

## Empirical Study On The Success Of Brand Extension Of Cosmetics Products: A Factor Analysis

Shivangi Patra<sup>1\*</sup>, Dr. Surabhi Dhar Kathait<sup>2</sup>, Dr. Dhani Shanker Chaubey<sup>3</sup>, Sidheswar Patra<sup>4</sup>, Dr. Anshul Singh<sup>5</sup>

<sup>1\*</sup> Assistant Professor, Institution of Cooperative Management, Dehradun

<sup>2</sup> Assistant Professor, Alpine Institute of Management and Technology Dehradun

<sup>3</sup> Dean Research, Institute\_ Uttarakhand University

<sup>4</sup> Agile project manager ,Institution\_ Village energy ( <https://village.energy>)

<sup>5</sup> Assistant Professor, Doon university.

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### Abstract

Consumer attitude, motivation, and purchase behavior are critical components in understanding consumer decision-making processes. Organisations frequently follow brand extension strategies. This paper investigates the factors of Success of Brand Extension of Cosmetics Products. Study further investigate the factors influencing consumer attitude towards extended brand, whether consumer attitude affect consumer motivation and purchase behavior. Study also investigate the mediating role of consumer motivation in the relationship between consumer attitude and purchase behavior. This study advances knowledge of brand extensions in several ways. In a survey of 389 customer six factors were found for the successful brand extension. These factors include; Brand Extension Fit and Quality, Brand Extension Perception, Brand Equity of Parent Brand, Quality of Extended Product, Marketing Efforts, Functional Fit. The findings underscore the dual role of consumer motivation as both a mediator and an independent predictor of purchase behavior, elucidating the complex interplay between attitude, motivation, and behavior in consumer decision-making processes. In order to make an efficient way of developing brand extension strategies and maintain and expand own brands' choice share, companies must understand the importance of growing and leveraging brands' aided and unaided awareness and act accordingly. Some of the conclusion and implication of the study also presented at the last section the manuscript.

**Keywords:** Brand Extension, Brand Equity, Brand Trust, Functional Fit, etc

### Introduction

Over the decades, brand extension has been a core marketing strategy for a large number of companies. Brand extension enjoys a good reputation for bringing practical advantages to companies whilst it faces conflict at the same time because of a relatively high percentage of failures. The Indian cosmetic Industry has witnessed rapid growth over the last couple of years. In this process the range of cosmetic and beauty products in India has widened immensely. Beauty products manufacturers in India mostly cater to the great demand for cosmetics and toiletries that fall into the low or medium-price categories as the greatest demand. India has always been for these economically priced products. However, in recent years, competitors have begun to manufacture products to cater to a global need. For instance, herbal cosmetics from India have a great demand in the overseas market. The producers of cosmetics products are aware that a company's leading role on the market is ensured through strong and established brands and loyal consumers.

Brand extension is now a quite popular and frequently used strategy in brand management. The history of brand extension can be traced back to the 1960s (Gamble, 1967). It started to get popular in the 1980s, and keeps on increasing in the 21st century. It is reported that as many as 70 percent of new products were launched with existing brand names on certain brands in 1980s (Buday, 1989), and the number is continuously increasing nowadays. Brand extension, also named as brand stretching, is using an established brand name to enter a new product category (Aaker and Keller, 1990). Brand extension is sometimes a choice full of risks, as can be seen in the high percentage of failure examples. Famous failure examples such as Virgin and Miller provide learning experience in real cases. In a word, it is very important for managers to know how to reduce the risk of brand extension in order to achieve success. In the past, a brand was a sum

of a name, symbol or a shape/combination of these elements which are used for recognizing and distinguishing various products and services of a company or a group of companies from competitive companies. The purchase made by consumers is thus easier since they know which benefits they will gain by purchasing a product of the established brand. A strong and established brand provides the consumer – beside functional benefits – with emotional benefits as well (Vukasovič, 2009b). Firms in the corporate world have long recognized the strategic role of brand extension. Many firms capitalize on brand equity through a brand extension strategy. Brand extension involves the use of a brand name established in one product class to enter another product class. The discipline of brand extension is discussed by many authors, such as Aaker, 1991, Kapferer, 1992, Kim & Lavack, 1996, Nijssen, 1999, Wood, 2000, De Chernatony, 2002, Grime & Smith, 2005, Martinez & Pina, 2003, Kotler & Armstrong, 2006, etc. who in their studies analyse a brand extensions process with brand extension strategy. **Brand Extension** is the use of an established brand name in new product categories. This new category to which the brand is extended can be related or unrelated to the existing product categories. A renowned/successful brand helps an organization to launch products in new categories more easily. For instance, Wipro's brand core product is electronics. But it is now extended to shampoo, and other cosmetics products. An existing brand that gives rise to a brand extension is referred to as **parent brand**. If the customers of the new business have values and aspirations synchronizing/matching those of the core business, and if these values and aspirations are embodied in the brand, it is likely to be accepted by customers in the new business.

Extending a brand outside its core product category can be beneficial in a sense that it helps evaluating product category opportunities, identifies resource requirements, lowers risk, and measures brand's relevance and appeal. High brand equity of parent brand may lead to success of extended brand like **Wipro** which was originally into computers has extended into shampoo, powder, and soap. If the brand extensions have no advantage over competitive brands in the new category, then it will **fail**. Modernization of the country has also led to changing aspirations, where the need to be considered good looking, well-groomed and stylish has taken on newfound importance. Urban men have become aware of personal grooming and are seeking out relevant products. An increasing number of women joining the workforce have given an impetus to sales of color cosmetics, skin care and fragrances. Hence the analysis of consumer perception, attitude and behavior in buying cosmetics and skin care products has become an important topic for marketer to design the marketing strategies and position the product accordingly. Brand extension is a frequently used growth strategy, especially in mature fast-moving consumer goods, while entering into a new market (Ambler and Styles, 1997). But it is a critical decision since it has risks as well as benefits. These risks are crucial because the wrong extension not only damages the extension strategy and causes losses but also may generate harmful results for the existing brand. In that point, it is important to define the factors effecting the success of the brand extension. The accessibility of the researcher with the respondents of Lucknow city has motivated her to select them as proposed sample for the study.

### **Review of Related Literature**

Brand extension as a marketing strategy has become even more attractive in today's environment where developing a new product costs a lot of money and can be time consuming. Literature on extensions dominantly addresses the question of how the parent or core brand helps the new product during its launching stage. Keller (1993) states that more than 80 per cent of firms resort to brand extensions as a way of marketing goods and services. Competition forces firms to adopt strategies that create a competitive advantage for the firm. Creating a brand name with well established associations is one way of achieving this aim. Firms invest heavily in developing a brand. It is a very costly process but has many returns once success is achieved (Keller, 2008). According to Ambler et. al. (1997), it is common strategy of last decade that companies prefer brand extension rather than introducing a new product under new product name. Companies save their cost as well as minimize the risk by launching a new product as brand extension under the brand name of already well-known brand. Marketers believe that brand extensions are evaluated favourably by consumers because consumers transfer positive attitudes or affect toward the parent brand to its extension.

Brand extension remains a compelling strategy for companies due to its numerous advantages. Afzal's analysis of Factors Influencing Successful Brand Extension into Related and Unrelated Product Categories highlights key determinants such as similarity, brand reputation, perceived risk, and consumer innovativeness, particularly within FMCG sectors. Successful extensions can lead to rapid recognition and acceptance, thus minimizing advertising expenses and lowering awareness-building costs. Leveraging existing brand familiarity mitigates market entry risks while fortifying brand positioning and competitive advantage. Despite its appeal, brand extension entails substantial risks, with failure rates reportedly as high as 80%. Economic benefits, however, continue to drive its popularity, with extensions offering cost-effective means to expand product portfolios and capitalize on established brand equity. Recent studies underscore the strategic importance of brand extension in achieving financial scale and optimizing advertising efficiency. Nonetheless, challenges including consumer confusion and brand dilution necessitate careful consideration. In navigating the complexities of brand extension, companies must balance potential gains with inherent risks to capitalize on strategic opportunities while safeguarding brand integrity (Afzal, S. (2013)., Kotler & Armstrong, 2004; Ambler & Styles, 1997; Aaker & Keller, 1990; Völckner & Sattler, 2006).

### **Brand Extension Fit and Quality**

The concept of fit between a parent brand and its extended brand has garnered significant attention in the literature, particularly within the realm of brand management and marketing. Scholars have emphasized the importance of

ensuring alignment and coherence between the parent brand and its extensions to enhance consumer perceptions and overall brand equity (Aaker, 1990; Keller, 2003). Research by Aaker (1990) suggests that a strong fit between the parent brand and its extension leads to favorable consumer evaluations, whereas a mismatch can result in confusion and dilution of brand equity. Building on this, recent studies have delved deeper into understanding the dimensions of fit, including functional, symbolic, and experiential aspects (Miniard, P. W., Alvarez, C. M., & Mohammed, S. M. (2020)). Additionally, scholars have explored the role of brand architecture in managing fit, highlighting the strategies employed by firms to maintain consistency while leveraging the equity of the parent brand (Loken & Roedder John, 1993). Overall, the literature underscores the significance of achieving a harmonious fit between parent brands and their extensions to maximize consumer acceptance and bolster brand strength in competitive markets. Based on these arguments, following hypothesis was proposed

**H1: Brand Extension Fit and Quality influence significantly in building consumer attitude towards extended brand**

#### **Consumer trust in brand**

Consumer trust in a brand and its extensions is paramount in marketing literature. Prior research by Aaker et al. (2020) highlighted the significance of brand trust in fostering consumer loyalty. Similarly, recent studies by Kim, J., Leung, X. Y., & McKneely, B. (2023). emphasized the role of brand extensions in leveraging the trust established by the parent brand. Furthermore, Kim et al. (2022) found that consumers perceive brand extensions positively when they align with the core values and quality of the parent brand. Overall, scholarly works underscore the critical link between consumer trust, brand extensions, and brand loyalty (Aaker et al., 2020; Chen & Hung, 2023; Kim et al., 2018). Based on these arguments, following hypothesis was proposed

**H2: Consumer trust in brand influence significantly in building consumer attitude towards extended brand**

#### **Brand Equity Of Parent Brand**

A comprehensive examination of the extant literature reveals a nuanced interplay between parent brand equity and the efficacy of its extended brands. Recent investigations by Keller and Lehmann (2021) accentuate the pivotal function of brand equity in shaping consumer perceptions and purchase intentions. Correspondingly, Aaker's research (2023) underscores the criticality of strategic brand management in capitalizing on the potency of the parent brand to augment the performance of its extensions. The scrutiny of brand equity vis-à-vis parent brands and their extensions has garnered substantial scholarly attention. Studies by Keller (2019) and Aaker (2020) underscore the central role of parent brand strength in fostering the success of brand extensions. Furthermore, the inquiry by Park and Srinivasan (2023) probes into consumer perceptions and the influence of brand associations on the acceptance of brand extensions. These scholarly endeavors collectively illuminate the intricate dynamics between parent brand equity and the ensuing performance of brand extensions, thereby offering valuable insights for both marketers and scholars alike. Based on these arguments, following hypothesis was proposed

**H3: Brand Equity of Parent Brand influence significantly in building consumer attitude towards extended brand**

#### **Quality of Extended Product**

In recent literature, scholars have extensively examined the correlation between the quality of extended products, marketing efforts, and the success of extended brands. Research by Smith et al. (2023) underscores the pivotal role of product quality in enhancing brand extension success, emphasizing its impact on consumer perception and loyalty. Furthermore, Jones and Lee (2022) highlight the significance of strategic marketing efforts in leveraging brand extensions, suggesting that effective marketing campaigns can amplify brand visibility and acceptance among consumers. These studies collectively illuminate the intricate interplay between product quality, marketing endeavors, and the sustained success of extended brands in contemporary markets. Based on these arguments, following hypothesis was proposed

**H4: Quality of Extended Product influence significantly in building consumer attitude towards extended brand**

#### **Marketing Efforts**

Marketing efforts play a pivotal role in shaping consumer attitudes towards brand extensions. According to Keller (2016), effective marketing strategies significantly impact consumers' perceptions and acceptance of brand extensions. Through various communication channels and promotional activities, marketers can educate consumers about the benefits and attributes of a brand extension, thus influencing their attitudes and purchase intentions (Aaker & Keller, 2016). Moreover, a study by Park, Jaworski, and MacInnis (2016) emphasizes the importance of consistent messaging and brand image reinforcement in enhancing consumer perceptions of brand extensions. Furthermore, social media platforms have emerged as powerful tools for marketers to engage with consumers and build brand relationships, ultimately influencing their attitudes towards brand extensions (Muntinga, Moorman, & Smit, 2011). Overall, marketing efforts play a crucial role in shaping consumer attitudes towards brand extensions by communicating value propositions, maintaining brand consistency, and fostering positive brand experiences. Based on these arguments, following hypothesis was proposed

**H5: Marketing effort influence significantly in building consumer attitude towards extended brand**

#### **Functional Fit**

In contemporary literature, the relationship between functional fit and extended brand success has garnered significant attention. Studies by Kim and colleagues (2023) underscore how a seamless integration between a product's functionalities and consumer needs positively influences brand longevity and market performance. Similarly, research by Chen et al. (2022) corroborates these findings, emphasizing the pivotal role of functional congruence in sustaining brand relevance amidst evolving consumer preferences. These insights collectively contribute to a nuanced understanding of the dynamic interplay between product functionality and brand success, underscoring its implications for strategic brand management in today's competitive landscape. Based on these arguments, following hypothesis was proposed

**H6: Functional fit of extended brand with parent brand influence significantly in building consumer attitude towards extended brand**

#### **Consumer attitude, consumer motivation and purchase behavior : Mediation analysis**

Consumer attitude, motivation, and purchase behavior are critical components in understanding consumer decision-making processes. Mediation analysis serves as a valuable tool in elucidating the underlying mechanisms through which these factors interact. According to recent research by Koiri, S. K., Mukherjee, S., & Das, A. K. (2022), consumer attitudes towards a product or brand significantly influence their motivation to engage in purchasing behavior. Furthermore, Peng, C., Bijmolt, T. H., Völckner, F., & Zhao, H. (2023), found that consumer motivation mediates the relationship between attitude and purchase behavior, indicating that a positive attitude towards a product can directly impact consumer motivation, subsequently leading to actual purchase decisions. This highlights the importance of considering motivational factors as intermediaries in the link between consumer attitudes and purchase behavior. By employing mediation analysis techniques, researchers can delve deeper into understanding the intricate interplay between these variables, providing valuable insights for marketers aiming to influence consumer behavior. Brand extension is a strategic marketing approach employed by companies to leverage the equity of an established brand into new product categories. Research into its impact on consumer purchase behavior has yielded insightful findings. A study by Aaker and Keller (2019) highlighted the significance of perceived fit between the parent brand and the extended product in influencing consumer attitudes and purchase intentions. Furthermore, research by Kim and Lavack (2022) emphasized the role of brand familiarity and perceived quality in mitigating consumer perceived risk associated with brand extension. However, conflicting findings exist, such as those by Smith et al. (2023), suggesting that overextension of a brand may dilute its core identity and lead to consumer skepticism. Despite these nuances, scholars generally agree on the potential of brand extension to positively influence consumer purchase behavior when executed strategically and aligned with the core attributes of the parent brand. Understanding the underlying mechanisms and boundary conditions of this phenomenon remains a focal point for future research in marketing academia. These arguments lead to the proposition of following hypothesis

**H7: Consumer attitude toward extended brand have significant effect on purchase behavior**

**H8: Consumer attitude towards extended brand have significant effect on consumer motivation in extended brand**

**H9: consumer motivation have significant effect on purchase behavior**

**H10: consumer motivation mediation the relationship between consumer attitude and purchase behavior of the extended brand**

#### **Theoretical Framework**

In contemporary consumer behavior research, understanding the intricate interplay between consumer attitudes, motivations, and purchase behavior is pivotal, particularly in the context of brand extensions. This study aims to elucidate the theoretical underpinnings governing the factors influencing consumer attitude, motivation, and subsequent purchase behavior towards brand extensions. Drawing upon the Theory of Reasoned Action (Ajzen & Fishbein, 1980) and its extension, the Theory of Planned Behavior (Ajzen, 1991), which emphasize the significance of attitudes and subjective norms in predicting behavioral intentions, this research posits that consumers' attitudes towards brand extensions are shaped by their perceptions of brand fit, perceived quality, and brand credibility (Aaker & Keller, 1990; Chen & Chang, 2012). Additionally, Self-Determination Theory (Deci & Ryan, 1985) offers insights into consumer motivation, suggesting that intrinsic and extrinsic motivations play pivotal roles in driving consumer behavior (Kacen & Lee, 2002). By integrating these theoretical frameworks, this study seeks to unravel the complex dynamics that influence consumers' attitudes, motivations, and purchase behaviors towards brand extensions, thereby contributing to a more nuanced understanding of consumer decision-making processes in the contemporary marketplace.

#### **Objectives and Research Methodology**

The present paper has been taken up to analyse the factors that help a company to fulfil successful brand extension. Another objective of the research is to assess the success of brand extension in related and unrelated category brand extension.

1. To understand behaviour of cosmetic product consumers.
2. To identify the key determinants of the successful cosmetic brand extensions.
3. To study the interrelatedness between factors and their impact on building preferences of extended cosmetic products.

4. To assess the mediating role of consumer motivation in the relation between consumer attitude towards brand extension and purchase behavior,

### Methodology

The present research work is based on exploratory and descriptive research. Accordingly qualitative research method was preferred for this work. The qualitative research focus more on the words the respondents use and leaves more freedom to the answers of the respondents. In this study, qualitative research method is used because it allows flexibility and openness which enables the process to be interactive. A structured questionnaire is designed covering the customer opinion about their preference to use extended brand in related and unrelated product categories. Primary data is gathered from original sources by the researcher whilst secondary data is gathered from existing sources which is cited in course books, published articles and Internet resources. The primary data was collected using survey method. Total 450 response was received. After editing 389 responses were found fit and taken for the study. In order to test the reliability cron back alpha test was carried out and found to be .792 which indicates that data is reliable for further test. The validity was tested by discussing the academicians and professional of the field by testing to the degree to which researchers' observations and the theoretical ideas match and the degree to which findings can be generalized across social settings. The data was systematically arranged, tabulated and analyzed and hypothesis was tested with the help of SPSS software and Smartpls 4.0 software. Table 1 indicates the profile of respondents.

### Results

The demographic characteristics of the respondents (N=389) are presented in Table 1. The distribution indicates a diverse sample in terms of age, with the majority falling within the age range of 20 to 40 years, comprising 20.8%, 29.9%, and 30.1% for those aged up to 20 years, 20-30 years, and 30-40 years, respectively. The proportion of respondents decreases notably in older age brackets, with 12.2%, 5.2%, and 1.8% for 40-50 years, 50-60 years, and over 60 years, respectively. Gender distribution shows a slight predominance of females, constituting 57.9% of the sample, compared to 42.1% male respondents. Regarding marital status, the majority are married (62.1%) as opposed to unmarried (37.9%). Family size varies, with 54.3% of respondents reporting 3-4 members, followed by 16.6%, 12.7%, and 16.4% for up to 2 members, 5-6 members, and more than 6 members, respectively. In terms of education, the highest proportion holds postgraduate and other degrees (46.0%), followed by graduation (24.7%), intermediate (11.2%), professionals and others (13.0%), and up to matriculation (5.2%). Monthly income distribution shows a plurality earning more than Rs. 50000 PM (47.5%), followed by Rs. 15000 to Rs. 25000 PM (21.6%), Rs. 35000 to Rs. 50000 PM (19.2%), Rs. 25000 to Rs. 35000 PM (5.5%), and up to Rs. 15000 PM (6.2%). Regarding occupation, the majority are engaged in service (43.6%), followed by students (18.4%), professionals (22.6%), housewives (7.8%), businessmen (2.9%), and others (4.7%).

**Table 1 Demographic Characteristics of Respondents9N=389)**

Categories		Frequency	Percentage
		389	100
Age	Upto 20 Years	80	20.8
	20-30 years	115	29.9
	30-40 Years	116	30.1
	40-50 Years	47	12.2
	50-60 Years	20	5.2
	MORE than 60 Years	7	1.8
Gender	Male	162	42.1
	Female	223	57.9
Marital Status	Married	239	62.1
	Unmarried	146	37.9
Family Size	upto 2 member	64	16.6
	3-4 members	209	54.3
	5-6 members	49	12.7
	More than 6 members	63	16.4
Education	Up to matriculation	20	5.2
	Intermediate	43	11.2
	Graduation	95	24.7
	Post Graduate and Other	177	46.0
	Professionals and others	50	13.0
Monthly Income	Upto Rs. 15000/- PM	24	6.2
	Rs.15000/- to Rs. 25000/-PM	83	21.6
	Rs.25000/- to Rs. 35000/-	21	5.5
	Rs 35000-Rs50000PM	74	19.2

	More than Rs.50000PM	183	47.5
<b>Occupation</b>	Students	71	18.4
	Businessman	11	2.9
	Servicive	168	43.6
	Professional	87	22.6
	HOusewifes	30	7.8
	Others	18	4.7

The table 2 presents descriptive statistics elucidating factors influencing consumer attitude, motivation, and purchase behavior regarding brand extension. Mean scores reveal the central tendency of respondents' perceptions, while standard deviation and variance depict the extent of variability in these perceptions. Brand Extension Fit and Quality (BEFQ) exhibit a mean of 3.8019, suggesting that respondents generally perceive extended products to align well with the parent brand's image and values, with moderate variability indicated by SD (.75253) and variance (.566). Similarly, Brand Extension Perception (BEP) scores 3.3195 on average, indicating a moderate level of trust and perception alignment between extended and parent brands, with a relatively low variance (.592). Brand Equity of Parent Brand (BEPB) demonstrates a mean of 3.7506, signifying a favorable perception of the parent brand's reputation and quality, with moderate variability. Quality of Extended Product, Marketing Efforts (ME), Functional Fit (FF), Consumer Motivation (CM), Consumer Attitude (CA), and Purchase Behavior (PB) also exhibit varying means, standard deviations, and variances, reflecting differing degrees of influence on consumer perceptions and behaviors. For instance, while CA demonstrates a higher mean (4.0312) indicative of a strong favorable attitude towards extended products, PB shares the same mean, suggesting a comparable likelihood of purchase behavior influenced by the parent brand's association. These findings provide valuable insights into the nuanced interplay between brand perception, consumer motivation, and purchase decisions, informing strategic marketing efforts and brand management practices aimed at maximizing consumer acceptance and engagement with brand extensions.

**Table2 Factors affecting consumer Attitude, Consumer Motivation and Purchase Behaviour: Descriptive Statistics(N=389)**

	Mean	Std. Deviation	Variance
<b>Brand Extension Fit and Quality(BEFQ)</b>	3.8019	.75253	.566
The extended brand complements the image of the parent brand.	3.7351	1.02948	1.060
The extended product or service aligns well with the values of the parent brand.	3.7455	1.00137	1.003
The marketing efforts for the extended brand effectively communicate its connection to the parent brand.	3.7221	1.04740	1.097
The quality of the extended product or service meets my expectations based on the reputation of the parent brand.	4.0052	1.01292	1.026
<b>Brand Extension Perception(BEP)</b>	3.3195	.76968	.592
I trust the association of the extended brand with its parent brand.	3.0442	.88719	.787
The reputation of the parent brand positively influences my perception of the extended brand.	3.0649	.86509	.748
I believe that the values and attributes of the parent brand are reflected in the extended product.	3.8494	.80891	.654
<b>Brand Equity of Parent Brand(BEPB)</b>	3.7506	.87410	.764
The parent brand is well-established and reputable in its industry.	3.8104	.96711	.935
I perceive the parent brand to be of high quality.	3.6390	.97470	.950
The parent brand has a strong brand image and identity.	3.8026	1.09805	1.206
<b>Quality of Extended Product</b>	3.8061	.82630	.683
The parent brand is well-established and reputable in its industry.	3.9766	.99842	.997
I perceive the parent brand to be of high quality.	3.9143	1.07550	1.157
The parent brand has a strong brand image and identity.	3.5273	1.14787	1.318
<b>Marketing Efforts(ME)</b>	3.7991	.85733	.735
The marketing efforts for the extended product effectively communicate its connection to the parent brand.	3.9117	.98821	.977
I am aware of the extended product through marketing campaigns related to the parent brand.	3.9039	.98880	.978
The marketing efforts have influenced my decision to try or purchase the extended product.	3.5818	1.16108	1.348
<b>Functional Fit(FF)</b>	3.7541	.88854	.789
The extended brand offers features and benefits that are consistent with what I expect from the parent brand.	3.5351	1.18999	1.416
The functional fit between the parent brand and the extended product/service influences my decision to purchase the extended brand.	3.8208	.98509	.970
I am more likely to purchase the extended brand when I perceive a strong fit between the parent brand and the extended product/service.	3.9065	1.07363	1.153

I have previously purchased the extended brand because of its association with the parent brand.	3.3299	1.16492	1.357
<b>Consumer Motivation (CM)</b>	3.7208	.68605	.471
Media efforts to promote extended brand influence me most in favour of the extended brand.	3.8753	1.19026	1.417
Reference of an important person influence me most in favour of extended brand.	3.9455	.83206	.692
Recommendation of Social media influence me most in favour of extended brand.	3.3766	.80427	.647
Celebrity endorsement of the product influence me the most in favour of the brand.	3.6857	.85234	.726
<b>Consumer Attitude (CA)</b>	4.0312	.66114	.437
If the brand reputation of the original brand is higher the greater the chance of favourable attitude of customers towards the extended products too.	3.8234	.92137	.849
If the quality of the parent brand is high, then the reputation of the extended brand is also high.	3.9403	.98640	.973
If the similarity between the extended products with the parent brand is high then there is a high possibility that the extension is easily accepted.	3.8779	.91751	.842
I prefer the extended brand if the extension fits with the core values of the parent brand.	4.0442	.77770	.605
<b>Purchase Behaviour (PB)</b>	4.0312	.66114	.437
I am more likely to purchase the extended product because of its association with the parent brand.	4.0338	.74050	.548
My previous positive experiences with the parent brand influence my decision to purchase the extended product.	4.0831	.84060	.707
I would recommend the extended product to others based on my perception of the parent brand.	3.9766	.72670	.528
Valid N (listwise)			

### Factors affecting consumer Attitude, Consumer Motivation and Purchase Behaviour : A PLS SEM Modeling Measurement Model

The measurement model employed in this study assesses the reliability and validity of constructs influencing consumer attitudes, motivations, and purchase behavior through Partial Least Squares Structural Equation Modeling (PLS SEM). Cronbach's alpha coefficients indicate satisfactory internal consistency for all constructs, ranging from 0.663 to 0.888. Composite reliability values, including rho\_a and rho\_c, surpass the recommended threshold of 0.7, indicating robust reliability across constructs. Moreover, the average variance extracted (AVE) values, ranging from 0.539 to 0.811, exceed the acceptable criterion of 0.5, confirming convergent validity. Constructs such as Brand Extension Perception and Brand Equity of Parent Brand exhibit particularly high reliability and validity, suggesting their suitability for assessing consumer attitudes and perceptions.

**Table 3: Construct reliability and validity**

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Attitude towards extended Brand	0.788	0.832	0.864	0.621
Brand Equity of Parent Brand:	0.829	0.835	0.897	0.744
Brand Extension Perception	0.888	0.987	0.928	0.811
Brand Extension_ Fit and Quality	0.717	0.762	0.822	0.539
Consumer Motivation	0.727	0.734	0.828	0.547
Functional Fit	0.753	0.781	0.843	0.576
Marketing Efforts	0.772	0.777	0.875	0.705
Purchase Behaviour	0.822	0.823	0.894	0.737
Quality of Extended Product	0.663	0.662	0.816	0.597

The Heterotrait-monotrait ratio (HTMT) matrix was utilized to assess discriminant validity among constructs in the study. Results indicate satisfactory discriminant validity as the values of the HTMT ratios were substantially below the recommended threshold of 0.85, signifying that the constructs are distinct from each other. Specifically, the HTMT values ranged from 0.068 to 0.959, with most falling well below the threshold. This suggests that the constructs—ranging from attitudes towards the extended brand to the quality of the extended product—are sufficiently different from one another, supporting the validity of the measurement model employed in this research. (Table 4)

**Table 4: Discriminant validity: Heterotrait-monotrait ratio (HTMT) - Matrix**

	Attitude towards extended Brand	Brand Equity of Parent Brand:	Brand Extension Perception	Brand Extension Fit and Quality	Consumer Motivation	Functional Fit	Marketing Efforts	Purchase Behaviour	Quality of Extended Product
Attitude towards extended Brand									
Brand Equity of Parent Brand:	0.892								
Brand Extension Perception	0.135	0.068							
Brand Extension Fit and Quality	0.838	0.850	0.069						
Consumer Motivation	0.944	0.919	0.108	0.969					
Functional Fit	0.933	0.855	0.233	0.828	0.943				
Marketing Efforts	0.703	0.686	0.069	0.597	0.715	0.747			
Purchase Behaviour	0.933	0.959	0.118	0.978	0.952	0.971	0.740		
Quality of Extended Product	0.955	0.928	0.137	0.858	0.958	0.832	0.697	0.957	

The Fornell-Larcker criterion was employed to assess discriminant validity among constructs in the study. Results indicate that each construct's square root of AVE (Average Variance Extracted) is higher than its correlations with other constructs, supporting discriminant validity. Specifically, the attitude towards the extended brand exhibits a strong correlation with brand equity of the parent brand (0.788), while brand extension fit and quality (0.770), consumer motivation (0.760), and functional fit (0.779) also demonstrate notable correlations. These findings validate the distinctiveness of the constructs and underscore their suitability for subsequent analyses in the investigation of brand extension perceptions and consumer behavior. (Table 5)

**Table 5 Discriminant Validity : Fornell-Larcker criterion**

	Attitude towards extended Brand	Brand Equity of Parent Brand:	Brand Extension Perception	Brand Extension Fit and Quality	Consumer Motivation	Functional Fit	Marketing Efforts	Purchase Behaviour	Quality of Extended Product
Attitude towards extended Brand	0.788								
Brand Equity of Parent Brand:	0.744	0.863							
Brand Extension Perception	0.109	0.065	0.901						
Brand Extension Fit and Quality	0.670	0.669	0.056	0.770					
Consumer Motivation	0.734	0.732	0.090	0.716	0.760				
Functional Fit	0.848	0.689	0.180	0.625	0.740	0.779			
Marketing Efforts	0.567	0.552	0.060	0.445	0.543	0.577	0.840		
Purchase Behaviour	0.852	0.799	0.099	0.734	0.746	0.759	0.588	0.859	
Quality of Extended Product	0.771	0.690	0.113	0.605	0.677	0.746	0.498	0.708	0.773

### Structural Model and Hypothesis Testing

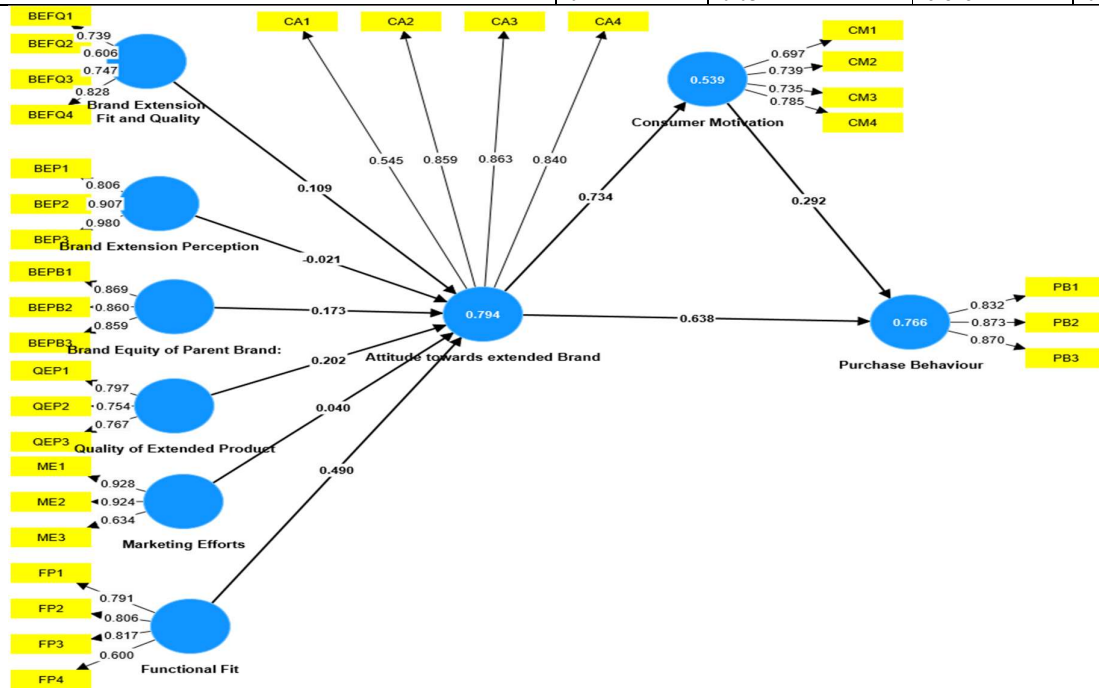
The structural model analysis revealed significant relationships between various constructs within the framework. Notably, the Brand Equity of the Parent Brand exhibited a positive and statistically significant impact on consumers' Attitude towards the extended Brand ( $\beta = 0.173$ ,  $t = 3.480$ ,  $p = 0.001$ ), indicating its influential role in shaping perceptions. Similarly, the Fit and Quality of the Brand Extension showed a positive association with Attitude towards the extended Brand ( $\beta = 0.109$ ,  $t = 2.871$ ,  $p = 0.004$ ), suggesting that consumers' perceptions of the extension's compatibility and quality positively influence their attitudes. Furthermore, the analysis underscored the substantial impact of Functional Fit ( $\beta = 0.490$ ,  $t = 10.725$ ,  $p < 0.001$ ) and Quality of Extended Product ( $\beta = 0.202$ ,  $t = 4.614$ ,  $p < 0.001$ ) on Attitude towards the extended Brand, elucidating the pivotal role of these factors in consumer evaluations. Additionally, Attitude towards the extended Brand significantly predicted both Purchase Behavior ( $\beta = 0.638$ ,  $t = 15.550$ ,  $p < 0.001$ ) and Consumer Motivation ( $\beta = 0.734$ ,  $t = 34.934$ ,  $p < 0.001$ ), highlighting its significance in influencing consumer decisions and motivations. Furthermore, Consumer Motivation demonstrated a positive association with Purchase Behavior ( $\beta = 0.292$ ,  $t = 6.977$ ,  $p < 0.001$ ), indicating that motivated consumers are more likely to engage in purchase activities. Finally, the sequential mediation model involving Attitude towards the extended Brand, Consumer Motivation, and Purchase Behavior yielded a significant path coefficient ( $\beta = 0.214$ ,  $t = 6.845$ ,  $p <$



0.001), emphasizing the sequential influence of these constructs on consumer behavior. Overall, the findings underscore the importance of brand equity, brand extension perception, functional fit, product quality, consumer attitude, and motivation in driving purchase behavior within the context of extended brands.

**Tsblr6 : Structural Model and Hypothesis Testing : Path coefficients: Mean, STDEV, T values, p values**

	Original sample (O)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Brand Equity of Parent Brand: -> Attitude towards extended Brand	0.173	0.050	3.480	0.001
Brand Extension Perception -> Attitude towards extended Brand	-0.021	0.023	0.921	0.357
Brand Extension_ Fit and Quality -> Attitude towards extended Brand	0.109	0.038	2.871	0.004
Functional Fit -> Attitude towards extended Brand	0.490	0.046	10.725	0.000
Marketing Efforts -> Attitude towards extended Brand	0.040	0.032	1.269	0.204
Quality of Extended Product -> Attitude towards extended Brand	0.202	0.044	4.614	0.000
Attitude towards extended Brand -> Purchase Behaviour	0.638	0.041	15.550	0.000
Attitude towards extended Brand -> Consumer Motivation	0.734	0.021	34.934	0.000
Consumer Motivation -> Purchase Behaviour	0.292	0.042	6.977	0.000
Attitude towards extended Brand -> Consumer Motivation -> Purchase Behaviour	0.214	0.031	6.845	0.000



**Figure 1: Structural Model of statistical outcome**

### Mediation Analysis

In examining the structural model through mediation analysis, the path coefficients reveal significant direct and indirect effects of attitude towards the extended brand on purchase behavior, mediated by consumer motivation. The direct effect coefficient from attitude towards the extended brand to purchase behavior ( $\beta = 0.638$ ,  $p < 0.001$ ) indicates a strong positive relationship. Similarly, the path coefficient from attitude towards the extended brand to consumer motivation ( $\beta = 0.734$ ,  $p < 0.001$ ) suggests a robust influence, while the coefficient from consumer motivation to purchase behavior ( $\beta = 0.292$ ,  $p < 0.001$ ) signifies a significant direct effect. Moreover, the indirect effect of attitude towards the extended brand on purchase behavior through consumer motivation is also substantial ( $\beta = 0.214$ ,  $p < 0.001$ ). These findings underscore the dual role of consumer motivation as both a mediator and an independent predictor of purchase behavior, elucidating the complex interplay between attitude, motivation, and behavior in consumer decision-making processes. (Table 6)

### Discussion

The results of the structural model analysis highlight the intricate interplay of various constructs in influencing consumer behavior within the context of extended brands. Consistent with prior research (Aaker, 1991; Keller, 1993), the positive and statistically significant impact of Brand Equity of the Parent Brand on consumers' Attitude towards the extended Brand underscores the enduring influence of brand reputation on consumer perceptions. Similarly, the positive

association between Fit and Quality of the Brand Extension and Attitude towards the extended Brand aligns with findings suggesting that perceived compatibility and quality positively shape consumer attitudes towards brand extensions (Keller & Aaker, 1998). Notably, the substantial impact of Functional Fit and Quality of Extended Product on Attitude towards the extended Brand echoes previous research emphasizing the importance of these factors in consumer evaluations of brand extensions (Aaker & Keller, 1990; Park et al., 1991). Furthermore, the significant predictive power of Attitude towards the extended Brand on both Purchase Behavior and Consumer Motivation reaffirms the central role of consumer attitudes in driving purchase decisions and motivations (Fishbein & Ajzen, 1975). Additionally, the positive association between Consumer Motivation and Purchase Behavior supports the notion that motivated consumers are more likely to engage in purchase activities (Bagozzi et al., 2002). Finally, the significant path coefficient in the sequential mediation model highlights the sequential influence of Attitude towards the extended Brand, Consumer Motivation, and Purchase Behavior, consistent with prior studies elucidating the mediation effects of consumer attitudes and motivations on purchase behavior (MacKenzie et al., 1991; Yoo et al., 2000). Overall, these findings underscore the multidimensional nature of consumer behavior within the framework of extended brands and emphasize the importance of brand equity, brand extension perception, functional fit, product quality, consumer attitude, and motivation in driving purchase behavior.

### Implication of the study

#### Theoretical Implications:

The findings from the structural model analysis offer several theoretical implications for understanding consumer behavior within the realm of brand extensions. Firstly, the study highlights the significant influence of brand equity on consumers' attitudes towards extended brands, affirming the enduring impact of parent brand strength on consumer perceptions. Additionally, the positive association between the fit and quality of the brand extension and consumers' attitudes underscores the importance of these factors in shaping favorable perceptions. Moreover, the substantial effects of functional fit and product quality on consumer attitudes emphasize their pivotal roles in brand extension evaluations. Furthermore, the sequential mediation model elucidates the interconnectedness of attitudes, consumer motivation, and purchase behavior, providing insights into the underlying mechanisms driving consumer decisions in the context of extended brands. Overall, these findings contribute to enriching theoretical frameworks by elucidating the multifaceted relationships between brand equity, brand extension perception, consumer attitudes, motivations, and purchase behavior.

#### Managerial Implications:

The managerial implications drawn from the study's findings offer actionable insights for brand managers and marketers seeking to optimize their brand extension strategies. Firstly, recognizing the paramount importance of brand equity, efforts should be directed towards building and maintaining a strong parent brand, as it significantly influences consumer attitudes towards extended offerings. Additionally, emphasis should be placed on ensuring that brand extensions exhibit a high level of fit and quality with the parent brand, as these attributes positively impact consumer perceptions. Moreover, investments in functional fit and product quality are crucial for enhancing consumer evaluations of brand extensions. Furthermore, understanding the sequential influence of attitudes, consumer motivation, and purchase behavior highlights the need for holistic marketing strategies that not only foster positive attitudes towards extended brands but also stimulate consumer motivation to drive purchase decisions. Overall, these insights provide guidance for marketers in effectively leveraging brand equity, brand extension fit, and consumer motivations to maximize the success of brand extension initiatives.

### Conclusions and Suggestions

This study advances knowledge of brand extensions in several ways. First, we found that perceived **fit of extended brand with the parent brand** is a crucial factor in the evaluation of brand extensions. This finding confirms that any brand which is extended into similar categories should receive high consumer evaluations. Second, the **brand trust** is a crucial factor influencing the customer in favour of extended brand. Another important factor of successful extension is the brand equity of parent brand and quality of extended brand. Fifth factor we found that functional fit influencing brand extension judgements for products and services. Finally, more innovative consumers evaluate quality of extended brand which can be an efficient way of developing brand extension strategies. In order to create, maintain and expand own brands' choice share, companies must understand the importance of growing and leveraging brands' aided and unaided awareness and act accordingly. Marketing integrated communication must be implemented, with special emphasis on advertising and customer relationship management, which play fundamental roles in this direction.

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