sure that participants actually followed these instructions (in the absence of explicit responses), we took an a priori measure by including an instructional manipulation check (see Oppenheimer, Meyvis, and Davidenko 2009). We omitted participants who failed the instructional manipulation check from the analysis, yielding a useable sample of 89 participants. This procedure did not differentially affect the two conditions ($\chi^2 < 1$).

After viewing all brand extensions, participants were asked to fill out a modified version of Vallacher and Wegner’s (1989) behavioral identification form (adjusted to relate to the products shown in the comparison manipulation). This mindset measure consisted of a list of 12 concepts (e.g., eating cottage cheese), each of which was accompanied by both a low-level description (e.g., taking spoonfuls out of a tub) and a high-level description (e.g., taking in nutrition). For each concept, participants were asked to mark the description that best described that concept. We used the number of high-level statements marked by each participant as an indicator of the level of abstraction of that participant’s mindset.

Results and Discussion

Participants’ mindset was reliably influenced by whether they thought about choosing between brands or about separately evaluating each brand. Participants in the choice condition selected significantly fewer abstract statements ($M = 5.51$) than participants in the isolated evaluation condition ($M = 6.42$; $F(1, 87) = 4.34, p = .040$). Thus, people who compared brands within a product category adopted a more concrete mindset than people who separately evaluated the brands. Together with the prior finding that concrete mindsets shift consumers’ preference from high-fit extensions to high-quality extensions, these results support the hypothesis that engaging in brand comparisons changes consumers’ extension preferences by activating a more concrete representation of the extension.

The studies thus far show that changes in the decision environment can systematically shift consumers’ preferences from extensions of better-fitting brands to extensions of higher-quality brands. We have interpreted this preference shift as reflecting a shift in relative importance from brand–extension fit to parent brand quality. The next two studies seek direct evidence of this shift in emphasis by asking participants to explain their extension preferences and measuring the relative number of thoughts about fit versus quality. First, in Study 6a, we replicated the effect of visual cues on extension preferences (Study 1) and asked participants to describe how they made their choice. We expected that presenting a picture of the product category would result in a relative increase in thoughts about brand quality rather than extension fit.

STUDY 6A: THE EFFECT OF VISUAL CUES ON THOUGHTS ABOUT QUALITY VERSUS FIT

Method

Two hundred seventy-four undergraduate students participated either in fulfillment of a course requirement (n = 180) or for monetary compensation (n = 94). They were randomly assigned to either the control or the picture condition. The procedure was identical to the procedure used in Study 1, except two differences. First, after their choice, participants were asked to “describe how you made your choice.” Second, because we assumed that the thought listings would interfere with subsequent questions, we presented participants with only one product category (Nike vs. CVS deodorant).

Results and Discussion

We replicated the picture effect: Adding the deodorant outline significantly increased participants’ preference for Nike deodorant over CVS deodorant ($P_{\text{Control}} = 69.5\%$, $P_{\text{Picture}} = 81.1\%$; $\chi^2(1) = 4.68, p = .030$). Next, we examined the thought listings to test whether this shift in preference was driven by a corresponding shift in concerns about quality versus fit. Two coders who were blind to the hypotheses and conditions recorded the number of thoughts related to parent brand quality (e.g., “Nike makes quality products”) and brand–extension fit (e.g., “CVS knows personal hygiene products”) for each respondent. The coders agreed on 87% of the classifications; the remaining ones were resolved through discussion. Consistent with our predictions, presenting the picture significantly increased the number of thoughts related to quality ($M_{\text{Control}} = .60, M_{\text{Picture}} = .91$; $F(1, 256) = 14.77, p < .001$) and marginally decreased the number of thoughts related to fit ($M_{\text{Control}} = .30, M_{\text{Picture}} = .19$; $F(1, 256) = 3.00, p = .056$). Thus, the presence of the visual cue shifted people’s emphasis from fit to quality (quality–fit difference scores: $D_{\text{Control}} = .31, D_{\text{Picture}} = .72$; $F(1, 256) = 15.04, p < .001$).

To test whether this change in thought patterns accounts for the effect of the picture manipulation on the brand choices, we also conducted a mediation analysis. As we

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6We removed data from participants who did not know one of the parent brands (n = 15) from the analysis.
mentioned previously, the picture reliably influenced both participants’ brand choice and their thoughts about quality versus fit. Furthermore, participants’ relative thoughts influenced their brand extension choices ($\chi^2(1) = 16.86, p < .001$), and when this effect is controlled for, the picture effect is no longer significant, while the thought effect remains reliable (picture effect: $\chi^2(1) = 1.76, p = .185$; thought effect: $\chi^2(1) = 14.46, p < .001$). Finally, the Sobel test indicates that this reduction in the picture effect is reliable ($z = 2.82, p = .005$).

Thus, presenting a product picture shifted participants’ emphasis from fit to quality, which in turn shifted their preference from the deodorant by the better-fitting brand (CVS) to the deodorant by the higher-quality brand (Nike). Next, in Study 6b, we examine whether facilitating brand comparisons can produce a similar shift in relative importance. We expected that participants who chose between brand extensions, rather than evaluated them in isolation, would mention more thoughts about parent brand quality and fewer thoughts about brand–extension fit.

**STUDY 6B: THE EFFECT OF BRAND COMPARISONS ON THOUGHTS ABOUT QUALITY VERSUS FIT**

**Method**

Two hundred eighty-seven undergraduate students participated in exchange for monetary compensation. They were randomly assigned to either the choice or the isolated evaluation condition. The procedure was identical to the procedure used in the corresponding conditions of Study 4a, except for three differences. First, after indicating their preference, participants were asked to “list the thoughts you relied on when making your evaluations (choices).” Second, to avoid interference of the thought listing with subsequent questions, we presented participants with only one product category (Crest vs. Wal-Mart facial moisturizer). Third, the choice condition also included the option of choosing neither of the brands. We added this option to make sure that any difference between the choice and the evaluation conditions could not be due to people in the choice condition being forced to establish a preference.

**Results and Discussion**

First, we replicated the effect of brand comparisons on extension preferences. Compared with participants in the isolated evaluation condition, those in the choice condition were more likely to prefer Crest facial moisturizer over Wal-Mart facial moisturizer ($P_{Isolated} = 52.0\%, P_{Choice} = 69.1\%; \chi^2(1) = 3.84, p = .05$). Second, we examined the thought listings to test whether this shift in preference was driven by a corresponding shift in concerns about quality versus fit. Two coders who were blind to the hypotheses and conditions recorded the number of thoughts related to parent brand quality (e.g., “Crest is a brand you can trust”) and to brand–extension fit (e.g., “Crest has no expertise in skin care products”) for each respondent. The coders agreed on 93.1% of the classifications; the remaining ones were resolved through discussion. Consistent with our predictions, participants in the choice condition listed significantly fewer fit-related thoughts ($M_{Choice} = .16, M_{Evaluation} = .44$; $F(1, 130) = 11.08, p = .001$) and marginally more quality-related thoughts ($M_{Choice} = .51, M_{Evaluation} = .31$; $F(1, 130) = 3.22, p = .075$). In other words, the presence of brand comparisons shifted participants’ emphasis from fit to quality, as indicated by a corresponding shift in thoughts (quality–fit difference scores: $D_{Choice} = .35, D_{Evaluation} = –.13$; $F(1, 130) = 14.32, p < .001$).

Next, we tested whether these changes in participants’ thoughts mediated the effect of the brand comparisons on their extension preferences. As we mentioned previously, the brand comparison manipulation reliably influenced both extension preferences and the relative number of quality versus fit thoughts. Furthermore, participants’ thoughts reliably influenced their brand preferences ($b = –1.41, \chi^2(1) = 16.36, p < .001$), and when this effect is controlled for, the effect of the brand comparison manipulation is no longer significant ($b = –1.13, \chi^2(1) < 1$), whereas the effect of participants’ thoughts remains reliable ($b = –1.38, \chi^2(1) = 13.75, p < .001$). Finally, the Sobel test indicates that this reduction in the comparison effect is reliable ($z = 2.26, p = .02$). In summary, the results from these last two studies demonstrate that the previously observed changes in extension preferences in response to visual cues and brand comparisons indeed result from a systematic shift in consumers’ emphasis, a shift away from the abstract principle of extension fit and toward more immediate concerns about brand quality.

**GENERAL DISCUSSION**

Consumers’ evaluations of brand extensions have been shown to depend on the quality of the parent brand and the fit between the brand and the extension category. The current research demonstrates how subtle changes in the decision environment can change the relative importance of these two factors by changing how consumers represent the brand extension. We proposed that adding visual cues or comparison brands activates a more concrete mindset, which in turn shifts consumers’ focus from the fit of the brand extension to the quality of the parent brand. Consistent with this hypothesis, presenting a nondiagnostic picture of the product category (Studies 1a and 1b) and enabling brand comparisons (Studies 4a and 4b) both shifted participants’ preferences toward extensions of higher-quality but worse-fitting brands. Furthermore, in line with our account of these effects, these same changes in the decision context activated a more concrete mindset (Studies 2 and 5), and in turn a more concrete mindset shifted preferences from extensions of better-fitting brands to extensions of higher-quality brands (Study 3). Finally, these preference shifts indeed reflect a change in consumers’ emphasis from fit to quality, as the increased preference for the high-quality brand extensions was mediated by an increase in the number of thoughts about quality relative to the number of thoughts about fit (Studies 6a and 6b).

**Theoretical and Managerial Implications**

Although prior brand extension research has examined various influences on the extension evaluation process, it has not examined how consumers’ brand extension evalua-

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We removed data from participants who did not know one of the parent brands ($n = 38$) from the analysis. In addition, we excluded data from participants who gave identical average ratings to both brands in the evaluation condition ($n = 21$) and participants who circled the “neither” option in the choice condition ($n = 98$) because no preference could be inferred.
tions vary as a function of the decision environment. Our finding that the decision environment systematically changes how consumers process and evaluate brand extensions has important implications for both managerial and academic branding research. Specifically, given that decision environments vary in the marketplace, researchers examining the potential success of a brand extension should consider the nature of the consumer decision context in their studies.

For example, consumers sometimes evaluate extensions in the absence of other brands (e.g., when buying yogurt at McDonald’s) or in the absence of visual cues (e.g., when purchasing a Virgin Atlantic plane ticket online). This absence of brand comparisons and visual cues is particularly likely when consumers are evaluating an extension without actually shopping for it (e.g., when hearing about the brand extension from a radio advertisement or from a friend). For such cases, brand extension studies that include brand comparisons and visuals in the decision context will tend to overestimate consumers’ liking of poor-fitting extensions of high-quality brands.

However, in most shopping situations, consumers can visually inspect the extension and compare it with other brands in the product category (e.g., when shopping in a grocery store). In those cases, brand extension studies that fail to match the rich context of this environment will tend to underestimate the potential of poor-fitting extensions of high-quality brands. This is particularly relevant for academic studies of brand extensions, which usually do not include comparisons or visuals. Indeed, although some brand extension studies involve choices between brands (e.g., Broniarczyk and Alba 1994; Swaminathan, Fox, and Reddy 2001), most studies present respondents with extensions that are to be evaluated either in isolation or in the context of other extensions of the same brand. For example, participants are asked to indicate their attitudes toward Lufthansa suitcases (Yeung and Wyer 2005) or toward Häagen-Dazs popcorn, cottage cheese, and candy bars (Aaker and Keller 1990). Furthermore, these extensions are typically only described verbally (i.e., without any visual cues). Thus, for shopping situations in which brand comparisons and visual cues are available, most academic studies of extension evaluations would underestimate the importance of parent brand quality and overestimate the importance of brand–extension fit.

Our findings should not be taken to imply that a good fit between the brand and the extension category cannot be critically important for favorable extension evaluations. Indeed, even in conditions in which visual cues and comparison brands were present, a significant number of participants still preferred the extension of the lower-quality but better-fitting brand. Thus, regardless of the nature of the decision context, many people still value fit sufficiently to compensate for the difference in parent brand quality. Furthermore, because our stimuli did not include any extreme examples of low-fit brand extensions, such as Nike cookies or Häagen-Dazs backpacks, the current research cannot speak to the potential of these extreme extensions. As such, rather than questioning the conceptual insights gained from previous extension research, our results demonstrate the importance of taking the decision environment into account whenever it is important to assess the specific magnitude of fit and quality effects—as is the case when managers try to predict the success of a proposed extension.

In addition to predicting consumers’ reactions to extensions, managers can use our findings to enhance consumers’ extension evaluations by communicating more effectively. For example, a high-quality brand that is introducing an extension to a distant category would benefit from a communication context that encourages brand comparisons (e.g., through comparative advertising) and presents the extension as vividly as possible. Conversely, a lower-quality brand that is introducing an extension in an adjacent category should promote isolated evaluations of their product (e.g., by placing it in an end-of-aisle display) to reduce the emphasis on parent brand quality.

The current research also provides a theoretical contribution to the emerging literature on construal-level effects in consumer choice by demonstrating another factor that can influence the level of abstraction at which people represent a decision. Prior research has shown that people use more abstract representations with increasing temporal, social, and spatial distance (Liberman, Trope, and Stephan 2007), when the event is hypothetical rather than real (Waksleak et al. 2006), or when people are chronically disposed to think more abstractly (Vallacher and Wegner 1989). Our results indicate that in addition to these inherent characteristics of the target or the person, the level of abstraction of people’s representations depends on the subtle features of the decision environment. The same consumer can represent a given brand extension at an abstract level when the extension is presented verbally and in isolation, but at a more concrete level when the extension is accompanied by a visual cue or by competing brands in the same category.

While our research examined how extension preferences shift as a function of changes in the decision context and in consumers’ mindset, we speculate that these changes in context and mindset also correspond to a change in perspective. In particular, the abstract mindset associated with the absence of both visual and competitive contexts may be similar to the perspective of a marketing manager, whereas the concrete mindset may be more similar to the perspective of a typical shopper. Indeed, because taking a manager’s perspective implies a consideration of other consumers’ purchase intentions, managers will experience a greater psychological distance to the decision and thus form more abstract representations (Liberman, Trope, and Stephan 2007). In other words, the impoverished decision environment typical of many marketing surveys may lead survey respondents to adopt a mindset that is closer to a managerial perspective than to a shopper’s perspective.

To examine this possibility, we conducted an additional study in which we asked undergraduate students (n = 270) to indicate their purchase intentions for the same target and filler brand extensions used in Study 3 (1 = “definitely not interested,” and 9 = “definitely interested”). Approximately half the respondents were first asked to take the perspective of a brand manager and indicate whether it would be a good idea for the brand to introduce the extension (1 = “terrible idea,” and 9 = “great idea”). The other participants were simply asked to imagine being a consumer shopping for these products. As we expected, first taking the brand manager’s perspective reliably shifted consumers’ preferences from higher-quality national brands to better-fitting
store brands (Crest facial moisturizers to Wal-Mart facial moisturizers: F(1, 265) = 9.52, p = .002; Häagen-Dazs cottage cheese to ShopRite cottage cheese: F(1, 177) = 6.15, p = .014). Thus, priming people with the outside perspective of a marketing manager has a similar effect on extension preferences, as does removing comparison brands and visual cues.

Finally, although we have focused on consumers’ reactions to brand extensions, the effects documented here should generalize to other consumer judgments that are guided by abstract principles. For example, our framework would predict that, in general, the presence of visual information and competing brands should reduce the importance consumers place on principles of fit, including the fit between a brand and a celebrity endorser and the fit between a brand’s personality and consumers’ self-concept. A consumer may generally dislike the idea of a family snack brand being endorsed by a likeable but infamous rock star. However, when considering purchasing the product in the grocery store, a consumer may be more influenced by his or her liking of the endorser than by the lack of fit with the brand.

Limitations and Further Research

An inherent limitation to the use of real brands as stimuli is that the brands can differ on other dimensions than the ones we intended to manipulate, that is, other than brand—extension fit and parent brand quality. This is even more of an issue given that several of our studies used store brands as the lower-quality brands and national brands as the higher-quality brands. To address this issue, we conducted a follow-up survey (n = 26) with participants from the same population used in our studies to test for any unintended systematic differences between the lower-quality brands and the higher-quality brands. First, participants indicated how familiar they were with each of the parent brands (1 = “not at all familiar,” and 9 = “very familiar”), revealing that two sets of brands did not differ in familiarity (M_{low quality} = 7.51, M_{high quality} = 7.29; F < 1, not significant [n.s.]). Second, participants indicated for each of the parent brands to what extent they agreed that it “makes a lot of different products” (1 = “completely disagree,” and 9 = “completely agree”). Not surprisingly, the four low-quality store brands were perceived as offering more diverse products than the corresponding high-quality national brands (M_{low quality} = 7.67, M_{high quality} = 5.52; F(1, 24) = 18.8, p < .001). However, for the remaining six (non—store brand) replicates, there was no difference in perceived brand breadth between the low-quality national brands and the high-quality national brands (M_{low quality} = 5.58, M_{high quality} = 5.88; F < 1, n.s.). Finally, given that a few of the brand extensions already existed, we also asked participants to circle any extensions they had “personally tried before.” For five of the ten replicates, not a single participant indicated having had any experience with either the low-quality or the high-quality brand extension, ruling out any explanation based on prior product experience.

In summary, across the ten replicates used in our studies, we did not identify any consistent differences between the two sets of brands other than the intended difference in brand—extension fit and parent brand quality, thus ruling out any possible alternative accounts based on differences in brand familiarity, perceived brand breadth, or prior experience. In addition, the thought protocols and mediation analyses of Studies 6a and 6b demonstrate the role of quality and fit perceptions in changing participants’ brand extension preferences. Furthermore, the results of the thought protocol studies also help address two potential limitations of the current research.

First, whereas the two sets of brands used in our studies do not systematically differ on any other dimensions, they differ on both fit and quality. Although this implies that we can only draw conclusions about changes in the relative importance of fit versus quality, the thought protocol studies suggest that both factors are affected. In Study 6a, the presence of a product picture significantly increased the number of quality thoughts and marginally decreased the number of fit thoughts, whereas in Study 6b, the presence of competing brands marginally increased the number of quality thoughts and significantly decreased the number of fit thoughts. These findings indicate that changes in the decision environment can affect both the perceived importance of quality and the perceived importance of fit, though the actual magnitude of each effect may depend on the nature of the context manipulation.

Second, although we have argued that the decision environment affects consumers’ preferences by changing the importance of fit and quality, it is possible that it changes consumers’ perceptions of fit and quality instead. Again, the thought protocol studies help address this issue. In these studies, the effect of the decision context manipulations on people’s preference was mediated by the relative number of quality-related versus fit-related thoughts. This indicates that the effect of the decision environment is at least partly due to changes in the relative importance of these two factors. However, whether the changes in consumers’ decision context can affect perceptions of fit and quality as well as the relative importance of fit versus quality remains a question for further research.

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