

HOW PARTNER TYPE INFLUENCES EFFECTIVENESS OF SYMBOLIC CO-BRANDING IN COSMETICS INDUSTRY

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ABSTRACT

This thesis aims to explore the differential effects of partner type, namely IP Movie, Commercial Brand and Celebrity, in the effectiveness of the symbolic co-branding strategy in the cosmetics industry. Based on the Structure Equation Model proposed by prior research, we conclude that IP Movie takes more effect in improving consumers' willingness to pay and attitudes towards co-branded products, followed by Celebrity and Commercial Brand. Besides, this thesis makes two extensions to the current knowledge. First, the moderating effect of brand familiarity is explored and we find that high brand familiarity will weaken the influence of partner type. Second, three consumer-related variables, "need for uniqueness", "altruism motivation" and "discreet positive emotions", are introduced as mediators and account for the relations between partner type and consumers' evaluations to co-branding. The results provide directions of how to select partners of co-branding in real business settings.

BIOGRAPHICAL SKETCH

Luqi Liang is an MS student in the field of Applied Economics and Management within the Charles H. Dyson School of Applied Economics and Management at Cornell University. From 2015 to 2019, she majored in Politics, Economics and Philosophy in Yuanpei College at Peking University in China, and received her Bachelor's degree in 2019. From 2019 to 2020, she received her degree of Master of Professional Study with the concentration of International Development and Economics in the Charles H. Dyson School of Applied Economics and Management at Cornell University. From 2020 to 2022, she pursued the further study in management at Dyson School with research interests in the field of consumer behavior. From August 2022, she will continue her graduate study in the Ph.D. program of Marketing within School of Economics and Management at Tsinghua University in China.

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CHAPTER 1

INTRODUCTION

As more competitors enter and saturate the market, the fierce competition has extended from products to brand equity. Managers begin to seek alliances as one way to address the new challenge, which aims to reinforce their brand strengths while covering their weaknesses (Nielson, 2017[56]). It turns out that the co-branding strategy, a kind of marketing alliance, is emerging as one of the increasingly popular strategies to increase brands' profitability and brand awareness (Beem, 2010[8]). Co-branding has also shaped other metrics including its role in product evaluations, price premiums, and more importantly, brand equity, based on a signaling perspective (Erdem & Swait, 1998[26]; Rao, Qu & Ruekert, 1999[65]; Wernerfelt, 1988[80]).

Recent years have witnessed numerous brand alliance cases and their success in real business applications of different categories. For example, luxury brands cooperate with fast fashion brands and non-fashion brands in order to expand their consumer base (Yu, Rothenberg & Moore, 2020[83]), to increase consumer awareness, and to bolster their brand-driven self-identity (Okonkwo, 2016[57]). Louis Vuitton expanded into the urban street-wear and sports scene through collaborations with NBA and Supreme, while attracting the global market by co-branding with Riot Games (Danziger, 2020[18]). On the other hand, for fast fashion brands, like H&M and Uniqlo, the strategy of cooperating with prestigious luxury brands, like Alexander Wang and Versace, enables them to benefit from sophisticated brand image spillovers and improve brand recognition (Ahn, Kim & Sung, 2020[2]). Furthermore, Starbucks x Spotify, Nike x Apple, and GoPro x Red Bull are all great successful examples of co-branding strategies across different categories.

Along with these traditional co-branding examples, there are two other types of co-branding: IP (Intellectual Property) Movie-based and Celebrity-based co-branding strate-

gies (“Get Viral via Co-branding to Boost your Sales in China”, 2020[15]).

IP movie is based on and adapted from the Intellectual Property of novels, games, animation, music, TV shows, and other fields (Hu, 2019[39]). As a partner of the co-branding strategy, its strengths primarily rely on the ability to assist in increasing widespread awareness. Therefore, IP Movie-based co-branding induces a high level of brand recognition, especially with the rapid development of the Internet (Ding, 2015[22]). One example of co-branding with IP movies is the partnership of H&M with Disney, in which some of Disney’s most memorable and classic characters are involved in the clothing designs. This collection aims to attract more consumers by reminding them of their childhood in a fashionable way (Simmons, 2018[69]). As a result, the sales of H&M were reported to increase because of the purchases from both H&M loyalists and numerous Disney fans, and the strategy also grabbed media attention, thereby further improving brand awareness (Ahn et al., 2020[2]). Celebrity co-branding strategy, on the other hand, is different from the endorsement effect discussed in literature before. Celebrities, including actors, musicians, and artists, will play an active role and combine their aesthetic expression with the co-branded product design (Wilcox & Carroll, 2011[81]). Yeezy, a sneaker co-brand created by Kanye West and Adidas, is one such typical example of brand alliances with celebrities. Kanye, as the designer of the brand himself, uses his musical and fashion style to design the sneakers, and as a result is able to use his own connectedness and celebrity status to promote his products (Grant, 2018[32]). It turns out that Yeezy has been the second-fastest-growing company, and the top brand with the highest resale revenue (Hanbury, 2018[34]).

Although co-branding is typically regarded as a win-win strategy, it still has potential risks. For example, Target’s collaboration with Neiman Marcus was considered to be a major flop due to a large unsold inventory. Items remained unpopular even after the prices dropped 70% (Cowles, 2013[17]). In another example, Coke suffered a crisis of so-

cial trust when its partner, NutraSweet, was suspected of a link to brain cancer (Helmig, Huber & Leeflang, 2007[37]). Therefore it is possible that some partnerships can lead to a loss of profitability in the focal co-branded product itself and cause damage to the reputation of the parent brands by transferring negative attitudes towards the brand alliance (Simonin & Ruth, 1998[70]). Therefore, these positive and negative effects of co-branding have led to a debate in the academic literature. A number of empirical studies explored the underlying conditions of a successful co-branding case and the key factors that will influence the effectiveness of a co-branding strategy (e.g., Simonin & Ruth, 1998[70]; Desai & Keller, 2002[21]; Baumgarth, 2004[7]; Helmig et al., 2007[37]; Newmeyer, Venkatesh & Chatterjee, 2014[55]; Mazodier & Merunka, 2014[51]). These factors can be summarized as attitudes towards parent brands, characteristics of partners, congruency between partners, consumer-psychology-related variables, and other exogenous variables (Helmig et al., 2007[37]).

However, a lot remains unexplored in the co-branding domain. This research focuses on four aspects that have not been fully investigated to fill the gap in co-branding literature. First, the research target of this paper is one specific sub-type of co-branding: symbolic co-branding, which is showing increasing popularity in business but has been largely unexplored in the literature (Wu, 2019[82]). Second, this research attempts to explain the different effects resulting from three types of partner choices as mentioned above, namely IP Movie, Commercial Brand, and Celebrity. Finally, further exploration is performed on the consumer psychological drivers of consumer attitudes towards co-branded products. These consumer-related variables are treated as mediators, and the moderating effect of brand familiarity is also addressed in this research.

In sum, this study aims to further the literature on co-branding by: (1) focusing on the differential effect of various partner types, (2) analyzing the moderating effect of brand familiarity, and (3) the mediating effect of three consumer-psychological-related variables.

Following the prior literature, this research also relies on Information Integration Theory as a theoretical foundation for understanding consumers' choices. Meanwhile, the consumers' reactions and the effectiveness of the co-branding strategies are measured by evaluating attitudes towards co-branded products and differences in willingness to pay (WTP). The conclusions proposed in the research contribute to the current understanding on two main fronts. First, the findings of three partner types broaden the theoretical understanding of co-branding and provide specific suggestions and instructions on partner selections for a given brand in real business settings. Under the topic of symbolic co-branding, this study also suggests the generalizability of the present model of co-branding and illustrates the interplay of sensory and perceived fit in a specific type of co-branding. Second, the analysis of consumer-related variables furthers our understanding of underlying psychological mechanisms. The results suggest that different motivations of consumers, including egoism, altruism, and emotions, should be taken into consideration before choosing a partner and implementing a co-branding strategy.

The rest of this paper is organized as follows. Section 2 summarizes a detailed introduction to the findings and conclusions of the current literature on co-branding and proposes basic hypotheses for this study as well. The methods and data analysis sections follow, including the survey design, and presentation of the main results. Finally, the thesis concludes with sections on managerial implications, conclusions, and limitations.

CHAPTER 2

LITERATURE REVIEW

2.1 Symbolic Co-branding

Co-branding strategy, also known as one of the sub-concepts of brand alliance strategies, means that two or more brands are presented jointly to consumers, in which consumers are aware that multiple brands are used (Rao & Ruekert, 1994[67]; Newmeyer et al., 2014[55]). The earliest quantitative empirical research on co-branding can be traced back to the mid-1990s (Helmig et al., 2007[37]). Prior research classified co-branding according to different criteria. It can be firstly divided into vertical and horizontal co-branding based on the level of integration (Helmig, Huber & Leeflang, 2008[36]). Vertical co-branding refers to the partner brand being involved in the co-branded product as a component, while horizontal co-branding explains the integration of the value chain of two brands (Helmig et al., 2008[36]; Desai, Gauri & Ma, 2014[20]; Radighieri, John Mariadoss, Grégoire & Johnson, 2014[64]; Naidoo & Hollebeek, 2016[54]). Secondly, there are ingredient and symbolic co-branding according to the representation form (Simonin & Ruth, 1998[70]). Researchers define cooperations of visible and functional attributes as ingredient co-branding (e.g., Oreo cookies on the Mcflurry ice cream) (Helmig et al., 2008[36]; Paydas Turan, 2021[62]). While symbolic co-branding points to the co-branded products represented by adding brand logo, names and other proprietary brand assets of the partner brand (Simonin & Ruth, 1998[70]; Kotler & Pfoertsch, 2010[46]).

Different from ingredient co-branding, the symbolic co-branding will not change the functions or the practical quality of the product (Wu, 2019[82]). In symbolic co-branding scenarios, the parent brand that provides functional attributes is often considered as the primary brand (Mazodier & Merunka, 2014[51]). The advantages of symbolic co-

branding lay in attracting consumers by enhancing the symbolic attributes, power and associations of the primary brand. Therefore, it depends largely on the brand reputation of the partner brand. (Mazodier & Merunka, 2014[51]). In other words, the existing attitudes, feelings, emotions and experiences of the partner brand will be transferred from the partner to the primary brand by featuring the brand equity of the partner (Park, Jun & Shocker, 1996[58]; Keller, 2003[44]).

Much of the current literature has already discussed the positive and negative impacts of co-branding strategy. It firstly delivers a creditable piece of information that consumers can enjoy the combined benefits of two brands simultaneously (Rao & Ruekert, 1994[67]; Desai & Keller, 2002[21]). It further leads to higher evaluations of product quality based on a signaling perspective, thereby strengthening consumer trust, and providing more significant price premiums (Rao et al., 1999[65]; Washburn, Till & Priluck, 2004[78]). It explains why the co-branding strategy in the early stage usually occurred when a brand needed quality-perception reassurance and enhancement (Rao & Ruekert, 1994[67]). Recent studies confirm and extend the above conclusion, and find that the diversification of partner choices (i.e., different product categories) also helps improve the perception of product quality and even of the primary brand (Mishra, Singh, Fang & Yin., 2017[53]). Beyond increasing the revenue, the benefit of co-branding is more about brand building. Researchers find that this alliance model also creates a synergic effect that can build brand awareness through sharing the target market and complementary advantages (Bucklin & Sengupta, 1993[13]). It is also an opportunity for parent brands to reinforce and reposition their brands images. This is because consumers tend to transfer their previous attitudes, evaluations, and experience of one partner brand to the co-branded products, and then to the other brand (Washburn, Till & Priluck, 2000[77]; Faems, Van Looy & Debackere, 2005[27]; Geylani, Inman & Hofstede, 2008[31]). However, each coin has its two sides. The synergic effect may cause issues if consumers have an unsatisfactory experience before. It will lead to potential dangers to the business as well, when the parent brand has

quality or image suspicion (Farquhar, 1994[28]; Helmig et al., 2007[37]). Besides, a meaningless or inconsistent partnership may probably alienate consumers instead of attracting them (Marketing Week, 2008[79]). A more systematical understanding, which involves a wide range of factors and drivers, thus emerged as required by the academia and business to figure out and summarize the success drivers of co-branding.

2.2 Potential Factors of Co-branding

Information Integration Theory Information Integration Theory (IIT), advanced initially by Giulio Tononi, identifies the cognitive process of organizing and dealing with multiple factors, or multiple pieces of information, in order to yield a unitary and observable response (Anderson, 1981[5]). It reflects phenomenal experiences of physical stimuli (Pereira & Oliveira, 2021[63]), and provides strong theoretical support of explaining consumer considerations of co-branding and alliance (e.g., Simonin & Ruth, 1998[70]; Rodrigue & Biswas, 2004[66]; Helmig et al., 2007[37]; Ahn et al., 2020[2]). According to IIT, people form and modify beliefs and attitudes based on their experiences, interpretations, and evaluations, then integrate the newest information with the preexisting subjective impressions (Simonin & Ruth, 1998[70]). With respect to co-branding, consumers have no preexisting experiences with the newly co-branded product, but it contains multiple attributes of the parent brands. Consequently, it requires the integration of prior judgments, beliefs, and images of the parent brands through memory retrieval or advertising.

Beyond the integration action itself, the effort that consumers put into integration, also known as the difficulty of integrating, will impact attitudes and judgments (Ahn et al., 2020[2]). If consumers feel more challenged in integrating the existing information into a harmonious response, it will be more likely to cause negative feelings and attitudes (Park, Milberg & Lawson, 1991[59]). Alternative explanations can be found in other cogni-

tive psychology theories like matchup theory (Kamins, 1990[42]), balance theory (Heider, 1946[35]), and attitude accessibility theory (Fazio, 1986[29]).

Brand Characteristics Brand characteristics mainly include brand attitude, brand familiarity, brand trust, and brand equity (Paydas Turan, 2021[62]). Brand characteristics mentioned above will be integrated and transferred into the co-branded product based on IIT. The long history of literature in branding has demonstrated the importance of brand characteristics, especially brand attitude, in consumer behavior and decision-making. Prior studies about the brand extension model show a positive relationship between a brand with a more favorable and well-liked perception (including quality, benefits and attributes) and attitudes towards the brand extension (Aaker & Keller, 1990[1]). Similarly in co-branding, an experiment on expectation transfer by Park et al. (1996)[58] proves that if constituent brands perform well on one specific attribute, their co-branded product will possibly have a relatively higher evaluation on the same attribute as well. A similar conclusion further argues that a highly perceived brand value of the parent brand will be transferred to the co-branded products, even when the partner has weak brand image (Bleijerveld, Gremler & Lemmink, 2015[12]). The partnership between H&M and prestigious luxury brands is a typical example of how the cooperation transfers gorgeous, high-end and sophisticated brand attitude and image to the co-branded collections, thereby attracting numerous fashion fans to H&M (Ahn et al., 2020[2]).

However, positive brand attitude may lose its effectiveness when consumers have no preexisting usage experience (Bird, Channon, & Ehrenberg, 1970[11]). This may even cause wrong predictions in decision-making. That makes brand familiarity an additional critical assessment factor in information integration, the definition of which is consumers' accumulated knowledge from the direct and indirect experience with the brand (Lafferty, Goldsmith & Hult, 2004[47]) However, there are relatively fewer studies that incorporate brand familiarity into analysis models. According to Fazio, Powell

& Williams (1989)[30], familiarity can moderate attitude-behavior relations. Simonin & Ruth (1998)[70] are among the first to introduce brand familiarity as a moderating role of brand alliance. Based on IIT, if consumers are not so familiar with a brand, it will be more difficult to retrieve specific and clear brand attitudes and judgments. Therefore, lower brand familiarity will weaken the spillover impact of brand attitude on co-branded products (Simonin & Ruth, 1998[70]). A brand with higher familiarity will provide a relatively more stable attitude and experience within the imagination of consumers (Bettman & Sultan, 1987[10]). Meanwhile, the spillover effect of an alliance on a particular brand will be strengthened when the brand is of low brand familiarity (Simonin & Ruth, 1998[70]). However, the moderating effect of brand familiarity has not been thoroughly discussed after Simonin & Ruth (1998)[70]. Most studies tend to explore the pure effect of familiarity on co-branding. For example, in the experiment on dual-degree products, Naidoo & Hollebeek (2016)[54] figured that there was a positive relationship between consumer familiarity with the constituent brands and buying intentions towards dual-degree offerings (co-branded products).

Moreover, several studies take brand equity and brand trust as factors that will influence the final effectiveness of co-brandings (e.g., Arnett, Laverie & Wilcox, 2010[6]; Ma, Cheng, Bu & Jiang, 2018[49]), and even involve them as a part of interaction with other brand characteristics (Naidoo & Hollebeek, 2016). Nevertheless, most attention of co-branding is focused on brand attitudes and brand familiarity. Therefore, this study will mainly discuss the role of these two brand characteristics.

Congruency Between Brands Since the co-branded product is presented as a combined schema of two constituent brands, the congruency, or how well the two parent brands fit in the partnership, becomes another vital standard of consumer evaluations (Helmig et al., 2007[37]). Research on the endorsement effect has suggested that an endorser who fits better with the products will be more attractive to consumers and lead to more sales

(Till & Busler, 2000[73]). Similarly, a large body of early literature in the 1990s on the brand extension and alliance has mentioned the necessity of congruency between brands (e.g., Aaker & Keller, 1990[1]; Park et al., 1991[59]). In general, a good overall fit between brands will positively change consumers' evaluations of the partnership (Hadjicharalambous, 2001[33]). Till now, extensive studies have divided brand congruency in co-branding into two aspects: perceived fit and sensory fit.

A vast majority of studies have shown perceived fit plays a crucial role in influencing consumer behavior and evaluation of co-branding (e.g., Helmig et al., 2007[37]; Lanseng & Olsen, 2012[48]; Simonin & Ruth, 1998[70]; Walchli, 2007[76]). It can be further split into product fit and brand fit. Product fit means the two parent brands' similarity in product categories (Helmig et al., 2007[37]). A typical example is the tailor-made luggage released by BMW and Louis Vuitton together in 2014. And this co-branded product is considered perfectly fit because consumers will quickly associate the car with "travel", while Louis Vuitton is also famous for its "travel" bags, which means that the two parent brands share a compatible product category (Ahn et al., 2020[2]). On the other hand, brand fit is more abstract, and it refers to the compatibility of brand images and associations (Helmig et al., 2007[37]; Simonin & Ruth, 1998[70]). In the BMW x Louis Vuitton case, the two parent brands also have similar brand images and perceptions: sophisticated, luxurious, and high-end (Ahn et al., 2020[2]). In total, the literature on the congruency between brands has highlighted that both positive product and brand fit will increase the buying intentions (e.g., Delgado-Ballester & Hernandez-Espallardo, 2008[19]; Keller, 1993[43]; Lanseng & Olsen, 2012[48]; Park et al., 1996[58]; Walchli, 2007[76]). Based on the IIT and cognitive consistency theory, if consumers feel it easier to consider two brands as one unit, it will be more comfortable for them to accept the co-branded product, and to be involved in the partnership (Park et al., 1991[59]). Otherwise, they may feel confused and question why the brands want partnership, and even have negative feelings towards the alliance (Helmig et al., 2007[37]).

Several empirical studies test the separate specific impacts of product fit and brand fit, respectively. Mazodier & Merunka (2014)[51] show that brand fit can affect consumer attitudes even if there is no product fit between brands, and therefore conclude that brand fit is more important than product fit. And Helmig et al. (2007)[37] find the interaction between product fit and brand fit from a perspective of schemata, and claim that product fit positively relates to brand fit because product schemata are at a subordinate level to brand schemata.

Beyond perceived fit, sensory fit is a topic newly introduced into co-branding evaluations. Ahn et al. (2020)[2] are among the very first researchers to provide important insights of sensory fit. In their research, sensory fit, by definition, is the congruency level of sensory attributes of parent brands, including color, shape, font style and size. Sensory fit is also believed to have potential effects on consumers' attitudes and beliefs. And they prove that if parent brands fit better in sensory, consumers significantly score higher on the overall fit of the co-branded and therefore express a more positive attitude (Ahn et al., 2020)[2]. However, currently, there is a lack of enough research to analyze and confirm the importance of sensory fit through different co-branding forms. The mechanism of sensory fit remains unknown, and its relative importance compared with perceived fit is unexplored.

Brand Characteristics and Congruency Although various research has highlighted the significant and positive effects of brand characteristics and congruency between brands, a number of recent studies begin to pay attention to the interaction and relative importance between the two factors. Firstly, pre-attitudes towards brands are suggested to have no significant influence on the differential effects of products and brand fit, which result in ruling out the interaction between pre-attitudes and congruency (Lanseng & Olsen, 2012[48]). Then a meta-analysis by Paydas Turan (2021)[62] extracts the effect magnitudes of brand characteristics and congruency in a more comprehensive perspective, through

adding in couple of moderators. The results prove that congruency has a significantly higher influence than brand characteristics, especially for products in non-service industries after 2000. More specifically, brand fit plays a more critical role than product fit. In other words, the order of relative importance in the success of co-branding is brand fit, product fit and brand characteristics (Paydas Turan,2021[62]). On the contrary, brand characteristics are more effective in changing attitudes towards alliance of the student sample (Paydas Turan,2021[62]). Unfortunately, the newest meta-analysis is limited due to the lack of the exploration of consumer-psychology-related variables and purchase intention.

For a given primary brand in symbolic co-branding The analysis model mentioned above shows a general decision tree of whether, when, and how to conduct a co-branding strategy. In real business settings, it explains the importance of choosing the right partner, and provides basic selection criteria for the marketers. Just as Ahn, Kim & Forney (2009)[3] state, the partner brand serves as the determinant in a successful co-branding strategy. An ideal partner should be equipped with favorable brand characteristics, and more importantly, share similar categories and brand perceptions with the primary brand accordingly. Specifically, brand attitude is more crucial than brand equity because Washburn et al. (2000)[77] find cooperating with a partner with low perception may cause a greater loss than with low equity. With the rapid development of the business environment, however, the forms of co-branding have become diverse. Partner choices are not only limited within commercial brands, but expand to artists, musicians, and cartoon characters (Helmig et al., 2007[37]). These new partner choices can be generally summarized as IP movies, commercial brands, and celebrities (“Get Viral via Co-branding to Boost your Sales in China”, 2020[15]). However, few studies have considered partner type as a predictor of the effectiveness of co-branding.

This paper primarily proposes several hypotheses related to the differential effects of

the three partner types. If considering the moderating effect of brand familiarity, it is firstly assumed that:

H1: in symbolic co-branding, higher brand familiarity of a partner will weaken the influence of partner type.

Moreover, the current studies of congruency between brands are extended by positing the further necessary characteristics of a potential partner (e.g., Newmeyer et al., 2014[55]). The characteristics can be summarized as: complementarity in functional attributes, consistency on hedonic attributes, and brand breath (or diversity).

Functional complementarity firstly offers a signal of high integration, and reduces the concerns about quality (Campbell & Goodstein 2001[14]; Newmeyer et al., 2014[55]). It is also helpful to deliver a clear message about why they want partnership and to impress consumers with a better joint functional performance (Iyengar & Lepper, 2000[41]). Similarly, the consistency on hedonic attributes is capable of reducing the skepticism, and increasing the believability of partnership (Ellen, Mohr & Webb, 2000[25]). The references of the classification of two attributes relate to product category involvement (high or low) as covariant in co-branding based on Elaboration Likelihood Model. Helmig et al. (2007)[37] suggest under high product involvement conditions, consumers will be more sensitive to the co-branded product and more willing to try. But other studies explore profoundly and show that high-thinking involvement leads consumers to focus more on the information about function and performance. In contrast, for products with low involvement and high-feeling involvement, peripheral information (brand logo, shape, music, salesperson) may be more outstanding (Vaughn, 1986[75]). Therefore, the former product is utilitarian, and the latter is hedonic products (e.g., jewelry and cosmetic products) (Ahn et al., 2020[2]).

The two kinds of products can be connected with the classification of co-branding. As

mentioned above, the ingredient co-branding strategy refers to the functional attributes and aims to satisfy consumers' utilitarian needs (Maehle & Supphellen, 2011[50]). By contrast, in symbolic co-branding, consumers will care more about the hedonic and sensory attributes (Mazodier & Merunka, 2014[51]). In this case, among the three types of partners, commercial brands usually have a relatively more fixed function, while consumers will notice IP movies and celebrities more easily because of their sounds, colors, characters, and other sensory symbols. Therefore:

H2a: among the three types of partners, Commercial Brand will have the least strong effect on increasing people's willingness to pay and attitudes in symbolic co-branding.

H2b: among the three types of partners, Commercial Brands will be the least consistent on hedonic attributes in symbolic co-branding.

H2c: in symbolic co-branding of a hedonic product, the effect of consistency on hedonic attributes is stronger than compatible of functional attributes.

On the other hand, brand breath, also known as brand diversity, has a particular way of influencing consumer behaviors. Although a brand with narrow and distinct images delivers a much clearer brand message in co-branding (Eggers, 2012[24]), a more expansive brand breath inspires imagination and can be well adapted in various partnerships (Meyvis & Janiszewski, 2004[52]). Nevertheless, greater brand breath is also questioned since consumers may lose focus because of the diffused images (Keller & Aaker, 1992[45]). An Alternative explanation is that consumers tend to seek variety and loyalty at the same time (Inman, 2001[40]). Therefore, they will be more likely to be driven by brands with multiple brand images. Compared with Commercial Brand and Celebrity, IP Movie is more likely to be viewed as diverse, because movies have numerous characters and plots. It also encourages the audience to enjoy their imaginations after watching movies. In this case:

H3a: among the three types of partners, IP Movie will have the strongest effect on increasing people's willingness to pay and attitudes in symbolic co-branding.

H3b: among the three types of partners, IP Movie will be the most diverse in symbolic co-branding.

Consumer Psychology Related Variables The majority of current literature tends to analyze co-branding and its effectiveness in the perspective of the brands. But consumer psychology is not taken into account for a long time and is considered as relatively lower importance.

Prior research suggests "need for uniqueness" and self-congruity are two primary explanations for consumers' buying intentions and behaviors. Self-congruity refers to the congruency between brand image and consumers' self-expression (Tsai, 2005[74]). Unfortunately, its explanatory power may be criticized if consumers have never known or experienced a brand (Park & John, 2010[61]). On the other hand, "need for uniqueness" is the motivation that consumers seek to be different from others. Co-branded products attract consumers by the scarcity in quantity and time (Mazodier & Merunka, 2014). If consumers believe a specific product helps them look "cool" or "special", it increases the possibility of purchase. A similar theory is self-enhancement. Self-enhancement explains that consumers believe being special and different from others will help them make a better impression on others (Berger & Milkman, 2012[9]). Based on this motivation, "need for uniqueness" is introduced as a mediator and is assumed that:

H4a: a partner type that satisfies consumers' need for uniqueness will be more likely to increase consumers' willingness to pay and to improve attitudes towards co-branded product.

Beyond the consumer-related variables mentioned in current literature, consumer behavior can also be interpreted by social motivation, for example, altruism. Altruism motivation is completely different from self-enhancement, with which consumers' behaviors

are driven by the pure motivation of helping others (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004[38]). Thus, if co-branded products can help consumers in an altruism term:

H4b: a partner type that satisfies consumers' concerns for others will be more likely to increase consumers' willingness to pay and to improve attitudes towards co-branded product.

Besides, emotions evoked by the stimuli are important in decision-making. Previous studies on emotions often focus on the advertisement and content sharing behaviors. They all agree that emotions evoked by the advertisements significantly influence attitudes, buying intentions, real sales, and awareness. (e.g., Akpinar & Berger 2017[4]; Edell & Burke, 1987[23]; Stieglitz & Dang-Xuan, 2013[71]). Tellis, MacInnis, Tirunillai & Zhang Y (2019)[72] are the first to explore the impact of discreet emotions evoked by the advertisements, and find that positive emotions help increase the sharing. What's more, their results also show that the cartoon characters, celebrities, and drama plots are effective in arousing positive emotions (Tellis et al., 2019[72]). In this case, it is obvious that IP Movie and Celebrity possess the above elements that are easily to evoke positive discreet emotions:

H5: IP Movie and Celebrity increase consumers' willingness to pay and improve attitudes towards co-branded products by evoking positive discreet emotions, like surprise and excitement.

These two consumer-related variables, along with need for uniqueness, are treated as mediators and are believed to account for the relations of partner type and consumers' evaluations of co-branding.

In conclusion, most recent research on co-branding strategy since the 1990s are inspired by Rao & Ruekert (1994)[67]. The studies extend the Structural Equation Model of Simonin & Ruth (1998)[70] by introducing new variables and deeply discussing the interactions between and within variables. Unfortunately, the analysis model is usually used to analyze the ingredient co-branding strategy. It often neglects the moderating effect of

brand familiarity and the mediating effect of consumer psychological related variables. There is barely any research on how partner types will influence consumers' attitudes and willingness to pay.

This research mainly focuses on characteristics of partner brands instead of both parent brands. It fills the current gap by comparing the strengths and weaknesses of the three partner types based on the existing theories. Furthermore, since this study is from the perspective of symbolic co-branding, it enriches the discussion of the categorization of co-branding, and confirms the significance of the Structure Equation Model in different forms of co-branding. Besides, the findings in consumer-related variables help provide a better understanding of how partner types drive different effectiveness of c-branding by influencing consumers' psychological thoughts.

CHAPTER 3

RESEARCH METHOD

3.1 Pretest and Stimuli

A fictitious cosmetics brand, named MAKEUP, is created as the primary brand in the symbolic co-branding partnership in this study. The experiment is placed in the cosmetics industry because a cosmetics product requires its consumer to be highly involved in feelings. Therefore, as the above mentioned, consumers tend to pay more attention to its hedonic and sensory attributes than functional ones (Ahn et.al., 2020), which is consistent with the definition and characteristics of symbolic co-branding. What's more, there are numerous successful co-branding cases in the cosmetics industry, such as, Mac, Colour-Pop and Fenty Beauty. Thus, participants will not feel too surprised or strange when they notice the co-branding strategy of a cosmetics brand. Besides, the primary brand is fictitious to minimize the potential effects of different consumers' existing brand experiences of and attitudes towards the primary brand on co-branding. Therefore, the fictitious brand helps focus only on differences among partners. Additionally, the fake brand name, MAKEUP, directly and concisely represents the simple meanings and characteristics of "cosmetics", thereby excluding participants' extra feelings triggered by other ambiguous words. More specifically, an eyeshadow palette was selected as target product, because of its multiple colors and larger flat areas in product appearance than lipsticks and foundations, which allows more space for cooperation.

As for the partner selection, since brand familiarity was included as a moderator, two groups of partner brands were collected: one group of brands with high level of consumer familiarity and the other with low familiarity. A pre-test was conducted before the eventual study for the final decisions on specific partner choices. Considering the three

partner types in this study, IP Movie, Commercial Brand, and Celebrity, 5 real brands (15 in total) that have recently cooperated with cosmetics brands in the form of co-branding were randomly pre-selected. 22 Chinese college students (mean age = 23.73, mean education level = graduate student, 50% male as balance) were required to report one brand that they were most familiar with and one brand with the lowest familiarity for each type of group, based on their own brand exposure and purchase history. As a result, 2 partners with two levels of familiarity in each type (6 in total) were chosen. In high familiarity group, there were Frozen (a Disney movie, 59.09%) for IP movie, Holiland (a Chinese baking brand, 40.91%) for Commercial Brand, and Lisa (a female dancer based in South Korea, 50.00%) for Celebrity. In low familiarity group, there were Star Wars (an American movie by George Lucas, 50.00%) for IP Movie, Candy Land (an American board game brand, 90.91%) for Commercial Brand, and Nicki Minaj (a Trinidadian rapper, 22.73%) for Celebrity.

Finally, six fictitious co-brandings with the different partners were manipulated separately and six co-branded eyeshadow palette pictures were created. The original MAKEUP palette had black as a main neutral color, no decorations and pans with 10 other colors, to minimize the triggering of feelings (Appendix A). The brand name of MAKEUP was displayed in the middle of the front cover. By contrast, the packages of co-branded products were designed by adding the poster of the specific partner with icons and related colors in the front cover. As for the colors of pans, five of them were replaced by the theme colors of the partner extracted by Adobe Color, while the other five were kept constant. Moreover, the brand name of the specific partner was represented in the form of "Partner name x MAKEUP" (e.g., "Frozen x MAKEUP"), in which "MAKEUP" was fixed in the style of black bold Italic (Appendix B). This cooperation design was in accord with the definition of symbolic co-branding. The primary brand, MAKEUP, served as the functional basis of the eyeshadow palette. The partners only provided symbolic attributes, including colors, brand name and logo, without changing the utility character-

istics of the product.

3.2 Sample and Procedure

Two groups of online surveys, low and high familiarity, were conducted separately in China. After excluding invalid responses, 364 Chinese college students (31% male, mean education level = undergraduate, consistent with the demographic characteristics of participants in pre-test) participated for an experiment compensation of 1 RMB (about \$0.16), in which there were 183 students in the low-familiarity group (30% male, mean education level = undergraduate), and 181 in the high-familiarity group (32% male, mean education level = undergraduate). One participant in each group was only exposed to one type of co-branded product randomly (52 in Star Wars, 61 in Candy Land, and 70 in Nicki Minaj; 76 in Frozen, 51 in Holiland, and 54 in Lisa). To help participants understand questions more precisely, the surveys were both translated into their native language, Chinese.

The surveys were based in China because of the huge potential but still hyper-competitive market. Cosmetics market size in China was 478.1 billion yuan in 2021¹. As well, the development of the Internet, especially social media platforms and online shopping, provided consumers with much more opportunities and channels to get to know and purchase various brands, including world-famous sophisticated brands and Chinese domestic brands. Therefore, the competition among brands has become more intense and traditional marketing has reached a plateau. Under such circumstances, the co-branding strategy, aiming to boom another round of brand attention, has been popular and showed a growing number of cases with partners at home and abroad. Meanwhile, Chinese college students, the so-called Generation Z (born from 1995 to 2002), have emerged a completely new consumption concept and showed their stronger buying intention than other

¹Data source: iMedia Research

generations. These 328 million young consumers have accounted for 40% of online consumption in China (Ryan, 2020[68]). Their purchase behaviors and attitudes are worthwhile to observe and discuss also because of their future long-term activities in the market as consumers (Park, Rabolt & Sook Jeon, 2008[60]).

As for the survey procedures, the two surveys shared similar contents except for specific stimuli. The first part of the surveys was the evaluations of the original MAKEUP eyeshadow palette without co-branding. Next, participants were required to read the introduction and observe the picture of the co-branded product. After observation, they were asked to allocate a budget of 299 RMB between the original and co-branded product. Besides, the second part included a series of questions with 7-point Likert scale. These questions were related to participants' subject feelings and impressions of the co-branded product and the partner brand. Demographic information, such as gender, education level, and Internet-related behavior, was collected at the end of the surveys.

Two dependent variables were used to measure the success of co-branding: (1) Difference in willingness to pay (WTP; difference in budget allocations between the two products); and (2) attitudes towards the co-branded product (AC; 1 = negative, strongly unfavorable, 7 = positive, strongly favorable). Independent variables, including emotions, attitudes towards partners, congruency between brands (perceived and sensory), and consistency on attributes, were recorded by averaging all related items. Demographic information and attitude towards the original product were treated as control variables. In total, all variables were summarized as follows.

Table 3.1: Variables Description

Variables	Type of Measure
Dependent Variables	
Attitudes	7-point Likert scale
Difference in WTP	WTP to the co-branded minus WTP to the original
Log(Difference in WTP)	used in OLS
Independent Variables	
Partner Type	IP Movie as reference
Hedonic Consistency	numerical variables; averaging corresponding items; higher values means less consistency
Functional Consistency	numerical variables; averaging corresponding items; higher values means less consistency
Perceived Fit	numerical variables; averaging corresponding items
Sensory Fit	numerical variables; averaging corresponding items
Attitudes towards Partner	numerical variables; averaging corresponding items
Diversity	7-point Likert scale
Moderator	
Brand Familiarity	0=low; 1=high
Mediator	
Need for Uniqueness	7-point Likert scale
Altruism Motivation	7-point Likert scale
Positive Emotions	averaging corresponding items
Control Variables	
Gender	0=female; 1=male
Education Level	undergraduates as reference
Monthly Expense	5-point scale in yuan (0=" <1000"; 1 = "1000-3000"; 2="3000-5000"; 3="5000-7000"; 4=" >7000")
Numbers of Applications	numerical variable
Attitudes towards the original product	7-point Likert scale
Other	
Product Involvement	7-point Likert scale

CHAPTER 4

RESULT

4.1 Manipulation Check

The analysis firstly proved that the eyeshadow palette was in the high level of product involvement condition ($M = 4.54$). There was a significant difference in product involvement between female ($M = 5.13, SD = 1.60$) and male consumers ($M = 3.23, SD = 2.21$), $F(1, 362) = 44.13, p < .001$. Secondly, it was further shown that participants cared more about the "beauty" (hedonic attributes; $M = 5.62, SD = 1.05$) than "functions" (functional attributes; $M = 5.47, SD = 1.08$) significantly, $t(362) = 2.66, p = .008$. This result agrees with the prerequisite that for a high feeling-involvement product, consumers pay more attention to hedonic attributes than functional ones. Similarly, female participants valued hedonic attributes more ($M = 5.69, SD = .99$) than male ($M = 5.46, SD = 1.16$), $F(1, 362) = 4.48, p = .035$.

Meanwhile, participants in the low-familiarity group reported significantly lower scores on the familiarity with partner brand ($M_{Low} = 3.06, SD = 1.73$; $M_{StarWars} = 3.75, M_{CandyLand} = 2.03, M_{NickiMinaj} = 3.43$) than those in the high-familiarity group did ($M_{High} = 5.55, SD = 1.38$; $M_{Frozen} = 5.61$; $M_{Holiland} = 5.65$; $M_{Lisa} = 5.37$), $F(1, 362) = 12.42, p < .001$. The results verified the pre-classifications of partner brands.

4.2 Hypotheses Testing

Hypotheses 2a and 3a were the first to be tested in order to make a general comparison among the effectiveness of three partner types. A one-way ANOVA showed that

there were differences in people's WTP when faced with different types of partners, $F(2, 361) = 7.31, p < .001$, and there also existed differences in people's attitudes towards the co-branded product with different types of partners, $F(2, 361) = 22.26, p < .001$. To further explore the magnitudes, contrasts were introduced and showed that the Commercial Brand ($M_{WTP} = 25.29, SD_{WTP} = 149.67$) as a partner had the significantly weakest effects in increasing WTP in comparison to IP Movie ($M_{WTP} = 83.58, SD_{WTP} = 125.83$), $t(361) = 3.50, p < .001$, and Celebrity ($M_{WTP} = 78.21, SD_{WTP} = 109.50$), $t(361) = 3.16, p < .001$. However, there were no significant differential effects between IP Movie and Celebrity, $t(361) = 0.33, p < .741$. On the other hand, contrasts revealed that the effect of Commercial Brand on improving attitudes towards the co-branded product ($M_{AC} = 4.24, SD_{AC} = 1.76$) is significantly weaker than of IP Movie ($M_{AC} = 5.52, SD_{AC} = 1.27$), $t(361) = 6.50, p < .001$, and Celebrity ($M_{AC} = 5.18, SD_{AC} = 1.51$), $t(361) = 4.74, p < .001$. Moreover, IP Movie has a significantly more powerful effect on improving attitudes compared to that of Celebrity, $t(361) = 1.77, p = .078$. These results supported most of H2a and H3a; however, IP Movie did not have the strongest influence in increasing WTP as expected.

Furthermore, in Hypothesis 1, the moderating effect of brand familiarity was tested based on the comparison of partner types. Firstly, a 3 (partner type: IP Movie, Commercial Brand, and Celebrity) \times 2 (brand familiarity level: low and high) ANOVA was performed and indicated the main effects of partner type on improving willingness to pay ($F(2, 353) = 5.79, p = .003$) and attitudes towards the co-branded product ($F(2, 353) = 20.48, p < .001$). Additionally, the ANOVA analysis also showed main effects of brand familiarity on WTP ($F(1, 353) = 25.36, p < .001$) and attitudes ($F(1, 353) = 33.64, p < .001$). The significance of these two independent variables confirmed the findings of Hypotheses 2a and 3a, and the conclusions of brand familiarity in the existing literature. However, the interaction between partner type and familiarity was only significant in increasing WTP ($F(2, 353) = 4.67, p = .014$), but not in improving attitudes ($F(2, 353) = 2.17, p = .11$). Figure 1 and 2 picture the comparisons in attitudes towards and differences in WTP of

the co-branded product.

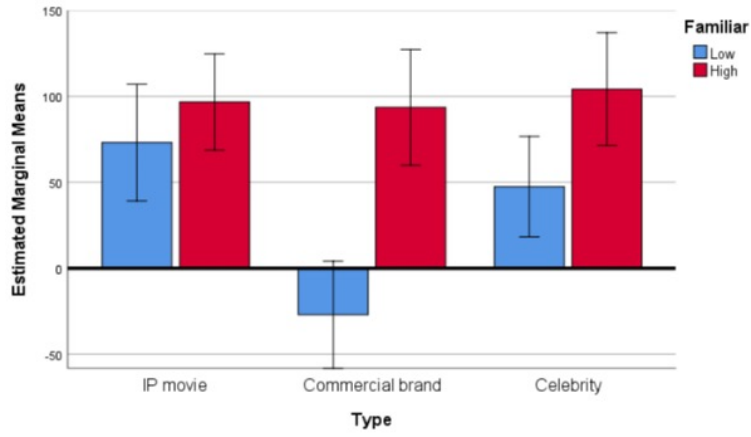


Figure 4.1: Estimated Means of Difference in Willingness to Pay

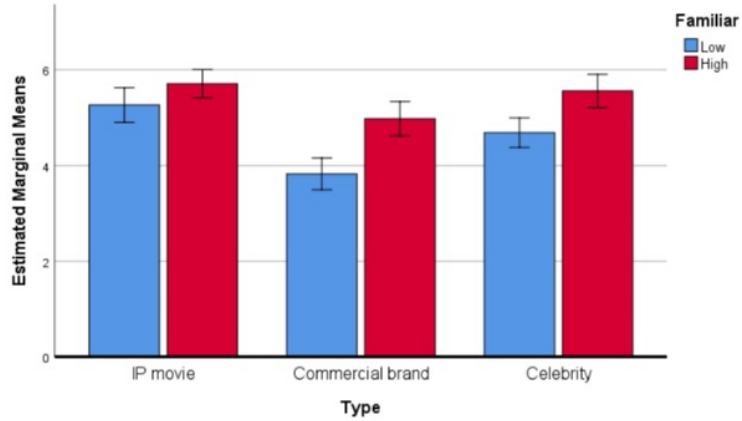


Figure 4.2: Estimated Means of Attitudes towards the Co-branded Product

Specifically, participants in the low-familiarity group reported a lowest WTP ($M_{WTP} = -31.89, SD_{WTP} = 134.52$) and the most negative attitudes ($M_{AC} = 3.56, SD_{AC} = 1.62$) when the partner was Commercial Brand as opposed to IP Movie, $t(180) = 3.95, p < .001$, or Celebrity, $t(180) = 3.91, p < .001$. However, contrasts did not express a remarkably higher effect of IP Movie on the two outcome variables ($M_{WTP} = 62.58, SD_{WTP} = 135.13; M_{AC} = 5.06, SD_{AC} = 1.15$) than Celebrity ($M_{WTP} = 54.89, SD_{WTP} = 112.20; M_{AC} = 4.73, SD_{AC} =$

1.58), $t(180) = 1.21, p = .230$. While in the high-familiarity setting, scores were reported higher. As predicted, there was no significant difference in WTP among IP Movie ($M_{WTP} = 97.95, SD_{WTP} = 117.80$), Commercial Brands ($M_{WTP} = 93.67, SD_{WTP} = 138.77$) and Celebrity ($M_{WTP} = 108.44, SD_{WTP} = 98.94$), $F(2, 178) = 0.22, p = .80$. For attitudes, similarly with the results in the low-familiarity, Commercial Brands performed worst ($M_{AC} = 5.06, SD_{AC} = 1.58$), while there was no significant difference between IP Movie ($M_{AC} = 5.83, SD_{AC} = 1.27$) and Celebrity ($M_{AC} = 5.76, SD_{AC} = 1.20$), $t(178) = .29, p = .77$.

The results demonstrated the moderating effects of brand familiarity and supported Hypothesis 1. Partners with high familiarity contributed more to the alliance for a given primary brand, and effectively influenced the success of co-branding. In addition, higher brand familiarity weakened the impacts of partner type and the differences in willingness to pay. A potential explanation is that: when brand familiarity is high, consumers' attitudes towards partner brands are more stable and mature based on repeated exposure and purchase experience. Therefore, based on information integration theory, their decision-making process relies less on the partner type, but more on their fixed understanding and knowledge of the specific brand. Furthermore, the unexpected higher value of Celebrity than IP Movie is more likely to be driven by endorsement effect and fan economy. By contrast, a lower-familiarity brand has difficulty in providing enough information and images for consumers to organize into a new belief to the co-branded product. In this situation, IP Movie and Celebrity look more appealing because of their diverse colors and cute icons which may trigger more impulse purchasing.

Hypotheses 2b and 3b provided a potential explanation of how characteristics of partner type influence the performance of partner brands in co-branding. H2b was related to consistency on hedonic attributes. Firstly the gaps in the corresponding evaluations of the original and the co-branded product were averaged to form the independent variable of consistency on hedonic attributes. Higher scores of gaps meant less consistency. Then

a one-way ANOVA firstly reported that Commercial Brand performed worst in consistency on hedonic attributes ($M = .82, SD = .68$), while IP Movie was evaluated to be more consistent ($M = .758, SD = .89$) than Celebrity ($M = .762, SD = .74$). But the differences among groups were not significant, $F(2, 361) = .24, p = .785$. In the same way, in H3b, Commercial Brand gained the lowest score in diversity ($M = 5.25, SD = 1.15$), significantly lower than IP Movie ($M = 5.59, SD = 1.08$), $t(361) = 2.32, p = .021$, and Celebrity ($M = 5.52, SD = 1.21$), $t(361) = 1.78, p = .075$. Unfortunately, IP Movie does not have a significantly higher score than Celebrity, $t(361) = .58, p = .591$. Furthermore, a 3 (type) \times 7 (diversity evaluation; 1 = strongly disagree, 7 = strongly agree) ANOVA found a main effect of diversity on improving WTP, $F(6, 357) = 2.00, p = .065$, and attitudes towards the co-branded product, $F(6, 357) = 9.00, p < .001$. Although the results did not fully support H2b and 3b, it still indicated that the relatively worse performance of Commercial Brands were likely to be related to the lack of consistency on hedonic attributes and diversity. Therefore, it is important to take these two variables into consideration when selecting a partner.

Hypotheses 4a, 4b and 5 aim to explore how the effectiveness of partner type differs through influencing consumer-psychology-related factors and believe that these three factors can become mediators which will account for the relations. The variable of "need for uniqueness" was firstly introduced, and a one-way ANOVA suggested significant differences in the effectiveness of providing uniqueness (1 = strongly disagree, negative; 7 = strongly agree, positive) among groups. In accord with the findings above, the co-branded product with a Commercial Brand ($M = 3.99, SD = 1.99$) would make participants feel the least unique than with IP Movie ($M = 5.30, SD = 1.44$), $t(361) = 6.00, p < .001$, and with Celebrity ($M = 5.15, SD = 1.64$), $t(361) = 5.27, p < .001$. On the other hand, IP Movie was being observed as more or less significantly more effective than Celebrity, $t(361) = .71, p = .478$. Furthermore, a 3 (type) \times 7 (feeling unique) ANOVA was conducted, and there was a main effect of feeling unique on WTP, $F(6, 338) = 10.25, p < .001$,

and attitudes towards the co-branded product, $F(6, 338) = 35.25, p < .001$. However, the interaction term by type and feeling unique was only significant in attitudes, $F(12, 338) = 2.61, p = .002$, but not in WTP, $F(12, 338) = 1.00, p = .450$. Then a variable of altruism motivation was measured by the willingness to give the co-branded eyeshadow palette to others as a gift (1 = strongly unwilling, negative; 7 = strongly willing, positive). Similarly, the eyeshadow palette co-branded with IP Movie was the most popular gift choice among participants ($M = 5.63, SD = 1.29$). The result was significant when compared to Commercial Brand ($M = 4.26, SD = 1.85$), $t(361) = 6.69, p < .001$, and moderately significant when compared to Celebrity ($M = 5.27, SD = 1.58$), $t(361) = 1.80, p = .072$. In a 3 (type) \times 7 (giving gifts) ANOVA, there was a main effect of giving gifts on attitudes towards the co-branded product, $F(6, 339) = 47.88, p < .001$, and WTP, $F(6, 339) = 17.48, p < .001$. The main effect on WTP also qualified by an interaction by partner type and giving gift, $F(11, 339) = 1.71, p = .070$. The comparison results supported H4a and 4b, indicating that the motivations of uniqueness and concerns for others drive participants' evaluations towards co-branding. Consequently, as a partner, the weakest ability of satisfying egoism and altruism demands causes Commercial Brand being least favorable among consumers. Unlike Commercial Brand that emphasizes more utilities, IP Movie and Celebrity have competitive advantages in symbolic co-branding, relying on their fan appealing power in sight and sound.

As for emotions, there were three discreet positive emotions labeled as "excited", "surprised" and "relaxed", and three negative emotions as "nervous", "angry" and "depressed". Participants were required to report their feelings about the co-branded eyeshadow palette (1 = strongly disagree; 7 = strongly agree). Table 4.1 summarized the Independent T-tests results and showed that IP Movie and Celebrity effectively evoked positive emotions more than Commercial Brand did in general. By contrast, there were no significant differences in negative emotions, and the level of negative emotions evocation was much lower than that of the positive evocation. This pattern may also exist in real

Table 4.1: Estimated Means of Evoked Discreet Emotions

		Positive Emotions						Negative Emotions					
		Excited		Surprised		Relaxed		Nervous		Angry		Depressed	
		Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value
IP Movie	Commercial Brand	5.20	0.000***	5.59	0.000***	4.88	0.033*	2.56	0.344	1.77	0.291	1.88	0.129
	Celebrity		0.799		0.055		0.725		0.939		0.682		0.606
Commercial Brand	IP Movie	4.13	0.000***	4.31	0.000***	4.44	0.033*	2.38	0.344	1.93	0.291	2.13	0.129
	Celebrity		0.000***		0.000***		0.068		0.356		0.489		0.260
Celebrity	IP Movie	5.15	0.790	5.25	0.055	4.81	0.725	2.55	0.939	1.83	0.682	1.96	0.606
	Commercial Brand		0.000***		0.000***		0.068		0.356		0.489		0.260

co-branding cases because most marketers will avoid arousing resistance feelings deliberately in packaging design (Tellis et al., 2019). Especially, A 3 (type) x7 (emotion) ANOVA showed the main effects of the positive emotions, surprise ($F(6, 338) = 14.98, p < .001$), and excitement ($F(6, 338) = 13.48, p < .001$). As well, there was a significant interaction between partner type and surprise, $F(12, 338) = 1.73, p = .060$, and between type and excitement, $F(12, 338) = 2.01, p = .023$. This analysis showed H5 was correct.

Last but not least, three Sobel tests were introduced to check the mediating effect. Results showed that the variable of altruism was a full mediator, while the other two ones, uniqueness and positive emotions, were partial mediators.

4.3 Regression

Regressions were conducted to test hypothesis 2c and to explore the impacts of other drivers mentioned in existing literature on co-branding success. The variables of interest were attitudes towards co-branded products and Difference in WTP (DTP). Two OLS regressions were performed on the attitude and a logarithmic DTP separately (shown as Equation 4.1 and 4.2). The reason for taking the logarithm was to reduce the absolute differences between Difference in WTP and other independent variables mathematically, and to better capture the slight influence of factors on DTP. In fact, using logarithmic DTP

in the regression model resulted in a stronger explanation power (R-Square), and did not cause the problem of heteroskedasticity. Besides, there was no issue of multicollinearity in all six models. The means of VIF were around 2.40.

The models were described as follows:

$$\begin{aligned}
 \text{Attitude} = & \alpha_1 + \beta_{10}\text{Type} + \beta_{11}\text{Familiarity} + \beta_{12}\text{HedonicConsistency} + \beta_{13}\text{FunctionalConsistency} \\
 & + \beta_{14}\text{PerceivedFit} + \beta_{15}\text{SensoryFit} + \beta_{16}\text{AttitudetowardsPartner} \\
 & + \beta_{17}\text{NeedforUniqueness} + \beta_{18}\text{AltruismMotivation} + \beta_{19}\text{PositiveEmotions} \\
 & + \gamma_{1i}\text{ControlVariables} + \epsilon_1
 \end{aligned}
 \tag{4.1}$$

$$\begin{aligned}
 \log(DTP) = & \alpha_2 + \beta_{20}\text{Type} + \beta_{21}\text{Familiarity} + \beta_{22}\text{HedonicConsistency} + \beta_{23}\text{FunctionalConsistency} \\
 & + \beta_{24}\text{PerceivedFit} + \beta_{25}\text{SensoryFit} + \beta_{26}\text{AttitudetowardsPartner} \\
 & + \beta_{27}\text{NeedforUniqueness} + \beta_{28}\text{AltruismMotivation} + \beta_{29}\text{PositiveEmotions} \\
 & + \gamma_{2i}\text{ControlVariables} + \epsilon_2
 \end{aligned}
 \tag{4.2}$$

Where α , β and γ were coefficients to be estimated, and represented magnitudes of effects on co-branding. Type included IP Movie, Commercial Brand and Celebrity, with IP Movie as reference. Low-brand-familiarity was coded as 0, while high-familiarity was coded as 1. Two consistency-related variables (on hedonic and functional attributes) were measured by comparing brand impressions on attributes. Two congruency-related variables (sensory and perceived fit), positive emotions and pre-attitudes towards partner brands were re-formed by averaging the series of corresponding items. Two consumer-related factors, need for uniqueness and altruism motivation, were measured as 7-pointed ordinal variables. Last, control variables included gender, education level, monthly expense. Since consumers' consideration and choices largely depends on the fragmented informa-

tion on the Internet shared by strangers (Court, Elzinga, Mulder, & Vetvik, 2009[16]), the variable of "numbers of downloaded social media applications" was created to control the effect of Internet-related behavior.

Column 1 and 2 in Table 4.2 illustrated the estimated effects based on the above two regressions. It firstly proved that when compared to IP Movie, Commercial Brand resulted in reduced effectiveness of co-branding in attitudes significantly ($-.33, p = .004$), but not significantly in DTP ($-.42, p = .033$). For Celebrity, although having negative coefficients, the comparisons were not significant in both attitudes ($-.20, p = .062$), and DTP ($.14, p = .443$). The results were partly consistent with the testing result of Hypotheses 2a and 3a, indicating that IP Movie had a more powerful effect. Moreover, as predicted, pre-attitudes towards partner ($.14, p = .017$), sensory fit ($.30, p < .001$), altruism motivations ($.16, p = .001$), and positive emotions ($.26, p < .001$) all had significant positive relations with participants' favor of the co-branded product. Additionally, altruism motivations ($.32, p < .001$), and positive emotions ($.22, p = .032$) were significant positive predictors in increasing DTP.

The estimated coefficients firstly confirmed the conclusions about congruency and attitudes transfer in recent studies. Then coefficients and significance further helped prove that in symbolic co-branding, sensory fit played a more important role than perceived fit. However, the regressions did not support Hypothesis 2c. There was no significantly stronger effect of consistency on hedonic attributes compared to functional ones with regard to attitudes ($p_{hedonic} = .751; p_{functional} = .775$) and WTP ($p_{hedonic} = .381; p_{functional} = .813$). The explanation power of these two models were 76.86% and 37.26%, respectively.

More specifically, column (3)-(4) and (5)-(6) revealed estimated effects in two sub-datasets divided by brand familiarity, low and high, respectively. Four regressions were operated. The models were similar with equation 4.1 and 4.2, without the term of familiarity. The moderating effect of brand familiarity was found by comparing the significance

of partner types:

Low Brand Familiarity In the low-familiarity group, compared with IP Movie, the weakest impacts of Commercial Brand on attitudes ($-.47, p = .013$) and DTP ($-.53, p = .083$) were confirmed again. As well, there was only a negative but not significant change of value in attitudes ($-.21, p = .238$) after transferring from IP Movie to Celebrity.

Similarly to the findings in column (1) and (2), a stronger effect of sensory fit ($= .26, p = .001$ in attitudes; $= .12, p = .361$ in DTP) than perceived fit ($= .06, p = .295$ in attitudes; $= .17, p = .085$ in DTP) was found in the low-familiarity group. The results proved that altruism motivation was positively related to attitudes ($= .20, p = .002$) and DTP ($= .24, p = .021$), and suggested a significant positive impact of these positive discreet emotions on attitudes change ($= .34, p < .001$).

High Brand Familiarity There was no significant difference among partner types in the high-familiarity group just as ANOVA results showed, which further verified the moderating effect of brand familiarity. As well, it came up with the same conclusions on the positive influences of sensory fit ($= .36, p < .001$ in attitudes; $= .29, p = .090$ in DTP), altruism motivation ($= .07, p = .368$ in attitudes; $= .28, p = .027$ in DTP), and positive emotions ($= .16, p = .095$ in attitudes; $= .36, p = .018$ in DTP). However, the effect direction and significance of pre-attitudes towards partner brands did not meet the expectations ($= .03, p = .753$ in attitudes; $= -.32, p = .026$ in DTP).

One particular point that was different from the other five models was that: in reporting DTP in the high-familiarity group, H2c was attested. It means that the effect of consistency on hedonic attributes ($.29, p = .036$) was significantly larger than on functional attributes ($.00$). Besides, in the high-familiarity group, monthly expense in control variables should be also noticed. The coefficients indicated that the probability of purchasing a co-branded eyeshadow palette increased as the expense per month grew.

Table 4.2: Estimated Effects of Factors on Attitudes towards Co-branded Product and DTP

	Total		Low Familiarity		High Familiarity	
	Attitudes	DTP	Attitudes	DTP	Attitudes	DTP
<i>Partner Type</i>						
IP Movie	.	.	.	.	.	.

Commercial Brand	-0.33**	-0.28	-0.47*	-0.53	-0.11	0.31
	(-2.89)	(-1.41)	(-2.52)	(-1.74)	(-0.70)	(1.18)
Celebrity	-0.20	0.14	-0.21	0.01	-0.23	0.11
	(-1.87)	(0.77)	(-1.18)	(0.04)	(-1.66)	(0.49)
<i>Brand Familiarity</i>						
Low	.	.				
	.	.				
High	0.05	0.08				
	(0.46)	(0.42)				
<i>Consistency</i>						
Hedonic	-0.02	0.09	-0.12	-0.12	0.04	0.29*
	(-0.32)	(0.88)	(-1.37)	(-0.88)	(0.53)	(2.11)
Functional	0.01	0.02	0.01	0.21	0.07	0.00
	(0.29)	(0.24)	(0.18)	(1.78)	(0.85)	(0.00)
<i>Congruency</i>						
Perceived Fit	0.06	-0.03	0.06	0.17	0.07	-0.08
	(1.34)	(-0.37)	(1.05)	(1.73)	(1.01)	(-0.75)
Sensory Fit	0.30***	0.14	0.26**	0.12	0.36***	0.27

	(5.13)	(1.40)	(3.32)	(0.92)	(3.76)	(1.71)
<i>Brand Characteristics</i>						
Diversity	0.04	-0.06	0.03	-0.11	0.09	0.01
	(0.92)	(-0.85)	(0.49)	(-1.16)	(1.20)	(0.04)
Attitudes towards Partner	0.14*	0.09	0.15	0.21	0.03	-0.32*
	(2.40)	(0.87)	(1.74)	(1.49)	(0.32)	(-2.24)
<i>Consumer Related</i>						
Need for Uniqueness	0.06	-0.06	-0.05	0.04	0.22**	-0.19
	(1.33)	(-0.80)	(-0.80)	(0.40)	(2.92)	(-1.54)
Altruism	0.16**	0.32***	0.20**	0.24*	0.07	0.28*
	(3.31)	(3.85)	(3.17)	(2.34)	(0.90)	(2.24)
Positive Emotions	0.26***	0.22*	0.34***	0.21	0.16	0.36*
	(4.39)	(2.15)	(4.18)	(1.57)	(1.68)	(2.40)
<i>Control Variables</i>						
<i>Gender</i>						
Female	.	.	.	.	.	.

Male	-0.17	0.10	-0.07	0.55*	-0.20	-0.21
	(-1.84)	(0.60)	(-0.49)	(2.35)	(-1.56)	(-1.03)
<i>Education Level</i>						
Undergraduates	.	.	.	.	.	.

Master Student	-0.13	-0.08	-0.22	-0.47	-0.07	0.21
	(-1.23)	(-0.45)	(-1.37)	(-1.79)	(-0.47)	(0.83)
Ph.D Student	-0.09	-0.40	-0.25	-0.76	0.11	-0.04

	(-0.43)	(-1.13)	(-0.82)	(-1.54)	(0.39)	(-0.08)
<i>Monthly Expense(yuan)</i>						
<1000	.	.	.	.	.	.

1000-3000	0.01	0.22	0.02	-0.50	0.26	2.08***
	(0.06)	(0.69)	(0.09)	(-1.27)	(0.81)	(3.94)
3000-5000	0.18	0.20	0.14	-0.55	0.45	2.09***
	(0.91)	(0.58)	(0.51)	(-1.25)	(1.35)	(3.86)
5000-7000	0.09	0.29	0.21	-0.86	0.18	2.41***
	(0.35)	(0.64)	(0.52)	(-1.30)	(0.46)	(3.81)
>7000	-0.23	-0.01	-0.08	0.17	-0.18	1.30
	(-0.82)	(-0.03)	(-0.18)	(0.24)	(-0.43)	(1.91)
<i>Numbers of Applications</i>						
Social Media Applications	-0.00	-0.02	0.01	-0.04	-0.01	0.04
	(-0.00)	(-0.49)	(0.30)	(-0.81)	(-0.18)	(0.89)
_cons	0.19	-2.14***	0.30	-2.34**	0.02	-2.90***
	(0.57)	(-3.77)	(0.64)	(-3.05)	(0.04)	(-3.42)
<i>N</i>	364	364	183	183	181	181

Notes: t statistics in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

4.4 Robustness Check

This section aims to test the generalizability or robustness of the findings. In the part of Manipulation Check, it is concluded that there is a significant gender difference in usage and evaluations of the eyeshadow palette, which means that female consumers will use it more frequently and pay more attention to its hedonic attributes. Therefore, given that the

eyeshadow palette targets to the female market, the partial dataset of female participants was chosen to replicate the above research analysis, and to check if the conclusions would stay valid despite the difference in demographic information of the samples.

The female sample size is 251, and their average education level is undergraduate, which is consistent with the full sample. In general, a one-way ANOVA showed that there were significant differences in the effectiveness of the three partner types in changing participants' DTP ($F(2, 248) = 3.41, p = .034$) and attitudes towards the co-branded product ($F(2, 248) = 19.51, p < .001$). Specifically, Commercial Brand still has the weakest effect significantly ($M_{DTP} = 24.56, SD_{DTP} = 148.26; M_{AC} = 4.16, SD_{AC} = 1.79$), compared to IP Movie ($M_{DTP} = 70.71, SD_{DTP} = 141.23, p = .028; M_{AC} = 5.55, SD_{AC} = 1.353, p < .001$), and Celebrity ($M_{DTP} = 72.26, SD_{DTP} = 109.36, p = .021; M_{AC} = 5.30, SD_{AC} = 1.39, p < .001$). The difference between IP Movie and Celebrity was not significant, $t_{DTP}(248) = .08, p_{DTP} = .940; t_{AC}(248) = 1.07, p_{DTP} = .287$. Moreover, the moderating effect of brand familiarity was similarly verified. For that, in a 3 (type) \times 2 (brand familiarity) ANOVA, there was a significant main effect of brand familiarity both in increasing DTP ($F(1, 245) = 35.98, p < .001$) and improving attitude ($F(1, 245) = 47.57, p < .001$). There was also a significant interaction term by partner types and familiarity in increasing DTP ($F(2, 245) = 4.56, p = .011$). A further separate check also supported this observed moderating effect.

When familiarity towards the partner brand was low, for both of the two dependent variables, the order of effect power and conclusions were kept constant, namely Commercial Brand was determined to be the least satisfying ($M_{DTP} = -51.79, SD_{DTP} = 128.89; M_{AC} = 3.33, SD_{AC} = 1.61$) while IP Movie ($M_{DTP} = 41.81, SD_{DTP} = 143.42; M_{AC} = 5.05, SD_{AC} = 1.27$) had a stronger but not significant effect relative to Celebrity ($M_{DTP} = 41.50, SD_{DTP} = 117.92; M_{AC} = 4.85, SD_{AC} = 1.62$), $p_{DTP} = .991, P_{AC} = .551$. However, when brand familiarity was high, the self-evaluations to the two dependent variables were significantly higher. More importantly, the difference in the power of increasing DTP among

partner types was no longer significant, $F(2, 120) = .23, p = .792$. The above findings replicated the testing results of H1, H2a and H3a in the full dataset.

As for the two characteristics of partners, Commercial Brand was reported to have the lowest score in diversity ($M = 5.20, SD = 1.20$), significantly lower than IP Movie ($M = 5.63, SD = 1.14$), $p = .012$ and Celebrity ($M = 5.57, SD = 1.00$), $p = .028$. Results of a 3 (type) \times 7 (diversity) ANOVA indicated that there was a significant main effect of diversity in improving DTP ($F(6, 233) = 2.16, p = .048$) and attitudes ($F(6, 233) = 4.35, p < .001$). The findings correspond to the order of the magnitudes of influence. It can serve as an explanation that Commercial Brand was the weakest partly due to consumer impressions of the lowest diversity. Unfortunately, the hypothesis of consistency on hedonic attributes was invalid in the female sample, because neither the differences among types nor the main effect of consistency on hedonic attributes were significant.

Similarly, for the three consumer-related variables (need for uniqueness, altruism motivation, and discreet emotions), female participants firstly reported that the product co-branded with Commercial Brands would make them significantly feel the least unique about themselves ($M = 3.94, SD = 2.08$), when compared with IP Movie ($M = 5.26, SD = 1.58$), $p < .001$, and Celebrity ($M = 5.31, SD = 1.53$), $p < .001$. A two-way ANOVA also proved a significant main effect of feeling unique ($F_{DTP}(6, 230) = 11.78, p_{DTP} < .001$; $F_{AC}(6, 230) = 35.75, p_{AC} < .001$) and a significant interaction by feeling unique and partner type ($F_{DTP}(12, 230) = 2.02, p_{DTP} = .023$; $F_{AC}(12, 230) = 2.12, p_{AC} = .017$) in affecting two dependent variables. Secondly, the eyeshadow palette co-branded with Commercial Brand was viewed as the least popular gift choice ($M = 4.09, SD = 1.90$) significantly, relative to the one co-branded with IP Movie ($M = 5.63, SD = 1.39$), $p < .001$, and Celebrity ($M = 5.34, SD = 1.57$), $p < .001$. Then for the discreet emotions as Table 4.3 showed, the level of evoked emotions did not significantly differ from those in the full-participants dataset in general. For one thing, there was no significant difference in the three negative

Table 4.3: Estimated Means of Evoked Discreet Emotions for Female Participants

		Positive Emotions						Negative Emotions					
		Excited		Surprised		Relaxed		Nervous		Angry		Depressed	
		Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value	Mean	p-Value
IP Movie	Commercial Brand		0.000***		0.000***		0.059		0.422		0.641		0.213
	Celebrity	5.23	0.858	5.57	0.370	4.88	0.737	2.46	0.741	1.76	0.954	1.82	0.392
Commercial Brand	IP Movie		0.000***		0.000***		0.033*		0.344		0.291		0.129
	Celebrity	3.95	0.000***	4.11	0.000***	4.28	0.024*	2.29	0.238	1.83	0.595	2.04	0.682
Celebrity	IP Movie		0.858		0.367		0.737		0.714		0.954		0.392
	Commercial Brand	5.28	0.000***	5.36	0.000***	4.84	0.024*	2.54	0.238	1.75	0.595	1.97	0.682

emotions, similar to the results of the full dataset. For another, Commercial Brand evoked the least level of discreet positive emotions (feeling excited, surprised and relaxed), being significantly lower than IP Movie and Celebrity. Besides, the three positive emotions all had a significant main effect in improving DTP and attitudes, $p < .001$, and interaction terms by partner types and discreet positive emotions were (moderately) significant. However, different from the results in the full dataset, the differences in the three variables between IP Movie and Celebrity were not significant. Therefore, although some values of IP movie performs better than those of celebrity, it was not enough to confidently conclude that IP movie performed better than celebrity in influencing consumer psychological factors.

Then Table 4.4 demonstrated six regression models in both full and partial female-datasets separately. The results generally replicated the findings in the full dataset on the whole. Table 4.4 illustrated the effectiveness order (Commercial Brand < Celebrity < IP Movie) and how high brand familiarity weakened the effect of partner type. Additionally, consistent with the results in the full dataset, coefficients indicated the positive effects of sensory fit (stronger than perceived fit), pre-attitudes towards partner, altruism motivation and positive emotions, all of which were consistent with the results in full dataset. Similarly in the high-familiarity group, it could be found that consistency on hedonic attributes (.42, $p = .020$) had a significantly stronger effect than on functional attributes did ($-.05$, $p = .749$) in increasing DTP, and that the buying intentions went up as monthly

expense increased.

Table 4.4: Estimated Effects of Factors on Attitudes towards Co-branded Product and DTP for Female Participants

	Total		Low Familiarity		High Familiarity	
	Attitudes	DTP	Attitudes	DTP	Attitudes	DTP
<i>Partner Type</i>						
IP Movie	.	.	.	.	.	.

Commercial Brand	-0.42**	-0.05	-0.56*	-0.38	-0.27	0.42
	(-3.22)	(-0.19)	(-2.46)	(-1.00)	(-1.65)	(1.33)
Celebrity	-0.30*	0.09	-0.43*	-0.22	-0.30	0.11
	(-2.42)	(0.40)	(-2.09)	(-0.64)	(-1.98)	(0.38)
<i>Brand Familiarity</i>						
Low	.	.				
	.	.				
High	0.12	0.12				
	(1.02)	(0.56)				
<i>Consistency</i>						
Hedonic	0.01	0.16	-0.07	-0.13	0.08	0.42*
	(0.20)	(1.24)	(-0.60)	(-0.70)	(0.86)	(2.36)
Functional	0.01	0.02	0.04	0.20	0.03	-0.05
	(0.12)	(0.17)	(0.50)	(1.44)	(0.37)	(-0.32)
<i>Congruency</i>						
Perceived Fit	0.07	0.01	0.13	0.17	0.03	-0.04

	(1.45)	(0.10)	(1.70)	(1.37)	(0.49)	(-0.28)
Sensory Fit	0.22***	0.04	0.15	0.06	0.41***	0.17
	(3.36)	(0.35)	(1.59)	(0.40)	(4.19)	(0.90)
<i>Brand Characteristics</i>						
Diversity	0.01	-0.08	-0.04	-0.10	0.12	0.04
	(0.18)	(-0.87)	(-0.57)	(-0.88)	(1.58)	(0.25)
Attitudes towards Partner	0.13*	0.21	0.13	0.16	-0.02	-0.15
	(2.05)	(1.81)	(1.25)	(0.89)	(-0.26)	(-0.84)
<i>Consumer Related</i>						
Need for Uniqueness	-0.02	-0.02	-0.04	0.11	0.02	-0.09
	(-0.44)	(-0.20)	(-0.61)	(0.90)	(0.23)	(-0.59)
Altruism	0.16**	0.29**	0.16*	0.20	0.07	0.17
	(3.06)	(2.93)	(2.14)	(1.60)	(0.84)	(1.03)
Positive Emotions	0.40***	0.27*	0.50***	0.34*	0.30**	0.31
	(5.96)	(2.15)	(5.00)	(2.02)	(2.93)	(1.57)
<i>Control Variables</i>						
<i>Education Level</i>						
Undergraduates	.	.	.	.	.	.

Master Student	-0.32*	-0.24	-0.55**	-0.57	-0.25	-0.19
	(-2.55)	(-1.01)	(-2.64)	(-1.60)	(-1.43)	(-0.57)
Ph.D Student	-0.31	-0.18	-0.49	-0.66	-0.24	-0.16
	(-1.43)	(-0.45)	(-1.45)	(-1.16)	(-0.82)	(-0.28)
<i>Monthly Expense(yuan)</i>						
<1000	.	.	.	.	.	.

1000-3000	0.17	0.36	0.05	-0.53	0.42	2.06**
	(0.78)	(0.87)	(0.17)	(-1.03)	(1.20)	(3.08)
3000-5000	0.35	0.61	0.24	-0.16	0.61	2.17**
	(1.49)	(1.38)	(0.69)	(-0.27)	(1.72)	(3.17)
5000-7000	0.28	0.49	0.17	-0.41	0.40	2.28**
	(0.98)	(0.91)	(0.37)	(-0.51)	(1.01)	(2.98)
>7000	0.17	0.78	0.14	0.32	0.32	1.96*
	(0.51)	(1.21)	(0.26)	(0.34)	(0.69)	(2.18)
<i>Numbers of Applications</i>						
Social Media Applications	0.01	-0.03	0.04	-0.09	-0.02	0.09
	(0.25)	(-0.56)	(1.07)	(-1.29)	(-0.57)	(1.42)
_cons	0.33	-2.90***	0.37	-2.29*	0.41	-3.60**
	(0.85)	(-3.96)	(0.65)	(-2.38)	(0.66)	(-2.98)
<i>N</i>	251	251	128	128	123	123

Notes: t statistics in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

In brief, when turning to the female participants, the analysis results replicated the above findings well. In this case, it may be safe to consider the conclusions robust and generalizable. However, it is worth noticing that the differences between IP Movie and Celebrity became weaker and less significant. A potential explanation is that for female Chinese college students, a celebrity, especially a pop star like Lisa, has a much stronger endorsement effect and appealing power than IP Movie, given the development of the Internet and social media, and the circumstance of fan economy.

CHAPTER 5

CONCLUSION AND DISCUSSION

The past 30 years have witnessed the increasing prosperity in the world market and abundant choices of consumer goods. On the one hand, companies have an unprecedented opportunity to be exposed to more consumers. On the other hand, managing brand recognition, loyalty, and awareness is becoming increasingly complex. Large numbers of companies have turned to brand alliances and joint marketing to achieve a marketing influence of “The whole is greater than the sum of the parts”. Therefore it has made co-branding a popular topic in both business and academia. Helmig et al. (2007)[37] and the resulting extensions have comprehensively analyzed how different variables drive the success of co-branding. Based on their theory, for a given brand, selecting the right partner is the key to the success of co-branding, because their characteristics and relations with the primary brand are the two most important factors. Specifically, for the symbolic co-branding strategy in the cosmetics industry, partner type is especially crucial to affect consumers’ attitudes and buying intentions, and therefore to attract consumers’ awareness and attention. The goal of this paper is to systematically explore the differences in the effectiveness of cooperating with different types of partners, and also to explain the mechanism. The analysis presented in this thesis demonstrates that IP Movie-related co-branding strategy is a relatively more ideal partner choice compared to co-branding strategies based on other commercial brands or celebrities. This research finds that for a cosmetics product, which requires consumers’ high involvement in feeling, the competitive advantages of the IP Movie-related co-branding strategy partly come from its diversity. This is consistent with this brand having many hedonic attributes. This research also shows that high brand familiarity with partner brands will likely weaken the differential effects of brand type. The analysis based on a female-only sub-sample verifies the robustness of the above conclusions.

This research contributes to the current studies on the following fronts. Firstly, this paper is among the few empirical studies that focus on symbolic co-branding. It systematically uses the structural model developed by the previous researchers to analyze attitudes towards and buying intentions toward symbolic co-branding. Moreover, the results help prove how the predetermined factors take effect in such an alliance, especially the importance of sensory fit in symbolic co-branding. The findings confirm and broaden the application range of the Structural Equation Model by Helmig et al. (2007)[37]. Secondly, this research is one of the first to introduce partner type as a new crucial variable in co-branding. By controlling the original product and cooperation ways between parent brands, the results reveal how differences in partner types will change consumers' evaluations of co-branded products in the cosmetics industry, which can be possibly generalized to all products with high involvement in feeling. Conclusions on the mechanism of partner type are in accord with the essential characteristics of partner selections in past literature, namely, diversity (e.g., Mazodier & Merunka, 2014[51]), and consistency on hedonic attributes (Meyvis & Janiszewski, 2004[52]). Also, the predicted effects of partner type appear to be more noticeable when consumers are less familiar with the partner than when the familiarity is high. Such findings are in line with the finding of the moderating effect of brand familiarity analyzed in the research of Rao & Ruekert (1994)[67]. Moreover, this study extended the current model by adding in more consumer-psychological-related variables and therefore explained consumers' evaluations and impressions of co-branding strategy with types of partners from views of different motivations. One of this study's innovations is figuring that showing concerns to others and positive emotions evoked by packaging will be considered, resulting in different reactions to three partner types.

The conclusions above also illustrate managerial implications for marketers. First, the comparisons among IP Movie-related, Commercial Brand-related, and Celebrity-related co-branding strategies provide more precise clues in partner determination, before con-

ducting a symbolic co-branding strategy. IP Movie is generally a safer choice because of its diverse colors and vivid characters if companies aim to increase sales and improve brand image. It will be helpful to further understand the partner's diversity and how its hedonic attributes are consistent with the primary brand by marketing research in advance. Especially for companies with relatively lower marketing budgets, it is a wise choice to cooperate with an IP movie with lower familiarity. It will help save costs and achieve goals of sales and brand-building more effectively than choosing a commercial brand or celebrity. Second, for businesses that plan to try a symbolic alliance, they are suggested to pay more attention to the sensory fit, such as typical colors, icons, fonts of brand names, and brand logos, because consumers will value them more than the perceived fit. The design of a red Mickey Mouse T-shirt, involving an identity color of Uniqlo and a popular character of Disney, is an excellent example of sensory fit in a successful symbolic co-branding (Ahn et al., 2020[2]). In addition, for consumer-psychology-related aspects, taking measures to satisfy consumers' needs leads to more attention and purchases. For example, limiting the quantities or time of co-branded products targets the motivation of being uniqueness, and alliance with a generally more popular IP movie or celebrity increases the possibility of being a gift to others.

However, this study also has limitations. First, although it covers the main types of partners in the market, additional partner choices and their differential effects should be further tested. One dimension is along the holidays and festivals. ColourPop had collections of limited versions of Halloween, and Chinese cosmetics brands tend to use elements of places of interest (e.g., Forbidden City). Similarly, the product category used in this paper is relatively narrow (cosmetics). It requires future research focusing on products with high involvement in feeling in other categories (e.g., clothing and luxury, or other products in the cosmetics industry) to verify the generalizability of the conclusions. Furthermore, the partner brands chosen in this research have their own unique characteristics. Finally, to capture the general pattern of effects of different partner types, future

research may need to use more brands in each partner type to confirm the conclusions. Second, the samples may cause limitations in the application of findings. On the one hand, students are a special sample choice and different from other kinds of participants. Previous studies also question how to apply results from student samples to non-student samples (Paydas Turan,2021[62]). On the other hand, it is believed that there exist differences between Western and Eastern cultures. Ahn et al. (2020)[2] mention that Western consumers tend to consider perceived fit and utility more than consumers from Eastern cultures. Therefore, future research should compare the differences between cultures and different groups of participants to check the applicability of the above findings.

Third, a further explanation of the change in consumers' attitudes and willingness to pay is required. The first aspect that should be taken into consideration is the endorsement effect, which is probably mixed with the effect of co-branding itself. It is likely that some of the consumers' positive attitudes or high buying intentions towards a product are purely triggered by their favor of a celebrity or an IP movie, or by their desire of collecting all products related to their favorite celebrity or movies. The other aspect that will potentially influence the effectiveness beyond the above perspective is the packaging design of the symbolic co-branded product. In this research, the six co-branded products were fictitious and therefore were inevitably subject to subjective judgment and aesthetics. Moreover, since the packaging design in this experiment is not as delicate as the one designed by professional designers and marketers, participants' evaluations in this experiment may not truly reflect consumers' reactions in the real market. Especially for symbolic co-branded products with celebrities, the package will be designed by the celebrity himself/herself. That makes the co-branding design more unpredictable. In this case, choosing a real co-branded product probably becomes especially important. It should be recognized that these factors that were beyond the researcher's control (e.g., the matching of colors, the appearance of icons or decorations, the changes of fonts, and the location of brand names and logos) might have differential effects on consumers' attitudes, emo-

tions, evaluations and finally change their purchase decisions. For example, some consumers may prefer heart-shaped patterns, some will never buy eyeshadows palettes with brighter colors, and some do not like products with the brand name placed in the middle. It is an important future research direction to separately identify and measure the effects of symbolic attributes from the pure effect of symbolic co-branding.

APPENDIX A

THE ORIGINAL EYESHADOW PALETTE WITHOUT CO-BRANDING



Figure A.1: The Original Eyeshadow Palette WITHOUT Co-branding

APPENDIX B

STIMULI OF CO-BRANDING EYESHADOW PALETTE



Figure B.1: Stimuli: Low Familiarity for IP Movie



Figure B.2: Stimuli: High Familiarity for IP Movie



Figure B.3: Stimuli: Low Familiarity for Commercial Brand



Figure B.4: Stimuli: High Familiarity for Commercial Brand



Figure B.5: Stimuli: Low Familiarity for Celebrity



Figure B.6: Stimuli: High Familiarity for Celebrity

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