

The role of corporate versus product brand dominance in brand portfolio overlap: A Pitch

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Abstract: This letter explores an extension of the use of Faff's (2015b) pitch template to a collaborative research setting. The pitch template can be used to enhance communication and clarify assumptions early in the research process, as well as to provide a backbone for the completion of the research. The authors offer their personal reflections on the use of the pitch and encourage other collaborative teams to use this tool to map out their future research projects.

Keywords: Pitching Research; Marketing; Brand Portfolio Management; Brand Overlap

JEL codes: M31

1. Introduction

This letter is a discussion of the application of the pitch template to a marketing research topic. I (Ann Wallin) am finalising my PhD at the University of Queensland and completed RBUS6914 as a way to continue my skill development through course work. My context for the application of the pitch template is different from many of my peers in that I am in the process of developing a pipeline of research that extends beyond the completion of my PhD. A key component of a sustained academic career is collaboration with other academics so, in this instance, the application of the template was used as an exercise to clarify the details and direction of a research study between myself and a collaborating author.

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The simple and systematic approach of the pitch makes it a useful tool to stimulate discussion between co-authors across the components of a research project. The pitch template was discussed across two meetings: the first focusing on the motivation/puzzle, key papers and applicable ideas, data and tools (Step Three), and the second focusing on Step Two (What's new? So what?) and Step One (Contributions? Other considerations?). While initially addressing each element of the pitch was relatively quick, with a detailed draft being finalised in the first meeting, the subsequent breakdown of the whole research process into its component steps led to much discussion, reading, thinking, and revision as we clarified our vision and understanding of the project.

The remainder of this letter is organised as follows. In Section 2, I give a brief commentary on the content of my pitch. In Section 3 and 4, both my co-author and I offer a personal reflection on the pitch exercise, to see the process from both sides, and Section 5 concludes the letter.

2. Personal reflection using the pitch within a collaboration

I came to the exercise of filling in the pitch template through a research skills course (RBUS6914) taught by Robert Faff. The course provides a structured approach to skill development within the PhD program, addressing issues from finding a topic through to managing a supervisor and preparing work for publication. The pitch was introduced as a tool for PhD students to use when developing their studies. As I am nearing PhD completion, I thought it would be interesting to use the pitch exercise as a way to explore the pitch template as a tool for enhancing communication between collaborators. I have heard from more experienced researchers that communication and clarification of the details of the project at the outset are key to getting the most out of a collaborative research relationship, so I was eager to have an explicit framework that would facilitate discussions.

The current project had been discussed between my co-author and I for a number of months prior to completing RBUS6914. Completing the pitch template was a good way to structure our discussion and formalise the details of the project. We drafted the pitch separately and then came together to discuss, making the pitch an interesting exercise for comparing our understanding and vision for the project, as well as stimulating further discussions. This process helped us to understand our individual approaches to each section of the research project and highlighted the relative strengths and points of focus for each author. The pitch also helped us to understand the areas of the research study where our assumptions diverged, which, in turn, helped us to reconcile any differences in our approaches so that we were on the same page from the outset. I believe this activity will prove valuable in the later stages of the research process as we have discussed our approach to the project as a whole and have a clear path mapped from our initial motivation through to our data collection and most importantly, to the contribution we aim to achieve once the research is finalised.

Table 1. Completed 2-page pitch template on brand portfolio overlap

Pitcher's Name	Ms Ann Wallin and Dr Amanda Spry	FoR category	1505 - Marketing	Date Completed	9/12/2015
(A) Working Title	How Do Consumers Evaluate Overlapping Brands in a Portfolio? The Role of Corporate versus Product Brand Dominance				
(B) Basic Research Question	"How does the interaction between corporate versus product brand dominance and brand portfolio overlap impact brand evaluations?"				
(C) Key paper(s)	Aribarg, A. & Arora, N. (2008) "Research note-Interbrand Variant Overlap: Impact on Brand Preference and Portfolio Profit?", <i>Marketing Science</i> , vol. 27, no. 3: 474-491. Erdem, T. & Swait, J. (1998) "Brand Equity as a Signaling Phenomenon", <i>Journal of Consumer Psychology</i> , vol. 7, no. 2: 131-157. Keller, K. L., Sternthal, B. & Tybout, A. (2002) "Three Questions You Need to Ask About Your Brand", <i>Harvard Business Review</i> , vol. 80, no. 9: 80-89. Morgan, N. A. & Rego, L. L. (2009) "Brand Portfolio Strategy and Firm Performance", <i>Journal of Marketing</i> , vol. 73, no. 1: 59-74.				
(D) Motivation/Puzzle	Brand overlap is defined in our paper as the degree to which a brand is perceived to offer the same product features as other brands owned by the same firm. Previous research indicates that brand portfolio overlap brings with it a number of compelling advantages and disadvantages, thereby having the potential for positive or negative outcomes for consumers' evaluations of overlapping brands. Thus the question arises: When does overlap have a positive or negative effect on consumers' brand evaluations?				
THREE	Three core aspects of any empirical research project i.e. the "IDioTs" guide				
(E) Idea?	<p>The project argues that the actual effect of overlap on consumer evaluations depends on two strategic marketing factors: (1) the dominance of the corporate brand (e.g., Nestlé) versus the product brand (e.g., KitKat) in marketing communications of a product, and (2) the type of overlap – vertical (i.e., overlap between products that vary in quality) or horizontal (i.e., overlap between products that vary in functionality) – the firm has cultivated in its brand portfolio.</p> <p>Theoretical evidence suggests that when a firm uses product brands for its offerings, they will remain differentiated from each other (Kapferer, 2004). When consumers perceive brands to be a credible signal of quality (e.g., Lexus is a credible signal of a higher quality vehicle as compared to the Toyota Corolla brand), they will form positive evaluations towards the brand. On the other hand, when a single corporate brand is used across products of varying quality levels, the brand does not send a clear and credible signal because it becomes associated with products of varying quality levels. This lack of credibility leads to negative evaluations. <i>It is hypothesised that, in vertically overlapping portfolios, a product brand (corporate brand) strategy will have a positive (negative) impact on consumer attitudes and purchase intention.</i></p> <p>Conversely, firms that cultivate horizontal overlap in their portfolios need to establish points-of-parity between their brands. This difference suggests that a firm should not use the same approach to branding horizontally overlapping products as was previously recommended for vertically overlapping products. Specifically making the corporate brand dominant in marketing communications helps to establish points-of-parity between horizontally differentiated products. Brands that are horizontally differentiated tend to vary on dimensions such as colour; size; package type; formulation; and target application (Randall, Ulrich, & Reibstein, 1998). Many of these attributes are more tangible than quality. Consumers may also be able to visibly distinguish horizontally differentiated products from each other. Therefore, there is less reliance on the brand to signal to consumers the way in which the brand differs from others as this difference should already be observable.</p>				

	<i>It is hypothesised that, in horizontally overlapping portfolios, a corporate brand (product brand) will have a positive (negative) impact on consumer attitudes and purchase intentions.</i>
(F) Data?	<p>The study will look at this issue in the context of the launch of a new product and consider the interaction of effects of type of overlap and corporate versus product brand dominance on consumers' evaluations of this new product. This context was chosen because, when a firm adds a product to its brand portfolio, it faces decisions about marketing promotions, including the relative dominance of the corporate brand versus the product brand in these communications.</p> <p>An experiment is required in order to isolate the interaction between brand portfolio overlap and brand dominance. Data will be gathered using a panel company, which has the advantage of being relatively quick for a primary data collection approach. The unit of analysis will be the individual consumer and the data will be cross-sectional in nature. It is anticipated that 320 consumers will be required as there will be eight experimental scenarios. Missing data are generally not a large issue when participants are engaged and incentivised by a panel company.</p>
(G) Tools?	<p>An experimental method will be used. A 2 x 4 between-subjects factorial design will be employed to test US consumers' responses to brand portfolio overlap under different conditions. The first factor, overlap, will be manipulated at two levels: vertical and horizontal. The second factor, brand dominance, will be manipulated at four levels: corporate brand dominant, product brand dominant, both corporate and product brand dominant, and neither brand dominant.</p>
TWO	Two key questions
(H) What's New?	<p>The idea is the key new element in this research. The literature on corporate versus product brand dominance has not previously been brought together with the overlap literature to solve the issue of divergent results regarding consumers' evaluations of overlap.</p>
(I) So What?	<p>This research aims to provide prescriptive guidelines on whether a company should cultivate overlap at all, and if so, how to manage overlap. This research will provide managers with evidence for choosing which combination of type of overlap and brand dominance will be the most successful driver of consumer attitudes and purchase intention toward a newly launched product.</p>
ONE	One bottom line
(J) Contribution?	<p>This research has been formulated as a direct response to the call for studies that bring clarity to the so far inconclusive findings on overlap (Aribarg and Arora, 2008; Morgan and Rego, 2009). Only two studies relating to overlap within a company's product portfolio illustrate the effect of branding on preference (Aribarg and Arora, 2008; Hui, 2004). Hui (2004) found that products that carry the same brand are perceived to be similar. Aribarg and Arora (2008) found that overlap between vertically differentiated brands leads to decreased brand preference for the higher quality brands but overlap between horizontally differentiated brands leads to increased brand preference.</p> <p>This study is designed to conceptualise and test an explanation for these divergent results by taking into account brand dominance and type of overlap as key moderators. The findings will contribute to the scholarly understanding of how the type of overlap interacts with brand dominance to impact consumers' extension evaluations.</p>
(K) Other Considerations	<p>Starting the project with a colleague of mine who has complementary theoretical and methods knowledge. Target journal will be Journal of Retailing (A) or Journal of Business Research (A). Risk assessment is relatively low. Competitor risk is present but we will move quickly. Ethical clearance should not be an issue as there is no risk for the participants above that of everyday living. Time and money is the challenge!</p>

3. Personal reflection of my co-author using the pitch for the first time

My co-author introduced me to the pitch template while we were designing the empirical component of the study. The pitch template provided a straightforward yet effective tool for establishing a clear and comprehensive outline of the study. By using the template, I was able to clarify the many, different thoughts I had about this study over the five years since I conceived of its main idea. The template required me to identify the crux of the paper and draw out its key elements (as shown in Figure 1: Micky Mouse diagram). For instance, it has been helpful to hone in on the motivation, or puzzle, underlying the study because when we finalise the writing up of the paper, it is essential that we can convince the reader that our paper is sufficiently motivated and that the puzzle warrants being solved. The pitch has helped me to approach the research process for this study in a systematic and consistent way, while it further ensures we always keep the end in mind during all stages of the research process.

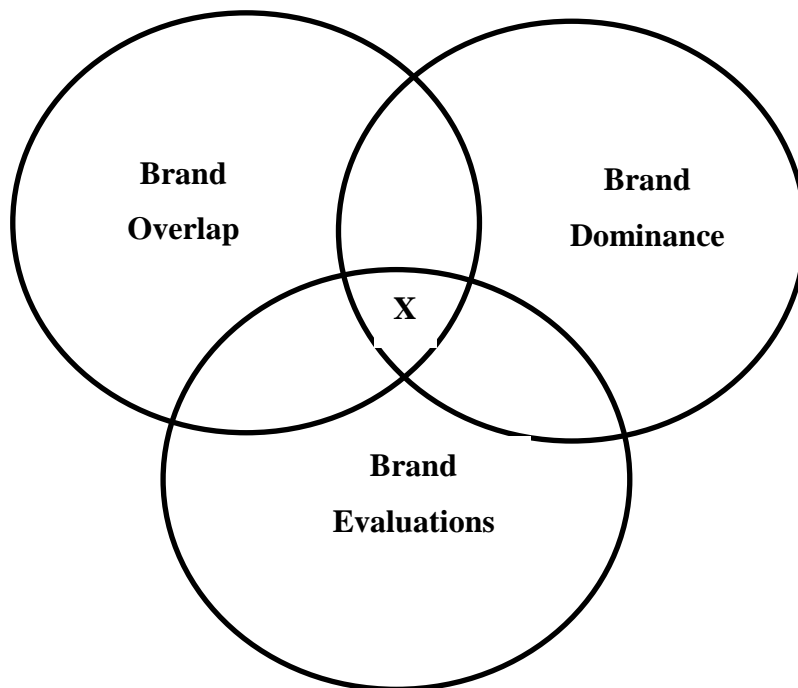


Figure 1: Mickey Mouse novelty diagram

4. Conclusion

This letter outlines a pitch for investigating the moderating role of brand dominance as an explanation for the contradictory findings regarding brand overlap and brand portfolio performance. As an extension from the pitch being used for an individual or supervised project, in this context, the pitch was used as a part of the set-up for a collaborative research project. We found the Faff (2015b) framework helps to clarify authors' thinking at the early stages of the research, identifies divergent assumptions/approaches amongst co-authors and forms a 'backbone' to follow to ensure the project achieves its aims. My co-author and I encourage PhD and early career researchers to use the Faff (2015b) pitch template as a useful tool to map out the steps and anticipated outcomes of a collaborative research project.

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