

**The Brand Dilution Effect in Brand Networks:
The Effectiveness of Multiple Endorsers Who Endorse Multiple Brands**

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Introduction

After Nike Golf announced its shut down from the golf equipment industry in 2016, a number of players, including Tiger Woods and Rory McIlroy, were free to negotiate equipment deals with other golf equipment companies. Woods and McIlroy signed an equipment deal with TaylorMade Golf, while maintaining a deal with Nike for apparel and shoes. Until Nike's announcement that it would not be producing golf equipment, each athlete endorser had a single deal with a single particular equipment brand, indicating the athlete endorser used the endorsed brand's apparel, shoes, and golf equipment—including clubs, balls, and bags. Now, however, multiple athlete endorsers endorse multiple golf brands (for example, Jason Day endorses TaylorMade Golf equipment while endorsing Nike apparel) in a particular golf company's advertising. Are such deals in which an athlete endorses one brand while also endorsing competitor brands effective for the brand? And do such multiple endorsements, where the focal brand and competitor brands are both visible in an advertisement (such as TaylorMade's 'Team TaylorMade with a Twist' advertisement), confuse consumers?

Thus, we conducted the current study (1) to examine whether multiple-endorser endorsements dilute the overall brand evaluation in the case of introducing endorsers who already have a strong pre-existing brand association with a competitor brand (i.e., Dominance and Directionality) and (2) to discover the underlying mechanism of consumers' brand confusion in relation to Dominance and Directionality of associations and overall brand evaluation.

Theoretical Background

Many of the investigations into forming or changing consumers' overall evaluations have relied on a model of human memory known as a cognitive associational network (Collins & Loftus, 1975). We conceptualize the representation of brand network information consisting of a set of linked brand nodes. Aaker and Sood (2003) and Andersons (1983) proposed the "fan" effect, a spreading activation model (see also Kahana, 2002) in a brand network, which explained why some brands are more salient or dominant in a network and have more links emanating from them than others (i.e., Dominance). At the same time, the linkages between cognitive nodes may not be symmetric in strength because "the direction processed more frequently develops stronger relations" (Barsalou & Sewell, 1985, p. 650) (i.e., Directionality). Marketing scholars who allude to directionality suggest that neglecting the directionality of brand associations can lead to erroneous predictions about consumers' brand-related behavior (Herr et al., 1996). For example, preexisting brand nodes that already have a strong association with 'Jason Day = TaylorMade Guy' or 'Tiger Woods = Nike Guy,' would influence the brand-dilution effect. Thus, we expect this asymmetry in associations of dominance and directionality to lead to an asymmetric dilution effect on the focal brand (Champman & Aylesworth, 1999; Fiske & Neuberg, 1990; Biernat & Vescio, 1993). Accordingly, **H1**. The magnitude of dilution effect will differ in relation to a. Dominance and b. Directionality of Associations.

When consumers are exposed to multiple brands and multiple endorsers through advertisements and when the brands in the advertisements seem to have similar attributes, they more likely to get confuse the brands (i.e., brand confusion). The examination of role of brand confusion is essential in branding and brand-image processes, as well as consumer's choice process, because brand confusion is one of the key factors that influence consumers' frustration and uncertainty on choice (Malhotra, Jain, & Lagakos, 1982; Walsh & Mitchell, 2010), negative overall brand evaluation (Sato, Ko, Chang, & Kay, 2018; Schwartz et al., 2002), and consumer behavior (Greenleaf & Lehmann; White & Hoffrage, 2009). With respect to propositional reasoning on the literature of brand confusion in consumer's decision-making processes and brand extension, this study examined brand confusion as a mediator. That is, one of the main factors of consumers' brand confusion is derived from the asymmetric dominance and directional associations.

Depending on the existence of dominance and directionality of associations between focal and competitor brands, consumers' brand confusion is affected, which affects consumers' evaluation of brands. Consequently, **H2**. Brand confusion has a mediating effect on the relationship between brand associations and overall brand evaluation.

Method

Due to the nature of the current study, golf consumers who are aware of the research object endorsement and have a certain level of elaboration on the sport, golf, were recruited (Male: 71.1%; Caucasian: 74%; Handicap: 11-20: 37.5%). To measure the Dominance and Directionality of associations, we asked respondents to indicate the strongest association between athlete endorsers and golf brand and, reversely, golf brand and athlete endorsers. Loftus (1973), Ashcraft (1978) and Farquhar and Herr (1992) measured the strength of association by the frequency with which the item was evoked, and brands with frequencies higher than 50% possess a high dominance. The highest evoked value was used as reference point and the data were transformed as percentages relative to it and coded. Overall brand evaluation was measured by three seven-point semantic differential scales (Karwoski & Odbert 1938; Osgood et al. 1957) with polar adjectives (i.e., Dislike – Like; Negative – Positive; Unfavorable – favorable). Brand confusion was assessed by asking participants to identify the brand for the focal brand advertisement (Poiesz & Verhallen, 1989; Simonson, 1994) and responses were coded for brand confusion (0, 1) whose responses were erroneously identified (1) and correctly identified (0). Data was analyzed by Factorial Logistic Regression with IBM SPSS version 23 and mediating effect analysis with Mplus 6.

Results

The results indicated that a brand-dilution effect existed in relation to a. Dominance ($\beta = -1.78^*$, $SE = .50$, $p < .05$, 95% C. I. [.05, .40]) and b. Directionality ($\beta = -1.97^*$, $SE = .40$, $p < .05$, 95% C. I. [.06, .31]) of associations. The overall brand evaluation was negatively influenced if dominant association and asymmetric directional strength of association exists among focal and athlete endorsers. In addition, brand confusion ($\beta = .82^*$, $SE = .03$, $p < .05$) had a mediating effect on the relationship between Dominance ($\beta = .15^*$, $SE = .08$, $p < .05$) and Directionality ($\beta = .15^*$, $SE = .05$, $p < .05$) of associations and overall brand evaluation.

Discussion and Implications

The study provides clarification of (a) the asymmetric dominance and directionality of associations that negatively affect consumers' brand evaluations, which indicate a brand-dilution effect occurs when introducing new endorsers who already have a strong association with competitor brands. In addition, it also provides evidence that (b) brand confusion as a mediator explains the underlying mechanism of the relationship between dominance and directionality of associations on consumers' brand evaluations in the context of multiple endorsers in multiple brand networks.