Exploring ethnic consumer response to crossover brand extensions

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A R T I C L E   I N F O

Article history:
Received 1 February 2013
Received in revised form 1 March 2013
Accepted 1 March 2013
Available online 20 April 2013

Keywords:
Brand extensions
Ethnic crossovers
Cultural identity
Ethnic consumers
Hispanic consumers

A B S T R A C T

This research uses a social identity theory approach to investigate the impact of cultural identity on ethnic consumer response to ethnic crossover brand extensions—brands associated with one ethnic group that crossover into a product category associated with another ethnic group (e.g., McDonald’s Café con leche). Study 1 demonstrates that the manner in which crossover brand extensions blend ethnic consumers’ in-group and out-group cultural representations impact brand extension cultural fit and parent brand attitudes, and perceived ethnic target market impacts brand extension attitudes. Study 2 demonstrates that high ethnic embeddedness extensions strengthen ethnic consumers’ self-brand connections. These findings provide managerial implications for practitioners considering a crossover brand extension strategy.

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1. Introduction

Cultural marketplace diversity creates strategic opportunities for marketers desiring to target U.S. ethnic consumers. Past research addresses the challenges of appealing to the mainstream Anglo market with ethnic-oriented products (i.e., ethnic crossovers) (Grier, Brumbaugh, & Thornton, 2006) and appealing to ethnic markets with mainstream Anglo products (Forehand & Deshpande, 2001; Karande, 2005). This research is the first to focus on appealing to ethnic consumers with a branding strategy that blends multiple cultural representations, ethnic crossover brand extensions (henceforth crossover brand extensions)—brands associated with one ethnic group that crossover into a product category associated with another ethnic group (e.g., Pantene’s Relaxed & Natural for Women of Color hair care line, McDonald’s Café con leche, and Dulce de leche Cheerios). Research on the implications of such extensions is considerably silent in spite of increasing consumer diversity in the U.S. and increasing numbers of crossover brand extensions.

Crossover brand extensions not only leverage the parent brand name’s familiarity and reputation to enter new product categories as brand extensions generally do (Aaker & Keller, 1990; Kotler, 2000), but they also introduce a distinct culture’s representations, symbols, and status to the parent brand’s image. Such crossover extensions challenge marketers to understand how consumers evaluate the joined yet separate cultural identities of the brand and product category. This research draws upon social identity theory (SIT) to examine how ethnic consumers’ cultural group identification impacts four key responses to crossover brand extensions: perceived cultural fit, parent brand attitudes, brand extension attitudes, and self-brand connections.

2. Theoretical development and hypotheses

2.1. Brand extension perceived cultural fit and parent brand attitudes

Consumers’ comparisons of parent brand image with an extension’s determine perceived fit, which impacts brand extension preferences (Aaker & Keller, 1990; Park, Milberg, & Lawson, 1991; Volckner & Sattler, 2006). In line with SIT, ethnic consumers’ fit evaluations of crossover brand extensions, which combine a cultural in-group parent brand and out-group product category, or vice versa, likely reflect their perception of the extensions’ representation of their ethnic group’s (in-group) status relative to their out-group’s (other ethnic group) status. SIT proposes that people incorporate their group’s identity into their own identity such that a more positive group identity reflects positively on the individual member’s own identity (Tajfel, 1982). Group members are motivated to promote their group’s (in-group) status relative to other groups (out-groups) by preserving the group’s integrity and maintaining valuable resources (e.g., products marketed specifically towards their group) within their group (e.g., Montoya & Briggs, 2013; Simon & Brown, 1987; Taylor, Moghaddam, Gamble, & Zellerer, 1987). Favoring in-group products enhances preferences toward cultural in-group-associated product attributes and
loyalty toward in-group-representative brands (Chattaraman, Rudd, & Lennon, 2009; He, Li, & Harris, 2012).

Ethnic consumers should be inclined, then, to favorably evaluate the fit of crossover extensions that protect perceived cultural in-group resources (i.e., product category or brand) and negatively evaluate fit when the extension threatens the in-group's resources. For example, the in-group resource in cultural in-group brand/out-group product category crossover extensions (e.g., Goya New England clam chowder) is the cultural in-group brand (e.g., Goya, a Hispanic brand), whereas in out-group brand/in-group product category-type extensions (e.g., Campbell's caldo gallego, a traditional Cuban soup) the product category is the in-group resource. SIT predicts ethnic consumers will be protective of their in-group resources, the Goya brand in the first example and the Cuban soup in the second. However, consumers perceive brands more concretely and product categories more abstractly; this difference in construal level may influence the extent to which the consumer deems each of these as an in-group resource (Cohen & Basu, 1987). A brand (e.g., Goya) is a more concrete mental structure containing brand-specific knowledge (i.e., associations) compared to a product category (e.g., New England clam chowder), which is a more abstract mental structure incorporating various brand schemas (Johnson, Lehmann, Fornell, & Horne, 1992). Brands are also self-concept building blocks (i.e., self-brand connections) that can strengthen a person's group identification, which makes the brand a more valuable resource to the group (Escalas, 2004). Contrariwise, a product category is a more elusive resource that may contain many brand schemas, including out-group brands (Cohen & Basu, 1987). This line of reasoning suggests ethnic consumers should be more protective of in-group brands than in-group product categories. The motivation to protect in-group resources (i.e., in-group brands) will lead ethnic consumers to perceive greater fit between an out-group brand combined with an in-group product category (e.g., Campbell's caldo gallego) relative to an in-group brand combined with an out-group product category (e.g., Goya's New England clam chowder).

**H1.** An out-group parent brand with an in-group extension will produce greater perceived cultural fit than an in-group parent brand with an out-group extension.

Ethnic in-group brand/out-group product category-type extensions produce low perceived fit because they do not protect the cultural in-group resource (the parent brand). As a result, such low fit crossover extensions cause attitudes toward the parent brand to suffer because the brand introduced a product category that is inconsistent with the parent brand’s cultural in-group image. Low fit crossover brand extensions dilute the parent brand image by introducing brand image-inconsistent associations, particularly out-group associations, and produce weaker parent brand attitudes relative to high cultural fit crossover brand extensions (e.g., Keller, 1993; Loken & John, 1993).

**H2.** Cultural out-group brands with an in-group extension will produce more positive parent brand attitudes than in-group brands with an out-group extension.

### 2.2. Perceived target market and brand extension attitudes

Perceived fit impacts brand extension attitudes (Aaker & Keller, 1990; Park et al., 1991; Volckner & Sattler, 2006); however, an important factor that should moderate this impact is whether ethnic consumers perceive the crossover extension as intended for them (or their cultural in-group) (c.f. Grier et al., 2006). When ethnic consumers perceive a product as targeted towards their cultural in-group, their in-group resource protection motivation will lead consumers to rely on perceived cultural fit to evaluate the extension (e.g., Simon & Brown, 1987; Taylor et al., 1987). As a result, cultural in-group-targeted crossover extensions will produce stronger attitudes toward high cultural fit extensions (i.e., cultural out-group brand/in-group product) relative to a low cultural fit extension (i.e., cultural in-group brand/out-group extension). Alternately, when ethnic consumers perceive a crossover extension as intended for their cultural out-group, protecting in-group resources is not a relevant consideration. Rather, ethnic consumers will turn to central product attribute information for extension evaluation (Briley & Aaker, 2006; Zhang & Khare, 2009). Specifically, ethnic consumers will evaluate the extent to which the out-group-targeted crossover extension’s central product attributes appeal to the out-group target market. The low cultural fit extension, which consists of the in-group brand/out-group product (e.g., Goya New England clam chowder), contains more out-group-appealing product attributes (e.g., ingredients, taste, usage situation) than the high cultural fit extension, which consists of the out-group brand/in-group product (e.g., Campbell's caldo gallego). As such, ethnic consumers’ attitudes should be more positive toward the out-group-targeted low cultural fit extension. For instance, Goya New England Clam Chowder’s flavors and ingredients are more amenable to the cultural out-group’s (i.e., Americans) preferences than Campbell’s caldo gallego’s (a traditional Cuban soup) flavors and ingredients, resulting in more positive attitudes toward the Goya extension as an American-targeted product.

**H3.** Ethnic consumers’ attitudes will be more positive toward in-group-targeted high cultural fit brand extensions than low cultural fit brand extensions, and will be more positive toward out-group-targeted low cultural fit brand extensions than high cultural fit brand extensions.

### 2.3. Crossover brand extension ethnic embeddedness and self-brand connections

Ethnic consumers can use brands to build bridges toward their ethnic in-group and fences against out-groups by incorporating in-group brands’ social and cultural meanings into their self-concepts, forming self-brand connections (Aaker, Benet-Martínez, & Caroletta, 2001; Douglas & Isherwood, 1979; Escalas, 2004; Escalas & Bettman, 2003; Escalas & Bettman, 2005; Muñiz & O'Guinn, 2001). For example, if a Hispanic consumer’s Goya brand schema contains Hispanic cultural meanings, she can strengthen her Hispanic group identity by incorporating Goya’s Hispanic-related brand associations into her self-concept. Conversely, consumers avoid brands that they associate with cultural out-groups to build a psychological fence against their out-groups (Escalas & Bettman, 2005; Muñiz & O’Guinn, 2001). For example, if a Hispanic consumer believes Anglo-Americans (an out-group) cook meals with McCormick products, she may avoid the brand to create greater psychological distance from out-group brand associations. High cultural fit crossover extensions (out-group brand/in-group product category) encourage self-brand connection formation because the extension introduces in-group cultural associations to the out-group brand schema. However, the strength of resulting connections depends, in part, on the brand extension’s ethnic cues (e.g., ethnic spokespersons, culture-specific symbols in advertisements, and product packaging and cues). Such cues are an important source of a product’s cultural associations (Grier et al., 2006). Since crossover brand extensions combine a parent brand and a product, each associated with a distinct cultural group, this combination of parent brand and product category presents mixed ethnic cues. The extent to which the extension’s ethnic cues will lead consumers to perceive the extension as pertaining more or less to one particular ethnic group is the extension’s ethnic embeddedness (Grier et al., 2006; Williams, 1995). A high ethnic embeddedness crossover brand extension consists of mainly one culture’s ethnic cues, which signals that the product is intended for that cultural group. For example, if an American brand introduces an authentic Hispanic food item made entirely with Hispanic ingredients (e.g., Spanish cheese-stuffed empanadas) then it consists of primarily Hispanic ethnic cues and signals that the food item is mainly Hispanic. Alternately, low ethnic embeddedness presents mixed ethnic cues,
which signals that the product is not purely intended for one cultural group. For example, if an American brand introduces a Hispanic food item that is served with American condiments (e.g., beef *empanada* with barbeque sauce), then the ethnic cues are a mix of Hispanic and American cues. Ethnic consumers would associate the high ethnic embeddedness crossover extension with their ethnic in-group, strengthening their self-brand connection with the parent brand and more strongly bridging their identity with their ethnic in-group. The low ethnic embeddedness crossover extension does not strongly represent their ethnic in-group and would not strengthen ethnic in-group members’ self-brand connections with the parent brand.

**H4.** High cultural fit crossover brand extensions that represent high (low) ethnic embeddedness will (will not) strengthen ethnic consumers’ existing self-brand connections.

### 3. Empirical studies

Study 1 examines how crossover brand extensions impact perceived cultural fit (H1), how perceived cultural fit impacts parent brand attitudes (H2), and how perceived target market impacts brand extension attitudes (H3). Study 2 examines how crossover brand extensions’ ethnic embeddedness impacts self-brand connections (H4). Fig. 1 depicts the conceptual framework.

#### 3.1. Study 1

Study 1 examines the relationships between ethnic consumers’ cultural group identification and crossover brand extension response. Ethnic participants were presented with fictitious crossover brand extensions of real brands. To ensure that the crossover brand extensions were culturally representative of the sample’s ethnic in-group and out-group, this study used two familiar, culturally-related canned goods brands, Goya (Hispanic brand) and Campbell’s (American brand), with culturally-related extensions as stimuli. Food-related stimuli promote food choice, which heavily reflects cultural identities (Devine, Sobal, Bisogni, & Connors, 1999).

**3.1.1. Design and participants**

The experiment employed a single factor between-subjects design (crossover brand extension type: in-group (Hispanic) brand/out-group (American) extension vs. out-group (American) brand/in-group (Hispanic) extension). A behavioral experiment design is ideal for examining the present framework’s hypothesized relationships because it allows for random assignment to the experimental conditions that manipulate the specific type of in-group/out-group brand extensions of interest and allows for observation of consumer response in a controlled setting.

To test cultural identity’s impact on crossover brand extension response, participants needed to strongly identify with a non-mainstream ethnicity and be consumers of culturally representative brands. The selected sample meets these criteria; they are of Hispanic origin and identify themselves as members of the Hispanic ethnic group. The sample is also familiar with and has consumed the Hispanic (in-group) brands, such as Goya and American (out-group) brands, such as Campbell’s. Two hundred thirty-nine participants from a large South-eastern university participated in the experiment for course credit. The use of a student sample is appropriate because this research applies theory and does not attempt to generalize specific effects to the general population (Calder, Phillips, & Tybout, 1981). The focal ethnic group in the present research is Hispanic Americans, so the data analysis only used self-reported Hispanic participants’ cases (N = 184).

**3.1.2. Procedure**

Participants completed the experiment in a behavioral research laboratory at individual computer stations. First, participants completed demographic questions. Next, the experiment randomly assigned participants to either the in-group brand/out-group product or the out-group brand/in-group product crossover brand extension condition. Participants then read the crossover brand extension manipulation and completed the dependent measures. Afterwards, the experimenter debriefed and thanked participants for their attendance.

**3.1.3. Manipulations**

The brand extension type manipulations are drawn from SIT’s conceptualizations of in-group and out-group, and incorporate familiar, culture-representative canned goods brands and food products (i.e., soups). The manipulations consisted of an American brand crossover into a Hispanic product category (out-group brand/in-group product) and a Hispanic brand crossover into an American product category (in-group brand/out-group product). To simulate consumer exposure to the crossover brand extensions, participants were asked to imagine the encounter with an out-group brand/in-group product category-type extension (“Suppose Campbell’s introduces a line of traditional Hispanic/Latin soups, featuring: caldo de gallina, caldo gallego, sopa de gandules, and crema de chicharo.”) or with an in-group brand/out-group product category-type extension (“Suppose Goya introduces a line of traditional American soups, featuring: cream of tomato soup, chicken noodle soup, New England clam chowder, and cream of mushroom soup.”).

**3.1.4. Measures**

**3.1.4.1. Perceived cultural fit.** A single-item measured perceived cultural fit of the participant’s assigned brand extension on a seven-point scale: “The new product extension fits with [Goya’s/Campbell’s] ethnic/cultural background” (strongly disagree to strongly agree).

**3.1.4.2. Parent brand attitudes.** A seven-point, fourteen-item semantic differential scale measured participants’ parent brand attitudes—good/bad, like/dislike, pleasant/unpleasant, high quality/poor quality, agreeable/disagreeable, satisfactory/dissatisfactory, appealing/unappealing, beneficial/harmful, favorable/unfavorable, likable/dislikable, positive/negative, for me/not for me, attractive/unattractive, desirable/undesirable. All fourteen items loaded on a single, distinct factor and their sum formed a parent brand attitude index (Goya: $\alpha = .98$, $M = 36.4$, $SD = 16.6$; Campbell’s: $\alpha = .98$, $M = 45.32$, $SD = 19.7$).
3.1.4.3. Perceived target market. A single item captured participants’ perceptions of the brand extension’s target market, “People from which ethnic cultural background will primarily be attracted to [Goya’s/Campbell’s] new soups?” The three response categories were “Hispanic/Latino”, “American/Anglo-American”, and “other”.

3.1.4.4. Brand extension attitudes. The brand extension attitude measure used a third person perspective technique (Fisher, 1993) that incorporated their response to the perceived target market question, asking, “How strongly will [Hispanic/Latino; American/Anglo-American] people like the new soups?” Participants responded using a two-item, seven-point, semantic differential scale – strong dislike/strong like, weak desire/strong desire – summed to form a single brand extension attitude rating (Hispanics’ attitudes: \( r = .93, M = 9.7, SD = 3.1 \); Anglo-Americans’ attitudes: \( r = .90, M = 9.8, SD = 2.8 \)).

3.1.5. Results

3.1.5.1. Perceived cultural fit. An independent samples t-test with crossover brand extension type as the independent variable and perceived fit as the dependent variable tested the hypothesis that an out-group parent brand/in-group product-type extension will result in greater perceived cultural fit than an in-group brand/out-group product-type extension. As predicted, participants perceived that Campbell’s (Latin soup) brand extension had better cultural fit with the brand’s (American) ethnic/cultural background compared to the fit Goya’s (American soups) brand extension had with the brand’s (Hispanic) ethnic/cultural background (\( M_{Campbell's} = 4.25, M_{Goya} = 3.3; t (180) = 4.1, p < .001 \), one-tailed test). The results support hypothesis 1.

3.1.5.2. Parent brand attitudes. An independent samples t-test with crossover brand extension type as the independent variable and parent brand attitudes as the dependent variable was used to test the hypothesis that out-group brand extensions into an in-group product category will increase positive parent brand attitudes more than in-group brand/out-group product category extensions. As predicted, participants perceived that Campbell’s (Latin soup) brand extension had better cultural fit with the brand’s (American) ethnic/cultural background compared to the fit Goya’s (American soup) brand extension had with the brand’s (Hispanic) ethnic/cultural background (\( M_{Campbell's} = 46.6; M_{Goya} = 34.3; t (180) = 4.7, p < .001 \), one-tailed test). The results support hypothesis 2.

3.1.5.3. Brand extension attitudes. A 2 (perceived target market: Hispanics vs. Americans) × 2 (crossover brand extension type: out-group brand/in-group product vs. in-group brand/out-group product) factorial ANOVA with brand extension attitude as the dependent variable was used to test the hypothesis that ethnic consumers’ attitudes will be more positive toward in-group-targeted high cultural fit brand extensions than low cultural fit brand extensions and that attitudes will be more positive toward out-group-targeted low cultural fit extensions than high cultural fit brand extensions. The interaction effect of perceived target market and crossover extension type was statistically significant (\( F (1, 174) = 17.2, p < .001 \)) (see Table 1). The follow-up simple effect test demonstrates that, as expected, participants who perceived the extensions as appealing to Hispanics exhibited more favorable attitudes toward the Campbell’s Latin soup (out-group brand/in-group product) extension compared to the Goya American soup (in-group brand/out-group product) extension (\( M_{Campbell's} = 10.6, M_{Goya} = 8.9; F (1, 105) = 8.7, p < .01 \)). Also, participants who perceived the extensions as appealing to Americans exhibited more favorable attitudes toward Goya’s (in-group brand/out-group product) brand extension than toward the Campbell’s (out-group brand/in-group product) brand extension (\( M_{Goya} = 10.8, M_{Campbell's} = 8.9; F (1, 69) = 9.5, p < .01 \)) (see Table 2 and Fig. 2). The results support hypothesis 3.

3.2. Study 2

To test the moderating impact of ethnic embeddedness on self-brand connections (H4), ethnic participants were presented with fictitious crossover brand extensions of a real, mainstream American brand (Chili’s). Study 2 focuses on high cultural fit crossover brand extensions. Therefore, the experiment exposed ethnic participants to an ethnic out-group brand’s (Chili’s) in-group extensions, which varied in their use of ethnic in-group versus out-group ingredients (ethnic embeddedness).

3.2.1. Design and participants

The experiment employed a 3 (ethnic embeddedness: low with salient American cue vs. low with salient Hispanic cue vs. High with Hispanic cue only) × 2 (self-brand connections: pre vs. post) mixed design with ethnic embeddedness as the between-subjects factor and self-brand connections as the within-subjects factor. The behavioral experiment presented a mainstream brand’s fictitious crossover brand extensions. This study uses a behavioral experiment design because it allows for random assignment to the experimental conditions that manipulate the crossover extensions’ levels of ethnic embeddedness and allows for observation of consumer response in a controlled setting. Sixty-four participants from a large Southeastern university participated in the experiment for course credit. The student sample is suitable for the research purpose of applying theory rather than attempting to generalize specific effects to the general population (Calder et al., 1981). Similar to study 1, the data analysis only used self-reported Hispanic participants’ complete cases (N = 43).

3.2.2. Procedure

Participants completed the experiment in a behavioral research lab at individual computer stations. Participants viewed all instructions, stimuli, and measures on their computer screens. As part of a supposed two-part study on college students’ restaurant attitudes, participants first answered demographic questions. Next, participants viewed a screen shot from the stimulus brand (Chili’s) home webpage, and rated self-brand connection prior to their exposure to the crossover brand extension. The experiment randomly assigned participants to one of the ethnic embeddedness conditions and then participants viewed the brand extension as a screenshot of a fictitious webpage supposedly from the Chili’s website. Next, participants completed the manipulation check measure and the post-brand extension exposure self-brand connection measure. Finally, the experimenter debriefed and thanked participants for their attendance.

3.2.3. Stimuli

This study used food-related ethnic brand extensions because food choice heavily reflects cultural identities (Devine et al., 1999). A prior pre-test with Hispanic undergraduate students revealed that Chili’s is a very familiar brand and the pre-test sample associated Chili’s with an American cultural image. Furthermore, participants reported high past dining frequency at Chili’s. Past dining frequency reflects past purchase behavior, which recent research links with greater brand association accessibility in consumers’ minds (Romanik & Nenycz-Thiel, 2013). The food items that represented the different degrees of ethnic embeddedness were realistic and based on existing food items offered by restaurants.

Table 1

ANOVA Results — Hypothesis 3 test.

<table>
<thead>
<tr>
<th>Source</th>
<th>Df</th>
<th>MS</th>
<th>F</th>
<th>p</th>
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</thead>
<tbody>
<tr>
<td>Perceived target market (PTM)</td>
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<td>0.025</td>
<td>0.876</td>
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<tr>
<td>Brand extension type (BET)</td>
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<td>0.404</td>
<td>0.048</td>
<td>0.826</td>
</tr>
<tr>
<td>PTM × BET</td>
<td>1</td>
<td>142.952</td>
<td>17.164</td>
<td>0.000</td>
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</table>

Note: ANOVA results for brand extension attitude DV.
3.2.6. Manipulation checks

A 3 (ethnic embeddedness: low with dominant American cue vs. low with dominant Hispanic cue vs. high with Hispanic cue only) × 2 (self-brand connections: pre vs. post) mixed-design ANOVA with ethnic embeddedness as the between-subjects variable and self-brand connection as the within-subjects variable was used to test the hypothesis that high (low) ethnic embeddedness crossover brand extensions do (do not) strengthen self-brand connections. The interaction effect of ethnic embeddedness and self-brand connection strength change was statistically significant ($F(2, 40) = 5.2, p < .01$) (see Table 3). The follow up simple effects tests show that Hispanics’ self-brand connections (SBC) increased after exposure to Chili's high ethnic embeddedness extension (chicken empanada), but no SBC change took place after exposure to either a Hispanic cue-dominant (dulce de leche empanada) or an American cue-dominant low ethnic embeddedness brand extension (chicken strips) (high ethnic embeddedness: $M_{SBB} = 24.3$, $M_{SBA} = 29.9$; $F(1, 8) = 6.0, p < .05$; Hispanic cue-dominant low embeddedness: $M_{SBB} = 22.9$; $M_{SBA} = 22.1$; $F(1, 19) = 0.7, n.s.$; American cue-dominant low embeddedness: $M_{SBB} = 24.6$; $M_{SBA} = 24.5$; $F(1, 13) = 0.003, n.s.$) (see Table 4 and Fig. 3). The results support hypothesis 4.

4. Discussion

This research examines ethnic consumer response to crossover brand extensions, a branding strategy offering marketers an opportunity to target new ethnic consumer segments while maintaining the cultural integrity of the parent brand. Crossover brand extensions combine two distinct cultures/ethnicities represented by the brand versus the extension product category, which elevates the role of consumers’ cultural identity as a diagnostic source of information in product evaluation. This research presents a framework based on Sit (e.g., Tajfel, 1982) to examine how ethnic consumers’ in-group/out-group perceptions of crossover brand extensions’ parent brand versus product category impact their response to the extension. The research findings contribute insights regarding a market segment (Hispanics) to which many mainstream brands are turning their attention (Westlund, 2011).

In line with Sit, study 1 demonstrates that in-group brand/out-group product crossover brand extensions, which threaten the cultural integrity of an in-group resource (the brand), produced weaker perceived cultural fit relative to out-group brand/in-group product crossover brand extensions (H1). These results are consistent with an

Table 3

<table>
<thead>
<tr>
<th>Source</th>
<th>df</th>
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<th>F</th>
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<td>Self-brand connection</td>
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<td>46.175</td>
<td>3.546</td>
<td>0.067</td>
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<tr>
<td>Self-brand connection × ethnic embeddedness</td>
<td>2</td>
<td>67.121</td>
<td>5.155</td>
<td>0.010</td>
</tr>
</tbody>
</table>

Note: SBB = self-brand connection before; SBA = self-brand connection after.
in-group’s strong desire to maintain valuable resources (e.g., products marketed specifically towards their group) within their in-group ( Hewstone, Rubin, & Willis, 2002; Simon & Brown, 1987). Brands are concrete mental structures ( Johnson et al., 1992) that serve as building blocks for constructing consumers’ identities ( Escalas, 2004), making the consumer’s in-group brand a valuable resource to protect. Conversely, a product category is a more comprehensive, abstract mental structure composed of multiple brand schemas and diverse product information ( Cohen & Basu, 1987), making an in-group-related product category a more elusive resource that is less likely to threaten ethnic consumers’ group status. This result makes it clear that, as with any brand extension, perceived fit is essential. Marketers should be careful not to assume that a crossover brand extension (e.g., Goya cereal) is a guaranteed success among ethnic consumers. Rather, they must consider the extension’s perceived impact on consumers’ cultural in-group.

From there, study 1 demonstrates that greater cultural fit extensions (out-group brand/in-group product category) produce more positive parent brand attitudes compared to low cultural fit extensions (in-group brand/out-group product category) (H2). Low cultural fit extensions introduce culturally incompatible out-group associations to the in-group’s resource (the brand), which threatens to dilute the brand image. Low cultural fit extensions, thus, weaken ethnic in-group members’ parent brand attitudes (c.f. Loken & John, 1993). Once again, marketers must be wary of the perceived cultural fit of crossover brand extensions as fit impacts parent brand attitudes.

Study 1 also demonstrates that perceived ethnic target market moderated the impact of brand extension type on ethnic consumers’ attitudes toward the extension (H3). Results showed that the crossover brand extension’s perceived that cultural fit with the parent brand impacts ethnic consumer attitudes when the ethnic in-group is perceived as the target market. Stronger cultural fit produced more positive brand extension attitudes when participants perceived the product as appealing to their ethnic group (Hispanics). However, when participants perceived the product as appealing to the ethnic out-group (Americans), cultural fit and in-group resource protection were no longer relevant considerations. Rather, the extension type (in-group brand/out-group product category) that offered tangible product attributes best suited for the tastes and preferences of the out-group target market produced more positive attitudes. This result suggests marketers must not take for granted that an ethnic group will perceive a crossover brand extension as intended for them. Rather, marketers must clearly communicate to ethnic consumers that a crossover brand extension is designed to appeal to them. Ethnic consumer-targeted, culturally relevant advertisements focused on strengthening the cultural fit of parent brand with the extension product are an essential component of a crossover brand extension’s marketing strategy.

Study 2 examines the impact of high perceived cultural fit crossover extensions’ (out-group brand/in-group product category) ethnic cues (e.g., ethnic spokespersons, culture-specific symbols in advertisements, and product packaging and cues) on ethnic consumers’ self-brand connections. The extent to which a product presents a single ethnic group’s cues or mixes cues at different levels of ethnic embeddedness determines with which cultural/ethnic group consumers associate the product ( Williams, 1995). High ethnic embeddedness crossover brand extensions contain a single ethnic group’s product cues (e.g., Spanish cheese-stuffed empanada). Members of the ethnic group will associate high ethnic embeddedness crossover extensions with their ethnic in-group and, based on their desire to identify with their in-group, self-brand connections with the parent brand will become stronger. Ethnic group members will not associate low ethnic embeddedness crossover brand extensions with their ethnic in-group, thereby not producing any change in their self-brand connections. Brand managers should maximize the ethnic embeddedness of the extension product, avoiding mixed cues, when executing an ethnic crossover brand extension strategy. Marketers should emphasize ethnic-consistent cues, such as ethnic ingredients/components, ethnic spokespersons, ethnic-friendly product labeling (e.g., language, symbols), or ethnic symbols in advertising materials (e.g., Chattaraman et al., 2009; Grier et al., 2006) to strengthen ethnic consumers’ self-brand connections, which research suggests may result in higher brand loyalty, potentially shielding the brand from competition and reducing customers’ price sensitivity ( Escalas & Bettman, 2005).

5. Limitations and future research

In this research, both studies focused on ethnic consumer exposure to crossover brand extensions consisting of a mainstream Anglo and an ethnic (Hispanic) component (i.e., Anglo brand/Hispanic extension, Hispanic brand/Anglo extension). However, this research does not examine ethnic consumer response to another type of crossover brand extension, such as ethnic in-group brands that extend into a non-mainstream ethnic out-group’s product category (e.g., Goya Soy Sauce). Past research finds that minority group members feel competitive toward other minority groups, producing unfavorable attitudes toward other minority group-targeted marketing communications ( Torres, 2007). A future study should examine ethnic consumers’ coping response to cultural in-group brand/non-mainstream cultural out-group extension products. Study one’s finding that ethnic consumers’ parent brand attitudes were more positive toward an out-group (mainstream) brand/in-group product-type extension than toward an in-group brand/out-group product extension raises the question of whether mainstream American consumers would experience a similar brand attitude improvement in relation to exposure to a Hispanic brand’s American brand extension. A future study should compare attitude changes of mainstream versus ethnic consumers in response to out-group brand/in-group extension exposure.

Study 2 possesses some methodological limitations. Firstly, Goya offers greater diversity of product categories than Campbell’s. Whereas Campbell’s is known for soups (the stimulus product), Goya is better known for its condiments and canned/frozen products consumers use to make soups. Hispanic participants may have in part been reacting to the lack of “soup associations” in their Goya brand image. Future research should consider including additional ethnic brands and product categories. Secondly, the data analysis depended on single-item measure of brand crossover fit to produce the perceived cultural fit results. Future research should incorporate a multi-item brand extension cultural fit scale. Finally, both studies include data collected from undergraduate

Table 4

<table>
<thead>
<tr>
<th>Ethnic embeddedness levels</th>
<th>SBB</th>
<th>SBA</th>
</tr>
</thead>
<tbody>
<tr>
<td>High ethnic embeddedness</td>
<td>24.3 (12.0)</td>
<td>29.9 (13.5)</td>
</tr>
<tr>
<td>Hispanic cue-dominant low embeddedness</td>
<td>22.9 (11.7)</td>
<td>22.1 (11.7)</td>
</tr>
<tr>
<td>American cue-dominant low embeddedness</td>
<td>24.6 (12.0)</td>
<td>24.5 (13.5)</td>
</tr>
</tbody>
</table>

Note: SBB = self-brand connection before; SBA = self-brand connection after.

Fig. 3. Study 2: Graph of pre- vs. post-brand extension exposure self-brand connections.
Hispanic students, which is acceptable for theory application-based research (Calder, Phillips, & Tybout, 1981); however, future research should examine non-students prior to generalizing findings to any particular ethnic population (Peterson, 2001).

Acknowledgements

The authors thank Dr. Cecilia M. Alvarez-Ortiz for helpful feedback on an earlier version of this manuscript.

References


