The Effect of Brand Extension Strategies upon Brand Image in the Sport Apparel Market

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Abstract

Nowadays, for the most manufacturing firms operating in competitive markets, the consumer's image of their brand is particularly important. One of the strategies by which companies influence the customers' image of their brand is the brand extension strategy. This study seeks to determine the effect of brand extension strategies upon brand image in the sport apparel market among the physical education students of Isfahan University and Khorasgan Azad University. In this research, by using two pre-tests, the right brands and products were chosen to be studied. Then the tests were carried out on two brands and two products. Such variables as, the consumer's initial brand image (before brand extension), perceived fit between the extended product and other products of the brand and consumer's attitude to extension were analyzed as possible variables affecting the quality of brand image in the sport apparel market. In this study, for collecting data a questionnaire was used. The samples were selected randomly. Also, SPSS and Amos software were used to analyze data and test hypotheses. The results indicate that the brand image quality after implementing the brand extension strategy has been influenced by initial brand image, perceived fit between the new product and other products of the brand and consumers attitude to extension. Also, the influence of consumer innovativeness as a factor which moderates the relationship of perceived fit between the new product and other products of the brand with consumer's attitude to extension has been not approved.

Keywords: brand, brand extension strategy, brand image

Introduction

Today, many products of one category are not significantly different from each other, but it is brands which cause important distinctions and the preference for one product over the other. These differences are so important that nowadays many market leaders view their brand as a means to create competitive advantages (Mohammadian & Ronaghi, 2010).
Although brands are given meaning by a product, they are not products themselves. Brand is the product's meaning (Kapferer, 2006). The American Marketing Association defines a brand as a name, word or phrase, mark, sign, symbol, design or a combination of them its purpose is to introduce a product or service which a seller or group of sellers offer in order to distinguish them from the products of competing firms. In fact, a brand represents a seller or manufacturer's product (Kotler & Armstrong, 2009). One common strategy which companies use to select a brand for their products is the brand extension strategy. Brand extension is defined as using a successful current brand for the introduction of new categories of products (Arslan & Altuna, 2010: 171). This strategy is not without risk and is not suitable for all brands, besides, it may affect adversely the image of extended brand (Martinez & Pina, 2003). Though new product associations may be positive, a negative association may also arise and unfavorably influence the consumer's attitude to extension and brand image (Katzanis & Pitta, 1995; Chen & Chen, 2000). Meanwhile, one of the most important duties of a brand manager is to create a favorable image of the brand. Brand image is a feeling about a brand as the brand associations are reflected in consumer's memory (Keller, 1993: 3). In addition, brand image may be improved through the use of brand extension strategy. The literature acknowledges that the negative effects of brand extension also are feasible (Martinez & Pina, 2009). These negative effects consist of, fading of the extended brand and sales split among a firm's products (The Economist, 1990). This study has evaluated the effect of brand extension strategies upon brand image among the physical education students of Isfahan University and Khorasgan Azad University.

**A Review of the theoretical literature**

**Brand**

Determining a name and ID for a product is an important process which is considered when designing a product's strategies. Manufacturing companies eventually come to know that their brand is a power source obtained from the market (Kotler, 2008). The American Marketing Association defines a brand as a name, word or phrase, mark, sign, symbol, design or a combination of them its purpose is to introduce a product or service which a seller or group of sellers offer in order to distinguish them from the products of competing firms (Kotler & Armstrong, 2009). One strategy in developing a brand is brand extension strategy. By brand extension it means that a successful current brand is used for a new product. It means that the company by using its current brand offers new products in other categories (Arslan & Altuna, 2010: 171). Consumer's awareness of the extended brand can reduce his/her hesitancy and uncertainty about shopping and product testing (Dawar, 1996). Therefore, the brand extension strategy is now being used by many companies and we have seen many successes and failures in companies implementing and adopting this strategy.
Brand Image

Brand image is a simple perceptual phenomenon which is influenced by the company's activities. Professor Kevin Keller, a leading scholar and theorist in the field of brand management, defines brand image as the consumer's perception of brand which is reflected in memory by the current brand associations. A positive brand image reduces the consumer's perceived risk about the brand and increases the level of consumer's satisfaction and loyalty. Similarly, a brand which has a good image in the consumer's mind will facilitate the process of determining the product's line, because a strong and positive brand image is easier to be carved in the consumer's mind (Mohammadian & Ronaghi, 2010). In fact, a brand's value is obtained from a general brand image which is perceived by individual consumer through associations (Michell et al., 2001). Therefore, insistence on a positive image based on core values and other values which distinguish one brand should be a top priority for any company (Sang-Lin & Hyung, 2008 and Aaker, 1997). While the brand image might be improved through the use of brand extension strategy, product naming literature acknowledges that negative effects of brand extension also are possible (Loken & John, 1993 and John et al., 1998). These negative effects consist of, fading of the extended brand and sales split among a firm's products (The Economist, 1990). Based on what was mentioned, it is possible that brand extension leaves both positive and negative effects on brand position and offers a vague image of the brand concept and customers' image of the brand (Vazife dust et al., 2009). In this regard, there are factors which influence the brand extension strategy's relationship with brand image. These factors including, initial brand image (before extension), perceived fit between the new product and other products of the brand and consumer attitude toward extension. These factors have been evaluated in the following.

Consumer Attitude To Extension Or New Product With Extended Brand

There are two main reasons for paying special attention to consumers' attitude. First, consumers' evaluation is very important because researchers believe that consumer attitude is the main factor in successful implementation of brand extension and brand success (Boush & Loken, 1991: 19). Furthermore, consumers' attitude to extension is a necessity to establish brand equity (Pitta, & Katsanis, 1995: 54). In literature, attitude is defined as a cognitive state which is reflected in many aspects and makes the consumer give preference to one product or brand. In other words, consumer attitude to new product and extended brand is made by consumers' perception of extended brand and the possibility of buying a new product with that brand (Wilkie, 1994: 281). Consumer attitude to extension is influenced by such variables as initial brand image and perceived fit between a brand and its products and the new product with extended brand (Martinez and Pina, 2009) which are discussed in following.
Initial Brand Image (Before Brand Extension)

Brand extension based on its assets (such as consumers' awareness and favorable image) is more likely to be successful (Zhang & Sood, 2002: 131 and Maoz & Tybout, 2002: 121 and Klink & Smith, 2001: 328). Consumers' attitude to extension is better for those brands related to high quality standards (Van Riel et al, 2001, Völckner & Sattler, 2006), reputation (Hem et al, 2003), prestige (Park et al, 2001) or affection (Sheinin & Schmitt, 1996). In the field of products and services, consumer's positive image of the brand generates favorable perceptions of the new product with extended brand (Brown & Dacin, 1997, Deruyter, k. wetzels, 2000).

Perceived Fit Between A Brand's Products And The New Product With Extended Brand

According to the widespread acceptance and use of brand extension strategies, researchers have examined the reasons for its acceptance by consumers. Most researchers believe that the perceived fit between the new product and brand is the main factor in the success of this strategy (Lau & Phau, 2007: 431). If the consumers feel that there is some degree of consistency between the brand and the new product, that product is more likely to be accepted (Lahiri, I. & Gupta, A, 2005: 29). According to Keller and Aaker (1990) perceived fit is the consumer's perception of the new product's fit or consistency with initial brand. In researches related to the brand extension, fit is referred to, based on several aspects, as product similarity and brand concept consistency (Park et al, 1991: 188) as well as fit between brand image and new product. The results of studies on consumer attitude toward new product indicated that if there is more fitness (congruency) between extended product and initial brand, new product's evaluation will be more favorable. In other words, products with poor fitness lead to dilute consumers' attitude toward the new product and brand (Lahiri, I. Gupta, A, 2005). "Similarity" or category fit is the most important aspect of fitness which is referred to in most researches (Bhat & Reddy, 1997). "Similarity" is defined as resemblance between current and new product groups in terms of features, characteristics or benefits (Boush & Loken, 1991: 20). Studies related to the consumers have shown, when similarity between current and new product is more the transfer probability of the positive and negative beliefs to new product will be higher. By increasing similarity between current and new products, success and the transfer of positive attitude from the initial brand to the new product is more likely (Martinez & Pina, 2005: 266 and Völckner & Sattler, 2006: 154). Recent studies have led to the identification of some moderating variables which influence the acceptance of fit. These variables including communication strategy (Lane, 2000: 84); number of the products related to brand; perceived price and quality of the new product and consumer innovativeness (Martinez & Pina, 2009). Seeking novel and newfangled things by consumer depends on individuals' innovativeness. According to Rogers (1995), innovative people enjoy buying new products, have little faith to social norms and are self-confident and courageous. These personal characteristics lead to a better attitude toward the new product/service with current brand (Völckner & Sattler, 2006, Ham et al, 2003, Siu et al, 2004). Some anthers believe that innovators are more risk
prone (Klink & Smith, 2001; Ham et al, 2003) and, consequently, more receptive to new ideas and categories of products/services related to the brand. Klink and Smith (2001), have suggested that the impact of perceived fit on attitude to extension is lower among innovative consumers who are more likely to buy extended products unrelated to the current brand. According to the theoretical literature, the hypotheses of this research are:

H1 - Initial brand image influences perceived fit between the extended product and other products of the brand in the sport apparel market.

H2 - Initial brand image influences consumer attitude toward the extended product in the sport apparel market.

H3 - Initial brand image influences final brand image in the sport apparel market.

H4 - Perceived fit between the extended product and other products of the market (brand) influences final brand image in the sport apparel market.

H5 - Perceived fit between the extended product and other products of the market influences consumer attitude to extension in the sport apparel market.

H6 - Consumer attitude to extension influences final brand image in the sport apparel market.

H7 - Consumer innovativeness influences the relationship of perceived fit between the new product and other products of the brand with consumer attitude to extension in the sport apparel market.

Considering available theoretical literature in the study and mentioned hypotheses, the conceptual model of this research is shown in figure 1.
Research Methodology

Research Population and Sample

This research, from the viewpoints of practical purposes and methods of data collection is a descriptive survey research. The research's statistical population is physical education students of Isfahan University and Khorasgan Azad University. The total number of students was 1070 and sample's size was estimated 150 subjects. To select relevant brands and products for this study, two pre-tests were performed and in each pre-test 50 subjects (participants) were studied. Finally, two brands and from each brand two products, one having high fit and the other low fit, were selected. For data collection, based on the subject's literature, four similar questionnaires were designed for each brand and product. 150 questionnaires from each one (i.e. 600 questionnaires) were distributed randomly among the students in two universities. The questionnaires used in this study had two parts. The first part included demographic variables such as gender, age and educational level and the second part was devoted to measure this research's considered variables. Rating scale for each question was prepared based on a score of 1 to 5 that is from very agreeing to strongly disagree.

Research Variables Measurement

Content validity of this questionnaire was approved by Isfahan University authorities and professors. Cronbach's alpha was used to determine the reliability of the test. For this purpose, an initial sample of 50 questionnaires was distributed. By using obtained data, Cronbach's alpha was calculated. Cronbach's alpha for all the questions related to the variables in the research analytical model was calculated as 0.937% which is acceptable. Criteria used in evaluating research variables are shown in Table 1.

Table 1: criteria used in evaluating research variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Dimensions</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer innovativeness</td>
<td>Pleasure seeking innovativeness&lt;br&gt;Social innovativeness</td>
<td>Roehrich (1995)</td>
</tr>
</tbody>
</table>


**Results**

**Results Obtained From Pre-Tests 1 And 2**

The purpose of the first question in the first pre-test was to determine familiar and appropriate brands for the research. Four brands: Nike, Puma, adidas and reebok had a higher intermediate mean. Therefore, these four brands were good candidates to be chosen. The purpose of the second question in the first pre-test was to determine suitable brands for the research; brands which are not only familiar for people but also be different in image quality. Three brands of Nike, Puma and adidas were close to each other in average but reebok, with a lower mean was different from other brands. Thus, Nike was selected as a familiar brand with a favorable brand image and reebok as a familiar brand but with a lower brand image. The second pre-test aims to determine suitable products for the research. Jeans has the highest average (4.88) among the products and laptop computers have the lowest mean (1.93). Therefore, Jeans as a product which is very similar to Nike brand and laptop as a product which has very few similarities with Nike brand and its product were selected. Also, in terms of fitness, Jeans has the highest mean (4.88) among the products and laptop has the lowest mean of 1.93. Therefore, Jeans as a product which is very similar to reebok brand and laptop as a product which has very few similarities with reebok brand and its products were selected. Paired T-test was used to compare the mean of initial and final brand image and see what changes have occurred in brand image. The results are shown in Table 2:

**Table 2**: Comparison of the means related to the first and final image brand and paired T-test in each questionnaire

<table>
<thead>
<tr>
<th>questionnaire</th>
<th>n</th>
<th>Image1</th>
<th>Image2</th>
<th>t</th>
<th>Mean Difference</th>
<th>p</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nike and extension to jeans</td>
<td>150</td>
<td>4.04</td>
<td>3.96</td>
<td>1.778</td>
<td>0.081</td>
<td>0.077</td>
<td></td>
</tr>
<tr>
<td>Nike and extension to laptop</td>
<td>150</td>
<td>3.97</td>
<td>3.54</td>
<td>7.096</td>
<td>0.435</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Reebok and extension to jeans</td>
<td>150</td>
<td>3.68</td>
<td>3.70</td>
<td>-0.646</td>
<td>-0.026</td>
<td>0.519</td>
<td></td>
</tr>
<tr>
<td>Reebok &amp; extension to laptop</td>
<td>150</td>
<td>3.72</td>
<td>3.22</td>
<td>9.425</td>
<td>0.493</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Nike</td>
<td>300</td>
<td>4.01</td>
<td>3.75</td>
<td>6.525</td>
<td>0.258</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Reebok</td>
<td>300</td>
<td>3.70</td>
<td>3.46</td>
<td>0.233</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
According to the above table, Nike and Reebok brand image in extension to jeans have not significantly changed because test's Sig is greater than 0.05. But Nike and Reebok brand image in extension to laptop have significantly changed since test's Sig is less than 0.05. Generally, in brand extension strategy, Nike and Reebok brand image have significantly reduced because Sig is less than 0.05.

Analytical Findings Of The Research Conceptual Model

In the first step, measurement models get fitted. Models' fit indexes are listed in Table 3:

Table 3: overall indexes of fit in measurement models

<table>
<thead>
<tr>
<th>Variables Indexes</th>
<th>Initial brand image</th>
<th>Fitness and similarity</th>
<th>Consumer attitude to extension</th>
<th>Final brand image</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMIN/DF</td>
<td>2.397</td>
<td>2.714</td>
<td>-</td>
<td>2.706</td>
</tr>
<tr>
<td>RMR</td>
<td>0.014</td>
<td>0.009</td>
<td>0.000</td>
<td>0.014</td>
</tr>
<tr>
<td>GFI</td>
<td>0.981</td>
<td>0.996</td>
<td>1.000</td>
<td>0.984</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.965</td>
<td>0.973</td>
<td>-</td>
<td>0.960</td>
</tr>
<tr>
<td>IFI</td>
<td>0.991</td>
<td>0.999</td>
<td>1.000</td>
<td>0.993</td>
</tr>
<tr>
<td>NFI</td>
<td>0.985</td>
<td>0.998</td>
<td>1.000</td>
<td>0.990</td>
</tr>
<tr>
<td>CFI</td>
<td>0.991</td>
<td>0.999</td>
<td>1.000</td>
<td>0.993</td>
</tr>
</tbody>
</table>

Measurement models have a good fit, in other words, overall indexes confirm that models are clearly supported by data. Variables' loading factor, as the most important fit index, has been considered in the consumer attitude model and is widely used in results' interpretation. The questions loadind factors are mentioned in appendix.

The Results Of Structural Equation Modeling Analysis

After evaluating and verifying the measurement models in the first step, in the second step, to test hypotheses, structural equation model is fitted and analyzed. Overall indexes of model fitness are presented in Table 4.

Table 4: model fitness indexes

<table>
<thead>
<tr>
<th>RMR</th>
<th>IFI</th>
<th>CFI</th>
<th>NFI</th>
<th>AGFI</th>
<th>GFI</th>
<th>RMSEA</th>
<th>CMIN/df</th>
<th>df</th>
<th>CMIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.02</td>
<td>0.98</td>
<td>0.98</td>
<td>0.98</td>
<td>0.95</td>
<td>0.97</td>
<td>0.052</td>
<td>2.600</td>
<td>3</td>
<td>93.599</td>
</tr>
<tr>
<td>0</td>
<td>0.98</td>
<td>0.98</td>
<td>0.95</td>
<td>0.97</td>
<td>0.97</td>
<td>0.052</td>
<td>2.600</td>
<td>3</td>
<td>93.599</td>
</tr>
</tbody>
</table>
Results obtained from the information provided in Table 4 are as follow:

Amos output results in estimating the standard model indicates that path analysis model is an appropriate model. The normal Chi-square value is 2.6 which stands between two values of 1 and 3. RMSEA value is 0.052 which is appropriate, also the values of GFI, AGFI, NFI, CFI and IFI are all above 90%; and finally RMR value is close to zero. All the values of model fitness indexes are in the reception area and these indexes indicate that model has a goodness-of-fit which is obtained by data and model is well supported by collected data. Hypotheses and regression coefficients as well as partial indexes values for each hypothesis are shown in table 5. Research's final model is presented in the appendix.

Table 5: hypotheses testing results

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Sample size</th>
<th>Significance number</th>
<th>Corroboration coefficient</th>
<th>Critical ratio</th>
<th>Test result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial brand image→perceived fit</td>
<td>600</td>
<td>0.000</td>
<td>0.36</td>
<td>7.912</td>
<td>accepted</td>
</tr>
<tr>
<td>Initial brand image→consumer attitude</td>
<td>600</td>
<td>0.000</td>
<td>0.15</td>
<td>5.162</td>
<td>accepted</td>
</tr>
<tr>
<td>Initial brand image→Final brand image</td>
<td>600</td>
<td>0.000</td>
<td>0.43</td>
<td>10.393</td>
<td>accepted</td>
</tr>
<tr>
<td>Perceived fit→final brand image</td>
<td>600</td>
<td>0.095</td>
<td>0.28</td>
<td>1.67</td>
<td>rejected</td>
</tr>
<tr>
<td>Perceived fit→consumer attitude</td>
<td>600</td>
<td>0.000</td>
<td>0.85</td>
<td>21.57</td>
<td>accepted</td>
</tr>
<tr>
<td>Consumer attitude→final brand image</td>
<td>600</td>
<td>0.000</td>
<td>0.32</td>
<td>4.418</td>
<td>accepted</td>
</tr>
</tbody>
</table>

In the significance level of 0.05, if the table's significance number is smaller than 0.05, relationship between each pair of variables is confirmed.

Testing Hypothesis 7: the influence of consumer innovativeness as a factor which moderates the relationship of perceived fit between the new product and other products of the brand with consumer's attitude to extension

As it is specified in the general model, consumer innovativeness is indicated as a variable which moderates the influence of perceived fit on consumer attitude. Two groups of people are identified: one group with a high level of innovativeness and the other with a low level
of innovativeness. To compare these groups, an unconditional model (without constraints) is developed for each group, and then another model with equality constraints of the mentioned relationship (relationship between perceived fit and consumer attitude) is developed and comparison is done. If the two models are not significantly different from each other then consumer innovativeness has no effect on the foresaid relationship, but if the second model's fit is worse than the first model and this difference is significant, then consumer innovativeness has affected the foresaid relationship. The amount of difference between two path coefficients is determined in the results, and if the absolute value is greater than 1.96, the difference is significant. In Table 6, regression weights and critical ratio of causal pathway have been identified for both groups.

Table 6: comparison of regression weights in two groups

<table>
<thead>
<tr>
<th>Level of innovativeness</th>
<th>n</th>
<th>C.R</th>
<th>β</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low innovative group</td>
<td>287</td>
<td>15.10</td>
<td>0.83</td>
</tr>
<tr>
<td>High innovative group</td>
<td>313</td>
<td>15.17</td>
<td>0.87</td>
</tr>
</tbody>
</table>

According to the above table, C.R (critical ratio) in the high innovative group is more than the low innovative group. But the question is that whether this difference is significant or not. To clarify this issue, both models fit indices and the amount of difference between two models are evaluated and listed in following table;

Table 7: comparison of fit indices in models with and without equality constraint

<table>
<thead>
<tr>
<th>Model's fit indices</th>
<th>Without constraint model</th>
<th>model with equality constraints of relationship between perceived fit and consumer attitude in two groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIMIN/DF</td>
<td>3.253</td>
<td>3.211</td>
</tr>
<tr>
<td>NFI</td>
<td>0.956</td>
<td>0.956</td>
</tr>
<tr>
<td>CFI</td>
<td>0.969</td>
<td>0.969</td>
</tr>
<tr>
<td>IFI</td>
<td>0.969</td>
<td>0.969</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.061</td>
<td>0.061</td>
</tr>
</tbody>
</table>

Table 8: difference between models with and without equality constraints

<table>
<thead>
<tr>
<th>Difference indices in two models</th>
<th>The amount of difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIMIN</td>
<td>0.062</td>
</tr>
</tbody>
</table>
According to the above tables both models have a good fit, even the model's fit was better by applying equality constraint, but, only one equality constraint did not lead to a significant difference between two models. The amount of difference in relationship between perceived fit and consumer attitude to extension in both groups was 0.248 that this amount was smaller than 1.96 (z value in the level of 0.05). Therefore, with a certainty of 95%, we can conclude that relationship between perceived fit and consumer attitude to extension is not affected by consumer innovativeness.

Discussion And Conclusion

As it is perceived from the results in Table 2, it can be concluded that implementation of brand extension strategy in any condition has diluted brand image but this dilution, when the extension is applied to a dissimilar product is more tangible. Also, the following results were obtained through testing hypotheses:

H₁ - This hypothesis stated that initial brand image influences perceived fit between the extended product and other products of the brand in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is less than 0.05, it can be said that initial brand image, with a certainty of 95 %, positively influences perceived fit between the new product (extended product) and main products of the brand in the sport apparel market. As expected, with a more favorable brand image, perceived fit between the extended product and other products of the brand is increased because consumers when evaluating the extended product use the initial brand image to understand the benefits, applications and features. This research's result is in line with the results of Martinez and Pina (2009), and Martinez et al (2009).

H₂ - This hypothesis stated that initial brand image influences consumer attitude toward the extended product in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is less than 0.05, it can be said that initial brand image, with 95 percent of certainty, positively influence consumer attitude to the extended product in the sport apparel market. In fact, when there is a strong current brand image, consumer attitude to the extended product will be more favorable, because consumers excessively trust in a strong brand. This research's result is in line with the results of Martinez and Pina (2009), and Martinez et al (2009).
**H₃** - This hypothesis stated that initial brand image influences final brand image in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is less than 0.05, it can be said that initial brand image, with 95% of certainty, positively influences the final brand image in the sport apparel market. When a new product with the current brand is offered to the market, brand's most associations and the overall image of the brand remain unchanged. As a result, initial brand image influences final brand image after extension. This research's result is in agreement with the results in Martinez and Pina (2009), and Martinez et al (2009) studies.

**H₄** - This hypothesis stated that perceived fit between the extended product and other products of the market (brand) influences final brand image in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is more than 0.05, it can be said that this hypothesis, with 95% of certainty is rejected. In other words, it can be said, with 95% of certainty that perceived fit between the extended product and other products of the market does not influence the final brand image in the sport apparel market. Usually, perceived fit influence brand image through attitude to the extended product and has no direct impact on brand image. This research result is in line with Martinez and de Chernatony (2004) but is not in line with the result of Perverian's study (2008).

**H₅** - This hypothesis stated that perceived fit between the extended product and other products of the market influences consumer attitude to extension in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is less than 0.05, it can be said that perceived fit between the extended product and other products of the market, with 95% of certainty influences consumer attitude to extended product in the sport apparel market. If consumers feel that there is some degree of consistency between brand and the new product, and the new product is similar to the other products of the brand, it is more likely to accept it. The result of this research is in line with the results of Martinez and Pina (2009), Aaker and Keller (1990), Van Riel et al (2001), Völckner and Sattler (2006), Kheiri and Nobandegani (2008), Hamidizadeh et al (2009) and Martinez et al (2009).

**H₆** - This hypothesis stated that consumer attitude to extension influences final brand image in the sport apparel market. Based on testing research hypotheses and the Sig of this relationship which is less than 0.05, it can be said that consumer attitude to extension, with 95% of certainty influence final brand image in the sport apparel market. New extended products, if have a poor quality or are faced with negative evaluations will damage brand image, for the new product becomes a member of the brand family and shape the brand image. The result of this research is in line with the results of Martinez and Pina (2009), Martinez and de Chernatony (2004) and Martinez et al (2009).
consumer innovativeness has no effect on relationship between perceived fit and consumer attitude to extension or new product; because, although Iranian consumers are innovative, they call for a greater consistency of the new product with the current brand and other products of the brand. The result of this research is not in line with the results of Martinez and Pina (2009), because, in their research they concluded that the effect of perceived category fit on consumer attitude to extension is weaker in high innovative consumers.

In this study, the effect of brand extension strategy upon brand image has been the subject of discussion. Pre-tests were distributed to determine the right products and brands for research, and research's models and hypotheses were tested through structural equation modeling and regression weights of causal pathways. According to the results of this study, brand image dilution risk in all conditions is likely, thus, performers of this strategy should know that they will not be able to avoid possible dilution of their own brand and just are able to reduce this dilution by doing this strategy in a right way and a realistic cost-benefit calculation. In the most optimistic condition they can maintain the level of their brand image. Based on the results obtained from the research model as a whole, it can be said that in implementing brand image strategy some factors such as initial brand image, perceived fit between the new product and either the remaining products and consumer attitude to extension, influence the final brand image. As it can be concluded, from the research model and hypotheses, initial brand image strongly influences the implementation of brand extension strategy since it has effects on the perceived fit and consumer attitude to extension as well as on the final brand image. When there is a better and stronger initial brand image, there will be a higher perception of perceived fit between the new product and either the remaining products of the brand. This higher perception strengthens consumer attitude to the extended product and reduces brand image delusion. An important point to be noticed here is that extensions that seem successful in terms of consumer acceptance can also lead to brand image dilution. If the extended product has a low fit, it will negatively influence attitude toward the brand. However, a high fit extension, when extension attitude is unsatisfactory, does not guarantee the protection of brand image, because the new associations of seemingly successful extensions can also lead to brand image dilution. If the new product is carefully chosen so that it can be consistent with the name and concept of the brand and have a lot of similarities with the other products of the brand then brand image dilution will be reduced. Results indicate that the most important aspect of brand extension success is the new product's fit with brand image and its similarity with other products of the brand. In this study, the products which were selected as brands extensions were not actual products. Using actual brand extensions requires the companies' cooperation which is not easily possible. This issue has certainly influenced the results, because consumers are not in an actual market condition and an actual implementation of brand image strategy and thus their answers are merely based on an unreal implementation. Therefore, it is possible that in real conditions and implementation of communication strategies which organizations make with consumers, their (consumers) opinions change. This model has only been evaluated in the sport apparel products category and its extension capability to other products is limit, since consumers' preoccupation with
different products may be diverse. Also it is possible that in different categories consumers' innovativeness and risk proneness is different and may some of them be more innovator and risk prone that it can affect their opinions. This study was conducted in Iran, Isfahan and among the young students. Thus, its extension to other countries and provinces is limited because different cultures may lead to different results. Another limitation is related to the variables used in the study. Although other variables can also be effective on brand extension strategy, in this study only some variables such as initial brand image, perceived fit and consumer attitude to extension were evaluated. As a result, this study has not considered all the variables existed in brand extension, that this issue influences research's results. Future researchers should investigate real market conditions to find whether validated relationships still remain under the effect of other variables (such as, marketing mix, competition actions, etc). In order to analyze the effects on brand image, other researches should develop the study both before and after the introduction of the extended product. For validation, researchers can use the research model in the field of other products. Also, this study can be applied to other countries and provinces with different cultures. Researchers can examine such variables as brand's perceived fit, brand familiarity and brand's prestige and power as main variables in brand extension and consumer preoccupation with the product as the moderating variable.

References


