THE ROLE OF CULTURAL VALUES IN EVALUATING BRAND EXTENSIONS: INDIVIDUALISM VERSUS COLLECTIVISM

Author: Ken Chun
Student Number: 24368866

A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Business Administration

7 November 2012
ABSTRACT

When launching brand extension strategies globally, it is very important for today’s brand marketers to understand the differences in those countries with high cultural diversity such as South Africa. This research intends to investigate the role that a consumer’s cultural value plays in evaluating brand extensions, in the context of the cultural dimension of individualism-collectivism, in order to close the theoretical gap in this area.

This research is quantitative and causal in nature, and used an experimental factorial design in the conduct of the research. Triandis’ scales were used in the questionnaire design, and 161 MBA students participated in the experiment at GIBS. The research results disprove that cultural values play a role in evaluating brand extensions, and there was insufficient evidence to prove that individualists differ from collectivists in evaluating brand extensions. Nevertheless, the research results found that there are some positive interaction effects between the product category relatedness and product involvement in the process of brand extension evaluations.

**Keywords:** Brand Extension, Cultural Value, Individualism, Collectivism, Product Category Relatedness, Product Involvement
DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Signature:

Full Name: Ken Chun

Date: 7 November 2012
ACKNOWLEDGEMENTS

I would like to express my sincere appreciation to the following people who supported and assisted me in the completion of this research project:

My supervisor, Nicola Kleyn, for her inspiration and guiding me through my entire research journey.

Kerry Chipp, for helping me shape the research design.

Gavin Price, for his valuable inputs and insights into my research.

Albert Wocke, who helped me in the data collection process.

My 161 classmates and schoolmates at GIBS, who supported me in responding to the questionnaires.

My mother and wife, who always stand by me.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>ii</td>
</tr>
<tr>
<td>DECLARATION</td>
<td>iii</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>iv</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>x</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>xi</td>
</tr>
<tr>
<td>Chapter 1: INTRODUCTION TO THE RESEARCH PROBLEM</td>
<td>1</td>
</tr>
<tr>
<td>1.1 Research title</td>
<td>1</td>
</tr>
<tr>
<td>1.2 Research problem definition</td>
<td>1</td>
</tr>
<tr>
<td>1.3 Research aims</td>
<td>5</td>
</tr>
<tr>
<td>1.4 Research objectives</td>
<td>5</td>
</tr>
<tr>
<td>1.5 Research structures</td>
<td>6</td>
</tr>
<tr>
<td>Chapter 2: LITERATURE REVIEW</td>
<td>8</td>
</tr>
<tr>
<td>2.1 Introduction</td>
<td>8</td>
</tr>
<tr>
<td>2.2 Brands and branding</td>
<td>8</td>
</tr>
<tr>
<td>2.2.1 Brand definitions</td>
<td>8</td>
</tr>
<tr>
<td>2.2.2 Brand evolution</td>
<td>9</td>
</tr>
<tr>
<td>2.2.3 Brand elements</td>
<td>11</td>
</tr>
<tr>
<td>2.2.4 Brand functions</td>
<td>13</td>
</tr>
<tr>
<td>2.3 Brand extensions</td>
<td>15</td>
</tr>
<tr>
<td>2.3.1 Brand extension definitions</td>
<td>15</td>
</tr>
<tr>
<td>2.3.2 Types of brand extensions</td>
<td>16</td>
</tr>
<tr>
<td>2.3.3 Factors influencing brand extension success</td>
<td>17</td>
</tr>
</tbody>
</table>
2.3.4 Negative effects of brand extensions
2.3.5 Product category relatedness and brand extensions
2.3.6 Product involvement and brand extensions
2.3.7 Product category relatedness and involvement
2.4 Cultural values and cultural differences
   2.4.1 Cultural values
   2.4.2 Hofstede’s dimensions of cultural differences
   2.4.3 Triandi’s dimensions of cultural differences
   2.4.4 Cultural values and differences in South Africa
2.5 Branding and cultural values
   2.5.1 Cultural branding
   2.5.2 Brand-culture fit
   2.5.3 Cultural values and brand consumer behaviours
2.6 Brand extensions and cultural values
   2.6.1 Styles of thinking on brand extensions across cultures
   2.6.2 Brand extension evaluations across cultures
   2.6.3 Brand extension success and dilution across cultures
2.7 Conclusion

Chapter 3: RESEARCH HYPOTHESES AND CONCEPTUAL MODEL
3.1 Introduction
3.2 Research hypotheses
   3.2.1 Hypothesis 1
   3.2.2 Hypothesis 2
   3.2.3 Hypothesis 3
   3.2.4 Hypothesis 4
3.3 Conceptual model 46
3.4 Conclusion 47

Chapter 4: RESEARCH METHODOLOGY 48

4.1 Introduction 48
4.2 Research methodology and design 48
4.2.1 Research methodology 48
4.2.2 Research design 48
4.3 Research population and sampling 50
4.3.1 Target population 50
4.3.2 Unit of analysis 51
4.3.3 Sampling method 51
4.3.4 Sampling frame 52
4.3.5 Sample size 52
4.4 Research experimental assumptions 53
4.5 Measuring instrument 55
4.5.1 Self-administered questionnaire 55
4.5.2 Pilot-testing 57
4.6 Data collection process 57
4.7 Data preparation 57
4.7.1 Data cleaning 58
4.7.2 Data coding 58
4.8 Data analysis 60
4.9 Validity and reliability 62
4.9.1 Validity 62
4.9.2 Reliability 63
4.10 Research limitations

Chapter 5: RESULTS

5.1 Introduction

5.2 Descriptive analysis results

5.2.1 Overview of the response rates

5.2.2 Overview of the respondents

5.2.3 Demographic summary by cultural values

5.3 Validity and reliability scale to measure dependent variable

5.3.1 Reliability analysis results

5.3.2 Correlation analysis results

5.3.3 Means calculation of dependent variables

5.3.4 Distribution of rating of dependent variables

5.4 Descriptive statistics of dependent and independent variable

5.4.1 Marginal means by cultural values

5.4.2 Marginal means by product category relatedness

5.4.3 Marginal means by product involvement

5.4.4 Marginal means by product category relatedness and involvement

5.5 Hypothesis testing

5.5.1 Hypothesis 1 results

5.5.2 Hypothesis 2 results

5.5.3 Hypothesis 3 results

5.5.4 Hypothesis 4 results

5.5.5 Summary of results

5.6 Tests of between subjects effects

Chapter 6: DISCUSSION OF RESULTS
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Introduction</td>
<td>97</td>
</tr>
<tr>
<td>6.2 Research hypothesis 1</td>
<td>97</td>
</tr>
<tr>
<td>6.3 Research hypothesis 2</td>
<td>99</td>
</tr>
<tr>
<td>6.4 Research hypothesis 3</td>
<td>100</td>
</tr>
<tr>
<td>6.5 Research hypothesis 4</td>
<td>101</td>
</tr>
<tr>
<td>6.6 Other observations</td>
<td>102</td>
</tr>
<tr>
<td>6.7 Summary of research hypothesis conclusions</td>
<td>103</td>
</tr>
<tr>
<td>Chapter 7: RESEARCH CONCLUSION</td>
<td>105</td>
</tr>
<tr>
<td>7.1 Introduction</td>
<td>105</td>
</tr>
<tr>
<td>7.2 Summary of research findings</td>
<td>105</td>
</tr>
<tr>
<td>7.3 Managerial implications</td>
<td>106</td>
</tr>
<tr>
<td>7.4 Academic implications</td>
<td>108</td>
</tr>
<tr>
<td>7.5 Limitations</td>
<td>109</td>
</tr>
<tr>
<td>7.6 Guidelines for future research</td>
<td>109</td>
</tr>
<tr>
<td>7.7 Conclusion</td>
<td>110</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>112</td>
</tr>
<tr>
<td>APPENDICIES</td>
<td>118</td>
</tr>
<tr>
<td>Appendix 1 Questionnaire</td>
<td>118</td>
</tr>
<tr>
<td>Appendix 2 Coding of cultural value</td>
<td>134</td>
</tr>
</tbody>
</table>
LIST OF TABLES

Table 1: Response rates by experimental conditions 65
Table 2: Overview of respondents 66
Table 3: Cultural values by gender 68
Table 4: Cultural values by home language 69
Table 5: Cultural values by race 70
Table 6: Cultural values by education levels 70
Table 7: Cronbach’s alpha analysis 71
Table 8: The correlation coefficients of dependent variables 72
Table 9: Means per dependent variable 73
Table 10: Estimated Marginal Means 75
Table 11: Aggregated mean scores of dependent variables 77
Table 12: Mean scores for involvement and relatedness 77
Table 13: MANOVA results of hypothesis 1 89
Table 14: MANOVA results of hypothesis 2 90
Table 15: MANOVA results of hypothesis 3 91
Table 16: MANOVA results of hypothesis 4 92
Table 17: Summary of hypotheses results 93
Table 18: Tests of between subjects effects 94
Table 19: Summary of research hypothesis conclusions 103

LIST OF FIGURES

Figure 1: Brand characteristics in the ancient and modern worlds 11
Figure 2: Types of brand extensions 17
Figure 3: Consumers’ evaluations of brand extensions 18
Figure 4: The framework of ‘brand-culture’ fit 33
Figure 5: Research Conceptual Model
Figure 6: Research assumption model
Figure 7: Experimental conditions
Figure 8: Box Plot of the Original Data for the Dependent Variables
Figure 9: Marginal means of liking at low level of involvement
Figure 10: Marginal means of liking at high level of involvement
Figure 11: Marginal means of purchase at high level of involvement
Figure 12: Marginal means of purchase at low level of involvement
Figure 13: Marginal means of appeal at high level of involvement
Figure 14: Marginal means of appeal at low level of involvement
Figure 15: Marginal means of liking by relatedness
Figure 16: Marginal means of purchase by relatedness
Figure 17: Marginal means of appeal by relatedness
Figure 18: Marginal means of liking by involvement
Figure 19: Marginal means of purchase by involvement
Figure 20: Marginal means of appeal by involvement
Figure 21: Marginal means of liking by product involvement and relatedness
Figure 22: Marginal means of purchase by product involvement and relatedness
Figure 23: Marginal means of appeal by product involvement and relatedness
Figure 24: The four brand extension situations
CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

1.1 Research title

The role of cultural values in evaluating brand extensions: individualism versus collectivism

1.2 Research problem definition

Today's business environment is becoming increasingly competitive as globalisation, and hence brands, play a more important role in the global competitive market. Globalisation usually promotes international growth opportunities but it also intensifies international competitiveness. As a result, at the time of entering in a new country, it is important for marketers to find out how consumers in different countries may respond to their new initiatives of brand introduction or new communications (Banerjee, 2007).

Consumers view a brand as an important part of a product or service, and brands may add value to the product or service, however, the strategy of introducing new products or services as extensions has become widespread globally, because introducing new brands has become an increasingly risky venture. The brand extension is therefore a popular strategy for leveraging brand equity, and many of the successful new product introductions each year such as Apple’s iPhones, are brand extensions (Monga & John, 2008).

According to Batra, Lenk and Wedel (2010), brand extensions are defined as the use of an existing brand name on a new product in a new category to benefit from the existing brand name’s awareness and associations—leveraging the investments a company makes in its
existing brand names and hedging against the risk of new product failures. Extending brands both within and beyond the original product category is deemed to be profitable because, in general, it is assumed that brands that are already known and recognised require lower new product introduction expenses, such as advertising, trade deals, or price promotions (Völckner & Sattler, 2006).

From the perspective of consumers, their evaluations of brand extensions are important for brand marketers. This is because firstly, consumer evaluations are a key element in determining the success of brand extensions and core brands. Secondly, favourable consumer evaluations are thought to be essential in developing brand equity, which is closely tied to the development of a competitive advantage evaluated by the consumers (Carlson & Johansson, 2006).

Today's companies are facing intense competition on a global basis, which is why brand extension strategies are being employed by companies which are motivated to increase returns and to commandeer consumer mind space by entering new markets (Sheena, 2009). The significance of brand extensions as a brand rejuvenator has gained impetus in the marketing discipline and has become crucial for examining brand extension strategies in the global scenario (Sheena, 2009). Moreover, John (2004) suggested that understanding how consumers in different parts of the world respond to branding activities is an important issue in marketing today. Furthermore, Monga and John (2007) argued that consumers from different cultures may vary in their evaluations of brand extensions, thus culture is also an important factor in understanding how consumers evaluate brand extensions (Monga & John, 2004).
Everyone belongs to at least one culture but may belong to many subcultures, which is why consumers’ evaluations of brand extensions may differ between nations or even between districts within one nation. Culture is something that concerns every person since religion, language, education, politics and technology are factors that people every day are affected by (Bornmark, Göransson & Svensson, 2006). Through these factors, culture can be divided in many different ways, not only by nationality and ethnic groups, but also by religion, lifestyle, and the way people communicate and so forth (Bornmark et al., 2006).

There are many dimensions to culture. Hofstede and Minkov (2011) identified four cultural dimensions: power distance, masculinity-femininity, uncertainty avoidance, and individualism-collectivism. This study focuses on the cultural dimension of individualism and collectivism, which are cultural syndromes. The central theme of individualism is the conception of the individuals as autonomous and independent from groups. In contrast, the central theme of collectivism is the conception of individuals as aspects of groups or collectives, and refers to a preference for serving the goals of a group or collective (Triandis, Chan & Bhawuk, 1995; Triandis, 1996).

Although many brands operate in the global market and many companies launch brand extensions globally, little attention has been paid to the issue of how consumers across different cultures evaluate brand extensions. Since cultural differences are not taken into account even though consumers from different cultures may vary in their evaluations of brand extensions (Monga & John, 2007), it is particularly important for brand marketers to understand the cultural differences in those countries with high cultural diversity such as South Africa, when launching brand extension strategies globally.
South Africa is well known for being a ‘rainbow nation’, with various subcultural groups based on ethnicity and race, such as African/Black, White, Coloured, Asian etc. South Africa is also a socially fragmented country, as can be seen by the wide range of national languages spoken there, including English, Afrikaans, Zulu, Khosa and so forth (Seekings, 2008). Generally speaking, African (Black) cultures are considered collectivist (Triandis, 1989), while non-African cultures particularly English language speakers, are considered individualist (Eaton & Louw, 2000).

Monga and John (2007) found that cultural differences in styles of thinking may influence the way brand extensions are interpreted across cultures. They further suggested that although extension fit may be important across cultures, there may be cross-cultural differences in the way extension fit is judged. Thus it is both important and significant for brand marketers to gain insights into cultural values and cultural differences relating to consumers’ evaluations of brand extensions, when launching brand extension strategies globally. It is especially useful for brand marketers to adopt a brand extension strategy in those countries with multicultural environment, such as South Africa. Because South Africa’s demographical and cultural environments are unique, the country provides an interesting background to study this phenomenon with regards to consumers’ evaluations of brand extensions across different cultures.

Finally, based on the above discussion, a theoretical gap exists between cultural values and brand extensions, however no research has been conducted in this area within the context of the cultural dimensions of individualism and collectivism. This research therefore intends to develop theoretical foundations to close the gap with regard to the role played by cultural
values in evaluating brand extensions in terms of the cultural dimensions of individualism and collectivism.

1.3 Research aims

This research aims to answer the fundamental question: “Do cultural values play a role in how consumers evaluate brand extensions?” This research also aims to answer the question: “Are there any differences between individualist consumers and collectivist consumers in evaluating brand extensions?”

1.4 Research objectives

Based on the research aims, the main objectives of this research are broken down as follows:

Objective 1
To review and study the academic literature relating to branding, brand extensions, cultural values, branding and cultural values, brand extensions and cultural values; and to build and develop theoretical foundations between cultural values and brand extensions.

Objective 2
To empirically test whether or not a consumer’s cultural values play a role in evaluating brand extensions.

Objective 3
To empirically test for a difference between individualist consumers and collectivist consumers in evaluating brand extensions.

1.5 Research structures

This research is structured as follows:

Chapter 1: Introduction to the research problem
This chapter indicates the need for conducting this research. The key research problems and objectives are also identified in this chapter.

Chapter 2: Literature review
A theoretical framework is established including brands and branding, brand extensions, cultural values and cultural differences, branding and cultural values, and brand extensions and cultural values. This Chapter provides a foundation for all the theories related in this research.

Chapter 3: Research hypotheses and conceptual model
A number of hypotheses and a research conceptual model are drawn in order to answer the research aim and objectives.

Chapter 4: Research methodology
A detailed description of methodology with regard to research methods, sampling approaches and analysis techniques used in conducting this research is provided.
Chapter 5: Results
The detailed analytical results of the research are presented and interpreted in this chapter.

Chapter 6: Discussion of results
A discussion of research results in detail.

Chapter 7: Research conclusion
Final conclusions are drawn based on the main research findings.
CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

The theory reviewed in this section provides a theoretical framework with regards to brand extensions and cultural values, which helps build a foundation for investigating the theoretical gap between brand extensions and cultural values.

The reviewed literature is categorised into five subsections: (1) brands and branding; (2) brand extensions; (3) cultural values and cultural differences; (4) branding and cultural values; and (5) brand extensions and cultural values. Firstly, the concepts of brands and branding, as well as brand extensions, are explained in-depth, and the relevant theories are built and developed. Secondly, the theories relating to culture, cultural values and cultural differences are discussed in detail. Finally, the theoretical gap between brand extensions and cultural values is demonstrated in detail, while related researches are also reviewed.

2.2 Brands and branding

The purpose of this section is to provide an understanding of brand definitions, brand evolutions, brand elements, and brand functions.

2.2.1 Brand definitions

What is a brand? Etymologically, the word “brand” is derived from the Teutonic word “brinn-an” —to burn. Over time, this evolves from the act of marking something with fire to denote the
actual mark itself (Berthon, Pitt, Chakrabarti, Berthon & Simon, 2011). The past century has seen a proliferation of brand terms from different perspectives, which mirror various philosophical schools of thoughts.

Aaker (1991) considered brand to be a unique name or symbol which represents a product or service offered by a corporate. A brand, by one definition, is a unique place occupied in the consumer's mind by a product or service, therefore when a brand has built a strong connection with its customer base, it has created the ultimate source of differentiation and competitive advantage (Simon, 2011).

According to Kotler and Keller (2009), a brand is 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 (2009) further stated that branding is endowing products and services with the power of a brand, and it is all about creating differences between products. A brand helps consumers distinguish a product or services from other competitive offerings, for instance when consumers see a logo such as the Nike ‘swoosh’, they think of Nike’s brand and the values and qualities that it delivers.

2.2.2 Brand evolution

First and foremost, brands are about making distinctions, from the marking of cattle in ancient Egypt to modern-day behemoths such as Coke and McDonald’s, brands delimit, differentiate, and denote. Over the last fifty years, this process has evolved faster and further than in the previous five thousand years (Berthon et al., 2011).
Moore and Reid (2008) discussed the brand evolutions in terms of the historical context as below:

Firstly, brands from all periods in history display two immutable characteristics related to the conveyance of information to stakeholders: information with the purpose of indicating the origin of the product and information about quality.

Secondly, the evolution of brands show a movement to greater complexity in character, including the addition of image or meaning (power, value and/or personality) to the list of critical information elements.

Thirdly, brands from ancient times to today play critical roles not only for end customers, but for also for stakeholders throughout the channel.

Finally, brands did exist prior to the twentieth century, but should perhaps more accurately be referred to as proto-brands. A characteristic of some proto-brands is differentiation information to help with the logistical functions of marketing (i.e. sorting, storage and transportation). Logistical information in today’s brands is usually provided separately in the form of a barcode or on separate labels, and is not combined with the brand itself.

Figure 1 provides a look at the evolution of brand characteristics through the periods of time. It shows a gradual transition from a more utilitarian provision of information regarding origin and quality in order to reduce risk and uncertainty during earlier periods of civilisation (transactional), to the addition of more complex brand characteristics through time which are
related to image-building and include status/power, inherent value and, finally, the
development of brand personality (transformational) (Moore & Reid, 2008).

Figure 1: Brand characteristics in the ancient and modern worlds

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logistics</td>
<td>Origin</td>
<td>Quality</td>
<td>Power</td>
<td>Value</td>
<td>Personality</td>
</tr>
<tr>
<td>Early Bronze IV 2250-2000 BCE</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Indus Valley</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Middle Bronze Age 2000-1500 BCE Shang China</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Late Bronze Age 1500-1000 BCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Iron Age Revolution 1000 500 BCE Tyre</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Iron Age 825 336 BCE Greece</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modern</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Moore & Reid (2008). The birth of brand: 4000 years of branding

2.2.3 Brand elements

Brand elements, sometimes called brand identities, are those trademark able devices that
serve to identify and differentiate a brand (Farhana, 2012). A brand element is visual or verbal
information that serves to identify and differentiate a product, since brand elements can be
chosen to enhance brand awareness or facilitate the formation of strong, favourable and unique brand associations (Farhana, 2012).

Generally speaking, the main brand elements include the following six elements:

(1) Brand names
A brand name is the basis upon which brand equity is built, and the name is a critical, core design of the brand, the basis for awareness and communications effort (Aaker, 1991).

(2) Logos and symbols
A visual interpretation of the brand promise that it will be possible to develop highly memorable, easily recognisable, and visual brand signals that trigger consumers to build associations between the brand itself and its chosen position (Farhana, 2012). Logos are visual icons providing two basic, yet necessary, functions for brands: identification (a marker for finding a specific offering) and differentiation (how to tell that offering apart from others) (Farhana, 2012).

(3) Characters
Characters represent a special type of brand symbol – one that takes on human or real-life characteristics (Farhana, 2012). Brand characters can help brands break through the marketplace clutter as well as help to communicate a key product benefit (Keller, 2003).

(4) Packaging
Packaging is an important brand element, related to the function of designing and producing containers or wrappers for a product (Keller, 2003). This is the container for a product which
encompasses the physical appearance of the container including design, colour, shape, labelling and materials used (Keller, 2003).

(5) Slogans

Slogans are short phrases that communicate descriptive or persuasive information about the brand (Keller, 2003). Slogans often appear in advertisements but also play a vital role in packaging and different marketing activities, working like shorthand to build brand equity (Keller, 2003).

(6) Jingles

Jingles are musical messages written around the brand (Farhana, 2012). These are composed by professional songwriters with enough catchy hooks and choruses to turn them permanently registered in the minds of listeners – willingly or unwillingly (Keller, 2003).

2.2.4 Brand functions

Guo, Hao and Shang (2011) found two types of brand functions: utilitarian functions and expressive functions. The utilitarian function is focused on how brands can be utilised to help consumers make an optimal purchase decision, for instance, choosing high quality products; and also demonstrates that a brand is a product quality sign that facilitates consumers’ judgments about product quality in order to make a purchase decision (Guo et al., 2011). The expressive function focuses on the expressive attachment and relationship between the consumer and the brand. Moreover, the brand is considered more a consumer partner than a vehicle exploited by the latter. In the partnership, quality is no longer the major concern, but
the social and psychological meanings carried by the product are put in place, in other words, the importance of the brand does not lie in its use but in its being (Guo et al., 2011).

Guo et al. (2011) summarised six generic brand functions as in the following:

(1) Simplification
The brand allows the consumer to identify quickly different products under the same product category and to buy directly the regularly purchased brand without evaluating the alternatives again. As a result, time can be saved and the purchase process can be simplified.

(2) Guarantee
The consumers are more likely to buy the known brands, particularly in case of insufficient cognition capacity and high perceived risk.

(3) Specialty
Certain brands are synonyms with particular physical or imagined attributes and constitute a somewhat unique offering available in the market.

(4) Personalising
Consumers express their social position through the choice of certain brands and these brands represent both their personality and their social belongingness.

(5) Affective function
Consumers feel excitement, joy and satisfaction through the shopping activities.
(6) Differentiation

The brand can differentiate a great amount of products and is able to reveal the otherwise implicit quality of services.

2.3 Brand extensions

In the preceding section, the basic understanding of brands and branding was established. This section examines the concept and theory of brand extensions, including brand extension definitions, brand extension types, factors influencing brand extension success, negative effects of brand extensions, product category relatedness and brand extensions, product involvement and brand extensions, and product category relatedness and involvement.

2.3.1 Brand extension definitions

Brand extensions have become increasingly popular for global marketers, as introducing new brands has become a much more risky venture. Brand extension strategies are employed by companies with a motive to increase returns and to commandeer consumers’ mind space by entering new markets (Sheena, 2009). The significance of brand extensions as a brand rejuvenator has gained impetus in the marketing discipline and has become crucial for examining the brand extension strategies in the global scenario (Sheena, 2009). But what is the brand extension?

Aaker and Keller (1992) defined brand extensions as the use of established brand names to enter new product categories or classes. Brand extensions are a form of new product introduction in which the name of an established brand is attached to a new product introduced
in a separate category, facilitating acceptance because consumers transfer the effect and meanings they associate with the parent brand to the extension (Iyer, Banerjee & Garber, 2011).

According to Batra, Lenk and Wedel (2010), brand extensions are defined as the use of an existing brand name on a new product in a new category to benefit from the existing brand name’s awareness and associations—leveraging the investments a company makes in its existing brand names and hedging against the risk of new product failures.

2.3.2 Types of brand extensions

Generally speaking, there are three types of brand extensions (see Figure 2):

(1) Line extension
Line extension refers to a current brand name that is used to enter a new market segment in its product class (Aaker & Kelly, 1990, p.27). It consists of offering additional items in the same product class or category as the core brand. Extensions may include new flavours, forms, colours, and package sizes, and hence the same brand name may be used, or the brand name may be linked less directly (Cravens & Piercy, 2003, p.330).

(2) Category extension
This is also called brand extension and refers to a current brand name which is used to enter a completely different product class (Aaker & Kelly, 1990, p. 27). This type benefits from buyers’ familiarity with an existing brand name in a product class to launch a new product line
in another product class, and the new line may or may not be closely related to the brand from which it is being extended (Cravens & Piercy, 2003, p.330).

(3) Co-brand extension

Co-brand extension consists of two well-known brands working together in promoting their products, and the brand names are used in various promotional efforts (Cravens & Piercy, 2003, p.330).

Figure 2: Types of brand extensions

2.3.3 Factors influencing brand extension success

The success of a brand extension often depends on certain assumptions about consumer behaviours, such as (1) consumers hold positive beliefs and favourable attitudes toward the original brand in memory; (2) these positive associations facilitate the formation of positive
beliefs toward the brand extension; and (3) negative associations are neither transferred to nor
created by the brand extension (Aaker & Keller, 1990, p.28).

There are many factors which influence consumers’ evaluations of brand extensions, including
perceived fit, brand strength, brand breadth, company credibility, company size, culture, mood,
age differences, positioning, advertising, pricing, product knowledge, technology, and order of
extensions. Hou (2003) classified these factors into the following categories:

- Firm characteristics – firm size and firm reputations.
- Core brand characteristics – brand strength and breadth.
- Extension characteristics – perceived fit and technology.
- Consumer characteristics – product knowledge, and individual (mood and age) and cultural
differences.
- Marketing strategies – positioning, advertising, pricing and order of extensions.

As illustrated in Figure 3, consumers’ extension evaluations are a function of extension
characteristics, core brand characteristics, firm characteristics, consumer characteristics, and
marketing strategies employed for promoting extensions. Such characteristics and strategies
as well as consumers’ extension evaluations ultimately influence consumers’ subsequent
evaluations of core brands (Hou, 2003).

Figure 3: Consumers’ evaluations of brand extensions
Hem, Chernatony and Iversen (2003) found that the following four factors impact on the success of brand extensions, particularly in FMCG, durable goods and services sectors:

(1) Perceived similarity

The degree to which consumers perceive the extensions as being similar to other products affiliated with the brand. Perceived similarity is a crucial factor in the evaluation of services brand extensions.
(2) Brand reputation
This refers to in terms of consumer perceptions of quality associated with a brand. A basic premise underlying the use of brand extensions is that stronger brands provide greater leverage for extensions than weaker brands. The reputation of the parent brand is a crucial factor influencing the likelihood of a successful brand extension, which is equally important for FMCG, durable goods and service brands.

(3) Perceived risk
This is a multi-dimensional construct which implies that consumers experience pre-purchase uncertainty regarding the type and degree of expected loss resulting from the purchase and use of a product. Consumers’ perceptions of the risk associated with new product categories are an important factor influencing brand extension judgements for durable goods and services.

(4) Consumer innovativeness
Refers to a personality trait related to an individual's receptivity to new ideas and willingness to try new practices and brands. More innovative consumers evaluate services brand extensions more favourably.

Völckner and Sattler (2006) identified the five key drivers of brand extension success and also suggested that the fit between the parent brand and an extension product is the most important driver of brand extension success, followed by marketing support, parent-brand conviction, retailer acceptance, and parent-brand experience.

Choi, Liu, Mak and To (2010) further found another six factors, including brand loyalty, involvement, perceived quality, self-image, brand concept consistency and product feature similarity, which may affect consumer behaviour towards brand extensions.
Iyer, Banerjee and Garber (2011) discussed another three factors determining consumers’ attitudes toward brand extensions, which are (1) attitude toward the parent brand, (2) brand specific associations formed in the extension category, and (3) similarity of fit between parent and extension categories. Iyer et al. (2011) has further found the following:

Firstly, parent brand attitude has a significant effect on attitude toward the extension, indicating that parent brand equity can transfer to the extension, providing evidence in support of brand extension efficacy.

Secondly, parent brand attitude has a greater effect on attitude toward a brand’s extension than brand-specific attributes in the extension category, confirming the robust effects of brand extension over alternative explanations for the success of new products introduced as brand extensions.

Thirdly, parent brand attitude has a greater effect than similarity of fit in the aggregate, and has a significant effect on attitude toward the brand extension in many extension categories where similarity of fit is not a significant contributor to brand extension. This indicates that brand extension efficacy may be expedited by similarity of fit in some categories, but is not dependent upon it for an extension to be effective.

Finally, parent brand prototypicality does not have a significant effect on attitude toward the extension, indicating that a parent brand’s close identification with its own category need not inhibit attitudinal transfer to an extension in another category.
2.3.4 Negative effects of brand extensions

Amidst the enthusiasm for applying brand extensions in the global market, however there are some concerns about the negative effects that extensions may have on brand names in the long run. Questions have been raised about the possibility that repeated brand extensions will eventually "wear out" a brand name and that unsuccessful brand extensions will "dilute" the equity associated with a well established brand name (Loken & John, 1993).

Thus brand extension failures can cause “dilution” of specific attribute beliefs that consumers have come to hold about an established brand name (Loken & John, 1993). Brand extensions carry the risk of diluting what the brand name means to consumers, especially in the case of extensions that are inconsistent with the brand’s image or which fail to meet consumer expectations in other way (John, Loken & Joiner, 1998).

Keller and Sood (2003) suggested that brand dilutions occur only under specific circumstances; it requires a strong experience with a brand extension – one deemed both diagnostic of and inconsistent with the parent brand experience — for a consumer to update his or her feelings and opinions about the parent brand. Keller and Sood (2003) proposed that the parent brand dilution is a function of three factors:

(1) Strength

Only an extension experience that is sufficiently strong has the potential to trigger brand dilutions. A strong experience is salient (attention-getting) and unambiguous (objectively interpretable). A weak experience, whether it is less salient or more ambiguous, may be ignored or discounted.
(2) Diagnosticity
An extension experience is diagnostic of the parent brand only to the degree that consumers believe the extension is relevant to the parent. That is, the experience will only affect the consumer's evaluation of the parent brand if he or she feels that performance of the extension product or service is indicative, in some way, of the parent brand’s quality.

(3) Inconsistency
An extension experience consistent with the consumer's image of the parent brand is less likely to change a consumer's impression, however an experience that is inconsistent with those expectations of the parent creates the potential for change – the direction and extent of change is dependent on the relative strength and favourability of the experience. Note that highly inconsistent extension experiences, however, may be discounted or ignored if not viewed as relevant.

2.3.5 Product category relatedness and brand extensions

Sheinin and Schmitt (1994) stated that the first strategy for brand extensions is a product category extension and in this strategy, consumers have well established schema of both the extending brand and the extension product category. Barone (2005) further pointed out that the categorisation theory has frequently been invoked in modelling the brand extension evaluation process. Consumers are most likely to transfer the evaluations associated with a core brand to extensions that are very similar to other products that are marketed under the brand name. In contrast, consumers are less likely to employ core brand evaluations in forming opinions about extensions that are dissimilar to the core brand (Barone, 2005).
Moreover, Herr, Farquhar and Fazio (1996) argued that closely related product categories require less of a stretch than those that are distantly related, as a related issue is the degree of stretch required in extending a brand from one product category to another. They also raised the concept of intercategory relatedness namely the strength of the association between the brand’s parent category and the target extension category (Herr et al., 1996). Relatedness offers a broader view of similarity that is necessary to capture consumer responses to stimuli that are conceptually related but not physically related, for instance, athletic shoes and tennis rackets are related conceptually, however these products have almost no overlapping attributes physically (Herr et al., 1996). Many real-world extensions (as well as most branding strategies in general) rely more on conceptual relatedness than on physical similarity, and the notion of relatedness described here is expected to provide better predictions of consumer response to such extensions, thus relatedness is more inclusive than similarity and “relatedness criteria” may be substituted for “similarity criteria” (Herr et al., 1996).

2.3.6 Product involvement and brand extensions

Nkwocha, Bao, Johnson and Brotspies (2005) defined product involvement in the brand extension context as consumers’ perceived relevance of the extension product category to their needs and values. They further indicated that brand extensions may not be equally successful across all product categories because consumers may evaluate products of various involvement levels in different ways (Nkwocha et al., 2005). High product involvement situations process information differently from low product involvement situations. Thus consumers in high product involvement situations tend to search for more product information such as detailed product attribute information and make more product comparisons to ensure
product quality and value. In contrast, consumers in low product involvement situations may rely more on salient cues such as price and brand name to make product inferences (Nkwocha, et al., 2005).

Maoz and Tybout (2002) demonstrated that involvement moderates the relation between brand congruity and extension evaluation, because high involvement leads to elaborate thought and outcomes for brand extensions. By contrast, low involvement appears to encourage a more heuristic process of transferring the positive attitude toward the brand to only those extensions that are readily perceived to fit with it. Moreover, Nkwocha et al. (2005) also investigated that the moderating effect of a situational variable, product involvement, on the relationship between product fit and consumers’ attitude toward the brand extension. They found the existence of such interaction effect on three product fit variables - substitutability, complementarity, and transferability. The impact of complementarity is only particularly significant in the evaluation of low involvement extensions, but is insignificant in the evaluation of high involvement extensions (Nkwocha, et al., 2005). In contrast, the other two product fit variables (substitutability and transferability) remain significant and invariant across the involvement situations (Nkwocha, et al., 2005).

2.3.7 Product category relatedness and involvement

Little research has been undertaken in respect of product category relatedness and product involvement. Brisoux and Cheron (1990) investigated the effects of product involvement on brand categorisation with respect to brand set size. The authors intended to test the relationship between the level of product involvement and the structure of brand categorisation, and found that the effects of product involvement on brand set size are not significant for
evoked, reject, foggy and salient sets, but have a significant effect on awareness, trial and hold sets (Brisoux & Cheron, 1990). Although, low and high involvement groups do not differ on socio-demographic variables, high involvement seems to be associated with heavier users and higher brand loyalty (Brisoux & Cheron, 1990).

Salient set refers to those brands of the product class that come to the mind of the consumer without the help of a list of brands. Awareness set means those brands that the consumer can recognise from a list of brands. Evoked set is those brands that the consumer would certainly consider to buy from the awareness set. Foggy set refers to those brands for which the consumer has not formed an opinion and which the consumer is not ready to buy from the awareness set. Hold set means those brands for which the consumer has formed an opinion but for which the consumer can not say whether would accept or reject them from the awareness set. Trial set refers to those brands that the consumer has already bought and used from the awareness set (Brisoux & Cheron, 1990).

2.4 Cultural values and cultural differences

Following the above discussions relating to branding and brand extensions, the purpose of this section is to establish a theoretical foundation with regards to cultural values and cultural differences. In this section, the concepts in terms of cultural values, cultural differences, and dimensions of cultural differences are examined, and the contexts of cultural values and differences in South Africa are also discussed.

2.4.1 Cultural values
Hofstede (1980) defined culture as ‘the collective programming of the mind which distinguishes the members of one human group from another’. Another useful definition by Triandis (2011) is that culture is to society what memory is to individuals, and it includes what has worked in the experience of a society, so that it was worth transmitting to future generations.

Language, time, and place are important in determining the difference between one and another culture, since language is needed to transmit culture and it is desirable to have the same historical period and geography to do so efficiently (Triandis, 2001). Elements of culture are shared standard operating procedures, unstated assumptions, meanings, practices, tools, myths, religions, art, kinship, norms, values, and habits about sampling information in the environment (Triandis, 2011).

Hofstede (1991) argued that all individuals belong to a number of different groups and categories simultaneously, which relate to different levels of culture as follows:

- A national level corresponding to one’s country;
- A regional and/or ethnic and/or religious and/or linguistic affiliation;
- A gender level;
- A generational level which distinguishes between children, parents, and grandparents;
- A social class level, associated with educational opportunities; and
- An organisational level for those who are employed.

Furthermore, according to Banerjee (2008), a standard definition of culture would include the system of values, symbols and shared meanings of a group, including the embodiment of these values, symbols and meanings into material objects and ritualised practices. Culture is
learnt by the members of the society and is also shared simultaneously, while cultural values are principle determinants to how they treat each other. Therefore, actually consumers’ perceptions of a product’s attributes are based upon its abilities to satisfy consumers’ cultural values (Banerjee, 2008).

2.4.2 Hofstede’s dimensions of cultural differences

Hofstede and Minkov (2011) identified the following four cultural dimensions:

1. **Power distance**
   Power distance refers to social inequality, including the relationship with authority.

2. **Individualism-collectivism**
   Individualism and collectivism refers to the relationship between the individual and the group.

3. **Masculinity-femininity**
   Masculinity and femininity describes the polarisation between gender roles in a country.

4. **Uncertainty avoidance**
   Uncertainty avoidance refers to the ways of dealing with uncertainty, relating to the control of aggression and the expression of emotions.

2.4.3 Triandis’ dimensions of cultural differences
Triandis et al. further developed the cultural dimension of individualism-collectivism and considered that individualism and collectivism to be ‘cultural syndromes’ (Triandis, Chan & Bhawuk, 1995).

Triandis defined individualism as autonomy and independence, where the individual negotiates relationships through international contracts which really only promote personal goals (Triandis, 1996). In individualist societies people are autonomous and independent from their in-groups; they give priority to their personal goals over the goals of their in-groups, they behave primarily on the basis of their attitudes rather than the norms of their in-groups, and exchange theory adequately predicts their social behaviour (Triandis, 2001).

In contrast, collectivism refers to a preference for serving the goals of a group or collective, while the ideology of groups with norms, duties, and responsibilities, governs an individual’s behaviour and identity (Triandis, 1996). In collectivist cultures people are interdependent within their in-groups such as family, tribe, nation and so forth, give priority to the goals of their in-groups, shape their behaviour primarily on the basis of in-group norms, and behave in a communal way, hence people in collectivist cultures are especially concerned with relationships (Triandis, 2001).

Triandis (2001) has further proposed four types of cultures in terms of the individualism-collectivism dimension as below:

First, horizontal individualism (HI) reflects an independent/same self-construal, and people view themselves as equal but independent of one another.
Second, vertical individualism (VI) is purported to reflect an independent/different self-construal, and people view themselves as unequal but independent.

Third, horizontal collectivism (HC) reflects an interdependent/same self-construal, where people merge themselves with their in-groups.

Fourth, vertical collectivism (VC) reflects an interdependent/different self-construal, where people submit to the authorities of the in-groups and are willing to sacrifice themselves for their in-groups.

2.4.4 Cultural values and differences in South Africa

Eaton and Louw (2000) investigated how cultural collectivism and individualism affect self-concept in South Africa. African (Black) language speaking groups are considered collectivists, and English language speaking groups are considered individualists, as home languages are assumed the only indicator of cultural identity (Eaton & Louw, 2000).

According to Eaton and Louw (2000), the differences of South African subcultures can be described as below:

Firstly, individualists (English-speaking groups) tend to give abstract and independent responses; collectivists (African/Black groups) tend to give concrete and interdependent responses.
Secondly, collectivists (African/Black groups) use a significantly higher proportion of specific and social responses when describing themselves than individualists (English-speaking groups).

Thirdly, women show collectivism at the level of individual relationships. This implies that women, to a greater extent than men, incorporate interpersonal, rather than group-based, social relationships into their self-concepts.

Fourthly, the correlations of the autonomous-social (independent-interdependent) and abstract-specific (abstract-concrete) dimensions indicate that the two dimensions are slightly, but not significantly connected (they are conceptually distinct).

Finally, the two language groups produce different correlations of the dimensions, hence they are related differently across cultures. In theory, the dimensions are largely independent, but in practice, there seems to be a significant amount of overlap between them. It implies people’s self-concepts consist largely of self-descriptions that are both specific and social, or both abstract and autonomous.

### 2.5 Branding and cultural values

Since the theoretical foundation of cultural values and differences has been established in the prior section, this section discusses the correlations between branding and cultural values. Three subsections relating to cultural branding, brand-culture fit, cultural values, cultural values and brand consumer behaviours, are discussed in detail in this section.
2.5.1 Cultural branding

Cultural orientation implies that the global marketing activity of multinational firms is subject to the influence of context—the brands carry meanings that are contextual and embedded in the ongoing patterns of consumer relations. The brands neither simply transfer their meanings across cultural contexts (as an under-socialised view would hold), nor are they totally dominated by the local cultural contexts (as an over-socialised view would hold) (Kumar & Gupta, 2003).

Reilly (2005) argued that brands are symbolic articulators of production and consumption, in this sense, all brands are representational texts and are socially, not merely managerially constructed. To say that brands are managerially constructed and built by managers only is to deny consumers a role in the making of their meanings; to disagree with the proposition that production and consumption are, culturally speaking, mutually constitutive; to exclude consumers from brand histories; to silence their voices; and to ascribe sole ‘brand-building’ rights to corporate and advertising agency executives already privileged by their access to commercial, technological and media power (Reilly, 2005). Thus it is important to always keep in mind the dialogic character of branded communications, and to assert that all brands are socially constructed and all brands are cultural brands (Reilly, 2005).

2.5.2 Brand-culture fit

Cultural differences may be the primary obstacle to developing internationally accepted brands and communicating with global consumers - especially those who live in developing countries with more traditional societies. To solve the conflicts stemming from a lack of knowledge about
cultural differences and to better understand the value of different cultures, it is vital to find the right way to explain the inherent similarities and differences that exist in various countries and cultures (Jun & Lee, 2007).

Brand marketers may experience a bumpy road of process by ignoring country-specific cultures because consumers’ behaviour follows the cultural norms of their country, and hence brand marketers need to conduct a deep analysis of the set of values, beliefs and behaviour patterns of the consumers of that country. A country culture can provide a strong support or it might be a powerful obstacle for organisational success, therefore with globalisation, managing country-specific culture becomes an increasingly strategic issue for global players, and a close match between country-culture and brand-culture adds significant value behind a successful branding strategy execution (Banerjee, 2007).

Over the years, a firm develops its brands on the basis of some postulates which help them to create their own brand heritage. In any country this brand heritage works within the cultural heritage of the country and consumers - if there are gaps between these two, contradictions arise and to resolve these contradictions marketers search for clues to increase their brand efficiency (Banerjee, 2007).

According to Banerjee (2007), a conceptual framework for managing ‘brand-culture’ fit has been developed as below:

Figure 4: The framework of ‘brand-culture’ fit
Identify Brand Heritage:
- Brand history
- Brand image
- Brand expectancy
- Brand equity

Identify Cultural Heritage:
- Degree of diversity
- Degree of endurance
- Degree of tolerance
- Degree of impediment

Any Gap?

Yes

Measure the Gap:
- Degree of discrepancies
- Degree of uniqueness
- Degree of clarity

Bridge the Gap:
- Identify the impediments
- I-C-M-A Strategy
- Dealing with marketing mixes
- Reposition

Communicate the Changes:
- Elucidate
- Endorse
- Expect

Share Brand Heritage:
- Connect
- Communicate
- Continue

Feedback


(1) Identify brand heritage
The focal side of the framework is the ‘heritage’ of the brand, and creation of a claim-worthy brand heritage is a time consuming task. Brand history, brand image, brand expectancy and brand equity are four pillars of the ‘brand heritage’ (Banerjee, 2007).

(2) Identify cultural heritage of the host country

The right recognition of cultural heritage of the host country is a major condition for a smooth landing, a marketer should be proactive enough to identify the major cultural roots of the country and its resultant effect on a marketing endeavour. A close examine of culture in terms of its degree of diversity, endurance, tolerance and impediment offers substantial knowledge to any marketer for the initiation of a marketing manuscript. Diversity and endurance of any culture denotes the breadth of the cultural roots, and tolerance and impediment show the depth of it (Banerjee, 2007).

(3) Identify the gap

Once a marketer is well aware externally about the cultural heritage of the host country and clear in his mind about its brand heritage, the next step is to move towards proper identification of the gap between these two. If the gap does not create any major tension, marketers should connect the brand heritage on a continuous basis with the culture of the host country by ways of communicating major ingredients of the brand heritage. Alternatively, a significantly wide gap compels marketers to minimise that gap. The measurement of the gap refers to the pinpointing of grey areas where brand heritage and cultural heritage are unable to interlink (Banerjee, 2007).

(4) Measure and bridge the gap
Firstly, a brand with a strong heritage can leverage that in a country where the roots of the country-culture are weak, thus communications should be convincing manner to plant a brand heritage in that country. Secondly, when the brand and cultural heritage are weak, marketers should think about a possible advancement of their brand by initiating a move towards the creation of brand heritage in respect of identity, image and expectancy, as well as extensive communication with the consumers to inform them about their brand. Thirdly, under the category of ‘strong cultural heritage but weak brand heritage’, a brand needs to assimilate the cultural heritage of that country to gain acceptance by the community of the country. Finally, under the category of ‘brand and cultural heritages are strong’, marketers should identify the major cultural barriers, with a proper match rulling the game in this situation (Banerjee, 2007).

(5) Communicate the changes
Marketers should communicate changes to the target market well in order to create an ambience of trust and interest. Three steps should be followed for proper implementation. Marketers should ‘elucidate’ the changes in an innovative way, ‘endorse’ those changes with the help of creative offerings and ‘expect’ the movement of the target market in their favour. Continuous feedback should be encouraged by monitoring the reaction of the target market (Banerjee, 2007).

2.5.3 Cultural values and brand consumer behaviours

Yoo (2009) examined the effect of personal cultural orientation on brand related consumer behaviours functions invariably at the individual level in two culturally opposite countries (South Korea and USA). He found that personal collectivistic orientation has a significant effect on both brand loyalty and equity amongst Americans and Koreans. Brand loyalty is
higher among people of high collectivism than those of low collectivism across brands in both the USA and South Korea, likewise brand equity is also higher among people of high collectivism than those of low collectivism across brands in both countries. The author indicated that regardless of their national culture, collectivist consumers show higher brand loyalty and equity than individualist consumers, while personal cultural orientation should be a very important basis for cross-cultural market segmentation.

Frost, Goode and Hart (2010) investigated whether individualism and collectivism affect the decision to purchase online and the subsequent continuance of that purchasing activity, and also explored whether the population of online shoppers differ from the population of consumers that have never shopped online in respect to individualism and collectivism. The authors found that online shoppers are more individualistic than those who have not shopped online, and offline shoppers are more collectivistic than online shoppers, while individualism and collectivism do not influence online loyalty.

2.6 Brand extensions and cultural values

In the previous section, the correlations between branding and cultural values were discussed. This section explores the relationship between brand extensions and cultural values in further detail. The purpose of this section is to explore a theoretical gap between brand extensions and cultural values. Perspectives including styles of thinking on brand extensions across cultures, brand extension evaluations across cultures, and brand extension success and dilution across cultures, are discussed

2.6.1 Styles of thinking on brand extensions across cultures
Cultural differences in styles of thinking may influence the way brand extensions are interpreted across cultures (Monga & John, 2007). According to Monga and John (2004), individuals in Eastern cultures, who are embedded in many social relations, have beliefs about focusing on the field and paying attention to relationships among objects. In this way, Eastern cultures promote holistic thinking, defined as involving an orientation to the context or field as a whole, including attention to relationships between a focal object and the field, and a preference for explaining and predicting events on the basis of such relationships. In contrast, individuals in Western cultures, who have relatively fewer social relations, believe that the world is discrete and discontinuous and that an object's behaviour can be predicted using rules and properties. Western cultures promote analytical thinking, which involves a detachment of the object from its context, a tendency to focus on attributes of the object to assign it to categories, and a preference for using rules about the categories to explain and predict the object's behaviour. Hence analytical thinkers focus on the attributes of objects and on category-based induction for draw inferences and make judgements.

Monga and John (2007) argued that consumers from Eastern cultures, characterised by holistic thinking, perceive higher brand extension fits and evaluate brand extensions more favourably than Western consumers do, who are characterised by analytic thinking, especially for extensions in product categories far from those associated with the parent brand. They further found that cultural differences in extensions fit perceptions and extension evaluations disappear when Easterners and Westerners are primed to think in the same way holistically or analytically.
Monga and John (2008) further investigated consumers’ styles of thinking—analytic versus holistic thinking—to better understand the elasticity of prestige versus functional brand. The authors found that for functional brands, holistic thinkers provide more favourable responses to distant extensions than analytic thinkers; however, for prestige brands, holistic and analytic thinkers respond equally favourably. Therefore the findings support the view that brand elasticity is jointly determined by parent brand concept and consumer styles of thinking i.e. analytic or holistic thinking styles.

2.6.2 Brand extension evaluations across cultures

Consumers evaluate brand extensions by judging how well the extensions fit with the parent brand (Monga & John, 2007). But how can one examine the brand extension process across cultures? Consumers from various cultures may differ in their evaluations of brand extensions. John (2004) compared three studies conducted by Monga and John (2004), Ng and Houston (2004), and Yoon and Zeynep (2004), and found that cultural differences in response to brand extensions between Eastern and Western consumers are:

Firstly, the differences in styles of thinking influence the way in which consumers from an Eastern culture versus a Western culture evaluate brand extension fit, by using the analytic-holistic thinking framework. Western consumers focus on attributes of the extension whereas Eastern consumers take a broader view. Consumers from an Eastern culture perceive a higher fit between the brand and the extension than consumers from a Western culture do, leading to more favourable brand extension evaluations for Eastern consumers (Monga & John, 2004).
Secondly, consumers in different cultures vary in the accessibility of brand exemplars versus brand attributes. Brand attribute information is more accessible among Westerners, whereas brand exemplars are more accessible among Easterners. Consumers in different cultures also differ in the way they perceive fit between the brand and the extension category, when evaluating brand extensions (Ng & Houston, 2004).

Finally, East Asians (compared to Westerners) provide more favourable brand extension evaluations, because they take into account a variety of non-diagnostic information, when using the analytic-holistic framework to examine how consumers in different cultures use diagnostic versus non-diagnostic information in evaluating brand extensions (Yoon & Zeynep, 2004).

### 2.6.3 Brand extension success and dilution across cultures

Henseler, Horvath, Sarstedt and Zimmermann (2010) examined the influence of cross-cultural traits on brand extension success based on Hofstede’s cultural dimensions values, and found that all the dimensions either directly or indirectly exert a significant influence on brand extension success by not only moderating the effects of the mother brand’s quality, but also by moderating the fit between the brand and the extension.

Ng (2010) investigated cross-cultural differences in brand dilution effects and the moderating role of motivation and extension typicality, and found that Easterners and Westerners react differently to failures in a typical extension leads to less brand dilution for Westerners when they are highly motivated (than when they are less motivated). The author argued that
Easterners exhibit greater brand dilution when they are less motivated (than when they are highly motivated).

Moreover, Buil, Chernatony and Hem (2009) examined the impact of perceived fit, brand type and country culture on the consumer attitudes towards brand extensions and on the parent brand equity. The authors found that brand extensions with high fit receive more favourable consumer evaluations and decrease the negative feedback effects of extensions on parent brand equity; parent brand equity dilution is higher when the brand used to launch the extension has high equity; and consumer attitudes towards brand extensions vary from one country to another. Thus a country’s culture has an influence on consumers’ evaluations of brand extensions.

2.7 Conclusion

Based on the above discussion, there is a theoretical gap between brand extensions and cultural values under the cultural dimension of individualism and collectivism, and individualist consumers’ evaluations on brand extensions differ from collectivist consumers due to cultural differences.

Nevertheless, Easterners versus Westerners vary from Individualists versus Collectivists in the context of cultural dimensions. This is because Eastern cultures are characterised by holistic thinking, and Western cultures are characterised by analytic thinking (Monga & John, 2004), whereas Individualist cultures focus on autonomy and independence within their in-groups, and Collectivist cultures focus on interdependence and relationships orientation within their in-groups (Triandis, 2001). In other words, the cultural dimension of Easterners versus
westerners looks at the perspective of the way of thinking, whereas the cultural dimension of Individualists versus Collectivists looks at the perspective of the way of behaving.

This research intends to probe the differences between individualist consumers and collectivist consumers in evaluating brand extensions. Furthermore, this research tries to establish the role of cultural values in evaluating brand extensions in terms of the cultural dimension of individualism and collectivism in order to close the theoretical gap in this respect.
CHAPTER 3: RESEARCH HYPOTHESES AND CONCEPTUAL MODEL

3.1 Introduction

In this chapter, a number of hypotheses are proposed in order to explain the aims of this research i.e. to explore the role of cultural values play in evaluating brand extensions, under conditions of product category relatedness (high and low) and product involvement level (high and low), and to probe the differences between individualist consumers and collectivist consumers in evaluating brand extensions. Furthermore, a conceptual model for testing variables in this research is also drawn. The below hypotheses and conceptual model are tested in the following chapter.

3.2 Research hypotheses

In their research, Monga and John (2007) found cultural differences in consumer response to brand extensions. Consumers from Eastern cultures are characterised by holistic thinking, perceive higher brand extension fit and evaluate brand extensions more favourably than consumers from Western cultures who are characterised by analytic thinking - especially for extensions in product categories far from those associated with the parent brand. This implies that there are certain relationships between cultural values and product category relatedness in evaluating brand extensions. Moreover, Herr et al. (1996) mentioned the concept of intercategory relatedness, namely the strength of the association between the brand’s parent category and the target extension category, and argued that closely related product categories require less of a stretch than those that are distantly related, as
relatedness is the degree of stretch required in extending a brand from one product category to another.

Furthermore, Nkwocha et al. (2005) argued that brand extensions may not be equally successful across all product categories because consumers may evaluate products of various involvement levels in different ways, i.e. high product involvement situations process information differently from those of low product involvement situations. This indicates that there are some relationships between product involvement and the product category in evaluating brand extensions as well.

Based on the above discussion, thus this research attempts to infer cultural differences in evaluating brand extensions in terms of individualism and collectivism under the conditions of product category relatedness (high and low) and product involvement level (high and low). According to the research objectives and literature review from the preceding chapters, the hypotheses relevant to cultural values and brand extensions are formulated as below.

3.2.1 Hypothesis 1

Null hypothesis (H1₀):
There are no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

Alternative hypothesis (H1ₐ):
There are interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

3.2.2 Hypothesis 2

Null hypothesis (H2₀):
There are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

Alternative hypothesis (H2ₐ):
There are interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

3.2.3 Hypothesis 3

Null hypothesis (H3₀):
There are no interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.

Alternative hypothesis (H3ₐ):
There are interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.

3.2.4 Hypothesis 4
Null hypothesis (H4₀):
There are no interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

Alternative hypothesis (H4ₐ):
There are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

3.3 Conceptual model

In terms of the above research hypotheses, the conceptual model for conducting this research can be drawn as below:

Figure 5: Research Conceptual Model
3.4 Conclusion

Based on the above discussion, this research focuses on identifying the interaction effects between the product category relatedness of a brand extension, the level of involvement associated with the product type, and a consumer’s cultural values. These interaction effects help infer the role that cultural values play in evaluating different types of brand extensions, and further bridge the theoretical gap between brand extensions and cultural values.
CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

This research aims to investigate the role of a consumer’s cultural values in evaluating brand extensions. In this Chapter, the detailed research methodology adopted for conducting this research is discussed, including research methodology, research design, population and sampling, research experimental assumptions, measuring instrument, data collection process, data analysis, validity and reliability, and research limitations.

4.2 Research methodology and design

4.2.1 Research methodology

The methodology adopted in this research was quantitative in nature. According to Page and Meyer (2000), the preferential use of a quantitative approach places greater value upon information that can be numerically manipulated in a meaningful way, and this is the traditional scientific approach to research. The differences between individualist and collectivist consumers in evaluating brand extensions were quantified in this research, hence the quantitative research was adopted in design.

4.2.2 Research design

Causal or explanatory research adopted in the conduct of this research. According to Saunders and Lewis (2012), the causal or explanatory study takes descriptive research a stage further by looking for an explanation behind a particular occurrence through the
discovery of causal relationships between key variables. The main goal of causal research is
to identify cause-and-effect relationships among variables (Zikmund, 2003, p. 56). In causal
studies it is typical to have an expectation of the relationship to be explained, such as a
prediction about the influence of price, packaging, advertising, and the like on sales
(Zikmund, 2003, p. 56).

An experimental research approach was used for this research. Experimental research
seeks to establish direct cause-effect relations between the elements/variables examined in
research, in terms of quantifying the direction and strength of the observed relations (Page &
Meyer, 2000, p. 14). According to Cooper and Schindler (2003), experiments are studies
involving intervention by the researcher beyond that required for measurement; the usual
intervention is to manipulate some variable in a setting and observe how it affects the
subjects being studied (for example, people or physical entities); the research manipulates
the independent or explanatory variable and then observes whether the hypothesised
dependent variable is affected by the intervention.

According to Saunders and Lewis (2012), the essential components of an experiment are
the following:

(1) Manipulating the independent variable.
(2) Controlling the experiment by holding all other variables, except the dependent variable,
   constant.
(3) Observing the effect of the manipulation of the independent variable on the dependent
   variable.
(4) Predicting the events that will occur in the experimental setting.
Based on the above discussion, therefore this research intentionally designed four different experimental conditions, and at least 30 respondents were allocated to each condition to test their responses toward brand extensions under each of four different experimental conditions (see Figure 5).

A factorial design was also selected within an experimental approach in this research. Even though the single-factor experiments (considered so far) may have one specific variable blocked and other confounding sources controlled, they are limited. Thus, a factorial design allows for testing the effects of two or more treatments (factors) at various levels (Zikmund, 2003, p. 283). In other words, a factorial design can be used to answer more questions because it allows for the simultaneous manipulation of two or more independent variables at various levels (Zikmund, 2003, p. 283).

4.3 Research population and sampling

The research scope was limited to a study investigating the role of cultural values play in evaluating brand extensions within the South African context.

4.3.1 Target population

According to Zikmund (2003), A population or universe is any complete group (of people, companies, hospitals, stores, college students, or the like) that share some set of characteristics; the population element refers to an individual member of the population; the
target population is the complete group of specific population elements relevant to the research project.

The target population for this research consisted of all the students who were studying at the Gordon Institute of Business Science (GIBS) at the time. GIBS students were chosen because they were well educated and matured with clear social identities and strong cultural values. Secondly, the researcher was very familiar with the demographic environment at GIBS, which was comprised of all the necessary South African subcultural groups. Thirdly, it was relatively easy and convenient for the researcher to approach GIBS students for data collections.

4.3.2 Unit of analysis

Zikmund (2003) referred the unit of analysis as the level of investigation is focused on the collection of data about the entire organisation, departments, work groups, individuals, or objects. Thus the unit of analysis in this research was consumer (individualists and/or collectivists) evaluations of brand extensions, and the unit of response was the GIBS students.

4.3.3 Sampling method

According to Zikmund (2003, p. 369), A sample is a subset, or some part, of a larger population; The process of sampling involves any procedure using a small number of items or parts of the whole population to make conclusions regarding the whole population; The
purpose of sampling is to enable researchers to estimate some unknown characteristics of the population.

Non-probability purposive sampling method was adopted for this research. Zikmund (2003, p. 380) defined the non-probability sampling as a sampling technique in which units of the sample are selected on the basis of personal judgement or convenience. The author further explained the purposive sampling that refers to a non-probability sampling technique in which an experienced individual selects the sample based on his or her judgment about some appropriate characteristic required of the sample members; the researcher selects a sample to serve a specific purpose, even if this makes a sample less than fully representative.

4.3.4 Sampling frame

A sampling frame is the list of elements from which the sample may be drawn (Zikmund, 2003, p. 373). The sampling frame in this research was the students who registered at Gordon Institute of Business Science (GiBS) for the year 2012.

The students at GiBS were chosen for testing research variables, because GiBS was one of the top leading business schools in South Africa, while the GiBS students were mature adults at their age with clear social identity and strong cultural behaviour orientations relevant to the cultural dimensions in terms of individualism and collectivism.

4.3.5 Sample size
This research planned to select approximately 120 students at GIBS as the sample for testing the research hypotheses, thus the proposed sample size was at least 120 units.

As a sample of at least 30 units is usually recommended as a statistically significant sample size (Zikmund, 2003) and the hypotheses were tested under four different experimental conditions in this research, the right sample size needed for conducting this research should be at least 120 units.

One hundred and sixty one (161) students were eventually selected to participate in this research.

4.4 Research experimental assumptions

Nike was selected for testing consumer evaluations of brand extensions across cultures within the South African context, because Nike is a well-known international sports brand with very high brand awareness and equity both globally and locally.

This research assumed (as shown in Figure 6) that Nike would extend its brand into the sports related product category, such as Nike sport bicycles (high involvement product) and Nike sport drinks (low involvement product), and that Nike would also extend its brand into the non-related product category, such as Nike laptops (high involvement product) and Nike chewing gums (low involvement product).

Figure 6: Research assumption model
A number of experimental conditions were established to simulate if individualist consumers would differ from collectivist consumers in evaluating Nike’s brand extension. The consumers (students) selected at GIBS were categorised into two groups i.e. individualist consumers and collectivist consumers in terms of their cultural value orientations measured by Triandis’ scales (16-scenario questions). Thereafter these two groups of consumers were empirically tested under four different experimental conditions as seen below:

**Figure 7: Experimental conditions**
<table>
<thead>
<tr>
<th>High product category relatedness</th>
<th>Condition 1: Sport Bicycles</th>
<th>Condition 2: Sport Drinks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low product category relatedness</td>
<td>Condition 3: Laptops</td>
<td>Condition 4: Chewing Gums</td>
</tr>
</tbody>
</table>

(1) Condition 1
The highly related sports product category and the high involvement level product - Nike sport bicycles.

(2) Condition 2
The highly related sports product category and the low involvement level product - Nike sport drinks.

(3) Condition 3
The lowly related sports product category and the high involvement level product - Nike laptops.

(4) Condition 4
The lowly related sports product category and the low involvement level product - Nike chewing gums.

4.5 Measuring instrument
4.5.1 Self-administered questionnaire
This research adopted a self-administered questionnaire based on a five-point Likert scale to acquire responses on a continuum of strongly disagree, disagree, neutral, agree and strongly agree. Scale items was designed and modified in terms of several sources of previous studies. According to Zikmund (2003, p212), the self-administered questionnaire had the advantages such as geographic flexibility, relatively lower costs, respondent convenience, time saving, standardised questions design and well structured questions.

The questionnaire was comprised of three sections (Appendix 1). The first section consisted of one of four experimental conditions designed to measure the evaluations of respondents with regards to brand extensions; the second section was used to determine the cultural orientation of respondents (individualists and/or collectivists); and the third section was about the demographic information of respondents.

Triandis, Chen and Chan (1998) refined the Triandis' traditional 32 attitude items into a 16-item attitudinal scale to measure individualism and collectivism, which resulted in a set of 16 scenarios that provide the most “efficient” ways to measure horizontal (H) and vertical (V) individualism (I) and collectivism (C) (Appendix 2). The content of these scenarios can be classified as follows: two were in the social domain, two in the political, three in the economic, four in the philosophical, and three in the aesthetic domain (Triandis et al., 1998). Since scenarios offer opportunities to sample HI, VI, HC, and VC responses with different probabilities, this method of measuring tendencies toward these four cultural patterns may be promising, and thus each of 16 scenarios offered four choices, which were “probably” HI, VI, HC, and VC options (Triandis et al., 1998).
However, this research was only focusing on measuring the factors of individualism (I) and collectivism (C), and the horizontal (H) and vertical (V) factors were not taken into account. In fact, two broad cultural patterns, i.e. individualism and collectivism were considered to measure the cultural value orientations in this research.

4.5.2 Pilot-testing

As potential mistakes, errors and confusions can be avoided and/or corrected by launching the questionnaire pilot testing before formally distributing questionnaires, five classmates at GIBS were invited to comment on the questionnaire design, and their responses to each question with regards to layout, wordings, and the order of questions and so forth were reviewed carefully. All of the five respondents were satisfied with the questionnaire design, hence no change was made.

4.6 Data collection process

The researcher physically delivered questionnaires to the GIBS students - either in class or at campus. The respondents at GIBS were given face-to-face instructions by the researcher so that they could answer the questionnaires appropriately. In this way, both non-response problems and question biases could be minimised. Ultimately, 161 respondents responded and answered the questionnaires, and all the questionnaires collected were completed in full.

4.7 Data preparation
The data was captured in MS Excel and was exported to Statistical Package for the Social Sciences (SPSS) for detailed analysis. Firstly, basic frequencies were run to uncover the patterns of the data at the surface level. Further, basic descriptive information by cross-tabulations were also tabulated to explore basic make-up and features of the data. The purpose of categorisation and cross-tabulation is to allow the inspection of differences among groups and to make comparisons (Zikmund, 2003, p. 476). In order to test the different hypotheses, Multivariate Analysis of Variance (MANOVA) was adopted to test the main and interaction effects of factors under consideration on multiple dependent variables. MANOVA is used when there are multiple interval- or ratio-scaled dependent variables and there may be one or more nominally scaled independent variables (Zikmund, 2003, p. 584). In running MANOVA, three dependent variables were used (i.e. Liking, Purchase and Appeal), and there were three independent variables for testing (i.e. Culture Values including Individualism and Collectivism, Product Category Relatedness and Product Involvement levels) in this research. With MANOVA a significance test of mean difference between groups can be made simultaneously for two or more dependent variables (Zikmund, 2003, p. 584).

4.7.1 Data cleaning

Data cleaning is the checking of the data and correction of any error (Page & Meyer, 2000, p. 55). Little data cleaning was done in this research, as the data collected did not have much “noisy” characteristics. There were a few respondents that gave more than one answer in some of the survey questions, and hence these responses were excluded in the analysis.

4.7.2 Data coding
Data coding should be done by pre-coding of questionnaires, and this means converting the questionnaire responses into a numerical form in order to allow quantitative analysis (Page & Meyer, 2000, p. 55). The data of this research was coded based on the experimental design method that was used to collect the data. The three independent variables were coded as follows:

(1) Cultural values
Each of the 16 scenarios measured in this research had four options, from which the respondent choose the most appropriate answer for each of the question. The options of each question on the questionnaire were coded as follows:

- Horizontal Collectivism (HC)
- Vertical Collectivism (VC)
- Vertical Individualism (VI); and
- Horizontal Individualism (HI)

Since this study was mainly concerned with comparing the two broad cultural values of Collectivism and Individualism, the following coding frame was done for each of the 16 scenarios:

- Collectivism coding: Horizontal Collectivism (HC) and Vertical Collectivism (VC) were coded into a value of 1.
- Individualism coding: Horizontal Individualism (HI) and Vertical Individualism (VI) were coded into a value of 2.
After all the 16 scenarios were coded into either Collectivism (value 1) or Individualism (value 2), a further coding procedure was done to classify each of the respondents into either Collectivist or Individualist individuals. This was done by counting the number of times each of the cultural values was mentioned out of the possible 16 questions (scenarios). For example, if Collectivism was mentioned more than eight times by the respondent out of the 16 statements, the respondent would be classified as collectivist or vice versa.

(2) Product category relatedness
As per Figure 6 (research assumption model) and 7 (experimental conditions), the related product categories were Nike Sport Bicycles and Drinks, and the related product category was coded into a value of 1. The non-related product category comprised of Nike laptops and chewing gums and these were coded into a value of 2.

(3) Level of product involvement
As per Figure 6 (research assumption model) and 7 (experimental conditions), the high level involvement products (i.e. Nike bicycles and Nike laptops) were coded into a value of 1 while the low level involvement products (i.e. Nike drinks and Nike chewing gums) were coded into a value of 2.

4.8 Data analysis

This research adopted the following techniques for data analysis:

(1) Descriptive statistics analysis by cross-tabulation
Descriptive analysis refers to the transformation of raw data into a form that will make them easy to understand and interpret (Zikmund, 2003, p. 473). The purpose of cross-tabulation is to allow the inspection of differences among groups and to make comparison, and this type of analysis also helps determine the form of relationship between two variables (Zikmund, 2003, p. 476).

(2) Reliability analysis (Cronbach’s Alpha)
Reliability refers to the extent to which data collection methods and analysis procedures will produce consistent findings (Saunders & Lewis, 2012, p. 128). In order to ensure the reliability of this research, the data collection method was planned carefully beforehand and the Cronbach’s Alpha analysis technique was used to test the reliability of the hypotheses posed in chapter three.

(3) Correlation analysis (Pearson’s correlation coefficients)
Pearson’s correlation coefficients were used to ascertain the strength of relationships amongst the three dependent variables (i.e. Liking, Purchase and Appeal). Wegner (2007, p. 418) mentioned that Pearson’s correlation coefficient computes the correlation between two ratio-scaled (numeric) random variables. This analysis technique was important as it also indicated whether there was a positive or negative relationship among the dependent variables measured.

(4) Multivariate Analysis of Variance (MANOVA)
MANOVA was used to test the main and interaction effects of factors under considerations on multiple dependent variables. MANOVA refers to a statistical technique that provides a simultaneous significance test of mean difference between groups, and was made for two or
more dependent variables (Zikmund, 2003, p. 584). Like canonical correlation, multivariate analysis of variance is used when there are multiple interval- or ratio-scaled dependent variables, or there may be one or more nominally scaled independent variables. With MANOVA significance test of mean difference between groups can be made simultaneously for two or more dependent variables (Zikmund, 2003, p. 584).

The four different multivariate tests, namely Pillai's Trace, Wilks' Lambda, Hotelling's Trace and Roy's Largest Root, were used in the MANOVA testing. Johnson and Wichern (1992, p. 269-271) provided an example of how to interpret these tests and indicated that the significant values are the p-values for these four different multivariate tests. If the significance values (p-values) are less than 5% level of significance, then there is a significant effect on the different variables.

(5) Tests of between subjects effects
Tests of between subjects effects were used as well in this research in order to better understand the MANOVA analysis. Test of between subjects effects are the results of separate univariate ANOVA that are done as a step down analysis after running MANOVA, and they are also helpful in further understanding the MANOVA results (Johnson & Wichern, 1992; Wegner, 2007).

4.9 Validity and reliability
4.9.1 Validity

Validity refers to the extent to which data collection methods accurately measure what they were intended to measure and the research findings are really about what they profess to
be about (Saunders & Lewis, 2012, p. 128). Content validity is the extent to which it provides adequate coverage of the investigative questions guiding the study (Cooper & Schindler, 2003, p. 231).

In order to ensure the validity of this research, almost all the theories related to cultural values and brand extensions were studies which were covered in the literature review. Moreover, both the constructs and hypotheses of this research were carefully formulated based on the relevant theories reviewed and developed in the literature review. Furthermore, the questionnaire was designed carefully in terms of the authoritative Triandis’ measurement scales, and finally, the data collection method was designed with consideration and the data collection process was appropriately controlled.

4.9.2 Reliability

Reliability refers to the extent to which data collection methods and analysis procedures will produce consistent findings (Saunders & Lewis, 2012, p. 128), and is also concerned with estimates of the degree to which a measurement is free of random or unstable error (Cooper & Schindler, 2003, p. 236). Thus the reliability of this research was tested by the Cronbach’s Alpha analysis in order to check the accuracy and precision of the selected respondents’ responses to measurement scales in this research.

4.10 Research limitations

The limitations of this research were as follows:
Firstly, the result was not fully representative of the population in South Africa because the sampling was only limited to GIBS students and the sample size was relatively small, while the non-probability sampling method was also used.

Secondly, although there are many dimensions of cultural values and differences, only one cultural dimension (i.e. individualism and collectivism) was tested in this research. However, as South Africa is actually more complex in cultural diversity, the result might not cover the whole cultural diversity of South Africa.

Finally, the only one brand (Nike) was selected for testing research variables, hence the result might not be generalisable to other famous international brands or local brands.
CHAPTER 5: RESULTS

5.1 Introduction

This chapter presents the full results of the statistical analysis performed on the data from the completed questionnaires. The research results in this chapter consist of five sections: the first section discusses the results of descriptive analysis with regards to the sample used for conducting this research; the second section demonstrates the scale of validity and reliability for measuring dependent variables in this research; the third section interprets the descriptive statistics of both the dependent and independent variables of this research; the fourth section presents the results of the MANOVA analysis adopted to test the hypotheses formulated in Chapter 3; and the fifth section further discusses the results of each separate univariate ANOVA analysis in order to better understand the results of MANOVA analysis.

5.2 Descriptive analysis results

5.2.1 Overview of the response rates

A total sample of 161 respondents were analysed in this research as shown in the table below:

<table>
<thead>
<tr>
<th>Experimental Conditions</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Condition 1 (Questionnaire 1): Nike Sport Bicycles</td>
<td>43</td>
<td>27</td>
</tr>
<tr>
<td>Condition 2 (Questionnaire 2): Nike Sport Drinks</td>
<td>42</td>
<td>26</td>
</tr>
<tr>
<td>Condition 3 (Questionnaire 3): Nike Laptops</td>
<td>39</td>
<td>24</td>
</tr>
<tr>
<td>Condition 4 (Questionnaire 4): Nike Chewing Gums</td>
<td>37</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>161</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 1 indicated that the respondents allocated to each experimental condition were quite even. The highest response rate was condition 1 with 43 respondents (27%), whereas the lowest response rate was condition 4 with 37 respondents (23%). Thus there was only a marginally different response rate between condition 1 and condition 2.

5.2.2 Overview of the respondents

The total respondents selected for conducting this research were 161 students at GIBS. Table 2 presents the overall demographic summary of the entire sample as follows:

<table>
<thead>
<tr>
<th>Table 2: Overview of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
</tr>
<tr>
<td>n</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Home Language</strong></td>
</tr>
<tr>
<td>n</td>
</tr>
<tr>
<td>English</td>
</tr>
<tr>
<td>Indigenous African</td>
</tr>
<tr>
<td>Afrikaans</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Missing information</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Black</td>
</tr>
<tr>
<td>White</td>
</tr>
<tr>
<td>Coloured</td>
</tr>
<tr>
<td>Asian</td>
</tr>
<tr>
<td>Missing information</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Highest level of Education</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than Matric</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Matric</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Graduate</td>
<td>54</td>
<td>34</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>103</td>
<td>64</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>161</td>
<td>100</td>
</tr>
</tbody>
</table>

First, in terms of gender, the majority of respondents were male students (63%), whereas female respondents only made up of 37% of total respondents. Thus there were far more male students than female students participated in this research.

Second, in terms of home language, almost half of respondents were English-speaking students (48%), Indigenous African-speaking respondents were second largest group (23%), followed by an Afrikaans-speaking respondents group (18%), and 10% of respondents spoke other languages.

Third, in terms of ethnicity (race), White respondents were the biggest group who participated in this research (42%), Black respondents were the second biggest group, followed by the Asian group (19%) and the Coloured respondent group (3%).
Fourth, in terms of education levels, this sample was comprised of highly educated people, as the majority of respondents were post-graduates (64%) and 34% respondents were also graduates.

5.2.3 Demographic summary by cultural values

Tables 3, 4, 5 and 6 demonstrate the overall summary of respondents in terms of their cultural values:

(1) Cultural values by gender

Table 3 indicates the cultural value orientations (Individualist or Collectivist) of the respondents in terms of gender.

Table 3: Cultural values by gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Collectivist</th>
<th>Individualist</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>28 (17%)</td>
<td>74 (46%)</td>
<td>102 (63%)</td>
</tr>
<tr>
<td>Female</td>
<td>8 (5%)</td>
<td>51 (32%)</td>
<td>59 (37%)</td>
</tr>
<tr>
<td>Total</td>
<td>36 (22%)</td>
<td>125 (78%)</td>
<td>161 (100%)</td>
</tr>
</tbody>
</table>

Table 3 showed that the respondents who tend to be individualists dominate the total sample (78%), whereas only 22% of respondents tend to be collectivists. Moreover, amongst the male respondents, the individualist students (46%) were the majority as opposed to the collectivist students (17%). For the female respondents, the number of individualist students (32%) was far higher than the number of the collectivist students (5%).

68
(2) Cultural values by home language

Table 4 demonstrates the cultural value orientations of the respondents in terms of their home language.

Table 4: Cultural values by home language

<table>
<thead>
<tr>
<th>Home Language</th>
<th>Collectivist</th>
<th>Individualist</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>13 (8%)</td>
<td>64 (40%)</td>
<td>77 (48%)</td>
</tr>
<tr>
<td>Indigenous African</td>
<td>12 (7%)</td>
<td>25 (16%)</td>
<td>37 (23%)</td>
</tr>
<tr>
<td>Afrikaans</td>
<td>4 (2%)</td>
<td>25 (16%)</td>
<td>29 (18%)</td>
</tr>
<tr>
<td>Other</td>
<td>7 (4%)</td>
<td>9 (6%)</td>
<td>16 (10%)</td>
</tr>
<tr>
<td>Missing information</td>
<td></td>
<td></td>
<td>2 (1%)</td>
</tr>
<tr>
<td>Total</td>
<td>36 (22%)</td>
<td>123 (76%)</td>
<td>161 (100%)</td>
</tr>
</tbody>
</table>

For English-speaking respondents, the individualist students (40%) were the majority over the collective students (8%). Amongst the Indigenous African-speaking respondents, there were more individualist (16%) than collectivist respondents (7%). For Afrikaans-speaking respondents, the number of individualist respondents (16%) were also higher than collectivist respondents (2%). Amongst the other language-speaking respondents, the individualist students (6%) were more than the collectivist students (4%).

(3) Cultural values by race

Table 5 demonstrates the cultural value orientations of the respondents in terms of their ethnic backgrounds (race).
Table 5: Cultural values by race

<table>
<thead>
<tr>
<th>Ethnicities (Race)</th>
<th>Collectivist</th>
<th>Individualist</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>17 (11%)</td>
<td>38 (24%)</td>
<td>55 (34%)</td>
</tr>
<tr>
<td>White</td>
<td>9 (6%)</td>
<td>58 (36%)</td>
<td>67 (42%)</td>
</tr>
<tr>
<td>Asian</td>
<td>9 (6%)</td>
<td>22 (14%)</td>
<td>31 (19%)</td>
</tr>
<tr>
<td>Coloured</td>
<td>1 (1%)</td>
<td>4 (2%)</td>
<td>5 (3%)</td>
</tr>
<tr>
<td>Missing information</td>
<td></td>
<td></td>
<td>3 (2%)</td>
</tr>
<tr>
<td>Total</td>
<td>36 (22%)</td>
<td>122 (76%)</td>
<td>161 (100%)</td>
</tr>
</tbody>
</table>

In the Blacks group, there were more individualist respondents (24%) than collectivist respondents (11%). For the White group, the majority of respondents were individualists (36%) as opposed to collectivists (6%). Within the Asian group, the respondents were more individualists (14%) than collectivists (6%), and for the Coloured group, the respondents were also more individualists (2%) than collectivists (1%).

(4) Cultural values by education levels

Table 6 demonstrates the cultural value orientations of the respondents in terms of their education levels.

Table 6: Cultural values by education levels

<table>
<thead>
<tr>
<th>Education Levels</th>
<th>Collectivist</th>
<th>Individualist</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than Matric</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Matric</td>
<td>1 (1%)</td>
<td>3 (2%)</td>
<td>4 (2%)</td>
</tr>
</tbody>
</table>

70
In terms of a Matric education level, there were more individualist respondents (2%) than collectivist respondents (1%). At a graduate education level, there were more collectivist respondents (24%) than individualist respondents (10%). For the post-graduate education level, the majority of respondents were individualist students (52%) over collectivist students (12%).

5.3 Validity and reliability scale to measure dependent variable

5.3.1 Reliability analysis results

Cronbach’s Alpha is a model of internal consistency, based on the average inter-item correlations. Blanche, Durrheim, & Painter (2006, p. 154) mentioned that as a rule of thumb, questionnaire-type scales with an alpha value of greater than 0.75 are considered reliable (internal consistent). A high Cronbach’s alpha coefficient (usually above 0.7) indicates fairly substantial reliability (Gibson, 2007, p. 272; Aydin & Ceylan, 2009, p. 163) and shows that the data collected is reliable. Asgari, Silong, Ahmad & Sama (2008, p. 146) mentioned that the result is highly reliable if the Cronbach’s Alpha value is between 0.7 and 0.98 and it should be ignored if the Cronbach Alpha is below 0.35. For this research, the overall Cronbach’s Alpha was 0.914 (see Table 7) indicating high reliability.

Table 7: Cronbach’s alpha analysis
5.3.2 Correlation analysis results

For a better understanding the relationships amongst the three dependent variables in this research, Pearson’s correlation coefficients were also computed in order to ascertain the strength of the relationships amongst the three dependent variables. Wegner (2007, p. 418) mentioned that Pearson’s correlation coefficient computes the correlation between two ratio-scaled (numeric) random variables. This was important as it also indicated whether there was a positive or negative relationship among the dependent variables measured. Table 8 below summarises the correlation coefficients of the three variables.

Table 8: The correlation coefficients of dependent variables
All the three dependent variables were positively and strongly correlated with each other. The highest correlation was between Appeal and Purchase with a correlation coefficient of 0.814. Note: The correlation coefficient between the sample variable is always 1 (in the diagonals of the table).

5.3.3 Means calculation of dependent variables

Both Table 9 and 10 show the detailed means calculation of three dependent variables.

Table 9: Means per dependent variable

<table>
<thead>
<tr>
<th>Culture</th>
<th>Collectivist</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liking</td>
<td>Related</td>
<td>High Involvement 3.50 .707</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low Involvement 2.38 1.506</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total        3.00 1.237</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-related  High Involvement 2.57 .535</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low Involvement 2.45 .820</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total        2.50 .707</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total        High Involvement 3.12 .781</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low Involvement 2.42 1.121</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total        2.75 1.025</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualistic</td>
<td>Related</td>
<td>High Involvement 3.33 1.021</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low Involvement 3.30 .883</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total        3.32 .947</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase</td>
<td>Collectivist</td>
<td>Related</td>
<td>High Involvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Low Involvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>2.67</td>
</tr>
<tr>
<td>Total High Involvement</td>
<td>2.48</td>
<td>1.052</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>2.78</td>
<td>1.077</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.93</td>
<td>1.099</td>
<td></td>
</tr>
<tr>
<td>Non-related High Involvement</td>
<td>2.22</td>
<td>1.070</td>
<td></td>
</tr>
<tr>
<td>Non-related Low Involvement</td>
<td>2.81</td>
<td>1.167</td>
<td></td>
</tr>
<tr>
<td>Non-related Total</td>
<td>2.48</td>
<td>1.143</td>
<td></td>
</tr>
<tr>
<td>Total High Involvement</td>
<td>2.77</td>
<td>1.179</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>3.08</td>
<td>1.039</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.93</td>
<td>1.120</td>
<td></td>
</tr>
<tr>
<td>Total Related High Involvement</td>
<td>3.37</td>
<td>.952</td>
<td></td>
</tr>
<tr>
<td>Total Related Low Involvement</td>
<td>3.25</td>
<td>1.016</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>3.25</td>
<td>1.016</td>
<td></td>
</tr>
<tr>
<td>Total Non-related High Involvement</td>
<td>2.27</td>
<td>.999</td>
<td></td>
</tr>
<tr>
<td>Total Non-related Low Involvement</td>
<td>2.70</td>
<td>1.077</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.49</td>
<td>1.052</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>2.85</td>
<td>1.112</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.89</td>
<td>1.099</td>
<td></td>
</tr>
<tr>
<td>Individualistic Related High Involvement</td>
<td>3.03</td>
<td>1.075</td>
<td></td>
</tr>
<tr>
<td>Individualistic Related Low Involvement</td>
<td>3.18</td>
<td>.950</td>
<td></td>
</tr>
<tr>
<td>Individualistic Total</td>
<td>3.11</td>
<td>1.010</td>
<td></td>
</tr>
<tr>
<td>Total High Involvement</td>
<td>2.49</td>
<td>1.174</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>3.05</td>
<td>1.057</td>
<td></td>
</tr>
<tr>
<td>Individualistic Total</td>
<td>2.76</td>
<td>1.150</td>
<td></td>
</tr>
<tr>
<td>Total Related</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>3.25</td>
<td>1.016</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>3.25</td>
<td>1.016</td>
<td></td>
</tr>
<tr>
<td>Total Non-related High Involvement</td>
<td>1.94</td>
<td>1.014</td>
<td></td>
</tr>
<tr>
<td>Total Non-related Low Involvement</td>
<td>2.88</td>
<td>1.177</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.36</td>
<td>1.180</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>2.85</td>
<td>1.112</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.89</td>
<td>1.099</td>
<td></td>
</tr>
<tr>
<td>Total Related High Involvement</td>
<td>3.05</td>
<td>1.045</td>
<td></td>
</tr>
<tr>
<td>Total Related Low Involvement</td>
<td>2.98</td>
<td>1.151</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>3.01</td>
<td>1.092</td>
<td></td>
</tr>
<tr>
<td>Total Non-related High Involvement</td>
<td>2.03</td>
<td>.959</td>
<td></td>
</tr>
<tr>
<td>Total Non-related Low Involvement</td>
<td>2.84</td>
<td>1.143</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.42</td>
<td>1.123</td>
<td></td>
</tr>
<tr>
<td>Total Low Involvement</td>
<td>2.56</td>
<td>1.123</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.73</td>
<td>1.142</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related High Involvement</td>
<td>3.10</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Related Low Involvement</td>
<td>2.13</td>
<td>1.553</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.67</td>
<td>1.328</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist High Involvement</td>
<td>2.43</td>
<td>.535</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Low Involvement</td>
<td>2.73</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.61</td>
<td>.916</td>
<td></td>
</tr>
<tr>
<td>Total Collectivist Total</td>
<td>2.64</td>
<td>1.125</td>
<td></td>
</tr>
<tr>
<td>Dependent Variable</td>
<td>Grand Mean</td>
<td>95% Confidence Interval</td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>------------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Error</td>
<td>Lower Bound</td>
</tr>
<tr>
<td><strong>Liking</strong></td>
<td>2.82</td>
<td>.097</td>
<td>2.63</td>
</tr>
<tr>
<td><strong>Purchase</strong></td>
<td>2.68</td>
<td>.102</td>
<td>2.48</td>
</tr>
<tr>
<td><strong>Appeal</strong></td>
<td>2.77</td>
<td>.108</td>
<td>2.56</td>
</tr>
</tbody>
</table>
5.3.4 Distribution of rating of dependent variables

Based on the above mentioned means calculation with regards to dependent variables, the box plot below (Figure 8) shows the distribution of the ratings for the three dependent variables. Most of the ratings were between 2 and 4 and the mean rating was approximately 3.

Figure 8: Box Plot of the Original Data for the Dependent Variables

5.4 Descriptive statistics of dependent and independent variable

In order to further understand the relationships between the three independent variables (i.e. cultural values, product category relatedness and product involvement levels) and the three
dependent variables (i.e. Liking, Purchase and Appeal), a series of plots were drawn to show marginal means which were calculated based on the below table.

Table 11: Aggregated mean scores of dependent variables

<table>
<thead>
<tr>
<th>Product Category Relatedness</th>
<th>Cultural Values</th>
<th>Collectivist</th>
<th>Individualistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related product (High)</td>
<td>2.87</td>
<td>3.31</td>
<td></td>
</tr>
<tr>
<td>Non Related product (Low)</td>
<td>2.48</td>
<td>2.41</td>
<td></td>
</tr>
<tr>
<td>Involvement product (High)</td>
<td>2.98</td>
<td>2.67</td>
<td></td>
</tr>
<tr>
<td>Non Involvement product (Low)</td>
<td>2.40</td>
<td>3.13</td>
<td></td>
</tr>
</tbody>
</table>

Table 12: Mean scores for involvement and relatedness

<table>
<thead>
<tr>
<th>Product Category Relatedness</th>
<th>Related product (High)</th>
<th>Non Related product (Low)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement product (High)</td>
<td>3.33</td>
<td>2.09</td>
</tr>
<tr>
<td>Non Involvement product (Low)</td>
<td>3.11</td>
<td>2.78</td>
</tr>
</tbody>
</table>

5.4.1 Marginal means by cultural values

(1) Marginal means of liking

Figure 9 shows that the marginal means of the Liking factor are at the lower level of Involvement. The profiles seem to show some interactions happening closer to the collectivist level, but the lines actually diverge as they approach the Individualistic level.
Figure 9: Marginal means of liking at low level of involvement

Figure 10: Marginal means of liking at high level of involvement

Figure 10 indicates that at the higher level of involvement, both high product category relatedness and low product category relatedness profiles seem to actually run parallel to each other.
(2) Marginal means of purchase

Figure 11 shows that both the related product category and the non-related product category do not meet each other, and meanwhile the related product category has higher mean values as compared to non-related level.

Figure 11: Marginal means of purchase at high level of involvement
Figure 12 indicates that the marginal means of the Purchase factor are at the low level of involvement. The profiles seemed to show some interactions happening closer to the individualist level, but separate and further away from the collectivist level.

Figure 12: Marginal means of purchase at low level of involvement

(3) Marginal means of appeal

Figure 13 shows that the profiles of product category relatedness tend to distribute parallel to each other, at the high level of involvement.

Figure 13: Marginal means of appeal at high level of involvement
Figure 14 indicates that the marginal means of Appeal is at a low level of involvement, and there are some interactions happening in the middle between collectivism and individualism, instead of tending to be closer at any one side of cultural values (i.e. collectivist and individualist).

Figure 14: Marginal means of appeal at low level of involvement
5.4.2 Marginal means by product category relatedness

Figures 15, 16 and 17 below demonstrate the marginal means distribution in terms of product category relatedness:

Figure 15: Marginal means of liking by relatedness

![Graph showing marginal means of liking by relatedness.](image)

Figure 15 showed that in terms of Liking, both individualist and collectivist respondents tend to diverge at the high level of product category relatedness, but tend to be much closer at the low level of product category relatedness.

Figure 16: Marginal means of purchase by relatedness
Figure 16 indicated that in terms of Purchase, both individualist and collectivist respondents tend to diverge at the high level of product category relatedness, but tend to cross and interact at the low level of product category relatedness.

Figure 17: Marginal means of appeal by relatedness
Figure 17 illustrated that in terms of Appeal, both individualist and collectivist respondents tend to diverge at the high level of product category relatedness, but tend to be closer at the low level of product category relatedness.

5.4.3 Marginal means by product involvement

Figures 18, 19 and 20 below demonstrate the marginal means distribution in terms of product involvement:

Figure 18: Marginal means of liking by involvement

![Estimated Marginal Means of Liking](image)

Figure 18 showed that in terms of liking, the marginal means of both individualist and collectivist respondents tend to cross with some interactions when approaching at the higher level of product involvement, but tend to diverge at the lower level of product involvement.

Figure 19: Marginal means of purchase by involvement
Figure 19 indicated that in terms of Purchase, the marginal means of both individualist and collectivist respondents tend to have some interactions happening at the higher level of product involvement, but tend to diverge at the lower level of product involvement.

Figure 20: Marginal means of appeal by involvement
Figure 20 illustrated that in terms of Appeal, the marginal means of both individualist and collectivist respondents tend to cross and interact at the high level of product involvement, but tend to separate and diverge at the low level of product involvement.

5.4.4 Marginal means by product category relatedness and involvement

Figures 21, 22 and 23 demonstrate the marginal means distribution in terms of both product involvement and product category relatedness.

Figure 21: Marginal means of liking by product involvement and relatedness

![Estimated Marginal Means of Liking](image)

Figure 21 showed that in terms of Liking, the marginal means of both high and low levels of product category relatedness tend to be much further away from each other at the lower level of product involvement, but tend to be much closer at the higher level of product involvement.

Figure 22: Marginal means of purchase by product involvement and relatedness

![Marginal Means of Purchase](image)
Figure 22 indicated that in terms of Purchase, the marginal means of both high and low levels of product category relatedness tend to diverge somewhere closer to the high level of product involvement, but tend to cross with interactions somewhere closer to the low level of product involvement.

Figure 23: Marginal means of appeal by product involvement and relatedness
Figure 23 illustrated that in terms of Appeal, the marginal means of both high and low levels of product category relatedness tend to diverge somewhere closer to the high level of product involvement, but tend to cross with interactions somewhere closer to the low level of involvement.

5.5 Hypothesis testing

5.5.1 Hypothesis 1 results

The null hypothesis (H$_1^0$) stated that there are no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values. The alternative hypothesis (H$_{1A}$) stated that there are interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

The significant values are the p-values for the four different multivariate tests, namely Pillai’s Trace, Wilks’ Lambda, Hotelling’s Trace and Roy’s Largest Root. These four different multivariate tests are normally used in MANOVA testing. Johnson and Wichern (1992, p. 269-271) gave an example of how to interpret these tests. If the significance values (p-values) are less than 5% level of significance, then there is a significant effect on the different variables. The MANOVA analysis result for hypothesis 1 is presented in the table below:
Table 13: MANOVA results of hypothesis 1

<table>
<thead>
<tr>
<th>Effects</th>
<th>Value</th>
<th>Significance (P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cultural values (collectivist and individualist)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pillai’s Trace</td>
<td>.020</td>
<td>.375</td>
</tr>
<tr>
<td>Wilks’ Lambda</td>
<td>.980</td>
<td>.375</td>
</tr>
<tr>
<td>2. Product category relatedness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotelling’s Trace</td>
<td>.021</td>
<td>.375</td>
</tr>
<tr>
<td>3. Product involvement level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roy’s Largest Root</td>
<td>.021</td>
<td>.375</td>
</tr>
</tbody>
</table>

Table 13 showed that as the P-value (0.375) is greater than the 5% level of significance (0.05), the null hypothesis (H1₀) is not rejected, which means there is no significant difference between the interaction factors. There are thus no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

5.5.2 Hypothesis 2 results

The null hypothesis (H2₀) stated that there are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values. The alternative hypothesis (H2ₐ) stated that there are interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.
The MANOVA analysis result for hypothesis 2 is presented in the table below:

Table 14: MANOVA results of hypothesis 2

<table>
<thead>
<tr>
<th>Effects</th>
<th>Value</th>
<th>Significance (P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cultural values (collectivist and individualist)</td>
<td>Pillai’s Trace</td>
<td>.018</td>
</tr>
<tr>
<td></td>
<td>Wilks’ Lambda</td>
<td>.982</td>
</tr>
<tr>
<td>2. Product category relatedness</td>
<td>Hotelling’s Trace</td>
<td>.018</td>
</tr>
<tr>
<td></td>
<td>Roy’s Largest Root</td>
<td>.018</td>
</tr>
</tbody>
</table>

Table 14 demonstrated that the P-value (0.433) is greater than the 5% level of significance (0.05), thus the null hypothesis ($H_2^0$) is not rejected, which means that there is no significant difference between interaction factors. Therefore, there are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

5.5.3 Hypothesis 3 results

The null hypothesis ($H_3^0$) stated that there are no interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values. The alternative hypothesis ($H_3^A$) stated that there are interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.
Table 15 presented the MANOVA analysis results for hypothesis 3 below:

Table 15: MANOVA results of hypothesis 3

<table>
<thead>
<tr>
<th>Effects</th>
<th>Multivariate Tests</th>
<th>Value</th>
<th>Significance (P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cultural values (collectivist and individualist)</td>
<td>Pillai’s Trace</td>
<td>.044</td>
<td>.080</td>
</tr>
<tr>
<td></td>
<td>Wilks’ Lambda</td>
<td>.956</td>
<td>.080</td>
</tr>
<tr>
<td></td>
<td>Hotelling’s Trace</td>
<td>.046</td>
<td>.080</td>
</tr>
<tr>
<td></td>
<td>Roy’s Largest Root</td>
<td>.046</td>
<td>.080</td>
</tr>
<tr>
<td>2. Product involvement level</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As Table 15 showed, the P-value (0.08) is greater than the 5% level of significance (0.05), hence the null hypothesis (H₃₀) is not rejected. This means that there is no significant difference between interaction factors, therefore there are no interaction effects between the levels of involvement associated with the product type and a consumer's cultural values.

5.5.4 Hypothesis 4 results

The null hypothesis (H₄₀) stated that there are no interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type. The alternative hypothesis (H₄ₐ) stated that there are interaction effects
between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

Table 16 illustrates the MANOVA analysis results for the hypothesis 4 below:

Table 16: MANOVA results of hypothesis 4

<table>
<thead>
<tr>
<th>Multivariate Tests</th>
<th>Value</th>
<th>Significance (P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.Product category relatedness</td>
<td>Pillai’s Trace</td>
<td>.085</td>
</tr>
<tr>
<td>2.Product involvement level</td>
<td>Wilks’ Lambda</td>
<td>.915</td>
</tr>
<tr>
<td></td>
<td>Hotelling’s Trace</td>
<td>.093</td>
</tr>
<tr>
<td></td>
<td>Roy’s Largest Root</td>
<td>.093</td>
</tr>
</tbody>
</table>

As per Table 16, the P-value (0.004) is less than the 5% level of significance (0.05), thus the null hypothesis \( (H_{30}) \) is rejected in favour of the alternative hypothesis \( (H_{4A}) \), which means that there is a significant difference between interaction factors. Therefore, there are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

5.5.5 Summary of results

The statistical analysis results of hypotheses are summarised in the table below:
Table 17: Summary of hypotheses results

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Reject or Do not reject</th>
<th>Conclusion Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>H$_{10}$</td>
<td>Do not reject</td>
<td>There are no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer's cultural values.</td>
</tr>
<tr>
<td>H$_{20}$</td>
<td>Do not reject</td>
<td>There are no interaction effects between the product category relatedness of a brand extension and a consumer's cultural values.</td>
</tr>
<tr>
<td>H$_{30}$</td>
<td>Do not reject</td>
<td>There are no interaction effects between the levels of involvement associated with the product type and a consumer's cultural values.</td>
</tr>
<tr>
<td>H$_{40}$</td>
<td>Reject</td>
<td>There are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.</td>
</tr>
</tbody>
</table>

5.6 Test of between subjects effects

Tests of between subjects effects are not the results of a MANOVA, but they are the results of separate univariate ANOVA that are done as a step down analysis after running MANOVA. Tests of between subjects effects are also helpful in further understanding the MANOVA results. Johnson and Wichern (1992, p. 268-271) and Wegner (2007, p. 388-395) discussed the theory behind the tests of between subjects effects and indicated that the R Squared values of above 0.8 show the model is explaining most of the variation, which means the model fits the data. If the p-values are less than 0.5, then the different null
hypotheses are rejected at the 5% level of significance, which means the factor is significant and important (Johnson & Wichern, 1992, p. 268-271; Wegner, 2007, p. 388-395).

Table 18: Tests of between subjects effects

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig. (P-value)</th>
<th>Observed Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Liking</td>
<td>8</td>
<td>171.17</td>
<td>166.1</td>
<td>.000</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>8</td>
<td>153.61</td>
<td>135.6</td>
<td>.000</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>8</td>
<td>179.12</td>
<td>141.0</td>
<td>.000</td>
<td>1.000</td>
</tr>
<tr>
<td>Cultural Values</td>
<td>Liking</td>
<td>1</td>
<td>.985</td>
<td>.956</td>
<td>.330</td>
<td>.163</td>
</tr>
<tr>
<td>(Collectivist and Individualist)</td>
<td>Purchase</td>
<td>1</td>
<td>.725</td>
<td>.640</td>
<td>.425</td>
<td>.125</td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>1</td>
<td>4.767</td>
<td>3.755</td>
<td>.055</td>
<td>.486</td>
</tr>
<tr>
<td>Product Category Relatedness</td>
<td>Liking</td>
<td>1</td>
<td>10.264</td>
<td>9.961</td>
<td>.002</td>
<td>.880</td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>1</td>
<td>3.614</td>
<td>3.193</td>
<td>.076</td>
<td>.427</td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>1</td>
<td>19.103</td>
<td>15.04</td>
<td>.000</td>
<td>.971</td>
</tr>
<tr>
<td>Product Involvement Level</td>
<td>Liking</td>
<td>1</td>
<td>.792</td>
<td>.769</td>
<td>.382</td>
<td>.140</td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>1</td>
<td>.303</td>
<td>.267</td>
<td>.606</td>
<td>.081</td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>1</td>
<td>.033</td>
<td>.026</td>
<td>.873</td>
<td>.053</td>
</tr>
<tr>
<td>Cultural values vs.</td>
<td>Liking</td>
<td>1</td>
<td>.983</td>
<td>.954</td>
<td>.330</td>
<td>.163</td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>1</td>
<td>2.962</td>
<td>2.616</td>
<td>.108</td>
<td>.362</td>
</tr>
</tbody>
</table>
As Table 18 demonstrated, all three dependent variables (i.e. Liking, Purchase and Appeal) are significant and important factors, and Product Category Relatedness has a significant

<table>
<thead>
<tr>
<th>Relatedness vs. Involvement</th>
<th>Relatedness vs. Involvement</th>
<th>Appeal</th>
<th>1.855</th>
<th>1</th>
<th>1.855</th>
<th>1.462</th>
<th>.229</th>
<th>.225</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Values vs. Involvement</td>
<td>Liking</td>
<td>5.503</td>
<td>1</td>
<td>5.503</td>
<td>5.341</td>
<td>.022</td>
<td>.632</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>5.348</td>
<td>1</td>
<td>5.348</td>
<td>4.724</td>
<td>.031</td>
<td>.579</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>7.997</td>
<td>1</td>
<td>7.997</td>
<td>6.299</td>
<td>.013</td>
<td>.703</td>
<td></td>
</tr>
<tr>
<td>Relatedness vs. Involvement</td>
<td>Liking</td>
<td>4.496</td>
<td>1</td>
<td>4.496</td>
<td>4.363</td>
<td>.038</td>
<td>.546</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>7.269</td>
<td>1</td>
<td>7.269</td>
<td>6.421</td>
<td>.012</td>
<td>.712</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>17.391</td>
<td>1</td>
<td>17.391</td>
<td>13.69</td>
<td>.000</td>
<td>.957</td>
<td></td>
</tr>
<tr>
<td>Cultural Values vs. Relatedness vs. Involvement</td>
<td>Liking</td>
<td>.257</td>
<td>1</td>
<td>.257</td>
<td>.249</td>
<td>.618</td>
<td>.079</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>.388</td>
<td>1</td>
<td>.388</td>
<td>.343</td>
<td>.559</td>
<td>.090</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>2.826</td>
<td>1</td>
<td>2.826</td>
<td>2.226</td>
<td>.138</td>
<td>.317</td>
<td></td>
</tr>
<tr>
<td>Error</td>
<td>Liking</td>
<td>156.627</td>
<td>15</td>
<td>2</td>
<td>1.030</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>172.079</td>
<td>15</td>
<td>2</td>
<td>1.132</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>192.973</td>
<td>15</td>
<td>2</td>
<td>1.270</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Liking</td>
<td>1526.000</td>
<td>16</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase</td>
<td>1401.000</td>
<td>16</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appeal</td>
<td>1626.000</td>
<td>16</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. R Squared = .897 (Adjusted R Squared = .892)
b. R Squared = .877 (Adjusted R Squared = .871)
c. R Squared = .881 (Adjusted R Squared = .875)
d. Computed using alpha = .05
effect on Liking and Appeal. It showed that both Cultural Values (i.e. Individualist and Collectivist) and Product Involvement Levels have a significant effect on all three dependent variables, which means that both cultural values and product involvement levels are important factors. It also illustrated that both Product Category Relatedness and Product Involvement Levels have a significant effect on all three dependent variables, hence the product category relatedness and the product involvement level are also important factors.
CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

Based on the results presented in the preceding chapter, this chapter discusses the implications of the results in terms of the hypotheses formulated in Chapter 3. Each discussion consists of a statement of whether or not the research hypothesis should or should not be rejected, a conclusion is drawn from each statement, and a justification for each conclusion is made. Finally, a summary of research hypothesis conclusions are also drawn.

6.2 Research hypothesis 1

The Null hypothesis (H$_{10}$) stated that there are no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values. The Alternative hypothesis (H$_{1A}$) stated that there are interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

The results show that the null hypothesis (H$_{10}$) is not rejected therefore the alternative hypothesis (H$_{1A}$) is, because the P-value 0.375 is greater than the 0.05 level of significance, which implies that the variables are statistically insignificant at the 5 % level (0.05). Thus a conclusion can be drawn that there are no interaction effects between the product category
relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer's cultural values.

Monga and John (2004) indicated that culture is also an important factor in understanding how consumers evaluate brand extensions. Moreover, they further found that cultural differences in styles of thinking may influence the way brand extensions are interpreted across cultures (Monga & John, 2007). Furthermore, Buil et al. (2009) suggested that a country’s culture has an influence on consumers’ evaluations of brand extensions. In addition, Barone (2005) pointed out that the categorisation theory has frequently been invoked in modelling the brand extension evaluation process. Although Maoz and Tybout (2002) argued that involvement moderates the relation between brand congruity and extension evaluation, research hypothesis 1 is not supported by the results and hence there is no interactive effect amongst cultural values, product category relatedness and product involvement. This result is inconsistent with the theories developed by Monga and John (2004, 2007), Buil et al. (2009), Maoz and Tybout (2002), and Barone (2005).

This outcome may be caused by the problem of the composition of the sample in this research, because firstly, the size of the sample is too small to show the full representativeness of the whole population in South Africa; secondly, the sample is comprised of far more collectivist respondents (78%) than individualist respondents (22%), which may lead to inaccurate results; and finally, the sample is only targeted at respondents with a high education level who tend to be more individualist oriented, which leads to an imbalance between individualist and collectivist respondents in the sample.
6.3 Research hypothesis 2

The null hypothesis ($H_{20}$) stated that there are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values. The alternative hypothesis ($H_{2A}$) stated that there are interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

The results indicate that the null hypothesis ($H_{20}$) is not rejected so the Alternative hypothesis ($H_{2A}$) is, because the P-value 0.433 is greater than the 0.05 level of significance, which means the variables are statistically insignificant at the 5 % level (0.05). Hence a conclusion can be drawn that there are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

Herr et al. (1996) found that many real-world extensions (as well as most branding strategies in general) rely more on conceptual relatedness than on physical similarity, and the notion of relatedness described here is expected to provide better predictions of consumer response to such extensions, thus relatedness is more inclusive than is similarity and “relatedness criteria” may be substituted for “similarity criteria”. Monga and John (2007) further pointed out that cultural differences in consumer responses to brand extensions, namely consumers from Eastern cultures are characterised by holistic thinking, perceive higher brand extension fit and evaluate brand extensions more favourably than consumers from Western cultures do, are characterised by analytic thinking, especially for extensions in product categories far from those associated with the parent brand. This indicates that cultural values and differences (i.e.
Eastern and Western cultures) have some positive relations with the level of product category relatedness.

However, the results do not support research hypothesis 2, and it seems there is no interactive effect between product category relatedness and cultural values. This is inconsistent with the theory related to cultural differences in brand extension evaluation established by Monga and John (2007). This outcome implies that individualist and collectivist respondents do not care about high or low levels of product category relatedness when they are evaluating brand extensions.

6.4 Research hypothesis 3

The null hypothesis (H3₀) stated that there are no interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values. The alternative hypothesis (H3ₐ) stated that there are interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.

The results demonstrate that the null hypothesis (H3₀) is not rejected so the alternative hypothesis (H3ₐ) is, because the P-value 0.08 is greater than the 0.05 level of significance, which indicates that there is no significant difference between the interaction variables at the 0.05 level of significance. Thus, a conclusion can be drawn that there are no interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.
Nkwocha et al. (2005) argued that brand extensions may not be equally successful across all product categories because consumers may evaluate products of various involvement levels in different ways, namely high product involvement situations process information differently from those in low product involvement situations. Maoz and Tybout (2002) further demonstrated that involvement moderates the relation between brand congruity and extension evaluation, because high involvement leads to elaborate thought and outcomes for brand extensions; by contrast, low involvement appears to encourage a more heuristic process of transferring the positive attitude toward the brand to only those extensions that are readily perceived to fit with it. In addition, Monga and John (2007) suggested that consumers from different cultures may vary in their evaluations of brand extensions. However, the results do not support research hypothesis 3, and there is no interactive effect between product involvement and cultural values. Thus the result of this research is inconsistent with Maoz and Tybout’s (2002) theory stating involvement moderates the relation between brand congruity and extension evaluation. This outcome implies that both individualist and collectivist respondents are not concerned about the level of product involvement when they are evaluating brand extensions.

6.5 Research hypothesis 4

The null hypothesis ($H_{40}$) stated that there are no interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type. The alternative hypothesis ($H_{4a}$) stated that there are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.
The results show that the null hypothesis ($H_{0}$) is rejected in favour of supporting the alternative hypothesis. The alternative hypothesis ($H_{A}$) is not rejected because the P-value 0.004 is less than the 0.05 level of significance, which implies that there is a significant difference between the interaction variables at the 5 % level (0.05). A conclusion can therefore be drawn that there are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

Brisoux and Cheron (1990) intended to test the relationship between the level of product involvement and the structure of brand categorisation, and found that the effects of product involvement on brand set size is not significant for evoked, reject, foggy and salient sets, however product involvement has a significant effect on awareness, trial and hold sets. This finding from the literature review in Chapter 2 indicates that there are some positive relationships between product involvement and product category relatedness. Thus the results support research hypothesis 4 that there are interaction effects between product category relatedness and product involvement, which is partly consistent with Brisoux and Cheron's (1990) theory relating to the effects of product involvement on brand categorisation. This outcome implies that the product category relatedness has certain positive relationships with the level of product involvement in the process of brand evaluations.

6.6. Other observations
There were some other interesting observations which should be noted in terms of the results of the descriptive analysis of the sample. These observations may reflect the new situation of cultural diversity in terms of demographic shifts in cultural values in South Africa.

Firstly, the majority of female respondents participating in this research tended to be individualists, which is inconsistent with Eaton and Louw’s (2000) research findings stating that women show collectivism at the level of individual relationships. In addition, particularly for the African Black group, it is interesting to note that the majority of both Black and Indigenous African-speaking respondents also tend to be individualists as well, which is inconsistent with Eaton and Louw’s (2000) assumptions that African (Black) language speaking groups are considered collectivists. This phenomenon indicates that the African Black individuals with higher education levels tend to be more individualist orientated. Furthermore, the results show the respondents with higher educational levels regardless of their cultural backgrounds tend to be more individualist orientated than collectivist oriented.

### 6.7 Summary of research hypothesis conclusions

Based on the above discussion, a summary of these conclusions from the research hypotheses can be drawn in the table below:

Table 19: Summary of research hypothesis conclusions
Conclusions

1. There are no interaction effects between the product category relatedness of a brand extension, the levels of involvement associated with the product type, and a consumer’s cultural values.

2. There are no interaction effects between the product category relatedness of a brand extension and a consumer’s cultural values.

3. There are no interaction effects between the levels of involvement associated with the product type and a consumer’s cultural values.

4. There are interaction effects between the product category relatedness of a brand extension and the levels of involvement associated with the product type.

Implications

Research hypothesis 1 is not supported hence there is no interactive effect amongst cultural values, product category relatedness and product involvement. This outcome may be caused by the problem of the composition of the sample.

Research hypothesis 2 is not supported, which means that whether respondents were individualist or collectivist, it does not concern the level of product category relatedness when they are evaluating brand extensions.

Research hypothesis 3 is not supported, which implies that both individualist and collectivist respondents do not concern the level of product involvement when they are evaluating brand extensions.

Research hypothesis 4 is supported, which implies that product category relatedness has something to do with product involvement in the process of brand evaluations.

The research results therefore indicate that cultural values do not play a role in evaluating brand extensions, and there is insufficient evidence to prove that individualists differ from collectivists in evaluating brand extensions. There are, however, some positive interaction effects between the product category relatedness and product involvement in the process of brand extension evaluations.
CHAPTER 7: RESEARCH CONCLUSION

7.1 Introduction

The main purpose of this research was to investigate the role of a consumer's cultural values plays in evaluating brand extensions. The research aims and objectives were met in the conduct of this research. This chapter summarises the major finding of the research, discusses both managerial and academic implications, indicates the research limitations, provides a guideline for the future research, and finally draws a conclusion.

7.2 Summary of research findings

This research tries to infer cultural differences in evaluating brand extensions in terms of individualism and collectivism under the conditions of product category relatedness (high and low) and product involvement level (high and low). Firstly, Monga and John (2007) found cultural differences in consumer responses to brand extensions, namely that consumers from Eastern cultures are characterised by holistic thinking, perceive higher brand extension fit and evaluate brand extensions more favourably than consumers from Western cultures do, who are characterised by analytic thinking, especially for extensions in product categories far from those associated with the parent brand. Moreover, Herr et al. (1996) mentioned the concept of intercategory relatedness - namely the strength of the association between the brand’s parent category and the target extension category, and argued that closely related product categories require less of a stretch than those that are distantly related, as relatedness is the degree of stretch required in extending a brand from one product category to another.
Furthermore, Nkwocha et al. (2005) argued that brand extensions may not be equally successful across all product categories because consumers may evaluate products of various involvement levels in different ways, namely high product involvement situations process information differently from those in low product involvement situations. Thus this research aimed to infer that there are some interactive relations between cultural values, product involvement, and product category in evaluating brand extensions, and formulated four research hypotheses accordingly.

The following major findings are that, firstly, there is no interaction effect between a consumer’s cultural values, the product category relatedness of a brand extension, and the level of involvement associated with the product type. Secondly, there is no interaction effect between a consumer’s cultural values and the product category relatedness of a brand extension. Thirdly, there is no interaction effect between a consumer’s cultural values and the level of involvement associated with the product type. Finally, this research finds that there are some positive interaction effects between the product category relatedness of a brand extension and the level of involvement associated with the product type.

7.3 Managerial implications

Brand extensions are a popular brand strategy for brand marketers to adopt when launching new products, as this strategy enables companies to leverage the equity associated with the parent brand, reducing the costs of new product introduction and potentially reducing the risk of new product failure (Buil et al., 2009). Particularly, brand marketers should care about the
factors of both product category relatedness and product involvement when launching a brand extension strategy.

From a managerial perspective, brand marketers should not worry about the cultural value issues in the South African context, but it is especially important for brand marketers to consider how to process the factors of product category relatedness and product involvement appropriately when applying a brand extension strategy. This research showed four extensions related to the level of product category relatedness and the level of product involvement (as shown in Table 15), facing the brand marketer when considering brand extensions. These four brand extension situations are: (1) High Product Category Relatedness versus High Product Involvement, (2) High Product Category Relatedness versus Low Product Involvement, (3) Low Product Category Relatedness versus High Product Involvement, and (4) Low Product Category Relatedness versus High Product involvement.

Figure 24: The four brand extension situations

<table>
<thead>
<tr>
<th>High product involvement</th>
<th>Low product involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>High product category relatedness</td>
<td>Brand extension situation 1</td>
</tr>
<tr>
<td>Low product category relatedness</td>
<td>Brand extension situation 3</td>
</tr>
</tbody>
</table>

In real marketing practice, it is usually easier and more favourable for brand marketers to use a brand extension strategy as per situations 1 and 2. It is more difficult and unfavourable
to apply a brand extension strategy in situations 3 and 4, because the associations between
the extended product category and the parent product category are too far for a consumer to
evaluate such a brand extension positively and favourably. Therefore, Brand marketers
should either try to stay with the related product category and avoid extensions into the high
level of product involvement when considering a brand extension, or plan carefully when
deciding to extend a brand into situations 3 and 4, with an effective marketing
communication strategy to overcome the differences between the parent category and the
extension category in a consumer’s mind.

7.4 Academic implications

The main contribution of this research is to find that there are certain significant and positive
interactive effects between product category relatedness and product involvement. The
research results highlight the importance of the factors of product category relatedness and
product involvement in the process of a consumer’s brand extension evaluations.

Nevertheless, the literature review of this research also finds a theoretical gap between
cultural values and brand extensions, as little research has been conducted in this respect,
particularly within the context of the cultural dimension of individualism and collectivism.
Although this research has not proven that a consumer’s cultural values pay a role in
evaluating brand extensions due to the unrepresentative sample composition, a series of
related theories have been developed and established through the literature review which
are intended to close this theoretical gap in academia, while Triandis’ scale was also applied
in conducting this research. Thus this research still provides a clue for future research in this
area, and should stimulate researchers to further explore the cultural differences between individualist and collectivist consumers in evaluating brand extensions.

7.5 Limitations

The limitations of this research can be described as follows:

Firstly, the research results are not fully representative of the population in South Africa, because the sampling was only limited to GIBS students and the sample size was relatively small, while the non-probability sampling method was also used. Thus the research results cannot be accurate due to the unrepresentative sample.

Secondly, although there are many dimensions of cultural values and differences, only one cultural dimension (i.e. individualism and collectivism) was tested in this research. As South Africa is more complex in cultural diversity, the research results cannot cover all the whole cultural diversity in South Africa.

Finally, the only one brand (Nike) was selected for testing research variables, hence the research results cannot be generalisable to other famous international brands or local brands.

7.6 Guidelines for future research

Thus in terms of the research limitations and results, future research should be conducted to as per the below:
Firstly, future research could be undertaken amongst more South African consumers. The composition of collectivist and individualist consumers should be well balanced in the sample, which would also be more representative of the population in South Africa.

Future research could also be conducted across a range of brands. Future research results would be more accurate by adding more well-known international and local brands into the research.

Future research could be undertaken involving more cultural dimensions such as masculinity-femininity, power distance and uncertainty avoidance. The future research would then explore more interesting and deeper insights related to cultural values from more angles.

Future research could be conducted to further explore how the factors of product category relatedness and product involvement affect brand extensions. The research results indicate significant interaction effects between these two variables, namely product category relatedness and product involvement, hence it would be worthwhile for future researchers to unearth additional academic findings in this area.

Finally, the research design adopted in this research may be used to extend future research to other countries which also have a cultural diversity.

7.7 Conclusion
Based on the above discussion, this research concludes that a consumer’s cultural values do not play a role in his or her evaluations of a brand extension and there is insufficient evidence proving that individualist consumers differ from collectivist consumers in evaluating brand extensions. There are, however, some positive interaction effects between the product category relatedness and product involvement in the process of a consumer’s evaluation of a brand extension.
REFERENCES


APPENDIX 1 QUESTIONNAIRE

Questionnaire 1

The purpose of this research is to learn more about how consumers think about brands. By completing this questionnaire you indicate that you are voluntarily participating in this research, and all information and data will remain anonymous and confidential. You can withdraw from this research at any time, if you have any queries, please contact the researcher Mr. Ken Chun at jinzhenqu@hotmail.com or my supervisor Dr. Nicola Kleyn at kleynn@gibs.co.za. Thank you for your time!

Section 1 Nike Sports Bicycle: Nike is investigating a new product concept – a Nike branded sports bicycle, please give your response to this concept below.

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Strongly disagree</td>
<td>Disagree</td>
<td>Neutral/Don't know</td>
<td>Agree</td>
</tr>
<tr>
<td>(1) I like this new offering</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) I would be interested in buying this new offering</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) If I were to buy a sports bicycle, this brand would appeal to me</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section 2 Scenarios: We would like to learn a little more about your response to the scenarios below, please select the option that most corresponds with your views by marking the relevant block with × .

1. You and your friends decided spontaneously to go out to dinner at a restaurant. What do you think is the best way to handle the bill?
   (1) Split it equally, without regard to who ordered what
   (2) Split it according to how much each person makes
   (3) The group leader pays the bill or decides how to split it
   (4) Calculate each person’s charge according to what that person ordered

2. You are buying a piece of art for your office. Which one factor is most important in deciding whether to buy it?
   (1) It is a good investment
   (2) Your co-workers will like it
3. Suppose you had to use one word to describe yourself. Which one would you use?

(1) Unique
(2) Competitive
(3) Cooperative
(4) Dutiful

4. Happiness is most likely to be attained by

(1) Gaining a lot of status in the community
(2) Linking with a lot of friendly people
(3) Keeping one’s privacy
(4) Winning in competitions

5. You are planning to take a major trip that is likely to inconvenience a lot of people at your place of work, during your absence. With whom will you discuss it, before deciding whether or not to take it?

(1) No one
(2) My parents
(3) My spouse or close friend
(4) Experts about the place I plan to travel to, so I can decide if I want to go

6. Which one of these four book titles appears to you to be the most interesting?

(1) How to make friends
(2) How to succeed in business
(3) How to enjoy yourself inexpensively
(4) How to make sure you are meeting your obligations

7. Which is the most important factor in an employee’s promotion, assuming that all other factors such as tenure and performance are equal? Employee is or has

(1) Loyal to the organisation
(2) Obedient to the instructions from management
(3) Able to think for him/herself
(4) Contributed to the organisation much in the past

8. When you buy clothing for a major social event, you would be most satisfied if

(1) You like it
(2) Your parents like it
(3) Your friends like it
(4) It is so elegant that it will dazzle everyone

9. In your opinion in an ideal national budgets will be determined so that

(1) All people have adequate incomes to meet basic needs
(2) Some people will be rewarded for making brilliant contributions
(3) There will be maximal stability, law, and order
(4) People can feel unique and self-actualised

10. When people ask me about myself, I

(1) Talk about my ancestors and their traditions
(2) Talk about my friends, and what we like to do
(3) Talk about my accomplishments
(4) Talk about what makes me unique

11. Suppose your fiancée and your parents do not get along very well. What would you do?

(1) Nothing
(2) Tell my fiancée that I need my parents’ financial support and he/she should learn to handle the politics
(3) Tell my fiancée that he/she should make a greater effort to “fit in with the family”
(4) Remind my fiancée that my parents and family are very important to me and he/she should submit to their wishes

12. Teams of five people entered a science project contest. Your team won first place and a prize of R1000. You and another person did 95% of the work on this project. How should the money be distributed?
(1) Split it equally, without regard to who did that
(2) The other person and I get 95% of the money and the rest goes to the group
(3) The group leader decides how to split the money
(4) Divide the money the way that gives me the most satisfaction

13. Imagine you are selecting a band for a fundraising event given by your organisation. Which are the most important factors in making your decision?
(1) I really like the band
(2) My friends approve of this band
(3) The administration of my organisation approves of the band
(4) The band will draw a large crowd

14. You need to choose one more class for next semester. Which one will you select?
(1) The one that will help me get ahead of everyone else
(2) The one my parents/advisors said to take
(3) The one my friends plan to take
(4) The one that seems most interesting to me

15. You are at a pizza restaurant with a group of friends. How should you decide what kind of pizza to order?
(1) The leader of the group orders for everyone
(2) I order what I like
(3) We select the pizza that most people prefer
(4) We order the most extravagant pizza available

16. Which candidate will you vote for in an election for Head of the Student Representative Committee?
(1) The one your friends are voting for
(2) The one I like best
(3) The one who will reward me personally
(4) The one who is a member of an organisation important to me, the status of the organisation will improve if that candidate is selected

Section 3 Demographic Information: Please tell us a little more about yourself.

1. Gender
(1) Male
(2) Female

2. Home Language
(1) English
(2) Indigenous African
(3) Afrikaans
(4) Other

3. Ethnic Background
4. Your highest completed level of education

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Less than Matric</td>
</tr>
<tr>
<td>(2)</td>
<td>Matric</td>
</tr>
<tr>
<td>(3)</td>
<td>Graduate</td>
</tr>
<tr>
<td>(4)</td>
<td>Post Graduate</td>
</tr>
</tbody>
</table>
Questionnaire 2

The purpose of this research is to learn more about how consumers think about brands. By completing this questionnaire you indicate that you are voluntarily participating in this research, and all information and data will remain anonymous and confidential. You can withdraw from this research at any time, if you have any queries, please contact the researcher Mr. Ken Chun at jinzhengu@hotmail.com or my supervisor Dr. Nicola Kleyn at kleynn@gibs.co.za. Thank you for your time!

Section 1 Nike Sports Drinks: Nike is investigating a new product concept – a Nike branded sports drink, please give your response to this concept below.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly disagree</td>
<td>Disagree</td>
<td>Neutral/Don't know</td>
<td>Agree</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

1. I like this new offering
2. I would be interested in buying this new offering
3. If I were to buy a sports drink, this brand would appeal to me

Section 2 Scenarios: We would like to learn a little more about your response to the scenarios below, please select the option that most corresponds with your views by marking the relevant block with ×.

17. You and your friends decided spontaneously to go out to dinner at a restaurant. What do you think is the best way to handle the bill?

(5) Split it equally, without regard to who ordered what
(6) Split it according to how much each person makes
(7) The group leader pays the bill or decides how to split it
(8) Calculate each person’s charge according to what that person ordered

18. You are buying a piece of art for your office. Which one factor is most important in deciding whether to buy it?

(5) It is a good investment
(6) Your co-workers will like it
(7) You just like it
(8) Your supervisor will approve of it
19. Suppose you had to use one word to describe yourself. Which one would you use?

(5) Unique
(6) Competitive
(7) Cooperative
(8) Dutiful

20. Happiness is most likely to be attained by

(5) Gaining a lot of status in the community
(6) Linking with a lot of friendly people
(7) Keeping one’s privacy
(8) Winning in competitions

21. You are planning to take a major trip that is likely to inconvenience a lot of people at your place of work, during your absence. With whom will you discuss it, before deciding whether or not to take it?

(5) No one
(6) My parents
(7) My spouse or close friend
(8) Experts about the place I plan to travel to, so I can decide if I want to go

22. Which one of these four book titles appears to you to be the most interesting?

(5) How to make friends
(6) How to succeed in business
(7) How to enjoy yourself inexpensively
(8) How to make sure you are meeting your obligations

23. Which is the most important factor in an employee’s promotion, assuming that all other factors such as tenure and performance are equal? Employee is or has

(5) Loyal to the organisation
(6) Obedient to the instructions from management
(7) Able to think for him/herself
(8) Contributed to the organisation much in the past

24. When you buy clothing for a major social event, you would be most satisfied if

(5) You like it
(6) Your parents like it
(7) Your friends like it
(8) It is so elegant that it will dazzle everyone

25. In your opinion in an ideal national budgets will be determined so that

(5) All people have adequate incomes to meet basic needs
(6) Some people will be rewarded for making brilliant contributions
(7) There will be maximal stability, law, and order
(8) People can feel unique and self-actualised

26. When people ask me about myself, I

(5) Talk about my ancestors and their traditions
(6) Talk about my friends, and what we like to do
(7) Talk about my accomplishments
(8) Talk about what makes me unique

27. Suppose your fiancée and your parents do not get along very well. What would you do?

(5) Nothing
(6) Tell my fiancée that I need my parents’ financial support and he/she should learn to handle the politics
(7) Tell my fiancée that he/she should make a greater effort to “fit in with the
28. Teams of five people entered a science project contest. Your team won first place and a prize of R1000. You and another person did 95% of the work on this project. How should the money be distributed?

(5) Split it equally, without regard to who did that
(6) The other person and I get 95% of the money and the rest goes to the group
(7) The group leader decides how to split the money
(8) Divide the money the way that gives me the most satisfaction

29. Imagine you are selecting a band for a fundraising event given by your organisation. Which are the most important factors in making your decision?

(5) I really like the band
(6) My friends approve of this brand
(7) The administration of my organisation approves of the brand
(8) The band will draw a large crowd

30. You need to choose one more class for next semester. Which one will you select?

(5) The one that will help me get ahead of everyone else
(6) The one my parents/advisors said to take
(7) The one my friends plan to take
(8) The one that seems most interesting to me

31. You are at a pizza restaurant with a group of friends. How should you decide what kind of pizza to order?

(5) The leader of the group orders for everyone
(6) I order what I like
(7) We select the pizza that most people prefer
(8) We order the most extravagant pizza available

32. Which candidate will you vote for in an election for Head of the Student Representative Committee?

(5) The one your friends are voting for
(6) The one I like best
(7) The one who will reward me personally
(8) The one who is a member of an organisation important to me, the status of the organisation will improve if that candidate is selected

Section 3Demographic Information: Please tell us a little more about yourself.

1. Gender
   (1) Male
   (2) Female

2. Home Language
   (1) English
   (2) Indigenous African
   (3) Afrikaans
   (4) Other

3. Ethnic Background
   (1) Black
4. Your highest completed level of education

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Less than Matric</td>
<td></td>
</tr>
<tr>
<td>(2) Matric</td>
<td></td>
</tr>
<tr>
<td>(3) Graduate</td>
<td></td>
</tr>
<tr>
<td>(4) Post Graduate</td>
<td></td>
</tr>
</tbody>
</table>
The purpose of this research is to learn more about how consumers think about brands. By completing this questionnaire you indicate that you are voluntarily participating in this research, and all information and data will remain anonymous and confidential. You can withdraw from this research at any time, if you have any queries, please contact the researcher Mr. Ken Chun at jinzhengu@hotmail.com or my supervisor Dr. Nicola Kleyn at kleynn@gibs.co.za. Thank you for your time!

Section 1 Nike Laptops: Nike is investigating a new product concept – a Nike branded laptop, please give your response to this concept below.

| (1) | I like this new offering |
| (2) | I would be interested in buying this new offering |
| (3) | If I were to buy a laptop, this brand would appeal to me |

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>Disagree</td>
<td>Neutral/Don’t know</td>
<td>Agree</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

Section 2 Scenarios: We would like to learn a little more about your response to the scenarios below, please select the option that most corresponds with your views by marking the relevant block with ×.

33. You and your friends decided spontaneously to go out to dinner at a restaurant. What do you think is the best way to handle the bill?

(9) Split it equally, without regard to who ordered what
(10) Split it according to how much each person makes
(11) The group leader pays the bill or decides how to split it
(12) Calculate each person’s charge according to what that person ordered

34. You are buying a piece of art for your office. Which one factor is most important in deciding whether to buy it?

(9) It is a good investment
(10) Your co-workers will like it
(11) You just like it
(12) Your supervisor will approve of it

35. Suppose you had to use one word to describe yourself. Which one would you use?
36. Happiness is most likely to be attained by
(9) Gaining a lot of status in the community
(10) Linking with a lot of friendly people
(11) Keeping one’s privacy
(12) Winning in competitions

37. You are planning to take a major trip that is likely to inconvenience a lot of people at your place of work, during your absence. With whom will you discuss it, before deciding whether or not to take it?
(9) No one
(10) My parents
(11) My spouse or close friend
(12) Experts about the place I plan to travel to, so I can decide if I want to go

38. Which one of these four book titles appears to you to be the most interesting?
(9) How to make friends
(10) How to succeed in business
(11) How to enjoy yourself inexpensively
(12) How to make sure you are meeting your obligations

39. Which is the most important factor in an employee’s promotion, assuming that all other factors such as tenure and performance are equal? Employee is or has
(9) Loyal to the organisation
(10) Obedient to the instructions from management
(11) Able to think for him/herself
(12) Contributed to the organisation much in the past

40. When you buy clothing for a major social event, you would be most satisfied if
(9) You like it
(10) Your parents like it
(11) Your friends like it
(12) It is so elegant that it will dazzle everyone

41. In your opinion in an ideal national budgets will be determined so that
(9) All people have adequate incomes to meet basic needs
(10) Some people will be rewarded for making brilliant contributions
(11) There will be maximal stability, law, and order
(12) People can feel unique and self-actualised

42. When people ask me about myself, I
(9) Talk about my ancestors and their traditions
(10) Talk about my friends, and what we like to do
(11) Talk about my accomplishments
(12) Talk about what makes me unique

43. Suppose your fiancée and your parents do not get along very well. What would you do?
(9) Nothing
(10) Tell my fiancée that I need my parents’ financial support and he/she should learn to handle the politics
(11) Tell my fiancée that he/she should make a greater effort to “fit in with the family”
(12) Remind my fiancée that my parents and family are very important to me and he/she should submit to their wishes

44. Teams of five people entered a science project contest. Your team won first place and a prize of R1000. You and another person did 95% of the work on this project. How should the money be distributed?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
<td>Split it equally, without regard to who did that</td>
</tr>
<tr>
<td>(10)</td>
<td>The other person and I get 95% of the money and the rest goes to the group</td>
</tr>
<tr>
<td>(11)</td>
<td>The group leader decides how to split the money</td>
</tr>
<tr>
<td>(12)</td>
<td>Divide the money the way that gives me the most satisfaction</td>
</tr>
</tbody>
</table>

45. Imagine you are selecting a band for a fundraising event given by your organisation. Which are the most important factors in making your decision?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
<td>I really like the band</td>
</tr>
<tr>
<td>(10)</td>
<td>My friends approve of this brand</td>
</tr>
<tr>
<td>(11)</td>
<td>The administration of my organisation approves of the brand</td>
</tr>
<tr>
<td>(12)</td>
<td>The band will draw a large crowd</td>
</tr>
</tbody>
</table>

46. You need to choose one more class for next semester. Which one will you select?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
<td>The one that will help me get ahead of everyone else</td>
</tr>
<tr>
<td>(10)</td>
<td>The one my parents/advisors said to take</td>
</tr>
<tr>
<td>(11)</td>
<td>The one my friends plan to take</td>
</tr>
<tr>
<td>(12)</td>
<td>The one that seems most interesting to me</td>
</tr>
</tbody>
</table>

47. You are at a pizza restaurant with a group of friends. How should you decide what kind of pizza to order?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
<td>The leader of the group orders for everyone</td>
</tr>
<tr>
<td>(10)</td>
<td>I order what I like</td>
</tr>
<tr>
<td>(11)</td>
<td>We select the pizza that most people prefer</td>
</tr>
<tr>
<td>(12)</td>
<td>We order the most extravagant pizza available</td>
</tr>
</tbody>
</table>

48. Which candidate will you vote for in an election for Head of the Student Representative Committee?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
<td>The one your friends are voting for</td>
</tr>
<tr>
<td>(10)</td>
<td>The one I like best</td>
</tr>
<tr>
<td>(11)</td>
<td>The one who will reward me personally</td>
</tr>
<tr>
<td>(12)</td>
<td>The one who is a member of an organisation important to me, the status of the organisation will improve if that candidate is selected</td>
</tr>
</tbody>
</table>

Section 3 Demographic Information: Please tell us a little more about yourself.

1. Gender
   |   |
|---|---|
| (1) Male |
| (2) Female |

2. Home Language
   |   |
|---|---|
| (1) English |
| (2) Indigenous African |
| (3) Afrikaans |
| (4) Other |

3. Ethnic Background
   |   |
|---|---|
| (1) Black |
| (2) White |
4. Your highest completed level of education

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Less than Matric</td>
<td></td>
</tr>
<tr>
<td>(2) Matric</td>
<td></td>
</tr>
<tr>
<td>(3) Graduate</td>
<td></td>
</tr>
<tr>
<td>(4) Post Graduate</td>
<td></td>
</tr>
</tbody>
</table>

(3) Coloured

(4) Asian
Questionnaire 4

The purpose of this research is to learn more about how consumers think about brands. By completing this questionnaire you indicate that you are voluntarily participating in this research, and all information and data will remain anonymous and confidential. You can withdraw from this research at any time, if you have any queries, please contact the researcher Mr. Ken Chun at jinzhengu@hotmail.com or my supervisor Dr. Nicola Kleyn at kleynn@gibs.co.za. Thank you for your time!

Section 1 Nike Chewing Gums: Nike is investigating a new product concept – a Nike branded chewing gum, please give your response to this concept below.

<table>
<thead>
<tr>
<th></th>
<th>1: Strongly disagree</th>
<th>2: Disagree</th>
<th>3: Neutral/Don't know</th>
<th>4: Agree</th>
<th>5: Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I like this new offering</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>I would be interested in buying this new offering</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>If I were to buy a chewing gum, this brand would appeal to me</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section 2 Scenarios: We would like to learn a little more about your response to the scenarios below, please select the option that most corresponds with your views by marking the relevant block with ×.

49. You and your friends decided spontaneously to go out to dinner at a restaurant. What do you think is the best way to handle the bill?

   (13) Split it equally, without regard to who ordered what
   (14) Split it according to how much each person makes
   (15) The group leader pays the bill or decides how to split it
   (16) Calculate each person’s charge according to what that person ordered

50. You are buying a piece of art for your office. Which one factor is most important in deciding whether to buy it?

   (13) It is a good investment
   (14) Your co-workers will like it
   (15) You just like it
   (16) Your supervisor will approve of it
51. Suppose you had to use one word to describe yourself. Which one would you use?
   (13) Unique
   (14) Competitive
   (15) Cooperative
   (16) Dutiful

52. Happiness is most likely to be attained by
   (13) Gaining a lot of status in the community
   (14) Linking with a lot of friendly people
   (15) Keeping one’s privacy
   (16) Winning in competitions

53. You are planning to take a major trip that is likely to inconvenience a lot of people at your place of work, during your absence. With whom will you discuss it, before deciding whether or not to take it?
   (13) No one
   (14) My parents
   (15) My spouse or close friend
   (16) Experts about the place I plan to travel to, so I can decide if I want to go

54. Which one of these four book titles appears to you to be the most interesting?
   (13) How to make friends
   (14) How to succeed in business
   (15) How to enjoy yourself inexpensively
   (16) How to make sure you are meeting your obligations

55. Which is the most important factor in an employee’s promotion, assuming that all other factors such as tenure and performance are equal? Employee is or has
   (13) Loyal to the organisation
   (14) Obedient to the instructions from management
   (15) Able to think for him/herself
   (16) Contributed to the organisation much in the past

56. When you buy clothing for a major social event, you would be most satisfied if
   (13) You like it
   (14) Your parents like it
   (15) Your friends like it
   (16) It is so elegant that it will dazzle everyone

57. In your opinion in an ideal national budgets will be determined so that
   (13) All people have adequate incomes to meet basic needs
   (14) Some people will be rewarded for making brilliant contributions
   (15) There will be maximal stability, law, and order
   (16) People can feel unique and self-actualised

58. When people ask me about myself, I
   (13) Talk about my ancestors and their traditions
   (14) Talk about my friends, and what we like to do
   (15) Talk about my accomplishments
   (16) Talk about what makes me unique

59. Suppose your fiancée and your parents do not get along very well. What would you do?
   (13) Nothing
   (14) Tell my fiancée that I need my parents’ financial support and he/she should learn to handle the politics
   (15) Tell my fiancée that he/she should make a greater effort to “fit in with the
60. Teams of five people entered a science project contest. Your team won first place and a prize of R1000. You and another person did 95% of the work on this project. How should the money be distributed?

- Split it equally, without regard to who did that
- The other person and I get 95% of the money and the rest goes to the group
- The group leader decides how to split the money
- Divide the money the way that gives me the most satisfaction

61. Imagine you are selecting a band for a fundraising event given by your organisation. Which are the most important factors in making your decision?

- I really like the band
- My friends approve of this band
- The administration of my organisation approves of the band
- The band will draw a large crowd

62. You need to choose one more class for next semester. Which one will you select?

- The one that will help me get ahead of everyone else
- The one my parents/advisors said to take
- The one my friends plan to take
- The one that seems most interesting to me

63. You are at a pizza restaurant with a group of friends. How should you decide what kind of pizza to order?

- The leader of the group orders for everyone
- I order what I like
- We select the pizza that most people prefer
- We order the most extravagant pizza available

64. Which candidate will you vote for in an election for Head of the Student Representative Committee?

- The one your friends are voting for
- The one I like best
- The one who will reward me personally
- The one who is a member of an organisation important to me, the status of the organisation will improve if that candidate is selected

**Section 3: Demographic Information:** Please tell us a little more about yourself.

1. Gender

   - Male
   - Female

2. Home Language

   - English
   - Indigenous African
   - Afrikaans
   - Other

3. Ethnic Background

   - Black
   - Other
4. Your highest completed level of education

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Less than Matric</td>
<td></td>
</tr>
<tr>
<td>(2) Matric</td>
<td></td>
</tr>
<tr>
<td>(3) Graduate</td>
<td></td>
</tr>
<tr>
<td>(4) Post Graduate</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 2 CODING OF CULTURAL VALUE

Coding of Horizontal (H) and Vertical (V) Individualism (I) and Collectivism (C)

1. You and your friends decided spontaneously to go out to dinner at a restaurant. What do you think is the best way to handle the bill?

(17) Split it equally, without regard to who ordered what  HC
(18) Split it according to how much each person makes  VI
(19) The group leader pays the bill or decides how to split it  VC
(20) Calculate each person’s charge according to what that person ordered  HI

2. You are buying a piece of art for your office. Which one factor is most important in deciding whether to buy it?

(17) It is a good investment  VI
(18) Your co-workers will like it  HC
(19) You just like it  HI
(20) Your supervisor will approve of it  VC

3. Suppose you had to use one word to describe yourself. Which one would you use?

(17) Unique  HI
(18) Competitive  VI
(19) Cooperative  HC
(20) Dutiful  VC

4. Happiness is most likely to be attained by

(17) Gaining a lot of status in the community  VC
(18) Linking with a lot of friendly people  HC
(19) Keeping one’s privacy  HI
(20) Winning in competitions  VI

5. You are planning to take a major trip that is likely to inconvenience a lot of people at your place of work, during your absence. With whom will you discuss it, before deciding whether or not to take it?

(17) No one  HI
(18) My parents  VC
(19) My spouse or close friend  HC
(20) Experts about the place I plan to travel to, so I can decide if I want to go  VI

6. Which one of these four book titles appears to you to be the most interesting?

(17) How to make friends  HC
(18) How to succeed in business  VI
(19) How to enjoy yourself inexpensively  HI
(20) How to make sure you are meeting your obligations  VC

7. Which is the most important factor in an employee’s promotion, assuming that all other factors such as tenure and performance are equal? Employee is or has

(17) Loyal to the organisation  HC
(18) Obedient to the instructions from management  VC
(19) Able to think for him/herself  HI
(20) Contributed to the organisation much in the past  VI

8. When you buy clothing for a major social event, you would be most satisfied if

(17) You like it  HI
(18) Your parents like it  VC
(19) Your friends like it  HC
9. **In your opinion in an ideal national budget will be determined so that**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) All people have adequate incomes to meet basic needs</td>
<td>HC</td>
</tr>
<tr>
<td>(18) Some people will be rewarded for making brilliant contributions</td>
<td>VI</td>
</tr>
<tr>
<td>(19) There will be maximal stability, law, and order</td>
<td>VC</td>
</tr>
<tr>
<td>(20) People can feel unique and self-actualised</td>
<td>HI</td>
</tr>
</tbody>
</table>

10. **When people ask me about myself, I**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) Talk about my ancestors and their traditions</td>
<td>VC</td>
</tr>
<tr>
<td>(18) Talk about my friends, and what we like to do</td>
<td>HC</td>
</tr>
<tr>
<td>(19) Talk about my accomplishments</td>
<td>VI</td>
</tr>
<tr>
<td>(20) Talk about what makes me unique</td>
<td>HI</td>
</tr>
</tbody>
</table>

11. **Suppose your fiancée and your parents do not get along very well. What would you do?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) Nothing</td>
<td>HI</td>
</tr>
<tr>
<td>(18) Tell my fiancée that I need my parents’ financial support and he/she should learn to handle the politics</td>
<td>VI</td>
</tr>
<tr>
<td>(19) Tell my fiancée that he/she should make a greater effort to “fit in with the family”</td>
<td>HC</td>
</tr>
<tr>
<td>(20) Remind my fiancée that my parents and family are very important to me and he/she should submit to their wishes</td>
<td>VC</td>
</tr>
</tbody>
</table>

12. **Teams of five people entered a science project contest. Your team won first place and a prize of R1000. You and another person did 95% of the work on this project. How should money be distributed?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) Split it equally, without regard to who did that</td>
<td>HC</td>
</tr>
<tr>
<td>(18) The other person and I get 95% of the money and the rest goes to the group</td>
<td>VI</td>
</tr>
<tr>
<td>(19) The group leader decides how to split the money</td>
<td>VC</td>
</tr>
<tr>
<td>(20) Divide the money the way that gives me the most satisfaction</td>
<td>HI</td>
</tr>
</tbody>
</table>

13. **Imagine you are selecting a band for a fundraising event given by your organisation. Which are the most important factors in making your decision?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) I really like the band</td>
<td>HI</td>
</tr>
<tr>
<td>(18) My friends approve of this brand</td>
<td>HC</td>
</tr>
<tr>
<td>(19) The administration of my organisation approves of the brand</td>
<td>VC</td>
</tr>
<tr>
<td>(20) The band will draw a large crowd</td>
<td>VI</td>
</tr>
</tbody>
</table>

14. **You need to choose one more class for next semester. Which one will you select?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) The one that will help me get ahead of everyone else</td>
<td>VI</td>
</tr>
<tr>
<td>(18) The one my parents/advisors said to take</td>
<td>VC</td>
</tr>
<tr>
<td>(19) The one my friends plan to take</td>
<td>HC</td>
</tr>
<tr>
<td>(20) The one that seems most interesting to me</td>
<td>HI</td>
</tr>
</tbody>
</table>

15. **You are at a pizza restaurant with a group of friends. How should you decide what kind of pizza to order?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) The leader of the group orders for everyone</td>
<td>VC</td>
</tr>
<tr>
<td>(18) I order what I like</td>
<td>HI</td>
</tr>
<tr>
<td>(19) We select the pizza that most people prefer</td>
<td>HC</td>
</tr>
<tr>
<td>(20) We order the most extravagant pizza available</td>
<td>VI</td>
</tr>
</tbody>
</table>

16. **Which candidate will you vote for in an election for Head of the Student Representative Committee?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(17) The one your friends are voting for</td>
<td>HC</td>
</tr>
<tr>
<td>(18) The one I like</td>
<td>HI</td>
</tr>
<tr>
<td>(19) The one who will reward me personally</td>
<td>VI</td>
</tr>
<tr>
<td>(20) The one who is a member of an organisation important to me, the status of the organisation will improve if that candidate is selected</td>
<td>VC</td>
</tr>
</tbody>
</table>