



Vaasan yliopisto  
UNIVERSITY OF VAASA

Juuso Sallinen

# **Brand Extension Impact on Parent Brand Equity: A European Perspective**

Cross-cultural Analysis of Extending a Football League Brand to eSports

School of Marketing and Communications  
Master's thesis in International Business

Vaasa 2020

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**UNIVERSITY OF VAASA****School of Marketing and Communications**

**Author:** Juuso Sallinen  
**Title of the Thesis:** Brand Extension Impact on Parent Brand Equity: A European Perspective: Cross-cultural Analysis of Extending a Football League Brand to eSports  
**Degree:** Master of Science in Economics and Business Administration  
**Programme:** Master's Programme in International Business  
**Supervisor:** Peter Gabrielsson  
**Year:** 2020 **Sivumäärä:** 110

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**ABSTRACT:**

This research explores whether the dimensions of parent brand equity affect brand extension success and on what scale. Furthermore, brand extension's impact on parent brand equity is analysed. The analysis is done on European level, analysing three different European countries. The research questions of the study are RQ1: How does brand extension to eSports impact the brand equity of a football league in European context? RQ2: What factors affect brand extension evaluation in European context? RQ3: Do cultural differences affect the brand extension evaluation in Europe? Brand equity is examined as consumer-based, and it is considered to have an effect and be affected by brand extension. This research is quantitative in nature and follows a deductive approach. Data was collected through online survey and analysed via SPSS statistics software and its accessory AMOS 26.0. A sample of 408 respondents meeting the criteria was collected. Unlike previous studies, this research uses real consumer data. Findings of this research suggest that brand loyalty of parent brand and perceived fit between parent brand and brand extension have a significant positive impact on brand extension evaluation. In addition, it was shown that brand extension evaluation has an impact on parent brand equity, changing the equity in the same direction. Thus, it seems that a football league can increase its brand equity by launching a successful eSports brand extension. Moreover, cultural differences were shown to have an impact on brand extension evaluation based on the three different countries analysed. This research contributes to the existing literature by adding a cultural dimension to brand extension studies. Also, this research adds to cross-cultural consumer behaviour literature, to international brand extension research and to discussion of consumer-based brand equity. This research studied brand extensions in sports setting in an extent it had not been studied before and deepened the understanding of brand extension evaluation and its effect on parent brand equity.

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**KEYWORDS:** Parent brand equity; brand extension; sports industry; international branding

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# 1 Introduction

## 1.1 Study Background

Brand equity is a vital concept for marketing academics and one of the most important assets for companies (Christodoulides & de Chernatony, 2010). Marketing academics understand brand equity as a platform to which competitive advantage can be built on, future cashflows secured on and shareholder wealth grown upon (Kerin & Sethureman, 1998). As brand equity needs to be managed as all the other assets of the firm (El-Tawy & Tollington, 2008), it is important to define it, to understand its dimensions and to evaluate the different factors affecting it in cross-cultural environment (Cadogan et al., 2015).

One of these factors affecting brand equity is brand extension. Brand extension indicates the usage of existing brand name in penetrating a new product category (Aaker & Keller, 1990). As several national and international companies are entering new markets by leveraging their existing brand equity with brand extensions (Joshi & Yadav, 2017), the factors that impact brand extension success are an important area of study (Kaur & Pandit, 2015). Furthermore, in addition to exploiting it, the extensions also influence the parent brand's equity (Dwivedi & Merrilees, 2013).

Brand extension studies have traditionally been divided into two categories: the first one studies the factors that affect brand extensions (Joshi & Yadav, 2017) and the second one the impact that brand extension has on the parent brand (Dwivedi & Merrilees, 2013). This study is a combination of both, as it attempts to investigate how certain predetermined factors affect brand extension, and then how brand extension affects the brand equity of the parent brand. The framework of this study is created with both of these approaches in mind.

Moreover, an international approach is added by examining how culture affects brand extension evaluation and its impact on parent brand equity in three European countries.

International dimension of brand equity is growing all the more important, as increasing globalization makes it essential to adopt measures of brand equity which can be applied in an international context and allow solid comparison between different markets. The conditions, which brands compete in, vary significantly from country to country. (Cagdogan et al., 2015.) Moreover, culture-bound thinking affects consumers' consumption choices, and thus cultural differences have been found to have an impact on brand extension evaluation (John & Monga, 2007). Some scholars have also found evidence that consumers in different cultures place value on different things when evaluating brand extensions (Bottomley & Holden, 2001). Nevertheless, little attention has been given on the issue whether brand extension evaluation is the same in every corner of the world. A majority of brand extension research has focused on one market, the US, even though consumers from different cultures may evaluate brand extensions very differently (John & Monga, 2007).

In addition, football is chosen as an environment in which this study is instituted. This is, because this study is conducted in cooperation with Finnish national football league, Veikkausliiga, but also because football is the leading sector in sports industry, with a global market revenue nearly 102 billion dollars in 2017 (Carbone de Moraes et al., 2019) and because brand extensions are a key factor for professional sports teams in growing their brands (Abosag et al., 2012). Worldwide, 1.6 billion people are interested in football (Fleischmann & Fleischmann, 2019), making football the world's most popular sport with fans all over the world and an enormous business with significant amounts of money involved, yet one that is still growing (Chmykhov et al., 2016). This makes its business potential almost indefinite and thus football an important area of business research.

As the markets, especially in the biggest and most well-known football countries, are becoming saturated, football leagues are continuously searching ways to grow their revenue and increase their commercial success outside of their core business (Anagnostopoulos et al., 2017). Big football brands know that they cannot increase their revenues only within their traditional market (Merkel et al., 2016), and thus they are seeking new

ways to grow their business. One way football brands are doing this is by increasing their international reach through digital media (such as eSports), and these activities have become a vital marketing communications tool for them (Fleischmann & Fleischmann, 2019). Indeed, electronic sports (eSports) is an increasingly popular way of creating additional revenue and international value for football brands (Kay, 2016).

Furthermore, during recent years, eSports has become rapidly growing form of media consumption through the growing provenance of online games and online broadcasting technologies. Nowadays hundreds of millions of people watch eSports. ESports is “a form of sports where the primary aspects of the sport are facilitated by electronic systems; the input of players and teams as well as the output of the eSports system are mediated by human-computer interfaces”. To put it simpler, eSports is commonly understood as competitive video gaming, often coordinated by different leagues, ladders and tournaments. The players usually belong to a team or an organization, similarly to traditional team sports. It has been estimated that during 2013, eSports had over 70 million viewers. (Hamari & Sjöblom, 2017.) The business’ growing nature is only underlined by the fact that in 2018 eSports had already 222 million frequent viewers (Statista, 2019). These numbers highlight the fact that eSports is a fast-growing field of business and hence important business opportunity for multiple multinational players in the near future, making it an important area of research.

Moreover, despite football and international marketing and brand management might seem quite distant actors at first, research of football management and brand management overlap, as brand management is a central issue for the sports industry in general and brand is the most important asset in football (Blumrodt et al., 2012).

This study contributes to the researches of international consumer-based brand equity and brand extension effects by looking into the consumer evaluation of brand extensions and brand equity based on Aaker’s (1991, pp. 27) conceptualization of consumer-based brand equity in a European context, analysing data from three different European



countries. Moreover, the study offers its fair share to the cross-cultural consumer behaviour studies, comparing the attitudes of the consumers in these three countries. Where previous research using cross-national data has mainly used data composed by undergraduate students (Cadogan et al., 2015), this study provides an assessment of brand extension evaluation using data from a varied sample of real consumers in three European countries.

The thesis is done in cooperation with Veikkausliiga, Finnish national football league, and thus is firm-initiated. Veikkausliiga's interest is to find out how extending their brand – only present in football currently – into eSports would affect their brand equity. This is studied by executing a consumer study in Finland and in two other countries to create a cross-cultural aspect and to generate internationally applicable results. The thesis was aimed to be done as a cross-cultural comparison of real-life brand extensions, and then draw conclusions from those results to the Finnish market, but for the difficulty of generating reasonable amount of responses, this was abandoned and a cross-cultural study with three hypothetical extensions was conducted.

## **1.2 Research Gap**

Doing a cross-cultural study of how consumer evaluations impact parent brand equity is a relevant area of research, as according to Joshi & Yadav (2016) brand extension and brand equity together are a current topic of research. Moreover, they outline that since culture influences consumer behaviour largely, brand extension effect on parent brand equity should be studied in cross-cultural context. Furthermore, studying this matter in sports setting is justified, as according to Lee & Walsh (2012), brand management practices in professional sports is quite new but constantly growing area of research.

Research of consumer-based brand equity in international context is relatively limited (Donthu & Yoo, 2001), as majority of research has focused only on one country

(Christodoulides & de Chernatony, 2010). Indeed, even though the importance of measuring brand equity across markets is acknowledged, very little research can be found about consumer-based brand equity in international marketing that uses consumer data (Cadogan et al., 2015). Furthermore, branding in general is a very important area of research in marketing. Moreover, since brand extensions are more and more used as a branding strategy, it is vital to understand how they affect brand equity. Previous research has somewhat focused on this relationship, but more research is needed to validate the findings (Joshi & Yadav, 2016).

It is understood that brand extensions are evaluated positively by consumers since they transfer their positive attitude towards the parent brand to the extension. However, this transfer is claimed not to be automatic, but may be depended on many determinants that affect how the extension is evaluated. Nevertheless, since consumers are not familiar with the extension, the determinants that determine its success are mostly based on knowledge on the parent brand. Yet what factors of the parent brand affect the consumers' evaluation of the extension is not completely known, like neither are the evaluation process of the consumers nor the fact, whether the process is the same for all types of extensions. (Bhat & Reddy, 2001.)

Brand extensions in football context are an important area of study, since brand extensions are a popular strategy to impact revenue, especially for sports teams. Moreover, successful brand extensions can have positive impacts on the equity of the parent brand, but if unsuccessful, the effect may be contrary (Lee & Walsh, 2012). Despite that, their usability and effects for sports leagues have not been studied this far, and thus present an unexploited research avenue. In addition, both Lee & Walsh (2012) and Ross & Walsh (2010) suggested studying brand extension impacts with various sports leagues and different levels of sports to create generalisable results.

Moreover, brand extensions have not been extensively studied in sports industry or in football business. The previously created frameworks or models do not fit football

industry as such. Thus, this study is meant to decrease research gaps in current literature. In this study factors affecting brand extension and the impact brand extension has on parent brand equity in football setting are outlined. Furthermore, smaller European countries, such as Nordic countries, are a fruitful research target, since most of the research is focused on the five big markets, namely England, France, Germany, Italy and Spain, which are commercially and competitively in totally different level than others (Abosag et al., 2012).

According to Joshi & Yadav (2016), brand extension effect on parent brand equity should be studied in cross-cultural context, as culture impacts largely consumers' behaviour. Furthermore, in their study of brand extension effects, Altuna & Arslan (2010) suggest that similar studies should be done with several different countries and cultures included. Also, Lee & Walsh (2012) state that performing a case study across cultures would be beneficial for brand extension research. In addition, Henseler et al. (2010) argue that their decision to use existing data in their study of culture's impact on brand extension evaluation acted as a significant limitation, and cross-cultural comparison should be done by collecting new data. What is more, based on Joshi & Yadav (2017), cross-cultural brand extension studies should be conducted to avoid the limitation of only one nation in the findings.

Furthermore, it cannot be undermined that this is a firm-initiated project. Hence, the firm's (Veikkausliiga) interests and needs affected the development of research problem, research gap and survey questions. Nevertheless, a clear problem was found in the literature around the subject that was initiated by Veikkausliiga, and performing this research in cooperation with an established company created a clear chance to study this matter with real-life examples, as advised by literature.

### **1.3 Research Questions and Objectives**

The main aim of the research is to study the impact an eSports brand extension has on football league brand equity in European context and the factors that affect brand extension success. Moreover, whether cultural differences play a part in brand extension evaluation within Europe is studied. To achieve these purposes, the following research questions are set out:

RQ1: How does brand extension to eSports impact the brand equity of a football league in European context?

RQ2: What factors affect brand extension evaluation in European context?

RQ3: Do cultural differences affect the brand extension evaluation in Europe?

### **1.4 The Structure of the Study**

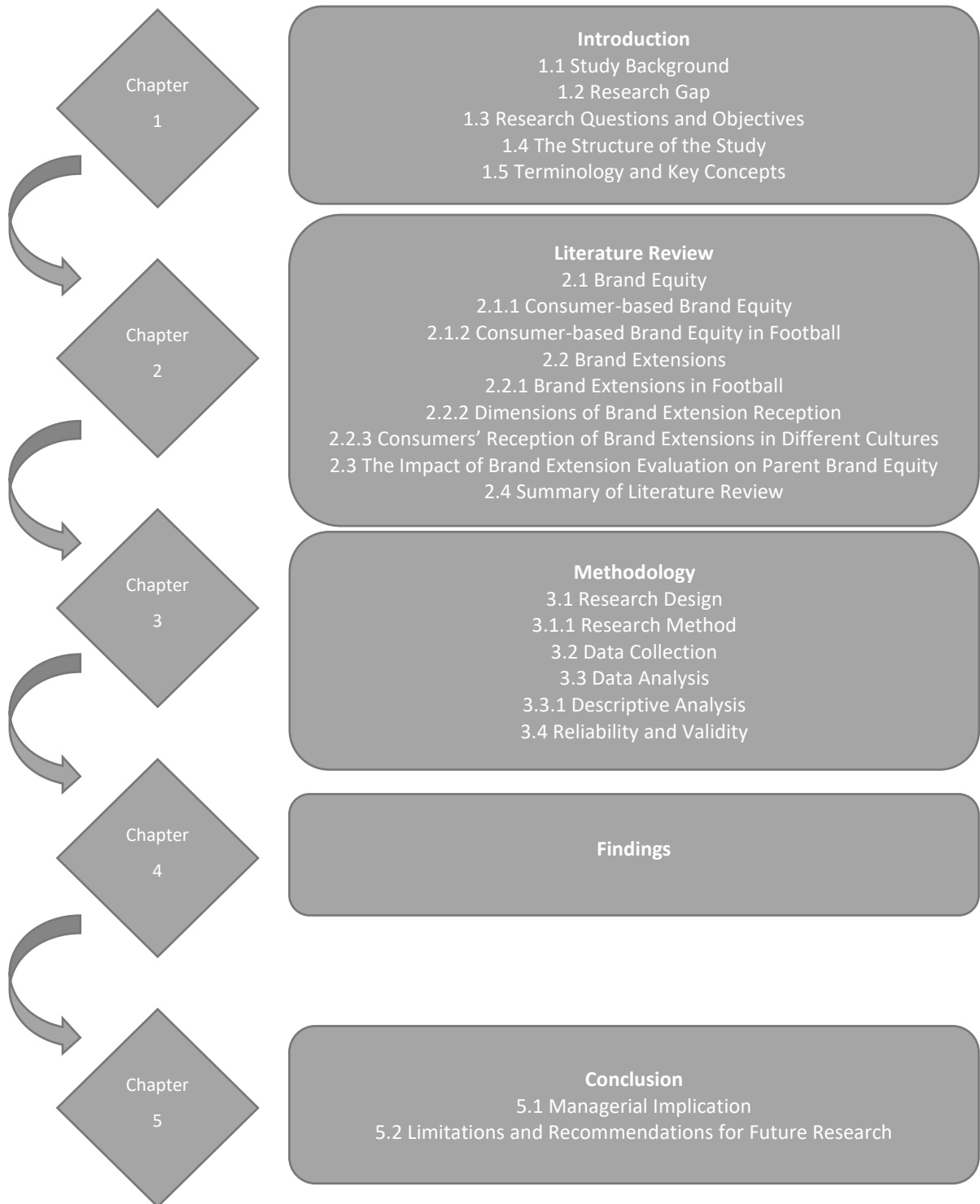
This master's thesis is divided into five different chapters. First, an introduction to the topic is offered. It aids the reader in understanding the basic concepts that the author will develop later in the study, as well as introducing the research gap and research question and objectives. Moreover, terminology is elaborated, and the interest towards the topic is elevated by offering the reader an overview to the background of the topic.

The second chapter includes the whole literature review, and is divided into brand equity, brand extension, the interplay between the latter and the former and the cross-cultural impact on brand extension. A deep understanding to the most important factors in this thesis is created, brand equity and brand extension are throughout explained and earlier research findings about brand extension evaluation and its impact on parent brand equity are discussed.

The third chapter is the methodology part of the thesis. In it the research design of the study is elaborated, and how the data for this study was collected and analysed is explained. Furthermore, this chapter provides a descriptive analysis of the research data as well as reliability and validity analyses of it. Moreover, an explanation why this type of data collection method was chosen is offered.

In the fourth chapter the findings of the data analysis are presented. These are then discussed in the fifth chapter, which focuses on the conclusions that can be made based on the analysis and the earlier research about the subject. Also, managerial implications and limitations and future recommendations based on the findings are outlined. After the fifth chapter the references used for this study and appendix are presented.

The structure of the study is elaborated in figure 1.



**Figure 1.** The structure of the study (author's own).

## 1.5 Terminology and Key Concepts

Hirsjärvi et al. (2009, pp. 151) argue, that each key term in a study should be clearly defined. Thus, I have provided a definition for key terms used in this study.

**Brand equity:** A set of assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers (Aaker, 1991, pp. 27).

**Brand extension:** When an organization uses an already established brand name to enter a new product category (Aaker, 1991, pp. 180).

**Parent brand:** The brand that launches the brand extension with its own brand name (Sattler & Völckner, 2006).

**Brand awareness:** The ability of a potential buyer to recognize or recall that a brand is a member of a certain product category (Aaker, 1991, pp. 61).

**Brand associations:** Anything linked to a brand in consumer's memory (Aaker, 1991, pp. 101).

**Perceived quality:** Consumer's judgment about a product's overall excellence or superiority (Zeithaml, 1988).

**Brand loyalty:** The attachment that a customer has to a brand (Aaker, 1991, pp. 39).

**Perceived fit:** Consumers' perceived similarity between uniformity or similarity between the parent brand and the brand extension (Buil et al., 2009).

eSports: A form of sports where the primary aspects of the sport are facilitated by electronic systems; the input of players and teams as well as the output of the eSports system are mediated by human-computer interfaces (Hamari & Sjöblom, 2017).



## **2 Literature Review**

“To begin any research, it is important to understand the evolution of the subject and the changes undergone with the phase of time. Any new research is the mere expansion of the findings already reported in the past” (Joshi & Yadav, 2016). Thus, I have seen it as important to highlight the findings recorded previously, to provide an overall understanding of how and from which point of views the matter has been studied earlier.

Furthermore, according to Joshi & Yadav (2016), before studying brand extension’s impact on brand equity and the linkage between these two concepts, it is important to understand them separately. Hence, an explanation of the concepts and background of how and why they are used in marketing and studied in marketing literature is provided before analysing them together.

### **2.1 Brand Equity**

The value of a brand is measured with brand equity (Keller & Kotler, 2012, pp. 263). A strong brand equity should be the core of a successful branding strategy (Gladden, Irvin & Sutton, 2001) and has a vital influence on the economic success of the brand by affecting consumers’ purchase intention, brand loyalty and price premium (Bauer et al., 2005). Brand equity is one of the intangible assets that are as important – if not even more important – than tangible assets to a company. It can be the very essence of the company’s competitive advantage and revenue. The company needs to understand the factors affecting its brand’s value to really understand its brand equity and to take care of its brand so that the brand’s equity will not decrease. (Aaker, 1991, pp. 14-15.)

Brand equity creates value for both, the customer and the firm. For the customers, brand equity can give confidence in their buying decisions as they can rely on the information they already have about the brand. Moreover, perceived quality and brand associations

attached to the brand are also seen to increase the customer satisfaction. On the other hand, for the company brand equity transfers into additional revenues, stronger brand loyalty, possibility to brand extensions, leverage in distribution channels and competitive advantage that is very hard to be copied by competitors. (Aaker, 1991, pp. 16-18.) Brand equity is a strategic asset for any company (Fahey et al., 1998), which has made its role pivotal in marketing (Collins-Dodd & Louviere, 1999).

According to Winters (1991), when asked what brand equity means from a ten different people, ten different answers will be given. This indicates how ambiguous the term itself is and how people interpret it. Indeed, there is little consensus on what brand equity is and what are its constitutional dimensions among scholars (Christodoulides et al., 2013). For example, Keller (1993) defined brand equity as the differential effect of brand knowledge on consumer response to the marketing of a brand and explained, that it is consisted of brand knowledge and brand awareness, and argues, that brand equity is consisted of a number of associations that are linked to the brand in consumer's mind and of two other antecedents, brand awareness and brand image. Then again, based on Katsanis & Pitta (1995), brand equity represents a situation in which consumers know the brand and can recall favourable, strong and distinctive brand associations. Furthermore, Ailawadi et al. (2003) introduced a more financially based approach to brand equity, and stated that it can be measured with revenue premium that the difference between a branded product and a private label product. More recent description of brand equity indicates it as the learning process of consumers in which their awareness of the brand transfers into attitudes affecting the brand loyalty (Buil et al., 2008). In addition, Kerin et al. (2001) state that conceptualization of brand equity is especially difficult task in international context.

Indeed, during recent decades multiple alternative approaches to brand equity have been made. Keller & Lehmann (2003) suggest that the three main ones, that scholars have adopted, are consumer-based approach, product-market approach and financial approach. The two latter ones highlight the value of the brand for the company and the

benefits it can bring, whereas consumer-based approach sees brand equity as a set of brand-related associations.

The researchers who follow product-market approach assume, that brand equity's strength is visible from brand's performance on the market. They use more numeric measures, such as price premiums, market share, price elasticity and sales volume when determining it (Keller & Lehmann, 2003). However, Kamakura & Russell (1993) argue that product-market approach does not allow to anticipate future potential of the brand. Then again, financial approach puts emphasis on financial value of a brand, and argues, that brand equity's main indicators are stock price, price/earnings multiple and overall market capitalization of the company. However, it is debatable whether brand value can be measured with stock price, as brands can also carry intangible benefits (Keller & Lehmann, 2003). On the contrary, consumer-based brand equity measures the attitudes, beliefs, associations and other meanings consumers relate to the brand. It allows to evaluate several sources for it and to anticipate future potential (Ailawadi et al., 2003). Consumer-based brand equity can be defined as "a set of brand assets and liabilities linked to a brand, its name and symbol that add or subtract from the value provided by a product or service to a firm and/or to that firm's customers" (Aaker, 1991, pp. 27) or as "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993). In this approach brand equity is discussed from consumer's point of view and is based on the consumer knowledge of the brand (Plank & Washburn, 2002).

The interpretations of brand equity of different approaches are outlined in table 1.

Approach	Interpretation of Brand Equity
Product-market approach	Brand equity's strength is visible from brand's performance on the market – e.g. from price premiums, market share, price elasticity and sales volume.
Financial approach	Brand equity's main indicators are stock price, price/earnings multiple and overall market capitalization of the company.
Consumer-based approach	Brand equity is discussed from consumer's point of view and is based on the attitudes, beliefs, associations and other meanings consumers relate to the brand.

**Table 1.** Approaches to brand equity (author's own).

According to Cooksey et al. (2005), Cadogan et al. (2015) and Joshi & Yadav (2016), Aaker's (1991: 27) definition of brand equity is the most comprehensive and popular one. Moreover, Aaker defined the five assets that brand equity consists of, as brand loyalty, brand awareness, brand associations, perceived quality and other proprietary assets. According to Cooksey et al. (2005) and Cadogan et al. (2015) the most important of these are brand loyalty, brand awareness, brand association and perceived quality.

In support of Aaker's model, also Hawley & Tong (2009) examined brand equity, its dimensions and their interplay and came to a conclusion that brand awareness, brand loyalty, perceived quality and brand associations are the most important components of brand equity and together they create the entity of brand equity. Furthermore, Donthu et al. (2000) stated that they recognize three dimensions of brand equity: perceived quality, brand loyalty and brand association linked to brand awareness. In their study they measured all of these four dimensions as determinants of overall brand equity, but combined brand associations and brand awareness. They found out, that they all have an impact on brand equity. In addition, also Baldauf et al. (2003) found out, that brand

loyalty and brand associations have a significant relationship and affect brand performance. Then again, against many other researches, of all the factors they studied, Almasi & Taleghani (2011) found out that only brand associations do not affect the brand equity of a brand. However, Chen (2001), on the contrary, found out that brand associations are the key element in building brand equity.

Based on the literature expressed above, Aaker's (1991: 27) definition of brand equity is chosen to be used in this study. Thus, consumer-based brand equity is adapted in this study, and brand loyalty, brand awareness, brand associations and perceived quality are applied as the dimension of brand equity and treated as the cornerstones it is based on.

Brand loyalty indicates a customer loyalty that can be measured by a repetition of purchases (Joshi & Yadav, 2016). It demonstrates the consumers' effort to buy the brand as their first choice (Donthu & Yoo, 2001) and signals that customers are committed to re-purchase specific brand's products despite the marketing influence of rivalling brands (Cooksey et al., 2005). Brand loyalty is the backbone of brand equity. Without it, a brand will lose its customers and hence its competitive advantage. Brand loyalty's essence is the trust that a brand is able to create among consumers. Usually loyal customers are also satisfied customers, meaning that it leads to repetition of purchases and stable revenue streams. (Aaker, 1991, pp. 39-41).

Brand awareness, then again, indicates the consumers' ability to recall a brand at once when they are thinking of a particular product category, or the ability to identify a brand among various other brands (Joshi & Yadav, 2016). It essentially means the consumers' ability to recognize a brand, its name, logos or symbols in their memory (Keller, 1993). Building brand awareness should be the first step in creating brand equity, as other elements of brand equity cannot be achieved if consumers are not aware of the brand (Keller, 2013, pp. 76). The level of familiarity consumers have with the brand is likely to have an impact on all of their perceptions of the brand (De Chernatony & Martinez, 2004). Thus, brand awareness is seen as predecessor of brand associations, since consumers

must be aware of the brand before creating strong associations in their mind (Plank & Washburn, 2002).

Brand associations are anything related to the brand that consumers have stored in their memory and what can help the consumers to bring the brand into the top of their minds (Joshi & Yadav, 2016). Brand associations have a direct impact on the brand image of a brand (Keller, 1993) and can create positive feelings around its products giving the consumer a reason to buy (Aaker, 1991, pp. 102). Hawley & Tong (2009) identified that brand associations are highly important in building brand equity. Well positioned brand can create value through brand associations by giving a consumer the tools with which he/she can recall the brand when making buying decisions. Further, positive associations may help consumers to recall information, facts or attributes that might otherwise be missed, and thus create differentiation advantage (Aaker, 1991, pp. 109-111). Positive brand associations can increase brand equity by creating exposure, word-of-mouth, personal assumptions and identification with the brand and by creating personal bonds between the consumers and the brand. When these associations are strong, favourable and unique, they will increase the brand's equity (Keller, 2013, pp. 76-79).

On the other hand, perceived quality is the perception of consumers of the brand's products and their willingness to pay premium for them (Joshi & Yadav, 2016). Perceived quality indicates the consumers' opinion about the excellence or superiority of a product (Zeithaml, 1988) and can increase consumer value by giving them a reason to choose a specific brand by differentiating it from its competitors (Cooksey et al., 2005). Perceived quality also indicates the consumers' expectations about product performance against competing brands. Perceived quality is obviously linked to customer satisfaction, as satisfaction strengthens perceived quality; it should not be compared to customer satisfaction, though, as satisfaction can be experienced also when high quality product is encountered with low expectations, when brand communication has failed. (Aaker, 1991, pp. 85-86.)

Dimension	Definition
Brand loyalty	Brand loyalty indicates a customer loyalty that can be measured by a repetition of purchases
Brand awareness	The ability of a potential buyer to recognize or recall that a brand is a member of a certain product category
Brand associations	Anything related to the brand that consumers have stored in their memory and what can help the consumers to bring the brand into the top of their minds
Perceived quality	The consumer's judgment about a product's overall excellence or superiority

**Table 2.** Dimensions of brand equity (author's own).

### 2.1.1 Consumer-based Brand Equity

Consumer-based brand equity highlights the assumption that the strength of a brand is created in the minds of consumers (Keller et al., 2006). It is therefore mandatory for the creation of consumer-based brand equity that consumers are aware of the brand and also hold strong, favourable and unique association of the brand in their memory (Cagdogan et al., 2015).

For marketers, it is vital to understand the needs and wants of consumers to fill them correctly and to spark buying decisions in their minds (Wright, 2006, pp. 7). Consumer-based brand equity is examined through consumers' market perceptions and their knowledge, familiarity and associations with the brand. It is considered to be a key element in market share and profitability increase of a brand (Christodoulides & de Chernatony, 2010). If a brand wants to be successful, it needs to match the values and its

brand philosophy to the consumers' values and philosophy, meaning that the value of the brand is generated in cooperation with the consumer (Brassington & Pettitt, 2007, pp. 157). This is also highlighted by Abosag et al. (2012), who suggest that consumers are co-creators of the brand's message, being not only passive respondents but also active participators and spokespersons, and thus creating the brand's message in uniform with the brand.

As sports can be seen as the industry that arouses the biggest emotional response in consumers, (Couvelaere & Richelieu, 2005), this can be seen to be true in sports perhaps even more than in any other business. In football the co-creation is easily understood, as the atmosphere at the stadium is one of important factors of a product that is known as a football match – and that is solely created by fans. More people consuming the products means more people at the stadium which leads to better atmosphere, in general. This could be called co-creation cycle.

Co-creation can be argued to be true for eSports as well, since consumers are able to actively participate in the creation of the product by playing themselves with the team of their liking virtually. Moreover, consumers can also include themselves into their favourite team even more than normally, as they are able to represent their club in official tournaments also abroad. Hence, it can be argued that expanding into eSports makes it easier to generate loyal fans internationally for football brands.

Fans of football brands are no more distant consumers, but nowadays wish to participate the brands' activities and have a direct access to the brand (Chadwick, 2012). Therefore, the brands have already started to create ways the fans can interact with the brand to strengthen their brand and to grow their business (Bayle et al., 2018). For example, in their study Fleischmann & Fleischmann (2019) found out, that many football brands aim to create emotional closeness with fans, enhance the fan experience, bridge the possible geographical distance and ultimately establish a sustained connection with the fans with digital media activities.



There are many alternative ways for brands to increase their engagement with consumers, and investing into virtual brand communities has been one popular option (Abeza et al., 2019), as it is highly useful tool to strategically build competitive advantage (Carlson et al., 2018). As consumers are able to share brand-related content and consumption experiences within the community, they add to the brand's cultural capital, increasing its value (Muniz & O'Guinn, 2001). Any content that can be shared or co-created can be used to generate or maintain customer engagement (Anagnostopoulos et al., 2015). Developing customer engagement is important, as it can directly increase the brand equity of a brand (Abdullah & Siraj, 2016).

There are deep behavioural practices grounded in the relationship between sports brands and their fans, for example buying tickets, attending matches at the stadium and commenting posts on social media (Barbu et al., 2018). Hence, investing into improving that engagement with branded content could foster two-way communication with fans (Abeza et al., 2019). Since it is shown (Lee & Schoenstedt, 2011; Hamari & Sjöblom, 2017) that similar factors motivate consumers to consume traditional sports and eSports, it can be argued that eSports are a fitting category extension for football brands, and one, that their existing customers are also willing to consume. Moreover, in that case it seems that similar branding activities that have traditionally worked for sports fans will work for eSports fans as well. ESports indeed could act as an engagement tool for sports brands, as it is an easy way for the fans to be even closer their favourite team and it gives the fans a clear opportunity to represent their favourite sports brand.

When interpreting consumer-based brand equity, it is understood that brands carry additional value when compared to non-branded products or services, as they have established relationship with consumers. Consumers hold expectations toward brands, for example, how they should behave or what qualities they should have. In response, consumers are willing to offer their loyalty to brands. This little extra that brings consumers additional value to consumers and what would not exist if the product or service was not branded can be thought as brand equity. (Keller, 2013, pp. 57.) As it is reasonable to

say that sports fans have a chance to achieve something they cannot achieve in traditional sports through eSports (Lee & Schoenstedt, 2011), it can be argued to bring a little bit more extra to the customers, and at least new way to consume the brand, which could lead to an increase in the brand loyalty.

As described earlier, Aaker's conceptualization of consumer-based brand equity is the most widely used in empirical research (Cooksey et al., 2005; Cadogan et al., 2015; Joshi & Yadav, 2016) and it is widely used by researchers in brand equity studies (Donthu et al., 2000; Donthu & Yoo, 2001; Plank & Washburn, 2002; Cooksey et al., 2005; Hawley & Tong, 2009; Cadogan et al., 2015). Nevertheless, it must be kept in mind that Aaker's model has also developed some criticism, e.g. that brand awareness fails to discriminate with brand associations (Donthu & Yoo, 2001) or that brand loyalty should be treated as an outcome and not as a dimension of brand equity (Chaudhuri & Holbrook, 2001). Moreover, also Cadogan et al. (2015) found out that brand associations and brand awareness failed to discriminate and argue that they might be conceptually too similar.

Consumer-based brand equity might also generate a problem in the ability to compare brand equity across countries. For example, Cadogan et al. (2015) measured consumer-based brand equity in three countries, and found out, that there are differences in how consumers perceive and evaluate brand equity in different cultures. Then again, contradicting research can also be found, as e.g. Donthu & Yoo (2001) and Buil et al. (2008) showed in their research that consumer-based brand equity is equivalent across separate countries. Nonetheless, thus far Aaker's model is the most popular and comprehensive conceptualization, and therefore applied in this study as well.

### **2.1.2 Consumer-based Brand Equity in Football**

Football is highly international business, which affects people all over the world and has loyal customers in practice in every country on this earth (Chmykhov et al., 2016). Thus,

football also affects and is present in many cultures, meaning that there are various types of football consumers. This, then again, indicates that football is a fruitful area of study for international marketing due to its global nature. Moreover, because of this, it is vital to study how consumers in different countries feel towards football brands and how they interpret them.

Furthermore, nowadays football brands are needed to be considered as true commercial brands composed from intangible and tangible benefits. Intangible benefits can include, e.g., emotions and feelings experienced at stadiums or felt in association with some specific football team, whereas tangible benefits can be interpreted as results or merchandise of these brands (Burton & Howard, 1999). Having a brand identity is the most important asset a football team or a league can have, as it provides the direction and meaning for it (Bauer et al., 2005). And even though sports brands in general are obviously measured by their athletic success, it is not enough for building strong brand equity (Couvelaere & Richelieu, 2005). Interestingly enough, it is actually noticed that brand equity has even bigger role on the economic growth of a sports brand than athletic success (Bauer et al., 2005). Moreover, a strong brand equity can even overturn bad athletic performance (Couvelaere & Richelieu, 2005).

Just like for other brands, in the core of survival of football brands is fan loyalty (Bristow & Sebastian, 2001). Fans tend to create strong emotional connections with sports clubs, including associated myths and symbols (Pimentel & Reynolds, 2004), which underlines the brand nature of football teams (Couvelaere & Richelieu, 2005). Football brands must be understood as popular brands in the same way as other commercial businesses. In a modern world, people wear the sports brands logos in the same way they wear Tommy Hilfiger or Lacoste, for example (Desbordes et al., 2008.) Actually, this might be even more true with sports brands than with other brands, as there are very few expectations – perhaps religion or politics – that arouse as strong emotional response in consumers as sports industry (Couvelaere & Richelieu, 2005). Thus, it is important for a professional football brand to build its brand equity by capitalizing the emotional relationship it has

with its fans (Desbordes et al., 2008). The consumers will grow more loyal and use the brand's products and services more if they are integrated into the brand community, which can be done by internalizing the relationship with the brand as a part of their daily lives (Koenig et al., 2002).

Moreover, especially in sports the brands are seen as social objects (Muniz & O'Guinn, 2001) that have a high level of identification among their followers (Parker & Stuart, 1997). Fans identify themselves strongly with the brand (Branscombe & Wann, 1993) and see the brand as extended version of themselves, feeling the brand's success and failure as personal (Desbordes et al., 2008). Interestingly, however, not all consumers see football clubs and leagues as brands, as they have more emotional approach to them and simply unique relationship with them. This can be seen being truer with the clubs – with which consumers tend to create highly emotional relationships – than with the leagues. Nevertheless, this type of consumers question the traditional ways of sports marketing as they do not see sports brands as commercial vehicles. Yet, at the same time these consumers are highly involved with the brands and thus very brand loyal, even though they might not see it that way. (Abosag et al., 2012.)

A bit surprisingly, the main factor why people are particularly loyal towards one football brand is because it is the first brand they had heard of. This indicates that being a fan has nothing to do with rational choices but is merely a result of the "first in" position. This suggests that loyalty might actually be generated only from the lack of awareness. However, it seems that this is currently changing, as people are able to get much more information about football clubs and this embarked awareness level affects the team choices and loyalty for newer fans. (Bodet & Chanavat, 2010.) Nonetheless, this sparks a possibility for football brands to generate loyal fans by being present at markets where rivaling brands have yet not been, through market expansions or product extensions, for example.

According to Lee & Walsh (2012), the first ones to conceptualize brand equity in sports were Gladden et al. (1998). They developed and grouped items affecting brand's perceived quality, brand awareness, brand loyalty and brand associations and divided them into team-specific, organization-specific and market-specific. Later, Ross (2006) developed sports team brand equity concept even further, considering that professional sport is a service provided to the fans. The researcher created a brand equity model that included antecedents affecting a team's brand equity and divided them into organization induced, market induced and experience induced. Gladden & Kerr (2008) were the first to include an international aspect, suggesting that sports teams may have fans also outside of their home country. Their model adds an antecedent of international brand community, which also has an impact on the brand equity of the team. Finally, Pons & Richelieu (2006) stated that three steps should be taken into consideration when establishing brand equity in professional sports: 1) defining the identity of the team, 2) positioning the team in the market, and 3) developing a brand strategy and marketing actions.

However, just like Gladden et al. (1998), Bodet & Chavanat (2010) identified four factors – based on Aaker (1991) – that shape the brand equity also in a football setting – perceived quality, loyalty, awareness and favourable image through the associations of the brand. Thus, we use these four dimensions as determinants of brand equity in this study.

## **2.2 Brand Extensions**

When an organization uses an already established brand name to enter a new product category outside of its existing core business, the new product is known as brand extension (Aaker & Keller, 1990; Aaker, 1991, pp. 180; Desbordes et al., 2008; Joshi & Yadav, 2016). Even though this might sound similar to licensing, there is an important distinction between the two. In licensing an organization allows an external firm to exploit their brand image for a fee, whereas a brand extension does not include any external

companies. The new product or service is developed without outside involvement. (Ross & Walsh, 2010.)

Brand extensions can be categorized into two categories; vertical and horizontal extensions. Vertical extension – also known as line extension – means that a new product is introduced in the category the brand already has presence, but with different segment (Aaker & Keller, 1992; Kim & Lavack, 1996; Joshi & Yadav, 2017). Horizontal extension is at hand when the company enters a totally new product category they previously have not been involved in but with an existing brand name (Aaker & Keller, 1992; Kim et al., 2011; Chung & Kim, 2014). Horizontal brand extensions can be seen to include the development of a totally new product concept (Chen & Liu, 2004). Vertical brand extension would be, for example, if H&M launched a new range of super premium clothes, whereas Ferrari's, well-known car manufacturer, extension to perfumes is an example of horizontal extension.

Vertical brand extensions have already been studied widely (Kim & Lavack, 1996; Kim et al., 2001), whereas the research on horizontal extensions is more limited and thus an interesting avenue for current research. According to Tauber (1988) the need for brand extensions aroused as the belief that companies need continuously to market new products to survive diminished and research results put product lifecycle concept into questionable light. According to Joshi & Yadav (2017), companies noticed that brand extensions minimise the risk of entering a new product category and helped to improve sales more than traditional product extensions.

Brand extension literature originates from Aaker and Keller's research done in 1990 (Henseler et al., 2010). Since then, brand extensions have become a popular branding strategy, because they lower the costs of new product launch and marketing (Joshi & Yadav, 2016) and make it possible to launch it in lesser time (Vukasovic, 2012). Also, companies are able to benefit from already existing brand knowledge (Aaker & Keller, 1990) and the rate of failure is reduced when marketing under a well-known brand name

(Keller, 2013, pp. 408). Furthermore, extending a well-known brand requires less advertising than establishing a new brand (Collins-Dodd & Louviere, 1999). Indeed, brand extension is an important and beneficial strategy for companies to exploit the credibility of their brands and to minimise their advertising costs (Joshi & Yadav, 2017).

Brand extensions have also other positive impacts. Firstly, they increase consumer trust towards the parent brand (Martinez & Pina, 2010). For example, in retail channel it is noted that it is easier to get a new launch accepted if it is under an established brand name (Collins-Dodd & Louviere, 1999). Moreover, it is noted that the parent brand's image can benefit from brand extensions (Balachander & Ghose, 2003). However, it has been shown that brand extensions, when unsuitable, can hurt the existing brand associations (Jacobson & Lane, 1995). Nevertheless, a company can avoid these pitfalls and create successful brand extensions if they provide a clear marketing strategy decision-making policy for brand extensions based on the parent brand's brand equity (Ailawadi et al., 2003).

It has been noticed that the components of brand equity can be good determinants of brand extensions success. For example, perceived quality of brand's products can improve brand trust and equity (Delgado-Ballester et al., 2003). Moreover, strong brand associations are seen to have a positive impact on the success of brand extension (Martin et al., 2005), whereas brand loyalty is noted to affect the buying behaviours of consumers strongly (Bennett & Rundle-Thiele, 2002). High level of brand loyalty impacts positively to the extensions attitude (Kim & Park, 2001) and the customers with high level of brand loyalty are more willing to try the extended brand's products (Swaminathan, 2003). Moreover, the level of brand loyalty affects the motivation level of consumers to feel positively about the brand extension (Hansen & Hem, 2004).

### 2.2.1 Brand Extensions in Football

One important way that professional sports teams are using to exploit their brand name is by launching brand extensions. Extensions in football business are becoming increasingly popular, as they give the team the possibility for increased revenues outside of their more traditional sources of income – the football matches -, provide a new point of contact with their customers and allow to exploit the brand name outside of their core category (Ross & Walsh, 2010). However, if the extension fails, it might have a negative impact on the brand equity of the team (John & Loken, 1993). Thus, investigating how football fans and other customers of the football brands evaluate extensions is important, as only successful extensions will increase the brand equity of the brand.

Moreover, in addition to generating revenue, brand extensions can strengthen the brand image of the organization and also give the fans a possibility to interact with the brand in a setting outside of the games themselves (Ross & Walsh, 2010). In sport, the usual ways of using brand extensions are sponsorship and merchandising (Bauer et al., 2005). It is interesting to notice, that brand extensions can be beneficial in both of these aspects. For example, if a football league extends its brand into eSports, it can interact with fans in totally different environment, and the fans have a chance to interact with the brand outside of football matches. Moreover, the fans actually have a chance to play with their favourite team and even to represent the brand outside of traditional football. Furthermore, the brand will get an access sponsorship deals and merchandise present at eSports market.

However, despite all the positives, football brands should evaluate carefully whether they want to participate in brand extensions. Professional sports brands should have a clear process to help in decision making in brand extensions projects, as not having a sufficient understanding of the effects extensions may have on brand equity might hurt it severely. In addition, it is important that the brand extension is suitably positioned within the organization, as it relies on the parent brand name and its assets. Failing to



position it correctly will have a negative impact on the brand equity of the parent brand. Moreover, it is vital to understand the degree, to which consumers will change their attitudes towards the brand, depending on the success or failure of the brand extension. Overall, the chance of succeeding is improved if a clear decision-making model providing a step-by-step guide is used in extension planning. (Lee & Walsh, 2012.)

Lee & Walsh (2012) actually created a brand extension model suitable for sports setting, which focuses on how the parent brand's equity can benefit the extension and how the extension can influence the parent brand's equity. Their model is designed to facilitate brand extensions decisions and improve the likelihood of successful brand extension as well as keep the parent brand's equity unharmed. The model consists of five sequential stages; 1) Evaluation of Team Brand Equity and Identification, 2) Concept and Strategy Development, 3) Concept Testing, 4) Extension Launch, and 5) Post-Launch. The model is sequential, meaning that only after the team has received positive results in the previous stage, they are encouraged to move to the next one. (Lee & Walsh, 2012.) It is something that football brands should examine and exploit when they are planning extensions, and a model, that could be studied further, is brand extensions in sports are studied from the company's point of view.

Nonetheless, Ross & Walsh (2010) studied the effect brand extensions have on the parent brand, and interestingly found out, that in sports setting the dilution effects are lesser, perhaps due to consumers' more committed nature in sports. Hence, sport brands might benefit from their unique nature in a way that limits the risk of brand extensions. However, Lee & Walsh (2012) highlight that more research is needed in this area, which this study is providing.

As it can be stated that history, place, players, management, rivalry, colours and achievements are what create a powerful football brand (Bodet & Chavanat, 2010), expanding into, for example, eSports business might increase the brand equity of a professional football brand, as the amount of players and achievements – and thus other artefacts as

well – that the brand can include into itself grow. Moreover, according to Thomas (2015), it would be beneficial for a sports brand to have a unique status in the market, e.g. by having a unique sponsorship deal or a unique offering compared to other brands. This could present an exclusive opportunity to increase the consumer interest towards the brand. If a football league would launch an eSports extension - and it would be the only one in its market to do so – this could be seen as such a unique position that develops consumer interest beyond rivalling sports leagues.

In addition, although the biggest brands in football have already started to expand their brand to new, unfamiliar markets to benefit from huge financial potential of them (Bodet & Chavanat, 2010), the expansions thus far have been directed mostly towards foreign continents, and not many have yet exploited new product categories. Since football brands are true commercial brands in modern world (Burton & Howard, 1999), also horizontal extensions are an important avenue for them in the search of growth.

## **2.2.2 Dimensions of Brand Extension Reception**

Consumers' perception of brand extension is strongly relying to their evaluation of the parent brand and the components of its brand equity (Ross & Walsh, 2010). Based on an extensive literature review, consumer-based brand equity's four dimensions are chosen as the key factors influencing consumers' reception of brand extension. Furthermore, based on literature, a fifth element – perceived fit – was added. The justifications for these are outlined in this chapter.

### *Perceived fit*

Perceived fit means the amount of uniformity or similarity between the parent brand and the brand extension (Buil et al., 2009). Consumers react to brand extensions by comparing their product category to the parent brand's product category and assessing the

appropriateness between them (Joshi & Yadav, 2017). They determine the perceived fit with the aid of two concepts: product similarity and concept consistency (Lawson et al., 1991). Product similarity indicates how similar consumers see the extension compared to the other products by the brand in terms of need fulfilment and usage situations (Park & Smith, 1992), whereas concept consistency means the extent to which the extension is able to hold the known brand concept (Joshi & Yadav, 2017). It is also possible to achieve perceived fit if the extension and the parent brand have a same type of usage situation or if the extension can be used in the place of the parent brand (Lee & Walsh, 2012).

Already Aaker & Keller (1990) claimed that consumers' evaluation of a brand extension is a result of perceived quality of the brand, the fit between the extension and the parent brand, the interaction between these and perceived difficulty of producing the extension. Even though some parts of their suggestion have been criticized, it is generally agreed that consumers' perception of perceived fit is a key determinant of brand extension success (Bottomley & Holden, 2001; Henseler et al., 2010).

Interestingly, some scholars even state that perceived fit is the most important factor for the success of a brand extension success (John & Monga, 2007; Martinez & Pina, 2010). Even though this can be argued about, researchers have found out that consumers will more likely to create a positive attitude towards sports brand extensions that are sports related (Lee & Walsh, 2012). As perceived fit between the parent brand and the extension will have a positive influence on horizontal brand extensions (Chung & Kim, 2014), the overall extension fit and consumer involvement – in the case of extended brand – have a positive influence on the success of the brand extensions and that a brand extension with a good fit with the parent brand strengthens the parent brand equity (Bhat & Zimmer, 2004).

Furthermore, the fit between the parent brand and the new product category has a significant impact on how consumers evaluate the brand extension (Ross & Walsh, 2010).

In addition, Apostolopoulou et al. (2004) found that consumers are more willing to purchase extensions, that have better perceived fit with the parent brand – which in football would mean sports related extensions. It is indeed shown, that perceived fit between the parent brand and the brand extension does impact the consumers' interpretation. If the extension's product category is identified as fitting with the parent brand's, they will see it as more positive (Bottomley & Holden, 2001; Sattler & Völckner, 2006). Thus, quite many researcher has agreed on the suggestion of Aaker & Keller (1990), that a new product is more likely to be received well by consumers if its perceived fit is great.

Since it has been shown by previous research, that the evaluation of brand extension can be affected by how consumers view the parent brand and the fit between the parent brand and the extension (Bearden & Taylor, 2002; Hennig-Thurau et al., 2010), it can be postulated that:

*H1: Perceived fit has a significant positive effect on brand extension evaluation.*

### *Brand loyalty*

Team identification – also known as the level of commitment or loyalty – has been shown to be a strong determinant of the consumer behaviour of a sports fan (Anderson et al., 2002). The highly identified fans require more to create a change in their attitudes and behaviours towards a sports team (Howard et al., 2000). Fans that are highly identified have a strong relationship with their favourite team, even so that the team is integral part of their lives and it affects strongly their attitudes and behaviours (Ross & Walsh, 2010).

It is noted that the more emotionally committed the consumer is with the brand, and the more they identify themselves with the brand, the more they are willing to surpass negative information about the brand and the less their attitude will change towards the

brand. Thus, the level of identification of customers is one key determinant of how positively brand extensions will be received (Lee & Walsh, 2012). Moreover, also Hem & Iversen (2003) noticed that high levels of brand loyalty towards the parent brand affect positively on the evaluation of brand extension. Their study reinforced the perception that brand loyalty is an important construct of brand equity and moreover, also an important factor in brand extension success.

In addition, it is possible to transfer the fan loyalty of the parent brand to the brand extension if the fans are highly committed, as committed fans tend to have more positive attitude towards extensions (Ross & Walsh, 2010).

Thus, it can be postulated that:

*H2: Brand loyalty has a significant positive effect on brand extension evaluation*

#### *Perceived quality*

Already Aaker (1990) argued, that customers' perceived quality is an important determinant of brand extensions success. Moreover, according to Ross & Walsh (2010), when consumers have favourable attitude towards a sports brand and perceive its brand image as positive, they will more likely also have a favourable attitude towards the brand extension. They also state, that if a sports brand is perceived to have a high-quality product (indicating their on-field display), consumers are more likely to also evaluate the extension to be of high-quality.

Hence, when consumers have a favourable approach towards a sports brand, they are more responsive toward the extensions introduced by that brand. Furthermore, when the parent brand's perceived quality is high, it will have a positive impact in the perceived quality of the brand extension (Bottomley & Holden, 2001).

Hence, it can be postulated that:

*H3: Perceived quality has a significant positive effect on brand extension evaluation*

#### *Brand associations*

Every model that has been developed suggest that brand awareness and brand associations are essential in developing positive brand equity (Lee & Walsh, 2012). It is also suggested that brand associations are the key element of spectator-based brand equity, as they are commonly used by consumers to guide their buying behaviour (Ross, 2006). Having strong, favourable and unique brand associations will be beneficial when launching brand extensions (Lee & Walsh, 2012).

Furthermore, Hawley & Tong (2009) identified that brand associations are important in building brand equity and successful brand extension. What is more, brand associations can help consumers to create a perceived fit between the parent brand and the extended brand (Aaker, 1991, pp. 103). On the contrary, not aligned brand associations will make the consumers to change their attitudes towards the brand into negative direction (John & Loken, 1993).

Moreover, strong brand beliefs can affect extension attitude positively (Martinez et al., 2009) and clearly defined associations of the parent brand can transmit to the extension, making its reception more positive (Buil et al., 2009).

Therefore, it can be postulated that:

*H4: Brand associations have a significant positive effect on brand extension evaluation*

*Brand awareness*

The fact whether a brand extension is a success or not is strongly linked to the strength and familiarity of the brand which introduces the extension (Lee & Walsh, 2012). Thus, awareness is an important characteristic of a successful brand extension. Brand awareness is the key factor in creating other brand equity dimensions (Bodet & Chavanat, 2010), which have also been seen to have an impact on brand extension evaluation.

Consumers can be viewed as risk takers (Joshi & Yadav, 2017), as they continuously make decision between buying and not-buying, and thus gamble their time and money on behalf of the purchased good or service. Good brand awareness of parent brand can serve as a risk reliever with the extension and increase its acceptance among consumers (Hem et al., 2003). Established brand name decreases the risk for consumer and hence the extension benefits from more positive consumer reception (Joshi & Yadav, 2017).

The level of familiarity consumers have with the brand is likely to have an impact on all of their perceptions of the brand (De Chernatony & Martinez, 2004), also their evaluation of brand extensions (Klink & Smith, 2001). Therefore, if consumers are well aware of the brand performance, their perception of the quality of the brand and its extensions are more positive (Joshi & Yadav, 2017). High awareness level of parent brand can transmit to the extension, making its reception more positive (Buil et al., 2009).

Thus, it can be postulated that:

*H5: Brand awareness has a significant positive effect on brand extensions evaluation*

### 2.2.3 Consumers' Reception of Brand Extensions in Different Cultures

Culture has an impact on people's attitudes and behaviours and can further affect their responsiveness towards changes and innovativeness as well as their perception of brands (Kumar & Mahmud, 2016). From marketing point of view, the meaning of brands may differ among different countries (Fischer et al., 2010). Culture affects consumers' thinking and actions, creating behavioural patterns that provide guidance for the members of a society (Kaasa et al., 2014).

According to Henseler et al. (2010), the concept of culture has produced multiple conceptualizations and operationalizations, out of which the most widely recognized are those of Hofstede (1980, 1991, 2001), Hampden-Turner & Trompenaars (1997), Hall (1966, 1976, 1984) and Rokeach (1973).

Hofstede (2001, pp. 2) described culture as the collective programming of the mind that distinguishes members of one group from another. According to him, culture originates from the common experiences of a nation's people and includes their educational, governmental and legal systems, family structures, art, religion and scientific theories. Moreover, Hofstede did develop a model of culture that is consisted of five dimensions:

1. Long-term orientation: A culture's recognition of values associated with future rewards, especially perseverance and drift
2. Masculinity: A society's desire for achievement, competition and material success versus recognition of relationships, modesty and quality of life
3. Power distance: The degree to which people accept unequal distribution of power and autocratic structure
4. Individualism: Whether people look after only themselves and immediate family or belong to larger group in which people take care of each other
5. Uncertainty avoidance: The extent to which people feel threatened by uncertainty and try to avoid it and to which the society tries to limit it by regulations

(Henseler et al., 2010).



According to Henseler et al. (2010), other studies have created similar dimensions. Hampden-Turner & Trompenaars (1997) identified seven dimensions of culture based on categories of dilemmas faced by each culture, Hall (1966, 1976, 1984) focused on the micro level and adopted cross-cultural communications perspective and Rokeach (1973) chose to examine culture from an inside perspective and compiled a system of 36 human values that can be classified into three motivational domains.

And even though Hofstede's model has collected some criticism, e.g. in terms of attitudinal measures used, the selection of countries studied and potential cultural biases, it is still the most remarkable framework for evaluating cultural differences (Steenkamp, 2001). For example, for cross-cultural comparison it is specifically usable (Randall, 1993), as it classifies the influence of cultures (Murphy, 1999). Furthermore, as Hofstede's survey was conducted only within one company in several countries, between-company issues are not present (Steenkamp, 2001).

Therefore, from a conceptual perspective, Hofstede's model seems promising to be applied for cross-cultural brand extension studies. Moreover, from a methodological perspective Hofstede's framework is particularly useful as it has only five dimensions, compared to seven or more with others. As every added dimension increases the complexity of the study and data analysis, it is practical using a framework in which the dimensions are limited to five. (Henseler et al., 2010.)

Hofstede's framework is chosen, since its dimensions are the most noticeable and relevant ones both empirically and conceptually for cross-cultural brand extension studies. Moreover, it is methodologically most convenient since its dimensions are independent from each other (Henseler et al., 2010.) and it has measurements for each of the three countries used in this study. Those are presented in table 3.

<b>Orientation</b>	<b>England</b>	<b>Finland</b>	<b>Norway</b>
Power Distance	35	33	31
Uncertainty Avoidance	35	59	50
Individualism / collectivism	89	63	69
Masculinity / femininity	66	26	8
Long- vs. short-term orientation	25	41	44

**Table 3.** Cultural orientations of the target countries (Hofstede, 2001, pp. 89, 151, 215, 286, 356-357).

Even though the fact that cultural differences are an important determinant of brand extensions success is admitted by many scholars, quite little attention has been given to the evaluation of cultural characteristics' impact on brand extensions (Henseler et al., 2010). Previous research actually seems to ignore the fact that consumers are heterogeneous and thus evaluate extensions differently (Ding et al., 2009), and even though culture's important role in brand extension evaluations is understood, the research on its effects is very limited and no comprehensive data is available (Henseler et al., 2010).

Henseler et al. (2010) were the first to try to evaluate consumers' reception on brand extensions across different cultures. Their research relied on Hofstede's cultural framework, which, according to them, "is often used to examine the effects of cultural differences in cross-cultural research". In their research they analysed data from 10 individual studies carried out in six different countries, resulting in total in 15817 available cases. Their results suggest that cultural influences have significant effects on brand extension success. Prior to them, also John & Monga (2007) had made an argument based on research findings that cultural differences in styles of thinking may affect brand extension evaluation.

Depending on the culture, some consumers might put more value on the fit between brand extension and parent brand than others. For example, consumers in individualistic cultures tend to emphasize it more than consumers in collectivistic cultures (Henseler et al., 2010). For example, John & Monga (2007) noticed that consumers in Eastern cultures

give greater importance on perceived fit and also tend to evaluate extensions more favourably than consumers in Western cultures. Moreover, they state that culture-related types of thinking do affect how the consumer evaluate brand extensions. Furthermore, also John & Kim (2008) noticed that cultural differences have an impact on how consumers interpret the extent of fit between brand extension and parent brand.

Previous research has also proven that the understanding of perceived quality, its interpretation and to which extent it affects the evaluation of brand extensions vary across cultures (Henseler et al., 2010). For example, Donthu et al. (2000) showed that Asian consumers place more value on perceived quality than those in the United States. In addition, consumers in long-term orientated countries tend to evaluate brand extensions higher than those in short-term orientated countries, implying that consumers in long-term orientated countries put more emphasis on brand loyalty, which companies can build on (Henseler et al., 2010).

Moreover, Henseler et al. (2010) noticed that consumers in short-term orientated countries put more value on the complementary fit of parent brand and the extension. In addition, in countries which are highly masculine, the perceived quality of the parent brand is an important determinant of the success of brand extension. It also correlates positively with consumer innovativeness, indicating that consumer innovativeness implies perceived quality having a bigger role in brand extension evaluation. Moreover, both perceived quality and perceived fit become more important factors of brand extension success in countries where power distance is low. Consumers in low power distance countries tend to be less loyal towards brands, as are consumers in individualistic cultures, which makes them less willing to accept brand stretches into distant categories, making the importance of fit all the more vital.

Henseler et al. (2010) noticed, that two of the five Hofstede dimensions have a direct effect on brand extension evaluation; long-term orientation has a positive impact on brand extension success, whereas uncertainty avoidance has a negative impact. Hence,

it seems that brand extensions can be expected to succeed in countries and cultures that are long-term orientated and have a low score in uncertainty avoidance. Furthermore, cultural differences affect how consumers interpret perceived quality and fit between extension and parent brand. Perceived quality has a bigger impact on brand extensions success in cultures that are masculine, have a low power distance and low uncertainty avoidance. In contrast, perceived quality carry lesser effect in cultures that are feminine and carry high levels of power distance and uncertainty avoidance. In addition, perceived fit is seen as important in cultures that score low in power distance and are individualistic.

For brand managers, it is essential to understand that a brand extension's success varies between cultures, and a successful brand extension done in another country cannot be copied as such to a different culture (Henseler et al., 2010). Since people in different cultures evaluate brand extensions differently (John & Monga, 2007), it can be postulated that:

*H6: Cultural differences have a significant impact on brand extension evaluation*

### **2.3 The Impact of Brand Extensions on Parent Brand Equity**

Successful brand extensions offer several marketing benefits. However, whilst useful when succeeding, brand extensions can also have a negative impact on the parent brand by damaging the brand equity developed by the organization (John & Loken, 1993; Joshi & Yavad, 2016). Moreover, the financial risk associated with brand extensions is severe, which can ultimately negatively impact the brand equity of the parent brand (Ross & Walsh, 2010). Any damage in the brand equity may affect the team's ability to generate revenue and decrease the fans' attitudes toward the team (Ross, 2006). Thus, it is vital that people working with brand extensions understand the possible positive and negative consequences associated with them. Nevertheless, the amount of empirical research about this topic is limited, as major of research focuses on consumers' evaluations

of the extension and not on the possible impact it might have in the parent brand (Ross & Walsh, 2010). Therefore, this study offers a new point of view to the brand extension studies.

On the other hand, according to Keller (1993), extensions can help the core brand image by improving favourability and strength of associations while also expanding the business definition and the brand's core benefits. Extending to new categories can add convenience value, as the parent brand memory structures change when consumers respond to extension, and thus the change created by one aspect transfers to other aspects. Furthermore, based on Sinapuelas & Sisodiya (2010), brand equity can be strengthened by innovative brand extensions. With innovative extensions it is possible to increase the loyalty of customers and increase the attractiveness of the products while also increasing the differentiation compared to competitors. Hence, new brand extensions create unique associations and reinforce the brand equity. Anyway, brand marketers need to be careful when planning brand extensions, as they affect the parent brand's equity in one way or another (Dwivedi & Merrilees, 2013).

There have been some researchers studying the relationship between brand equity and brand extension. The results indicate that when a brand extension is successful, it can have a positive impact on the parent brand by increasing its brand equity (Aaker & Keller, 1992; Dacin & Smith, 1994), whereas a badly received extension might affect negatively by reducing parent brand's equity (John & Loken, 1993). When a brand extension is introduced, information what consumers have about parent brand transfers to the extension. Consumers then evaluate the extension in this light, and transfer the information, that has changed based on their evaluation of the extension, to the parent brand (Joshi & Yadav, 2017). Anyway, the research has shown that brand extensions do affect brand equity by changing it positively or negatively. However, it is noted that the results vary in different product categories, and different products and services behave differently. (Joshi & Yadav, 2016). Brand extensions' effects on brand equity in sports setting have not been extensively studied, which makes it an important area of research.

How brand extension is received by consumers will affect how they perceive the parent brand (De Chernatory & Martinez, 2004). A new brand extension offers consumers new information, affecting their perception of the parent brand (Joshi & Yadav, 2017). If the consumers perceive that the extension is of good quality, their opinion towards the whole brand grows more positive (Dens & de Pelsmacker, 2010). However, this change in attitudes works in both ways; if consumer have positive perception of the extension, their attitude towards the parent brand will become more positive, whereas negative perception towards the extension will negatively affect the evaluation of the parent brand (Dwivedi et al., 2010).

In their study of two brands in Indian FMCG industry, Joshi & Yadav (2017) found out that brand extensions do affect parent brand equity and thus should be introduced so that they help to strengthen parent brand equity. They argued, that by strategically positioning brand extension this increase in parent brand equity can be reached. Also, according to Dwivedi & Merrilees (2013), although brand extensions take an advantage of the parent brand's equity, they also affect the equity in so called reciprocal effect.

When brand extension success is evaluated, it is important to examine the impact it has on the parent brand (Joshi & Yadav, 2017). Successful extensions should be highly beneficial in building the equity of a brand (Katsanis & Pitta, 1995). However, the impact of the extension can also be negative if the perceived quality of the extension does not meet the parent brand's perceived quality (Kaufmann et al., 2008).

Already De Chernatory & Martinez (2004) and Sinapuelas & Sisodiya (2010) found out, that brand extensions might dilute the brand image of the parent brand and negatively affect the consumers' beliefs and associations towards the brand. De Chernatory & Martinez (2004) further analysed that this dilution happens because consumers re-evaluate their approach towards the brand after exposing themselves for the extension, and the image clarity of the brand can be lost during this re-evaluation process. Donthu & Michel (2014) continued this analysis further, and argued, that consumers might experience a

positive change in their brand associations even though some of the brand associations would be inconsistent with the parent brand. However, if the central brand associations are inconsistent between the extensions and the parent brand, negative change will occur.

The study done by Ross & Walsh (2010) is one of the first efforts to examine how brand extensions affect the associations in professional sports. Their results indicate that minimal dilution can occur when brand extensions are introduced and that the level of identification is an important determinant whether it occurs. Their findings showed that dilution will only happen when the extension is non-perceived fit the parent brand and has inconsistent associations.

Dwivedi & Merrilees (2013) measured brand extensions feedback effects on change in brand equity of a parent brand and found, that brand extensions attitude significantly affects the change in brand equity, and that a parent brand trust strongly impacts how severe this change is. In the same study it was noticed that perceived fit between brand extension and brand equity has significant impact on attitude towards brand extensions. Moreover, the study showed that the initial parent brand equity affects the attitude towards brand extension. Then, it was shown that attitudes towards brand extensions have a significant impact on change in parent brand equity. Thus, it can be concluded that perceived fit and parent brand equity affect brand extension which in turn alters the parent brand equity.

Martinez & Pina (2010) expanded earlier research by analysing brand extension impact on parent brand image and including more variables than had been done previously. Their research showed that consumers really change their attitude towards a brand based on how the extension is perceived in their minds. The attitude towards extension is greatly affected by perceived category fit, image fit and initial brand image which is affected by parent brand familiarity or awareness. These variables then shape their attitude toward the parent brand and thus affect parent brand equity. They concluded

results that indicate that brand extensions do affect original brand image. The effect is dependable on the attitude toward the extension and perceived fit with the original brand image. This is due to the fact, that the support that parent brand lends to the new extension often leads to a change in parent brand image associations, and the risk of brand equity dilution is constantly present. However, if extension is coherent with the parent brand image, dilution will not happen.

In the same study it was noted that the greater the familiarity – or awareness – of a brand is, the more positive the brand image of it is. Moreover, positive initial brand image was seen to positively affect the attitude towards brand extension. Furthermore, the greater the perceived fit between the extension and the parent brand is, the more favourable the attitude towards the extensions is. Finally, it was noticed that the better attitude toward the extension, the more positive the impact it has on the parent brand equity. (Martinez & Pina, 2010.)

Then again, a regression analysis done by Chung & Kim (2012) revealed that brand awareness is a positive predictor of horizontal and vertical brand extensions. Moreover, perceived fit between the extension and the parent brand has a positive effect on the consumer evaluation of a horizontal brand extension and moderated the relationship between awareness and overall extension evaluation. On the other hand, the results of another study (Ross & Walsh, 2010) suggest that the level of identification has a bigger impact on brand equity than exposure on brand extensions. Consumers with high level of identification are unlikely to change their behaviour or attitudes which indicates that dilution is unlikely to happen among them.

According to Ross & Walsh (2010), perhaps the most vital finding of their research was the importance of brand identification and its relation to the brand extensions and their effect on the parent brand equity. The results show that loyal fans are unlikely to change their perception of a sports team based on the brand extensions introduced. Thus, extensions should not change the equity of the parent brand to negative or positive



direction among loyal supporters. However, as sports teams want to create new loyal supporters by strengthening the identification levels among new consumers, it is important to understand that dilution may occur among this consumer group.

One study, that analysed the factors consisting brand extension strategy, tried to identify the factors strengthening parent brand equity and measured the effects brand extension has on parent brand equity. It focused on three factors – perceived quality, brand loyalty and brand associations. It was found that brand extensions have a significant effect on parent brand equity, and that brand familiarity (awareness) and brand image affect the parent brand equity strongly. The same research also showed that brand extensions do affect parent brand equity by improving or diluting it, depending on how the extension is received. Moreover, it was shown that especially brand image and brand familiarity (awareness) have a positive impact on the parent brand equity. (Alsoud et al., 2014.)

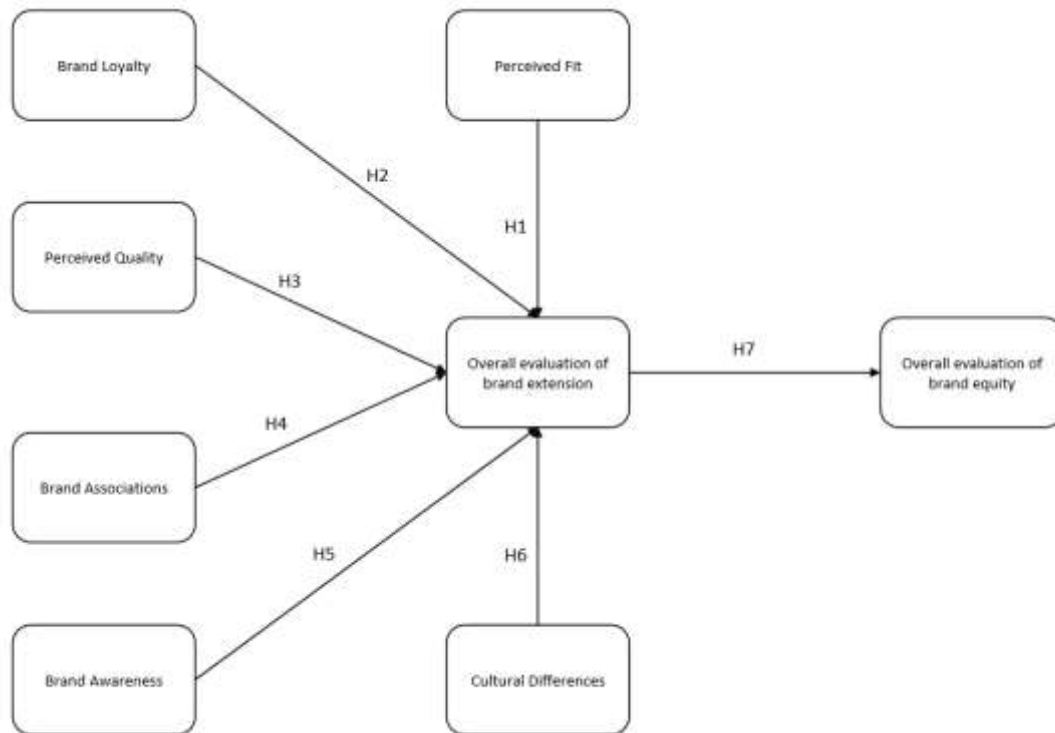
The again, in their study Bhat & Zimmer (2004) noticed that a brand extension will either strengthen the parent brand attitude or have zero effect. They argued that due to the better awareness of the brand after expanding to new product category an improvement in attitudes is likely to happen.

Based on an extensive literature review, it can be postulated that:

*H7: Brand extension evaluation has significant positive impact on parent brand equity*

All hypotheses are summarized into a theoretical framework that explains the dependencies between the different hypotheses. The framework shows, how brand awareness, brand loyalty, brand associations, perceived quality, perceived fit and cultural differences are expected to influence extension evaluation, and the extension evaluation is expected to impact parent brand equity. The framework illustrates the functionality of each hypothesis and explains how the author has imagined their relationship. The theoretical framework is presented in figure 2. Moreover, as the impacts brand extensions might

have on parent brand equity were discussed in great length in this chapter, to simplify matters the main research findings of brand extension evaluation and their impact on parent brand equity are presented in table 4.



**Figure 2.** Proposed conceptual framework (author's own).

John & Loken, 1993	Brand extensions can dilute the parent brand equity.
Keller, 1993	Brand extensions can help the core brand image by improving favourability and strength of associations while also expanding the business definition and the brand's core benefits.
Dacin & Smith, 1994	A successful brand extension has a positive effect on parent brand equity.
Katsanis & Pitta, 1995	Successful extensions increase the equity of parent brand.
De Chernatony & Martinez, 2004	Consumers re-evaluate their approach towards the parent brand after exposing themselves to the extension, changing the brand equity of parent brand.
Kaufmann, Sattler & Völckner, 2008	If the extension's perceived quality does not meet the parent brand's perceived quality, extension will decrease the equity of parent brand
Dens & de Pelsmacker, 2010	A positive perception of brand extension increases the consumer perception of parent brand.
Dwivedi, Merrilees & Sweeney, 2010	How consumers interpret brand extension will change their evaluation of parent brand into same direction.
Henseler, Horvath, Sarstedt & Zimmermann, 2010	Perceived quality and perceived fit have a significant and positive impact on the evaluation of brand extension.
Martinez & Pina, 2010	Brand extensions affect brand image of parent brand. The effect is dependable of the attitude toward the extension and perceived fit between parent brand. Attitude toward extension is affected by perceived category fit, image fit and initial brand image. Perceived fit is the main driver of positive change.
Ross & Walsh, 2010	Dilution occurs, when the extension is non-perceived fit and has inconsistent associations with the parent brand. The level of identification has a bigger impact on brand equity than exposure on brand extensions.

Sinapuelas & Sisodiya, 2010	Brand extension can strengthen brand equity if they are innovative, but they might also dilute it and affect negatively consumers' beliefs and associations with the brand.
Chung & Kim, 2012	Perceived fit between brand extension and parent brand has a positive effect on consumer evaluation of brand extension.
Dwivedi & Merrilees, 2013	Attitudes toward brand extension have a significant impact on change in parent brand equity. Parent brand trust affects, how severe the change is.
Alsoud, Matarid & Youssef, 2014	Brand extensions have a significant positive or negative effect on parent brand equity, depending on extension reception. Brand familiarity and brand image affect the parent brand equity strongly.
Bhat & Zimmer, 2014	Brand extension will either strengthen parent brand attitude or have zero effect. Brand awareness is key determinant whether strengthening will happen.
Donthu & Michel, 2014	Consumers may experience positive change in their brand associations even though some associations would be inconsistent with parent brand. If the central brand associations are inconsistent, negative change will occur.
Joshi & Yadav, 2016	Brand extension's impact on parent brand equity is different in different product categories.
Joshi & Yadav, 2017	Consumers transfer information that they have about the parent brand to the extension, evaluate extension in this light and transfer the changed information back to the parent brand, changing its equity.

**Table 4.** Summary of brand extension research (author's own).

## 2.4 Summary of Literature Review

First it was shown how brand equity is the measurement of the value of a brand and how it is strategic, and perhaps the most important, asset for a company. In addition, it was explained how multiple approaches to brand equity have been created, with product-market approach, financial approach and consumer-based approach being the most important ones. Out of these three, the latter is seen as the most comprehensive one, and thus it is used in this study.

Brand loyalty, brand associations, brand awareness and perceived quality are seen as the key dimensions of consumer-based brand equity. It is examined through consumers' market perceptions and their knowledge, familiarity and associations with the brand. Consumer-based brand equity is seen as vital in market share and profit increase for a brand, but as it is created in cooperation with the consumers, brands have started to create ways their customers can exploit to interact with the brand and thus to strengthen the brand equity.

It was also shown how football is highly international business, which affect people globally. Branding is important in football, as having a brand identity is the most important asset a football league can have. Thus, it is vital for football brand to capitalize its relationship with its fans, especially as brands in sports have extremely high level of identification with their fans. Moreover, the same four factors – brand loyalty, brand awareness, brand associations and perceived quality – are seen as the dimensions of brand equity in sports setting.

Then brand extensions were introduced, and it was explained how penetrating a new product category with an existing brand name is called as brand extension. It was shown how brand extensions have become an important branding strategy due to its multiple benefits compared to creating a new brand. Furthermore, it was discussed how the components of consumer-based brand equity are also good determinants of brand extension

success. It was also described how brand extensions are an important way to exploit their brand for professional sports brands and are becoming increasingly popular in football, as they offer multiple benefits. Moreover, it was elaborated how it is vital that the brand extension is suitably positioned within the organization, and how more research about the matter is needed to create a better understanding of it.

Then consumers' evaluation of brand extensions was discussed, and it was proposed that based on earlier research the dimensions of brand equity are key determinants of the success of a brand extension. Moreover, it was shown how – in addition to brand loyalty, brand awareness, brand associations and perceived quality – also perceived fit is an important determinant of brand extensions success. Thus, these five factors were chosen as the determinants of brand extension success in this study.

Next, culture's role in business studies was introduced and it was presented how culture has produced multiple conceptualizations, out of which Hofstede's one is the most commonly used and recognized. Hofstede's model includes five different dimensions of culture. It is also shown to be the most fitting one in brand extension research. Furthermore, it was described how culture's role in brand extension success is researched relatively little, even though its important role is admitted. Hence, cultural differences were also included as a determinant of brand extension success in this study.

Lastly, it was discussed how successful brand extensions can impact the parent brand equity positively and unsuccessful ones negatively. The importance of this was outlined based on earlier literature and the severe consequences of diluting the brand equity were explained. Quite many researchers have found out, that brand extensions have an impact on parent brand equity, and it is admitted that the impact differs in different product categories. Its impact in sports setting is not yet researched, and therefore it is hypothesised that brand extension evaluation affect parent brand equity in football setting. To support the research questions, seven hypotheses were developed, as presented

in previous chapter in figure 2. Furthermore, the main research of brand extension's impact on parent brand equity are outlined in table 4.

### **3 Methodology**

Doing a research is always balancing between different options. Researcher has to ponder what topic to choose, what kind of data to collect and what approach should be taken to data collection. These are all important decisions that can largely determine the outcome of the research. However, research has a solid basis when the researcher's choices are coherent on four levels - setting the research problem, philosophy of science, research design and theoretical understanding. (Hirsjärvi et al., 2009, pp. 123-124.)

When a researchers wants to conduct a research, he/she needs to consider whether the data is already available or needs to be collected, who or what are the research objects, what kind of time period is needed for the research, which method to use and how it is applied, how to choose and reach the examinees and what material and resources are needed (Hirsjärvi et al., 2009, pp. 177-178). The chosen methodology is a justification of data collection methods (Saunders & Rojon, 2014).

In this chapter I will explain how and why I have answered these problems in a way I have. Moreover, the methodological choices, the research design and the data collection and analysis choices are discussed, and it is explained, why this type of methodology was chosen based on the other three levels.

#### **3.1 Research Design**

Bell & Bryman (2015, pp. 37-38) divide research into qualitative and quantitative. Firstly, we should keep in mind that there is no wrong or right when choosing between these research methods; depending on the topic and required outcomes, both types of research have their place and are useful. The researcher just has to correctly identify which type of research fits his/her work.



Also, Hirsjärvi et al. (2009, pp. 135-136) discuss about quantitative and qualitative research methods, and state, that they should not be seen as contrary terms but as two different types of research, which both have their positive sides. They are hard to clearly separate and should be seen as complementary, rather than contrasting, methods.

However, even though the differences between quantitative and qualitative research methods are not straightforward and care should be taken when trying to separate them too deeply from each other, some fundamental differences can be made. Firstly, quantitative research is more deductive approach to the relationship between theory and research, and thus focuses on testing suggested theories. On the other hand, qualitative research is more of an inductive approach and its emphasis is on generation of theories. Then, quantitative method has absorbed the practices and norms of the natural scientific model and of positivism, whereas qualitative method has rejected these to put more value on how individuals interpret their social world. Thirdly, where quantitative research has objectivistic approach to social reality, qualitative research takes is as changing creation of its individuals, having more constructionistic view. (Bell & Bryman, 2015, pp. 37-38.) These differences are also outlined in Table 5.

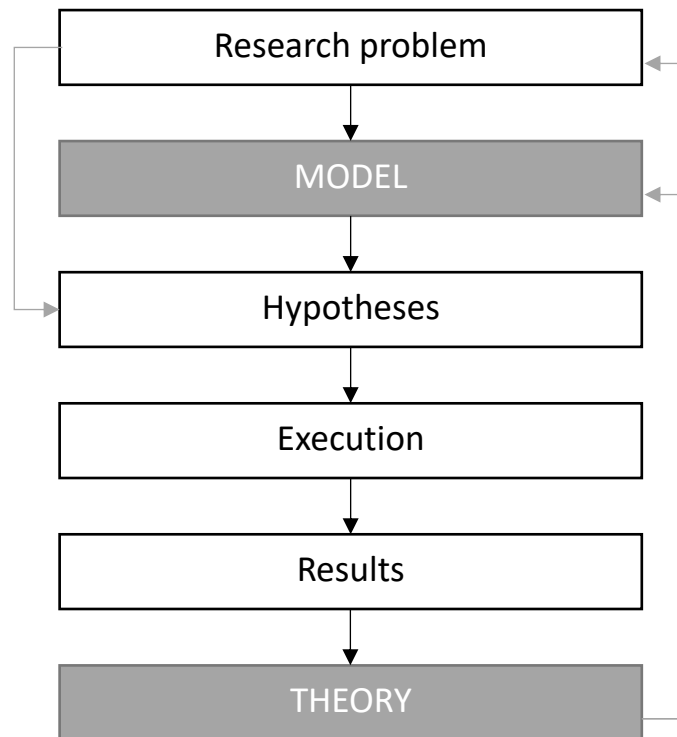
	<b>Quantitative</b>	<b>Qualitative</b>
Principal orientation to the role of theory in relation to research	Deductive; testing of theory	Inductive; generation of theory
Epistemological orientation	Natural science model, in particular positivism	Interpretivism
Ontological orientation	Objectivism	Constructionism

**Table 5.** Fundamental differences between quantitative and qualitative research strategies (Bell & Bryman, 2015, pp. 38).

The decision which research strategy to choose should be linked to the researcher's plan on how he/she will answer the research questions, linking research philosophy to the data collection and analysis choices (Denzin & Lincoln, 2018, pp. 309-310). Since my

research is more of descriptive nature, and it aims to explain some crucial and interesting characteristics in consumer behaviour and consumer attitudes towards football brand extensions – and create an understanding behind the change brand extension has on parent brand equity – quantitative research approach in the form of a survey is appropriate way to collect the data (Hirsjärvi et al., 2009, pp. 139). Furthermore, as the research has a deductive approach, indicating that existing literature is used to identify theories that will be tested with data and causal relationship between variables are tried to be explained, a quantitative data should be utilized (Lewis et al., 2016, pp. 61, 125).

Moreover, as in deductive research earlier literature and findings are used deductively to generate a framework and the research questions for the research (Creswell, 2014, pp. 62), quantitative approach is beneficial. Further, to answer my research problem comprehensively, I need to have generalisable consumer data, indicating that I need to put my emphasis on a large number of respondents. In addition, I need to measure variables and collect data that can be analysed statistically. Considering all these facts, quantitative research approach seemed to fit my goals. (Hirsjärvi et al., 2009, pp. 140.) My research problem is based on issues noted in real life and in literature, and I have then created a theoretical model and set of hypotheses to support my research. A research process is explained in figure 3.



**Figure 3.** The process of deduction (Hirsjärvi et al., 2009, pp. 145).

Whereas in qualitative research humans are an instrument of data collection and the researcher uses an inductive analysis to measure the data (Hirsjärvi et al., 2009, pp. 164), in quantitative research researcher collects empirical and measurable data that can be summarized in statistical way and then further analysed and generalized (Ghauri & Gronhaug, 2010, pp. 104-105).

In qualitative research, generalisable conclusions cannot be made. Thus, I have chosen a quantitative method to be able to generalise consumer attitudes based on the sample used in this study. Moreover, if a large number of respondents is needed, quantitative study is possible to conduct in lesser time than qualitative. Furthermore, out of the options within the quantitative research method I have chosen to conduct a cross-sectional survey, as it is possible to carry out in a short period of time (Hirsjärvi et al., 2009, pp. 178, 181). When conducting a master's thesis, it has to be taken into consideration that time and money are resources that are limited, and thus the research method needs to be chosen along these limits as well.

### 3.1.1 Research Method

Plenty of research types are available, with all having their distinct positives and negatives (Hirsjärvi et al., 2009, pp. 185). The suitability depends on the research questions, researcher's level of control and whether the research's focus is on contemporary or historical phenomena (Cresswell, 2014, pp. 19). A survey was chosen, since it enables collecting a large data sample. It is also efficient, saving a lot of time, which is important in a research process that needs to be completed in a specific time frame. It is also cost efficient and can be analysed with relative ease. Moreover, to find out how consumers believe, act and feel, a survey is convenient tool (Hirsjärvi et al., 2009, pp. 185, 195).

Moreover, online survey is easily manageable and economical way to collect data, and it provides a possibility to collect large amount of data (Joshi & Yadav, 2017). Further, in the countries chosen for the study, the access to internet is relatively high and the level of active internet users in the population is almost 100%, with Finland being the lowest on the list with 94% of population considered as active internet users (Internet World Statistics, 2019). An online survey is also easy to create, it offers an easy way collect and store data and it is easy to spread along internet. Furthermore, it enables a fast data collection and easiness to reach a large number of consumers. Furthermore, an online survey offers an opportunity to compare specific groups and their attitudes in an international scale (Joshi & Yadav, 2017).

However, as all research types, surveys have some downsides as well. Even though an online survey is easy and cheap way to get the survey available for a large sample, it is also uncontrollable. Moreover, it can be argued that the data is facile. It also cannot be stated how seriously or honestly the respondents have answered the survey, or have they encountered some misunderstandings with the questions. Further, it cannot be known how well the respondents are aware of the matter they are asked to evaluate. (Hirsjärvi et al., 2009, pp. 195-196.)

Nevertheless, as the positives outscore the negatives, based on the research done by Joshi & Yadav (2017), a cross-sectional survey with online method was conducted, as it is a convenient way to collect consumer data in brand extension studies. The consumers were advised to fill the questionnaires considering the brand of their country of accommodation. Likert seven-point scale is used to frame the questionnaire.

Structured questions with Likert-scale is chosen, since it is an easy way to collect data that is analysable, whereas open questions might provide data that is shattered and cannot be analysed. Moreover, when the respondent's options are limited to a specific scale, the results can be more trustworthy compared. (Hirsjärvi et al., 2009, pp. 200-201). Besides, structured questionnaires are a good way to collect responses from a large sample for quantitative analysis (Cresswell, 2014, pp. 50).

Likert seven-point scale was used to frame the questionnaire, ranging from strongly disagree (1) to strongly agree (7). The scale was developed with the aid of extensive literature review. Three items for the construct Overall Brand Equity were taken from Donthu et al. (2000). Three items out of six for the construct Overall Evaluation of Brand Extension were taken from Hem et al. (2003) and other three from Joshi & Yadav (2017). For the construct Brand Awareness, one item was taken from Hawley & Tong (2009) and other three from Donthu et al. (2000). To measure Brand Loyalty, four items were originated from Hawley & Tong (2009) and one from Donthu et al. (2000). Three items for the construct Brand Associations were from Cooksey et al. (2005), whereas the other three were from Joshi & Yadav (2017). Perceived Quality was constructed after Hawley & Tong (2009) – with two items from them – and after Donthu et al. (2000) – with one item from them. All five items in the construct Perceived Fit were from Joshi & Yadav (2017). Appendices 1-3 shows the items used in the questionnaire.

### 3.2 Data Collection

Online survey was done, and the questions were based on an extensive literature review and the wishes of the cooperation organization, Veikkausliiga. The survey was published – and thus the results collected from – in three European countries, England, Finland and Norway, to gather international data to fulfil the needs of master's thesis done for International Business.

A cross-sectional online survey was chosen as data collection method. It was conducted by creating a sharable link for the questionnaire with the help of Google Forms. The link of the questionnaire was shared and circulated through emails, social media sites and internet forums, reaching an international audience in predetermined countries. In this sense the collected data should be reliable in a sense that international and cross-cultural aspects are achieved. The survey included all 3 brands studied in this thesis, but consumers were advised to fill the questionnaire of the brand that is present in their country of accommodation or otherwise familiar to them (for example, present in a country they have lived a good period of time but do not live anymore).

The survey was shared on social media sites and forums that focus on football. Thus, it can be assumed that majority of the respondents already have some kind of relationship with football and at least are aware of the football league they are asked to answer about. This will provide valuable data, as existing relationships and existing customer base can be evaluated. Nevertheless, it must be kept in mind that the data collection was in no way limited to consumers following football, which can also be interpreted from the responses. These respondents offer a valuable counterweight to those, who are familiar and possibly positive towards football in general.

With the survey, clear guidelines how it should be filled were given, as was some basic background information about the football leagues, in case the respondents would not have been familiar with them before. Moreover, an introduction to the hypothetical

extension was given, so that the respondents could understand what was meant by it. A pilot survey was done with family and friends to avoid the possible misunderstandings with the questions and possible wrong constructed questions. Also, the understandability of the questions was tested. Moreover, as the survey is conducted and published in English, which is not the first language of the researcher, it was tested whether respondents can understand the questions and whether the language used is correct. Based on the feedback, some adjustments were made before publishing the final version of the survey.

### 3.3 Data Analysis

In total, 469 people answered the survey online in five countries, that were Denmark, England, Finland, Norway and Sweden. As not enough responses were gotten from neither Denmark (27) nor Sweden (29), a structural equation model could not be performed for them, and thus they were left out of the study. Hence, only answers from England, Finland and Norway were accepted. Moreover, after the data was carefully screened, it was noticed that 5 of the answers are inapplicable, and thus they were also discarded. Therefore, N=408 for this study. How it was allocated among countries is outlined in table 6.

Country	No. of responses	% of N
England	64	15,7%
Finland	230	56,4%
Norway	114	27,9%

**Table 6.** Number of respondents per country (author's own).

After the data was collected, it was downloaded, stored and categorized by the author. After this, screening of the data took place in order to ensure that inapplicable data will be removed. All this made the data understandable, easy to deal with and possible to be

analysed with the chosen tools, Statistical Package for the Social Science (SPSS) software and its expansion, AMOS 26.0 software.

First, of course, descriptive analysis of the data was performed. The results are outlined in the following sub-chapter. As it can be expected due to their internet activity, younger people were more widely represented in the study. Furthermore, males represented a large majority, which could be argued to represent the consumer population who follow football closely.

Next, to confirm that the data and the proposed research model really generate results that they are asked to, reliability and validity were tested. In order to test these, Cronbach's  $\alpha$  was measured with SPSS and a confirmatory factor analysis (CFA) was conducted for the model in AMOS software. After it had been confirmed that the data and the proposed model could be used as such, the proposed model was tested with structural equation model (SEM) in AMOS software.

SEM refers to a family of statistical procedures for testing whether collected data is consistent with the theoretical model (Kline, 2011, pp. 8). It is a combination of factor analysis, multiple regression analysis and path analysis, and it is convenient way to analyse structural relationship between measured variables and latent constructs (Chatelin et al., 2005). During recent years, many scholars have also found SEM as usable to measure influential elements in brand extension (Hsiao et al., 2011; Assaf et al., 2012; Diamantopoulos & Sichtsman, 2013).

These analyses and the findings will be discussed in more detail in following chapters.



### **3.3.1 Descriptive analysis**

Out of the 408 respondents accepted, a large majority (87,9%) were male. The biggest age group represented was 25 to 34 years old (38,6%), followed by 18 to 24 years old (36,5%) and 35 to 44 years old (15,7%). The household income level of 28,9% of the respondents was lower than 19 999€ in a month, while 15,9% of the respondents had a household income level of 20 000 – 34 999€. Almost half of the respondents (43,6%) had carried out a bachelor's degree, while every fifth (20,6%) had a master's degree as their highest level of education. However, no descriptive controls were used in the study. The results of descriptive analysis are presented in table 7.

Items	Fre- quency	%	Items	Fre- quency	%
<b>Gender</b>			<b>Education</b>		
Male	359	87,9%	Preliminary school	7	1,7%
Female	42	10,3%	High school	44	10,8%
Unspecified	7	1,8%	Some college, no degree	61	15%
			Associate degree (e.g. AA, AS)	14	3,4%
			Bachelor's degree (e.g. BA, BSc)	178	43,6%
<b>Age</b>			Master's degree (e.g. MA, MSc)	84	20,6%
Under 18	3	0,7%	Professional degree (e.g. MD, DDS)	5	1,2%
18-24	149	36,5%	Doctorate (e.g. PhD, EdD)	4	1%
25-34	158	38,6%	Other	11	2,7%
35-44	64	15,7%			
45-54	20	5,1%	<b>Household income</b>		
55-64	11	2,7%	Under 19 999€	118	28,9%
65 or over	1	0,2%	20 000 – 34 999€	65	15,9%
Unspecified	2	0,5%	35 000 – 49 999€	58	14,2%
			50 000 – 74 999€	51	12,5%
			75 000 – 99 999€	32	7,8%
			100 000€ or over	40	9,9%
			Unspecified	44	10,8%

**Table 7.** Descriptive statistics of the research survey (author's own).

### 3.4 Reliability and Validity

Reliability is the ability of the measuring instrument to give accurate and constant results. Cronbach's  $\alpha$  is a good way to measure the reliability of a proposed model (Joshi & Yadav, 2017). In this study, Cronbach's  $\alpha$  was calculated for each factor except the cultural differences, as that would have required tools not available for the researcher.

The values of Cronbach's  $\alpha$  for the constructs in the proposed research model portraying the international evaluation of brand extensions and its impact on parent brand equity were tested with SPSS statistics software and are 0.843 for brand awareness, 0.900 for brand loyalty, 0.814 for brand associations, 0.819 for perceived quality, 0.851 for perceived fit, 0.943 for extension evaluation and 0.909 for brand equity. When a reliability estimate is higher than 0.7, it can be stated that the scale is reliable (Anderson et al., 2014, pp. 123). Thus, reliability for all the constructs in this model is in appropriate range. The values are outlined in table 8.

Validity, then again, indicates the degree to which the constructs used in the study actually measure the depicted performance when compared to the proposed measurement standards (Joshi & Yadav, 2017). The composite reliability values for all the constructs in the proposed model need to be greater than 0.7 in order to be acceptable (Anderson et al., 2014, pp. 123). The composite reliability values for the constructs in the proposed model were tested with an accessory to SPSS, AMOS 26.0 software. They were found to be 0.858 for brand awareness, 0.901 for brand loyalty, 0.830 for brand associations, 0.832 for perceived quality, 0.853 for perceived fit, 0.912 for extension evaluation and 0.944 for brand equity, hence all being in the acceptable range. The values are shown in also in table 8.

Moreover, also AVE scores were tested for the proposed model. If AVE scores are exceeding 0.5, convergent validity can be said to be established (Joshi & Yadav, 2017). As can be seen from table 8, AVE scores for all the constructs are over 0.5, thus being acceptable.

Furthermore, also a confirmatory model analysis (CFA) was run in software AMOS 26.0 to test the fit of the model. CFI of 0.896 was obtained for the proposed model, as was TLI of 0.881. Moreover, the value of RMSEA for the proposed model is 0.079. With CFI, a value of 0.9 indicates the model fits well and with TLI the values that are close to 1 suggest a good fit, whereas RMSEA value should be between 0.3 and 0.8 to be acceptable (Joshi & Yadav, 2017). Therefore, even though CFI value is slightly under 0.9, the proposed model in this study can be stated to have an acceptable fit.

In addition, a factor loading analysis was conducted as a part of the confirmatory factor analysis. The gained values are visible in table 9. All items, except BAS2, tested over 0.6, which is understood as acceptable range. Thus, item BAS2 is removed from the analyses used in this study.

Construct name	No. of items	Cronbach's $\alpha$	CR	AVE
BA	4	0.843	0.858	0.604
BL	5	0.900	0.901	0.646
BAS	4*	0.814	0.830	0.501
PQ	3	0.819	0.832	0.626
PF	5	0.851	0.853	0.538
EE	6	0.909	0.912	0.636
BE	3	0.943	0.944	0.848

**Table 8.** Reliability and validity values of the structural equation model (author's own).

**Notes:** Indices: CR (composite reliability), AVE (average variance extracted), BA (brand awareness), BL (brand loyalty), BAS (brand associations), PQ (perceived quality), PF (perceived fit), EE (extension evaluation) and BE (brand equity). \*(one item removed).

Construct name	Item label	Factor loading
<b>Brand awareness of the parent brand</b>		
I am familiar with brand X	BA1	0,813
I can recognize brand X among competing brands	BA2	0,874
I can quickly recall the symbol or logo of brand X	BA3	0,736
Some characteristics of brand X come to my mind quickly	BA4	0,671
<b>Brand loyalty of the parent brand</b>		
I am willing to pay more for X's events than other brands on the market	BL1	0,744
If X's games are not played where I live, I watch them in another way	BL2	0,769
I recommend using X's offering	BL3	0,849
When participating sports events, X is my first choice	BL4	0,900
I consider myself to be loyal to brand X	BL5	0,744
<b>Brand associations of the parent brand</b>		
X has a unique brand image	BAS1	0,678
I respect and admire people who participate X's events	BAS2	0,477***
I like the brand image of X	BAS3	0,754
X's brand is different compared to competing brands	BAS4	0,739
X's brand is interesting	BAS5	0,839
<b>Perceived quality of the parent brand</b>		
X's offering is of good quality	PQ1	0,827
I trust the quality of X's offering	PQ2	0,881
X's offering is reliable	PQ3	0,647
<b>Perceived fit between the extension and the parent brand</b>		
The brand extension X makes sense	PF1	0,772
X have skills to launch eSports extension	PF2	0,692
I perceive X's eSports extension as similar as X's core product	PF3	0,804
I believe X fan is highly similar as X's eSports league fan	PF4	0,681
I believe the competences of making a football league brand and making an eSports football league brand are similar	PF5	0,710
<b>Overall evaluation of the brand extension</b>		
Overall, I am very positive towards X's eSports league brand extension	EE1	0,867

I expect X's eSports league brand extension to be of high quality	EE2	0,785
I expect X's eSports league brand extension to be superior compared to other eSports leagues	EE3	0,601
In my opinion extension X's eSports league is great	EE4	0,899
I admire extension X's eSports league a lot	EE5	0,769
In general, I feel good about X's eSports league	EE6	0,829
<b>Overall evaluation of the parent brand equity</b>		
I like to go to see X matches instead of any other sports events	BE1	0,940
Even if there is another interesting sports event at the same time, I go to watch X game	BE2	0,927
Even if another brand would offer similar experiences as X, I choose X	BE3	0,895

**Table 9.** Factor loading analysis (author's own)

\*\*\* BAS2 is removed from the items used in the analysis

## 4 Findings

To test the hypotheses in this study, a structural equation model (SEM) was conducted in AMOS 26.0. An examination of hypotheses testing, and the significance levels are elaborated in table 10.

	Hypothesis	Sig. level	$\beta$ -value	Test result
H1	Perceived fit has a significant positive effect on brand extension evaluation	0,004	0,916	Supported
H2	Brand loyalty has a significant positive effect on brand extension evaluation	0,043	0,101	Supported
H3	Perceived quality has a significant positive effect on brand extension evaluation	0,914	-0,007	Rejected
H4	Brand associations have a significant positive effect on brand extension evaluation	0,922	-0,005	Rejected
H5	Brand awareness has a significant positive effect on brand extension evaluation	0,763	0,019	Rejected
H6	There are cultural differences in brand extension evaluation	N/A	N/A	Supported
H7	Brand extensions evaluation has a significant positive effect on parent brand equity	0,016	0,169	Supported

**Table 10.** Significance levels of hypotheses (author's own)

As is shown in the table, four out of the seven hypotheses could be supported. The structural equation model suggests that perceived fit has a significant positive effect on brand extension evaluation ( $p < 0.05$  &  $\beta$ -value  $> 0$ ), thus H1 is supported. Also brand loyalty has a significant positive effect on brand extension evaluation ( $p < 0.05$  &  $\beta$ -value  $> 0$ ), making H2 supported as well. On the contrary, perceived quality does not seem to have a significant positive effect on brand extension evaluation ( $p > 0.05$ ), and thus H3 is rejected. Moreover, brand associations do not have a significant positive effect on brand extension evaluation ( $p > 0.05$ ), making also H4 rejected. H5 is as well rejected, since brand awareness does not have a significant positive effect on brand extension evaluation ( $p > 0.05$ ). Then again, brand extension evaluation has a significant positive effect on parent brand equity ( $p < 0.05$  &  $\beta$ -value  $> 0$ ), and hence H7 is supported.

In table 11, the significance levels to each hypothesis for each separate country are presented. Interestingly, it can be noticed that perceived fit has a significant positive effect on brand extension evaluation in each country. However, every other hypothesis is rejected in the case of Finland and Norway, whereas the data from English consumers show support for H2 – brand loyalty has a significant positive effect on brand extension

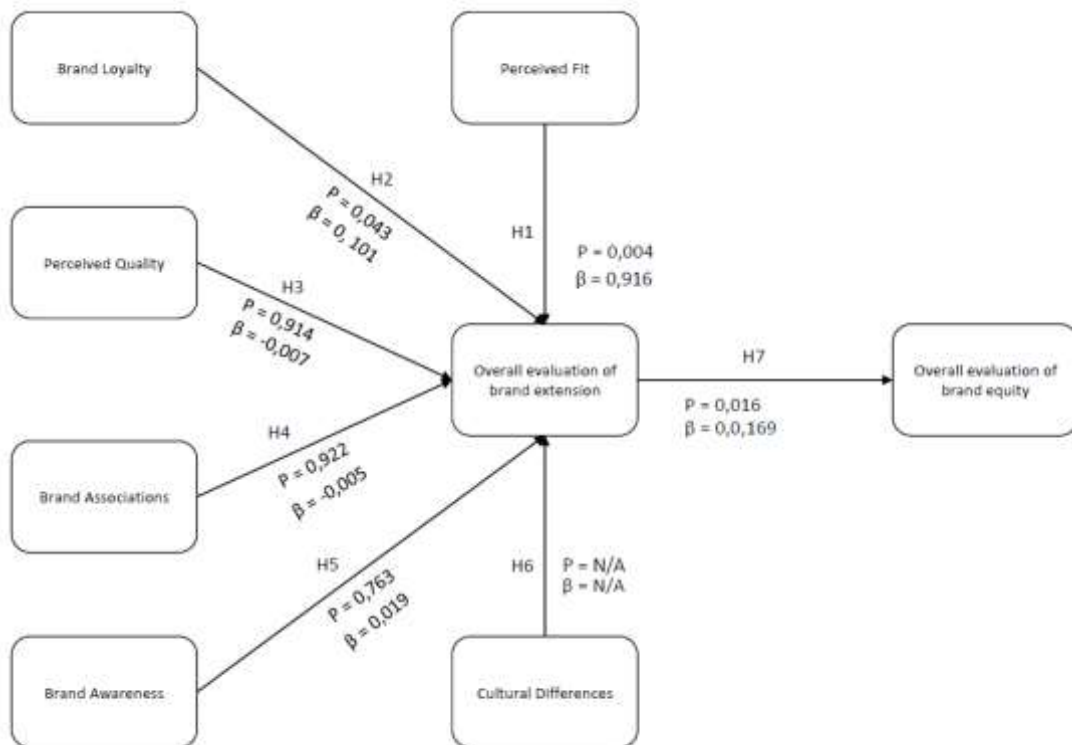
evaluation – and for H7 – brand extension evaluation has a significant positive effect on parent brand equity.

	England	Finland	Norway
H1 Perceived fit has a significant positive effect on brand extension evaluation	0,003	0,005	0,001
H2 Brand loyalty has a significant positive effect on brand extension evaluation	0,019	0,238	0,268
H3 Brand associations have a significant positive effect on brand extensions evaluation	0,115	0,801	0,623
H4 Brand awareness has a significant positive effect on brand extension evaluation	0,262	0,910	0,340
H5 Perceived quality has a significant positive effect on brand extension evaluation	0,223	0,551	0,332
H7 Brand extension evaluation has a significant positive effect on parent brand equity	0,031	0,763	0,323

**Table 11.** Significance levels of hypotheses per country (author's own).

The results suggest that brand extension evaluation indeed does affect the parent brand equity in European context. Furthermore, the results suggest that high levels of brand loyalty and perceived fit have a positive impact on European consumers' evaluation of the brand extension. Nevertheless, when examined the constructs on country level, only data from English consumers showed support for H2 and H7. Thus, it can be concluded that there are indeed differences between countries – and thus cultures – in how they evaluate brand extensions.





**Figure 4.** Proposed conceptual framework with significance levels (author's own).

## 5 Conclusion

This study goes deep into the examination of brand extension evaluation and its impact on parent brand equity on international level, in European context, and in sports environment. The literature this far has presented several frameworks about brand extension evaluation, but less so on how they affect the parent brand equity and none in sports context. The current research has undergone an exhaustive examination of factors affecting brand extension evaluation and of brand extension's impact on parent brand equity, all on international level and in sports context.

### 5.1 Discussion and theoretical contributions

Perceived fit and brand loyalty emerged as the most important factors affecting international consumers' evaluation of brand extension in sports context. This supports further research, such as Aaker & Keller (1990), Bottomley & Holden (2001), Sattler & Völckner (2006), Henseler et al. (2010), Ross & Walsh (2010) and Chung & Kim (2014), in the view that perceived fit between the parent brand and the brand extension is a key factor for the success of brand extension. It indeed seems that international consumers on European level place a lot of emphasis on the fit between the parent brand and the extension. Thus, it might be argued that Martinez & Pina's (2010) and John & Monga's (2007) claim that perceived fit is the most important determinant of brand extension success could be supported. Based on the results, it also seems that Lee & Walsh's (2012) finding, that sports related extensions of sports brands receive a much better reception from consumers, can be supported.

Based on this, it is important for the brands to introduce only extensions that are fitting with their original product category and brand – which in football business means that only extension that are clearly related to football should be introduced. If a football league launches an extension that is not seen football related by consumers – for

example, a luxury clothing collection – it can be assumed that consumers will not receive it very positive, which then again could affect the brand's whole brand negatively. However, if the extension is football related, as electronic football league would be, it can be assumed that consumers are more positive and open towards it.

Furthermore, the finding that brand loyalty strongly affects how positively brand extension is evaluated supports earlier research, e.g. Hem & Iversen (2003) and Lee & Walsh (2012). As they have argued before, having a loyal and committed relationship with the brand strongly affects the consumers' evaluation of the brand extension in international football setting. It is interesting to notice that this might actually support also the view of Anderson et al. (2002), as they indicated that the brand loyalty is one of the strongest determinants of consumer behaviour in sports setting. Basing on this, it could be drawn that brand loyalty affects sports fan's behaviour so strongly, that brand extension evaluation is only one minor part of positive aura he/she has towards the brand. This also supports the claims of Ross & Walsh (2010) – that highly loyal sports fans are so committed that they include the brand and its actions in their daily lives and behaviours – and of Couvelaere & Richelieu (2005) – that sports may be the business that crates the biggest emotional response in the whole world. If the level of commitment in football is so strong, it might be understandable why fans of a sports brand perceive everything the brand does as positive. Thus, creating strong and lasting loyalty among its customers should be main priority for a sports brand, as it seems to transfer to many other things as well.

Then again, interestingly, neither brand associations, brand awareness nor perceived quality had a significant effect on brand extension evaluation. This goes against some of the findings of other researchers (Aaker, 1990; Bottomley & Holden, 2001; Hem et al., 2003; Buil et al., 2009; Hawley & Tong, 2009; Martinez et al., 2009; Lee & Walsh, 2012; Joshi & Yadav, 2017). As a majority of the brand extension studies has been done within FMCG (Fast Moving Consumer Goods) industry, it is interesting to see, that in sports setting the results differ a bit and thus the valuations of consumers might differ to some

extent. Other things should also be taken into consideration. For example, it might be that the perceived quality does not transfer into positive evaluation of the brand extension, if the consumers do not see that the quality of play of football league would transfer into quality of the extension. After all, football can be seen to be quite distinct from other businesses based on the skills required. Furthermore, it can be argued that simply brand awareness does not transfer into positive extension evaluation, as consumers need more deep connection with the brand to positively evaluate its doings. In addition, brand awareness can be argued to be the factor that enables the other dimension (Bodet & Chavanat, 2010) and thus it transfers to extension evaluation already through other constructs.

Moreover, cultures were shown to play a role in brand extension evaluation. Based on the results, it seems that cultural differences indeed affect how consumers evaluate brand extensions, extending our knowledge of cultural factors in brand extension evaluation and supporting earlier literature, such as Bottomley & Holden (2001), John & Monga (2007) and Henseler et al. (2010). Furthermore, it seems that perceived fit is the only factor affecting the extension evaluation that can be generalized across these three countries.

The fact, that brand loyalty was shown to affect the evaluation only in England, might be due to the fact, that England scores much lower in uncertainty avoidance scale than Finland and Norway (Hofstede, 2001, pp. 151). This might indicate that Finnish and Norwegian consumers are more cautious and do not rely on earlier knowledge and relationships as much as their English counterparts. Hence, it could be argued that Finnish and Norwegian, who are more uncertainty avoidant, start their evaluation process from the beginning when they encounter new extensions, and thus earlier relationships do not play a part. Finnish and Norwegian are also more long-term oriented than English (Hofstede, 2001, pp. 356-357), which might explain, why they are not in such a rush to create an opinion of the extension based on earlier assumptions. More long-term oriented people focus more on the future than on the present moment, and thus they might be willing

to give the extension some time to prove its value and for their opinion to develop, whereas short-term oriented people might be more hasty to form their opinion based on earlier knowledge.

What is more, Finnish and Norwegian are more feministic and collectivistic consumers than English (Hofstede, 2001, pp. 215, 286), which indicates that they tend to put more value on safety. Thus, it may be understandable that they do not rely on their earlier knowledge, but want to see all sides of the matter before making their decision. This same logic could be applied for the fact that brand extension evaluation was shown to affect parent brand equity among English consumers, but not among Finnish and Norwegian consumers. Finnish and Norwegian are more cautious and not so quick in their evaluation, which indicates that they also do not change their opinion over the parent brand so hasty.

However, when the brand extension evaluation's impact on parent brand equity is discussed on international level, it is shown that the extension evaluation has a significant positive effect on parent brand equity. This is in line with earlier research (Aaker & Keller, 1992; Keller, 1993; Dacin & Smith, 1994; Katsanis & Pitta, 1995; De Chernatony & Martinez, 2004; Dens & de Pelsmacker, 2010; Dwivedi et al., 2010; Martinez & Pina, 2010; Sinapuelas & Sisodiya, 2010; Dwivedi & Merrilees, 2013; Alsoud et al., 2014; Joshi & Yadav, 2017). This relationship has not been earlier studied in football context, which makes this research one of its kind. Nevertheless, the results show support for similar studies done in other fields of business, indicating that perhaps this type of feedback effects might be generalisable. It also indicates that brand extensions might have an important role in creating the whole of brand equity, which makes their strategical role all the more important.

This study examined factors affecting brand extension and the impact brand extension has on parent brand equity in football setting on deeper level than earlier had been done. Moreover, it added a cultural dimension to brand extension studies. Previous literature

had presented many frameworks that were empirically tested, but no other has yet to examined sports business in the same extent. The study adds to the cross-cultural consumer behaviour literature (Aaker, 2000; Briley et al., 2000; John & Monga, 2007) and to the international brand extension research and to the discussion of consumer-based brand equity. Nevertheless, no research is without its limitations. Next, these limitations with future research recommendations as well as managerial implications are discussed.

## **5.2 Managerial implications**

This research has studied two important concepts in branding, brand extensions and brand equity, and their interplay. Moreover, this study was the first to research this matter in international football setting, and also added a cultural dimension to the mix. This study can help brand managers to protect their brands from unsuitable extensions and make it easier to evaluate the potential risks and positives of brand extensions on parent brand equity.

First of all, new extensions should not be introduced lightly to exploit the benefits of brand equity, but strategically planned, so that they aim to build the core brand strength (Joshi & Yadav, 2016), because the success or the failure also affects the brand equity of the parent brand. This is an important finding for the brand managers, as they build the value of a brand long-term, and thus will not want to sacrifice it for the short-term profits that a brand extension might offer. However, if they think the extensions through, and can be certain that they will succeed, they can boost the equity of their brand significantly with a launch of an extension. The findings in this study imply, that brand extensions should be strategical weapons for the brand managers to use.

Furthermore, as the brand managers plan extensions on international level, they should put their focus mainly on two things; perceived fit and brand loyalty. Thus, understanding of what fits the parent brand and what not, might be one of the most important

things for brand managers, when planning brand extensions. International consumers evaluate the extensions strongly based on how fitting they perceive it with the parent brand. Hence, launching extensions that do not fit the brand image of the parent brand are as wise as shooting oneself to foot, as they will lead to failure of the extension. On the other hand, developing an extension that fits the parent brand well will be almost certainly well received by the consumers, leading to increased revenue and strengthening the parent brand equity. Therefore, in a football setting, brand managers should understand that they counter success with the highest probability if they stay in football category, or at least in sports category, with the extensions.

The results also imply that brand managers should listen closely to their most loyal fans, as it seems that they are the ones who are the most likely to consume the extension. Furthermore, measuring their parent brand's loyalty level might – at best – offer brand managers an indicator how well the extension will be received internationally, an at least gives them an understanding of how big percentage of their customers are likely to evaluate the extensions positively. The brand managers could also use the level of loyalty their brand has as an indicator of how easily they can use a brand extension as a builder of parent brand equity.

In addition, the fact that cultural differences seem to play a role in brand extension evaluation mean that brand managers working on international level must act with care, when launching similar brand extensions in multiple countries – the chances are, that not all consumers will receive them similarly. Moreover, it needs to be understood that brand extensions cannot be copied from one country to another, as those that work in one country might not work in another. Brand managers need to understand that consumers in different countries are different and thus appreciate different things.

### 5.3 Limitations and recommendations for future research

The study presents few limitations that need to be considered when evaluating the results. Firstly, the study is based only on three football leagues and their extensions in three countries. Football is a global business with an official league in almost every country in the world. Thus, the study of only three leagues limits the generalizability of the results. Even though the data is collected on international level, similar study in even more countries should be done to confirm the generalisability of these findings.

Furthermore, this study used an online survey method to collect the data. This sampling procedure is represented by young consumers; out of the respondents, 36,5% were in between the ages of 18 and 24, and a total of 75,1% were between the ages of 18 and 34. Moreover, a vast majority of the respondents (87,9%) were male. It cannot be stated as a fact that this sample represents the whole population of football fans, and it is suggested to minimize the sampling bias in future studies. Random sampling is another limitation faced by this study. The respondents might differ from this study if a similar study is done again. For example, brand loyalty is related to the conviction purchase of the brand, and thus e.g. actual customers could be used as a sample in following studies. Furthermore, no descriptive controls were used in the model, which decreases the trustworthiness of the results. In following studies, some descriptive controls should be introduced to increase the reliability of the model.

Measuring brand equity with separate dimensions will always have some problems, as the dimensions will always overlap to some extent. This is even more true in an international study, as language issues and culture-specific meaning and associations create additional concerns. Moreover, respondents might have difficulties in discriminating their responses as the questions are using relatively abstract expressions. (Cadogan et al., 2015.) Furthermore, even though Aaker's (1991) dimensions of brand equity are the most commonly used, can researchers indeed be sure that they together form brand equity (Cadogan et al., 2015)? Even though some kind of conceptualization is needed in



order to measure it, and thus it is rational to use the most commonly accepted model, we still must keep in mind that it might not correctly present brand equity in all markets.

Also, even though general questions are needed to be able to compare the collected data, using the same questions in different countries may create problems as people from different cultures may understand them differently. Moreover, the language issue is also present in this study. The survey was created in English, which is not the first language of the researcher, making room for possible translation issues. What is more, out of the three countries used in this study, only English consumers are native English speakers, which might create misunderstandings among the consumers from other countries. Translation services were not used in this study because of the costs, but translating the surveys into local languages are recommended for future studies.

In addition, in this study it is not considered that parent brands might have also other brand extensions that affect the parent brand equity. Thus, it is assumed that direct relationship between the brand extension evaluation and evaluation of the parent brand equity can be made. It is necessary for the research purposes, but obviously also other things must be assumed to affect the consumer evaluation of an equity of a brand.

Further, sample size issue must also be mentioned. Even though this study had a quite extensive number of respondents (N=408), even more could be asked for to create generalisable results. What is more, over half of the respondents (56,4%) were from one country (Finland), and one of the countries (England) presented only 64 (15,7%) respondents. Thus, it can be argued whether the study truly can be considered international. At least it cannot be assumed to represent European population, and thus more diverse sample is recommended for the future studies.

When thinking of rivalling national football leagues in Europe in terms of brand visibility and brand equity, some institutional characteristics cannot be underestimated. The European football system is not homogenous, especially when the five biggest markets –

England, France, Germany, Italy and Spain – are considered. Their financial capabilities and development potential are beyond others (Desbordes et al., 2008). This must be taken into account when evaluating brand equity of different national football leagues. Therefore, some generalisations can be made, but the position and thus the possibilities of English league is different compared to two other leagues, and thus consumers approach can also be assumed to be different.

My research has shown how consumers behave and how their attitudes changes when specific variables are considered. However, qualitative research about this same subject could be beneficial to explain why they behave as they do. Moreover, the study represents consumer attitudes in one point in time. It would be beneficial to do a longitudinal study about this matter to examine the changes in consumer attitudes and behaviour between different periods of time.

Further, this study studied the brand equity of football leagues, and as such was one of its kind. Earlier it has been shown that people create strong emotional connections with sports teams, and this self-identification leads to more positive response on brand extensions of the team (Lee & Walsh, 2012). It would be beneficial to research how much of that brand loyalty, emotional connection and positive response transfers to the league that team participates in.

Overall, it is suggested that more research is conducted in the areas of brand equity and brand extension evaluation among football leagues and sports in general, as the field is still quite unoccupied. Further, branding of football leagues might offer an interesting research avenue, as it is researched so little. Moreover, brand extension evaluation and its impact on parent brand equity has been quite extensively researched, but still no unanimous results have been generated. Hence, it is suggested to continue researching in this area to create generalisable results.

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## Appendices

### Appendix 1. Survey on Premier League

#### How do you perceive your national football league and its possible eSports brand extension?

The questionnaire includes some demographic questions, and then questions about your national football league's brand and your attitude towards its eSports brand extension.

The questionnaire includes 9 parts, and it takes approx. 5 minutes to complete the questionnaire.

The answers will be used to evaluate people's attitudes towards their home country's national football league and their expansion to eSports.

Thank you for your cooperation.

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#### Demographics

First, let's start with some demographic questions

1. Which gender do you identify yourself with?
  - Female
  - Male
  - Other
  - Prefer not to say
  
2. What is your age group?
  - Under 18
  - 18-24
  - 35-44
  - 45-54
  - 55-64
  - 65 or over
  - Prefer not to say
  
3. What is the highest level of education you have attained?
  - Preliminary school
  - High school
  - Some college, no degree
  - Associate degree (e.g. AA, AS)
  - Bachelor's degree (e.g. BA, BSc)
  - Master's degree (e.g. MA, MSc)
  - Professional degree (e.g. MD, DDS)
  - Doctorate (e.g. PhD, EdD)
  - Other
  - Prefer not to say
  
4. What is your household income?
  - Under 19 999€
  - 20 000 – 34 999€
  - 35 000 – 49 999€

- 50 000 – 74 999€
  - 75 000 – 99 999€
  - 100 000€ or over
  - Prefer not to say
5. Where do you live? If your country of residence is not in the list, please select the football league you feel most familiar with.
- England
  - Finland
  - Norway

### English Premier League

Premier League is England's national football league.

In the following questions we assume that Premier League would extend its brand into eSports by founding ePremier League, which would be an eSports football league played on video game FIFA and England's official eSports football league. You're asked to answer to questions related to the founding of this type of league.

### Brand Awareness Premier League

Please elaborate how well you're aware of your national football league's brand

1. I am familiar with brand Premier League
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
2. I can recognize Premier League among competing brands
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
3. I can quickly recall the symbol or logo of Premier League
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
4. Some characteristics of Premier League come to my mind quickly
  - Strongly disagree \* \* \* \* \*
  - Strongly agree

### Brand Equity Premier League

Please elaborate your approach towards your national football league's events

1. I like to go see Premier League matches instead of any other sporting events
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
2. Even if there is another interesting sporting event at the same time, I go to watch Premier League match
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
3. Even if participating another brand's events would offer similar experiences as Premier League, I choose Premier League
  - Strongly disagree \* \* \* \* \*
  - Strongly agree

### Brand loyalty Premier League

Please elaborate your relationship with your national football league

1. I am willing to pay more for Premier League events than other brands on the market
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
2. If Premier League games are not played where I live, I watch them in another way
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
3. I recommend Premier League's offering to others

4. When participating sporting events, Premier League is my first choice
    - Strongly disagree \* \* \* \* \* Strongly agree
  5. I consider myself loyal to Premier League
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Brand Associations Premier League**

Please elaborate your attitudes towards your national football league's brand

1. Premier League has a unique brand image
    - Strongly disagree \* \* \* \* \* Strongly agree
  2. I respect and admire people who participate Premier League 's events
    - Strongly disagree \* \* \* \* \* Strongly agree
  3. I like the brand image of Premier League
    - Strongly disagree \* \* \* \* \* Strongly agree
  4. Premier League's brand is different compared to other brands on the market
    - Strongly disagree \* \* \* \* \* Strongly agree
  5. Premier League's brand is interesting
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Perceived Quality Premier League**

Please elaborate how you feel about your national football league's quality

1. Premier League matches are of good quality
    - Strongly disagree \* \* \* \* \* Strongly agree
  2. I trust the quality of Premier League's offering
    - Strongly disagree \* \* \* \* \* Strongly agree
  3. Premier League's match offering is reliable
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Perceived fit Premier League**

Please elaborate how fitting you see the eSports brand extension with your national football league's brand

1. The brand extension ePremier League makes sense for Premier League
    - Strongly disagree \* \* \* \* \* Strongly agree
  2. Premier League have skills to launch ePremier League
    - Strongly disagree \* \* \* \* \* Strongly agree
  3. I perceive ePremier League as similar to Premier League's core product
    - Strongly disagree \* \* \* \* \* Strongly agree
  4. I believe Premier League fan is highly similar to ePremier League fan
    - Strongly disagree \* \* \* \* \* Strongly agree
  5. I believe the competences of making a football league brand and making an eSports football league brand are highly similar
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Brand Extension ePremier League**

Please elaborate your overall feeling towards the eSports brand extension

1. Overall, I am very positive towards ePremier League
  - Strongly disagree \* \* \* \* \* Strongly agree
2. I expect ePremier League to be of high quality

- Strongly disagree \* \* \* \* \* Strongly agree
- 3. I expect ePremier League to be superior compared to other eSports leagues
  - Strongly disagree \* \* \* \* \* Strongly agree
- 4. In my opinion brand extension ePremier League is great
  - Strongly disagree \* \* \* \* \* Strongly agree
- 5. I admire ePremier League a lot
  - Strongly disagree \* \* \* \* \* Strongly agree
- 6. In general, I feel good about ePremier League
  - Strongly disagree \* \* \* \* \* Strongly agree

Thank you for taking the time to complete the survey

## Appendix 2. Survey on Veikkausliiga

### How do you perceive your national football league and its possible eSports brand extension?

The questionnaire includes some demographic questions, and then questions about your national football league's brand and your attitude towards its eSports brand extension.

The questionnaire includes 9 parts, and it takes approx. 5 minutes to complete the questionnaire.

The answers will be used to evaluate people's attitudes towards their home country's national football league and their expansion to eSports.

Thank you for your cooperation.

### Demographics

First, let's start with some demographic questions

6. Which gender do you identify yourself with?
  - Female
  - Male
  - Other
  - Prefer not to say
7. What is your age group?
  - Under 18
  - 18-24
  - 35-44
  - 45-54
  - 55-64
  - 65 or over
  - Prefer not to say
8. What is the highest level of education you have attained?
  - Preliminary school
  - High school



- Some college, no degree
  - Associate degree (e.g. AA, AS)
  - Bachelor's degree (e.g. BA, BSc)
  - Master's degree (e.g. MA, MSc)
  - Professional degree (e.g. MD, DDS)
  - Doctorate (e.g. PhD, EdD)
  - Other
  - Prefer not to say
9. What is your household income?
- Under 19 999€
  - 20 000 – 34 999€
  - 35 000 – 49 999€
  - 50 000 – 74 999€
  - 75 000 – 99 999€
  - 100 000€ or over
  - Prefer not to say
10. Where do you live? If your country of residence is not in the list, please select the football league you feel most familiar with.
- England
  - Finland
  - Norway

### **Finnish Veikkausliiga**

Veikkausliiga is Finland's national football league.

In the following questions we assume that Veikkausliiga would extend its brand into eSports by founding eVeikkausliiga, which would be an eSports football league played on video game FIFA and Finland's official eSports football league. You're asked to answer to questions related to the founding of this type of league.

### **Brand Awareness Veikkausliiga**

Please elaborate how well you're aware of your national football league's brand

5. I am familiar with brand Veikkausliiga
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
6. I can recognize Veikkausliiga among competing brands
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
7. I can quickly recall the symbol or logo of Veikkausliiga
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
8. Some characteristics of Veikkausliiga come to my mind quickly
  - Strongly disagree \* \* \* \* \*
  - Strongly agree

### **Brand Equity Veikkausliiga**

Please elaborate your approach towards your national football league's events

4. I like to go see Veikkausliiga matches instead of any other sporting events
  - Strongly disagree \* \* \* \* \*
  - Strongly agree
5. Even if there is another interesting sporting event at the same time, I go to watch Veikkausliiga match
  - Strongly disagree \* \* \* \* \*
  - Strongly agree

6. Even if participating another brand's events would offer similar experiences as Veikkausliiga, I choose Veikkausliiga  
 - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Brand loyalty Veikkausliiga**

Please elaborate your relationship with your national football league

6. I am willing to pay more for Veikkausliiga events than other brands on the market  
 - Strongly disagree \* \* \* \* \* Strongly agree
7. If Veikkausliiga games are not played where I live, I watch them in another way  
 - Strongly disagree \* \* \* \* \* Strongly agree
8. I recommend Veikkausliiga's offering to others
9. When participating sporting events, Veikkausliiga is my first choice  
 - Strongly disagree \* \* \* \* \* Strongly agree
10. I consider myself loyal to Veikkausliiga  
 - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Brand Associations Veikkausliiga**

Please elaborate your attitudes towards your national football league's brand

6. Veikkausliiga has a unique brand image  
 - Strongly disagree \* \* \* \* \* Strongly agree
7. I respect and admire people who participate Veikkausliiga's events  
 - Strongly disagree \* \* \* \* \* Strongly agree
8. I like the brand image of Veikkausliiga  
 - Strongly disagree \* \* \* \* \* Strongly agree
9. Veikkausliiga's brand is different compared to other brands on the market  
 - Strongly disagree \* \* \* \* \* Strongly agree
10. Veikkausliiga's brand is interesting  
 - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Perceived Quality Veikkausliiga**

Please elaborate how you feel about your national football league's quality

4. Veikkausliiga matches are of good quality  
 - Strongly disagree \* \* \* \* \* Strongly agree
5. I trust the quality of Veikkausliiga's offering  
 - Strongly disagree \* \* \* \* \* Strongly agree
6. Veikkausliiga's match offering is reliable  
 - Strongly disagree \* \* \* \* \* Strongly agree
- 

#### **Perceived fit Veikkausliiga**

Please elaborate how fitting you see the eSports brand extension with your national football league's brand

6. The brand extension eVeikkausliiga makes sense for Veikkausliiga  
 - Strongly disagree \* \* \* \* \* Strongly agree
7. Veikkausliiga have skills to launch eVeikkausliiga  
 - Strongly disagree \* \* \* \* \* Strongly agree
8. I perceive eVeikkausliiga as similar to Veikkausliiga's core product  
 - Strongly disagree \* \* \* \* \* Strongly agree

9. I believe Veikkausliiga fan is highly similar to eVeikkausliiga fan
  - Strongly disagree \* \* \* \* \* Strongly agree
10. I believe the competences of making a football league brand and making an eSports football league brand are highly similar
  - Strongly disagree \* \* \* \* \* Strongly agree

#### **Brand Extension eVeikkausliiga**

Please elaborate your overall feeling towards the eSports brand extension

7. Overall, I am very positive towards eVeikkausliiga
  - Strongly disagree \* \* \* \* \* Strongly agree
8. I expect eVeikkausliiga to be of high quality
  - Strongly disagree \* \* \* \* \* Strongly agree
9. I expect eVeikkausliiga to be superior compared to other eSports leagues
  - Strongly disagree \* \* \* \* \* Strongly agree
10. In my opinion brand extension eVeikkausliiga is great
  - Strongly disagree \* \* \* \* \* Strongly agree
11. I admire eVeikkausliiga a lot
  - Strongly disagree \* \* \* \* \* Strongly agree
12. In general, I feel good about eVeikkausliiga
  - Strongly disagree \* \* \* \* \* Strongly agree

Thank you for taking the time to complete the survey

### **Appendix 3. Survey on Eliteserien**

#### **How do you perceive your national football league and its possible eSports brand extension?**

The questionnaire includes some demographic questions, and then questions about your national football league's brand and your attitude towards its eSports brand extension.

The questionnaire includes 9 parts, and it takes approx. 5 minutes to complete the questionnaire.

The answers will be used to evaluate people's attitudes towards their home country's national football league and their expansion to eSports.

Thank you for your cooperation.

#### **Demographics**

First, let's start with some demographic questions

11. Which gender do you identify yourself with?
  - Female
  - Male
  - Other
  - Prefer not to say

12. What is your age group?
- Under 18
  - 18-24
  - 35-44
  - 45-54
  - 55-64
  - 65 or over
  - Prefer not to say
13. What is the highest level of education you have attained?
- Preliminary school
  - High school
  - Some college, no degree
  - Associate degree (e.g. AA, AS)
  - Bachelor's degree (e.g. BA, BSc)
  - Master's degree (e.g. MA, MSc)
  - Professional degree (e.g. MD, DDS)
  - Doctorate (e.g. PhD, EdD)
  - Other
  - Prefer not to say
14. What is your household income?
- Under 19 999€
  - 20 000 – 34 999€
  - 35 000 – 49 999€
  - 50 000 – 74 999€
  - 75 000 – 99 999€
  - 100 000€ or over
  - Prefer not to say
15. Where do you live? If your country of residence is not in the list, please select the football league you feel most familiar with.
- England
  - Finland
  - Norway

### **Norwegian Eliteserien**

Eliteserien is Norway's national football league.

In the following questions we assume that Eliteserien would extend its brand into eSports by founding eSerien, which would be an eSports football league played on video game FIFA and Norway's official eSports football league. You're asked to answer to questions related to the founding of this type of league.

### **Brand Awareness Eliteserien**

Please elaborate how well you're aware of your national football league's brand

9. I am familiar with brand Eliteserien
- Strongly disagree \* \* \* \* \*
  - Strongly agree
10. I can recognize Eliteserien among competing brands
- Strongly disagree \* \* \* \* \*
  - Strongly agree
11. I can quickly recall the symbol or logo of Eliteserien
- Strongly disagree \* \* \* \* \*
  - Strongly agree
12. Some characteristics of Eliteserien come to my mind quickly

- Strongly disagree \* \* \* \* \* Strongly agree
- 

### Brand Equity Eliteserien

Please elaborate your approach towards your national football league's events

7. I like to go see Eliteserien matches instead of any other sporting events
    - Strongly disagree \* \* \* \* \* Strongly agree
  8. Even if there is another interesting sporting event at the same time, I go to watch Eliteserien match
    - Strongly disagree \* \* \* \* \* Strongly agree
  9. Even if participating another brand's events would offer similar experiences as Eliteserien, I choose Eliteserien
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

### Brand loyalty Eliteserien

Please elaborate your relationship with your national football league

11. I am willing to pay more for Eliteserien events than other brands on the market
    - Strongly disagree \* \* \* \* \* Strongly agree
  12. If Eliteserien games are not played where I live, I watch them in another way
    - Strongly disagree \* \* \* \* \* Strongly agree
  13. I recommend Veikkausliiga's offering to others
  14. When participating sporting events, Eliteserien is my first choice
    - Strongly disagree \* \* \* \* \* Strongly agree
  15. I consider myself loyal to Eliteserien
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

### Brand Associations Eliteserien

Please elaborate your attitudes towards your national football league's brand

11. Eliteserien has a unique brand image
    - Strongly disagree \* \* \* \* \* Strongly agree
  12. I respect and admire people who participate Eliteserien's events
    - Strongly disagree \* \* \* \* \* Strongly agree
  13. I like the brand image of Eliteserien
    - Strongly disagree \* \* \* \* \* Strongly agree
  14. Eliteserien's brand is different compared to other brands on the market
    - Strongly disagree \* \* \* \* \* Strongly agree
  15. Eliteserien's brand is interesting
    - Strongly disagree \* \* \* \* \* Strongly agree
- 

### Perceived Quality Eliteserien

Please elaborate how you feel about your national football league's quality

7. Eliteserien matches are of good quality
    - Strongly disagree \* \* \* \* \* Strongly agree
  8. I trust the quality of Eliteserien's offering
    - Strongly disagree \* \* \* \* \* Strongly agree
  9. Eliteserien's match offering is reliable
    - Strongly disagree \* \* \* \* \* Strongly agree
-

**Perceived fit Eliteserien**

Please elaborate how fitting you see the eSports brand extension with your national football league's brand

11. The brand extension eSerien makes sense for Eliteserien
  - Strongly disagree \* \* \* \* \* Strongly agree
12. Eliteserien have skills to launch eSerien
  - Strongly disagree \* \* \* \* \* Strongly agree
13. I perceive eSerien as similar to Eliteserien's core product
  - Strongly disagree \* \* \* \* \* Strongly agree
14. I believe Eliteserien fan is highly similar to eSerien fan
  - Strongly disagree \* \* \* \* \* Strongly agree
15. I believe the competences of making a football league brand and making an eSports football league brand are highly similar
  - Strongly disagree \* \* \* \* \* Strongly agree

**Brand Extension eSerien**

Please elaborate your overall feeling towards the eSports brand extension

13. Overall, I am very positive towards eSerien
  - Strongly disagree \* \* \* \* \* Strongly agree
14. I expect eSerien to be of high quality
  - Strongly disagree \* \* \* \* \* Strongly agree
15. I expect eSerien to be superior compared to other eSports leagues
  - Strongly disagree \* \* \* \* \* Strongly agree
16. In my opinion brand extension eSerien is great
  - Strongly disagree \* \* \* \* \* Strongly agree
17. I admire eSerien a lot
  - Strongly disagree \* \* \* \* \* Strongly agree
18. In general, I feel good about eSerien
  - Strongly disagree \* \* \* \* \* Strongly agree

Thank you for taking the time to complete the survey