

# **ASSESSING BRAND FIT USING CONJOINT ANALYSIS**

by

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# DECLARATION

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By submitting this thesis, I declare that the entirety of the work contained therein is my own, original work, that I am the owner of the copyright thereof (unless to the extent explicitly otherwise stated) and that I have not previously submitted it for obtaining any qualification.

Signature: S. Bucker

Date: 25 February 2010

# EXECUTIVE SUMMARY

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Many studies have been conducted on the occurrence of brand image transfer, but very few of them have focused on one of the most important determinants of such transfer namely, brand fit. Brand image transfer is the transfer of brand associations, attributed to another entity, to the brand, while brand fit has been defined as a consumer learning process that seeks to match those brand associations held of the relevant brands involved. This study proposes to assess brand fit.

Since a variety of brands were involved in this study, conjoint analysis was used as a method of assessing brand fit. In particular, choice-based conjoint analysis was singled out because of its capability to allow the relative advantage of brands considered jointly to be ascertained. Brands might not be able to be measured if taken one at a time. Both qualitative and quantitative research methods were employed in order to assess brand fit using conjoint analysis, which was the main reason for this study.

Rugby sponsorships were chosen to assess brand fit, as this particular game is the second most-watched sport in South Africa, with the highest monetary value attached to its sponsorships at the time of this study. The qualitative research was accomplished by using focus groups to determine which brands were

typically perceived to be associated with the Springbok rugby brand. The different industries and brands used in the focus groups were selected on the grounds of their being current, previous, and potential sponsors of the Springbok rugby brand. The quantitative research was conducted by means of an online questionnaire, sent via a link in an email to a chosen database on the social networking site, 'Facebook'. A screening question served to ensure that only rugby supporters would be eligible to complete the survey. The information was captured in 'real time' in the conjoint analysis software, thereby determining which brands were perceived to best fit the Springbok rugby brand.

The realised sample was composed of a younger, more male-dominated group. All respondents were also Springbok supporters who possessed sufficient knowledge on the Springbok brand and sponsors. There were six brands identified to fit the Springbok rugby brand, namely, Castle, Vodacom, SASOL, Canterbury, Nike, and Adidas. These identified brands proved that the study did indeed assess brand fit using conjoint analysis.

Conclusions were drawn that brand fit could be established in a variety of ways. The most dominant ways were by leveraging the sponsorship, and also by sponsoring on a continuing basis. These two ways serve to inform consumers of the sponsorship, making them aware of the brands, and building the basis of brand fit in their minds. Brand fit was also achieved based on similar brand images of the two different brands.

It was found that brand fit was absolutely essential for a successful brand image transfer. Before undertaking a sponsorship, it is important to establish if a perceived brand fit between the various brands will be perceived. If not, additional leveraging of the sponsorship, by means of a marketing campaign, should be used to teach consumers the basis of the brand fit between the various brands.

# UITVOERENDE OPSOMMING

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Talle studies is reeds uitgevoer aangaande handelsmerk beeld oordrag, maar baie min van hierdie studies het gefokus op een van die belangrikste determinante van diesins, naamlik handelsmerk pas. Handelsmerk beeld oordrag is die oordrag van die handelsmerk assosiasies, toegeskryf aan 'n spesifieke entiteit, na die betrokke handelsmerk, terwyl handelsmerk pas gedefinieër word as 'n verbruiker leerproses wat poog om die handelsmerk assosiasies van die betrokke handelsmerke te laat pas. Hierdie studie poog om handelsmerk pas te beoordeel.

As gevolg van die verskeidenheid handelsmerke betrokke in hierdie studie is vereenigde analise gebruik as 'n metode om handelsmerk pas te beoordeel. Besluitneming-gebaseerde vereenigde analise is gekies aangesien dit die vermoë het om die relatiewe voordeel van handelsmerke wat as gesamentlik beskou word vas te stel. Handelsmerke sal nie akkuraat gemeet word op individuele basis nie. Kwalitatiewe en kwantitatiewe navorsing is gedoen om handelsmerk pas te beoordeel met behulp van vereenigde analise, en dit was die hoof doelwit van hierdie studie.

Rugby borgskappe is gekies om handelsmerk pas te beoordeel aangesien dit die tweede grootste kykertaal in Suid-Afrika het, asook die hoogste monetêre waarde geheg aan borgskappe gedurende die tyd van hierdie studie. Kwalitatiewe navorsing is gedoen, met behulp van fokusgroepe, om te bepaal watter handelsmerke geassosieër word met die Springbok rugby handelsmerk.

Die verskillende industrieë en handelsmerke gebruik in die fokus groepe is geselekteer deur die navorser op grond van huidige, vorige en potensiële borgskap van die Springbok rugby handelsmerk. Kwantitatiewe navorsing is gedoen met behulp van 'n aanlyn vraelys wat gestuur is deur 'n skakel in 'n e-pos aan 'n gekose databasis op die sosiale netwerk, Facebook. 'n Siftings vraag het verseker dat net rugby ondersteuners die opname voltooi. Die inligting is, soos ingesleutel deur respondente, in die vereenigde analise sageware opgeneem. Sodoende was handelsmerke waargeneem as die wat die beste pas het met die Springbok rugby handelsmerk, bepaal.

Die steekproef het bestaan uit 'n jonger, manlike dominerende groep respondente. Al die respondente was inderdaad Springbok ondersteuners met voldoende kennis oor die Springbok handelsmerk, asook Springbok borge. Ses handelsmerke is geïdentifiseer om te pas by die Springbok rugby handelsmerk, naamlik Castle, Vodacom, SASOL, Canterbury, Nike en Adidas. Hierdie geïdentifiseerde handelsmerke bewys dat die studie inderdaad handelsmerk pas beoordeel het met behulp van vereenigde analise.

Gevolgtrekkings is gemaak dat handelsmerk pas op 'n verskeidenheid maniere kan ontstaan. Die mees dominante is advertering van die borgskap asook, om 'n borgskap te onderhou op 'n deurlopende basis. Dit lig die verbruikers in aangaande die borgskap, maak hulle bewus van die borgskap tussen die twee handelsmerke, en vorm 'n basis waarop handelsmerk pas by verbruikers kan plaasvind. Handelsmerk pas is ook bereik onder handelsmerke met soortgelyke handelsmerk beelde.

Dit is gevind dat handelsmerk pas absoluut noodsaaklik is vir 'n suksesvolle handelsmerk beeld oordrag. Voordat enige borgskap onderneem word, is dit belangrik om vas te stel of verbruikers wel 'n passing tussen die verskillende betrokke handelsmerke, waarneem. Indien nie, sal ekstra bemarking rondom die borgskap gedoen moet word deur middel van 'n bemarkingsveldtog, om die verbruikers in te lig, op grond van wat, handelsmerk pas tussen die verskeie handelsmerke gevorm kan word.



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# TABLE OF CONTENTS

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1. INTRODUCTION TO THE STUDY.....	1
1.1 Introduction.....	1
1.2 Background sketch.....	1
1.2.1 Brand image.....	4
1.2.2 Brand image transfer and brand fit.....	5
1.2.3 Conjoint analysis.....	7
1.3 Reason for this study.....	8
1.3.1 Formulation of the problem.....	9
1.4 Objectives.....	10
1.5 Research method.....	10
1.5.1 Secondary research.....	10
1.5.2 Primary research.....	11
1.5.3 Determine the research frame.....	12
1.5.4 Data gathering.....	13
1.5.5 Data processing.....	14
1.6 Limitations.....	14
1.7 Orientation.....	15
2 PERCEPTION AND CONSUMER LEARNING.....	17
2.1 Introduction.....	17
2.2 Perception.....	17
2.2.1 The nature of perception.....	18
2.2.2 Perception and marketing strategy.....	25
2.3 Consumer learning.....	27

2.4 Conclusion.....	32
3. BRANDING AS A CONSTRUCT.....	34
3.1 Introduction.....	34
3.2 Brand.....	34
3.3 Brand knowledge.....	37
3.4 Brand awareness.....	42
3.5 Brand image.....	45
3.6 Conclusion.....	52
4. BRAND FIT AS PART OF BRAND IMAGE TRANSFER.....	53
4.1 Introduction.....	53
4.2 Brand image transfer, sponsorship and fit.....	54
4.2.1 Sponsorships.....	57
4.2.2 Brand image transfer.....	61
4.2.2.1 Brand knowledge.....	61
4.2.2.2 Brand fit.....	64
4.2.2.3 Leverage.....	71
4.2.2.4 Schema consequences of brand fit.....	73
4.2.2.5 Level of sponsors.....	74
4.2.2.6 Frequency.....	75
4.3 Conclusion.....	76
5. CONJOINT ANALYSIS.....	78
5.1 Introduction.....	78
5.2 Conjoint analysis – a brief overview.....	78
5.3 Conducting conjoint analysis.....	83
5.3.1 Formulate the problem.....	84

5.3.2 Construct the choice set.....	85
5.3.3 Decide on the form of input data.....	85
5.3.4 Select a conjoint analysis procedure.....	86
5.3.5 Interpret the results.....	88
5.3.6 Assessing reliability and validity.....	88
5.3.7 Assumptions and limitations of conjoint analysis.....	89
5.4 Different conjoint methods.....	90
5.4.1 Trade-off matrices.....	90
5.4.2 Full profile (ratings-based) card sort.....	92
5.4.3 Hybrid (ratings-based) conjoint.....	94
5.4.4 Choice-based conjoint.....	97
5.5 Choice-based conjoint analysis.....	99
5.5.1 Data analysis in choice-based conjoint analysis.....	103
5.5.2 Choice-based brand anchored conjoint analysis.....	104
5.6 Conclusion.....	105
6. RESEARCH METHOD.....	106
6.1 Introduction.....	106
6.2 Marketing research.....	107
6.3 The marketing research process.....	108
6.3.1 Step 1: Identify and formulate the problem.....	109
6.3.2 Step 2: Formulating the research objectives.....	110
6.3.3 Step 3: The research design.....	111
6.3.4 Step 4: Conducting secondary research.....	112

6.3.5 Step 5: <i>The primary research method</i> .....	113
6.3.5.1 Observational research.....	118
6.3.5.2 Experimental research.....	119
6.3.5.3 Survey research.....	119
6.3.6 Step 6: <i>Determine the research frame</i> .....	124
6.3.6.1 Define the population.....	124
6.3.6.2 Sample frame.....	125
6.3.6.3 Sampling method.....	125
6.3.6.4 Sample size.....	126
6.3.7 Step 7: <i>Data gathering</i> .....	127
6.3.8 Step 8: <i>Data processing</i> .....	127
6.3.8.1 Descriptive statistics.....	129
6.3.8.2 Inferential statistics.....	131
6.3.8.3 Reliability and validity.....	134
6.4 Conclusion.....	138
7. RESEARCH RESULTS.....	139
7.1 Introduction.....	139
7.2 Realised sample.....	139
7.2.1 <i>Demographic descriptives</i> .....	140
7.2.2 <i>Brand levels and brand attributes</i> .....	149
7.3 Assessing brand fit.....	155
7.3.1 <i>Assess selected sponsor brands (attributes)</i> .....	157
7.3.2 <i>Assess selected industries (levels)</i> .....	159
7.3.3 <i>Brand fit</i> .....	160

7.4	Conclusion.....	161
8.	CONCLUSIONS AND RECOMMENDATIONS.....	163
8.1	Introduction.....	163
8.2	Conclusions.....	163
8.2.1	<i>Realised sample</i> .....	164
8.2.2	<i>Levels and Attributes</i> .....	165
8.3	Recommendations.....	182
8.4	Reconciliations of the objectives of the study.....	195
8.5	Areas of future research.....	197
8.6	Conclusion.....	198

REFERENCES

ANNEXURE A

# LIST OF FIGURES

---

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Figure 1.1 Brand identity versus brand image.....	3
Figure 1.2 A minimalistic model of image creation and image transfer .....	5
Figure 2.1 Information processing for consumer decision making.....	19
Figure 2.2 Factors determining attention.....	22
Figure 2.3 Information processing, learning and memory.....	28
Figure 3.1 Dimensions of brand knowledge.....	41
Figure 3.2 Practical and symbolic attitudes to buying brands.....	50
Figure 3.3 Sources of secondary associations.....	51
Figure 4.1 A basic model of image creation and image transfer in a sponsorship.....	55
Figure 4.2 A detailed model of image creation and image transfer in a sponsorship.....	62
Figure 4.3 The process of brand image transfer within a sponsorship – A hypothetical example.....	70
Figure 5.1 Levels and attributes presented in a choice set.....	80
Figure 5.2 Conducting conjoint analysis.....	84
Figure 5.3 Example of a full profile card.....	93
Figure 5.4 Example of hybrid conjoint analysis.....	96
Figure 6.1 The marketing research process.....	109
Figure 6.2 Brand levels and brand attributes used in research study.....	117
Figure 6.3 Choice set used in this study.....	122

Figure 6.4 Overview of the stages of data analysis.....	128
Figure 6.5 Levels of scale measurement and suggested descriptive statistics.....	130
Figure 7.1 Age of respondents.....	140
Figure 7.2 Facebook users by age.....	141
Figure 7.3 Gender of respondents.....	142
Figure 7.4 Provinces where respondents reside .....	143
Figure 7.5 The degree to which respondents were interested in rugby....	145
Figure 7.6 Level of Springbok support.....	146
Figure 7.7 Number of matches watched.....	147
Figure 7.8 Brands perceived to fit the Springbok brand.....	161
Figure 8.1 Brand levels and brand attributes used in research study.....	196



# LIST OF TABLES

---

---

Table 5.1 Example of trade-off matrix.....	91
Table 6.1 Levels and brands identified for the purposes of this study.....	115
Table 7.1 Cross-tabulation between the level of Springbok support and the number of matches watched.....	148
Table 7.2 Correlation between the number of matches watched and the level of Springbok support.....	149
Table 7.3 Brand levels and brand attributes.....	151
Table 7.4 The MNL model results used to asses brand fit.....	156

# INTRODUCTION TO THE STUDY

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## 1.1 INTRODUCTION

This chapter addresses several elements. Firstly, a background sketch to the study is provided. This is followed by a discussion on the formulation of the problem. Thirdly, the objectives of the study, as well as the research method, are presented. The chapter concludes with an orientation towards the main components of the study.

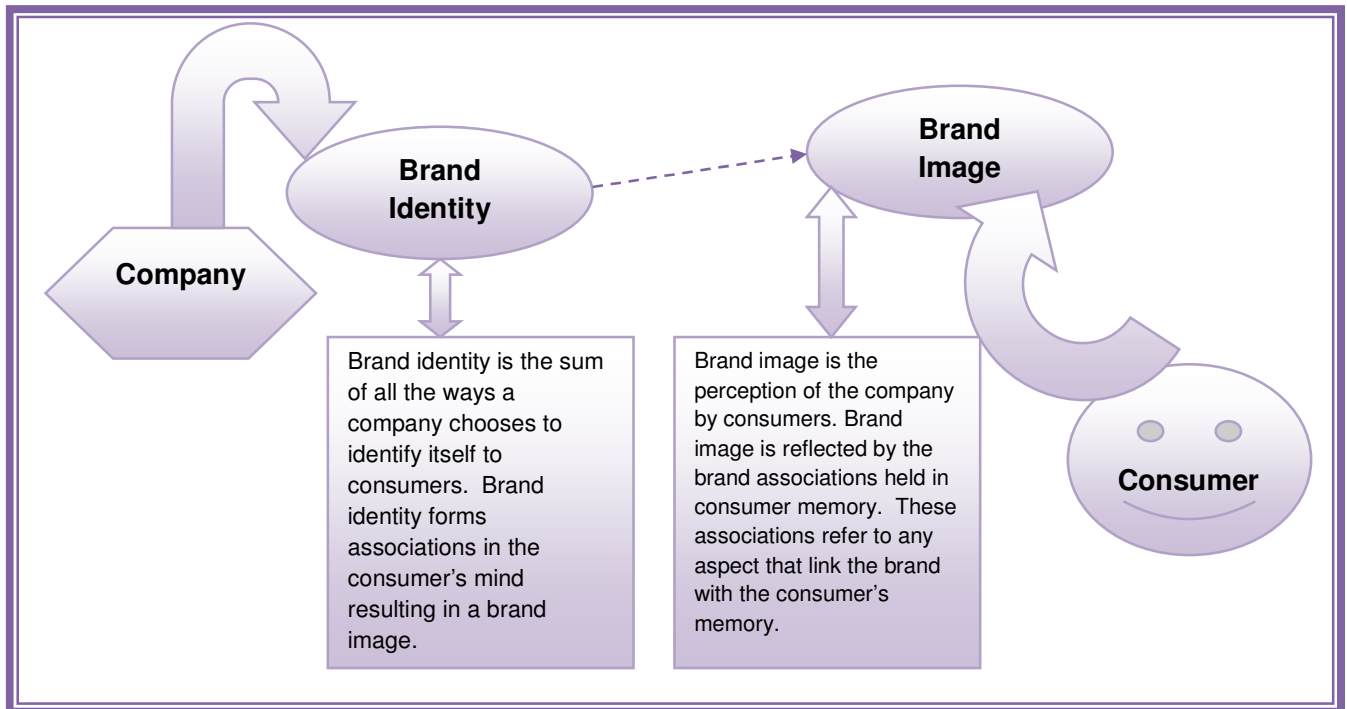
## 1.2 BACKGROUND SKETCH

Marketing is defined as the management process that identifies, anticipates, and satisfies consumer requirements profitably (MarketingTeacher, 2009). From this definition, the term 'marketing' relates to the marketing concept which proposes that, in order to satisfy its company objectives, a company should anticipate the needs and wants of consumers, and satisfy these needs more effectively than its competitors are able to do (Kotler and Keller, 2006). In the marketing concept, consumers, and the satisfaction of their needs, are the focal points of all company activities. Since the consumer is seen as the focal point in the marketing concept, it is deemed necessary for marketers to attempt to understand their behaviour. According to Biel (1992), consumers' behaviour is, in essence, driven by consumers' perceptions, which makes

consumers' behaviour difficult to explain or predict (Hawkins, Mothersbaugh, and Best, 2007).

The notion that there is no objective reality, and that people trade in the realms of perception and image, represents one of the important tenets of human understanding. Nowhere is this more in evidence than in the area of human relationships, and, therefore, the latter is a key concern in the domain of marketing. Consumers face challenges when going through the decision-making process, as they are bombarded with messages and marketing stimuli (Hawkins *et al.*, 2007). As a result of this cluttered environment, consumers rely on brands, and their perceptions thereof, and, thus, marketing managers find it all the more important to distinguish these brands from those of competitors (Rajagopal, 2006). A brand can be defined as “a name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers, and to differentiate them from those of competitors” (Kotler and Keller 2006:274). The market has become so fragmented and saturated, that the only way for companies to differentiate from one another is by means of creating a unique brand identity. How this brand identity is perceived by consumers is referred to as ‘brand image’ (Meenaghan, 1995), and is depicted in figure 1.1.

**Figure 1.1 Brand identity versus brand image**



**Source:** Adapted from Meenaghan (1995).

Many studies have been conducted as to how to create a brand image (Biel, 1992; Keller, 1993; Meenaghan, 1995; Faircloth, Capella and Alford, 2001; Yoo and Donthu, 2001; Martinez and de Chernatony, 2004) and also a brand image transfer, which is the transfer of brand associations from one brand to another (McCracken, 1989; Crowley, 1991; Meenaghan, 1991; Marshall and Cook, 1992; Gwinner, 1997; Gwinner and Eaton, 1999; Haynes, Lackman and Guskey, 1999; Keller, 2003; Grohs, Wagner and Vsetecka, 2004; Smith, 2004; Farely, Quester and Burton, 2006). Although the concept of brand image transfer has, hitherto, been a high focus area of research, very little attention, nevertheless, has been given to an important determinant of brand image transfer, namely, 'brand fit'. This study focused on

assessing brand fit. For the purposes of this study, it is, therefore, necessary to differentiate between brand image, brand image transfer, and brand fit.

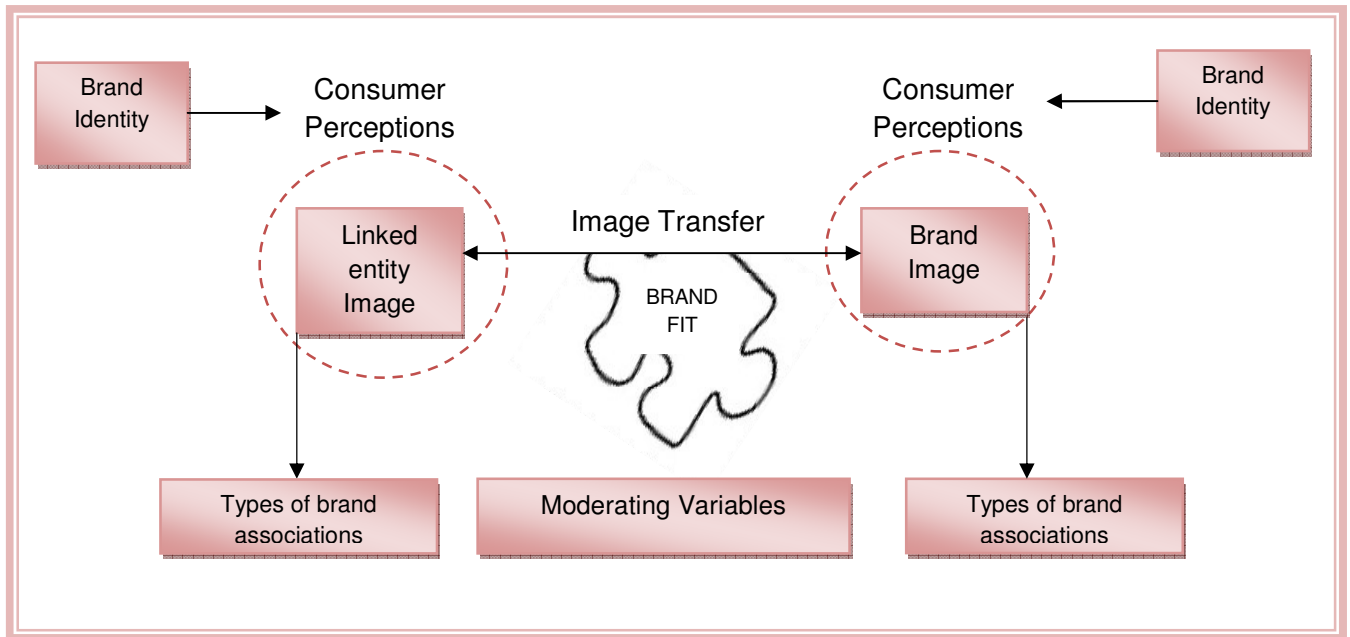
### **1.2.1 Brand image**

Keller (1993) defines brand image as the perceptions about a brand as reflected by the brand associations held in consumer memory. These associations refer to any aspect that link the brand with the consumer's memory (Aaker, 1996). Brand identity, brand image, and brand personality are terms that are often used interchangeably. Essentially, brand identity can be described as the sum of all the ways a company chooses to identify its brand to consumers, while brand image is regarded as the perception of the specific brand by consumers (Meenaghan, 1995). Facilitated by communication mechanisms, brand identity forms associations in the consumer's mind, resulting in brand image (Martinez and de Chernatony, 2004; Meenaghan, 1995). Images have taken on increased importance in formulating marketing strategies. Companies have become more focused on consumer perceptions of their activities, whilst, simultaneously, at the brand level, attention has moved away from the physical aspects and functional benefits of the companies' products, to the more symbolic associations of the brand.

An effective way to build brand associations, and to distinguish the brand image from that of competitors, is to link it with another entity (Keller, 2003). This 'other entity' already holds its own set of brand associations in consumers' minds. Therefore, when the brand becomes linked with another entity, some of the associations linked to that specific entity may become linked in the consumer's memory with the brand. This

linking of associations is illustrated in figure 1.2, and is referred to as 'brand image transfer' (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004).

**Figure 1.2 A minimalistic model of image creation and image transfer**



**Source:** Adapted from Gwinner (1997), Keller (1993) and Biel (1992).

### 1.2.2 Brand image transfer and brand fit

Keller (2003) has suggested that, when a brand becomes associated with another entity, some of the associations linked with that entity may become linked in memory with the brand (as stated above). Brand image transfer is the transfer of brand associations attributed to the entity to the brand (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). The aim of brand image transfer is to evoke positive feelings and attitudes towards the brand by closely linking that brand to an entity the consumer values highly. While companies enter into promotional arrangements for a variety of goals, some of the most important reasons for doing so are to increase

brand awareness, and establish, strengthen or change brand image (Crowley, 1991; Meenaghan, 1991; Marshall and Cook, 1992; Gwinner, 1997; Farelly *et al.*, 2006). Even though brand image transfer is an important determinant in creating brand awareness or altering the brand image, there is a moderating factor to be discussed in the image transfer process. This latter moderating factor is the degree of similarity between the brand and the entity, in other words, the 'brand fit'. The fit between the brand image and the entity can elevate the brand's image to new heights (Haynes *et al.*, 1999), which makes brand fit one of the most predominant factors contributing to successful brand image transfer.

Although little research about the determinants of brand fit exists, branding theory, nevertheless, explains brand fit as a consumer learning process that seeks to match the brand associations held of the relevant brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999). Brand fit occurs when the general or stereotypical image evoked by a brand, based on its features and the associations it brings to mind, is consistent with the type of entity used with the brand (Lynch and Schuler, 1994). Brand-entity similarity will enhance brand image transfer by 'anchoring' the relationship in the consumer's mind more effectively (Gwinner and Eaton, 1999). Creating brand fit in consumers' minds is a highly subjective process. Two different brands' images constitute the brand fit, and both these brand images consist of their own associations, as perceived by consumers. Because brand fit constitutes of a number of different brands, it might be difficult to assess.

### **1.2.3 Conjoint analysis**

As the main aim of the study is to assess brand fit, a variety of brands was needed to conduct the research. In order, thus, to assess brand fit between an entity and various brands on a brand image level, a specific method was needed that would enable such a study. For this reason, conjoint analysis was used to assess brand fit, as it has the benefit of allowing the relative advantage of brands considered jointly to be ascertained, which might be unmeasurable if taken one at a time (Murphy, Cowan, Henchion and O'Reilly, 2000).

In essence, conjoint analysis is a method of decomposing combinations into their component parts, in order to analyse how decisions are made, and then, also, to predict how decisions will be made in the future (Conjoint Analysis, 2009). Conjoint analysis is used to understand the importance of different components or attributes, as well as to determine how decisions are likely to be influenced by the inclusion, exclusion, or degree of that attribute (Eggers and Sattler, 2009). Conjoint analysis is a technique that attempts to determine the relative importance consumers attach to salient levels, and the utilities they attach to the underlying attributes (Malhotra, 2004). In this study, conjoint analysis was thus used to assess brand fit as it allows the relative value of different brand images considered jointly, to be ascertained. These brand images might not be able to be measured if taken one at a time (Murphy *et al.*, 2000). Conjoint analysis was the method chosen to overcome the difficulty of measuring a variety of brand images involved in brand fit.



## 1.3 REASON FOR THIS STUDY

Brand image has taken on increased importance in marketing (Meenaghan, 1995). Companies have become more focused on consumers' perceptions of the company's activities, while at brand level, attention has moved away from the physical aspects and functional benefits of the company's offerings, to the more symbolic associations of the company's brand (Meenaghan, 1995). In this highly competitive market, it is important for marketing managers to distinguish the company's brand from that of competitors. By creating a unique brand identity, companies can succeed in differentiating themselves from competitors. Brand identity is a set of brand associations that the marketing manager aspires to create or maintain. Facilitated by communication mechanisms, brand identity forms brand associations in the consumer's mind, resulting in a brand image, as depicted in figure 1.1 (Martinez and de Chernatony, 2004; Meenaghan, 1995).

One of the most effective ways of establishing a positive brand image is by linking the brand with a favourable entity. Once those brands are linked, associations from the entity will be perceived to form part of the brand's image (Keller, 1993; Keller, 2003). This is classified as brand image transfer (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). Although the strength of brand image transfer is influenced by several factors, brand fit has been identified as being the most important (Haynes *et al.*, 1999). Brand fit is a consumer learning process that seeks to match those associations held of the brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999). Without brand fit, a positive and successful brand image transfer

will not occur. Creating brand fit in consumers' minds is a highly subjective process, as two different brands' images constitute the brand fit. Both these images consist of their own associations, as perceived by consumers.

### **1.3.1 Formulation of the problem**

It is clear, from the above, that brand image formulates consumers' perceptions. Marketers could create a positive brand image by linking the brand with another entity, and so produce brand image transfer. Many studies have been conducted on brand image transfer, but few focused on the most important determinant of brand image transfer, namely, brand fit (Crowley, 1991; Meenaghan, 1991; Marshall and Cook, 1992; Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004; Farelly *et al.*, 2006). The difficulty of measuring brand fit can be attributed to the variety of brands used. Conjoint analysis allows the relative advantage of brands considered jointly to be ascertained, which might be unmeasurable if taken one at a time. Conjoint analysis was, therefore, chosen to assess brand fit in this study as it overcomes the difficulty of measuring brand fit.

The reason this study was undertaken was for the purpose of assessing brand fit between an entity and several different brands. Conjoint analysis was the chosen method of assessment because of the difficult nature of such a task.

## **1.4. OBJECTIVES**

The main objective of this study was to assess brand fit using conjoint analysis. Primary and secondary research played an important role in achieving this objective.

The secondary objectives of this study were the following:

- Identify brands that are commonly associated with sponsorships;
- Select appropriate industries (i.e. levels) and sponsors' brands (i.e. attributes);
- Assess selected relevant industries (i.e. levels);
- Assess selected sponsors' brands (i.e. attributes).

## **1.5 RESEARCH METHOD**

In order to reach the objectives of the study, secondary research was conducted, followed by primary research.

### **1.5.1 Secondary research**

Secondary data are data previously collected for some purpose other than the one at hand (Zikmund, 2003). Although it might not address this problem specifically, it is not as expensive as primary research, and it is easily accessible.

In this study, a literature review was undertaken, as outlined in chapters 2, 3, 4, and 5. Specific areas of focus in the literature review included perception, consumer learning, brand image, as well as brand image transfer and perceived fit. A brief look into sponsorships was also included, as well as an overview of conjoint analysis. The secondary research in this study was used to define the necessary constructs used to assess brand fit using conjoint analysis.

### **1.5.2 Primary research**

Primary data are data gathered specifically for the problem at hand. This type of research is more costly and time consuming than secondary research. Primary research consists of qualitative and quantitative research. Qualitative research is research that allows interpretations of marketing phenomena without depending on numeric measurements (Malhotra, 2004; Zikmund and Babin, 2007). As the main objective of the study was to assess brand fit using conjoint analysis, qualitative research was conducted to select appropriate brands to include in the study.

Because of the intense research done on sponsorships, it will be used in this study as the brand image transfer entity. Sport sponsorships are those with the most money in sponsorship value, and the game of rugby was chosen as this study's type of sport sponsorship, as it was the second most-watched sport in South Africa, and also held the highest monetary sponsorship value in the country (Gerber-Nel, 2004).

Since the use of choice-based conjoint analysis has a preference for fewer than six levels (refer to section 5.4.4), focus groups were used to determine which brands were to be included in the study. From the focus groups, 16 brands that could be associated with the Springboks were identified.

Results from the qualitative research were used in the quantitative research phase. Quantitative research is marketing research that addresses research objectives through empirical assessments. This involves numerical measurements and analysis. For the purposes of this study, an online survey, whereby respondents had to choose the combination of sponsors they perceived as best fit to the Springboks,

was used. This online survey was developed with assistance from Delta Branding, a research company in Germany that specialises in conjoint analysis.

### **1.5.3 Determine the research frame**

When conducting primary research, it is important for researchers to make use of respondents who are representative of the whole population. This population refers to all the people from whom information needs to be obtained (Zikmund and Babin, 2007).

- ***Define the population***

When starting the sampling process, it is important that the target population be carefully defined, so that the proper sources are used to collect the data. Based on the fact that rugby holds the highest monetary sponsorship value in South Africa, and is also the second most-watched sport in the country (Gerber-Nel, 2004), the population chosen for this study consisted of South African rugby supporters.

Since the chosen population of the study was rather large, only a sample of the population was studied. A sample of respondents, drawn from the population, was selected to take part in the study. The method of drawing a sample consists of focusing on who will be targeted, how large the sample will be, as well as how these sampling units will be selected.

Several alternative ways to select a sample are available. The main sampling plans can be grouped into two categories, namely, probability and non-probability sampling. This study used non-probability sampling. The sampling took place in a multi-stage manner. Firstly, judgment sampling was used to select a database on the social networking web site, 'Facebook'. Thereafter, convenience sampling was used, and an e-mail containing the link to the questionnaire was sent to all respondents on the database. A screening question was used to eliminate respondents who were not interested in the game of rugby. The first 200 respondents who completed the questionnaire constituted the sample. As this study was primarily exploratory research, a sample size of 200 respondents was thought to be sufficient (Eggers, 2009). These sample subjects were drawn from across South Africa, hence the determining of brand fit for the national rugby team.

#### **1.5.4 Data gathering**

After the questionnaire had been piloted amongst 20 people, the primary data were gathered by means of an online questionnaire. The questionnaire was sent to 700 respondents through an attached link in a Facebook e-mail. The link gave respondents direct access to the set questionnaire (see Annexure A), and the data were automatically saved as the questions were being answered. After two weeks 200 respondents had completed the questionnaire, the study was terminated and the link to it cancelled.

### **1.5.5 Data processing**

In the processing stage, the data are first prepared and then analysed. Data preparation occurs when data are extracted from the primary research method so that it can be used in the applicable computer software. Editing, coding, and data filing were all done using the conjoint analysis software (Delta Branding). After validating and editing each question, the software programme, SPSS was used for further analysis.

Descriptive statistics and inferential statistics were used in the data analysis. Descriptive analysis is the elementary transformation of data in a way that describes the basic characteristics such as central tendency, distribution, and variability, while inferential statistics are used to make inferences about a whole population from a sample (Zikmund & Babin, 2007).

## **1.6 LIMITATIONS**

This study was conducted in June and July 2009, during and after the Lions rugby team's tour of South Africa. As each tournament has its respective sponsors, some of these sponsors might measure stronger over this particular time. The research sample was also young in age and relatively small in number. This study's online data gathering method produced a sample of younger respondents and the convenience-based method did not reach all provinces in South Africa.

## 1.7 ORIENTATION

The orientation of the study is as follows:

### **Chapter 1 Introduction to the study**

This chapter discusses the background to the study, formulates the problem and objectives, and looks at the research design and method used.

### **Chapter 2 Perception and consumer learning**

In chapter 2, the issues of perception and consumer learning are discussed, as this study relied on consumers' behaviour, especially on consumers' perceptions leading to brand image.

### **Chapter 3 Branding and brand knowledge**

A theoretical background to branding and brand knowledge, including their various components such as brand awareness and brand image, is provided in chapter 3. Brand image plays a fundamental role in understanding brand image transfer and brand fit.

### **Chapter 4 Brand fit as part of brand image transfer**

In chapter 4, brand fit and its role in brand image transfer is discussed. The main reason for this study was to assess brand fit using conjoint analysis.



**Chapter 5            Conjoint analysis**

Since conjoint analysis was used to assess brand fit in this study, this type of analysis is discussed in chapter 5.

**Chapter 6            Research method**

The research design and sampling method is discussed in chapter 6. The type of data collected is also looked at.

**Chapter 7            Research Results**

The research findings are presented in chapter 7. The results consist of descriptive and inferential statistics.

**Chapter 8            Conclusion and Recommendations**

Chapter 8 concludes the study. In this chapter, results are interpreted and recommendations made.

# PERCEPTION AND CONSUMER LEARNING

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## 2.1 INTRODUCTION

The notion that there is no objective reality, and that people trade in the realms of perception and image, represents one of the most important tenets of human understanding (Hawkins *et al.*, 2007). In this chapter, perception and learning will be discussed, as the main reason for this study was to assess brand fit using conjoint analysis. In chapter 1 brand fit was defined as a consumer learning process that seeks to match those brand associations held of the brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999). Based on this definition of brand fit, it was deemed important to discuss perceptions, which affect both brand associations as well as the consumer learning process. The following chapter explains perception and consumer learning, relevant to this study.

## 2.2 PERCEPTION

The key to an effective long-term relationship with consumers is governed by the perceptual insights that consumers possess regarding the brands. These perceptions determine the symbiotic relationship between the brands and the consumers' value of them that is derived from their perceptions (Rajagopal, 2006). It is clear, from the latter statement, that consumers' perceptions and interpretations of

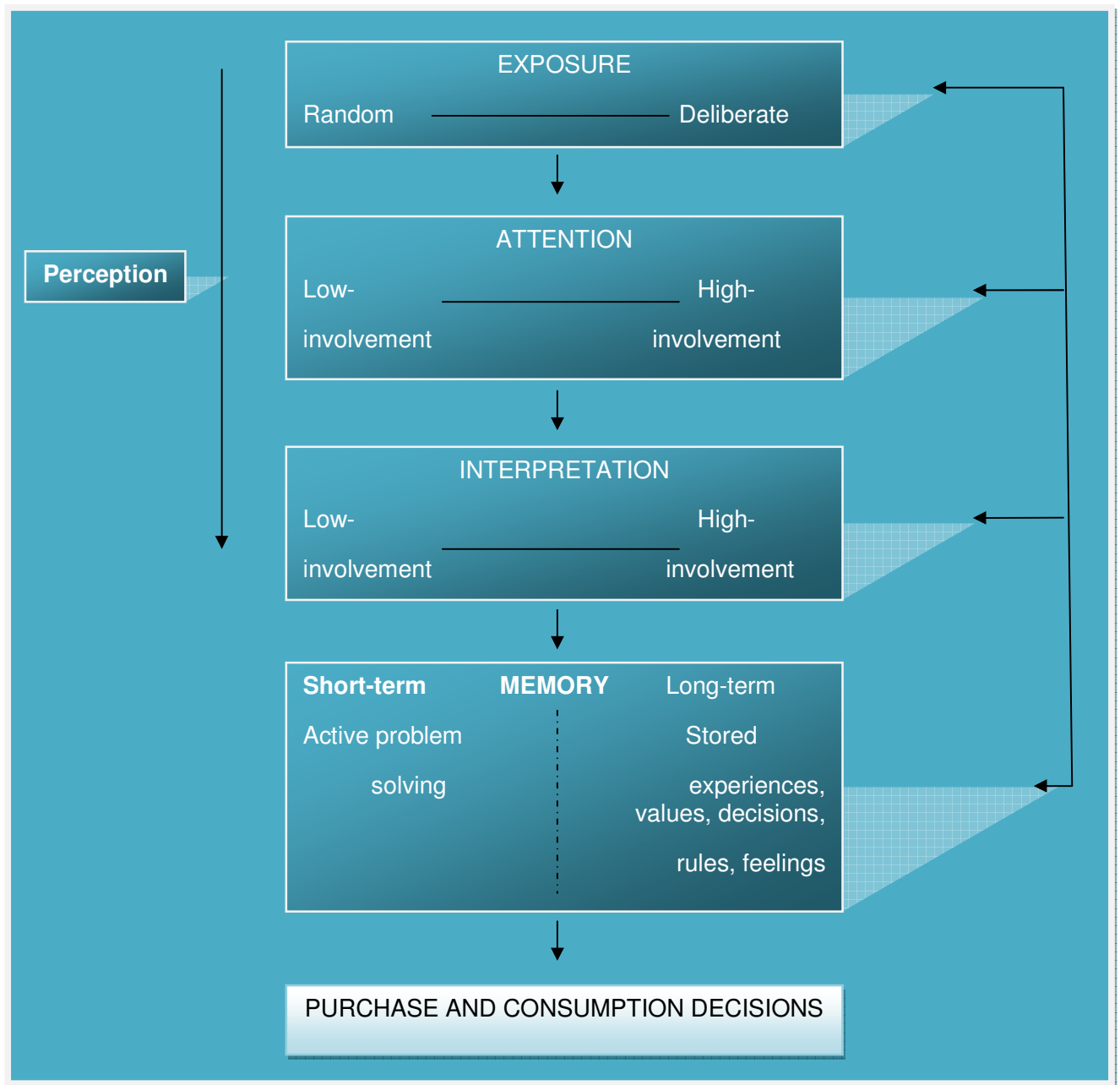
messages play a vital role in the ultimate success of a brand. Interpretation can be a highly subjective process. According to Meenaghan (1995), people extract what they choose from advertising, and bring existing presumptions with them. What constitutes actual reality, as opposed to the consumers' perceptions of that reality, can often be quite different. In order for a brand image to be communicated effectively, it is necessary, first of all, to understand the nature of perception and the many factors influencing it.

### **2.2.1 The nature of perception**

According to Biel (1992), consumer behaviour is, in essence, driven by perceptions of a brand. Information processing is a series of activities by means of which stimuli are perceived, transformed into information, and stored (Hawkins *et al.*, 2007). Figure 2.1 illustrates the information processing that takes place when consumers are engaged in decision making, and also demonstrates the four stages involved, namely, exposure, attention, interpretation, and memory. The first three stages of this process are understood to embody perception (Hawkins *et al.*, 2007).

As can be seen in figure 2.1, exposure occurs when a stimulus is brought within range of a consumer's vision; attention follows when that stimulus is seen; and interpretation results when the consumer assigns meaning to the received stimulus. Although the figure suggests a linear flow from exposure to memory, these processes occur almost simultaneously, and are interactive.

**Figure 2.1 Information processing for consumer decision making**



**Source:** Adapted from Hawkins, Mothersbaugh, and Best (2007)

It is important to be aware that perception and memory are both selective processes on the part of consumers. In other words, consumers attend to only a limited amount

of stimuli that they are exposed to, and the meaning assigned to a stimulus depends more on the consumer than on the stimulus itself. Furthermore, much of the interpreted information will not be available to the consumers' memory when the purchase decision does eventually arise. This phenomenon can be referred to as 'perceptual defense', a situation in which consumers are not merely passive recipients of marketing messages, but also in which they themselves determine the messages they perceive, as well whatever meanings are assigned to them (Meenaghan, 1995). Each step in figure 2.1 will now be discussed.

- **Exposure**

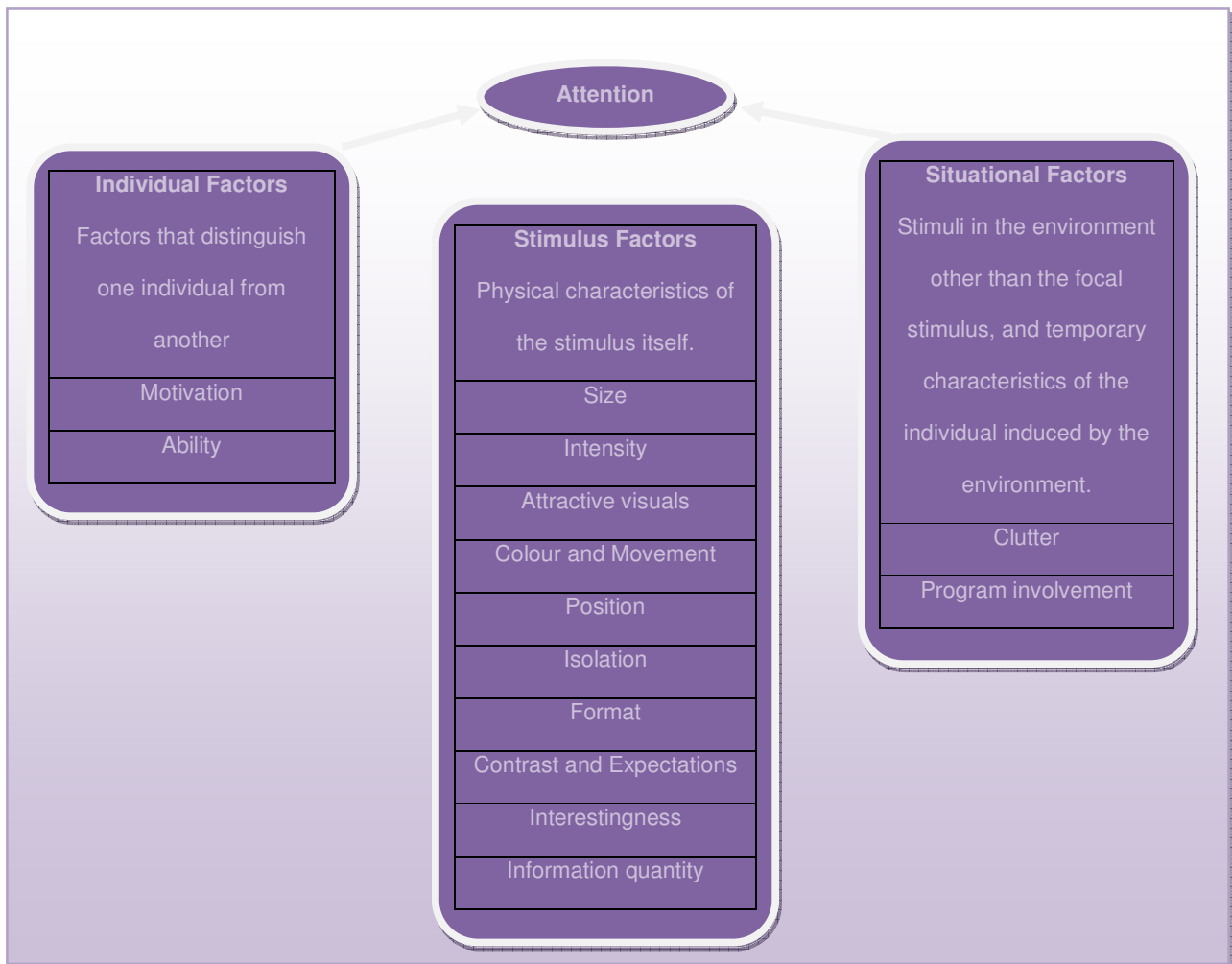
'Exposure occurs when a stimulus is placed within a consumer's relevant environment and comes within range of their sensory receptor nerves' (Hawkins *et al.*, 2007:283). This exposure in no way guarantees that the consumer will notice the information.

The highly selective nature of exposure is of concern to marketers, as the failure to gain exposure results in lost communication. In response to consumers' tendencies to avoid advertisements, marketers seek to gain maximum exposure by placing their messages in unique forms of media.

- **Attention**

'Attention occurs when the stimulus activates one or more of the sensory receptor nerves, and the resulting sensations go to the brain for processing' (Hawkins *et al.*, 2007:287). The marketing environment is highly cluttered and, as has been stated above, a consumer's attention is selective. It is important to note that attention occurs within the context of a situation. The same consumer may devote different levels of attention to the same stimulus in different situations. For example, it has been found that, when spectators are watching a rugby game, they pay little or no attention to sponsors such as Castle beer, as, at that point in time, watching the game is more important to them than anything else within the scope of their immediate vision. However, in the two hours prior to the game, the Castle beer tent will have managed to draw much more attention from the very same fans than the game itself, as it has been made visible to them in a different situation. Attention, thus, is determined by the following three factors, namely, the stimulus, the consumer, and the situation (as seen in figure 2.2).

**Figure 2.2 Factors determining attention**



**Source:** Adapted from Hawkins, Mothersbaugh, and Best (2007).

It is important to realise that, even if consumers do not pay direct attention to an advertisement, it does not mean that it cannot influence them.

- **Interpretation**

As mentioned above, interpretation is regarded as the assignment of meaning to sensations. Interpretation is generally a relative rather than an absolute process, and is often referred to as 'perceptual relativity'. It is, therefore, difficult for people

to make interpretations in the absence of a reference point. Consumers, thus, need to possess some form of knowledge in order to form a perception or make an interpretation. Interpretation is also subjective, and open to a number of psychological traits. For example, a company might be able to provide a service at a lower cost than its competitors simply because it is more efficient. However, consumers might perceive this lower price as being an indication of inferior quality (which usually tends to be the case), and the company will not be a success, no matter what its objective really is. A final aspect of interpretation is that it can involve either a cognitive thinking process, or an affective emotional process. Cognitive interpretation is a process whereby stimuli are placed into existing categories of meaning (Visawanathan and Childers, 1999), while affective interpretation refers to the emotional or feeling response triggered by a stimulus such as an advertisement (Hawkins *et al.*, 2007).

Consumer, stimulus, and situational characteristics are all important factors when trying to explain interpretation, and how it varies among different consumers. The theoretical aspect of each of the abovementioned factors will be discussed briefly in this chapter.

- **Consumer characteristics**

Marketing stimuli have meaning only in so far as consumers interpret them (Ratneshwar, 2001; Keller, 2001). As previously mentioned, consumers are not passive interpreters of marketing messages, but actively assign meaning based



on their needs, desires, experiences, and expectations. The consumer characteristics that usually influence interpretation consist of the following:

- *Traits.*

Inherent physiological and psychological traits, which drive needs and desires, influence how a stimulus is interpreted.

- *Learning and Knowledge.*

Meaning attached to different stimuli is learned and varies across cultures. Learning also happens through experience with different brands. One general finding is that consumers tend to interpret information in ways that favour their preferred brand.

- *Expectations.*

Consumers' interpretations tend to be consistent with their expectations; this is referred to as 'expectation bias'. Consumers' expectations are a result of learning and can be formed quickly. Once formed, these expectations can wield enormous influence and can be difficult to change (Evans, 2001).

- **Situational characteristics**

The situation provides a context within which the focal stimulus is interpreted. The contextual cues present in the situation play a role in consumer interpretation, independent of the actual stimulus.

- **Stimulus characteristics**

The stimulus is the basic entity to which a consumer responds, and includes the product, package, advertisement, and in-store display. Stimulus characteristics include traits, the company, and changes.

### **2.2.2 Perception and marketing strategy**

As times changed, consumers started facing ever more challenging choices when going through the decision-making process. According to Meenaghan (1995), an increasing variety of relatively homogeneous products, often involving high product complexity and confusing messages, which increase consumer reliance on the image aspects of products, adds to the important role of brand image and consumers' perceptions. Consumers are bombarded with messages and marketing stimuli, which means that they rely more than ever on brands and on their perceptions thereof. In addition to all the psychological factors, such as social acceptance, brands give consumers the means whereby they are able to make choices and judgements. Based on their previous experiences, consumers are then able to rely on chosen brands to guarantee standards of quality, a factor which aids in reducing the risk of failure in purchase (Rajagopal, 2006). The 'environment' of a message, that is, the form which the message takes, as well as the surrounding messages and programming, has as much effect on consumers' perceptions as does the message itself (Haynes *et al.*, 1999).

For the purposes of this study, the main focus was on assessing brand fit using conjoint analysis. Brand fit includes consumers' perceptions of two different brands. These consumer perceptions are not a characteristic of a product, a graphic design, a company or a category, but of the brand in its entirety (Rajagopal, 2006). It is important to note here that retail strategy, brand name and logo development, media strategy, advertisements, as well as package design and labeling, all play a role in forming consumers' perceptions.

Marketers engage in numerous strategies to leverage strong, existing brand names. Brand extensions, co-branding, and sponsorships, are to name but a few. These strategies are sometimes used to change a certain perception consumers might have formed about a brand. According to Farrelly *et al.* (2004), marketers could succeed in changing consumers' perceptions, but, nevertheless, some might fail to do so, as the new image might be in contrast to the established perceptions, or the consumers' past experiences with the brand might be too entrenched in their memories. The establishing of a positive brand fit is vital in making a success of the abovementioned marketing strategies.

As already discussed, information processing is a series of activities by which stimuli are perceived, transformed into information, and stored. Information processing for consumer decision making consists of the following four stages, namely, exposure, attention, interpretation, and memory. The first three embody perception. Learning can be defined as any change in the content or organisation of long-term memory or behavior, and it is the result of information processing (Hawkins *et al.*, 2007).

## 2.3 CONSUMER LEARNING

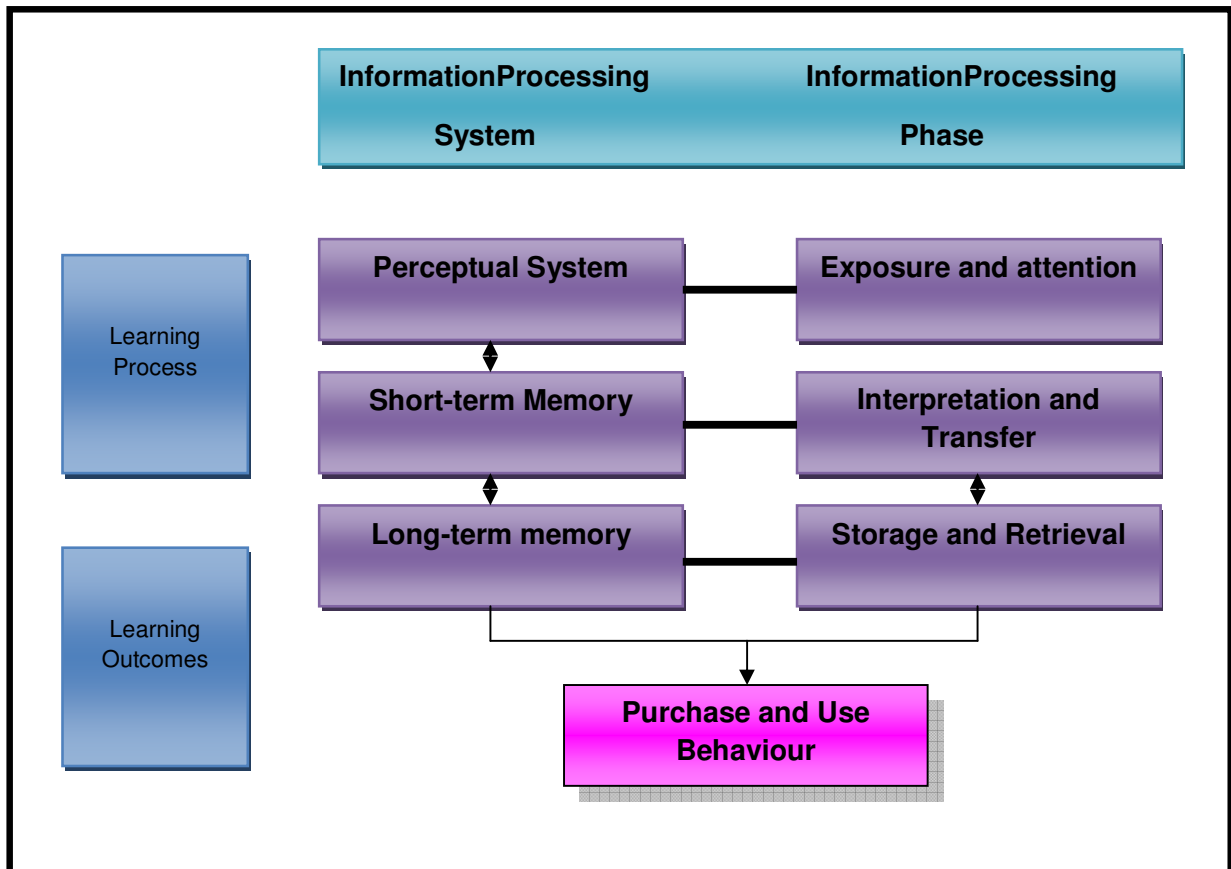
The use of brands seeks to reinforce existing positive associations, reduce existing negative associations, and create new positive associations. These associations are not only at the heart of learning, but are also the key to successful brand fit in consumers' minds. As the main reason for this study was to assess brand fit using conjoint analysis, consumer learning was seen as an important determinant. Brand fit was defined as a consumer learning process that seeks to match those brand associations held of the brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999).

According to Hawkins *et al.* (2007:322):

Consumer behavior is largely learned behavior. People acquire most of their attitudes, values, tastes, behaviors, preferences, symbolic meanings and feelings through learning. Culture, family, friends, mass media and advertising provide learning experiences that affect the type of lifestyle people seek and the products they consume.

Learning can be defined as any change in the content or organisation of long-term memory or behavior and it is the result of information processing. Figure 2.2 gives an overview of the relationship between perceptions and learning.

**Figure 2.3 Information processing, learning, and memory**



**Source:** Adapted from Hawkins, Mothersbaugh, and Best (2007).

It is clear, from figure 2.3, that different information-processing systems handle different aspects of learning. The perceptual system deals with information intake through exposure and attention, and may be conscious or deliberate in high-involvement situations, or non-conscious or non-focused in low-involvement situations. A high-involvement situation is one in which the consumer is motivated to process or learn the material, while a low-involvement situation entails the consumer having little or no motivation to process or learn the material (Meenaghan, 1995). Most of consumer learning occurs in low-involvement contexts, and is, therefore, not consciously processed by the consumer's brain (Gwinner, 1997; Rajagopal, 2006;

Hawkins *et al.*, 2007). Such associations tend to be stored in terms of metaphors, and, it is important to note that, they congregate in clusters (Rajagopal, 2006). As already mentioned, the main reason for this study was to assess brand fit using conjoint analysis. Brand fit consists of different brand associations that are linked together and will be processed mainly in low-involvement situations. Short-term memory (STM) deals with the holding of information temporarily, while it is being interpreted, after which it is transferred into long-term memory (LTM). LTM deals with storing and retrieving information that will be used in decision making.

As LTM is where marketers ideally want the brands to be stored, it is necessary to distinguish between semantic and episodic memory. Semantic memory is the basic knowledge and feelings that consumers have about a concept, while episodic memory is the memory of a sequence of events in which a person participated. Marketers frequently attempt to evoke episodic memories, either because the brand was involved in them, or to associate the positive feelings they generate with the brand. Episodic memory ties in with the main reason why companies want to achieve brand fit, that is, the linking of the positive associations of the one brand, to that of the company's brand.

It is not only important to realise what information is stored in the LTM, but also to be aware of how it is categorised. The most important structures that also come into play on the brand image, according to the brand association's theory (Keller, 1993), are known as schemas. The schematic memory of a brand is the same as that of a brand's image, which was defined in chapter 1 as the perceptions about a brand as

reflected by the brand associations held in a consumer's memory. Both concepts acquire depth of meaning by becoming associated with other concepts. A pattern of such associations is termed a 'schema' or 'schematic' memory – also referred to as a 'knowledge structure'. Schematic memory is a complex web of associations.

Schematic memory works in the following way. Concepts, feelings, and events are stored in nodes within the memory, and each of these is associated, either directly or indirectly, with the brand. Associative links connect various concepts to form the complete meaning assigned to an item. These vary in terms of how strongly and how directly they are associated with a node (Keller, 1993; Torres, and Bijmolt, 2008). When information is stored by the consumer, the level of processing and involvement will determine the strength of the associations between nodes. The resulting associations are thought to influence the consumer's buying behavior through a process called 'spreading activation'. The latter process brings relevant information into working memory, and makes it available for decision making (Faircloth *et al.*, 2001). Enormous effort is put into developing strong, easily activated links between brands, and the desirable product benefits. Marketers also strive to influence the schema that consumers possess for consumption situations (Keller, 1993; Hawkins *et al.*, 2007). Schematic memory is important in achieving brand fit.

The likelihood and ease with which information can be recalled from LTM is termed 'accessibility'. Attitudes must be accessible from memory in order to influence subsequent perceptions and behaviour (Farquhar, 1989). Every time an informational node is activated (accessed) in memory, it is strengthened. Top-of-

mind awareness refers to the accessibility effect for brands. Accessibility is also related to the strength and number of incoming linkages – when a concept is linked to other concepts in memory, its accessibility increases owing to multiple retrieval pathways. Elaboration enhances retrieval by creating a rich associative network. Stronger, and more direct linkages, are more accessible. By achieving a positive brand fit, multiple retrieval pathways are created. This means that the accessibility effects for brands are stronger, making these brands top-of-mind to consumers.

There are two different learning processes, namely, classical conditioning and operant conditioning. Conditioning is best described as a set of procedures used to increase the chances that an association between two stimuli is formed or learned (Hawkins *et al.*, 2007). Conditioning describes the process of creating brand fit between two different brands. Conditioning involves presenting two stimuli in close proximity, so that eventually the two are perceived to be related or associated. There are two types of learning processes (conditioning), namely, operant and classical conditioning. Operant conditioning attempts to create an association between a response (buying the brand) and some outcome (satisfaction), and is not really applicable to this study. Classical conditioning, on the other hand, attempts to create an association between a stimulus (brand name) and some response (feeling), and will be focused on in this study. The main objective of this study is to assess brand fit using conjoint analysis. Brand fit is a determinant of brand image transfer. Brand image transfer occurs when a brand becomes associated with another entity, and some of the associations linked with that entity may become linked in memory with the brand. This reflects the classical conditioning process.



The classical conditioning procedure involves pairing the brand repeatedly with some other stimulus that already elicits positive feelings. The goal is that, ultimately, only the brand name will elicit the same, positive feelings. In more formal terms, 'the process of using an established relationship between one stimulus and response to bring about the learning of the same response to a different stimulus is called classical conditioning' (Hawkins *et al.*, 2007:331). Learning via classical conditioning is most common in low-involvement situations (Janiszewsky and Warlop, 1993; Priluck and Till, 2004; Kirsch, Lynn, Vigorito, and Miller, 2004). The pairing of a brand with some other entity or event in order to transfer a positive meaning to that brand is a good example of classical conditioning, which is true to brand image transfer.

## **2.4 CONCLUSION**

This chapter discussed perception and consumer learning. In chapter 1 brand fit was defined as a consumer learning process that seeks to match those brand associations held of the brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999). As explained in this chapter, perceptions play an important role in the brand associations formed by consumers, while the development of these brand associations is a consumer learning process. It is important for marketers to understand consumers' perceptions, as well as how these perceptions are formed. Marketers can influence consumers' perceptions through the consumer learning process so insuring that consumers shape the wanted brand image.

Before discussing brand fit, it is, firstly, necessary to understand the basic elements of brand knowledge, that is, brand awareness and brand image, and how it plays a role in consumer behaviour, and, ultimately, has an impact on brand fit. The following chapter discusses branding, brand knowledge, and their components.

## **BRANDING AND BRAND KNOWLEDGE**

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### **3.1 INTRODUCTION**

The main objective of this study was to assess brand fit using conjoint analysis. Brand fit is said to occur when the general or stereotypical image evoked by a product, based on its features and the associations it brings to mind, is consistent with the type of entity used with the brand (refer to chapter 1). From this definition, it is evident that the basis of brand fit relies on brands, brand image, and brand associations. In order to comprehend brand fit, it is first necessary to understand branding and brand knowledge, that is, brand awareness and brand image. This chapter will commence by explaining a brand, and, thereafter, move on to brand knowledge, and its levels of brand awareness and brand image.

### **3.2 BRAND**

For the purposes of this study the term 'brand' will firstly be discussed, so as to assist in a better understanding of 'brand fit'. As already mentioned in chapter 1, a brand can be defined as:

A name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Kotler and Keller, 2006:274)

Or, as Farquhar (1989:25) defines it, 'a brand is a name, symbol, design or mark that enhances the value of a product beyond its functional purpose'. The brand is regarded as separate from the functional product, with the brand being 'grafted' on by advertising, thereby completing the transformation process from functional product to immortal brand (Meenaghan, 1995). Depending on which perspective is considered, the brand can have added value to the company, the trade or the consumer. When looking at the familiar view of a brand as part of the consumer's life, one can see that its personality represents a promise and a set of values that are supported by benefits, features, and functions that deliver that promise (Richards, Foster, and Morgan, 1998).

Consumers perceive brands on dimensions that capture a consumer's personality, and extend that personality to the domain of the brand. The dimensions of brand personality are defined by extending the dimensions of human personality to the domain of the brand. Brand personality traits provide symbolic meaning or emotional value that can contribute to consumers' brand preferences, and can be more enduring than functional attributes (Rajagopal, 2006). Aaker (1997) identifies these dimensions that are related to brands as sincerity, excitement, competence, sophistication, and ruggedness. Richards *et al.* (1998:47) state that:

...brands evoke clear meanings, images and associations, each with an identity that separates it from its direct competition and make it more or less attractive to the potential user. Brands have relationships with their users, often throughout the lives of the consumers and their families.

According to Rajagopal (2006), the total sum of the brand idea or perception is rooted in the consumer's experiences with the brand itself, in all its messages, interactions and so forth.

Brands are successful because consumers prefer them to ordinary products. In addition to all the psychological factors, such as social acceptance, brands give consumers the means whereby they can make choices and judgements. Based on previous experiences, consumers can then rely on chosen brands to guarantee standards of quality, which reduces the risk of failure in purchase (Rajagopal, 2006). According to Farquhar (1989), brand equity, from a consumer's perspective, is reflected by the increase in 'attitude strength' for a product using the brand. An attitude is defined as the association between the branded product and the evaluation of that object in a consumer's memory (Keller, 1993). Attitudes must be accessible from memory in order to influence subsequent perceptions and behaviour.

The value of a brand lies in what consumers have experienced and learned about the brand. The resulting brand associations held in a consumer's memory constitute the brand image and affect their behaviour (Torres and Bijmolt, 2008). All that is associated with the brand in consumers' minds constitute brand knowledge.

### **3.3 BRAND KNOWLEDGE**

Brand knowledge is a function of awareness, which relates to consumers' ability to recognise or recall the brand, and image, which consists of consumers' perceptions and of associations for the brand (Commfaculty, 2008). Brand knowledge is everything that the consumer associates it with when thinking of that brand – from feelings, attributes, benefits, and images, to thoughts, attitudes experiences, and awareness. It is the personal meaning about a brand, stored in a consumer's memory (Keller, 2003). It can be created in a variety of ways. Any potential encounter with a brand – marketing initiated or not – has the opportunity to change the mental representation of the brand, and the kinds of information that can appear in a consumer's memory.

Brand knowledge is better understood as consisting of a brand node in memory, to which a variety of associations are linked. Perceptual and cognitive models assume that brand knowledge (i.e. brand awareness and image) affects consumer response to the brand, defined as perceptions, preferences, and behaviour arising from marketing mix activity (Esch, Langner, Schmitt, and Gues, 2006). According to Keller (2003), it is important to develop broader perspectives toward brand knowledge, given the reality that, firstly, marketing activity creates or affects multiple dimensions of brand knowledge, and, secondly, that multiple dimensions of brand knowledge, in turn, influence consumer response to marketing activity.

Research done by Bettman and Park (1989) reveals that consumers engaged in a choice process can focus on information they bring with them from prior search or experience, or information available in the choice situation itself (e.g. on the packaging). It is important to remember that much experience is brand-based – advertising, point-of-purchase displays, usage experience, and so forth. This may lead to a memory structure that tends to be more and more organised around brands as one accumulates experience. As Shaefer (1995) puts it:

Brand knowledge or familiarity is the cognitive representation of product-related experience in a consumer's memory, which takes the form of a product schema and is likely to contain knowledge in the form of coded representations of brands, product attributes, usage situations, general product class information and evaluation and choice rules.

Alba and Hutchinson (1987) have a similar opinion, in that, according to them, consumer knowledge should be regarded as a multi-dimensional construct, where different types of product-related experience lead to different dimensions of knowledge, and these different dimensions of knowledge have different effects on product evaluations and choice behaviour, depending on the specific situation and task at hand.

According to Bettman and Park (1989), consumers lower in brand knowledge attempt to use relatively more evaluations than more knowledgeable consumers. Bettman and Kakkar (1977) also found that greater knowledge is associated with an increase in brand processing. This can be contributed to the fact that direct experience with a

specific brand is likely to facilitate the use of a brand name specifically as a choice criterion (Shaefer, 1995). Where consumers are confronted with a familiar brand name, they tend to reach evaluations quickly, because they are familiar with the brand's attributes (Brucks, 1985).

For the purposes of this study, brand knowledge is conceptualised according to an associative network memory model in terms of two components, brand awareness and brand image (i.e., a set of brand associations). According to Keller (1993), brand awareness is a necessary condition for the creation of a brand image, as brand image refers to the set of associations linked to that brand in the consumer's memory. Esch *et al.* (2006) confirmed this, as their research reveals that brand awareness affects brand image, and that both aspects of brand knowledge are direct determinants of consumers' current purchase behaviour.

Understanding the content and structure of brand knowledge is important, because it influences what comes to mind when a consumer thinks about a brand. Brand knowledge is also important in this study, as it plays a significant role in creating brand associations, which can be used to establish brand fit between two different brands. According to Keller (1993), most widely accepted conceptualisations of memory structure involve some type of 'associative' model formulation. For example, the associative network memory model views semantic memory or knowledge as consisting of a set of nodes and links. Nodes are stored information connected by links that vary in strength. A 'spreading activation' process from node to node determines the extent of retrieval in memory. A node becomes a potential source of

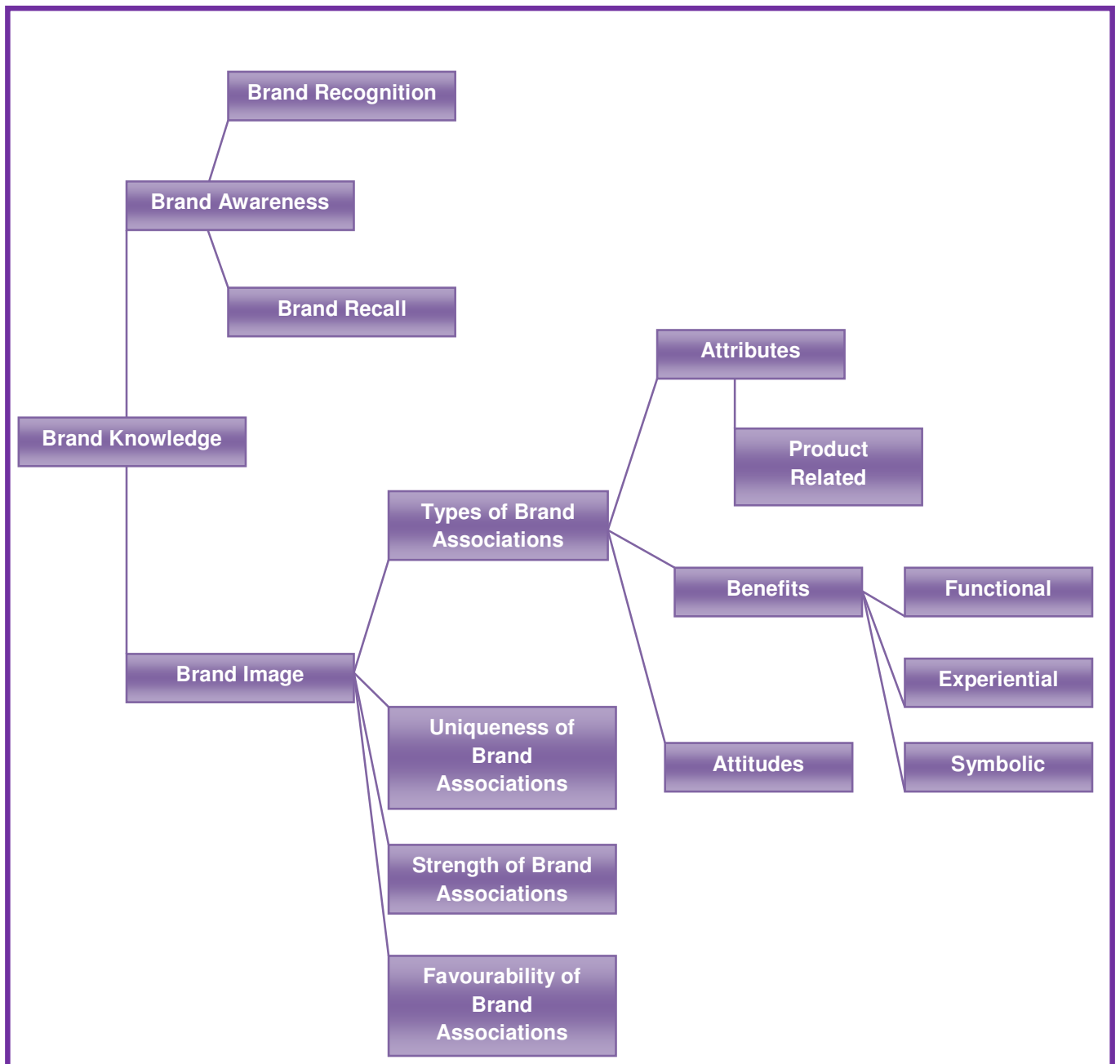


activation for other nodes either when external information is being encoded or when internal information is retrieved from long-term memory. Activation can spread from this node to other linked nodes in memory. When the activation of another node exceeds some threshold level, the information contained in that node is recalled.

Therefore, the strength of association between the activated node and all linked nodes determines the extent of this 'spreading activation', and the particular information that can be retrieved from memory. For example, in considering a beer purchase, a consumer might think of Castle Lager because of its strong association with the product category. Consumer knowledge most strongly linked to Castle should also then come to mind, such as perceptions of its taste, alcohol content or even recalled images from a recent advertising campaign or past product experiences.

Consistent with what is explained above, brand knowledge is thus conceptualised as consisting of a brand node in memory to which a variety of associations are linked. For this specific research, the relevant dimensions of brand knowledge are the awareness of the brand, (in terms of brand recall and brand recognition) and the favorability, strength and uniqueness of the brand associations in consumer memory, in other words, the brand image (Keller, 1993), as depicted in figure 3.1. Each dimension of brand knowledge will be discussed, starting with brand awareness.

**Figure 3.1 Dimensions of brand knowledge**



**Source:** Adapted from Keller (1993)

## 3.4 BRAND AWARENESS

The first dimension distinguishing brand knowledge is brand awareness. Hoyer and Brown (1990:141) define brand awareness as, 'a rudimentary level of brand knowledge involving, at the least, recognition of the brand name'. Esch *et al* (2006), refer to brand awareness as the strength of the brand node in memory, that is, how easy it is for the consumer to remember the brand, while Yoo and Donthu (2001) refer to brand awareness as the ability for the buyer to recognise or recall the brand as part of a product category.

Brand awareness evolves out of brand recognition and brand recall (see figure 3.1). Brand recognition is involved once the brand has been previously encountered – thus the difference between brand awareness and brand recognition is subtle. The prior denotes being in a state of knowledge, and the latter a cognitive process resulting from awareness (Hoyer and Brown, 1990). Brand recognition requires that consumers correctly discriminate the brand as having been heard about or seen before (Keller, 1993). Brand recall, which relates to the consumer's ability to retrieve the brand when given a probe such as the product category, is one of the most common ways to measure brand awareness (Esch *et al.*, 2006). Both brand recall and brand recognition can be assessed through a number of aided and unaided memory measures, while brand recall can also be coded in terms of the order of recall. This captures how strongly the brand is associated with the product category (Keller, 1993).

A brand name can be used to create brand identities – they can be classified whether they enhance brand awareness or facilitate the linkage of brand associations. The choice of a name also affects brand recall and recognition processes. A familiar word in the brand name may facilitate brand recall, while a more unusual word facilitates brand recognition (Keller, 1993). Brand awareness is related to brand familiarity, which is defined as the number of product-related experiences that have been accumulated by the consumer (Alba and Hutchinson, 1987).

The study conducted by Hoyer and Brown (1990) found, firstly, that brand awareness is a prevalent choice tactic among inexperienced consumers facing a new decision task; secondly, that subjects who are aware of one brand in a choice set tend to sample fewer brands across a series of product trials; and, thirdly, that subjects who are aware of one brand in a choice set tend to choose the known brand, even when it is lower in quality than the other sampled brands. The replication study done by Macdonald and Sharp (2000) revealed that consumers chose the high awareness brand, despite quality and price differentials. These consumers also made their decisions faster, and sampled fewer brands than the consumers in the non-awareness group. Another study, conducted by Esch *et al.* (2006), confirmed that brand awareness affects brand image, and that both aspects of brand knowledge are direct determinants of current consumer purchase behaviour. Keller (1993) also found that high levels of brand awareness should increase the probability of brand choice, produce consumer loyalty, and decrease vulnerability to competitors. He went on to

state that high levels of brand awareness impacts positively on pricing, distribution, and promotional activities related to the brand.

Brand awareness should be of high importance to marketers for three major reasons. Firstly, products with high brand awareness form part of the evoked set – the handful of brands that receive serious consideration for purchase. Brand awareness has a remarkable effect on consumer decision making by influencing which brands enter the evoked set, as well as which brands are selected from the evoked set (Macdonald and Sharp, 2000). Secondly, brand awareness affects decisions about brands in the evoked set – this is through its use as heuristic cue (e.g. ‘I’ll choose the brand I know’) as well as its influence on perceived quality (e.g. ‘I’ve heard of the brand so it must be good’) (Macdonald and Sharp, 2000). Finally, brand awareness influences the formation and strength of brand associations in the brand image (Keller, 1993). A brand image is the perception about a brand as reflected by the brand associations held in the consumer’s memory. Brand awareness is a necessary condition for the creation of brand image – when a brand is well established in memory, it is easier to attach associations to that brand and establish it firmly in memory (Esch *et al.*, 2006). Brand awareness plays a fundamental role in creating a positive brand fit. If there is no brand awareness, there will be no brand image, which means that there are no associations in consumers’ minds which can be used to create brand fit. Brand image is an important dimension in brand knowledge contributing to brand fit.

### **3.5 BRAND IMAGE**

Mental images are a symbolic process based on stored experiences in associative memory regarding objects and events. The consumer forms an image through a synthesis of all the signals produced by the brand. Brand image results from the consumer's decoding, extracting, and interpreting of the brand signals (Faircloth *et al.*, 2001).

Keller (1993) defines brand image as the perceptions about a brand as reflected by the brand associations held in consumer memory. These associations refer to any aspect that link the brand with the consumer's memory (Aaker, 1996). Associations can be 'hard' (tangible/functional attributes), or they can be 'softer', more emotional attributes (excitement, trustworthiness) (Biel, 1992). The softer attributes of image, such as brand personality, being less constrained by the physical attributes of the products, are often far more differentiated, and the foundation for competitive advantage. When studying a brand's image, it should be made clear that it is not static, and is influenced by the numerous decisions the company takes about the brand over time (Martinez and de Chernatony, 2004).

Brand identity, brand image, and brand personality are often used interchangeably. Essentially, the term 'brand identity' means the sum of all the ways a company chooses to identify itself to the public, while brand image is the perception of the company held by the public (Meenaghan, 1995). Brand identity is a set of brand associations that the brand strategist aspires to create or maintain. Facilitated by

communication mechanisms, the brand identity forms associations in the consumer's mind, resulting in a brand image (Martinez and de Chernatony, 2004; Meenaghan, 1995). A variety of sources contribute to the forming of a brand image. These involve, amongst others, media advertising, personal experience, word-of-mouth, packaging, corporate identity, public relations, direct response, sales promotions, and employees (Biel, 1992).

In recent times, images, at all levels of marketing, have taken on increased importance. Companies have become more focused on public perceptions of their activities, while, at the brand level, attention has moved away from the physical aspects and functional benefits, to the more symbolic associations. Meenaghan (1995:23) suggests a variety of reasons for this emphasis on image in marketing:

- marketing's increased cognisance of the behavioural aspects of consumer decision making;
- affluent society's predilection with symbolic rather than purely functional aspects of products;
- an increasing variety of relatively homogeneous products often involving high product complexity and confusing messages which increase consumer reliance on the image aspects of products;
- the fact that technological innovation, increasingly susceptible to rapid imitation, may no longer offer previous levels of sustainable competitive advantage.

Biel (1992) suggests that brand image has three components. Firstly, there is the image of the provider of the product/service, or the corporate image. Secondly, there is the image of the user, and, thirdly, the image of the product/service itself. He also accentuates the fact that the relative contribution of these three elements tends to vary both by product category and by brand.

The development of brand image entails the marketer in giving life to a product. The marketer is providing it with a personality and human characteristics in the eyes of the consumer – by doing this a relationship is built between the brand and the consumer. According to Meenaghan (1995:25), to be successful, 'images and symbols must relate to and exploit the needs, values and life-styles of consumers in such a way that the meanings involved give added values and differentiate the brand from other brands'. The image strategy involves building a personality for the product or creating an image of the product user.

As previously mentioned, Keller (1993) defines brand image as perceptions about a brand as reflected by the brand associations held in consumer memory. Yoo and Donthu (2001:3) define brand associations as, 'anything linked in memory to a brand'. According to Keller (1993), the favourability, strength, and uniqueness of brand associations are the dimensions distinguishing brand knowledge.



- **Favourability of brand associations**

The above refers to, how consumers believe the brand has attributes to satisfy their needs so that a positive brand attitude is formed. Not all associations will be considered relevant in a consumption decision, and consumers are unlikely to view an attribute as being either very good or bad if they do not consider it to be important. An association valued in one situation, might not be applicable in another. This also links to brand fit, in the sense that, if the associations are not perceived to fit together, they will be disregarded and seen as irrelevant. Consumers are also less concerned with associations once they are familiar with the brand (Schaefer, 1995).

- **Strength of brand associations**

The above strength depends on how the information enters the consumer's memory, as well as how it is maintained as part of the brand image. Strength is affected by the amount and quality of processing the information receives. Strength increases both the likelihood that information will be accessible, as well as the ease with which it can be recalled by 'spreading activation'. Keller (1993:5) mentions that:

Memory is extremely durable, so that once information becomes stored in memory its strength of association decays very slowly. Though available and potentially retrievable in memory, information may not be accessible, and easily retrieved, without strongly associated reminders or retrieval cues.

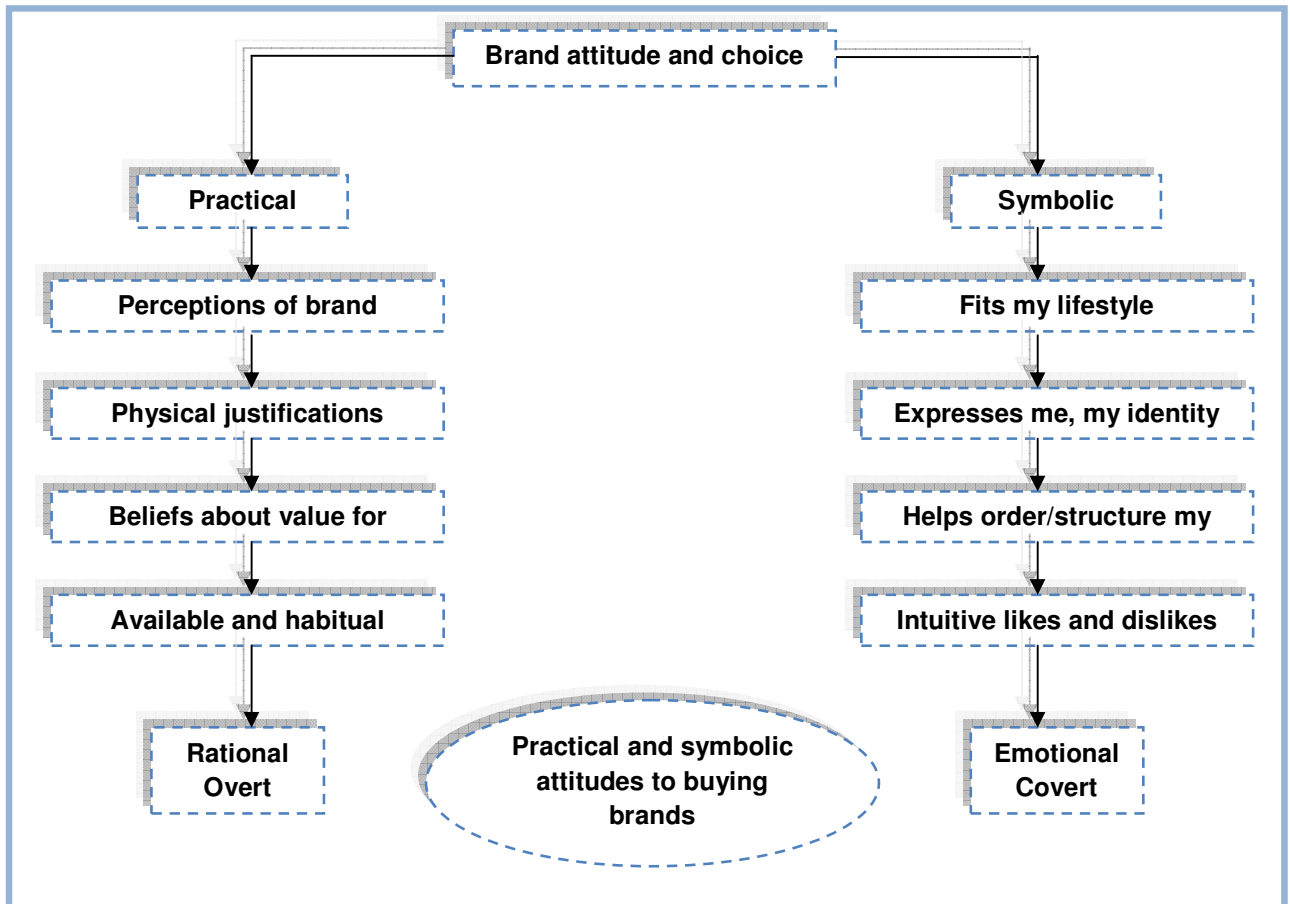
When linking this to brand fit, it is obvious that brands perceived to go together will ultimately increase the strength of associations.

- **Uniqueness of brand associations**

This uniqueness is the essence of brand positioning, that brands have a unique selling proposition that gives consumers reason for buying that brand. This may be based on product-related or non-product-related attributes, as well as functional, experiential or image benefits. Shared associations can establish category membership. Take note that, even if a brand does not face direct competition in its product category, it can still face indirect competition in a more broadly defined product category. A product category can be characterised by a set of associations that include specific beliefs about any member in the category. Certain attributes may be considered essential to all brands in the category, and a specific brand may be seen as representative of the whole category. Some product category associations may become linked to the brand, and are, thus, shared with other brands in the category. The strength of brand associations is an important determinant of brand image. Consumers may become confused by other competing brands in the same product category. Other brand associations in memory can affect the 'favourability' and strength of brand associations.

It is useful for marketers to realise that, when considering the purchase of a brand, the consumer is forming his/her relationship with the brand at two levels simultaneously. On the one hand, the intrinsic/functional attributes of a brand are being evaluated against consumer requirements in a practical/rational manner, which is left-hand side brain activity. On the other hand, the consumer is evaluating the meanings/values implicit in a brand in an emotional/intuitive manner, which relies on right-hand side brain activity (see figure 3.2).

**Figure 3.2 Practical and symbolic attitudes to buying brands**

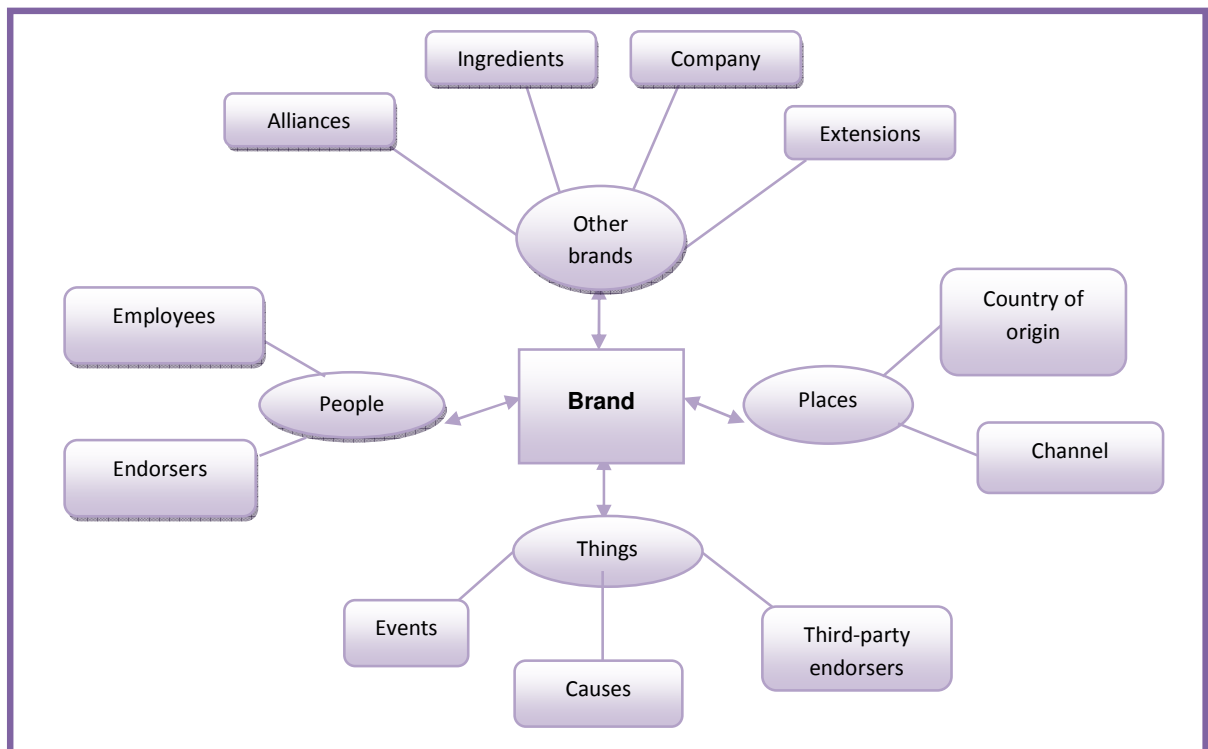


**Source:** Adapted from Cooper (1989)

Associations formed from direct experience are more accessible than those based on information. Also, information that is consistent in meaning with existing brand associations should be more easily learned and remembered than unrelated information – though the unexpectedness of information inconsistent in meaning with the brand can sometimes lead to more elaborate processing and stronger associations than even consistent information (Keller, 1993; Cornwell, Weeks, and Roy, 2005).

Secondary associations may also play a role in consumers' decision making. Secondary associations arise from primary attribute associations related to, firstly, the company, secondly, country of origin, thirdly, distribution channels, fourthly, a celebrity spokesperson or endorser of the product, or, finally, an event (see figure 3.3). These secondary associations can be used to create favourable, strong, and unique associations. The company, person, place or event should be based on awareness of that entity, as well as how it can be linked to the brand (Farquhar, 1989; Keller, 2003).

**Figure 3.3 Sources of secondary associations**



**Source:** Adapted from Keller (2003).

## **3.6 CONCLUSION**

Brand fit can be described as a consumer learning process that seeks to match those associations of the brands involved. Brand image is defined as perceptions about a brand as reflected by the brand associations held in a consumer's memory (Keller, 1993). As the main objective of the study was to assess brand fit using conjoint analysis, it was deemed important to discuss brands and brand knowledge, that is, brand awareness and brand image. Brand awareness and brand image both play a role in creating brand fit in consumers' minds. Brand awareness ensures that consumers are familiar with the brand, and so possess associations around the brand. These associations make up the brand image, which will be used to develop the brand fit between two different brands. The following chapter will explain the fundamental role of brand fit in brand image transfer.

# BRAND FIT AS PART OF BRAND IMAGE TRANSFER

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## 4.1 INTRODUCTION

In chapter 1, the main reason for this study was identified as being one of assessing brand fit using conjoint analysis. Brand fit has been defined as a consumer learning process that seeks to match those associations of the brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999). In chapter 3 it was mentioned that Keller (1993) defines brand image as the perceptions about a brand as reflected by the brand associations held in a consumer's memory. These associations refer to any aspects that link the brand with the consumer's memory (Aaker, 1996).

Keller (2003) has suggested that, when a brand becomes associated with another entity, some of the associations linked with that entity may become linked in memory with the brand – this is called 'brand image transfer'. Although the strength of brand image transfer is influenced by several factors, brand fit has been identified as the most important of all (Haynes *et al.*, 1999). Without brand fit, a positive and successful brand image transfer will not occur.

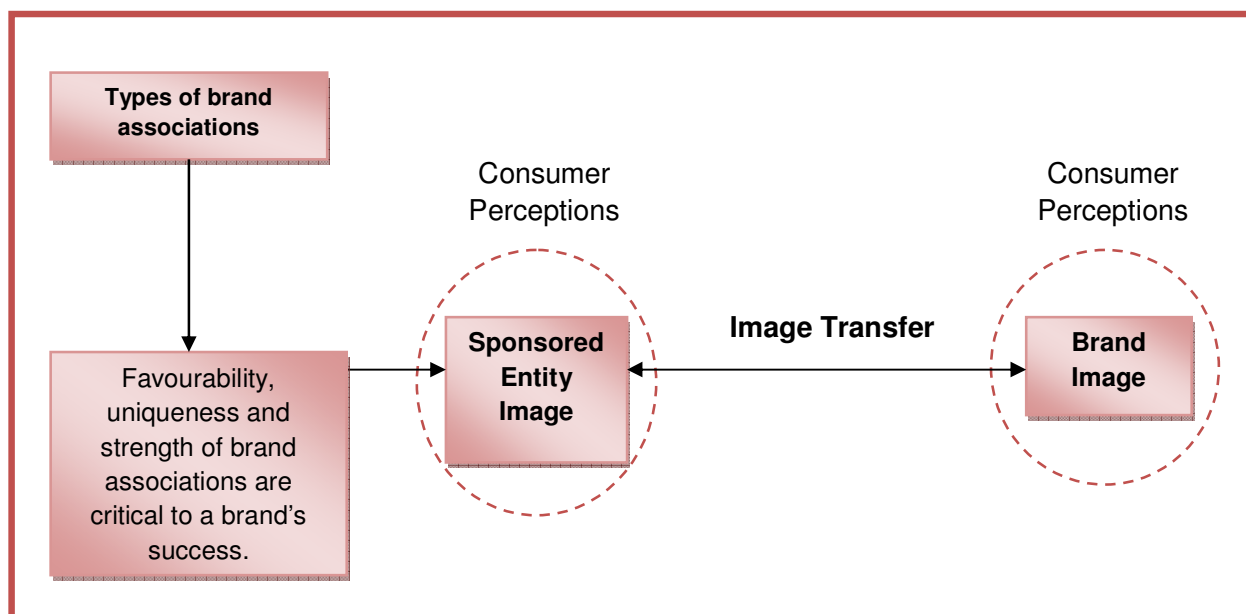
Sponsorships were the entity of choice for testing brand fit in this study, because of the extensive research already done on them, as well as the fact that high monetary value is attached to sport sponsorships in South Africa (see chapter 1). In the following chapter, brand image transfer will be discussed. In this discussion, sponsorships will also be explained, as well as the important role of brand fit in successful brand image transfer.

## **4.2 BRAND IMAGE TRANSFER, SPONSORSHIP, AND FIT**

Brand image has been defined as perceptions about a brand as reflected by the brand associations held in memory (Keller, 1993). As was previously mentioned in chapter 3, the favourability, uniqueness, and strength of the associations are critical to a brand's success (see figure 4.1). According to Gwinner (1997), brand associations can be developed from a variety of sources. Brand associations can also be manipulated to create a specific image – by providing and communicating specific brand associations, marketers can fine tune desired images. Product use, informational sources (e.g. advertising, packaging, word-of-mouth), and associations with other entities are to name but a few ways of creating brand associations. For the purposes of this study, the associations with other entities are of particular interest, as the main reason for this study was to assess brand fit using conjoint analysis. Brand fit was defined in chapter 1 as a consumer learning process that seeks to match those brand associations held of the relevant brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999).

As was discussed in chapter 1, sponsorship brands aided in the assessment of brand fit in this study. As already mentioned, when a brand becomes associated with another entity, some of the associations linked with that entity may become linked in memory with the brand (see figure 4.1). Image transfer in sponsorships has been defined as the transfer of associations attributed to the sponsored entity to the sponsoring brand, and is depicted in figure 4.1 (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). The aim of taking on a sponsorship is to evoke positive feelings and attitudes towards the sponsor, by closely linking the sponsor to an event the recipient values highly.

**Figure 4.1 A basic model of image creation and image transfer in a sponsorship**



**Source:** Adapted from Biel (1992); Keller (1993); Gwinner (1997).

Brand image transfer can be seen in various industries; sponsorships, endorsements, and product placements are to name but a few examples of it. A study undertaken by McCracken (1989) discussed brand image transfer in endorsements. When



researching the effectiveness of endorsements, he found that brand image transfer is better explained by the associations consumers have with the celebrity endorser, and subsequently transfer to the brand. McCracken used associations to describe the consumers' overall assessment of what a celebrity represents. According to him, the associations attributed to the celebrities move from the celebrity endorser to the product when the two are paired in an advertisement, and this movement of associations is brand image transfer.

McCracken's associations in celebrities is analogous to Keller's (1993; 2003) event associations. A comparison can be drawn between the celebrity endorsers and events. Just as consumers associate celebrities with certain meanings, so too are events associated with particular attributes and attitudes. Not unlike the meaning attributed to a celebrity being formed by the various roles they play, are associations derived from an event's type, characteristics, and from several factors to do with consumers (Gwinner, 1997; Gwinner and Eaton, 1999).

Apart from celebrity endorsement, image has also been seen to transfer from one brand to another via brand extensions and co-branding alliances (Smith, 2004). Brand extensions rely on associations from the core brand transferring to the new brand. The celebrity endorsement, brand extension, and co-branding literature all see the transfer of image between brands as a consumer learning process.

While companies enter into promotional arrangements, like sponsorships for a variety of goals, two of the most important are to increase brand awareness, and to

establish, strengthen or change brand image (Crowley, 1991; Meenaghan, 1991; Marshall and Cook, 1992; Gwinner, 1997; Farelly *et al.*, 2006). According to Haynes *et al.* (1999), synergy (i.e. fit) between the brand image and the sponsored entity can elevate the brand's image to new heights. Little to no attention has been given to sponsored entities' brand image issues. Past sponsorship research focused primarily on awareness building strategies, and almost ignored brand image issues (Gwinner, 1997; Gwinner and Eaton, 1999; Smith, 2004). As was mentioned in chapter 1, sponsorships were used to assess brand fit in this study, and will now be discussed.

#### **4.2.1 Sponsorships**

Image transfer in sponsorships has been defined as the transfer of associations attributed to the sponsored activity to the sponsoring brand (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). In recent years, the marketing communication environment has experienced the fragmentation of traditional advertising media, as well as the emergence of new, non-traditional media, promotional, and other communication activities (Keller, 2001). As a result of these changes, a modern marketing communication programme typically employs a host of different communication options. A communication option is any marketer-initiated form of communication that is related directly or indirectly to the brand, for example, sponsorships.

Research on sponsorship-linked marketing spans several areas across the literature, including marketing, consumer behaviour, strategy, sports management, human

movement sciences, and the social sciences. Sponsorships form a major portion of the so-called 'unmeasured media' spending for many companies. Unmeasured media refers to various other promotional expenditures outside the major media such as television, radio, print, and outdoor advertising. Sponsorships are now one of the best and most current methods of reaching consumers, with more and more advertising being tied to sponsorship events (Cornwell *et al.*, 2005).

Sponsorship has been defined as 'a cash and/or in-kind fee paid to a property (typically a sports, entertainment, non-profit event or company) in return for access to the exploitable commercial potential associated with that property' (Cornwell *et al.*, 2005:1), or as:

...an important marketing communications tool that seeks to achieve favourable publicity for a company and/or its brands within a certain target audience via the support of an activity not directly linked to the company's normal business (Cliffe and Motion, 2005:1068).

Sponsorship value can emanate from a variety of sources, from the naming of a stadium to the use of sponsored celebrities as endorsers, or the positioning of a brand on its status as official supplier of an event.

Recent surveys have found that the main reasons for sponsors' engagement in sponsorships are, firstly, sponsor awareness, and, secondly, image transfer from the event to the sponsor (Grohs *et al.*, 2004). For sponsors, the prime objective is to use the image of the sponsored entity to define, enhance or even re-establish their own brand image in order to influence the perceptions and purchase behaviour of target

consumers. For sponsored entities, the main benefit arises from often substantial 'rights' fees, as well as exposure provided by sponsors for the legal right to use their trademarks, logos, and intellectual sponsored entity in any promotional activity that they undertake to convey the association (Farely *et al.*, 2006).

Sponsorship audiences at a group level can be expected to have pre-existing social alliances that will influence receptivity to sponsorship-linked marketing communications, and these social alliances can vary greatly in their importance, duration, and influence. The most obvious and well researched social alliance is that of fans in sports contexts. A great deal of variability, nevertheless, still exists when one evaluates the role of sponsorships (Gwinner, 1997; Madrigal, 2000). According to Cornwell *et al.* (2005), social alliances can play a potential role in motivating consumer variables such as involvement and arousal, and in swaying 'group think' regarding sponsorship response. It is also important to remember that a good many sponsorships come with particular social alliances, some of which might be contrary to the desires of established groups. On the positive side, existing strong alliances may support sponsorship goals when sponsors are accepted, and fan loyalty is translated to brand loyalty.

It has long been known that marketing mix activities affect how consumers perceive brands. In today's highly competitive marketplace, marketers often need to link their brands with other entities, for example, people, places, things or other brands, as a means to improve their brand image (Keller, 2003). Marketing researchers have not, hitherto, placed great emphasis on understanding the dynamics of creating a

consumer's brand image (Faircloth *et al.*, 2005). As a result, marketing activities such as sponsorships are often undertaken with no clear concept of the probable effect on consumers. In the past, sponsorship research focused primarily on awareness-building strategies, and almost ignored brand image issues (Gwinner, 1997; Gwinner and Eaton, 1999; Smith, 2004). This was a surprising omission, as brand image development is a primary reason for undertaking sponsorship.

The concept of image transfer implies that the sponsor image, after the sponsorship, is also determined by the sponsored entity's image. In other words, the sponsored entity's image should have a significant incremental contribution in shaping attitudes towards the sponsor after the sponsorship (Grohs *et al.*, 2004). It is important to realise that, in addition to past experiences and other indirect exposures, it is more likely that new experiences will shape one's perception of the sponsored entity's image (Bagozzi and Warshaw, 1990; Gwinner, 1997).

As already mentioned, image transfer in sponsorships has been defined as the transfer of associations attributed to the sponsored activity to the sponsoring brand (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). Recent surveys have found that the main reasons for sponsors engaging in sponsorships are sponsor awareness, and image transfer from the event to the sponsor (Grohs *et al.*, 2004). Brand image transfer, with brand fit at its core, is the essence of this study, and will now be discussed further.

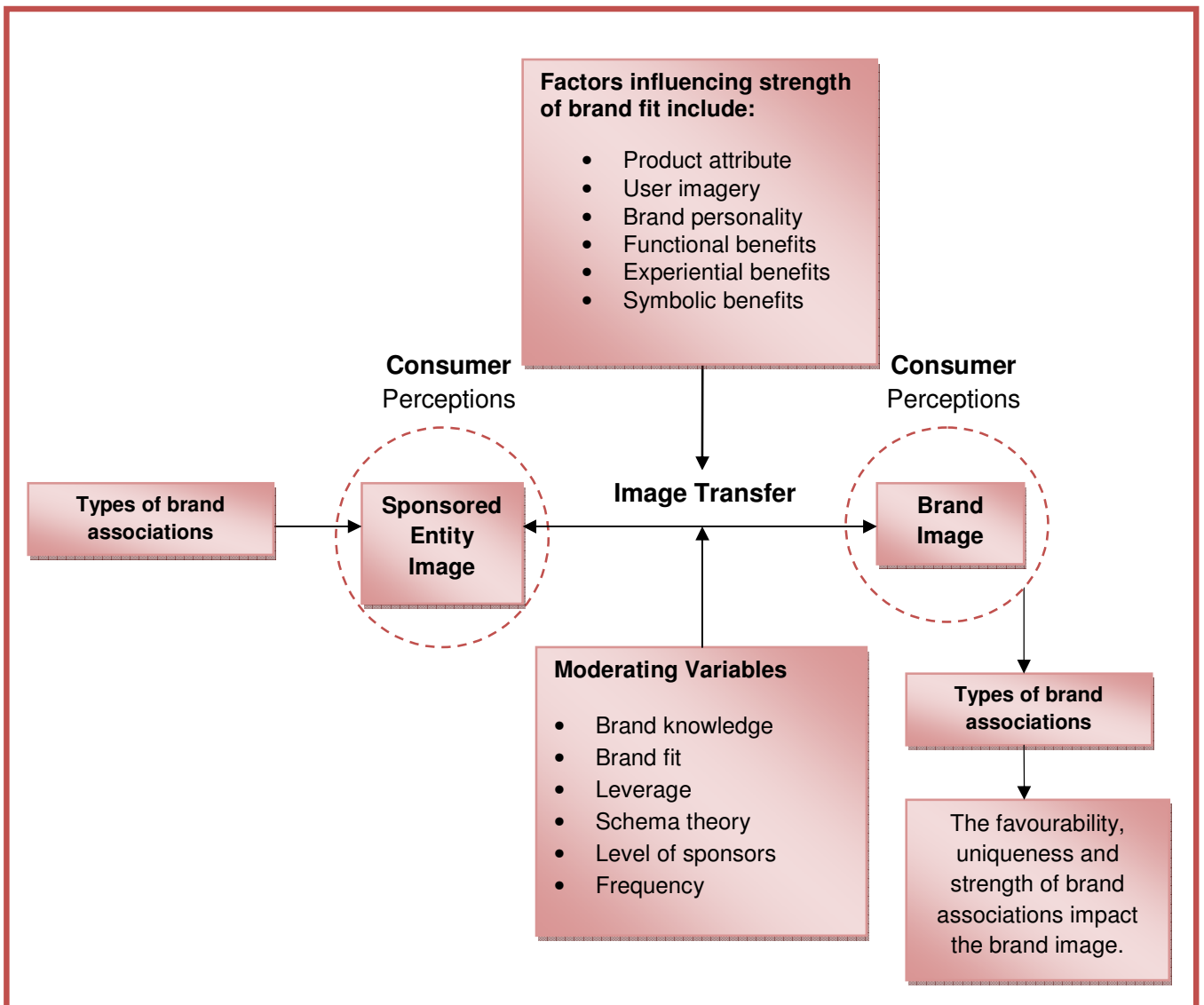
## **4.2.2 Brand image transfer**

Brand image transfer has been defined as the transfer of brand associations attributed to the entity to the brand (Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004). There are several important moderating variables that have an impact on the strength of brand image transfer between two different brands, and these variables will now be discussed (see figure 4.2).

### **4.2.2.1 Brand knowledge**

As already mentioned in chapter 1 and chapter 3, brand knowledge also has an impact on brand fit. The amount of knowledge already held by consumers about the sponsored entity, and the sponsor, will affect how these factors are, firstly, understood, and, subsequently, stored in memory. Assuming that associations cannot transfer if they are not known in the first place, knowledge must be the starting point in explaining image transfer (Smith, 2004).

**Figure 4.2 A detailed model of image creation and image transfer in a sponsorship**



**Source:** Adapted from Biel (1992); Keller (1993); Gwinner (1997).

According to Martinez and de Chernatony (2005), the knowledge or familiarity consumers have with the brand is likely to influence all of their perceptions of the brand. Knowledge is a cognitive-based consumer level variable that can influence information processing of a brand-entity linkage presented via a sponsorship. When discussing event sponsorship, the latter is examined in terms of a consumer's brand

knowledge, as well as of the event being sponsored. Since sponsorship messages cannot pass on specific information about the brand itself, audiences need to have a basic knowledge about the sponsor and its product category. Only then can the consumer connect the information conveyed by the sponsorship to establish knowledge and value structures, and so enhance sponsor recall (see chapter 3) (Grohs *et al.*, 2004).

In a study undertaken by Sujan (1985), it was apparent that information consistent with brand knowledge resorted to category-based processing, while information which is discrepant from category-based knowledge, led to more engaged, analytical thought processes. This engaged thought processing might be to the brand's advantage, as it will remain in a consumer's memory, but it is not the best situation for sponsorships, as analysing the sponsoring brands is not the main reason that consumers are at the event – they will disregard it as irrelevant information if it is not in relation to their brand knowledge. As consumers proceed from automatic processing to a more focused processing, their knowledge on the specific brand, and its product category, becomes increasingly influential in the types of thoughts stimulated (Celsi and Olson, 1988).

Prior experiences build on brand knowledge. A consumer's prior experiences with a sponsor or an entity can trigger cognitive and affective responses that have an impact on the processing of sponsorship messages. Consumers' experiences play a large part in moulding brand perceptions (Cliffe and Motion, 2005). Brand image may change, depending on the consumers' level of familiarity with the brand (see section



3.5). Increased brand familiarity enables consumers to remember brand and product information, and to develop more refined cognitive structures. More elaborate cognitive structures emerge from an increasing number of product-related experiences (Alba and Hutchinson, 1987). These more elaborate cognitive structures serve to ensure better processing of product-related stimuli when the brand is encountered in the future. The ultimate outcome is for new associations to be of the same valence as existing associations. , Familiarity, thus, not only increases the number of associations held in memory, but it also has a positive impact on the perceived relations between new stimuli and existing associations (Cornwell *et al.*, 2005).

#### **4.2.2.2 Brand fit**

The next moderating factor to be discussed in the image transfer process is the degree of similarity between the entity and the sponsor, and this factor is also the basis of this study. Although no specific research exists into what determines fit in sponsorship situations (Crowley, 1991; Meenaghan, 1991; Marshall and Cook, 1992; Gwinner, 1997; Gwinner and Eaton, 1999; Grohs *et al.*, 2004; Farelly *et al.*, 2006), the wider literature on branding appears to operationalise fit as a consumer learning process that seeks to match those associations held of the brands involved. Brand fit can be described as a situation where the general or stereotypical image evoked by a product, based on its features and the associations it brings to mind, is consistent with the type of entity used with the brand (Lynch and Schuler, 1994). According to McDonald (1991) and Gwinner (1997), a product can have either functional or image- related similarity with the sponsored entity. Functional similarity

occurs when the product is actually used during or by the entity, while image-related similarity occurs when the image of the entity can be related to the image of the brand. Sponsor-entity similarity (functional or image based) will enhance image transfer by anchoring the relationship more firmly in the consumer's mind (Gwinner and Eaton, 1999) (see figure 4.2).

This enhanced image transfer is consistent with some of the literature on endorsement, which suggests that mismatches between endorser and brand decrease the effectiveness of the endorsement (Kaikati, 1987). A recurring conclusion arrived at in empirical work on 'spokespersons', is that some sort of congruence or fit between the characteristics of the spokesperson in advertisements, and the characteristics of the product advertised, appears to enhance or interact with the dependant measures involved (Lynch and Schuler, 1994). The greater the fit perceived, the greater the likely transfer of images (Smith, 2004) (see figure 4.2). Kahle and Homer (1985) were among the first to research fit in the context of celebrity endorsements. Amongst their findings was the evidence that advertising effectiveness is increased when the image of the celebrity converges with the image of the brand. For example, Lynch and Schuler (1994) mention that, if there is a fit between product and model in an advertisement, consumers' evaluations of the product will be favourable, because perceptual and attitudinal congruence will be present. On the other hand, if a fit, perceptual and attitudinal congruence are missing, it is highly likely that unfavourable product evaluations will exist. Their study also came to the conclusion that if spokesperson characteristics were manipulated so that brand perceptions are only mildly discrepant from the product category, the

brand would be expected to occupy a differentiated position within the product category. The key to this type of spokesperson manipulation could easily be the degree of fit between the spokesperson and the product being advertised (Lynch and Schuler, 1994).

Kamins and Gupta (1994) found that increased congruence resulted in perceptions of higher believability and attractiveness of the spokesperson, and a more favourable product attitude.

The product placement literature reviewed also appeared to present the same conclusion. It suggested that when sponsors' programme congruity was seen to be weak, the product placement would be inconsistent and not credible, leading to complete disregard from the consumer (d'Astous and Seguin, 1999).

Furthermore, in the brand extension literature reviewed, the researchers Martinez and de Chernatony (2005) found a direct effect between the fit perceived by consumers, and the acceptance of the extension. The theory suggests that storage in memory and retrieval of information are influenced by relatedness or similarity (Cornwell *et al.*, 2005), and the research of Caballero and Solomon (1984) found that a fit can actually lead to higher sales.

In the literature reviewed, a list of possible image associations, wherein consumers may perceive fit, is made available. Keller's (1993) study on brand image formation identifies six generic types of associations that may constitute a brand's image. From

Smith's (2004:465) research, each of these generic types is reproduced below, with an example of sponsorship fit, at each level. Fit may be achieved at one or more of the mentioned levels of brand associations identified (see figure 4.2).

- *Product attribute.*

Products are used in the same context, for example, Adidas sports gear and sports

- *User imagery.*

The same type of person uses both of the brands, for example, Castle lager and rugby; rugby supporters will ultimately drink Castle.

- *Brand personality.*

Brands are seen as being similarly youthful or exciting, for example Miller (a young and exciting brand beer and music festivals).

- *Functional benefits.*

Brands provide similar benefits in use, for example, Flora margarine and a marathon, both providing health benefits.

- *Experiential benefits.*

Brands have similar levels of emotional attachments or sensory pleasures. The large number of drinks' companies that sponsor male team sports seek to link the pleasure of socialising with those of the sport and alcohol.

- *Symbolic benefits.*

Both brands appeal to the consumer's self-concept in terms of status, prestige, exclusivity, and so on. Peroni (a stylish Italian beer) and fashion week is a good example.

There is increased emphasis being placed on the importance of establishing the link between sponsor and entity. Cliffe and Motion (2005) suggest that sponsorship can be leveraged to create positive brand experiences for consumers through the cultivation of emotionally laden experiences, which, in turn, create vivid imagery of the sponsoring brand for the consumer. Sponsorship, thus, potentially provides the opportunity for brands to leverage brand experiences that would not otherwise be possible, by linking the sponsored entity's experience to the brand. Relatedness need not be restricted to a semantic association, but may also capitalize on other associations between the entity and the sponsor's image and personality (Friedman and Friedman, 1979; Johar and Pham, 1999). The entity matched with the brand can say much about the intended users of the product, and about the benefits resulting from product use (Lynch and Schuler, 1994). It may be that mismatches could result in greater attention to message detail, whereas matches would result in greater consumer reliance on affect toward the sponsored entity.

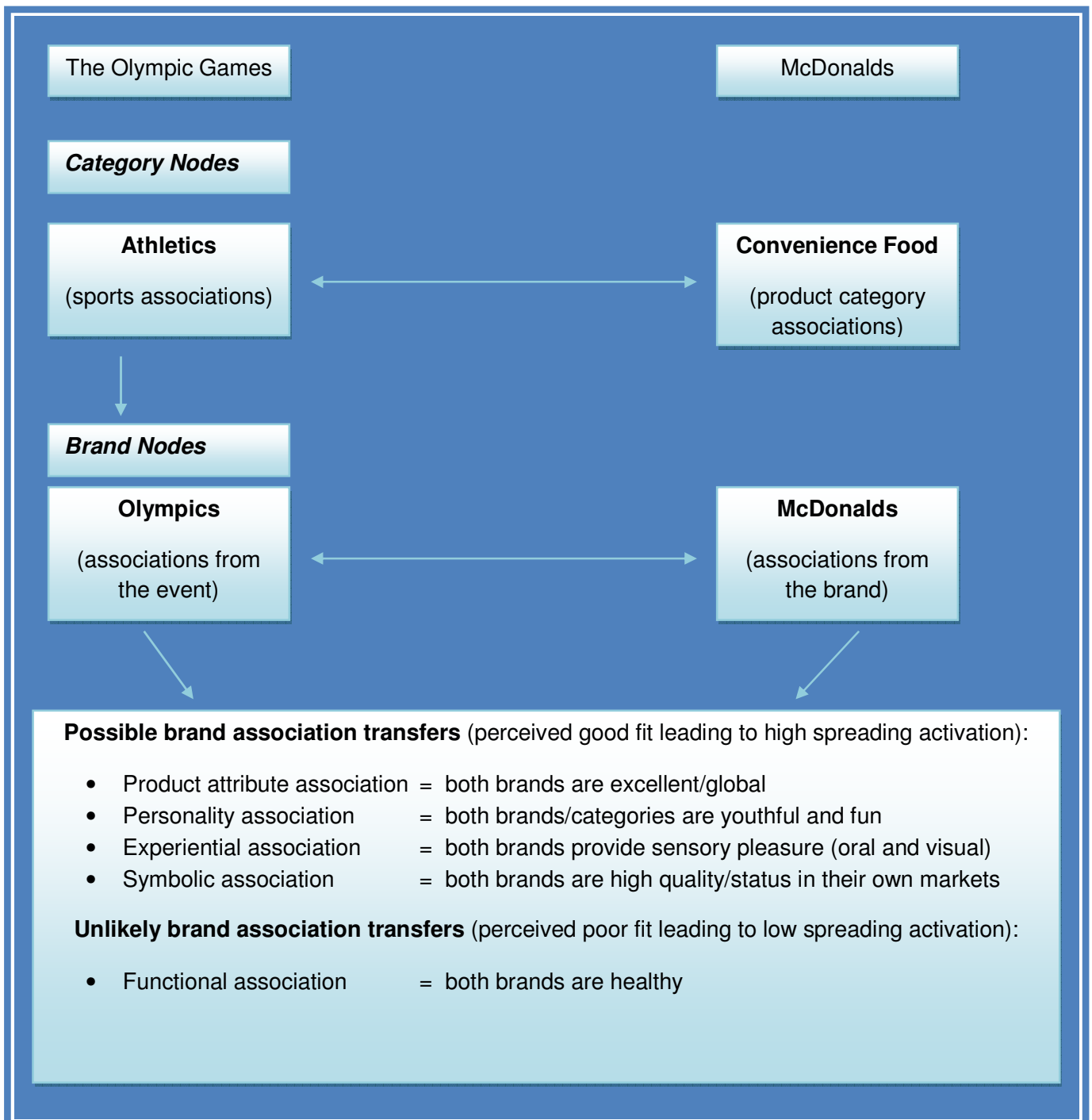
In the case of sponsorships, where the entity is front of mind to consumers, these consumers do not pay focused attention to sponsoring brands. Several studies have found that entity characteristics that are incongruent with brand schema characteristics will be filtered out, and have little to no effect on the consumer (Misra and Beatty, 1990; Gwinner and Eaton, 1999). Hence, sponsors should sometimes take on additional relationship-specific commitments, in the form of marketing communications designed to inform the target market of the brand fit,

although they would have expected this to be matched by the entity they supported (Smith, 2004; Farely *et al.*, 2006).

When brands are linked together, it is suggested by, amongst others, Gwinner (1997) and Smith (2004), that consumers process this information by searching, firstly, for a fit between the brands at their product category level. If there is a category-fit, consumers next consider fit at the level of the brand. This would allow for spreading activation of associations from the one to the other. Smith (2004) presents a detailed version of the learning process when two brands are partners in a sponsorship arrangement (see figure 4.3).

As figure 4.3 demonstrates, even sponsorships that appear to have little by way of fit, potentially have many on further analysis. These two categories do not appear to fit, but, by using the wider listing of Keller's (1993) possible associations at both the category and the brand level, it allows for a more detailed analysis of potential sources of fit (Smith, 2004). In cases where fit is not apparent to consumers, the spreading activation process is not stimulated, and image transfer will not take place. In such a situation, external sources are required to provide the stimuli and establish the association in consumers' minds (Keller, 1993). In such cases, where brand fit is not evident, leveraging of the sponsorship is needed in order to develop brand fit and create brand image transfer.

Figure 4.3 The process of brand image transfer within a sponsorship – A hypothetical



Source: Adapted from Smith (2004)

#### **4.2.2.3 Leverage**

Another moderating variable in successful brand image transfer is sponsorship leverage (see figure 4.2). According to Quester and Thompson (2001), the degree to which a sponsorship is leveraged has a significant, positive impact on sponsor image. In a study undertaken by Kahle and Homer (1985), they arrive at the idea that an effective fit might also be between the sponsored entity and the message in the advertisement used to leverage the sponsorship, as well as between the sponsored entity and the product. These findings suggest that a fit between the sponsored entity and the message might also be used to give the product perceived characteristics that it does not already possess. It is evident, here, that brand fit also plays a role in other moderating variables that have an impact on brand image transfer.

Collateral communication of a brand's relationship with an entity is referred to as 'leveraging a sponsorship'. Higher levels of leverage have been associated with perceptions of sponsorships succeeding in differentiating a brand, and adding financial value to the brand (Cornwell, Roy, and Steinard, 2001). Gwinner and Eaton (1999) found that if the fit between the sponsored entity and the sponsor can be made stronger, then the resulting image transfer will be more pronounced. According to Crimmins and Horn (1996:16), 'if the brand cannot afford to spend to communicate its sponsorship, then the brand cannot afford sponsorship at all'.

One of the keys to achieving desired consumer impact through sponsorship is to forge a link or association between the sponsor and the sponsored property, once



again showing that brand fit is the moderating variable that has the most impact on brand image transfer. Mere exposure to a brand through sponsorships is enough to create awareness, but awareness alone is very seldom enough to create a unique position in consumers' minds. This links to the research of Grohs *et al.* (2004), and Olson and Tjome (2003), as well as to Cornwell's *et al.* (2005) brand prominence theory, which suggests that sponsorship messages cannot pass on specific information about a product or service, and that audiences need to have a basic knowledge about the sponsor and its product category. The consumer can then connect the information conveyed by the sponsorship to established knowledge and value structures, thereby enhancing brand fit.

Consumers use brand fit as a source of information when inferring the identity of sponsors, particularly if a sponsor is recalled some time after the event. A large percentage of the target market might not recognise the company as a sponsor of the entity, or, even worse, they might incorrectly identify a competitor, who is not a sponsor, as an official sponsor (Crimmins and Horn, 1996; Johar and Pham, 1999). All else being equal, brands that are perceived to be related to the entity are more likely to be identified as actual sponsors. As Crimmins and Horn (1996) state, collateral advertising not only notes the sponsorship relationship, but also strengthens the link creatively, and so creates stronger traces in memory (see figure 4.2).

#### **4.2.2.4 Schema consequences of brand fit**

According to Lynch and Schuler (1994), brand fit can be explained in terms of a 'schema' theory. This would be consistent with the social adaptation theory mentioned by, amongst others, Kahle and Homer (1985) and Kamins (1990). 'Social adaptation theory suggests that a consumer will utilize a source of information only as long as that source facilitates adaptation to environmental conditions' (Lynch and Schuler, 1994:423). According to Kamins (1990), if a fit exists between product and sponsored entity, the sponsored entity becomes an effective source of information with regards to the effectiveness and benefits of the product. The strategic value of this is that this information can be conveyed quickly and easily, letting the consumer know of the adaptive significance of the product, before the consumer moves on to other sources of information. Homer and Kahle (1986) explain this even further by acknowledging the consequences on schemas of the social adaptation process. They observe that consumers adapt to environmental conditions by 'assimilating new information into existing schemata while accommodating mental structures to incorporate new, discrepant information' (Homer and Kahle, 1986:52). Schema theory suggests that consumers have preconceived ideas of both the brands involved in the sponsorship, and the categories to which these brands belong. Consumers use these schemas to judge how the brands fit (Smith, 2004).

Schema theory proves to be helpful in understanding how the match and mismatch conditions mentioned above might have produced changes in consumers' reactions to brands, sponsored entities, and advertisements. When there is a fit between brand and entity, this fit is responsible for creating new meaning by combining information

about the entity, and information about the brand, and then transferring this new meaning to the schema of the brand or entity. New information created by a fit can also generate an entirely new schema, that is, a schema of the advertisement or message itself (Lynch and Schuler, 1994).

As mentioned above, an effective fit might also be between the sponsored entity, and the message in the advertisement used to leverage the sponsorship, as well as between the sponsored entity and the product. This suggests that a fit between the sponsored entity and the message might also be used to give the product perceived characteristics that it does not already possess.

Schema theory links to the associative network theory discussed in chapter 2. Briefly, the associative network theory posits that memory consists of consumers' pieces of information called 'nodes'. Information is recalled from memory when a node is stimulated from the rest by a process called 'activation'. The process whereby one set of nodes prompts thinking about other linked nodes is known as 'spreading activation' – thinking of the one concept prompts thinking of the other (Keller, 1993; Smith, 2004).

#### **4.2.2.5 Level of sponsors**

Another factor that may moderate the image transfer from sponsored entity to sponsoring brand is the level of sponsorship (see figure 4.2). Multiple sponsors lessen the probability that a particular brand will be associated with the entity (Hutchinson and Alba, 1991). If recall and recognition are affected by clutter, then it

follows that brand image transfer might also be affected (Smith, 2004). Often, entities allowing multiple sponsors will offer different levels of sponsorship. These different levels include, for example, better sign location or more frequent media mentions, for more money. For a small brand, a market prominence bias may operate against the true sponsor when a competitor with a large market share is more readily recalled and, therefore, thought to be the sponsor (Johar and Pham, 1999). Brands which are notably similar in the consumer's mind may be particularly vulnerable to confusion when both competitors are engaged in similar sponsorship activities (Cornwell *et al.*, 2005). A study undertaken by Ruth and Simonin (2003) showed that the presence of a controversial product (eg. tobacco) can have a negative impact on impressions – thus, not only does the presence of other sponsors influence communication processing, but also image, fit, and image transfer.

#### **4.2.2.6 Frequency**

The frequency of the sponsored entity will also have an impact on the image transfer process (see figure 4.2). An ongoing sponsorship will establish a firmer link in consumers' minds (Smith, 2004), but some one-time sponsorships are of such a nature that they attract a great deal of media attention, and are worthwhile to sponsors. Once again, frequency has an impact on brand fit, which, in turn, has an impact on brand image transfer, showing that brand fit is the most important moderating variable in successful brand image transfer. The standard finding in cognitive learning is that message learning grows with additional exposures, although at a diminishing rate. Increasing familiarity can eventually make the sponsor

synonymous with the entity, until it becomes almost invisible to consumers, and, consequently, less effective in transferring brand image (Smith, 2004).

The effectiveness of repetition is higher if the recipient's involvement in the message content is low (Grohs *et al.*, 2004). As was mentioned in chapter 2, classical conditioning can be defined as attempts to create an association between a stimulus (brand name) and some response (feeling) (Hawkins *et al.*, 2007). In the literature on classical conditioning, there is mention of the fact that conditioning is easier if there is a certain fit between the unconditioned and the conditioned stimulus. Since conditioning is an important principle in sponsorships, with the entity being the unconditioned stimulus and the sponsor the conditioned stimulus, it can be assumed that a better fit between sponsor and entity leads to an increased image transfer (Grohs *et al.*, 2004). This is supported by empirical results from other studies, all of which found that sponsors with a strong link to an entity gain more image out of the sponsorship than do other sponsors (Cornwell, Pruitt, and Van Ness, 2001; d'Astous and Bitz, 1995; Gwinner and Eaton, 1999).

### **4.3 CONCLUSION**

It is evident, from this chapter, that brand image transfer will not be successful without brand fit. Even though there are several moderating variables contributing to brand image transfer, each moderating variable has an impact on brand fit, which only then has an impact on brand image transfer, making brand fit critical to successful brand image transfer. Sponsorships were used as the sponsored entity in this study, and

were also discussed in the chapter. The main reason for the study was to assess brand fit using conjoint analysis. As the fundamental aspects of brand fit have now been discussed, the following chapter will explain conjoint analysis.

# CONJOINT ANALYSIS

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## 5.1 INTRODUCTION

Conjoint analysis is a technique that attempts to determine the relative importance consumers attach to salient levels, and the utilities they attach to the underlying attributes (Malhotra, 2004). Conjoint analysis has received a great deal of attention from both practitioners and academics over the last 30 years (Sawtooth Software, 2008; Eggers and Sattler, 2009). As the main reason for this study was to assess brand fit using conjoint analysis, it was, therefore, deemed important to focus on conjoint analysis, and what it entails. The following chapter takes a look at conjoint analysis, and the different methods thereof. It also describes the conjoint analysis method applied in this study.

## 5.2 CONJOINT ANALYSIS – A BRIEF OVERVIEW

Conjoint analysis is based on a main effects analysis-of-variance model. Respondents provide data about their preferences for hypothetical objects defined by different levels and attributes, as depicted in figure 5.1 (Conjoint Analysis, 2009). Conjoint analysis decomposes the respondents' choices into components, based on the qualitative levels and attributes of hypothetical products that are presented (Hair, Black, Babin, Anders and Tathim, 2006; Eggers and Sattler, 2009).

To illustrate, as depicted in figure 5.1, the levels of an ideal beer are taste, coolness, bottle design, and price. These levels would have been identified in qualitative research, for instance, by means of utilising a focus group. The attributes in each level are the different beer brands as well as the Euro price. A numerical part-worth utility value is computed for each attribute of each level. In other words, each time a combination, which includes specific attributes, is chosen, each specific attribute receives a count. Large part-worth utilities are assigned to the most preferred attributes with the highest count, and small part-worth utilities are assigned to the least preferred attributes with the lowest count. The attributes with the largest part-worth utility range are considered the most important in predicting consumer preference.

The information used in conjoint analysis is derived from respondents' evaluations of products or brands, or brand profiles composed of levels and attributes. Choice sets are presented to respondents that consist of several combinations of attribute levels (see figure 5.1). When respondents are asked to evaluate these combinations in terms of their desirability, conjoint procedures attempt to assign values to the attributes (beer brands and price) of each level (taste, coolness, bottle design, and price) in the various combinations (beer 1, beer 2, beer 3). The resulting values or utilities attached to the choice sets are, more or less, the input evaluations of the respondent. Any choice set is evaluated as hypothetical products (beers), combined by a bundle of attributes, as illustrated in figure 5.1 (Malhotra and Birks, 2006).



Figure 5.1 depicts a typical choice set, containing levels (taste, coolness, bottle design, price) as well as attributes (different beer brands, Euro price), presented to respondents. Three hypothetical beers, consisting of various attributes within each level, are presented to respondents (beer 1, beer 2, beer 3). Based on the different attributes combined in each beer, respondents will have to make a preferred choice.

**Figure 5.1 Levels and attributes presented in a choice set**

CHOICE SET

Dimension	Beer 1	Beer 2	Beer 3
Taste like			
Coolness like			
Bottle-design like			
Price	€11,99	€10,99	€12,99
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

LEVEL (green dashed box around Coolness like)  
 ATTRIBUTE (red dashed box around Jever logos)  
 COMBINATION (purple dashed box around Beer 3 column)

**Source:** Adapted from Eggers (2009)

In the above example (figure 5.1), respondents had to choose a combination that best represented a product they would ultimately buy. As can be seen from the above figure, the levels are taste, coolness, bottle design, and price, while the attributes are the different brands as well as the Euro price. Respondents had to

choose between beer 1, beer 2 or beer 3, based on the attributes the specific beer owns.

As has already been mentioned, conjoint analysis has received a great deal of attention from both practitioners and academics alike (Sawtooth Software, 2008; Eggers and Sattler, 2009). As a result, conjoint analysis has grown from a single concept into a family of related techniques. (Market Vision Research, 2009). All of these conjoint methods, though, share the basic tenet of decomposing products into their component parts to analyse how decisions are made, and then predict how decisions will be made in the future (Conjoint Analysis, 2009). In other words, conjoint analysis is used to understand the importance of the different attributes of a product/brand, as well as to determine how decisions are likely to be influenced by the inclusion, exclusion, or extent of that specific attribute. Conjoint measurement has also been known to measure customers' preference structures (Eggers and Sattler, 2009). Conjoint analysis has its roots in decision making and information processing from the field of psychometrics (see Chapter 2). The objective of conjoint analysis is to determine what combination of a limited number of attributes is most influential on respondents' choice or decision making.

As discussed in Chapter 3, Keller (1993) defines brand image as the perceptions about a brand as reflected by the brand associations held in consumer memory. Brand fit was defined as a consumer learning process that seeks to match those associations held of the brands involved (see section 4.2.2.2). This study seeks to assess brand fit using conjoint analysis. A choice set of potential sponsors for the

Springbok rugby brand was shown to respondents, and their preferences, based on these brand images in relation to the Springboks, were analysed (Hair *et al.*, 2006; Conjoint Analysis, 2009).

Murphy, Cowan, Meehan, and O'Reilly (2004) state that, since its introduction into the marketing community, conjoint analysis has become a well accepted, broadly used research tool. The use of conjoint analysis increased with the introduction of computer programs that integrate the entire process, from generating the combinations of independent variable values to be evaluated, to creating choice simulators for predicting consumer choices across a number of alternative levels and attributes (Hair *et al.*, 2006; Sawtooth Software, 2009). Murphy *et al.* (2004) also mention that the aim of conjoint analysis is to identify the attribute combination that confers the highest utility to the consumer, and to establish the relative importance of attributes in terms of their relevant contribution to total utility. An ideal combination of attributes can then be judged. In this study, conjoint analysis allows the relative value of different brand images considered jointly, to be ascertained. They might not be able to be measured if taken one at a time (Murphy *et al.*, 2000).

Conjoint analysis is sometimes referred to as 'trade-off' analysis, because respondents in a conjoint study are forced to make trade-offs between different attributes. Respondents should consider both the 'good fit' brand images and the 'bad fit' brand images of each combination when forming a preference in a choice set – thus respondents should weigh all attributes simultaneously when making a judgement. In this sense, conjoint analysis is able to infer the 'true' value structures

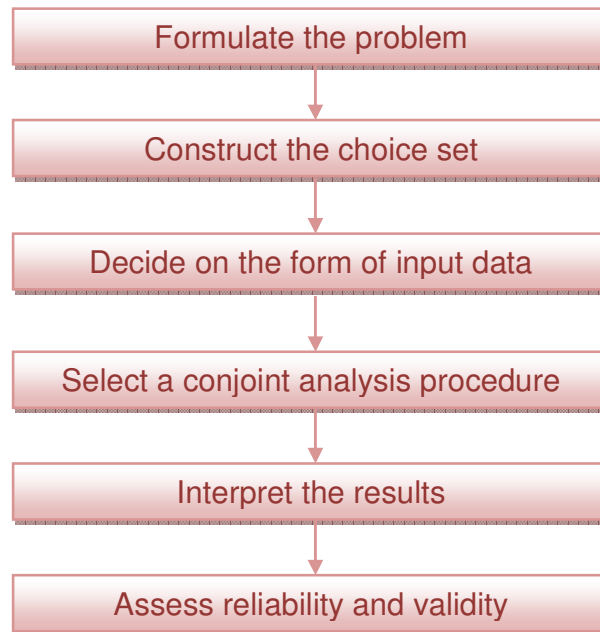
that influence consumer decision making, something that other research methods, typically, cannot do (Hair *et al.*, 2006; Market Vision Research, 2009).

Conjoint analysis is unique among multivariate methods in that the researcher first constructs a set of real or hypothetical choices by creating combinations consisting of various levels of attributes, as is clearly depicted in figure 5.1. These combinations result in a design that is the choice set presented to the respondent. These combinations are presented to the respondents, who provide only their overall evaluations. This process is called the conjoint task. In other words, the respondent is asked to perform a realistic task – choosing among a set of options, whether it be products or combinations of sponsors. Nothing else is needed from the respondent, not even being required to rate the importance of an individual level, as this can be determined from the respondents' overall ratings (Hair *et al.*, 2006; Sawtooth Software 2008). There are specific steps to be followed when conducting conjoint analysis. These steps will be discussed in the following section.

### **5.3 CONDUCTING CONJOINT ANALYSIS**

Figure 5.2 illustrates the steps in conducting conjoint analysis. Each step will be discussed briefly.

**Figure 5.2 Conducting conjoint analysis**



**Source:** Adapted from Malhotra (2006); Hair, Black, Babin, Anders, and Tathim (2006).

### **5.3.1 Formulate the problem**

In formulating the problem, it is necessary to identify the levels and attributes (see figure 5.1) to be used in the choice set. Formulating the problem in conjoint analysis is not the same as formulating the problem in the main study. In conjoint analysis, it involves identification of levels and attributes to be used in addressing the main problem of the study. It is important to note that the levels and attributes selected should be of significance when it comes to influencing consumer preference and choice. The ones selected should also be ‘actionable’ from a managerial perspective. These levels and attributes can be identified through analysis of secondary data, qualitative research, and pilot studies. The identification of levels and attributes was accomplished by means of focus groups, and the findings are presented in chapter 6.

### **5.3.2 Construct the choice set**

There are two approaches that are available for constructing conjoint analysis choice sets, namely, the 'pairwise' approach and the 'full-profile' approach. The pairwise approach requires respondents to evaluate two attributes at a time, until all the possible pairs of attributes have been evaluated. As this approach was regarded as being too time consuming it was not used in this study.

In the full-profile approach, full or complete profiles of brands are constructed for all the levels. If necessary, the number of choice sets can be greatly reduced by means of fractional factorial designs. A fractional design, known as orthogonal arrays, allows for the efficient estimation of all main effects. Two sets of data are obtained. The choice set is used to calculate part-worth functions for the attribute levels, while the holdout set is used to assess reliability and validity. In this study, two holdout sets were used to assess reliability and validity. Both holdout sets consisted of identical combinations of sponsors, and were positioned in different places throughout the survey. If respondents chose the same combination in the two different holdout sets, the study proved to be reliable, based on test-retest (see section 5.3.6).

### **5.3.3 Decide on the form of input data**

Conjoint analysis data can be either non-metric or metric. For non-metric data, respondents are required, typically, to provide rank order evaluations. In the metric form, ratings rather than rankings are provided. In doing so, judgements are made independently. In conjoint analysis, the choice made by the respondent is usually the dependant variable (Malhotra, 2006). For the purposes of this study, the Springbok

rugby brand was identified as the independent variable, while the respondent's choice was the dependent variable.

### 5.3.4 Select a conjoint analysis procedure

The basic conjoint analysis model, which is the mathematical model expressing the relationship between attributes and utility in conjoint analysis (Hair *et al.*, 2006), may be represented by the following formula:

$$U(X) = \sum_{i=1}^m \sum_{j=1}^{k_i} \alpha_{ij} x_{ij}$$

Where:

$U(X)$  = overall utility of an alternative

$\alpha_{ij}$  = the part-worth contribution or utility associated with the  $j$  th attribute ( $j, j = 1, 2, \dots, k_i$ ) of the  $i$  th level ( $i, i = 1, 2, \dots, m$ )

$k_i$  = number of attributes of level  $i$

$m$  = number of levels

$x_{ij}$  = 1 if the  $j$  th attribute is present  
= 0 otherwise

The importance of a level,  $I_i$ , is defined in terms of the range of part-worths,  $\alpha_{ij}$ , across the attributes of that level:

$$I_i = \{ \max(\alpha_{ij}) - \min(\alpha_{ij}) \} \text{ for each } i$$

The level's importance is normalised to ascertain its importance relative to other attributes,  $W_i$ :

$$W_i = \frac{I_i}{\sum_{i=1}^m I_i}$$

So that

$$\sum_{i=1}^m W_i = 1$$

Statistical software aids in conducting conjoint analysis. Of these, Sawtooth is the most popular (Sawtooth Software, 2008), but, for the purposes of this study, HIT-CBC was used (Eggers, 2009). Several different procedures are available for estimating the basic model. These include dummy variable regression for both metric and non-metric data, and LINMAP, MONANOVA, and the Multinomial Logit (MNL) model appropriate for non-metric data only. At this point, it should also be decided whether



the data is going to be analysed at individual or aggregate level. At the individual level, the data of each respondent gets analysed individually, whereas at aggregate level, findings are drawn from the sample as a whole. For this specific study, the MNL model was used, and the data were analysed at aggregate level.

### **5.3.5 Interpret the results**

For the purposes of this study, the MNL model was used for estimation. When interpreting the results from a MNL model, one would consider the effect, standard error, and the t-ratio. The effect of each attribute is the proportion of times when a combination containing that attribute occurs and is selected by respondents (Sawtooth Software, 2008). The sum of the effects in each level equals zero, thus, all attributes in each separate level are measured relative to each other. The standard error refers to the standard deviation of the sampling distribution (Eggers and Sattler, 2009). The t-ratio is also included in the data output. If the t-value is larger than two, and, smaller than minus two ( $-2 > t > 2$ ), the null hypothesis can be rejected, meaning that there is a significant difference between the various brand attributes (Eggers, 2009). If the t-ratio is not in that limit, no difference will be found, and the null hypothesis will not be rejected (Wadsworth Cengage Learning, 2009).

### **5.3.6 Assessing reliability and validity**

Reliability and validity are the two major criteria for evaluating measurements. In other words, in order for the results to be dependable, the data should be reliable and the measuring instrument valid (Churchill, 1996). Listed below are some procedures

that are available for assessing the reliability and validity of conjoint analysis results (Malhotra, 2006).

1. The goodness of fit of the estimated model should be evaluated.
2. Test-retest reliability can be assessed by including a few replica choice sets in the data collection. In other words, respondents are asked to judge a certain choice set for a second time later in the research. These two values of the choice sets are then correlated to assess test-retest reliability, and are referred to as 'holdout' sets.
3. If an aggregate-level analysis has been conducted, the estimation sample can be split, and conjoint analysis conducted on each subsample. The results can be compared across subsamples to assess the stability of conjoint analysis solutions.

This study's reliability was assessed using test-retest reliability, as discussed above. Two holdout sets were used to ensure respondents were paying attention to their choice of combinations.

### **5.3.7 Assumptions and limitations of conjoint analysis**

Although the use of conjoint analysis has grown substantially, the actual method is not without its assumptions and limitations. Firstly, conjoint analysis assumes that the important levels of a product can be identified. It also assumes that respondents evaluate the choice sets in terms of these levels, and make trade-offs. Nevertheless, in situations where image or brand name is important, respondents might not evaluate the brands in terms of these levels. This trade-off model is not always a

good representation of the decision-making process. Another limitation is that the data collection may be complex, particularly if larger numbers of levels are involved, and the model must be estimated at an individual level.

It is important to take into account the different conjoint methods at one's disposal, so as to ensure that the one chosen suffices in meeting the needs of a particular study.

## **5.4 DIFFERENT CONJOINT METHODS**

The choice of conjoint methodology revolves around the basic characteristics of the proposed research: number of attributes handled, level of analysis, choice task, and the permitted model form. There are several different approaches to conjoint analysis, some of which are easier than others to employ. These different classes are (James and Low, 1983; Hair *et al.*, 2006):

- trade off matrices
- full profile (ratings-based) card sort
- hybrid (ratings-based) conjoint
- discrete choice modeling (choice-based)

In choosing the type of conjoint to be used, one needs to understand what each involves, and when it is appropriate for use.

### **5.4.1 Trade-off matrices**

In this conjoint method, only two levels can be used. An example of a trade-off matrix for a beer is shown in table 5.1 below:

**Table 5.1 Example of trade-off matrix**

Bottle size	Price
340 ml	8
350 ml	9
660 ml	10
750 ml	12

This matrix presents all 16 combinations of the attributes of two levels. Respondents completing this task would fill in their rank order of preferences for all of the 16 cells, keeping an ‘all other things being equal’ mindset. For levels in which there was a clear priori order of preference, the ranks of two of the cells were always known. That is, the combination that offers the biggest beer at the lowest price is the most preferred combination, and the smallest beer at the highest price is the least preferred combination. Since matrices such as these could handle only two levels at a time, the respondent’s burden was large in studies with many levels. Although trade-off matrices are useful in explaining conjoint analysis, not many researchers use them nowadays. It is easier to collect conjoint data by having respondents rank or rate concept statements, or by using computer-based interviewing software that

decides what questions to ask each respondent, based on his previous answers (Curry, 1996).

#### **5.4.2 Full Profile (ratings-based) Card Sort**

Full profile card sort conjoint is what most researchers would think of as 'traditional' conjoint. While trade-off matrices dealt with only two levels at a time, full profile conjoint required respondents to evaluate several product concepts, one at a time, defined on all levels simultaneously. Full profile conjoint, therefore, did away with the direct level trade-offs.

These concepts were frequently printed on separate sheets of paper, referred to as 'cards'. Each card had one attribute of each level, and respondents were asked to either rate or rank each concept. The process of sorting these profiles into stacks caused this approach to be referred to as 'card sort'. An example of a full profile card is shown in figure 5.3.

**Figure 5.3 Example of a full profile card**

Rate this concept on a 0 to 100 scale where 0 means 'I would never purchase this product' and 100 means 'I would definitely purchase this product'.
<b>Beer 12</b>
Brand B
340 ml
4.5% Alcohol content
R12
<b>Rating:</b>

The attributes that appeared on the cards were developed, using the principles of experimental design, by creating either a full factorial or a fractional factorial design. The number of respondents' ratings required with most of these approaches is unworkable for most practical applications. Even with fractional designs, finding a design that both represents reasonable respondents' tasks, and provides enough degree of freedom to estimate reasonable parameters, can be very difficult (James and Low, 1983).

A second concern with full profile designs centres around respondents' ability to process many levels. For example, a full profile card with 18 levels would be difficult for most respondents to process. In this situation, respondents are likely to ignore certain levels in the task. This simplification on their part would be acceptable if it mirrored the way actual purchases are made, but it is not clear that this is always the case (Market Vision Research, 2009).

### **5.4.3 Hybrid (ratings-based) Conjoint**

The hybrid methods, which are better at handling six or more levels, include respondents' self-explicated utilities. In other words, respondents are asked directly to indicate their preference structure for specific attributes of levels, and this information is included in part-worth estimates. The most widely used hybrid conjoint method is Adaptive Conjoint Analysis (ACA) from Sawtooth Software. ACA combines hybrid self-explicated data with paired comparisons, constructed with partial profiles to estimate part-worth utilities. Respondents are asked, firstly, to indicate rank order of preference for attributes within each level, and then, secondly, the importance of the level. Respondents then evaluate a series of paired-comparison questions. In the paired comparisons, respondents are presented with two product concepts and asked to indicate their preferences using a rating scale, with the middle point reflecting equal preference for both (Curry, 1996). As a result of the different steps, it is difficult to draw up an example. The following figure will attempt to explain the process. For a good example, please refer to the study done by Eggers and Sattler (2009).

**Figure 5.4 Example of hybrid conjoint analysis**

**A: Please indicate the best and worst feature for each level.  
Please check the best and worst feature for Taste**

	Worst level	Best level
<b>Sweet</b>	X	
<b>Bitter</b>		X
<b>Neutral</b>		

**Please check the best and worst feature for size**

	Worst level	Best level
<b>340ml</b>	X	
<b>350ml</b>		X
<b>660ml</b>		



**B: Please state your willingness to pay for the following beer:**

<b>Size</b>	<b>340ml</b>
<b>Taste</b>	<b>Sweet</b>
<b>Price</b>	<b>R5</b>

<b>Size</b>	<b>350ml</b>
<b>Taste</b>	<b>Bitter</b>
<b>Price</b>	<b>R10</b>

**C: Please rate the remaining attributes of the level taste:**

<b>Neutral</b>	<b>Like</b>	<b>-3</b>	<b>-2</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>Like</b>
	<b>sweet</b>								<b>bitter</b>

**Please rate the remaining attributes of the level size:**

<b>Size</b>	<b>Like</b>	<b>-3</b>	<b>-2</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>Like</b>
	<b>340ml</b>								<b>350ml</b>

#### **5.4.4 Choice-based conjoint**

Choice-based conjoint, also referred to as discrete choice modelling, does not require that respondents rate their preferences for concepts. Rather, this method presents multiple combinations to respondents, and tries to establish which one they would choose. This 'pick one' task tends to be far easier for respondents (Market Vision Research, 2009). Although the choice-based method does mimic actual decisions more closely, the inclusion of too many levels creates a formidable task that ends up with less information than would have been gained through the rating of each stimulus individually.

Seeing as each method has been discussed, it is now necessary to take note of three critical questions before choosing a conjoint study (Sawtooth Software, 2008):

- *How many levels are to be included?*

This question is important, as some conjoint methods are not workable when the number of levels is large. Some conjoint methods go through an adaptive screening process that avoids questioning respondents in depth on levels they declared as being less important. When there are fewer than 10 levels, full profile methods come into play, although it is preferable to use full profile methods only in situations with levels of six or less. In such situations, all conjoint methods become feasible, and the choice should be made while simultaneously considering the remaining questions.

- *Are interactions likely to be a problem?*

Most conjoint analysis uses 'main effects only' assumptions. Much of the strength of conjoint analysis is purchased at the cost of denying the presence of interactions. If significant interactions exist, the conclusions reached by a traditional conjoint analysis may be invalid. Since choice-based conjoint supports estimation of all possible two-way interactions, it is a strong method to consider if interactions are of concern.

- *How many respondents will be included in the analysis?*

One of the disadvantages of choice-based conjoint questionnaires is that they lead to meager data. The part-worth utility estimates require larger sample sizes to stabilise, as opposed to ratings-based conjoint methods. According to Eggers (2009), a sample size of between 200 to 500 respondents is sufficient. In sample sizes below 100, the researcher might face difficulty in using choice-based conjoint effectively. This depends on the number of attributes and levels in the study.

The issues raised in the above three questions were taken into account, and, thereafter, choice-based conjoint was selected for this study. The latter will be discussed briefly in the following section.

## **5.5 CHOICE-BASED CONJOINT ANALYSIS**

The main characteristic distinguishing choice-based conjoint from that of other methods is that the respondent expresses preference by choosing combinations from a choice set, rather than by rating or ranking them. The main objective of the study is to assess brand fit using conjoint analysis. Brand fit was previously defined as a consumer learning process that seeks to match those associations held of the brands involved. The associations of the brands involved constitute brand image. Refer to chapter 3 and chapter 4 for a discussion on brand image and brand fit. It was thought that it would be easier for respondents to choose between a combination of brand images, rather than rating or ranking them, and this was the reason for choosing choice-based conjoint analysis. Choice-based conjoint analysis also supports interactions, which are likely to occur when respondents choose between brand images, all with their own unique associations. Although choice-based conjoint analysis had been discussed by academics for many years (Louviere and Woodworth, 1983), it was not until the 1990's that substantial commercial usage of it occurred, and, according to Sawtooth Software (2008), today choice-based conjoint is the most widely used type of conjoint analysis (Eggers and Sattler, 2009).

It is clear that choice-based conjoint analysis has attracted much interest in the research field. Listed below are some of the reasons why the method is regarded as the most widely used today (Sawtooth Software, 2008):

- The task of choosing a preferred combination is similar to what consumers do in the marketplace everyday. Choosing a product from a group of products is an easy, natural task that everyone can understand.
- Choice-based conjoint analysis allows for a 'none' option to be included in the choice set. By selecting the 'I would not choose any of these' option, respondents contribute information such as decrease in demand once the price of the product goes up, for example.
- Choice-based conjoint analysis data are analysed by pooling information across all respondents. This allows the quantifying of interactions.

Choice-based conjoint analysis is not flawless. The fact that respondents are required to make choices is an inefficient way to elicit preference. Each combination is described on all the levels applicable in the study, and each choice set includes a number of combinations. Respondents have to work through a lot of information before choosing one combination in a choice set. Although this is the way decision making works in the marketplace, the researcher ends up with far less information than would have been the case had respondents been asked to rate each alternative separately (Eggers and Sattler, 2009).

Choice-based conjoint analysis follows aggregation or group-based analysis, which was the reason for its delayed acceptance in the 1980s and 1990s. Aggregating respondents in choice-based conjoint analysis assumes respondents' homogeneity, which is not always appropriate. Currently, the use of hierarchical, Bayesian estimation allows for estimating individual-level utilities from choice data, and gives a better understanding of market structure and accurate predictions than that of pure aggregation (Eggers, 2009).

Full-profile, choice-based conjoint analysis is not always appropriate for studies involving large numbers of levels. Each choice set involves combinations described on all levels, and there is a limit as to how much information respondents can process without becoming overloaded. Six is suggested as being the maximum number of levels to handle with full-profile concepts in traditional conjoint analysis (Green and Srinivasan, 1990; Hair *et al.*, 2006). Since respondents need to process not one, but several full-profile concepts simultaneously, the effective limit for choice-based conjoint might even be lower. The effective number of levels might vary, depending on the length of text and the respondents' familiarity with the product. It is important to note that fewer levels in the conjoint design reduce the number of choice sets, which then reduces respondents' fatigue and utility evolution (Louviere and Eagle, 2006; Eggers and Sattler, 2009).

One of the key strengths of choice-based conjoint analysis is its ability to deal with interactions. In contrast with most other conjoint methods that measure only 'main effects' choice-based conjoint can measure two-way interactions. This was an

important factor for the researcher to consider, as the main reason for this study was to assess brand fit using conjoint analysis. Brand fit was described as a consumer learning process that seeks to match those associations held of the brands involved (see section 4.2.2.2). Each brand image used in the study presented its own set of associations, along with the associations attached to the Springbok brand. All these different associations had an impact on each other, and the perceived fit with the Springbok brand image (perceived associations).

To summarise, choice-based conjoint analysis provides an effective way of producing relatively precise results with relatively few levels. It is also a valuable method for quantifying interactions, and presents a natural task that all respondents can understand. It also provides a 'none' option.

According to Sawtooth Software (2008), two schools of thought have developed as to how to design and carry out choice-based conjoint studies. They are described as follows:

- *The fixed orthogonal design.*

Designs like these often use a single version of the questionnaire that is seen by all respondents. In some cases, respondents are divided randomly into groups, with different groups receiving different questionnaires. Such designs have the advantage of maximum efficiency in measuring main effects, and the interactions for which they were designed. This particular study used a fixed orthogonal design.

- *The unique design*

This method is more complex. Researchers, particularly those used to computer-administered interviewing, prefer a design where each respondent sees a unique and carefully chosen set of questions. This design can be more efficient for asymmetric designs (where attributes have different numbers of levels). The most important advantage of this method is that all interactions can be measured, including those not seen as important at the time the study is being designed.

### **5.5.1 Data analysis in Choice-Based Conjoint Analysis**

Analysis of choice-based data can be done in several ways (Sawtooth Software, 2008). The easiest way is to assess the relative impact of each attribute by just counting the number of times the combination with the particular attribute was chosen. In randomised choice-based conjoint designs, each attribute is equally likely to occur with each level of every other attribute. The impact, thus, of each attribute can be assessed by counting the proportion of times combinations, including the relevant attribute is chosen. This method can be used for main, as well as for joint effects. Choice-based conjoint's count module (also referred to as 'effect') automatically does such an analysis for each main effect, and for two-way and three-way joint effects. Segmentation variables can also be specified as banner points in the count module for comparing differences between respondents' subgroups.



Count is a method of analysing choice data that is simple and automatic. It calculates a proportion for each attribute, based on how many times a combination including that attribute is chosen, divided by the number of times that attribute occurs.

For a second type of analysis, the choice-based conjoint system contains a module to perform aggregate multinomial logit (MNL) estimation. This results in a set of numbers comparable to conjoint utilities, except that they describe preferences for a group, rather than for an individual (Eggers, 2009). Choice-based conjoint's LOGIT module reports logit coefficients, as well as t and chi-square statistics. The LOGIT module can estimate all main effects and two-way interactions optionally.

Choice-based conjoint allows one to select main effects and interactions to be included in each logit analysis. When only main effects are estimated, a value is produced for each attribute level that can be interpreted as an average utility value for the respondent analysed. When interactions are included, effects are also estimated for combinations of levels obtained by cross-classifying pairs of attributes.

### **5.5.2 Choice-based brand anchored conjoint analysis**

Choice-based brand anchored conjoint analysis, which is a brand image measurement technique, was the choice-based conjoint analysis model used in this study. It has been empirically demonstrated that it provides valid results (Farsky, Lorth, and Sattler, forthcoming 2010). Based on Louviere and Johnson's (1990) brand anchored conjoint, choice-based brand anchored conjoint uses a conjoint

approach to collect image relevant data. Instead of using attributes such as traditional conjoint, these attributes are active by brands (Eggers, 2009).

The flexibility of conjoint analysis gives rise to its application in almost any area in which decisions are studied. Conjoint analysis assumes that any set of objects (e.g. brands) or concepts (e.g. positioning, images) is evaluated as a bundle of attributes. Having determined the contribution of each factor to a respondent's overall evaluation, the researcher could then proceed with the following (Hair *et al.*, 2006):

1. Define the concept with the optimum combination of attributes.
2. Show the relative contributions of each attribute to the overall evaluation of the object.
3. Use estimate of respondent's judgments to predict preferences among objects with differing sets of attributes (other things held constant).
4. Isolate groups of potential customers who place differing importance on the features to define high and low potential segments.
5. Identify marketing opportunities by exploring the market potential for feature combinations not currently available.

## **5.6 CONCLUSION**

This chapter discussed conjoint analysis as a whole, and put particular emphasis on choice-based conjoint analysis, as it was the method used in this study to assess brand fit. The following chapter will discuss the qualitative and quantitative research methods used to assess brand fit using conjoint analysis.

# RESEARCH METHOD

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## 6.1 INTRODUCTION

The main objective of this study was to assess brand fit using conjoint analysis. Primary and secondary research were conducted to achieve this objective. The secondary objectives of the study included the following:

- Identify brands that are commonly associated with sponsorships;
- Select appropriate industries (i.e. levels) and sponsors' brands (i.e. attributes);
- Assess selected relevant industries (i.e. levels);
- Assess selected sponsors' brands (i.e. attributes).

Marketing research can be defined as the application of the scientific method in searching for the truth about marketing phenomena (Zikmund and Babin, 2007). Methodology includes all the methods used to address the marketing problem, as well as the gathering and analysing of data. The focus of this chapter is on the research method applied in this study. This chapter begins with a brief overview of marketing research, and, thereafter, continues with a discussion of the marketing research process and how it was applied in this study.

## 6.2 MARKETING RESEARCH

As has been stated above, marketing research can be defined as the application of the scientific method in searching for the truth about marketing phenomena. These activities include defining marketing opportunities and problems, generating and evaluating marketing ideas, monitoring performance, and understanding the marketing process (Zikmund and Babin, 2007). This process includes idea and theory development, problem definition, collecting information, analysing data and the implications thereof. Marketing research is relevant to all aspects of the marketing process, and should be conducted without any 'bias behaviour'. When conducting research, data are gathered – it is only when this data have been processed that it becomes information (Malhotra, 2004), which can then be applied to all aspects of marketing.

Data can either be secondary or primary, and also either qualitative or quantitative. Secondary data are that which has been collected previously, for purposes other than the one at hand (Zikmund, 2003). Although secondary data might not address the problem specifically, it is usually not as expensive as primary data to obtain, and it is also easily accessible. Primary data are that which are gathered specifically for the problem at hand (Churchill, Brown, and Suter, 2010). The data gathered can be either qualitative or quantitative. Qualitative research is researcher dependent, which means that it cannot be undertaken without a researcher or facilitator (McDaniel and Gates, 2001). The results are also dependent on the researcher, and are, thus, not derived from statistics. Qualitative research addresses marketing objectives through

techniques that allow the researcher to provide elaborate interpretations of market phenomena, without depending on numerical measurements. Qualitative research is focused on discovering true, inner meanings and new insights (Struwig and Stead, 2007). Quantitative research differs from qualitative research in that it addresses research objectives through empirical assessments that involve numerical measurement and analysis. Qualitative research can stand on its own, and does not need the interpretation of numerical data, as is the case with quantitative research (Zikmund and Babin, 2007).

Marketing research involves a sequence of steps designed to reach a particular study's objectives. Although all research does not follow the same steps, a general pattern, nevertheless, tends to be adhered to. These general stages will be discussed and put to practical use in the following section.

## **6.3 THE MARKETING RESEARCH PROCESS**

As has previously been defined, marketing research is the application of the scientific method in searching for the truth about marketing phenomena. The marketing research process consists of several steps that provide a systematic and planned approach to the research study, and these steps are depicted in figure 6.1.

**Figure 6.1 The marketing research process**

1. Identify and formulate the problem
2. Determine the research objectives
3. Develop a research design
4. Conduct secondary research
5. Select a primary research method
6. Determine the research frame
7. Collect the data
8. Analyse the data
9. Report the research findings

**Source:** Adapted from Tustin, Ligthelm, Martins, and Van Wyk (2005); Zikmund and Babin (2007).

The above steps have served to form the outline of the research process followed in this particular study, and will be described in more detail below.

### **6.3.1 Step 1: Identify and formulate the problem**

As is depicted in figure 6.1 above, the marketing research process begins with problem identification. Problem identification (or opportunity seeking) refers to the process of defining or developing a decision statement, and the steps involved in translating it into more precise research terminology (Churchill, 1995). A marketing problem refers to situations that might present real problems to key decision makers, while a marketing opportunity is any favourable situation that marketers might use to the firm's advantage.

It is difficult to state that any one step in the marketing research process is the most important. However, defining the problem is a step that should be accomplished competently, and in detail, or the whole process is likely to be misdirected (Aaker, Kumar, and Day, 1998). The latter, unfortunate situation would be of no use to the company, and would most likely yield results that were irrelevant to the problem, thereby wasting resources, and sending the company in an altogether wrong direction.

In chapters 2 to 5, exploratory research was conducted to identify the research problem, which, in this case, was to assess brand fit using conjoint analysis (see chapters 2 to 5).

### **6.3.2 Step 2: Formulating the research objectives**

One should keep in mind that the chances of a research project proving to be useful are directly related to how well the research objectives correspond to the true marketing problem. Research objectives are the goals to be achieved by conducting research (Hair, Bush, and Ortinau, 2006). These objectives delineate the type of research that is needed, and what intelligent data might be produced that would allow the decision maker to make informed choices. According to Zikmund and Babin (2007), research objectives drive the remaining course that the research should follow. Objectives provide the necessary information to solve the research problem, which, in this study, was to assess brand fit using conjoint analysis.

Secondary objectives for this study, which have been stated above, were as follows:

- Identify brands that are commonly associated with sponsorships;
- Select appropriate industries (i.e. levels) and sponsors' brands (i.e. attributes);
- Assess selected relevant industries (i.e. levels);
- Assess selected sponsors' brands (i.e. attributes).

Objectives are used to formulate hypotheses (Zikmund and Babin, 2007). Objectives involve a proposition that can be empirically tested, and one which is concerned with a relationship among variables (Zikmund, 2003; Malhotra, 2004). From the abovementioned objectives, the following hypotheses were formulated:

H<sub>1</sub>: There is a significant difference between the various brand levels.

H<sub>2</sub>: There is a significant difference between the identified brand attributes.

### **6.3.3 Step 3: The research design**

A research design is a master plan that specifies the methods and procedures for collecting and analysing the information needed. The objectives of the study are included in the design in order to make sure that the relevant information is collected from the most efficient sources.

Possible sources of data include both secondary and primary data. Secondary data are data collected previously for a purpose other than the one at hand. Although it might not address the problem specifically, it is, nevertheless, not as expensive as primary research, and is also easily accessible (Bradley, 2007). The secondary research conducted in this study is summarised in chapters two to five; it did not,



however, yield an answer to the research question, which was to assess brand fit using conjoint analysis, hence the additional use of primary research. Primary data are data gathered specifically for the problem at hand, which was, in this instance, to assess brand fit using conjoint analysis. It is important, however, that researchers always begin their study with secondary research (Zikmund, 2003).

#### **6.3.4 Step 4: Conducting secondary research**

As mentioned earlier, secondary data are data collected previously for a purpose other than the problem at hand. Research usually begins with secondary data, which is gathered using internal or external sources. Internal sources originate inside the organisation, and are not applicable to this study, as the main objective of assessing brand fit using conjoint analysis are more concerned with outside perceptions. In other words, this study is more concerned with what consumers perceive, rather than with what the organisations might have on file. External sources are generated or recorded by an entity other than the researcher's organisation, and include sources such as the government, newspapers, journals, and trade associations (Bradley, 2007). Secondary research sources used in this research are cited in the bibliography at the end of the dissertation.

In this study, a wide-ranging literature review provided the impetus for the secondary research. The literature review consisted of perceptions, consumer learning, brand image as well as brand image transfer and perceived fit. A brief look into sponsorships was also undertaken, as well as an overview of conjoint analysis. The

secondary research in this study, as summarised in chapters 2 to 5, was used to define the necessary constructs, but it was not sufficient in assessing brand fit, hence the reason for the additional conducting of primary research.

### **6.3.5 Step 5: The primary research method**




























As has been mentioned before, primary data are data gathered specifically for the problem at hand. It is more costly and time consuming than secondary research. Primary research consists of qualitative and quantitative research (Malhotra and Birks, 2006). Qualitative research is research that allows interpretation of marketing phenomena without dependence on numerical measurement. Focus groups, interviews, observation, and word associations are techniques used in qualitative research (Malhotra, 2004; Zikmund and Babin, 2007). As the main objective of the study was to assess brand fit using conjoint analysis, qualitative research was used in the exploratory research phase. The process of conducting qualitative research in this study was as follows:

- **Step 1 – Selecting industries (i.e. levels) and brands (i.e. attributes)**

Since the main objective of this study was to assess brand fit using conjoint analysis, it was necessary to identify the levels and attributes to be used (see chapter 5). There are various sponsorships that are available, but, for the purposes of this particular study, the game of rugby was selected, as it is the sponsorship with the most monetary value in South Africa (Gerber-Nel, 2004). The different industries (i.e. levels) were selected from product and brand categories commonly associated with rugby. These industries (i.e. levels) were

chosen by the researcher and were based on previous and current sponsors of different South African rugby events and teams. Thereafter, the sponsors' brands (i.e. attributes) within each industry (i.e. level) were selected. The sponsors' brands (i.e. attributes) selected that were to be used in the focus groups were also decided on by the researcher. The decision on which brands to be used as attributes were made with regard to the strength of their brand image in the particular industry, as well as to previous and current associations with rugby (Independent, 1998; Fly Africa, 2009; Mustek, 2009; SA Rugby, 2009; Sports Illustrated, 2009). Table 6.1 lists the levels and attribute brands that were identified by the researcher to be used in the focus groups, for the purposes of this study.

**Table 6.1 Levels and brands identified for the purposes of this study**

IT	Clothing	Beer	Energy company	Brandy	Broadcasting channel	Cellular network
						
						
						
						
						

- **Step 2 – Conducting the focus groups**

Since the use of choice-based conjoint analysis requires, preferably, fewer than six levels (refer to section 5.4.4), focus groups were used to determine which levels, as well as which attribute brands were to be included in the study. The advantages of focus groups are that they are relatively fast, easy to execute, and allow respondents to feed off each other's ideas, which then yields more in depth responses and detailed results (McDaniel and Gates, 2001; Zikmund, 2003). The most important attribute of a focus group, and also the reason it was chosen for

this study, is that it allows for observation. The facilitator does not only listen and talk, but also watches the respondents' behaviour.

As has been stated, a focus group was used to determine the different levels, as well as the attribute brands that consumers link with the Springboks to be used in this study, since the main objective was to assess brand fit using conjoint analysis. Respondents who participated in the focus groups were selected on the following criteria: they had to be South African rugby supporters, and between 20 and 25 years of age. This age group was chosen because of the online survey used in collecting the data. It was expected that respondents taking part in the online survey will be of a younger age group, as this younger age group are more comfortable with the social networking site, Facebook, through which the link was sent out. As a result of the age criteria, students were selected, as they were deemed to be suitable candidates to participate in the focus groups. This was a cost-efficient and convenient way for the researcher to form a focus group. The focus groups were held in one male (eight participants) and one female residence (10 participants), as well as a student house in Stellenbosch (nine participants). A closed room was used, and participants sat around a table and discussed the various brands handed to them by the facilitator. Participants were instructed to identify the brands they thought could be associated with the Springbok brand. It must be emphasised here that the facilitator gave clear instructions to the participants to choose brands that were based on their perceived associations, and not on current or previous sponsorship status.

- **Step 3 - Levels and brands identified**

From the focus groups, 16 brands that could be associated with the Springboks were identified (see figure 6.1). These 16 brands came from four different levels of sponsorships, each containing four different attribute brands (see figure 6.1). The IT and broadcasting channel levels were eliminated for the quantitative research phase, as the qualitative research data did not manage to identify sufficient attributes to be used in that level. Both IT and broadcasting channel produced only one attribute, and, as conjoint analysis requires at least two attributes per level, these levels were dismissed from the study. The beer and brandy level was consolidated into an alcoholic beverage level, as two brands were chosen from both levels. Figure 6.2 gives a summary of the specific levels and attributes that were identified for the purposes of this study.

**Figure 6.2 Brand levels and brand attributes used in research study**

<b>Clothing</b>	<b>Alcoholic Beverage</b>	<b>Energy Company</b>	<b>Cellular Network</b>
New Balance	Castle	SASOL	MTN
Adidas	Windhoek	CALTEX	Vodacom
Nike	Klipdrift	BP	CellC
Canterbury	Wellington VO	SHELL	Virgin Mobile

Quantitative research is marketing research that deals with research objectives through empirical assessments, and it involves numerical measurements and analysis (Welman, Kruger, and Mitchell, 2005). There are three main quantitative research methods, namely, observational, experimental, and survey research (Market research, 2008). None of the three is best in all situations, and, depending on the research question, one or two of the methods may be appropriate. A method is chosen based on the research problem and the available resources. Observational and experimental research will be discussed shortly. Thereafter, a complete overview on survey research, which was the method used in this study, will be given.

#### ***6.3.5.1 Observational research***

Observation is the systematic process of recording the behavioural patterns of people as they are happening. Objects and occurrences can also be noted by means of the observational method. No questioning or communicating is needed. Observational research is conducted with either machines or people (Churchill, 2001; Zikmund and Babin, 2007). Although the ethical side of observational research is constantly being scrutinised, the method can, nevertheless, be defended in that people do not get tricked into exhibiting different kinds of behaviour. Observational research merely entails people being observed as they go about things as they normally would, hence the method's advantages in reducing interviewer and respondent errors, and in eliminating having to deal with factors such as willingness and ability to answer questions (Asia Market Research Dot Com, 2008).

### **6.3.5.2 Experimental research**

Experimental research measures causality, while causal research seeks to identify cause-and-effect relationships (Cooper and Schindler, 2006). Experimental research allows a researcher to control the research situation so that the causal relationships among variables may be evaluated (Colorado State University, 2008). In other words, a researcher's goal in conducting an experiment is to determine whether changing an experimental independent variable causes changes in an important dependent variable.

### **6.3.5.3 Survey research**

A survey is defined as 'a method of collecting primary data based on communication with a representative sample of individuals' (Zikmund and Babin, 2007:186). Often, research entails asking respondents to provide answers to written or spoken questions. These questionnaires or interviews collect data through the mail, on the telephone, online, or face-to-face. Survey research offers many advantages, for example, it is quick, efficient, and accurate, and also quite flexible (Cant, 2005).

Presently, the internet is revolutionising the research scenario in that it is becoming one of the best sources available for collecting data. Using online surveys cuts down on research costs such as fieldwork, printing, and postage or telephone bills. It is also more efficient, and reduces error in that data can be recorded automatically, rather than be transcribed from paper into electronic format (Zikmund, 2003; Zikmund and Babin, 2007). The benefits of conducting an online survey include speed of



distribution, lower distribution and processing costs, faster turnaround time, more flexibility, and less handling of paper questionnaires (Churchill *et al.*, 2010).

For the purposes of this study, an online survey was used whereby respondents were required to choose the combination of sponsors they perceived as best fit to the Springboks. The questionnaire was developed in collaboration with Delta Branding, a German company that specialises in conjoint analysis studies (Eggers, 2009). A web link was created, which was e-mailed to respondents. The link provided direct access to a full colour version of the questionnaire, which then had to be completed by the respondent online. The brands identified in the qualitative research phase were used in the questionnaire (see Annexure A). In the questionnaire, respondents were given various choice sets, consisting of alternative brand combinations, to fit to the Springbok brand. A total of 10 choice sets were presented, each consisting of four combinations with four attributes, thereby ensuring that all 16 attributes were included in every choice set. A 'none' option was also included. Not one of the combinations had all the current Springbok sponsors grouped together. This latter fact forced respondents to think about their choice of sponsors.

The questionnaire was short and structured, consisting of the Springbok brand and different level sponsors previously, currently or potentially perceived to be associated with the Springboks. The different levels of sponsors and brands were determined by the focus groups already mentioned. Figure 6.3 is an example of a choice set presented to respondents in this study.

As illustrated in figure 6.3, only the brand was given in the questionnaire, and respondents were asked to choose the combination of brands they perceived best fitted with the Springboks. These choices enabled the perceived fit of the different combinations of sponsors to be assessed, and so adhered to the main objective of the study, which was to assess brand fit using conjoint analysis. The use of brand icons reactivated the brand knowledge structures of respondents, and made sure that they thought about the brands chosen (Aaker and Joachimstaler, 2002; Keller, 2003).

The choice sets were constructed using three hypothetical combinations, as well as a 'no option' choice. This latter option provided the respondent with an additional level of realism, while also providing the researcher with the means to establish absolute as well as relative effects. The questionnaire consisted of 10 choice tasks. Research has shown that respondents can complete up to 30 choice tasks, but, after that, the quality of the data comes into question (Hair *et al.*, 2006). Two of the choice tasks were the same (i.e. same combination of brands) and not used for estimation in assessing brand fit. If the respondent chose different combinations in these two identical sets, the questionnaire was seen as being unreliable. These identical choice sets allowed for internal validity assessment, as well as for test-retest-reliability evaluation. Demographic questions were also integrated into the questionnaire, thus ensuring that respondents remained interested in, and focused on the questions.

Figure 6.3 Choice set used in this study

You have completed:  
0% 100%

Please select the combination you see as best fitting the Springbok rugby brand.

				<p>none of these combinations</p> <input type="radio"/>

Continue

A pilot study was conducted among 20 respondents to ensure that the wording and instructions on the questionnaire were clear, simple, and easy to understand. A progress bar was used on top of each page to show respondents how far they were from completion, as this indicator has proved to be effective in reducing the incidence of incomplete surveys. After the pilot study, the researcher decided to add wording to the progress bar, as it was found that respondents had thought it indicated that the page was being downloaded, instead of how far they were from completion. The combinations of brands were made smaller to fit on the page without the user having to scroll down, as the pilot study also showed that respondents did not know where to make their choices. The demographic questions were included halfway into the questionnaire to ensure that respondents remained interested, as all the questions appeared the same and required a lot of attention. A minimum time limit of three minutes was attached to the survey, and any respondent who managed to complete the survey in less than three minutes was deemed unsuitable and thus dismissed from the research (Eggers, 2009). A study undertaken by Homes, Alger, Zinkhan, and Mercer (1998) demonstrated that longer response times were associated with conceptually consistent results. A copy of the research questionnaire is provided in Annexure A.

### **6.3.6 Step 6: Determine the research frame**

When conducting primary research, it is important for researchers to select respondents who represent the population under investigation. A population refers to all the people from whom information needs to be obtained (Aaker *et al.*, 1998; Zikmund and Babin, 2007). When selecting respondents, the following process could be followed:

#### ***6.3.6.1 Define the population***

Before selecting respondents, researchers should ensure that the target population is carefully defined, so that the proper sources are used to collect the data. This study aims to assess brand fit using conjoint analysis. Sponsorships were chosen as the means to assess brand fit, and this aspect was discussed in chapter 4. The population for this study consisted of South African rugby supporters.

A sample of respondents was drawn from the relevant population to partake in the study, as it was too costly and almost impossible to use every single suitable person available. The drawing of a sample consists of deciding as to who will be targeted, how large the sample will be, and how these sampling units will be selected (Malhotra and Birks, 2006). These steps will be discussed further and in more detail below.

### **6.3.6.2 Sample frame**

When drawing a sample, it is important to use respondents who are representative of the population of interest. A sample frame is a list of elements from which a sample may be drawn (Metagora, 2008). As already mentioned, the population consisted of Springbok rugby supporters. SA Rugby has an online supporters' database, but, unfortunately, the researcher did not have access to it. The social networking site, 'Facebook', was identified as a possible database on which respondents could be located. Facebook was founded in February 2004, and is a social utility that helps people to communicate more efficiently with their friends, family, and co-workers. The following has been revealed about Facebook (Campus Firewatch, 2009; Facebook, 2009):

- It has more than 130 million active users;
- It has more than half of its users outside of college;
- The average user has 100 friends on the site;
- 2.6 billion minutes are spent on Facebook each day (worldwide); and
- More than 13 million users update their personal statuses at least once a day.

### **6.3.6.3 Sampling method**

In order to select a sample, researchers might make use of probability or non-probability sampling. In probability sampling, every element in the population has a known, non-zero probability of being selected (McDaniel and Gates, 2001). Probability sampling methods include simple random sampling, systematic sampling, stratified sampling, cluster sampling, and multi-stage sampling. Non-probability

sampling, on the other hand, includes methods such as convenience sampling, judgement sampling, quota sampling, and snowball sampling (Cooper and Schindler, 2006).

In this study, non-probability sampling was used, since it is less time consuming and more cost efficient (Forster, 2001). The sampling took place in a multi-stage manner. Firstly, judgement sampling was used to select the Du Preez database on Facebook. At the time, the database consisted of 700 people, and had a somewhat equal split between males and females, all of whom were relatively young. Furthermore, the researcher had easy access to this database. The database was deemed to be sufficient for reaching the objectives of the study. In the second stage, convenience sampling was used to email the link of the online survey to the 700 people on the database. A screening question was used to eliminate respondents who were not interested in rugby. The first 200 respondents who managed to complete the questionnaire made up the sample (therefore, convenience sampling). Although convenience sampling is not always representative, it is the easiest and cheapest of all the non-probability methods (Bradley, 2007). It was also the most convenient way for the researcher to reach participants in this particular study.

#### **6.3.6.4 Sample size**

The sample size reflects how many respondents should be used in a study. This is an important aspect of the research, as the size of the sample affects the quality and generalisation of the data (Hair *et al.*, 2006). For the purposes of this research, a sample size of 200 was thought to be sufficient (Eggers, 2009).

### **6.3.7 Step 7: Data gathering**

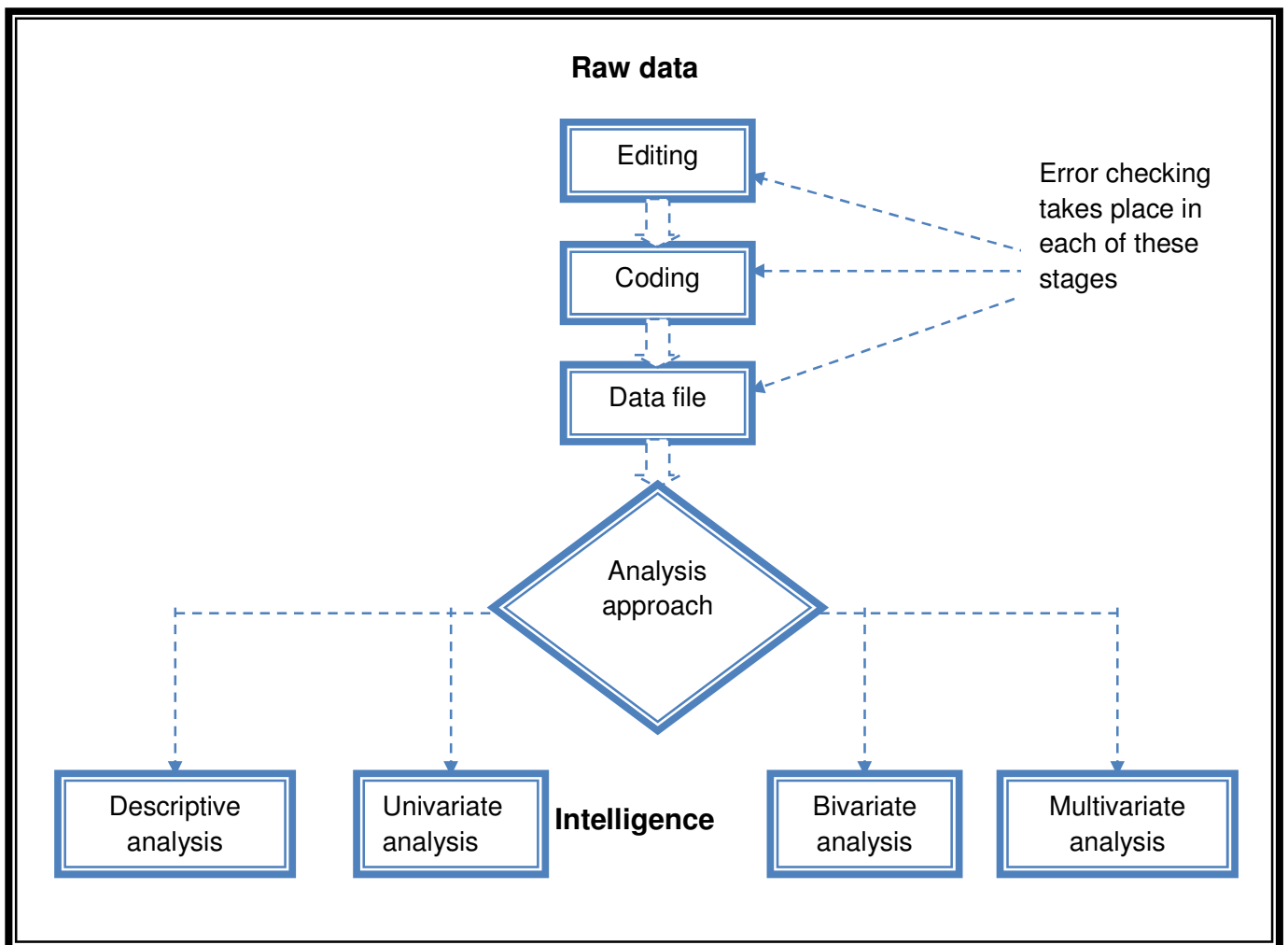
This step involves gathering the primary data for the study at hand. The questionnaire was sent to 700 respondents through an attached link in a Facebook e-mail. The link gave respondents direct access to the set questionnaire, and the data were automatically saved as the questions were being answered. Once 200 respondents had completed the questionnaire, the study was closed, thereby cancelling the link.

### **6.3.8 Step 8: Data processing**

Data processing occurs when data collected during primary research needs to be transformed into usable information that can be interpreted by management. Figure 6.4 provides an overview of data analysis.



**Figure 6.4 Overview of the stages of data analysis**



**Source:** Adapted from Zikmund & Babin (2007:480)

It is evident from figure 6.4 that data is first prepared, and then analysed during the processing stage. Data preparation occurs when data is extracted from the primary research method so that it can be used in the applicable computer software (Cant, 2005). Editing, coding, and data filing is part of the preparation process. Editing is the process of checking the completeness, consistency, and legibility of data, thereby preparing it for coding and transfer to storage. Editing is a different process to coding, which is the assignment of numerical scores or classifying symbols to data

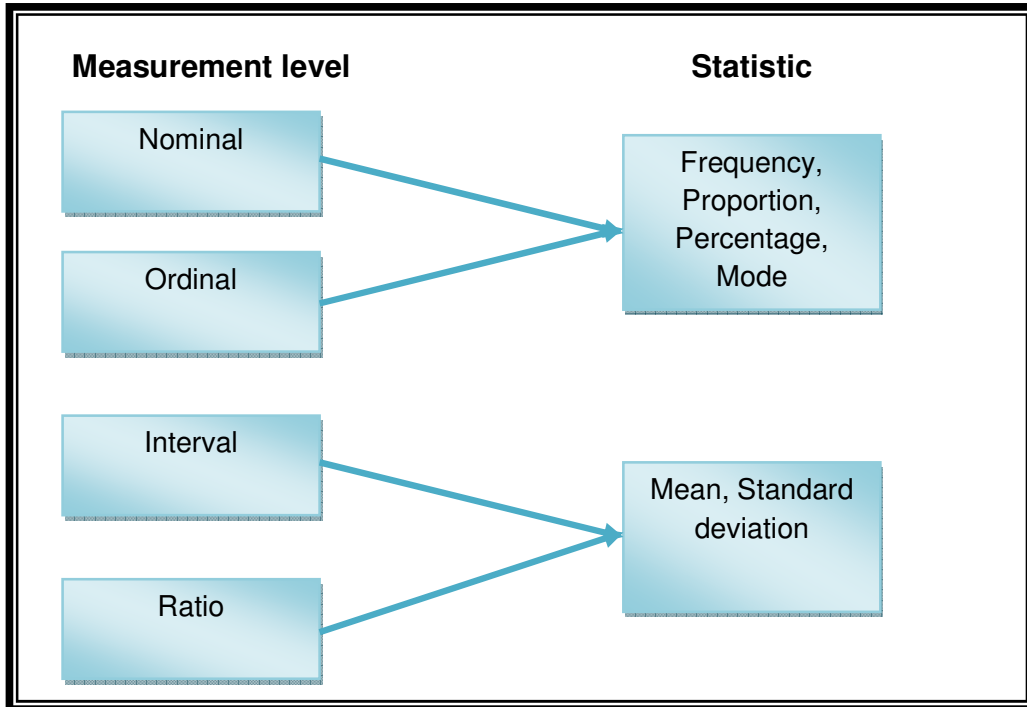
that has been edited previously (Zikmund, 2003). For the purposes of this study, data editing and coding were automatically completed by means of the HIT-CBC software program (Eggers, 2009). The data were validated and edited together with Delta Branding for each question, and SPSS was then used for further analysis.

Both descriptive statistics and inferential statistics can be used in analysing data. Descriptive analysis is the transformation of data in a way that describes basic characteristics such as central tendency, distribution, and variability, while inferential statistics are used to make inferences about a whole population from a sample (Tustin *et al.*, 2005). Descriptive statistics will be discussed in the following section.

#### **6.3.8.1 Descriptive statistics**

As already mentioned, descriptive analysis is the transformation of data into a format that describes basic characteristics such as, for example, central tendency. The level of scale measurement helps the researcher to choose the most appropriate form of statistical analysis. Figure 6.5 shows how the level of scale measurement influences the choice of descriptive statistics.

**Figure 6.5** Levels of scale measurement and suggested descriptive statistics



**Source:** Adapted from Zikmund & Babin (2007:503)

In this study, nominal, ordinal, interval, and ratio measurement levels were used.

The following descriptive statistics were subsequently used:

- *Frequencies.*

Frequencies refer to the number of times a particular value of a variable occurs, and are presented in this study by means of tables and pie charts (Churchill *et al.*, 2010).

- *Proportions.*

Proportions were used when the frequency distribution portrayed a single characteristic in terms of the percentage of the total (Zikmund, 2003, Cooper and Schindler, 2006).

- *Means.*

Means are measures of central tendency and measure the average response of consumers (Aaker *et al.*, 1998).

- *Standard deviations.*

Standard deviations are measures of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance (Tustin *et al.*, 2005).

### **6.3.8.2 Inferential statistics**

As defined above, inferential statistics are used to make inferences about a whole population from a sample thereof. A significance level is a critical probability associated with a statistical hypothesis test that indicates how likely it is that an inference supporting a difference between an observed value, and some statistical expectation, is true (Zikmund and Babin, 2007).

To assess the statistical expectation, p-values are used. P-value (i.e. probability-value) is another name for an observed or computed significance level. P-values are compared to significance levels to test hypotheses. The probability in a p-value is that the statistical expectation (null) for a test is true. Low p-values, thus, equal little likelihood that the statistical expectation is true. If the p-value resulting from a

statistical test is less than the pre-specified significance level, then a hypothesis about differences is supported (Churchill, 2001, Cooper and Schindler, 2006). For most studies, an acceptable number of errors, and, therefore, an acceptable significance level is 0.1, 0.05 or 0.01 (i.e. confidence levels of 90%, 95%, and 99.9% respectively). If the p-value is less than the pre-specified significance level, then the hypothesis of differences is supported (Malhotra, 2004). For the purposes of this study, a 95% confidence level was accepted ( $\alpha = 0.05$ ).

Inferential statistics were used to test the following hypothesis:

H<sub>1</sub>: There is a significant difference between the various brand levels.

From the above hypothesis, the following would be stated:

$$\dot{x}_1 \neq \dot{x}_2 \neq \dot{x}_3 \neq \dot{x}_4 \neq 0$$

Where  $\dot{x}_1$  = cellular network

$\dot{x}_2$  = energy company

$\dot{x}_3$  = alcoholic beverage

$\dot{x}_4$  = clothing brand

H<sub>2</sub>: There is a significant difference between the identified brand attributes.

From the above hypothesis, the following would be stated:

$$\dot{x}_{1a} \neq \dot{x}_{1b} \neq \dot{x}_{1c} \neq \dot{x}_{1d} \neq \dot{x}_{2a} \neq \dot{x}_{2b} \neq \dot{x}_{2c} \neq \dot{x}_{2d} \neq \dot{x}_{3a} \neq \dot{x}_{3b} \neq \dot{x}_{3c} \neq \dot{x}_{3d} \neq \dot{x}_{4a} \neq \dot{x}_{4b} \neq \dot{x}_{4c} \neq \dot{x}_{4d} \neq 0$$

Where:

	$\dot{x}_1$	$\dot{x}_2$	$\dot{x}_3$	$\dot{x}_4$
<b>a</b>	MTN	SASOL	Castle	Reebok
<b>b</b>	Vodacom	CALTEX	Windhoek	Adidas
<b>c</b>	CellC	BP	Klipdrift	Nike
<b>d</b>	Virgin Mobile	SHELL	Wellington VO	Canterbury

Conjoint analysis was used in this study to test the above mentioned hypotheses.

- **Conjoint analysis**

The objective of conjoint analysis is to determine what combination of a limited number of attributes is most influential on the respondents' choice or decision making. A controlled set of potential products or services is shown to respondents, and, by analysing how they make preferences between these products, the implicit valuation of the individual elements making up the product or service can be determined (Hair *et al.*, 2006; Conjoint Analysis, 2009).

The MNL model, as discussed earlier in chapter five, was used for estimation. When interpreting the results from a MNL model, one would consider the effect, standard error, and the t-ratio. The effect of each attribute is the proportion of times when a combination containing that attribute occurs, and is selected by respondents (Sawtooth Software, 2008). The sum of the effects in each level equals zero, thus, all attributes in each separate level are measured relative to each other. The standard error refers to the standard deviation of the sampling

distribution (Eggers and Sattler, 2009). The t-ratio is also included in the data output. If the t-value is larger than two, and smaller than minus two ( $-2 > t > 2$ ), the null hypothesis can be rejected, meaning that there is a significant difference between the various brand attributes (Eggers, 2009). If the t-ratio is not in that limit, no difference will be found, and the null hypothesis will not be rejected (Wadsworth Cengage Learning, 2009).

### **6.3.8.3 Reliability and validity**

Reliability and validity are two major criteria for evaluating measurements. In other words, in order for the results to be dependable, the data should be reliable and the measuring instrument valid. Each of these aspects will now be discussed.

- **Reliability**

McDaniel and Gates (2001) describe reliability as measures free from error, providing consistent data. Reliability is an indicator of a measure's internal consistency. In other words, something is reliable if different attempts at measuring it converge to the same thing (Churchill, 1995). There are different methods to measuring reliability.

The choice-based conjoint method used in this study attempted to make brand fit more representative of actual brand image choices (see chapter 5). The inclusion of two identical choice sets furthermore made room for test-retest-reliability (see section 5.3.6).

For the brand fit questions (see Annexure A), reliability was ensured by incorporating two combinations that were the same in different parts of the questionnaire. This latter feature enabled the identification of non-reliable questionnaires, as the two questions would not elicit the same answer if the respondent was, for some reason, not paying attention. This measured test-retest-reliability (Malhotra and Birks, 2006). Another way of ensuring that the data were reliable was to stipulate a minimum time requirement for each questionnaire. If the respondent finished the survey in less than two minutes, it would not form part of the research, as the responses were then deemed not to be reliable.

Internal consistency represents a measure's homogeneity or the extent to which each indicator of a concept converges on some common meaning. Internal consistency can be measured through the split-half method or coefficient alpha.

**Coefficient Alpha** is the most commonly used estimate of a multiple item scale's reliability. Cronbach's Coefficient Alpha measures the internal consistency of an item. Churchill (1996) mentioned that Coefficient Alpha provides a summary measure of the inter-correlations that exist among a set of items. Calculating the coefficient alpha is, thus, important in order to determine the quality of the measure. Coefficient Alpha ranges in value from 0 (no consistency) to 1 (complete consistency). Scales with a Coefficient Alpha between 0.80 and 0.95 have very good reliability, while scales with a Coefficient Alpha between 0.70 and 0.80 are said to have good reliability. Fair reliability is indicated by a Coefficient Alpha between 0.60 and 0.70, and when the Coefficient Alpha is less than 0.60 the scale has poor reliability (Malhotra and Birks, 2006; Zikmund and Babin,



2007). The coefficient alpha for the scale questions (See Annexure A) in this study measured at 0.837. It is, thus, safe to say that the data obtained had a very good reliability.

- **Validity**

According to Churchill (1996), validity is defined as the extent to which differences in scores on a measuring instrument reflect true differences among individuals, groups or situations in the characteristic that it seeks to measure, or true differences in the same individual, group, or situation from one occasion to another, rather than constant or random errors. In other words, validity is defined as the accuracy of a measure or the extent to which a score truthfully represents a concept. Reliability is a necessary contributor to validity, but not a sufficient condition for validity (Cant, 2005).

Validity addresses the problem of whether a measure indeed measures what it is supposed to measure. There are three basic approaches to measuring validity, namely, face or content validity, criterion validity, and construct validity (Churchill *et al.*, 2010).

Content (face) validity refers to the agreement among professionals that a scale reflects the concept being measured. Criterion validity is the ability of a measure to correlate with other standard measures of similar constructs or established criteria. Construct validity exists when a measure reliably measures, and truthfully represents a unique concept. Construct validity consists of the following: face validity; convergent validity, ensuring that the measure correlates positively with

other measures of the same construct; criterion validity; discriminant validity, ensuring that the measure does not correlate with unrelated constructs; and reliability (Welman *et al.*, 2005).

In this study, validity was established by means of content validity. Fellow researchers agreed that the measure indeed measured what it was intended to (Eggers, 2009). The reliability also measured 'fair to good', which added to the study's validity.

Furthermore, choice-based conjoint analysis has the inherent face validity of asking respondents to choose a combination from a set of alternative combinations, referred to as a 'choice set'. This method is much more representative of the actual process when making a real-life decision (see chapter 5). Moreover, choice-based conjoint provides the option of not choosing any of the presented combinations by including a 'no choice' option in the choice set. Whereas traditional conjoint assumes respondents' preferences will always be allocated among the set of stimuli, the choice-based approach allows for market contraction if all the alternatives in the choice set are unattractive (Hair *et al.*, 2006).

Finally, the use of computer-based interviewing has greatly simplified the conjoint task demands on the respondent, and has made the administration of designs more feasible. Recent research has also demonstrated the reliability and validity of conjoint when administered over the Internet (Hair *et al.*, 2006).

## **6.4 CONCLUSION**

This chapter focused on the marketing research process, and on how each step of the process was applied in this research. In addition, the research method was discussed in detail. The following chapter will discuss the research findings of the study.

# RESEARCH RESULTS

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## 7.1 INTRODUCTION

The main reason for this study was to assess brand fit using conjoint analysis. Brand fit was defined as a consumer learning process that seeks to match those brand associations held of the relevant brands involved (McDonald, 1991; Gwinner, 1997; Gwinner and Eaton, 1999), while conjoint analysis was described as a method of decomposing combinations into their component parts to analyse how decisions are made, and then predict how decisions will be made in the future (Conjoint Analysis, 2009).

As was discussed in chapter 6, several brands were used to draw associations with the Springbok brand in order to determine brand fit. The following chapter discusses the research results; included are the 'realised' sample, as well as descriptives and inferential statistics.

## 7.2 REALISED SAMPLE

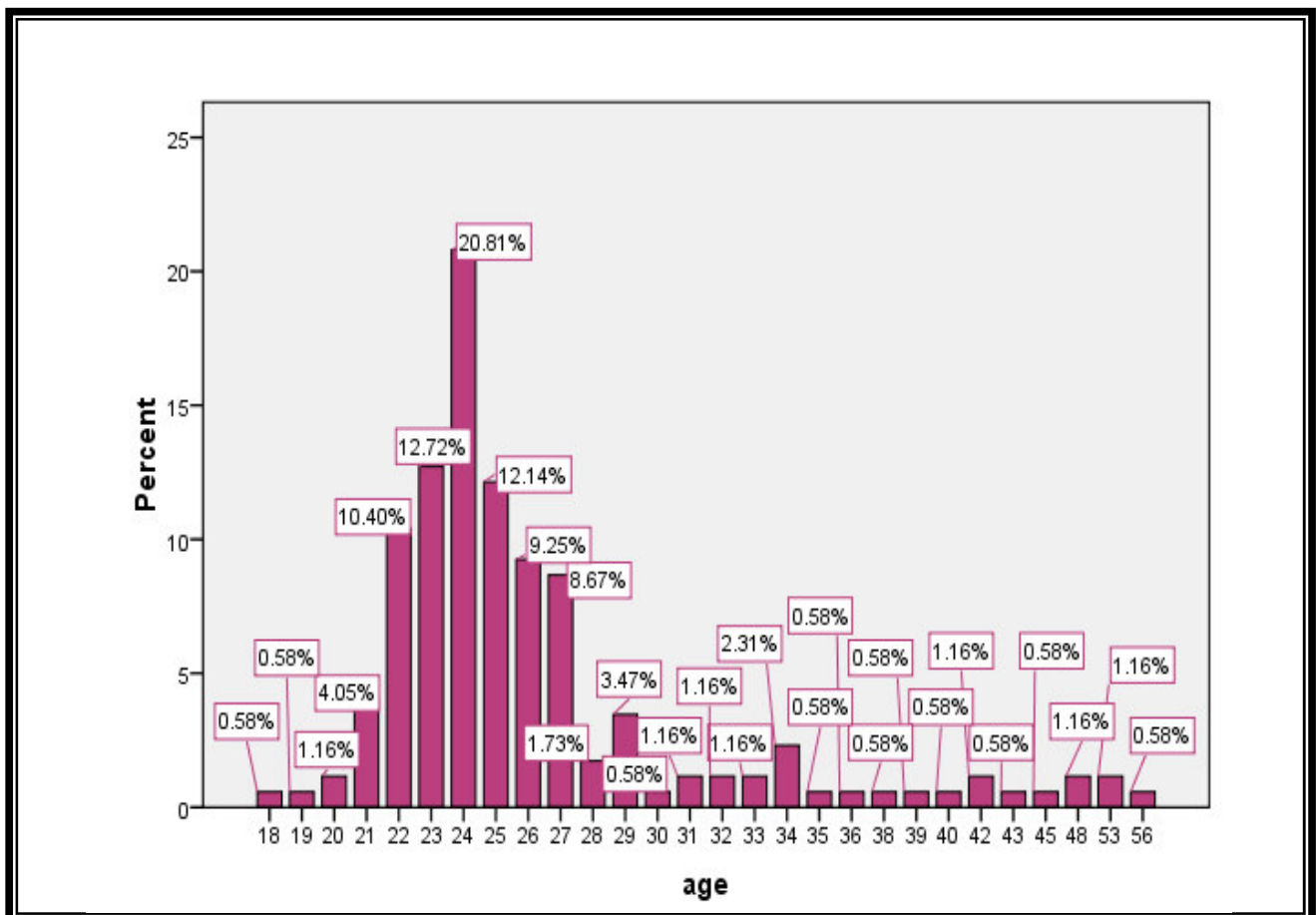
A sample size of 200, that was deemed sufficient for the study, was obtained (Eggers, 2009). However, only 173 of the questionnaires could be used. As discussed in chapter 6, questionnaires completed in less than three minutes, as well as those where the choice sets measured for reliability differed, could not be used in

this study. In the following section, demographic descriptives of the realised sample will be discussed.

### 7.2.1 Demographic descriptives

The average age of respondents was 26.29 years ( $s=6.563$ ;  $18 < x < 56$ ). The majority of the respondents (82.8%) were between the ages of 21 and 29 (as depicted in figure 7.1). Only 2.4% of the respondents were younger than 20 years of age, while 14.8% of the respondents were older than 29 years of age.

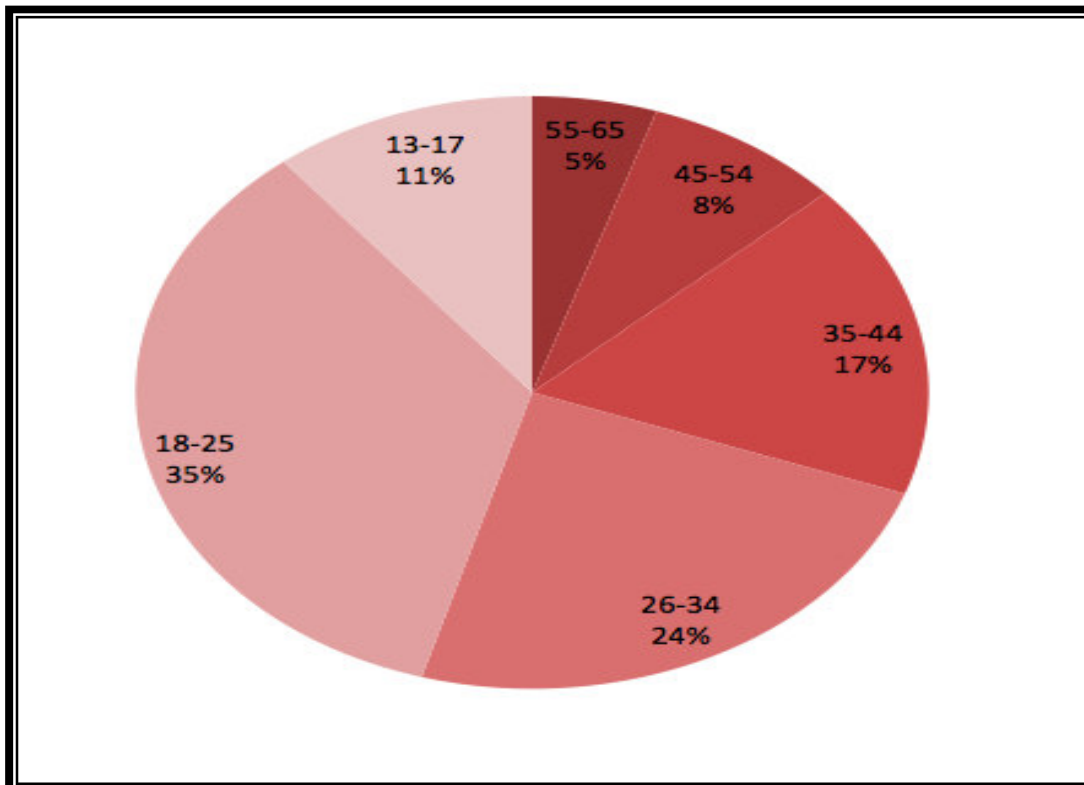
Figure 7.1 Age of respondents



It is evident, from the previous bar chart, that most respondents were between the ages of 22 to 27 (73.3%) years. The relatively young age of the respondents can be attributed to the fact that the study was conducted online, using the Facebook social networking site.

As is depicted in Figure 7.2, the majority of Facebook users are between the ages of 18 years and 25 years (35%), with the second biggest age group between the ages of 26 years and 34 years (24%). The majority of respondents in this study were between the ages of 22 years and 27 years (73.3%). As can be seen in figure 7.2, the sample's age group falls within the two biggest age groups of Facebook users (Inside Facebook, 2009).

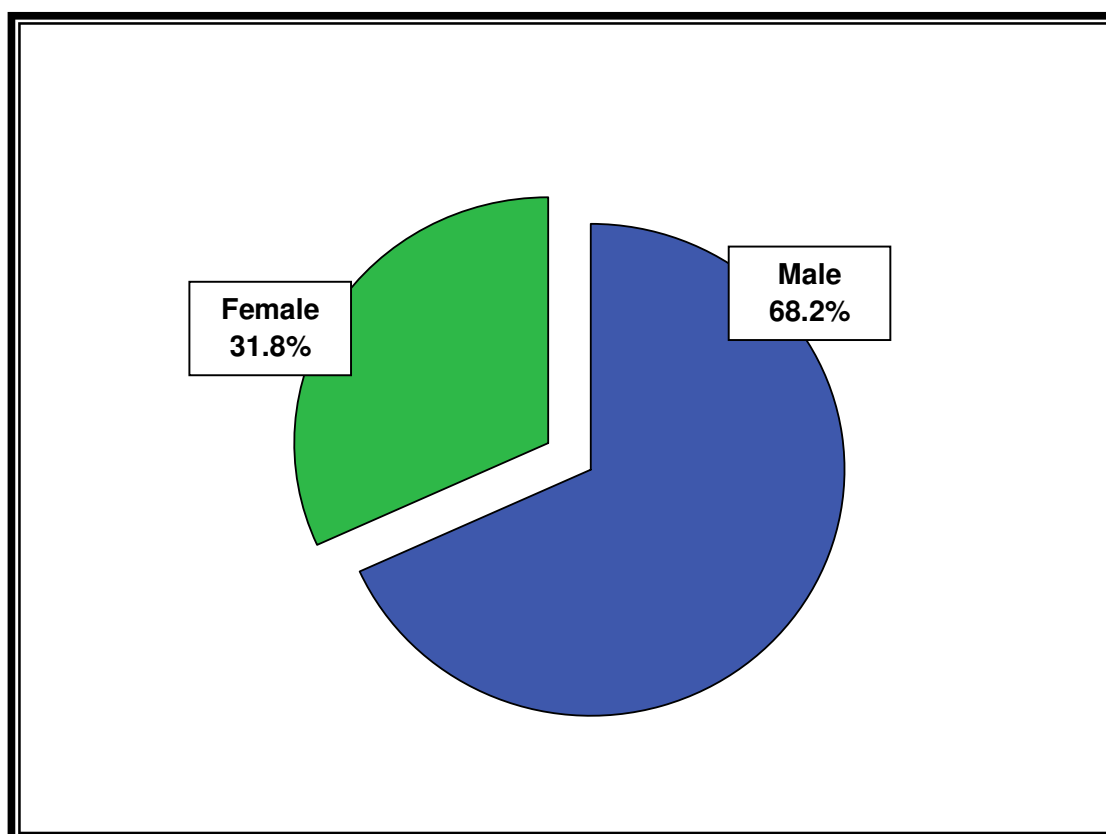
**Figure 7.2 Facebook users by age**



**Source:** Inside Facebook (2009)

Question 16 determined the respondents' gender. As is depicted in Figure 7.3, 68.2% of the respondents were male, and more or less 30% of the respondents were female.

**Figure 7.3 Gender of respondents**

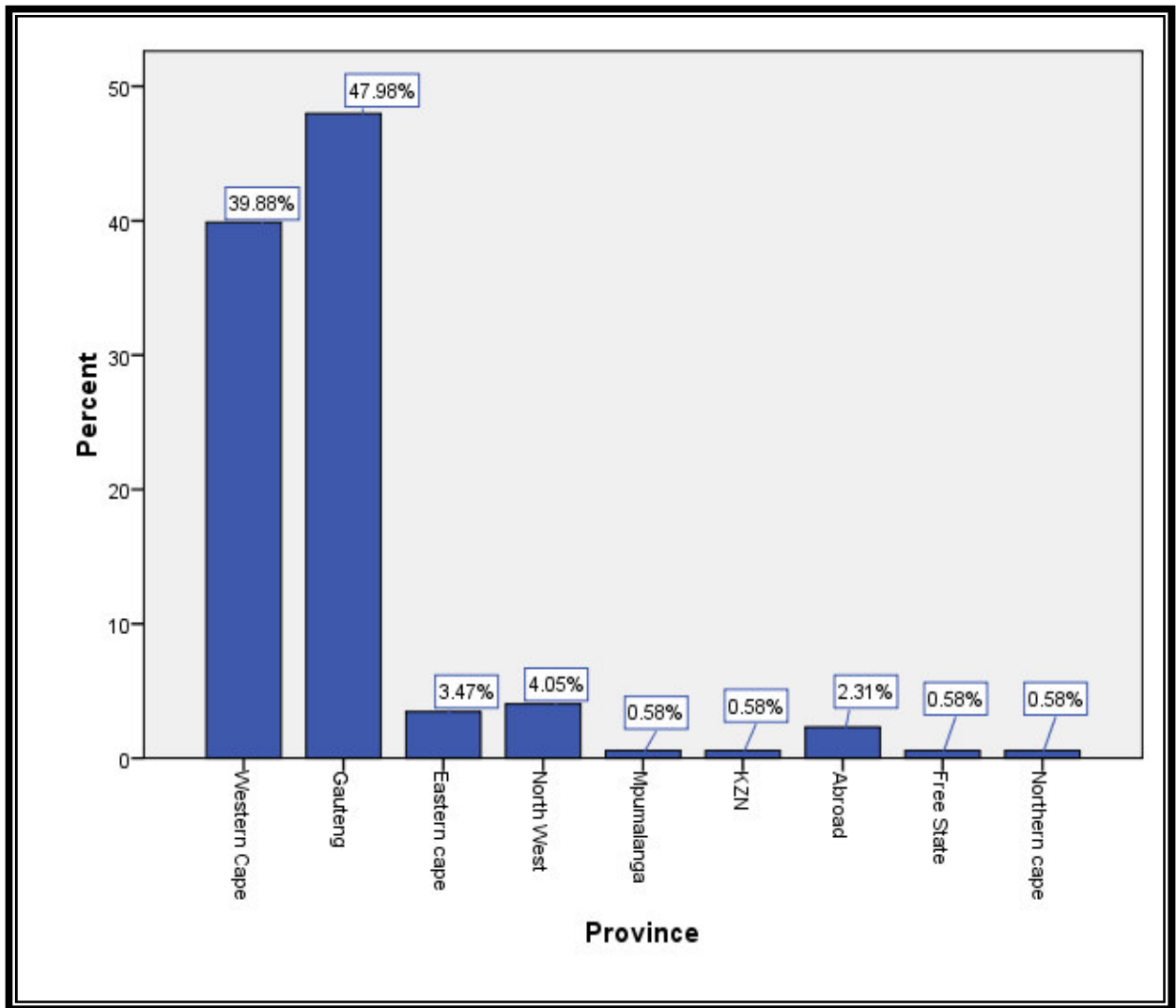


Although the sample was predominantly male, this group was deemed appropriate for this study, as the Springbok rugby supporter profile in South Africa is primarily more male than female (Gerber-Nel, 2004).

Question 17 asked respondents to indicate the province in which they live. About half of the respondents (48%) indicated that they resided in Gauteng. Nearly 40% of the

respondents resided in the Western Cape. Other responses are depicted in figure 7.4.

**Figure 7.4 Provinces where respondents reside**



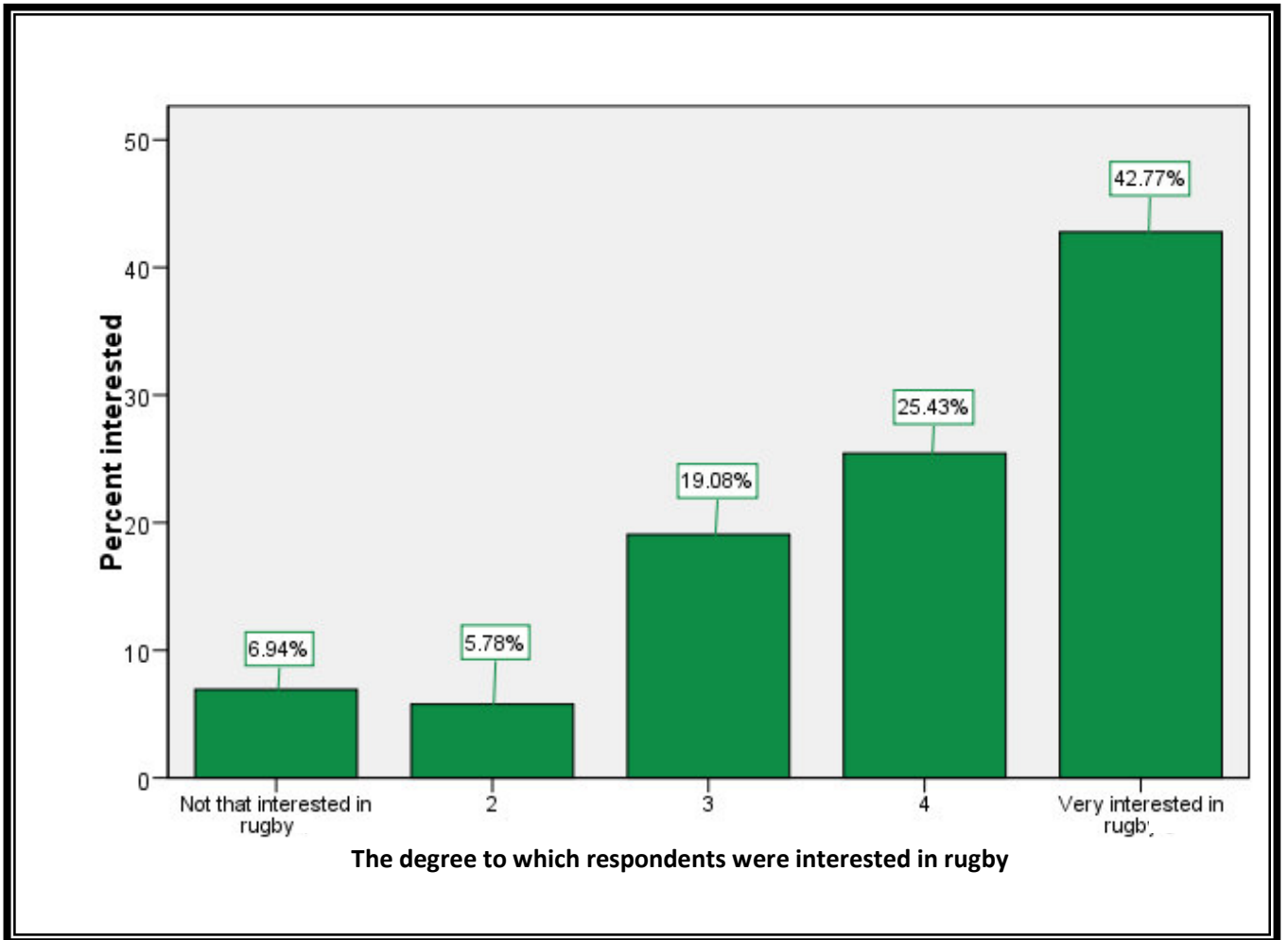
From figure 7.4, it is evident that most of the respondents resided in Gauteng and the Western Cape. At the time of the study, almost 70% of the Springbok rugby team



consisted of Gauteng (*Lions* and *Blue Bulls*) and Western Cape (*Western Province*) players (SA Rugby, 2009). A study conducted by Gerber-Nel (2004) found that South African rugby supporters were very loyal to their provincial teams. One may, therefore, concur that many of the respondents might have participated in the study because of their loyalty to their provincial teams.

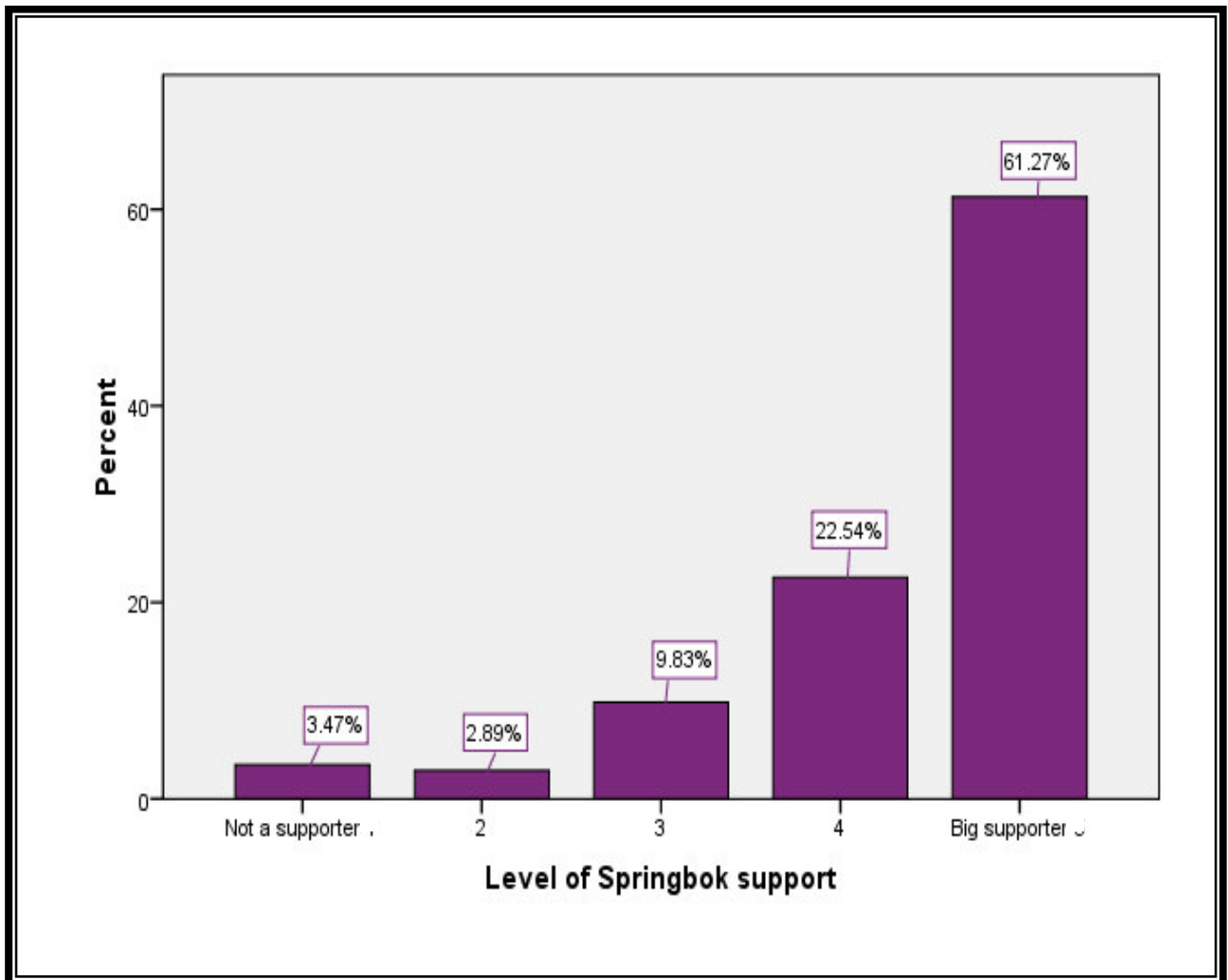
Question six measured how interested respondents were in the game of rugby. Almost half the respondents indicated that they were 'very interested' in rugby (42.8%), while a total of 68.2% indicated that they were 'interested' in rugby. As a screening question was used to ensure that all respondents were interested in rugby, question six's purpose was to measure the degree of interest that respondents had in rugby. According to figure 7.5, it is clear that the realised sample was indeed appropriate for assessing brand fit for the Springboks, as the degree of interest amongst respondents was very high.

Figure 7.5 The degree to which respondents were interested in rugby



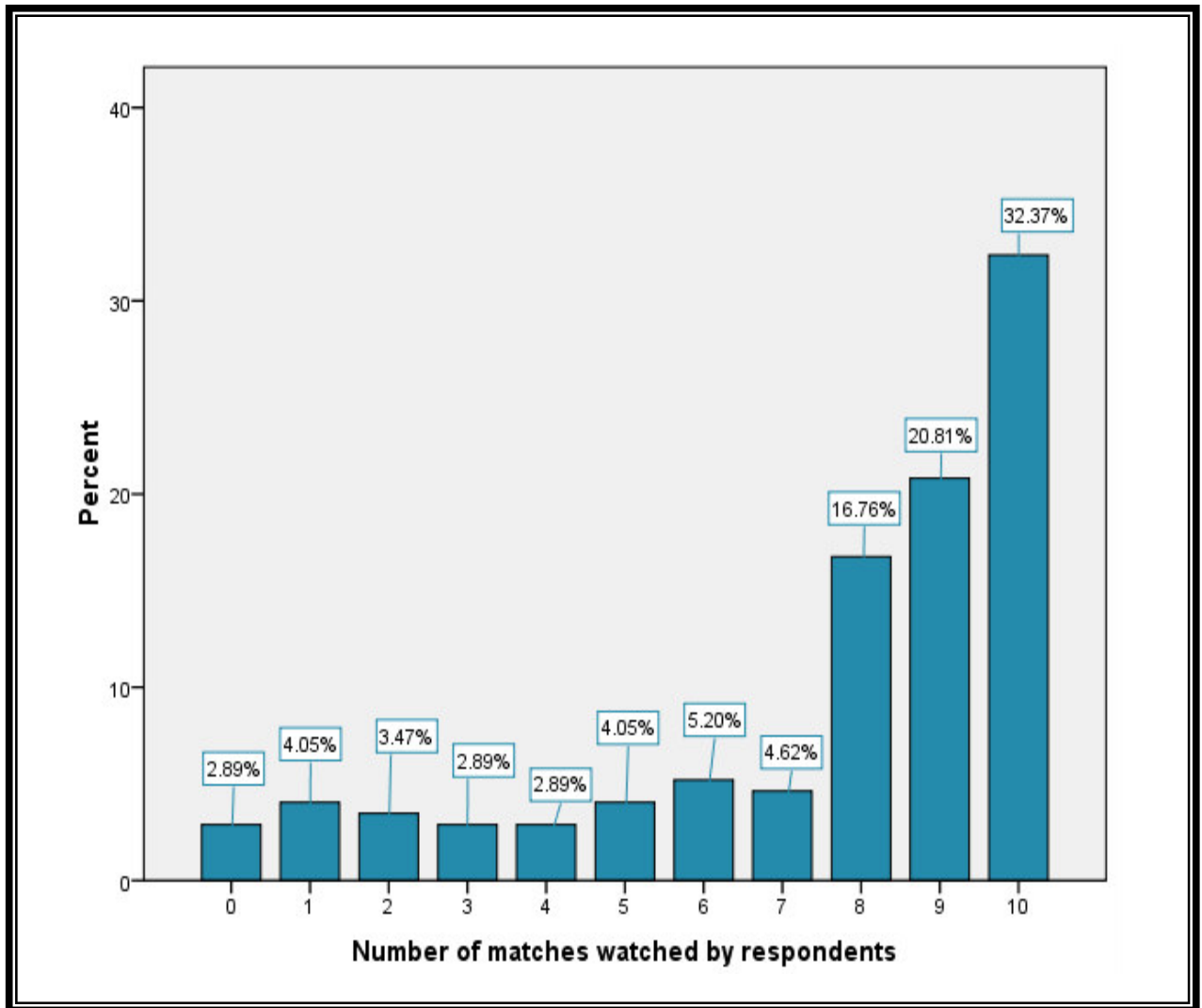
In figure 7.6 it is evident that more than 80% of respondents showed a high level of support for the Springboks. The support level under 'respondents' was determined by question eight.

**Figure 7.6 Level of Springbok support**



From figure 7.6 it is evident that the respondents were indeed Springbok supporters, as more than 80% of the sample showed a high level of support towards the team. This high level of support can also be seen in the fact that almost 70% of the sample watched more than eight out of ten Springbok rugby matches on average (see figure 7.7), thus making them ideal candidates to assess brand fit between sponsors and the Springbok rugby team.

**Figure 7.7 Number of matches watched**



Question eight asked respondents to indicate, out of a total of ten, the amount of Springbok rugby matches they watched on average. As depicted in figure 7.7 a total of 70% of respondents watched more than eight out of 10 rugby matches on average. Only 16.2% of respondents watched less than five out of 10 games on average, while 13.8% of respondents watched between five and seven out of 10 games on average. The average respondent watched 7.6 games ( $s=2.877$ ;  $0 < x < 10$ ).

The following cross-tabulation shows that respondents who consider themselves big supporters also watch the most rugby games. There were 53 respondents who consider themselves big supporters, and they indicated that they watch 10 out of 10 rugby matches, while 43 respondents indicated that they watch between seven and nine out of 10 rugby matches. Only five respondents indicated that they watch zero Springbok rugby matches.

**Table 7.1 Cross-tabulation between the level of Springbok support and the number of matches watched**

		Springbok supporter					Total
		Not a supporter	2	3	4	Big supporter	
Number of matches watched	0	5	0	0	0	0	5
	1 – 3	1	4	4	6	3	18
	4 – 6	0	1	4	9	7	21
	7 - 9	0	0	9	21	43	73
	10	0	0	0	3	53	56
Total		6	5	17	39	106	173

To investigate whether the level of support has an effect on the number of matches watched, Pearson correlation was computed. It was found that there existed a strong, positive relationship between the level of support and the number of matches watched. The latter finding implies, thus, that the higher the level of support, the

higher the number of games watched. One could, therefore, make the assumption that exposure to the game will give respondents a fair amount of knowledge on the sponsors.

**Table 7.2 Correlation between number of matches watched and level of Springbok support**

	Level of support	
	p-value	Correlation value
Number of matches	0.000	0.691

Based on the above findings, one could conclude that the realised sample was, indeed, appropriate to measure brand fit between the various sponsor brands and the Springbok brand.

**7.2.2 Brand levels and brand attributes**

Questions one to five and nine to 13 were choice sets presented to respondents in which they had to choose the combination of sponsors they perceived as a best fit to the Springbok brand (see Annexure A). Using conjoint analysis, a count (i.e. effect) for each brand was calculated (see chapter 5). As discussed below, count is a method of analysing choice data; it calculates a proportion for each attribute (i.e.

brand), based on how many times a concept, including that attribute, is chosen, divided by the number of times that attribute occurs, as indicated in table 7.3. The count (i.e. effect) of all attributes within a level equals zero, thus each attribute is measured, and should be interpreted relative to each of the other attributes in the same level.

**Table 7.3 Brand levels and brand attributes**

	Attribute Level	Effect (Count)	
<b>Level 1</b>	MTN	-0.25	} = 0
	Vodacom	0.89	
	CellC	-0.45	
	Virgin	-0.19	
<b>Level 2</b>	Castle	1.03	} = 0
	Windhoek	-0.48	
	Wellington	-0.35	
	Klipdrift	-0.20	
<b>Level 3</b>	Sasol	0.62	} = 0
	Caltex	-0.24	
	Shell	-0.28	
	BP	-0.10	
<b>Level 4</b>	Canterbury	0.23	} = 0
	Adidas	0.13	
	Nike	0.14	
	New Balance	-0.51	



- **Level 1 – Cellular Network**

From table 7.3, it is evident that Vodacom had the only positive count (0.89) within the cellular network level. This high count can be ascribed to the fact that Vodacom is one of the biggest sponsors of South African rugby, not only on a national level, but also on a provincial level (SARugby, 2009). MTN, CellC, and Virgin scored negative counts (-0.25, -0.45, -0.19 respectively). Neither MTN, CellC, or Virgin had ever sponsored the Springboks (MTN, 2009; Virgin, 2009; CellC, 2009). This could be the reason for their negative counts.

- **Level 2 – Alcoholic Beverages**

Within the alcoholic beverage level, Castle presented the highest count (1.03). What is interesting here is that, although Castle is a big sponsor of the Springboks, Windhoek was also one of the sponsors for provincial rugby matches at the time of the study (Rugby week, 2009), but scored the lowest count (-0.48). Furthermore, Wellington, which is an official sponsor of the Springboks (SARugby, 2009), scored not only a negative, but also a lower count (-0.35) than Klipdrift, (-0.20) even though Klipdrift has not been a sponsor of the Springboks before.

From this result, it is clear that Castle had a strong perceived association with the Springbok brand amongst consumers. Windhoek's negative count might be attributed to the fact that it is not a South African brand, since it is brewed in Namibia (Namibia Breweries, 2009). Although Wellington is a sponsor, their negative count might be because of the low visibility of the brand during the

games. Klipdrift also scored a low count, but received a better count than Wellington. This could be because of their 'truly South African' marketing campaign (Klipdrift, 2009).

- **Level 3 – Energy Company**

From table 7.3, it is evident that Sasol had the highest count in the fuel and energy level (0.62). This can be ascribed to the fact that SASOL is the Springboks' main sponsor, and the brand is also sported on the players' jerseys. The high visibility and continuous sponsorship of SASOL created an association between the two brands. Although energy products are not really associated with the Springboks or SA Rugby, SASOL achieved a positive association based on years of sponsoring the Springboks (SASOL, 2009). It appears, thus, that a visible and continuous sponsor campaign can create brand associations. BP, Shell, and Caltex scored negative counts (-0.10, -0.28, -0.24 respectively). The fact that neither BP, Shell nor Caltex (BP, 2009; Shell, 2009; Caltex, 2009; SARugby, 2009) have ever sponsored the Springboks, or any other popular sports in South Africa, could be the reason for the respective negative counts.

- **Level 4 - Clothing**

Although Canterbury, who is the actual Springbok sponsor, scored the highest count in the clothing level (0.23), Nike (0.14) and Adidas (0.13) also scored positive counts. This means that respondents also perceived positive associations between Nike and Adidas and the Springboks. Adidas is the main sponsor for New Zealand rugby, and Nike was one of the core sponsors of the

Springboks in the 1990s and early 2000s (Black and Nauright, 1998). In this level, New Balance was the only attribute brand with a negative count (-0.51). New Balance has not sponsored the Springboks. Canterbury, Nike, and Adidas, thus, hold strong associations with rugby (Adidas, 2009; Nike, 2009; New Balance, 2009; SARugby, 2009).

- **Levels 1 to 4**

Overall, Castle scored the highest count (1.04) of all the relevant brands, even though it was not the main sponsor of the Springboks at the time of the study. The reason for Castle's high count might be ascribed to the fact that Castle has been a sponsor of South African sport for over a decade (SARugby, 2009; Castle, 2009). Castle has a marketing campaign that positions the brand close to, not only the Springboks, but also the Proteas (i.e. national cricket team) and Bafana Bafana (i.e. national soccer team) as well (Castle, 2009).

Even though the various levels and attributes produced different counts, the question still remains as to whether these differences are significant. Hence, inferential statistics of these results will be discussed next.

## 7.3 ASSESSING BRAND FIT

A hypothesis is a formal statement explaining some outcome. The stated hypotheses were tested in order to answer the main objective of this study, which was to assess brand fit using conjoint analysis. The MNL model, as discussed in chapter 5 (refer to section 5.3.5), is presented in table 7.4, and will be discussed next.

Multinomial logit, which was discussed in chapter 5 (section 5.3.5), was used for the estimation of brand fit. As per the discussion, the MNL model consists of effects (i.e. count), standard error, as well as the t-ratio (see table 7.4). *Standard error* is the standard deviation of the sampling distribution (Eggers and Sattler, 2009) and the *t-ratio* is also included in the data output. If the t-ratio is larger than two and smaller than minus two ( $-2 > t > 2$ ), the null hypothesis can be rejected, meaning that there is a significant difference between the various brand attributes (Eggers, 2009). If the t-ratio is not large enough, no difference will be found, and the null hypothesis will not be rejected (Wadsworth Cengage Learning, 2009).

**Table 7.4 The MNL model results used to asses brand fit**

Aggregate MNL model				
	Attribute Level	Effect (Count)	Standard Error	t Ratio
<b>Level 1</b>	MTN	-0.25	0.06	-4.24
	Vodacom	0.89	0.05	18.81
	CellC	-0.45	0.06	-7.17
	Virgin	-0.19	0.06	-3.31
<b>Level 2</b>	Castle	1.03	0.05	22.00
	Windhoek	-0.48	0.06	-7.48
	Wellington	-0.35	0.06	-5.77
	Klipdrift	-0.20	0.06	-3.44
<b>Level 3</b>	Sasol	0.62	0.05	12.81
	Caltex	-0.24	0.06	-4.13
	Shell	-0.28	0.06	-4.76
	BP	-0.10	0.06	-1.81
<b>Level 4</b>	Canterbury	0.23	0.05	4.50
	Adidas	0.13	0.05	2.53
	Nike	0.14	0.05	2.76
	New Balance	-0.51	0.06	-8.21

### 7.3.1 Assess selected sponsor brands (attributes)

H<sub>1</sub>: There is a significant difference between the identified brand attributes

- **Level 1 – Cellular Network**

Based on the conjoint analysis results (MTN t-ratio=-4.24; Vodacom t-ratio=18.81; CellC t-ratio=-7.17; Virgin Mobile t-ratio=-3.31), H<sub>0</sub> was rejected, showing that there is a significant difference between the various cellular network brands. Respondents, therefore, perceived the various cellular brands as being significantly different possible sponsors to the Springboks.

As stated above, Vodacom was the only cellular network brand that produced a positive count, hence implying a positive fit to the Springboks. MTN, CellC, and Virgin scored a negative count, meaning that respondents perceived no fit between MTN, CellC or Virgin and the Springboks. One can conclude that the Vodacom brand does indeed fit the Springbok brand, and that Vodacom is positively associated with the Springboks.

- **Level 2 – Alcoholic Beverages**

In the alcoholic beverage level, the null hypothesis was rejected (Castle t-ratio = 22; Windhoek t-ratio=-7.48; Wellington t-ratio=-5.77; Klipdrift t-ratio=-3.44), showing that there is a significant difference between the

various alcoholic beverage brands. Respondents, therefore, perceived the various brands as being significantly different possible sponsors to the Springboks.

Within the alcoholic beverage level, Castle was, thus, the only brand that could be associated with the Springbok brand. Windhoek, Wellington, and Klipdrift were not perceived to fit the Springbok brand, as these brands scored negative counts. One could, therefore, conclude that the Castle brand does indeed fit the Springbok brand, and that Castle is positively associated with the Springboks.

- **Level 3 – Energy Company**

Within the energy company level,  $H_0$  was rejected (SASOL t-ratio=12.81; Caltex t-ratio=-4.13; Shell t-ratio=-4.76), showing that there was a significant difference between SASOL, Shell, and Caltex. Respondents, therefore, perceived the various brands as being significantly different possible sponsors to the Springboks. BP (t-ratio = -1.81) was perceived as not being significantly different from other energy company brands.

SASOL had a positive count; therefore, respondents perceived a positive association between SASOL and the Springbok brand. None of the other brands in this level produced a positive count, and it can, therefore, be concluded that specifically Shell, Caltex, but also BP cannot be associated with the Springbok brand. One could, therefore, conclude that the SASOL brand does indeed fit the Springbok brand, and that SASOL is positively associated with the Springboks.

- **Level 4 – Clothing**

The null hypotheses was rejected in the clothing category (Canterbury t-ratio=4.50; Adidas t-ratio=2.53; Nike t-ratio=2.76; New Balance t-ratio=-8.21) showing that there is a significant difference between the various clothing brands. Respondents, therefore, perceived the various clothing brands as being significantly different possible sponsors to the Springboks.

In this level, Canterbury, Adidas as well as Nike showed a positive count, and can, thus, be said to fit the Springbok brand. New Balance was the only attribute in this level measuring at a negative count, and is, therefore, not a good fit to the Springbok brand. One could conclude that Canterbury is a good fit to the Springbok brand, but that Nike or Adidas might actually be a better fit, since these brands are not currently sponsors of the Springboks, but are still positively associated with the Springbok brand.

### **7.3.2 Assess selected industries (levels)**

H<sub>2</sub>: There is a significant difference between the various brand levels.

Based on the t-ratios of the attributes in each level perceived to fit with the Springboks, H<sub>0</sub> is rejected, as there was a significant difference between the various levels' brand attributes (Vodacom t-ratio=18.81; Castle t-ratio=22; SASOL t-ratio=12.81; Canterbury t-ratio=4.50; Adidas t-ratio=2.53; Nike t-ratio=2.76). This



means that respondents perceived the various sponsor categories as significantly different from one another.

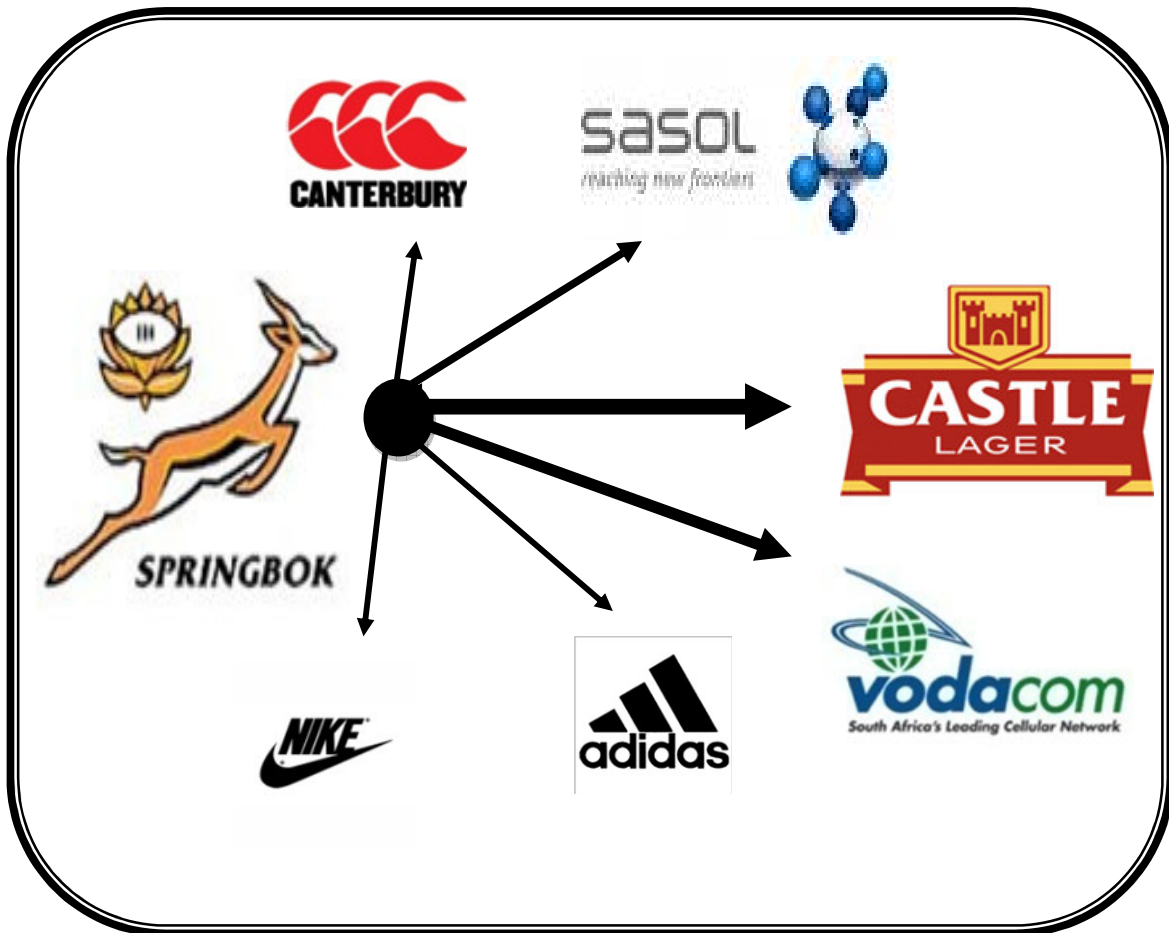
The alcoholic beverage level produced the best fit to the Springbok brand, which may imply that SA Rugby could consider alcoholic brands, such as Castle, to be the Springboks' main sponsor, since consumers perceived this category to best fit the Springbok brand.

### **7.3.3 Brand fit**

This study found that Castle is the best fit (1.03) to the Springbok brand, followed by Vodacom (0.89), and SASOL (0.62). Canterbury (0.23) fits the Springbok brand, while Nike (0.14) and Adidas (0.13) also fit the Springbok brand.

Figure 7.8 illustrates brand fit between the Springbok brand and sponsor brands; based on the results, the stronger the perceived fit, the more prominent the arrow will appear.

Figure 7.8 Brands perceived to fit the Springbok brand



From the above, it can thus be concluded that brand fit can be determined using conjoint analysis.

## 7.4 CONCLUSION

This chapter presented the descriptive and inferential results of the study. It was found that the realised sample was indeed appropriate to assess brand fit. The main aim of this study was to assess brand fit using conjoint analysis. By using conjoint

analysis, the study showed that the brands perceived to fit the Springbok brand included Castle, SASOL, Vodacom, Canterbury, Nike, and Adidas. It can be concluded from these results that conjoint analysis is indeed an appropriate measure to assess brand fit.

In the following chapter the results obtained in this study will be discussed and recommendations will be made.

# CONCLUSIONS AND RECOMMENDATIONS

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## 8.1 INTRODUCTION

In the previous chapter, it was demonstrated that brand fit can indeed be assessed by means of using conjoint analysis. In this chapter, conclusions are drawn from the findings in the study, and recommendations are made. The focus then shifts to the objectives of the study, and the way in which they were realised. The chapter concludes with a brief overview of the possible, further areas of research that were identified during the study.

## 8.2 CONCLUSIONS

For the purposes of this study, the target population could have, in fact, constituted all of South Africa's rugby supporters. However, since this population was too large, only a sample of the latter was used to contact those individuals who supported the Springbok team.

The research method was discussed in chapter 6, and, thereafter, the findings were presented in chapter 7. The conclusions arrived at about the realised sample, as well as the brand levels and attributes, will now be discussed.

### 8.2.1 Realised sample

The majority of respondents in the sample group were relatively young individuals. The age group, 21 to 29, represented 82.5% of the sample (see figure 7.1). The online survey that was conducted served to yield a sample of younger respondents. More specifically, using technology such as Facebook reduced the probability of older respondents, as the latter might not have felt comfortable working on the Internet (Zikmund and Babin, 2007), and Facebook attracts a younger user on average (see figure 7.2).

A total of 68.2% of the sample was male, a situation deemed appropriate for this study, as rugby in South Africa is supported mostly by men (Baalbergen, 2002; Gerber-Nel, 2004). The disproportionate number of males in the sample was, in fact, an advantage for the study, as men are more likely to possess greater knowledge of the game, and are, thus, more likely to be exposed to the sponsors of the Springbok brand.

Even though the greater part of the sample was located in Gauteng (48%) and the Western Cape (40%), this fact was also deemed appropriate for the purposes of the research, since a screening question ensured that all respondents were, in fact, Springbok supporters (see figure 7.4). At the time of this study, almost 70% of the Springbok team consisted of Gauteng (*Lions* and *Blue Bulls*) and Western Cape (*Western Province*) players (SA Rugby, 2009). Respondents in these provinces

might have been very eager to complete a survey about the Springboks, since they might have felt loyalty towards their provincial teams, a fact which might have led to greater support for the Springboks.

A majority (83.8%) of the sample indicated that they were 'very interested' in rugby, and 80% of respondents indicated that they watched more than eight out of ten games. One could, therefore, assume that the respondents possessed adequate knowledge about the different brands sponsoring the Springboks, as well as about the Springbok brand.

Therefore, for the purposes of this study, it was concluded that the realised sample was indeed appropriate to assess brand fit of the Springbok brand and its sponsors.

### **8.2.2 Levels and Attributes**

This study aimed to assess brand fit using conjoint analysis. To do so, different brand images were portrayed against the Springbok brand in order to determine which brands, according to respondents, could best be associated with the Springbok brand. By conducting focus groups, four levels representing different market industries were chosen, while each level, in turn, consisted of four different brand attributes (see section 6.3.5). From the results in this study, the following conclusions can be drawn:

- **Level 1 – Cellular Network**

During the qualitative research phase, MTN, Vodacom, CellC, and Virgin were identified as possible sponsor brands for the Springboks. The findings of the study showed that there was a significant difference between the four brands (attributes) selected.

- **MTN**

MTN was the second weakest of the four brands selected in this study. Even though MTN is a main sponsor of South African soccer and South African cricket (MTN, 2009), respondents, nevertheless, did not perceive MTN to be associated with the Springboks. MTN, thus, did not show a positive brand fit with the Springboks.

*The profile of the typical rugby consumer differs from a soccer supporter in South Africa, in that soccer appeals to the lower LSM groups, while rugby supporters are from LSM 6 group upwards (South Africa info, 2009). Even though MTN is a main sponsor in the South African sports' industry, MTN's brand image, as communicated through their promotional efforts (refer to section 5.3.4), does not fit the brand image consumers have of the Springboks.*

- **Vodacom**

This study found that Vodacom was the strongest of the four relevant attribute brands. Vodacom is highly visible in most South African rugby matches, and is also one of the main sponsors of the Springboks and SA Rugby (SA Rugby, 2009). Vodacom can, therefore, be positively associated with the Springbok brand.

*The perceived fit between Vodacom and the Springboks can be attributed to the fact that Vodacom's communication campaign was largely focused on their rugby sponsorships at the time of this study (Vodacom, 2009). Even though Vodacom is also the official sponsor to the South African soccer team, their association with rugby dates back to 1999, ensuring an extensive relationship with rugby (Vodacom, 2009). It can be concluded that the longer the brand stays with the same entity, the more consumers will see the two different brands as one, and, thus, brand fit will occur (see section 4.2). By keeping a brand continuously visible and stable to one entity and message, consumers will start forming a link, and will see it as a positive fit to that entity (see section 4.3.2). This appeared to be the case with Vodacom. Vodacom has managed to associate their brand with the Springboks. Vodacom is a leader in the cellular network industry in South Africa (My broad band, 2009), and can be positively associated to a quality brand like the Springboks. It can be concluded, thus, that Vodacom has a good fit with the Springbok brand.*



*A new campaign, named 'player23' (DraftFCB, 2009), was launched by Vodacom in 2009. The purpose of the campaign was to maintain the breadth of Vodacom's exposure through its extensive rugby sponsorship investments. It is, thus, evident that leveraging a sponsorship reinforces that brand fit in consumers' minds (see section 4.2.2.3).*

- **CellC**

In this study, CellC was the weakest of all four selected cellular brands. There is, thus, no positive fit between CellC and the Springboks. CellC is not regarded as a very good cellular network company in South Africa (My broad band, 2009), while the Springboks are the 2007 World cup winners, as well as the 2009 Tri Nations tournament winners (SA Rugby, 2009). One can, therefore, assume that the Springboks are a good quality brand, and consumers do not perceive a fit between the national rugby team, and a so-called 'bad quality' cellular network.

*It can, thus, be concluded that a weak brand, such as CellC, cannot be associated with a strong brand, such as the Springboks. Therefore, there was no brand fit between the Springboks and CellC.*

- **Virgin**

In this study, Virgin was the second strongest brand of the cellular ones selected, but it did not produce a positive fit. Virgin is not a South African brand, whereas the other three brands (MTN, Vodacom, CellC) are. The reason why Virgin might measure stronger than the two other cellular brands (MTN and CellC), could be because the Virgin brand is seen as a strong and successful brand, with a highly likeable founder and runner (Virgin, 2009).

*The conclusion can be arrived at that various associations can be drawn to establish a brand fit. Even though Virgin is not a South African company, it, nevertheless, still managed to produce a better measurement than CellC and MTN, which are both South African brands. Virgin's truly innovative image (Virgin, 2009), together with the association with its founder, Richard Branson, could be the reason behind consumers' enthusiasm for the brand. Even though the brand performed second best, it was still not perceived to fit the Springbok brand.*

- **Level 2 – Alcoholic beverage**

The next level investigated in the study was alcoholic beverages, which included Castle, Windhoek, Wellington, and Klipdrift (see section 6.3.1). The findings of the study showed a significant difference between the various alcoholic beverage brands (i.e. attributes). The findings of each attribute are as follows:

- **Castle**

In this study, Castle produced the highest count, not only in this level, but of all 16 attributes measured. Castle thus produced a positive brand fit with the Springboks. This strong fit can be attributed to a couple of reasons. Firstly, Castle is one of the main sponsors of SA Rugby. Castle has always been active in sponsoring South African sports, and has also been highly visible whilst doing so. Castle is also a truly South African brand, and can, thus, be positively associated with the South African rugby team (SABMiller, 2009). Castle's marketing campaign is also based on the national sports teams, not only on rugby, but also on cricket and soccer too. Castle's communication clearly conveys their support towards South Africa's national sporting teams. During the time of this study, Castle was the main sponsor of the Lions tour to South Africa, and the brand received immense press coverage around the sponsorship. This communication and leverage of the sponsorship probably resulted in the brand fit in consumers' minds (Farely *et al.*, 2006), as leveraging a sponsorship has been identified as an effective way to establish brand fit (see section 4.2.2.3).

*The first conclusion that has been drawn here concerns the leveraging of sponsorships. As has been seen in section 4.2.2.3, leveraging a sponsorship will increase brand awareness, as well as awareness of the sponsorship. This will reinforce the sponsorship in consumers' minds, hence creating brand fit. Castle launched a media campaign communicating their sponsorship of the Springboks (Castle, 2009). During the time of this study, Castle was the main sponsor for the Lions tour. A monetary value of R25 million in sponsorship ensured that the tour would be named the 'Castle Lions' tour (Castle, 2009). It can be concluded that the leveraging of sponsorships enhances brand fit.*

*It can also be concluded that two brands with image-related similarity will produce a brand fit (see section 4.2.2). Castle's brand image is reflected in their 2009 marketing campaign, namely, 'It all comes together with a Castle'. This marketing campaign is based on bringing different people together (SABMiller, 2009). The vision of SA Rugby is for rugby to be a national sport that represents the aspirations of the nation through consistent top class performances, thereby bringing the nation together (SA Rugby, 2009). Castle and the Springbok brand have similar brand images, thus resulting in a positive brand fit in consumers' minds.*

- **Windhoek**

In this study, Windhoek showed the weakest of all four selected alcoholic brand attributes, and did not present a positive fit. Even though Windhoek is not an official sponsor of the Springboks, they do still, advertise within provincial rugby matches. The negative fit might be because Windhoek is not of South African origin (Namibia Breweries, 2009).

*The conclusion can be made that simply advertising within the sponsored entity will not necessarily produce brand fit. If consumers do not perceive any similarity between the two brands, the sponsor will need to teach consumers that there is a brand fit (see section 4.2.2). For example, Vodacom has no similarity with the Springboks, in that it is a cellular network company, and has nothing to do with sport, but it showed a strong brand fit with the Springboks. Vodacom has, thus, taught consumers that they are loyal sponsors of the Springboks by virtue of the fact that they have been sponsoring the Springboks for many years (Vodacom, 2009; SA Rugby, 2009).*

*Furthermore, if two similar brands sponsor too close to each other, the stronger brand in consumers' minds will ultimately be the only brand remembered by consumers, even if they are not the actual sponsor (see section 4.2.2.5). In this case, Castle and Windhoek are both beers, but Castle seems to hold a stronger association with the Springbok brand than does Windhoek.*

- **Wellington**

In this study, Wellington was the second weakest of all four alcoholic attribute brands, and showed no positive fit. This was unexpected, as Wellington is also an official sponsor to the Springboks (SA Rugby, 2009). Consumers do not perceive Wellington as a sponsor of the Springboks, even though they are. This 'no fit' could be because they do not communicate their sponsorship effectively enough. Furthermore, Castle is such an overwhelming sponsor in consumers' minds, that all other alcoholic brand sponsors are seen as irrelevant.

*As has already been mentioned, if two similar brands sponsor too close to each other, the stronger brand in consumers' minds will ultimately be the only brand remembered by consumers, even if they are not the actual sponsor (see section 4.2.2.5). In this case, Castle and Wellington are both alcoholic beverages involved in sponsoring the Springboks (SA Rugby, 2009), but, according to this study, Castle seems to hold a stronger association with the Springboks than does Wellington. This strong brand fit between Castle and the Springboks can be deemed to be the reason why all other alcoholic beverages are dismissed as fitting the Springbok brand. The conclusion can be drawn that Castle has such a strong brand fit with the Springboks under consumers, that it may be better for other alcoholic brands to sponsor elsewhere.*

- ***Klipdrift***

In this study, Klipdrift had the second highest count of the selected brands in this level, but produced no brand fit with the Springboks. The fact that Klipdrift produced a higher count than Wellington is surprising, as Wellington is an official sponsor of the Springboks, whilst Klipdrift is not. The higher count could be because their communication strategy is true to South African culture (Klipdrift, 2009), a fact which could play a role in the perceived fit. The Klipdrift marketing campaign stands for generosity, for the spirit in which best friends invite each other over. It is a campaign that speaks to all South Africans (Klipdrift, 2009).

*Once again, the conclusion can be drawn that Castle has such a strong fit with the Springboks under 'consumers', that no other alcoholic brand will show a fit with the Springboks.*

- **Level 3 – Energy company**

The next level investigated in the study was various energy companies. This level included SASOL, Caltex, Shell, and BP as its selected attributes (see section 7.3.1). There was a significant difference between the various energy companies' brands (attributes). The findings of each attribute are as follows:

- **SASOL**

In this study, SASOL had the strongest fit under respondents in this level. This strong fit was expected, as SASOL is not only an official sponsor, but also the main sponsor of the Springboks (SA Rugby, 2009). SASOL is highly visible during rugby matches, as their name is sported on the Springbok jersey. Here it is evident that, even though energy companies, such as SASOL, have very little ground to build associations with the Springboks, so creating brand fit, a fit can still be created, based on years of sponsorship (refer to sections 2.3 and 4.2.2.6). SASOL has been the main sponsor of the Springboks since 2004 (SASOL, 2009). This fit can also be attributed to the fact that SASOL received a great deal of press coverage about their sponsorship, and also invested in a marketing campaign that communicated SASOL's sponsorship of the Springboks.

*A conclusion can be drawn based on the brand awareness of SASOL. The fact that SASOL's name is sported on the players' jerseys, and can, thus, be seen in every game, and every photograph published in the press, increases SASOL's brand awareness. As has been discussed in chapter*



*3, brand awareness is necessary for the creation of brand image, while brand image, in turn, is necessary for brand fit. The fact that SASOL built its brand awareness by means of the Springbok brand, resulted in an integrated brand image, the latter meaning that the associations formed by SASOL's brand image could have resulted from the Springbok sponsorship. This brand fit links to consumer learning (see section 2.3) and brand fit achieved without any similarities, and, in turn, leads to the second conclusion.*

*SASOL established its brand fit by means of consumer learning. The learning process in this case, namely, classical conditioning, aims to create an association between a stimulus (brand name) and some response (feeling) (see section 2.3 and section 4.2.2.6). One could assume that the SASOL brand was built by means of a sponsorship strategy, thus ensuring that consumers perceived the two brands to fit. Although SASOL and the Springboks have very little in common in terms of product categories, SASOL has been a sponsor of the team since 2004, and this lengthy time, together with the marketing campaign, press releases, and awareness created around the sponsorship, resulted in a positive brand fit under the Springboks and SASOL. The conclusion can be drawn that two brands with little similarity that would, under normal circumstances, not be perceived to fit together, could be changed to a positive brand fit by means of classical conditioning. In other words, it would involve 'teaching' the consumers that the brands belong together.*

- ***Caltex, Shell, and BP***

In this study, Caltex, Shell, and BP measured similarly, and did not show a positive brand fit with the Springboks. It might be difficult, thus, for consumers to draw an association between sport and an energy company. Furthermore, these three brands might also have measured a weak fit because of the fact that SASOL, another energy company, is already such a strong sponsor, making all other such brands irrelevant.

*As already mentioned, SASOL has been a Springbok sponsor since 2004. This lengthy sponsorship, along with the marketing campaign that serves to communicate the sponsorship, has taught consumers that SASOL and the Springboks fit together. It can be concluded that, in product categories where the products are similar, and can be differentiated only by brand, respondents might get confused, and attribute all sponsorships only to the strongest brand (see section 4.2.2.5), as was the case with Castle in the alcoholic beverage level.*

- **Level 4 – Clothing**

In the next level, various clothing brands were selected, and these included Canterbury, Nike, Adidas, and New Balance (see section 6.3.1). There was a significant difference between the various clothing brands (attributes). The findings of each attribute are as follows:

- **Canterbury**

In this study, Canterbury had the highest count in this level. This was not surprising, as they are currently one of the Springbok sponsors. This positive brand fit can be attributed to the high level of visibility during the rugby games, as the brand is sported on the players' jerseys, and the fact that the physical product (i.e. clothing, socks, balls) gets used by the players during the game. Canterbury's sponsorship is worth R140 million (Sports Trader, 2004), and it will be interesting to see whether such a substantial investment manages to reap commensurate rewards for the company in the future.

*A conclusion can be drawn that brand fit can be achieved through various brand associations (see section 4.2.2). Respondents were able to associate Canterbury with the Springboks, based on product attributes, as well as on user imagery. Associations based on product attributes resulted from the physical product actually being used during the game by the players, while associations based on user imagery resulted from the type of*

*person who was supporting the rugby team, and might also be sports active. Based on these brand associations, brand fit was created.*

*One may also conclude that higher visibility during rugby matches leads to better awareness, and learned associations between the two brands. Canterbury is sported on all the players' jerseys, shorts, socks, as well as on the rugby ball itself. There are also other instances of Canterbury branding in and around the stadium. This further exposure to the brand is necessary because of the fact that, during the actual game, consumers tend to concentrate on the action in front of them, rather than pay focused attention to the sponsoring brands (see section 4.2.1). Several studies found traces of a filtering model, which suggested that event characteristics that are incongruent with brand schema characteristics will be filtered out, and have little to no effect on the consumer (Misra and Beatty, 1990; Gwinner and Eaton, 1999). In this case, Canterbury is positively associated with the Springboks through various brand associations, and brand fit is created.*

- **Adidas and Nike**

Although Adidas showed the second lowest count, it still produced a positive brand fit in this study. This positive brand fit could be attributed to the fact that they are the official sponsor of the New Zealand rugby team, and the brand is thus highly visible in rugby games (Adidas, 2009).

In a position similar to that of Adidas, Nike had the second highest count, and also showed a positive brand fit with the Springboks in this study. This positive brand fit could be because of the fact that they were official sponsors of the Springboks in the Nineties (The Independent, 1998; Black and Nauright, 1998). Nike is one of the world's top ten strongest brands (The Global brand, 2009), and could be seen to fit such a high quality brand as the Springboks. Even though a brand is not an official sponsor, consumers might, nevertheless, still perceive a brand fit with the Springbok brand.

*The conclusion can be drawn that brands with associations based on product attributes, will result in a good brand fit. Associations based on product attributes are developed in situations where the brand's physical product gets used in the sponsorship. Section 4.2.2 explains the different associations upon which brand fit can be achieved. Adidas and Nike are both strong brands and very prominent in sport sponsorships (Nike, 2009; Adidas, 2009). Consumers associated these brands with sport, based on brand image and product attributes. The products of these two brands, therefore, could be used in Springbok rugby matches. Both brands' images are of good quality, and could be perceived to match the brand image of the Springboks, which is, at the time of the study, the strongest rugby team in the world (SA Rugby, 2009) – associations built on product attributes and brand image lead to a positive brand fit.*

*In this study, Nike produced the second highest count in this level. One can conclude that Nike's history as previous sponsor of the Springboks is still retained in consumers' memories. The conclusion can be drawn, thus, that sponsorships between brands with a strong fit will be remembered by consumers, even when there is a new brand sponsoring that entity.*

- **New Balance**

In this study, New Balance was the only clothing brand attribute that did not have a positive fit with the Springboks in this particular level. This could be because the other three brands have some connection to rugby, whereas New Balance has not sponsored a rugby team in South Africa before (New Balance, 2009). New Balance also has no visibility during games, as they do not advertise, and their marketing campaign is very limited in South Africa.

*The conclusion can be drawn that, in a market where there are already brands with a perceived brand fit, these stronger brands will ultimately be associated with the entity in consumers' minds.*

*Another conclusion is that brand awareness and brand knowledge play an undeniably vital role in brand fit (see sections 3.3 and 4.2.2.1). The marketing campaign for New Balance in South Africa is limited in terms of visibility, in comparison with Adidas and Nike. As a result of this limited marketing campaign, consumers might not know the brand and what it*

*entails. This, ultimately, will not lead to brand fit for New Balance, based on the fact that there is limited brand knowledge under consumers.*

## **8.3 RECOMMENDATIONS**

Recommendations on the different levels and brand attributes will now be presented, based on the conclusions drawn above.

- **Level 1 – Cellular Network**

As already mentioned, MTN, Vodacom, CellC, and Virgin were identified as possible sponsor brands for the Springboks. Based on the conclusions discussed, the following recommendations were made:

- **MTN**

MTN did not show a positive fit with the Springboks. This 'no fit' could be because its positioning is more focused on soccer and cricket rather than on rugby (MTN, 2009). If MTN wanted to reach the Springbok supporters' target market, breaking the strong brand associations between the Springboks and Vodacom would be difficult. ***It is recommended that MTN remain with the sports they have already built associations with. If MTN were to start sponsoring different types of sports with strong brand associations to similar competitor products already in place, it would ultimately confuse consumers, most likely causing them to see the MTN sponsorship as irrelevant.***

- **Vodacom**

Vodacom produced the only brand fit in this level. This was expected, as they are highly visible in all South African rugby matches, and also one of the main sponsors of the Springboks. It can, thus, be concluded that in keeping the brand continuously visible and stable to one entity, consumers will start forming a link, and will see it as a positive fit to the entity. Vodacom will reap benefits of their sponsorship, such as positive feelings associated with rugby and the specific teams, as well as a sort of loyalty associated with the national rugby team (see chapter 4). ***Vodacom should continue their sponsorship with SA Rugby, as this sponsorship is serving to build brand associations in consumers' minds.***

- **CellC**

CellC did not produce a positive brand fit in this level. This 'no-fit' can be attributed to the fact that CellC does not focus their communication strategy on sponsorships (CellC, 2009). ***It will not be in either CellC's or the Springboks' favour to form a sponsorship relationship. It is not to CellC's advantage to spend that much money on a national sponsorship, as consumers will not associate the two brands with each other, and the image transfer will not occur. Theory suggests that storage in memory and retrieval of information are influenced by relatedness or similarity (Cornwell et al., 2005). Consumers might be***



*displeased if CellC were to form a sponsorship with the Springbok brand, and this could, in turn, result in negative feelings towards both brands, as these two brands do not fit. If CellC did decide to get involved in sport sponsorship, it might be recommended that they enter that field at school level. In doing so, they would teach consumers from a young age about the brand, and so build strong and positive brand associations under consumers. Over time, as the brand becomes stronger, CellC would be in a better position to consider a bigger sponsorship such as the Springboks.*

- **Virgin**

Virgin did not produce a positive fit with the Springboks. This 'no-fit' might be attributed to the long-running sponsorship between the Springboks and Vodacom. *Virgin might be able to establish a fit with South African rugby fans if they chose to invest heavily in the sport and in the sponsoring of the teams. However, this action is not recommended, as Virgin would be able to build stronger associations by sponsoring an innovative event such as a music festival. Virgin's brand image is based on innovation and good, affordable, quality products and services (Virgin, 2009). Virgin's image is, thus, not a fit to the Springbok brand image.*

- **Level 2 – Alcoholic beverage**

The next level investigated in the study was alcoholic beverages, which included Castle, Windhoek, Wellington, and Klipdrift. Recommendations on each attribute are as follows:

- **Castle**

Castle was not only the brand with the strongest brand fit in this level, but it was also, overall, the brand respondents perceived to be the best to fit the Springboks. This strong brand fit can be attributed to several reasons. Firstly, Castle is one of the main sponsors of the Springboks and SA Rugby. Castle has always been active in sponsoring South African sports, and is highly visible in doing so. Castle is also a truly South African brand, and can, thus, be positively associated with the national sports teams. Castle's communication campaign is also based on the national sports teams, not only rugby, but cricket and soccer as well (SABMiller, 2009). Castle's communication clearly conveys their support towards South Africa's national sporting teams. This communication campaign also builds the brand fit in consumers' minds (Farely *et al.*, 2006). ***The only recommendation that can be made to Castle would be to continue their current sponsorship with the Springboks. Sponsoring national sports teams, with advertising not only leveraging the sponsorships, but also aligning their brand image with the brand image of the Springboks, has proved to be highly successful in creating a positive***

***brand fit (section 8.2). Castle is one of the few sponsors able to sponsor any sporting event, as they did not position their strategy on the type of sport, but on the nostalgic feelings associated with national sporting teams. Continuing this strategy will ensure an even stronger brand fit, a deeper bond with consumers, and more embedded image transfer.***

- ***Windhoek***

In this study, Windhoek was the weakest of all four brand attributes, and did not present a positive brand fit. The reason for the 'no brand fit' might be attributed to Castle's strong association with the Springbok brand. It might also be because the beer is not of South African origin, as is Castle.

***It might be a feasible option for Windhoek not to sponsor the Springboks, as the fit between the Springboks and Castle is so strong that it will take time for consumers to associate another beer with the rugby team. If Windhoek wished to increase their brand fit with the Springboks, they would have to do more than just advertise in rugby time slots. Windhoek would have to convince South Africans of their loyalty towards the national rugby team. This would entail investing a lot of money to take the spot as one of the Springboks' main sponsors. Their communication strategy should then also change, and become one in which they convey their love and support for the national rugby team to the nation. It is not recommended that Windhoek try to achieve a fit with the Springboks, as this study***

*shows that there is no fit between Windhoek and the Springbok brand. In attempting to force a fit on consumers, Windhoek might end up provoking negative feelings towards the brand. It is, thus, recommended that Windhoek rather build on their current marketing strategy, one that is targeting 'real men' (Namibia Breweries, 2009), by sponsoring, for instance, boxing matches. This action would be preferable to trying to force a fit with the Springboks, when the two are clearly not perceived to go together.*

- **Wellington**

Wellington did not produce a positive brand fit with the Springboks. This 'no-fit' was unexpected, as Wellington is an official sponsor of the Springboks (SA Rugby, 2009). Consumers do not see brand fit between the two brands, and do not perceive Wellington as a sponsor of the Springboks, even though indeed they are. The absence of a positive brand fit could be attributed to the fact that they do not communicate the product effectively enough, or because Castle is such a dominant sponsor in consumers' minds, that they see all other alcoholic brands as irrelevant. **Wellington could follow one of two recommendations. Firstly, Wellington could increase the leverage of their sponsorship with a stronger marketing campaign. Positioning the brand as a Springbok sponsor in consumers' minds will only result in a stronger brand fit between the two brands. Another recommendation might be to withdraw the sponsorship, and to channel money and attention,**

*elsewhere, thereby standing a better chance of being noticed. Since the Springboks have so many different sponsors, consumers tend to become confused, and to remember only those brands with the best perceived fit (see section 4.2.2.5). It is clear from this study that Wellington is not perceived to fit the Springbok brand, and that this might be an indication for Wellington, as well as for SA Rugby, to rethink the sponsorship. A viable option for Wellington might be to sponsor, for example, the Boland rugby team. This team is based in the town of Wellington in the Western Cape, and it is possible that sponsoring them could be a better way for the Wellington brand to build associations between their brand and rugby in consumers' minds. In this way, they could build associations with rugby that, in time, could lead to brand fit with the Springboks.*

- ***Klipdrift***

In this study, Klipdrift produced the second highest count, but did not have brand fit with the Springboks. The fact that Klipdrift produced a higher count than Wellington is surprising, as Wellington is an official sponsor and Klipdrift is not. As has already been mentioned, Klipdrift's communication campaign is based on the bringing together of different people, which happens to be the vision of the Springboks as well (Klipdrift, 2009; SA Rugby, 2009). This similar brand image could have played a role in the stronger count. ***There is an opportunity for Klipdrift to achieve a positive brand fit with the Springboks. If Klipdrift could become an official sponsor of SA Rugby, it would probably result in a positive brand fit between the two brands. It is recommended that Klipdrift look into a strategy that includes some form of association with the Springboks. SA Rugby might also want to consider using Klipdrift, instead of Wellington, as one of their sponsors. Klipdrift could start by sponsoring provincial rugby teams. The Cheetahs, for example, might be a good match with the Klipdrift brand image.***

- **Level 3 – Energy company**

The next level investigated in the study was various energy companies. The attributes included in this level were SASOL, Caltex, Shell, and BP. Recommendations, based on the conclusions drawn, are as follows:

- **SASOL**

SASOL had the strongest fit with the Springboks in this level. This was expected, as they are not only an official sponsor, but also the main sponsor of the Springboks (SASOL, 2009; SA Rugby, 2009). This fit can be attributed to the fact that SASOL is a South African company, and receive immense press coverage regarding their sponsorship, thereby teaching consumers about the brand fit between SASOL and the Springboks. The continuous visibility of the brand, sported on the players' jerseys since 2004 (SASOL, 2009), as well as their marketing campaign that communicates their sponsorship with the Springboks, also serve to enforce brand fit. Here it is evident that, even though the two brands have very little in common in terms of product attributes, a fit can still be created by means of continuous sponsorship, resulting in 'consumers' learning' (refer to section 2.4 and 4.2.2.6). ***SASOL should not reduce their 'branding' efforts during games, as this would lead to a decline in their brand fit. SASOL could increase their brand fit with a stronger marketing campaign, thereby communicating the sponsorship throughout all media channels. Press releases and 'above the line'***

*advertising (i.e. all radio, television and print campaigns) would entrench the brand fit in consumers' minds. If the opportunity for a different main sponsor arose, SA Rugby might want to consider it, as a different sponsor could produce a better brand fit, which, in turn, would build positive associations for both brands. SASOL as a sponsor is receiving all the benefits that positive associations from SA Rugby have moved to the brand, whereas, in another case, SA Rugby might also derive benefit from receiving image transfer via a brand that has a better fit. For example, Castle produced the strongest brand fit, but sponsored only the Lions tour to South Africa, whereas SASOL was the main sponsor for the Springboks at the time of this study. Castle would have been a better option to consider for main sponsor, as consumers perceive a strong fit between Castle and the Springboks.*

- ***Caltex, Shell, and BP***

Caltex, Shell, and BP measured very similarly, and none showed a positive brand fit. This product category is not really one that has a perceived association to the Springboks. It might be difficult for consumers to draw an association between sport and an energy company. Another reason as to why these three brands measured so low could be that SASOL is such a strong sponsor, and the other three were just seen as irrelevant. ***It is not recommended for any of these brands to undergo a sponsorship with the Springboks. There is no perceived fit or association that might***



*link the brands to the Springboks. SASOL entrenched their sponsorship in consumers' minds by way of consumer learning over a long period. It would not be beneficial for any of these three brands to try to take over these associations. Their products are very similar, a situation which would confuse consumers, and most likely lead them back to the strong perceived brand fit, namely, SASOL.*

- **Level 4 – Clothing**

In the next level, various clothing brands were selected, and included Canterbury, Nike, Adidas, and New Balance. Recommendations on each brand will now be made, based on the conclusions drawn above:

- **Canterbury**

Canterbury had the strongest brand fit with the Springboks in this level. This was to be expected, as they are currently Springbok sponsors. Canterbury's positive brand fit can be attributed to the high level of visibility during games, and the fact that the physical product gets used by the players during the game. ***Canterbury should emphasise their sponsorship with SA Rugby by means of extended marketing campaigns, as Nike and Adidas also produced a positive fit with the Springboks. Since Canterbury's sponsorship is worth R140 million (Sportstrader, 2004), they might want to spend some additional funds***

*on leveraging the sponsorship, and increasing the brand fit in consumers' minds. The reason for this is that Adidas and Nike also produced a positive fit with the Springboks, which raises the question as to whether Canterbury truly benefits from its substantial (R140 million) investment. As already mentioned, Castle had the strongest fit with the Springboks in this study, by paying only R25 million for one rugby tour. Canterbury, Nike, and Adidas could all wind up being used during the game, and they are similar products. The only way Canterbury could distinguish itself from the other two, would be to entrench its sponsorship in consumers' minds by means of continuous advertising, thereby communicating the sponsorship and associations upon which brand fit can be perceived, so building the brand in South Africa.*

- ***Adidas and Nike***

Although Adidas produced the second lowest count, it still managed to achieve a positive brand fit with the Springboks. This positive brand fit could be attributed to the fact that they are the official sponsor of the New Zealand rugby team (Adidas, 2009). ***There would be no difficulty in creating a stronger fit with the Springboks if Adidas were to become a Springbok sponsor in place of Canterbury. This study clearly shows that respondents perceive them to fit together. Even if Adidas just undertook more advertising around rugby, it would serve to increase the brand fit in consumers' minds. An opportunity exists for this***

***brand to become highly associated with the Springbok brand in the future.***

In a position very similar to that of Adidas, Nike had the second highest count, and also showed a positive brand fit with the Springboks. This positive brand fit can be attributed to the fact that they were official sponsors in the Nineties (The Independent, 1998; Black and Nauright, 2008). ***Nike would receive a stronger brand fit with the Springboks if they revived their sponsorship with the Springboks again. Renewed sponsorship with the Springboks would strengthen consumers' positivity towards the brand, a situation that could be very helpful in the current market, which is highly fragmented and saturated. SA Rugby has the opportunity, now, to choose between three clothing brands, all of which possess positive associations and brand fit.***

- ***New Balance***

In this level, New Balance was the only attribute that did not have a positive brand fit with the Springboks. This could be attributed to the fact that the other three brands all had some connection to the game, whereas New Balance has never really positioned itself strongly in this specific market. New Balance does not have visibility during games, and their marketing campaign is very limited in South Africa. ***Instead of trying to create a fit, when there are three other, stronger brands that have already yielded positive test results, New Balance might want to look at other***

*alternatives to build their brand in the South African market. A good opportunity might be the sponsoring of athletics at club level, thereby building their brand in the South African market.*

## **8.4 RECONCILIATION OF THE OBJECTIVES OF THE STUDY**

The main objective of this study was to assess brand fit using conjoint analysis. This objective has been seen to be achieved in the study, since it was found that Castle, SASOL, Canterbury, Adidas, and Nike were brands that respondents thought would fit the Springboks (see chapter 6, figure 6.2).

The secondary objectives of the study were to:

- **Identify brands that are commonly associated with sponsorships**

The different brands associated with sponsorships were identified by the researcher prior to the qualitative research phase (see section 6.3.5).

- **Select appropriate industries (i.e. levels) and sponsor brands (i.e. attributes)**

The different industries (i.e. levels), as well as the different brands (i.e. attributes), were identified in the qualitative research phase, and are presented in figure 8.1.

**Figure 8.1 Brand levels and brand attributes used in research study**

Clothing	Alcoholic Beverage	Energy Company	Cellular Network
New Balance	Castle	SASOL	MTN
Adidas	Windhoek	CALTEX	Vodacom
Nike	Klipdrift	BP	CellC
Canterbury	Wellington VO	SHELL	Virgin Mobile

- **Assess selected relevant industries (i.e. levels)**

The levels identified in the qualitative research phase were assessed using conjoint analysis. The findings were that the alcoholic beverage level had the best fit, and, thereafter, the cellular network and energy companies produced the second and third best fit respectively. The clothing level produced the weakest fit, as it was fragmented between the different attributes in the level.

- **Assess selected sponsor brands (i.e. attributes)**

According to this study, the brands with a positive brand fit with the Springboks included Castle, Vodacom, SASOL, Canterbury, Nike, and Adidas.

## **8.5 AREAS OF FUTURE RESEARCH**

Although this study managed to realise its main aim, there are, nevertheless, certain limitations that need to be kept in mind when embarking on future research, so that an attempt can be made to overcome them.

Firstly, this study was conducted during June and July 2009, throughout, and after, the Lions rugby tour of South Africa. In this tournament, Castle was the main sponsor, along with Vodacom and SASOL. Future research could be undertaken at alternative times, or during different tournaments, as each rugby tournament has its own, respective sponsors.

Future research that would also employ conjoint analysis could be undertaken to assess brand fit of brands before, during, and after different tournaments. A pre-test post-test experiment might yield interesting results.

Another alternative to this study might use a different sport to assess brand fit, for example cricket or soccer, as each different sport has its own unique set of sponsors.

## 8.6 CONCLUSION

In this study, brand fit was assessed using conjoint analysis. Sponsorships were utilised as a means of assessing brand fit, the latter situation being where the Springbok brand and its various sponsors were used in a conjoint study to assess brand fit.

Conjoint analysis has traditionally been used to decompose the respondents' choices into components, based on qualitative levels and attributes of hypothetical products presented (Hair *et al.*, 2006; Eggers and Sattler, 2009). Choice-based conjoint appeared to be a good method in assessing brand fit, as it possesses the benefit of allowing the relative advantage of brands considered jointly to be ascertained. These brands might not be able to be measured if taken one at a time (Murphy *et al.*, 2000). Several different brands associated with the Springboks were introduced and explained. The strongest brand fit was based on consumers' learning, as well as on the leveraging of the sponsorship. It was found that the longer running sponsorships produced the type of consumer learning experience that led to a strong brand fit. Leveraging of sponsorships was also found to be very important in creating a positive brand fit. Leveraging a sponsorship increased brand fit, as it not only built brand awareness, brand knowledge, and brand image, but also created a consumer's learning experience whereby consumers took note of the sponsorship, and formed positive associations to ultimately create brand fit. Brand fit was also created through symbolic attributes where the two brands' images were similar. Brand image can be explained as a set of associations consumers have of a particular brand

(Keller, 1993). The brands with associations perceived to fit the associations of the Springboks, produced brand fit. Positive associations were formed upon product attributes, as well as upon user imagery in instances where the product was used during the game or by a user with a similar image than that of another consumer.

Brands sponsoring entities should investigate their brand image among consumers, and the brand image of the entity they are hoping to sponsor, before deciding on a sponsorship. If there are no associations, a marketing campaign should be put together in order to enhance the consumer learning process, and entrench the brand fit in consumers' memories. It would be the better option, on occasion, not to undertake the sponsorship at all, that is, if there were no brand fit, there would not be any image transfer, and the whole purpose of the sponsorship would not be realised.



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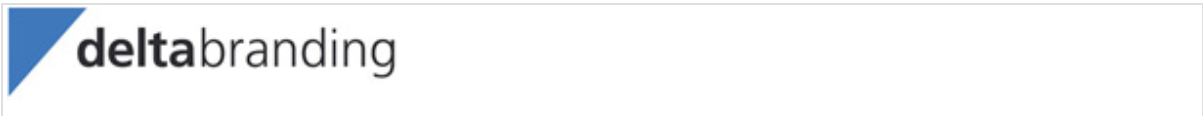
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# ANNEXURE A





Thank you for taking time out to complete the following survey.  
Please answer all questions truthfully.

On the following pages different combinations of brands will be presented. Please select the combination you see as best fitting the Springbok rugby brand.

Continue

[Contact](#)

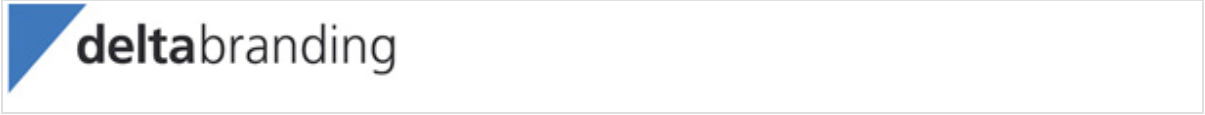
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Please select the combination you see as best fitting the Springbok rugby brand.

    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	none of these combinations <input type="checkbox"/>
--	--	--	--	--

Continue



You have completed:  
0%  100%




Please select the combination you see as best fitting the Springbok rugby brand.

    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	none of these combinations <input type="checkbox"/>
---	--	--	--	--

Continue

[Contact](#)

You have completed:  
0%  100%




Please select the combination you see as best fitting the Springbok rugby brand.

    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	none of these combinations <input type="checkbox"/>
---	--	--	--	--


Continue

[Contact](#)

You have completed:  
0%  100%



Please select the combination you see as best fitting the Springbok rugby brand.



MTN  
everywhere you go

CASTLE LAGER

sasol  
reaching new frontiers

adidas



Virgin mobile

Windhoek LAGER

bp

CANTERBURY



vodacom  
South Africa's Leading Cellular Network

Klipdrift

CALTEX

NIKE



cell  
for yourself

Wellington V.O BRANDY

Shell

new balance

none of these combinations

Continue



You have completed:  
0% 100%




Please select the combination you see as best fitting the Springbok rugby brand.

none of these combinations

Continue



You have completed:  
0%  100%


	Not that interested in rugby 1	2	3	4	Very interested in rugby 5
Please rate how interested you are in rugby:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not a supporter 1	2	3	4	Big supporter 5
Please rate how big a <b>rugby</b> supporter you are:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Please rate how big a <b>Springbok</b> supporter you are:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Continue

[Contact](#)

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You have completed:  
0%  100%



Please select the combination you see as best fitting the Springbok rugby brand.



everywhere you go



KLIPDRIFT



SASOL



CANTERBURY



vodacom



Windhoek  
LAGER



Shell



adidas



Virgin  
mobile




CASTLE  
LAGER




bp




new balance




cell  
for yourself



Wellington  
V.O.  
BRANDY



CALTEX




NIKE

none of these combinations




Continue

[Contact](#)

You have completed:  
0%  100%



Please select the combination you see as best fitting the Springbok rugby brand.

    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	none of these combinations <input type="checkbox"/>
---	---	---	---	--

Continue

You have completed:  
0% 100%




Please select the combination you see as best fitting the Springbok rugby brand.

none of these combinations

Continue

You have completed:  
0%  100%



Please select the combination you see as best fitting the Springbok rugby brand.

    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	    <input type="checkbox"/>	none of these combinations <input type="checkbox"/>
---	---	---	---	--

Continue

[Contact](#)

You have completed:  
0% 100%




Please select the combination you see as best fitting the Springbok rugby brand.

none of these combinations

Continue

[Contact](#)

You have completed:  
0%  100%

**This is the last page**

**Please write how many Springbok rugby matches, out of ten, you watch:**

**What is your age?**

**What is your gender?**

M

F

**Please write the province in which you live:**

Continue

[Contact](#)

---





You have completed:



**Thank you for having completed this survey!**

[Contact](#)