

BEYOND UNIQUENESS: DEVELOPING AND TESTING A NEW TYPOLOGY OF BRAND BENEFIT DIFFERENTIATION

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Abstract

Customer-based brand equity (CBBE) theory, the dominant theory of branding, holds that unique associations are the main source of brand differentiation (Keller, 1993, 2012). However, the focus on unique associations as the main strategy for developing brand equity has recently been called into question. The purpose of this thesis is to challenge and extend the traditional view by suggesting that uniqueness is only one of several forms of differentiation. Drawing on network theories of human memory, the thesis develops a fourfold typology of brand benefit differentiation.

The thesis comprises three articles (one conceptual study and two empirical studies) and an introductory chapter. The objectives of the three articles were (1) to identify different dimensions of associative networks as the basis for a new typology of benefit differentiation; (2) to investigate whether new types of differentiation could be identified by exploring association maps for well-known brands in different product categories; and (3) to investigate the effects of the different types of differentiation on benefit evaluation and brand attachment.

Article 1 describes a new typology for brand benefit differentiation. In addition to uniqueness (referred to here as *categorical differentiation*), three new types are identified: graded, instrumental, and structural differentiation. It is argued that the meaning of benefits may vary across brands according to the strength of benefit associations (graded differentiation); in terms of how much associations contribute to the meaning of benefits (instrumental differentiation); and in terms of how such associations are structured or interlinked (structural differentiation). All of these variations in benefit networks may lead to differentiated meanings. The findings in Article 2 (N = 164) provide preliminary support for the typology by identifying all four types of benefit differentiation in aggregated association maps. In Article 3 (N = 265), the findings show that structural and graded differentiation have positive effects on benefit evaluation and brand attachment, respectively, while categorical differentiation (uniqueness) has negative effects on both benefit evaluation and brand attachment. These findings support and extend recent critiques of CBBE theory's focus on uniqueness.

To our knowledge, these studies are the first to identify and test several types of differentiation at the level of benefits, and the first to use individual association maps to explore brand differentiation. The findings confirm the need to revise and extend CBBE theory. Most importantly, the results identify new opportunities for brand differentiation.

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Article 1

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Brand Benefit Differentiation: A New Typology and a Research Agenda

Article 2

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Empirical Illustration of a New Typology of Brand Benefit Differentiation

Article 3

Hem, A. F. and Supphellen, M.

Beyond Uniqueness: Testing a New Typology of Brand Benefit Differentiation

Introduction

Branding adds spirit and a soul to what would otherwise be a robotic, automated, generic price-value proposition. If branding is ultimately about the creation of human meaning, it follows logically that it is the humans who must ultimately provide it.

—David A. Aaker

Branding has a long history in human society—from the ancient Egyptian bricklayers who marked their bricks with symbols to identify their work to the use of “trademarks” by trade guild members in medieval Europe to provide quality assurance for the consumer and legal protection in exclusive markets for the producer (Farquhar, 1989). According to Farquhar (1989), the term *branding* comes from the early sixteenth century, when whiskey distillers burned or “branded” their logo into wooden barrels to mark their product. The fundamental purpose was to enable the consumer to distinguish the products of different producers, and although the concept has evolved and broadened, the fundamental role of branding remains the same today. Indeed, the increased importance of branding reflects the growing competitiveness of the contemporary marketing environment.

In response to this increased competition, companies spend vast sums on building brands. This reflects the realization that a company’s brand, though intangible, is one of its most valuable assets. Brand value—or its equity as represented in consumers’ words and actions—is therefore a key marketing construct, and managing brand equity has become a priority for many organizations (Hoeffler & Keller, 2003). There is evidence that brand equity has positive effects on several important marketing variables, including consumer preference and purchase intention (Cobb-Walgren, Ruble, & Donthu, 1995); consumer perceptions of product quality (Dodds, Monroe, & Grewal, 1991); shareholder value (Madden, Fehle, & Fournier, 2006); consumer evaluations of brand extensions (Aaker & Keller, 1990); consumer price insensitivity (Erdem, Swait, & Louviere, 2002); market share (Agarwal & Rao, 1996); and resilience to product-harm crisis (Dawar & Pillutla, 2000). Building brand equity involves the creation of deep and broad brand awareness and differentiation in the consumer’s mind through strong, favorable, and unique associations (Keller, 1993, 2001). For that reason, brand positioning—the act of designing the right brand meaning—is an integral part of building brand equity.

Positioning a brand involves identifying relevant associations within the category, as well as how the brand can distinguish itself from competitors (Keller, 2012; Keller, Sternthal, & Tybout, 2002). The traditional view of brand positioning has focused mainly on unique

associations—that is, on associations that do not apply to other brands in the category—in terms of what distinguishes a brand from its competitors from the consumer’s perspective (e.g., Keller, 2001). However, this traditional view of differentiation has recently been criticized by some authors who claim that the focus on creating unique associations detracts from branding’s primary function: to identify the source of the product or service (Romaniuk, Sharp, & Ehrenberg, 2007). Among studies examining the effect of uniqueness, Romaniuk and Gaillard (2007) observed that, for most brands, brand preference is not related to the extent of unique associations, and Datta, Ailawadi, and van Heerde (2017) found a (weak) negative effect between uniqueness and sales. On evaluating the effect of customer-based brand equity on customer profitability, Stahl, Heitmann, Lehmann, and Neslin (2012) found that differentiation had two opposing effects: a positive effect on customer profitability and a negative effect on acquisition and retention rates (Stahl et al., 2012).

A further issue is that much of the published research on differentiation either lacks any formal definition of the construct or uses it interchangeably with other constructs such as uniqueness and distinctiveness, making results harder to interpret. Within the larger context of brand positioning, the topic of differentiation could therefore benefit from a unified typology that would facilitate comparison of research results. In addition, by focusing narrowly on unique associations, the construct of differentiation fails to take account of other ways in which a brand may differentiate itself. This raises the question of whether differences in results are a consequence of using disparate measures of differentiation or whether those measures are too narrow and therefore fail to identify nuances underlying perceived differences among consumers.

The present thesis has two principal objectives. The first is to expand the traditional literature on brand differentiation by developing a new typology of benefit differentiation to clarify and expand the construct. The focus on benefits and benefit associations reflects their key role in the development of brand attitudes, preferences, and choice intentions and therefore in attempts to differentiate brands (Keller, 1993, 2012; Park, Jaworski, & MacInnis, 1986). Brands rarely have unique benefits (Keller, 1993, 2012); in general, they offer the same benefits as other brands. However, the *meaning* of benefits varies across brands, and for that reason, the nature and effects of brand differentiation is better examined at the level of benefits. A new typology of benefit differentiation would provide the brand management community with a more unified view of differentiation, in turn contributing to better theories of brand management. The second objective of the thesis is to empirically test the new typology to determine whether the new

types of differentiation are of relevance to established brands and to assess their effects on the evaluation of brand benefits and brand attachment.

The thesis comprises three articles; the first of these develops the new typology; the second provides an empirical illustration of the typology, along with preliminary supporting evidence; and the third article empirically tests the effects of the new typology on the evaluation of brand benefits and brand attachment and compares the results with the traditional view of brand differentiation.

Theoretical background and research questions

In developing a new typology of brand benefit differentiation, the theoretical starting points are network theories of human memory and customer-based brand equity theory—two of the most fundamental approaches in branding research. It is natural to begin by discussing the former, which provide a foundation for the latter. Following a review of the basic elements of both theories, the concept of brand positioning is addressed, and the discussion concludes with three research questions.

Network theories of human memory

The two main network theories of memory currently employed in marketing and consumer research are the human associative memory and adaptive network models.

Human associative memory

In the marketing literature, consumer memory and learning are most commonly explained (Keller, 1993; Loken, 2006; Loken, Barsalou, & Joiner, 2008; van Osselaer & Janiszewski, 2001) by human associative memory (HAM) models (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975), as championed by Keller (1993, 2012), and by categorization models (Rosch, 1975, 1978; Rosch & Mervis, 1975). In these models, human long-term memory is described in terms of extensive networks of concepts linked through association (Anderson, 1983; Anderson & Bower, 1973). These concepts are not stored as random items of information in long-term memory but are clustered with related associations in a *schema*. According to Mandler and Parker (1976, p. 39) a schema is “an internal structure, developed through experience with the world, which organizes incoming information relative to previous experience.” In other words, schemas contain generalized knowledge about previously experienced situations, people, events, or objects—or instance, things one would expect to find in an office, the components that make up a bicycle, or how a typical marketing professor would

look and act. Because schemas help to guide recognition and understanding of new examples, they serve as heuristics that are typically accurate (Matlin, 2009).

According to HAM models, experiences are encoded as cognitive units in the network of associations when they move from working memory to long-term memory, with a probability that increases with repetition (Anderson, 1983). According to HAM theories of long-term memory, there are three main ways in which associative networks can be updated. First, the strength of an associative link between concepts can be strengthened; secondly, new links can be formed between previously unconnected concepts; finally, entirely new concepts may be introduced to the network (Anderson, 1983). For example, if one associates McDonalds with fast food, this association can be strengthened by an experience of being served fast food at McDonalds. Secondly, a new link between McDonalds and health may be established if one is served a healthy salad. Finally, if McDonalds introduce a new hamburger, a new node may be established in the network to represent that hamburger.

In Anderson's (1983) model, concepts stored in long-term memory have an initial strength of one unit, which increases by one unit for each succeeding exposure. Consequently, the more a brand and a benefit co-occur, the stronger the link will be between the two nodes. HAM models assume that learning of associations between cues and outcomes is independent of other cues and the same outcome (van Osselaer & Janiszewski, 2001). Once a concept has been established in long-term memory, it can decay over time if unused, but it can never be lost (Anderson, 1983).

In HAM models, when a concept is processed, activation spreads along the network's paths with decreasing strength (Collins & Loftus, 1975) and determines the level of activation in long-term memory (Anderson, 1983). According to Collins and Loftus (1975), activation can spread from a concept to an associated concept if its strength is above the activation threshold. That threshold is dependent on the direction of activation, but the threshold need not be the same in both directions. For example, activation of the concept *penguin* is likely to activate the concept *bird*, but activation of the concept *bird* does not necessarily activate the concept *penguin*. In addition, when one ceases to attend to the source of activation, the level of activation decreases for the source and for the related network of associations (Anderson, 1983). The critical determinant of retrieval dynamics is the strength of network nodes—a function of how often one uses or thinks about the given property (Anderson, 1983; Collins & Loftus, 1975).

Adaptive network models

Adaptive network (AN) models of memory were championed by Van Osselaer (Janiszewski & van Osselaer, 2000; van Osselaer & Alba, 2000; van Osselaer & Janiszewski, 2001). These share many features with HAM models. Both characterize knowledge as a network of concept nodes connected by associations, and both view the activation of non-input nodes as the sum of incoming activations (van Osselaer & Janiszewski, 2001). What distinguishes the two is that in AN models, associations are updated only to the extent that outcomes are not perfectly predicted by the associative network (van Osselaer & Janiszewski, 2001). It follows that node strength is not necessarily increased if cue and outcome co-occur more frequently. Moreover, in an adaptive network, updating of one concept is dependent on the strength of all other cues co-present with the same outcome (van Osselaer & Janiszewski, 2001), and associations between multiple cues and outcomes are therefore learned interdependently (van Osselaer & Janiszewski, 2001). van Osselaer and Janiszewski (2001) further argued that AN models are forward-looking—that is, a prediction is made about an outcome, and feedback from the experienced outcome is used to update the association between cue and outcome for future predictions until prediction is perfect.

van Osselaer and Janiszewski (2001) concluded that the HAM models that have traditionally guided consumer research are either incomplete or entirely incorrect. They argued that the two models are not necessarily mutually exclusive but that use of learning associations depends on the situation; while adaptive learning seems confined to situations that are motivationally significant to the consumer, HAM models are used in the absence of motivational significance (van Osselaer & Janiszewski, 2001). These network theories of memory provide the foundation for customer-based brand equity theory (Keller, 1993).

Customer-based brand equity

Because strong brands have a number of advantages over weaker brands (see for example Keller & Lehmann, 2006), building strong brands has become a priority for brand managers. Brand strength—which is often measured using the concept of brand equity—has been shown to have positive effects on market share (Agarwal & Rao, 1996); systematic and unsystematic firm risk (Rego, Billett, & Morgan, 2009); future financial performance (Mizik, 2014); consumer evaluation of brand extensions (e.g., Aaker & Keller, 1990); resilience to product-harm crisis (Dawar & Pillutla, 2000); and consumer purchase intention and preference (Cobb-Walgren et al., 1995).

In the absence of any universally accepted definition of brand equity, the various existing perspectives commonly reflect the authors' purpose (Christodoulides & de Chernatony, 2010). Nevertheless, most agree with Farquhar's (1989) account of brand equity as the additional value a product gains from its brand name. Based on concepts developed in the late 1980s and early 1990s (e.g., Aaker, 1991; Farquhar, 1989; Keller, 1993), marketing perspectives on brand equity tend to focus on the consumer. However, brand equity can also be viewed from company and financial perspectives.

From a company perspective, a strong brand has many benefits: securing distribution, protecting products from competition, increasing the effectiveness of advertising and promotion, attracting better employees, and facilitating growth and expansion into other product categories (Hoeffler & Keller, 2003). For companies, brand equity is the additional value a branded product creates as compared to an unbranded product.

From a financial perspective, brands are assets that can be bought and sold (Keller & Lehmann, 2006), and brand equity is the price it achieves—or might achieve—in the financial market, based on expectations about the discounted value of future cash flows.

Returning to the consumer perspective, brand equity relates to product desirability or aversion above and beyond its physical or generic form—for example, in the context of consumer electronics, the Apple brand is intrinsically valued by some consumers. Although other phones with the same specifications may offer the same functionality as an Apple iPhone, the brand provides added value for some consumers beyond what the product actually does.

As one of the most influential theorists of brand equity, Farquhar (1989) defined this as the “added value” that a brand supplies to a product beyond its functional aspects. In a groundbreaking conceptual article, Keller's (1993) customer-based Brand Equity (CBBE) advanced a more detailed definition of brand equity as the differential effect of brand knowledge on the consumer's response to brand marketing. On this view, a brand has positive equity if a consumer reacts more favorably to elements of the brand's marketing mix as compared to a fictitious brand.

The definition of CBBE centers on the concept of brand knowledge—that is, the consumer knowledge that differentiates their response to a brand's marketing. Drawing on theories of associative network memory, Keller defined brand knowledge in terms of “a brand node to which a variety of associations are linked” (1993, p. 3). The CBBE framework further divides this concept of brand knowledge into brand awareness and brand image, providing a conceptual

overview that has informed the development of methods for building, measuring, and managing brand equity. Keller (2001) argued that a brand needs to create strong, favorable, and unique associations, reflecting his view that the consumer is at the heart of marketing (Keller, 2016). It also needs to happen in that order; no matter how unique the associations, they will have no strengthening effect unless they are favorable and strongly connected to the brand.

To understand how brand equity can be built, then, it is important to know how brand knowledge develops. For that reason, brand positioning is an important element of CBBE theory in creating the associations needed to build strong brands. The following introduction to brand positioning informs a more thorough discussion of differentiation.

Brand positioning

Because it determines the brand's frame of reference and strategic path, brand positioning is a core marketing activity (Keller, 2012) and is therefore an integral part of building a strong brand. According to Kotler (cited in Ries & Trout, 2001, p. ix), marketing previously centered on the four Ps (product, price, place, and promotion). However, marketing practitioners and academics have increasingly realized that an important preceding step is *positioning*, which permeates everything from selection of brand elements to pricing strategy and choice of distribution channel.

In the marketing literature, definitions of brand positioning vary in terms of their internal or external focus. Among the more internal perspectives, Aaker defines brand positioning as “the part of the brand identity and value proposition that is to be actively communicated to the target audience and that demonstrates an advantage over competing brands” (1996, p. 176). However, regardless of the perceived strength of the value proposition, it is the consumer who ultimately decides a brand's true value, and an external perspective is likely to more fully acknowledge this. For example, Keller defined positioning as “the act of designing the company's offer and image so that it occupies a distinct and valued place in the target consumers' minds” (2012, p. 79). Beyond the issue of internal or external perspective, accounts of brand positioning may vary in their emphasis on actual or ideal positioning. While actual positioning focuses on a brand's current positioning, an ideal perspective is concerned with the positioning the brand is striving for. As shown in Table 1, these perspectives can be combined to describe internal and external versions of actual and ideal positioning.

Table 1. Positioning perspectives (adapted from Supphellen, 2014)

	Internal perspective	External perspective
Current position	1	3
Ideal position	2	4

According to Keller (2012), brand positioning clarifies what the brand is all about, what makes it different, and what makes it similar to competitors. The fundamental goal of brand positioning is to provide consumers with compelling reasons to buy by creating strong, favorable, and unique associations that distinguish it from other brands (Keller et al., 2002); in other words, differentiation is a key feature of brand positioning. The issue of differentiation has a long history in marketing. It has its origins in economics, where Shaw (1912) first described it as a way of meeting consumers’ needs more accurately, leading in turn to increased demand for that producer’s product and the potential to charge higher prices than for existing stock commodities. Chamberlin (1965) defined differentiation as that which distinguishes one producer’s goods or services from the competition in relation to important determinants of preference and choice. In line with Chamberlin, Porter (1979) considered differentiation to depend on both physical and nonphysical product features, as well as on other elements of the marketing mix. However, despite its acknowledged importance, brand differentiation only became a major topic in the marketing literature in the 1990s, with the emergence of brand management research and practice. For a fuller discussion of the history of differentiation in the marketing literature, see Dickson and Ginter (1987).

More recent research on differentiation is based mainly on Keller’s (1993, 2001) CBBE perspective and the related concepts of points of difference (POD) and points of parity (POP). In the CBBE model, POPs are associations that must be present if a brand is to be considered part of a given category and viable at the same level as the competition (Keller et al., 2002). PODs are associations that distinguish (that is, differentiate) a brand from the competition, based on the logic of the Unique Selling Proposition in advertising (Reeves, 1961). While several extensive studies have identified the positive effects of *perceived brand uniqueness* on turnover, brand loyalty, customer profitability, and market value (Keller, 2012; McAlister, Srinivasan, & Kim, 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009; Stahl et al., 2012), others have recently questioned the need for and desirability of unique associations. This

critique is based on new evidence of the weak or even negative effects of uniqueness on brand performance (e.g., Datta et al., 2017; Romaniuk & Gaillard, 2007). The present thesis aims to contribute new conceptual and empirical insights to the existing literature on brand uniqueness and brand differentiation.

Research questions

We contend here that the conflicting effects of uniqueness reported in previous research owe in part to imprecise definition and measurement of uniqueness. In particular, from the perspective of associative network theory, we argue that uniqueness is only one of several types of differentiation, and that latent measures of *perceived uniqueness* may reflect several of these beyond uniqueness. As an alternative to these indirect and latent measures, the aim here was to identify and define different types of differentiation on the basis of empirical analyses informed by the principles of associative network theory (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975). In so doing, this research responds to the call for improved conceptualization and measurement of differentiation (Sharp & Dawes, 2001).

Rather than addressing the overall brand level, we focus here on differentiation at *benefit level*, for two reasons. First, benefits are the most relevant type of brand association; as major drivers of brand attitude and preference, they play a central role in brand differentiation (Keller, 1993, 2012; Park et al., 1986). Secondly, the focus on benefits makes conceptual development and empirical testing less complex and more manageable. Against this background, the present research addresses the following three questions.

RQ1: From the perspective of associative network theory, how does the structure of brand benefits differ across brands, and what would a typology of brand benefit differentiation look like?

RQ2: To what extent can the types of differentiation defined in the typology (RQ1) be identified in the benefit networks of real brands?

RQ3: How, and to what extent, do the different types of benefit differentiation (RQ1) affect benefit evaluation and brand attachment?

Methodological foundations and choices

This section addresses methodological issues and choices that require elaboration beyond the discussion in the three articles.

Methodological perspective

As every research project is guided by the researcher's worldview, it is important to at least acknowledge the philosophical basis of that worldview. The perspective adopted here can be characterized as *critical realism*, which is positioned between positivism and constructionism. As accounts of knowledge and reality, these represent polar opposites; while positivism rests on the assumption that the external world can be accurately described and causally explained (Bisman, 2010), constructionism asserts that meanings are socially created on the basis of human interaction (Burr, 2006). As an intermediate position, critical realism assumes that an external reality exists independent of our conceptions of it, and that all knowledge is fallible (Danermark, Ekstrom, Jakobsen, & Karlsson, 2001). On this view, reality is not transparent and consequently not directly observable. For social science, then, the critical methodological question concerns the relationship between this external reality and science (Danermark et al., 2001), and the objective of science is to represent this reality as closely as possible. By implication, conceptualization, which can be defined as a "process of abstract thinking involving the mental representation of an idea" (MacInnis, 2011, p. 140), is one of the most important activities in social science. Danermark et al. (2001) argued that the concepts used to describe external reality constantly develop, making it important to discuss the methodological context in which this development takes place.

Methodological context

To understand the nature of knowledge development in marketing, it is useful to reflect briefly on the distinction between *context of discovery* and *context of justification* (for a good overview, see Schickore & Steinle, 2006). In general, the context of discovery relates to the development of new ideas or the novel fusion of existing ideas (Yadav, 2010). In contrast, the context of justification relates to testing the plausibility and acceptability of such ideas by collecting and analyzing data (Hunt, 1991). Both contribute to theory development, and as Yadav (2010) argues, conceptual research is not confined to the context of discovery, as the context of justification perform a vital function in critiquing and integrating theoretical perspectives.

This thesis can be said to encompass both a context of discovery and a context of justification. The first article develops the idea that differentiation can be understood as variations in the cognitive structures connected to a brand. By moving to another level of analysis to view differentiation in terms of differences in the meaning of benefits rather than in the different benefits associated with brands, theory is developed in line with Yadav's (2010) framework.

The second and third articles then move to a context of justification by collecting and analyzing data to establish the plausibility of the new ideas developed in the first.

Developing the brand benefit typology (Article 1)

The first article is purely conceptual and addresses the lack of any formal definition of differentiation, along with the concept's ambiguous use. The article also addresses the decline of conceptual work in the field of marketing. As Yadav (2010) noted, a discipline's long-term vitality depends on conceptual articles that pursue theory building (see also MacInnis, 2004; Stewart & Zinkhan, 2006; Webster, 2005).

MacInnis (2011) defined conceptual thinking as the process of understanding a problem abstractly by detecting patterns or relationships and key underlying properties, which may result in visual representations of ideas in the form of process models, typologies, et cetera. Article 1 posits that differentiation can be understood in terms of variations in the cognitive structure of benefits, and that it should be possible to create a typology by breaking differentiation into sub-constructs representing distinct types of variation in cognitive structure. This echoes what MacInnis (2011) described as *delineation*—that is, articulating, charting, detailing, describing, or depicting an entity to consider how it relates to the surrounding conceptual world.

A review of the relevant brand management literature uncovered disparate definitions of differentiation that varied in terms of process and outcome, used ambiguously or interchangeably with similar but distinct concepts such as uniqueness and distinctiveness, and involving different measurement procedures. These deficits prompted us to revisit the associative network theories of memory that inform most of the existing work on brand differentiation. In combination with this review of existing explanations of how consumers learn and how this knowledge is stored, we used deductive reasoning to develop the new typology. In particular, we asked why differentiation should be conceptualized as a single type of variation (uniqueness) when cognitive structures can vary in several ways.

Empirical tests of the brand benefit differentiation typology (Article 2 and 3)

The second and third articles test and evaluate the brand benefit differentiation typology developed in the first. To investigate the nature and structure of the consumer benefit associations that underpin the brand benefit typology, it was necessary to find some means of generating association maps for analysis. Article 2 describes how individual brand maps were aggregated and then analyzed to identify different types of brand benefit differentiation. In addition to the process described in Article 2, Article 3 describes how a mixed methods

approach was used to link individual brand maps to quantitative psychological variables like benefit evaluation and brand attachment. To our knowledge, Article 3 is the first systematic study of the connection between cognitive structures (i.e., association maps) at the benefit level and general brand variables.

While the individual articles explicitly state their methodology, a fuller discussion is warranted of the different available methods for collecting and creating association maps. Despite the many existing ways of eliciting brand associations from consumers, methods for producing brand maps have been slow to emerge (John, Loken, Kim, & Monga, 2006). While existing techniques are useful for understanding how brands are perceived and what these perceptions are based on, they do not explain how these associations are linked. In contrast, brand association maps can help to illuminate how associations are grouped, which associations are linked directly to brands, and which are linked indirectly through other associations (John et al., 2006).

According to John et al. (2006), two approaches that differ in how brand maps are derived show promise as more accessible methods of brand mapping: “consumer mapping” and “analytical mapping.” Consumer mapping techniques elicit brand maps directly from consumers, based on their brand-related associations (John et al., 2006). For example, Zaltman’s Metaphor Elicitation Technique (ZMET) use qualitative research techniques (e.g. photography and/or collecting pictures from magazines, books, etc.) to identify key brand associations and then explore the links between these associations through in-depth interviews (Zaltman & Coulter, 1995). In contrast, analytical mapping techniques use analytical methods to elicit consumers’ brand association networks (John et al., 2006). For instance, Henderson, Iacobucci, and Calder (1998) used network algorithms to derive the structure of consumers’ brand associations.

Both of these approaches have advantages and disadvantages. While analytical mapping techniques offer a less labor-intensive way of generating association maps through quantitative analyses, they require extensive statistical knowledge beyond that of many marketing researchers. Consumer mapping is more labor-intensive, but because it facilitates analysis of both individual and aggregate concept maps, this approach was adopted here.

Among consumer mapping approaches, two have gained widespread support in the branding literature: brand concept maps (BCM) and ZMET. The main advantage of ZMET relates to the procedure for eliciting brand associations. In using qualitative methods to investigate verbal and nonverbal aspects of consumer knowledge, ZMET is well suited to situations where

previous research is limited or where there is a need for knowledge about deeper and/or unconscious aspects of the brand (Christensen & Olson, 2002). The method shows promise in terms of reliability and validity, as Zaltman (1997) reported that constructs elicited using ZMET were generalizable to larger populations. However, with regard to the consensus maps, the validity of relationships between associations remains at issue. Among the method's disadvantages, the most important relate to accessibility and ease of administration (John et al., 2006). Because the procedures for creating brand maps are unstandardized and involve expert judgements, practitioners' access is restricted. In addition, Zaltman (1997) argued that the technique is difficult to administer, and the process is labor-intensive. Specifically, the technique involves two interview sessions for each respondent, and pictures and images must be prepared for those interviews. Interviewers need to be specially trained in base disciplines, such as cognitive neuroscience and psycholinguistics, and must then spend a lot of time reviewing the interview material in order to derive a consensus map. These requirements limit ZMET's flexibility for use across different research settings (John et al., 2006).

The BCM technique (John et al., 2006) offers an alternative approach that is more accessible and standardized. The authors argue that the BCM technique is easier to administer than ZMET as it does not require specially trained interviewers or a significant time commitment (John et al., 2006). BCM can also be used flexibly across various research settings and can handle larger sample sizes and diverse market segments. In addition, BCM incorporates some of the advantages of analytical techniques by employing straightforward standardized rules for the aggregation of individual brand maps, with no need for advanced statistical knowledge. In light of these advantages, the BCM method was adopted for present purposes. The approach is more fully described in the individual articles.

Overview of thesis articles

This section summarizes the findings and contributions of each article. As mentioned in the Introduction, the overarching theme is brand benefit differentiation. The three articles are independent but related and address various aspects of the overall research objectives. Specifically, Article 1 addresses RQ₁; Article 2 addresses RQ₂; and the third article addresses RQ₃.

Article 1: Brand Benefit Differentiation: A New Typology and a Research Agenda

Despite the fundamental significance of differentiation for brand management and research, the concept is not clearly defined in the literature. In practice, differentiation is often interpreted

and measured in terms of uniqueness. The purpose of Article 1 was twofold. First, we wanted to investigate whether network theories of human memory could be used to extend the traditional lopsided view of differentiation in order to develop a typology of brand benefit differentiation that would in turn define a research agenda. Secondly, we wanted to develop a coherent definition of differentiation.

To address the first goal, we reviewed the literature on network theories of memory and identified three new types of differentiation. In addition to uniqueness (which we characterized as *categorical differentiation*), we found that benefit associations can be differentiated in terms of strength (*graded differentiation*), predictive power (*instrumental differentiation*), and how they are connected to benefits (*structural differentiation*). Based on network theories of human memory, the article goes on to propose a precise definition of differentiation to address the second objective. We also clarify the conceptual distinction between differentiation and the concepts of uniqueness and distinctiveness, which are often used interchangeably with differentiation.

The article sets out a research agenda involving two basic propositions to inform further studies. The first of these propositions states that all four types of benefit differentiation can be observed for well-known brands in established categories; the second proposition states that all four types of benefit differentiation have positive effects on benefit evaluation of well-known brands in established categories.

The new typology offers a more comprehensive view of differentiation that will enable brand managers to use strategies other than uniqueness to build perceptions of difference in the minds of consumers. By formulating a more coherent definition of brand differentiation and brand benefit differentiation, the findings provide for more consistent measurement of differentiation construct and more comparable results across studies.

Article 2: Empirical Illustration of a New Typology of Brand Benefit Differentiation

The goal of Article 2 was to address the first proposition in Article 1 and to provide an initial empirical validation of the typology. Following John et al.'s (2006) guidelines, 164 benefit association maps were collected for four different well-known brands within two categories. Based on the new typology, we extended the methodology to capture all aspects of interest in the association maps. Following the guidelines of Park, Jaworski, and MacInnis (1986), each brand was represented by three categories of benefits: functional, experiential, and symbolic. The individual benefit maps were aggregated to create consensus maps for the respective brands

and benefits within the two categories, which were then analyzed to identify the various types of brand benefit differentiation. Instances of all four types were identified, confirming their occurrence in associative networks for mature brands in well-established categories. This finding is critical because it highlights the inadequacy of the traditional narrow focus on uniqueness. The findings also have important methodological consequences for researchers and managers. To identify how benefits are differentiated for a given brand and how this changes over time, managers need regular, comprehensive analyses of these associative networks.

Article 3: Beyond Uniqueness: Testing a New Typology of Brand Benefit Differentiation

The objective of Article 3 was to address the third research question and the second proposition from Article 1 by investigating how, and to what extent, the four types of benefit differentiation relate to benefit evaluation and brand attachment. Six hypotheses were developed; the first three related to the effects of the different types of differentiation on benefit evaluation, and the other three related to the effects of these forms of differentiation and benefit evaluation on brand attachment. Categorical differentiation (i.e., unique associations) is a major source of brand positioning in CBBE theory, the dominant theory of brand management. The first study in Article 3 (N = 70) tests the effects of this type of differentiation on benefit evaluation, measured as the number of unique benefit associations. One basic assumption of CBBE theory is that, to succeed in the marketplace, managers need to link unique associations to their brands (Keller, 1993, 2012). However, this assumption has recently been called into question, and our findings support and extend this critique by showing that evaluations of benefits are not dependent on unique benefit associations. On the contrary, a negative relationship was observed between number of unique benefit associations and brand evaluation ($p < .05$). The second study (N = 195) was designed to replicate and extend the first study's findings and to test, for the first time, the effects of three new types of differentiation—instrumental, structural, and graded—on benefit evaluation and brand attachment. In support of our findings from study one, we replicated the negative effect of number of unique associations on benefit evaluation, although the results are only marginally significant ($p < .10$). Structural differentiation had a positive effect on benefit evaluation, but neither graded nor instrumental differentiation had any significant effect. Although supporting our hypothesis that benefit evaluation has a positive effect on brand attachment, only two types of benefit differentiation were found to have direct effects on brand attachment; categorical differentiation was negatively related to brand attachment while graded differentiation had a positive effect.

Our findings across the two studies provide new evidence questioning the importance of unique associations. To our knowledge, this is the first demonstration of this effect based on individual concept maps. Additionally, study two is the first to show that other forms of benefit differentiation are important for major outcome variables such as benefit evaluation and brand attachment.

General discussion

The objective of this dissertation was to develop a new typology of brand benefit differentiation based on network theories of human memory. After discussing the theoretical, methodological, and managerial implications of our findings, I address the studies' limitations and present a research agenda for future research on benefit differentiation.

Theoretical implications

The new typology of brand benefit differentiation and the empirical tests contribute to brand management theory in several ways. The traditional view of differentiation is based on Keller's (1993, 2001, 2012) CBBE theory where differentiation depends mainly on unique associations. Our new typology adds three new forms of differentiation to accompany categorical differentiation (uniqueness). Building on network theories of memory (e.g., Anderson, 1983; van Osselaer & Janiszewski, 2001) and other dimensions of associative networks, the typology offers a more nuanced view of differentiation that is more representative of the memory theories that inform CBBE. Additionally, this approach looks at differentiation at the level of benefits rather than at brand level. As few brands have unique benefits (e.g., Keller, 2012), perceptions of difference should reflect differences in the meaning of these benefits, based on associations connected to the benefit rather than on which benefits are connected to the brand.

The Brand Asset Valuator (BAV) framework, which is widely used to operationalize differentiation (e.g., Mizik & Jacobson, 2008, 2009; Romaniuk et al., 2007), views perceived uniqueness and distinctiveness as defining properties of perceived differentiation. We contend here that differentiation, uniqueness, and distinctiveness have distinct meanings and should be treated as separate conceptual constructs. This clarification would facilitate the development of richer theories of brand management by supporting more detailed study of psychological responses to brands and brand building.

As a first empirical test, Article 2 provides preliminary support for the new typology. The findings confirm the presence of all four types of differentiation for mature brands in well-known categories. This confirms that there are other ways of differentiating brands beyond the

usual focus on unique associations, which are rare in mature categories. This is an important finding because it highlights the inadequacy of a narrow focus on uniqueness.

In challenging the premise that managers should differentiate their brands by creating strong, favorable, *and unique* associations with the brand name in consumer memory (Keller, 1993, 2012), our findings contribute to this stream of research in several important ways. First, we found (across two studies) that the number of unique benefit associations was negatively related to benefit evaluation. This aligns with recent research showing the negative effect of uniqueness on sales (Datta et al., 2017). Our study is the first to demonstrate the negative effects of uniqueness at the benefit level, based on the analysis of individual concept maps. We also found that uniqueness had a direct negative effect on *brand attachment*. This is important because brand attachment is among the most important indicators of brand behavior and brand profitability (Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010; Stokburger-Sauer, Ratneshwar, & Sen, 2012; Thomson, MacInnis, & Park, 2005).

This research is the first to empirically demonstrate the importance of forms of differentiation other than uniqueness. Specifically, we found a positive relationship between benefit evaluation (which in turn affects brand attachment) and *structural differentiation*, and a direct positive effect of *graded differentiation* on brand attachment. However, *instrumental differentiation* had no significant effect on either of these brand variables. In sum, the findings reported here suggest that CBBE theory should be revised to include other relevant types of differentiation and to accommodate the negative potential of uniqueness.

Methodological implications

These findings also have important methodological implications for brand researchers and managers. To identify how benefits are differentiated for a certain brand and how differentiation changes over time, managers need to perform in-depth analyses of consumers' associative networks. It is not enough to measure perceived differentiation at the brand or benefit level or to elicit lists of benefit associations; the nature of benefit differentiation is elucidated only through careful analysis of the associative links between benefit associations, based on individual association maps.

We have extended John et al.'s (2006) BCM approach by incorporating procedures to identify the instrumentality and favorability of benefit associations. Article 2 confirms that this extended approach is a useful tool for identifying all four types of benefit differentiation and facilitates in-depth analysis of structures of brand associations, yielding important new insights into the

nature of brand differentiation. Future studies should use this approach in conjunction with the latent measures of overall “perceived differentiation” that have so far dominated research in this area (e.g., Datta et al., 2017; McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009).

Managerial implications

As knowledge of brand associations is fundamental to CBBE theory, managers need to understand what target groups associate with their brand (Keller, 1993, 2012). However, our findings suggest that knowing the content of these associations is not sufficient. Managers also need to be aware of the content and cognitive structure of brand benefits, and mapping benefit networks may yield new insights into how the structure and meaning of benefits differ across brands. It seems likely that many managers are unaware of how their brands’ benefits are differentiated.

The present results suggest that managers who rely on CBBE theory (Keller, 1993, 2012) run the risk of *uniqueness myopia*—focusing too narrowly on suboptimal and perhaps harmful unique associations while missing out on other more effective forms of differentiation. Managers who expend resources on linking unique attributes to their brands should reconsider this strategy. At the very least, the effect of uniqueness on brand benefit evaluation and brand attachment should be properly tested, as our findings suggest that these effects may be marginal or even negative.

Fortunately, other options identified here are probably less expensive. Our findings indicate that both structural and graded differentiation have independent positive effects on benefit evaluation and brand attachment, respectively. For instance, structural differentiation does not require managers to link unique attributes to their brands; instead, this type of differentiation can be developed through consistent communication of certain combinations of brand benefits over time to form small clusters of benefit associations that differentiate the benefit’s meaning in a favorable way.

Limitations and a future research agenda

This research is the first step on a new path exploring the *micro-structure* of brand differentiation, with interesting opportunities for future studies. The overview of relevant research questions in Table 2 is by no means exhaustive, but it serves to indicate the main questions that must be answered to determine whether, how, and why the different types of benefit differentiation influence brand equity.

A first step in the scientific development of any research area is to describe and compare phenomena (Danermark et al., 2001). The middle column of Table 2 lists descriptive research questions (RQs) about the four types of brand differentiation in relation to issues of special interest to brands managers. The right-hand column lists research questions concerning the predictive abilities of the four types of benefit differentiation.

Our study design did not allow for comparison of benefit types, and a first issue is whether some types of differentiation are more important for specific types of benefits. It is possible, for instance, that uniqueness is mainly relevant for symbolic benefits. Because symbolic benefits are especially relevant for identity development and “me versus not-me” classifications (Berger & Heath, 2007; Keller, 2012), one might speculate that categorical differentiation (uniqueness) is more relevant for this kind of benefit than for functional or experiential benefits.

In similar vein, some types of differentiation may be more relevant for services than for products, or for fast-moving consumer goods (FMCG) rather than for durables. When consumers buy products habitually, which is often the case for FMCG, fewer associations are typically activated than in the more thorough and step-wise decision processes when purchasing durables (Wood & Neal, 2009). For habitual purchases, only benefit differentiation types that directly affect brand attachment or other brand-level variables are likely to play a role. Our findings suggest that graded differentiation is especially relevant in this regard while structural differentiation may be more important for durables.

The relevance of the four types of benefit differentiation may also change across the stages of the decision funnel—for instance, previous research has shown that the attributes involved in consumers’ consideration sets may differ when they make their final choice (Shocker, Ben-Akiva, Boccara, & Nedungadi, 1991), as consideration set formation often involves less elaboration and cognitive effort than choice processes (Shocker et al., 1991). Such variations in consumer cognition at different stages of the decision funnel may explain why types of benefit differentiation also change, and this is another important issue for future research.

Consumers differ, and benefit differentiation types are likely to vary across consumer segments. Future research should seek to identify segments that differ significantly in this respect. For example, while consumers with a high need for uniqueness are likely to be more motivated to learn about differences between brands (e.g., Berger & Heath, 2007; Tian, Bearden, & Hunter, 2001), those with a high need for cognition are likely to spend more time finding and processing information about brands and forming more extensive associative networks (Anderson, 1983;

Cacioppo, Petty, Feinstein, & Jarvis, 1996). In particular, one might expect to find more instances of structural differentiation in these consumer segments, as this type of differentiation requires the integration of several items of information.

Table 2. Benefit differentiation (BD): A research agenda

Issues	Descriptive RQs	Predictive/explanatory RQs
Comparison of benefits (functional, symbolic experiential)	<i>Are some types of BD more dominant or frequent for specific types of benefit?</i>	<i>Are some types of BD more predictive of benefit evaluation for specific types of benefit?</i>
Comparison of product and service categories	<i>Are some types of BD more dominant or frequent for products than for services?</i> <i>Are some types of BD more dominant or frequent for FMCG than for durables?</i>	<i>Are some types of BD more predictive of benefit evaluation for products than for services?</i> <i>Are some types of BD more predictive of benefit evaluation for FMCG than for durables?</i>
Comparison of stages of decision funnel	<i>Are some types of BD more dominant or frequent at early stages of the funnel as compared to later stages?</i>	<i>Are some types of BD more predictive of benefit evaluation at early stages of the funnel as compared to later stages?</i>
Comparison of types of consumer	<i>Are some types of BD more dominant or frequent for consumers with a high (as compared to low) need for uniqueness or for cognition?</i>	<i>Are some types of BD more predictive of benefit evaluation for consumers with a high (as compared to low) need for uniqueness or for cognition?</i>
Market communication	<i>What kinds of message and creative strategy do marketers use to create the four types of BD?</i>	<i>What kinds of message and creative strategy are most effective in developing the four types of BD?</i>
Measurement	<i>To what extent do companies measure differentiation at benefit level?</i> <i>What kinds of approach do companies use to measure or map benefit differentiation?</i>	<i>Which approaches to measurement or mapping of BD are more effective in explaining variations in benefit evaluation?</i> <i>Which types of BD are most predictive of perceived differentiation at brand level?</i>

One very important issue in this context is the effective use of communication to create the four types of benefit differentiation, prompting a number of interesting questions for future research. For instance, do most types of differentiation require central processing of messages, or might it be possible to create some form of differentiation through passive or peripheral processing? What creative techniques and which media are most effective for creating the four types of

benefit differentiation? Is comparative advertising superior to advertising that focuses only on the target brand?

Finally, more research is needed to address methodological issues around measuring benefit differentiation. In arguing for more cognitive mapping of benefit associations, we extended the John et al.'s (2006) BCM method to capture all four types of benefit differentiation, and further research is needed to validate this approach. Little is known about whether and how brand managers measure or map differentiation at the level of benefits, and more descriptive research would be welcome. More research is also needed on the psychological basis of existing latent measures of perceived differentiation and perceived uniqueness (e.g., Datta et al., 2017; McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009) to establish which types of benefit differentiation predominate when consumers respond to overall questions about brand differentiation. This may in turn help to clarify the conflicting previous findings on the effects of perceived differentiation.

The purpose of the new typology and research agenda presented here is to trigger a new stream of research on benefit differentiation. We believe that the answers to the questions raised here (Table 2) will significantly increase our understanding of when, how, and why benefit differentiation affects brand equity, in turn enabling us to develop new and more effective guidelines for brand building.

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Article 1

**Brand Benefit Differentiation:
A New Typology and a Research Agenda**

By

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Abstract

According to customer-based brand equity theory, strong brands are favorably different from weaker brands. For that reason, differentiation is a major concern for brand managers and researchers. However, despite its fundamental importance, the concept of differentiation is not clearly defined in the literature. In practice, differentiation is often interpreted and measured in terms of uniqueness, but an associative network perspective suggests that there are several other types of differentiation. By developing a new fourfold typology of brand benefit differentiation, the study opens up new possibilities for practitioners and researchers.

Keywords: brand image, brand benefits, associations, associative network, differentiation, typology

Introduction

Given the evidence that branding has positive effects on brand performance (McAlister, Srinivasan, & Kim, 2007; Mizik & Jacobson, 2008, 2009; Rego, Billett, & Morgan, 2009), many organizations see building a strong brand as one of their most important goals (Hoeffler & Keller, 2003). This involves creating strong relationships with consumers, based on their reactions to the brand's image (Keller, 2001), which can be defined as perceptions of the brand as reflected in consumers' brand associations (Keller, 1993). These associations serve an important function in the brand building process by creating perceived differences between brands, so dictating preference and choice. The many types of brand association include brand personalities, brand values, user imagery, and country of origin, any of which may serve as a basis for differentiation. For example, Ben & Jerry's has a quirky, fun personality that differentiates them from the competition; similarly, the Patagonia brand expresses values associated with preserving the environment. In addition, consumers' associations may relate to the benefits a brand provides. These brand benefits contain information about what consumers believe the brand can do for them, and this plays a major role in the formation of brand attitudes, preferences, and choice intentions (Keller, 1993, 2012; Park, Jaworski, & MacInnis, 1986). It follows that brand benefits are fundamental to any attempt to develop brand equity. Brands perceived as *favorably different* in terms of a benefit or a combination of benefits tend to attract more attention and are more often preferred to other brands, resulting in higher levels of turnover, loyalty, and market value (Keller, 2012; McAlister, Srinivasan, & Kim, 2007; Mizik & Jacobson, 2008, 2009; Rego, Billett, & Morgan, 2009). For that reason, differentiation of brand benefits is a primary task for brand managers.

The concept of differentiation has a long history in the marketing literature. Shaw (1912) originally defined differentiation as a strategy for meeting human needs more accurately and argued that it would result in a "buildup of demand" for the producer's product and a potentially higher price than for the existing stock commodity. Chamberlin (1965) subsequently defined differentiation as distinguishing one seller's goods or services from those of another on any basis that is salient to the buying situation and generates a preference. Like Chamberlin, Porter (1979) viewed differentiation as depending on perceived physical and nonphysical product characteristics as well as on other elements of the marketing mix. With the emergence of brand management research and practice in the 1990s, brand differentiation became a major concept in the marketing literature. (For a thorough discussion of the concept's history, see Dickson and Ginter (1987)).

Despite its long history and its prominence in the marketing literature, the concept of differentiation has not been clearly defined. In the absence of any formal definition (Sharp & Dawes, 2001), the term tends to be used interchangeably with related but distinct concepts such as uniqueness and distinctiveness. This ambiguous usage hinders comparison of results across studies and makes it harder to develop unified and coherent theories of brand management. Our ambition here is not to present a single “true” definition of differentiation but rather to arrive at a definition that can be used to build better theories of brand management. To do so, we need a definition that refers to a specific phenomenon, has a clear meaning, and explains how differentiation differs from and relates to other concepts in the brand management literature (Frankfort-Nachmias & Nachmias, 2008). In line with previous research on brand knowledge (e.g., John, Loken, Kim, & Monga, 2006; Keller, 1993; Ng & Houston, 2006; van Osselaer & Janiszewski, 2001), we will draw on theories from cognitive psychology to define and clarify the concept.

To begin, we review relevant models of human memory. Based on two models of associative memory (Anderson, 1983; van Osselaer & Janiszewski, 2001), we demonstrate the limitations of current perspectives on differentiation and go on to develop a new typology of four basic forms of brand benefit differentiation. By adopting a cognitive network perspective, this typology explains how brand benefits can differ across brands within a category. Finally, we identify some preliminary implications for brand managers and future avenues of research.

Brand Benefit Differentiation

The benefits associated with a brand are central to differentiation (Keller, 1993, 2012; Park et al., 1986). Drawing on associative network theory (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975), we define brand differentiation as *variations in the associative nature and structure of brand images across brands within a category*. These cognitive variations lead to perceived differences in the meaning of brands. In the same way, benefit differentiation is defined here as *differences in the cognitive structure of benefits across brands*. On this view, differentiation depends on consumers’ knowledge of brands and how this knowledge determines the meaning of brands and benefits. In the following account of associative memory models, we explain how differences can arise in associative networks. We then use this theory to derive a typology of brand benefit differentiation that illustrates how the structure of associative networks can lead to multiple types of differentiation.

Associative network theory

Human associative memory (HAM) models (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975) and models of categorization (Rosch, 1975, 1978; Rosch & Mervis, 1975) have predominated in explaining the nature and development of brand knowledge (Keller, 1993; Loken, 2006; Loken, Barsalou, & Joiner, 2008; van Osselaer & Janiszewski, 2001). In HAM models, human long-term memory is conceptualized as a vast network of concept nodes connected by associative links (Anderson, 1983; Anderson & Bower, 1973). On this view, there are three main ways in which associative networks can be updated for associative learning. First, the strength of associative links between concepts can be strengthened; second, new links can be formed between formerly unconnected concepts; and finally, entirely new concepts may enter the network (Anderson, 1983).

In Anderson's (1983) model, all long-term memory traces have a starting strength of one unit, which increases by one unit for every subsequent exposure. By implication, the more frequently a brand and benefit co-occur, the stronger the link will be between the two nodes. HAM models therefore assume that the learning of associations between cues and outcomes is independent of the presence of other cues and the same outcome (van Osselaer & Janiszewski, 2001). Once a trace has been established in long-term memory, it cannot be lost, but it will decay over time if not activated (Anderson, 1983).

According to HAM models, when a concept is processed, activation spreads out with decreasing strength along the network's paths (Collins & Loftus, 1975). Activation can spread from associated concepts to other concepts if the strength of activation is above a certain threshold. Collins and Loftus (1975) argued that this threshold depends on the direction of activation and that the threshold required to activate a concept need not be the same in both directions. The strength of network nodes is the critical determinant of retrieval dynamics, and this is a function of how often a person uses or thinks about a property (Anderson, 1983; Collins & Loftus, 1975).

Adaptive network (AN) models of memory, which were championed by van Osselaer (Janiszewski & van Osselaer, 2000; van Osselaer & Alba, 2000; van Osselaer & Janiszewski, 2001), share many of the features of HAM models. On this view, memory consists of networks of concept nodes connected by associations, and as in the case of HAM models, node activation is determined by the sum of incoming activations (van Osselaer & Janiszewski, 2001). What distinguishes AN models from HAM models is that associations are updated only to the extent that outcomes are not perfectly predicted by the learning system (van Osselaer & Janiszewski,

2001). It follows that the strength of a node is not necessarily increased by the increased co-occurrence of cue and outcome. Additionally, the updating of one concept in the adaptive network depends on the strength of all other cues co-present with the same outcome (van Osselaer & Janiszewski, 2001). The learning of associations between multiple cues and outcomes is therefore interdependent (van Osselaer & Janiszewski, 2001). AN models are forward-looking—that is, a prediction is made about an outcome, and feedback from the experienced outcome is used to update the strength of association between cue and outcome for future predictions.

van Osselaer and Janiszewski (2001) argued that the two models of memory are not necessarily mutually exclusive; rather, each is relevant in different situations. While AN models may apply only in situations that are motivationally significant for the consumer, HAM models are more relevant when the consumer is less involved (van Osselaer & Janiszewski, 2001).

From an associative network perspective, then, the set of associations connected to a benefit (benefit associations) and the way in which these associations are structured defines the meaning of the benefit. The typology described below reflects the four principal ways in which the structure of benefit associations may vary across brands, giving rise to perceptions of difference between those brands.

Types of benefit differentiation: A new typology

The first type of benefit differentiation is *categorical differentiation*. This is similar to the concept of uniqueness and refers to *benefit associations that are specific to one brand and are not found in the benefit images of other brands*. For example, two yogurt brands may both be associated with the same benefit of “healthiness”, but the association “fresh fruit” may be linked to only one of the brands. Some authors seem to view uniqueness and differentiation as identical concepts on the basis of the classical applied advertising literature. In particular, the concept of the Unique Selling Proposition (Reeves, 1961) is an advertising message that explains what is unique about a product, service, or company. Within this tradition, differentiation is reduced to the activity of linking certain unique and favorable associations to the brand as follows:

...the concept of point of difference is related to unique selling proposition and sustainable competitive advantage and maintains that a brand must have some strong, favorable and unique associations to differentiate itself from other brands. (Keller, 2012, p. 113)

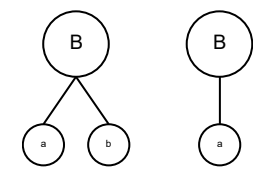
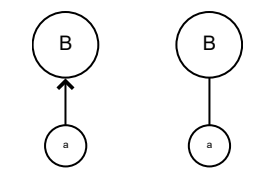
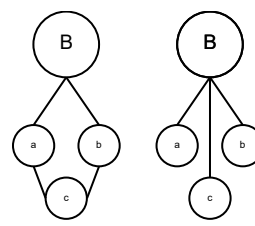
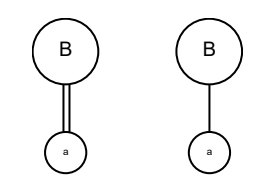
However, from an associative network perspective, differences in the meaning of benefit (and brand) images may derive from sources other than uniqueness, as discussed below. For that reason, we use the term *categorical differentiation* rather than *uniqueness* to signal that this is only one of several types of differentiation.

The present paper describes three new types of (non-categorical) differentiation. The first type, which builds on the logic of AN models, is characterized as *instrumental differentiation*. In AN models associations serve a predictive function, which implies that links between associations and benefits are directional (see Table 1). These models hold that a link between a benefit and whatever is associated with that benefit is strengthened only when experience suggests that the association is more important for predicting the nature of the benefit than was previously assumed. The directional strength or instrumentality of the association in predicting the nature of the benefit can vary across brands, and this is what we call instrumental differentiation. Consider, for instance, two yogurt brands that are both associated with the benefit “healthiness.” This benefit is, in turn, associated with “low sugar,” leading to instrumental benefit differentiation if “low sugar” is more predictive of “healthiness” for one of the brands.

Note that this type of differentiation is unrelated to the strength of the link between “healthiness” and “low sugar.” The strength of the link may be similar for the two brands, but “low sugar” is more instrumental to the meaning of healthiness for one of them. Additionally, instrumental differentiation is not the same as importance of benefit associations, which can be estimated by the means of regression of attribute ratings against benefit evaluations. Conceptually, instrumentality relates to the meaning of the benefit rather than to its evaluation.

Structural differentiation refers to differences in the structure of benefit images—that is, the structure of links between benefit associations. For example, although two brands of yogurt may have the same associations with “healthiness,” “low sugar,” “high in protein,” and “few additives,” any differences in the links between these associations may lead to perceived differentiation in the meaning of the benefit (see Table 1). For instance, a link between “low sugar” and “high in protein” may lead to joint activation of both associations, triggering a sense of healthiness that differs from other brands with the same benefit associations but no links (other than direct links to the benefit). Because there are more paths to each benefit association for the brand with the link, the probability of activation is higher (Anderson, 1983; Collins & Loftus, 1975), and the meaning of each benefit association will depend on the other association.

Table 1. A typology of brand benefit differentiation

Type of benefit differentiation	Description	Illustration	
		Focal brand	Competitor
Categorical differentiation	Unique consumer benefit association that does not hold for any other brand in the category		
Instrumental differentiation	Directional (predictive) link from benefit association to benefit node		
Structural differentiation	Structure of links between benefit associations differs for different brands		
Graded differentiation	Stronger link between benefit association and benefit node (as compared to competitors' brands)		

Finally, *graded differentiation* derives from a well-known concept in the branding literature and refers to the relative strength of the link between the benefit (e.g., healthiness) and benefit association (e.g., low-sugar). Graded differentiation occurs when this link is substantially stronger for one brand than for competing brands. It is meaningful to view the relative strength of benefit associations as a form of differentiation because higher strength may entail quicker and more frequent activation of the association, leading to a perceived difference in the meaning of the benefit, especially when cognitive processes are shallow or fast.

Based on associative models of memory, this simple fourfold typology accounts for how consumers may experience differences in the meaning of brand benefits. While previous research has focused exclusively on uniqueness—referred to here as categorical differentiation—we have shown that there are other possibilities of differentiating a brand on

the basis of benefit associations. The next section explores the nature and potential effects of the four types of benefit differentiation.

Theoretical implications: Two fundamental propositions

The four types of benefit differentiation described above were logically derived from established theories of associative memory. However, as this is a novel typology, the nature and effects of these different types of differentiation must be grounded both conceptually and empirically. To that end, we propose a research agenda based on two fundamental propositions.

P1: All four types of brand benefit differentiation can be observed for well-known brands in established categories.

If the logic underpinning associative memory models is valid, all four types of differentiation should be found in the associative networks of brand benefits for real brands. However, as younger brands may not yet have developed such rich benefit images, they are likely to be characterized by fewer types of benefit differentiation. We would expect to find all four types in established categories—not necessarily for every brand but at least across brands within a category. Over time, brands develop richer networks of benefit associations (Keller, 1993, 2012; Krishnan, 1996), increasing the probability of several types of differentiation, especially structural differentiation. Over time, competition also intensifies as new brands enter the category, stimulating efforts to differentiate brands in new ways (Davidson, 1976).

P2: All four types of brand benefit differentiation have positive effects on benefit evaluation for well-known brands in established categories.

Several studies have shown that perceived differentiation of brands has positive effects on brand performance (McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009). However, these studies rely on overall measures of perceived differentiation, which we suggest result from more specific perceptions of benefit differentiation. Because benefits are prominent and salient elements of brands' associative networks (Keller, 1993, 2012; Park et al., 1986), benefits are likely to play a key role in perceptions of brand differentiation.

Beyond categorical differentiation (uniqueness), the proposed typology includes three other non-categorical forms of differentiation that we would also expect to influence benefit evaluations. Romaniuk, Sharp, and Ehrenberg (2007) asked consumers to score several brands on perceived uniqueness and perceived differentiation, and found support for the relevance of non-categorical differentiation. Scores for differentiation were typically higher than those for

uniqueness, indicating a broader base than perceived uniqueness. The authors did not comment on possible reasons for the higher differentiation scores, probably because both terms were regarded as dimensions of the same concept. Here, we suggest that the higher scores for perceived differentiation reflect the influence of graded, instrumental, and/or structural differentiation.

Implications for brand managers and future research

The proposed typology of brand benefit differentiation has several implications for practitioners and researchers in the field of brand management. First, from a theoretical perspective, the typology offers a new and more nuanced perspective on differentiation. Although this has been discussed in terms of benefit differentiation, the framework could also be used to analyze differentiation based on other types of association. A unified and coherent typology also paves the way for future research that could advance our understanding of how to build strong brands. For instance, *differentiation* is one of the pillars of Young and Rubicam's (Y&R, 2018) well-known brand asset valuator (BAV) framework, which has been used in several recent studies to operationalize differentiation (e.g., Mizik & Jacobson, 2008, 2009; Romaniuk et al., 2007). The BAV framework measures differentiation by asking two simple questions about the *perceived uniqueness and distinctiveness of the brand* (Mizik & Jacobson, 2008, p. 16). These are viewed as defining properties of perceived differentiation. However, we contend that these three concepts (differentiation, uniqueness, and distinctiveness) have distinct meanings and should be addressed separately to facilitate more detailed study of psychological responses to brands and brand building and the development of richer theories.

In colloquial English, *distinctiveness* and *differentiation* are often used interchangeably (as in the BAV measure of differentiation). This is echoed in dictionary definitions; for instance, the *Merriam-Webster Dictionary* defines distinctiveness simply as *the quality or state of being different* (Merriam-Webster, 2018). In the marketing literature, some authors use the term to refer to *the perceptual process of distinguishing one object from other objects* (Keller, 2012; Romaniuk et al., 2007). This leaner definition is more useful in the context of research on branding because it refers to an important phenomenon that is both dissimilar and complementary to the notion of differentiation as defined above. Specifically, brand researchers use the term *distinctiveness* to describe the ease with which consumers can correctly identify a brand (Romaniuk et al., 2007) as a desirable characteristic of brand elements (name, logo,

jingle, etc.) based on their ability to facilitate quick and correct identification of the brand. On the other hand, *differentiation* refers to the meaning of the brand once it has been identified.

As well as clarifying the concept of differentiation, we contend that all four types of differentiation may influence overall perceptions of differentiation at the level of benefits. If this prediction is correct, benefit images that involve several types of differentiation are likely to return higher scores for overall benefit differentiation than brands with only one type of benefit differentiation (as in P2). On that basis, managers should systematically develop several types of benefit differentiation and track how these change over time.

To determine whether and how benefits are differentiated for a given brand and how this changes over time, managers must measure benefit associations on a regular basis. It is not sufficient to instruct respondents to list benefit associations; understanding the nature of differentiation depends on careful analysis of the links between benefit associations, based on the elicitation of individual association maps.

The four types of benefit differentiation and their various combinations represent alternative strategies for differentiation at the level of benefits. However, more research is needed to clarify the relative effect of differentiation types (and combinations) on overall benefit differentiation and evaluation. In particular, the relative impact of the four types may depend on the level of consumer involvement in processes of evaluation and choice. For instance, structural differentiation may have stronger effects on overall benefit differentiation when consumer involvement in evaluation is high, as this requires greater spread of activation (i.e., more of the benefit image needs to be activated). Conversely, because graded and categorical differentiation require less cognitive resources, they may have relatively stronger effects on overall benefit differentiation when consumer involvement in evaluation is low.

One limitation of the benefit differentiation typology developed here is its focus on declarative and semantic memory. While this type of consumer memory is of fundamental importance in brand management (Keller, 1993, 2012; van Osselaer & Janiszewski, 2001), other elements of consumer memory also influence consumer judgement and choice, including emotions (Ruth, 2001) and episodic memories (e.g., Esch et al., 2012). Theory related to emotional and episodic memory should be used to extend and develop the typology when more is known about the nature and effects of the four basic types of benefit differentiation discussed here.

Potential differences between benefit categories are another important issue for future research on the typology of benefit differentiation (Keller, 1993). For example, are some types of

differentiation more common or more important for functional, symbolic, or experiential benefits? We invite brand researchers to address these and other questions in the future, and we hope that our typology can contribute to a renewal of interest in the nature and significance of benefit and brand differentiation.

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Article 2

Empirical Illustration of a New Typology of Brand Benefit Differentiation

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Abstract

Despite its importance in the brand management literature, the concept of differentiation is not clearly defined. Consequently, brand researchers and practitioners often use the term interchangeably with other concepts such as distinctiveness or uniqueness. In their recent article *Brand Benefit Differentiation: A New Typology and a Research Agenda*, Hem and Supphellen (2019) unpacked and clarified the concept of differentiation and proposed a new typology of brand benefit differentiation. Building on theories of associative memory, the typology specifies four fundamental types of benefit differentiation, providing a broader basis for brand positioning than the traditional focus on uniqueness. However, the typology has not yet been empirically validated. To that end, the present study analyzed the associative networks of four international brands in two product categories. The findings support the proposition that all four types of differentiation are found in associative networks for mature brands in well-established categories.

Keywords: brand image, brand benefits, associations, associative network, differentiation, brand concept maps

Introduction

Because of its fundamental role in building strong brands, differentiation is a key concept in the brand management literature (e.g., Kapferer, 2012; Keller, 2012). Strong brands are known to have several benefits as compared to weaker brands (Hoeffler & Keller, 2003), and many companies have come to realize that their brand is one of their most important assets. According to customer-based brand equity (CBBE) theory (Keller, 1993, 2001, 2012), building a strong brand means foregrounding it in the mind of the consumer and creating strong, favorable and unique associations with the brand—also known as “points of difference” (Keller, Sternthal, & Tybout, 2002). The associations consumers make with a brand create perceived differences and so influence preference and choice.

The key role of differentiation as described by the CBBE framework is supported by empirical evidence that perceived uniqueness has several positive effects, including increased brand preference, higher turnover and market value, stronger brand loyalty, and increased attention (Keller, 2012; McAlister, Srinivasan, & Kim, 2007; Mizik & Jacobson, 2008, 2009; Rego, Billett, & Morgan, 2009). However, there is also evidence that differentiation can have weak or even negative effects on brand performance (e.g., Datta, Ailawadi, & van Heerde, 2017; Romaniuk & Gaillard, 2007), and some researchers have questioned its desirability or necessity for branding’s primary task, which is to identify the producer of a product or service. Accordingly, Romaniuk, Sharp, and Ehrenberg (2007) recommended that brand managers should focus on visual distinctiveness and general category needs rather than on differentiation.

This critique of differentiation highlights a need for more coherent conceptualization and measurement procedures. Despite its stated importance in the brand management literature, there is no unified or formal definition of differentiation and no clear guidelines for measuring it. This means that differentiation is measured in several different ways and is often used interchangeably with uniqueness (e.g., Datta et al., 2017; Keller, 2012; Romaniuk & Gaillard, 2007), although from a theoretical standpoint there are good reasons to treat the two as separate concepts.

Hem and Supphellen (2019) recently presented a new typology of brand benefit differentiation, which they defined as *variations in the perceived meaning of benefits across brands*. Based on theories of associative memory, they showed how the structure and nature of benefit associations may cause differences in the meaning of benefits across brands in at least four ways (Hem & Supphellen, 2019). On this view, uniqueness is only one of the possible forms of

differentiation. If the typology can be empirically validated, it would provide a broader basis for identifying new brand positioning opportunities.

This paper describes a first empirical assessment of the new typology. The aim was to test whether associative networks for well-known brands contain all four types of differentiation. Following a brief review of the brand benefit differentiation typology (Hem & Supphellen, 2019), we describe the empirical study, which used the Brand Concept Map (BCM) methodology developed by John, Loken, Kim, and Monga (2006) to create association maps for four international brands in two product categories. Based on detailed analyses of brand networks, we identify types of differentiation and assess whether all four types are present. Finally, we discuss preliminary implications for brand managers and for future research on benefit differentiation.

Brand benefit differentiation typology

This section reviews the brand benefit differentiation typology developed by Hem and Supphellen (2019), outlining its theoretical foundation and the four different types of differentiation.

Theoretical foundation

Hem and Supphellen (2019) based their typology of brand benefit differentiation on theories of associative memory from cognitive psychology, which conceptualize human long-term memory in terms of large networks of connected concepts (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975). Human associative memory (HAM) models (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975) and theories of categorization (Mervis, Catlin, & Rosch, 1976; Rosch, 1975, 1978; Rosch & Mervis, 1975) have been widely used in the branding literature to explain brand knowledge (Keller, 1993; Loken, 2006; Loken, Barsalou, & Joiner, 2008; van Osselaer & Janiszewski, 2001).

In Anderson's (1983) HAM model, all concepts have a starting strength of one unit, which increases by one unit with every subsequent exposure. This means that the link between two concepts will increase in strength each time a person encounters the two together. One basic underlying assumption of HAM models is that learning of an association between two concepts is independent of the presence of other concepts, which means that cues and outcomes are learned independently (van Osselaer & Janiszewski, 2001). In HAM models, an associative network may be updated (associative learning) in three fundamental ways; the link between

two associations may be strengthened, a link may be formed between previously unconnected concepts, or new concepts may enter the associative network (Anderson & Bower, 1973). Once a concept has been established in long-term memory, it cannot be lost but will deteriorate over time if not activated (Anderson, 1983).

In HAM models, the incoming activation (i.e., external cue) needs to exceed a certain threshold to activate a concept (Collins & Loftus, 1975). If that threshold is met, activation spreads with decreasing strength to related concepts along associative paths. A concept's strength within the network is critical for this activation process and depends on how often the concept is used and activated (Anderson, 1983; Collins & Loftus, 1975).

Adaptive network (AN) models of associative memory have also received increased attention in the marketing literature (Janiszewski & van Osselaer, 2000; van Osselaer & Alba, 2000; van Osselaer & Janiszewski, 2001). AN and HAM models share many common features, such as their account of how activation spreads between concepts. However, one key difference is that in AN models, associations are only updated to the extent that they do not perfectly predict outcomes (van Osselaer & Janiszewski, 2001). Additionally, in AN models, associations between cues and outcomes are learned interdependently because they rely on all the other cues co-present with the same outcome (van Osselaer & Janiszewski, 2001). Finally, AN models are predictive in nature because they rely on feedback from an experienced outcome to update the strength of association between cue and outcome.

While these two models of memory are not necessarily mutually exclusive, they may be variously applicable to different situations (van Osselaer & Janiszewski, 2001). van Osselaer and Janiszewski (2001) argued that while AN models may apply in motivationally significant situations, HAM models seems more relevant when consumers are less involved.

Based on an associative network perspective, Hem and Supphellen's (2019) brand benefit differentiation typology addresses the issue of how the meanings of benefit images may vary across brands. The four types of differentiation they identify reflect four distinct ways in which the nature and structure of benefit associations may vary across brands.

The four types of benefit differentiation

The first type of benefit differentiation is referred to as *categorical differentiation*. This is similar to the concept of uniqueness and refers to “*benefit associations that are specific to one brand and are not found in the benefit images of other brands*” (Hem & Supphellen, 2019, p. 5). Based on associative memory theory, Hem and Supphellen (2019) argue that forms of

differentiation other than uniqueness may explain perceived differences in the meanings of benefit (and brand) images; for that reason, they use the term categorical differentiation.

AN models provide a logical foundation for the second type: *instrumental differentiation* (Hem & Supphellen, 2019). The predictive nature of AN models implies that the link between associations is directional, and instrumental differentiation is defined as the variation in predictive power of the associations in respect of the perceived benefit (Hem & Supphellen, 2019). By implication, this form of differentiation relates to the meaning of the benefit rather than to its evaluation.

Structural differentiation refers to differences in how benefit associations are connected to the benefit and to each other (Hem & Supphellen, 2019). Two brands may have the same associations with a benefit, but differences in how those associations are connected may lead to perceived differences in the meaning of that benefit. Brands in which different benefit associations are connected will have an increased probability of activation because there are more associative paths to each benefit association, and that association's meaning will also be dependent on the other associations.

The fourth type is *graded differentiation*, which relates to the relative strength of the connection between benefit and benefit association. Graded differentiation occurs when the associative link between a benefit and a benefit association is substantially stronger for one brand than for competing brands (Hem & Supphellen, 2019). It is meaningful to view the relative strength of the associative link as a form of differentiation because a stronger link may lead to more frequent and quicker activation of the association, leading to a perceived difference in the meaning of the benefit, especially when cognitive processes are shallow or quick.

Based on their typology, Hem and Supphellen (2019, p. 8) advanced the following propositions. (1) "All four types of brand benefit differentiation can be observed for well-known brands in established categories." (2) "*All four types of brand benefit differentiation have positive effects on benefit evaluation for well-known brands in established categories.*" In the next section, we test the first proposition.

Initial empirical validation of the typology

Using John et al.'s (2006) BCM approach, we elicited benefit maps for four well-known international brands in two product categories. These maps were then analyzed to identify different types of benefit differentiation. There are two main categories of brand mapping: analytical techniques and consumer mapping techniques (John et al., 2006). The consumer

mapping approach, which includes BCM and Zaltman's metaphor elicitation technique (ZMET), derives individual brand association networks directly from consumers, who indicate how their associations relate to the brand and other associations (John et al., 2006; Zaltman & Coulter, 1995). Information from the individual maps can then be aggregated to create consensus maps for the brand.

Analytical techniques use consumer surveys and analytical methods (e.g., network analysis) to derive the underlying consensus maps for brands (Henderson, Iacobucci, & Calder, 1998). As compared to ZMET and to analytical techniques, the advantages of BCM include its use of structured association elicitation, mapping, and aggregation procedures, as well as the capacity to analyze brand maps at both individual and aggregate levels (John et al., 2006; Schnittka, Sattler, & Zenker, 2012). Empirical evidence of BCM's high reliability and validity was provided by John et al. (2006), and for all these reasons, the technique was considered appropriate for present purposes.

BCM: Pre-study

The first step in the BCM approach involves the collection of salient associations that underlie consumer perceptions of a brand (John et al., 2006). Because the present study focused on brand benefit associations, we first employed a thought-listing technique to elicit the brand benefits of two soft drink brands and two smartphone brands from student samples of 46 and 56 respondents, respectively. In line with Park, Jaworski, and MacInnis (1986), respondents were asked to list the brands' benefits within three distinct categories: functional, experiential, and symbolic. In the first category, respondents produced an average 2.429 functional benefits for the soft drink brands and 1.826 for the smartphone brands. Experiential benefits averaged 2.161 for the soft drink brands and 2.239 for the smartphone brands. Finally, symbolic benefits averaged 2.179 for the soft drink brands and 1.935 for the smartphone brands.

Because respondents did not always use the same words when reporting benefits, those mentioned were grouped into more general benefits related to the same concept. The most frequently mentioned benefit within each category was then selected for use in the next part of the study. These were then used as cues to elicit benefit associations from a sample of 39 students for the soft drink brands and 70 for the smartphone brands. For the soft drink brands, respondents produced an average 3.615 functional benefit associations, 3.410 experiential benefit associations, and 3.513 symbolic benefit associations. For the smartphone brands, respondents produced an average 4.524 functional benefit associations, 4.692 experiential

benefit associations, and 4.783 symbolic benefit associations. On that basis, we created a list that included the most commonly mentioned benefit associations for the brands in each of the two product categories. The lists included 22 functional benefit associations for the soft drink brands and 12 for the smartphone brands; 18 experiential benefit associations for the soft drink brands and 14 for the smartphone brands; and 19 symbolic benefit associations for the soft drink brands and 14 for the smartphone brands (see Table 1). Although respondents mentioned fewer benefit associations in all categories for the soft drink brands, there was a higher proportion of frequently mentioned associations. To be included, an association had to be mentioned by at least two respondents, representing 5.13% and 2.86% of the respective samples. This cutoff is much lower than John et al.'s (2006) recommendation, but this lenient approach was necessary to ensure sufficient associations to build maps for each benefit type. In addition, as most thoughts and associations are image-based, respondents may have found it difficult to articulate their associations for a given concept (Supphellen, 2000; Zaltman, 1997). It seems likely that the associations mentioned by some respondents were tacitly shared by other respondents but could not be explicitly articulated.

BCM: Main study

Following John et al.'s (2006) BCM guidelines, the main study involved the creation of benefit maps for 164 undergraduate students, based on the list from the pre-study. Respondents were randomly assigned to one of the three benefit types for one brand within each category.

Mapping procedure

The instructions provided with the list of benefit associations broke the concept mapping process into four manageable steps. First, respondents were asked to connect relevant associations from the list to the benefit or to other associations (see Figure 1). In the second step, they were asked to indicate the strength of connections between benefit and associations, as well as between associations: one link for a weak connection, two links for a moderate connection, and three links for a strong connection.

Table 1. Benefit associations included in the main study

Smartphone brands			Soft drink brands		
Functional	Experiential	Symbolic	Functional	Experiential	Symbolic
Advanced	Easy to use	Advanced	After exercise	Caramel	Advertisement
Apps	Exclusive	Battery life	Black	Carbonated	Beach
Cloud storage	Large screen	Brand	Carbonated	Cold	Cinema
Compatible	Modern	Competence	Cold	Fizzy	Expensive
Design	Multiple colors	Cutting edge	Coziness	Fresh	For kids
Easy to use	Practical	Design	Fizzy	Good	Good taste
Good camera	Pretty	Easy to use	Fresh	Highly carbonated	Holiday
Intuitive	Quality	Expensive	Good taste	Holiday	Movie night
Large screen	Simple	Good camera	Hangover	Ice cubes	Music
Modern technology	Status	Innovative	Ice cold	Nauseous	Party
Quality	Stylistically pure	Popular	Nausea	Refreshing	Soccer
Simple	Thorough	Reliable	Pizza	Restaurant	Social
	Timeless	User friendly	Quenching	Sticky	Sport
	User friendly	Warranty	Refreshing	Summer	Sugar
			Restaurant	Sweet	Summer
			Short term	Unhealthiness	Sun
			Sticky	Warmth	Sweet
			Sugar-free	Weekend	Unhealthy
			Summer		Youth
			Sweet		
			Unhealthy		
			Warmth		

The BCM methodology was extended to include measures of instrumentality and favorability. In the third step, respondents marked instrumental associations by placing directional arrows from association to benefit in response to the following question: *Is the association critical to the benefit's meaning?* Finally, the fourth step involved rating the favorability of associations on a seven-point scale (from 1 = *not favorable* to 7 = *very favorable*).

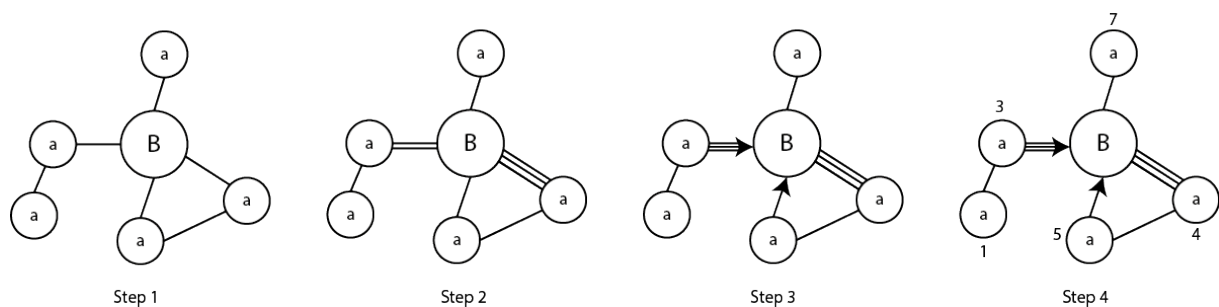


Figure 1. Steps in the BCM mapping procedure completed by respondents.

Aggregation procedure

Using the BCM procedure, each respondent drew their own individual network of associations with the benefit, and these maps were then aggregated to form consensus maps for each benefit. The aggregation stage consists of five steps. In the first step core benefit associations are selected, based on frequency of mention and number of interconnections. Those mentioned in at least 50% of the maps were included as core benefit associations. Additionally, those

mentioned in at least 44% were included as core benefit associations if they had at least as many interconnections as the primary core associations. In the second step, first-order benefit associations were identified—that is, associations linked directly to the benefit. To be considered first-order, benefit associations had to have a first-order ratio of mention of at least 50% and more superordinate than subordinate interconnections. In step three benefit association links were selected. To identify these links, we first constructed a frequency plot of association pairs found on all concept maps for a given brand and benefit (see Figure 2). Based on that frequency plot, we identified the inflection point where the number of maps for a given number of association pairs showed a sharp increase, and appearance on this number of maps served as the inclusion threshold for benefit association pairs.

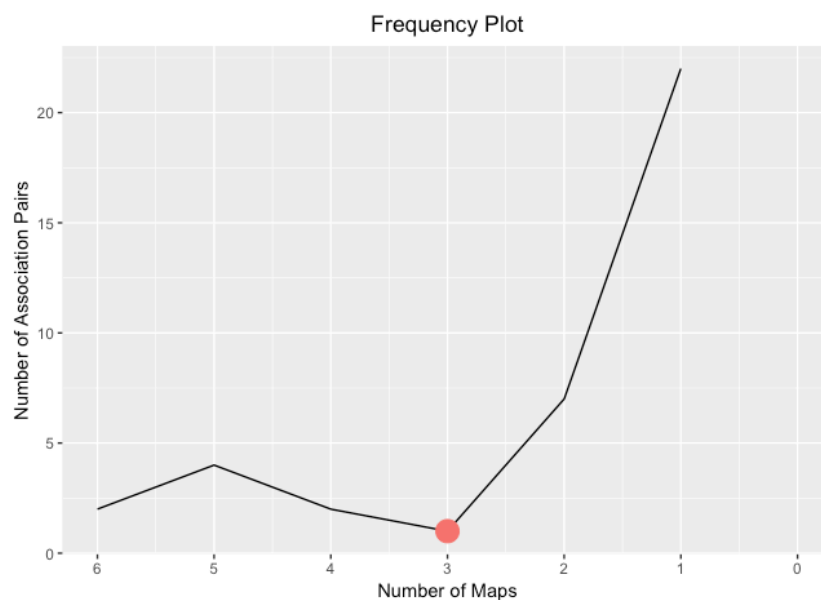


Figure 2. Example of frequency plot for iPhone (symbolic), identifying the inflection point determining the target number of map appearances for inclusion of an association pair on the consensus map.

In step four, important non-core benefit associations were identified. To be included as a non-core benefit association, the association had to be mentioned by fewer than 50% or 44% (in line with the first step), linked to a core benefit association, and linked at or above the target number of maps (from the previous step). In the fifth step, the number of connecting lines was selected, based on the mean number of lines per link and rounded up or down to the closest integer (e.g., $1.7 = 2$).

To incorporate our extensions to BCM, we had to include two further steps. In a sixth step, we identified instrumental benefit associations. To be considered as such, the benefit association had to be marked as instrumental on at least 50% of the concept maps at the level at which it

appeared in the consensus map. For example, a first-order core benefit association had to be rated as instrumental on at least 50% of the maps on which it was connected directly to the benefit. As a seventh step, we color-coded benefit associations according to their valence score; a more opaque color on the consensus map indicated a more positive benefit association. We converted the mean valence score from a seven-point scale to a ten-point scale and used the resulting score as a measure of opacity (e.g., 7.3 = 73% opacity). Benefit associations are summarized in Table 3.

Analysis

By comparing the two benefit maps for experiential benefits for the smart phone category in Figure 3, four different types of benefit differentiation can be identified. As the association “user friendly” is linked with a directional arrow to the benefit “design” for Apple iPhone but not for Samsung Galaxy, we can infer that Apple iPhone is *instrumentally differentiated* from Samsung Galaxy. As Figure 3 also shows, the reverse is true for the link between the association “modern” and the benefit “design.” Additionally, the association “simple” is more strongly associated with “design” for Apple iPhone (two links) than for Samsung Galaxy (one link), indicating a *graded differentiation* between the two brands. Both brands exhibit *categorical differentiation*; while “design” is associated with “thorough” and “stylistically pure” only for Apple iPhone, “large screen” is unique to Samsung Galaxy. We can also observe instances of *structural differentiation*; for Apple iPhone, “pretty” is linked to “modern” and “stylistically pure” while for Samsung Galaxy, the association “pretty” is linked only to the association “exclusive.”

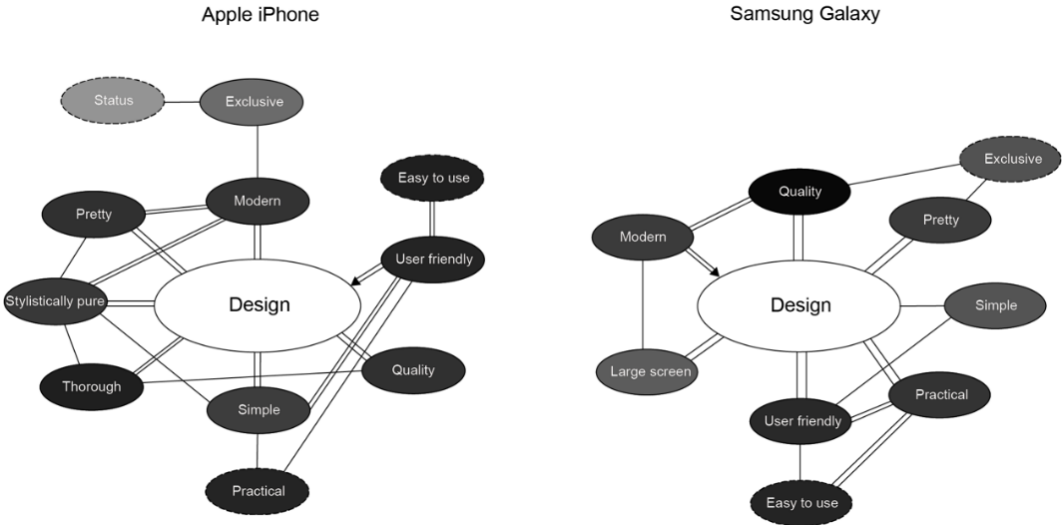


Figure 3. Comparative benefit maps for Apple iPhone (N = 27) and Samsung Galaxy (N = 28), illustrating the different types of differentiation.

Turning to the two benefit maps in Figure 4, the four different types of benefit differentiation can also be identified for symbolic benefits in the soft drink category. For example, the benefit “youthfulness” is *instrumentally differentiated* on “good taste” for Coca Cola, as illustrated by the presence of an arrowhead linking “good taste” and “youthfulness,” which is not the case for Pepsi Cola. As an example of *graded differentiation*, “advertisement” is more strongly associated with “youthfulness” for Pepsi Cola (three links) than for Coca Cola (two links). Only Coca Cola exhibits *categorical differentiation*, as “youthfulness” is linked to the associations “holiday” and “beach,” but this is not the case for Pepsi Cola. As instances of *structural differentiation*, “advertisement” is linked to “youth,” “music,” and “sports” for Pepsi Cola but not for Coca Cola, where “advertisement” is linked to the associations “sun” and “soccer.”

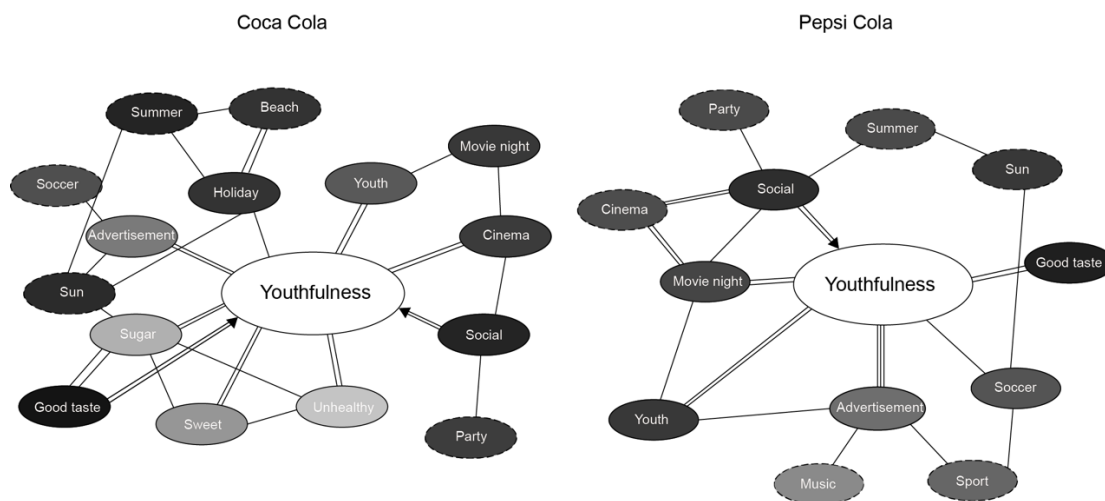


Figure 4. Comparative benefit maps for Coca Cola (N = 27) and Pepsi Cola (N = 25), illustrating the different types of differentiation.

Implications for theory, management, and future research

This empirical study confirms that all four types of benefit differentiation are present in real benefit images for mature brands. This is an important finding because it highlights the inadequacy of the narrow focus on uniqueness in the branding literature. The next fundamental issue for future research is the impact of the different types of benefit differentiation on important equity-related variables such as benefit evaluation, brand attitude, and brand attachment. If differentiation can be shown to extend beyond uniqueness to the other types described here, managers will have a broader basis than was previously assumed for devising meaningful and effective brand positioning. Interesting questions for future research include the following. Are some types of differentiation (e.g., uniqueness) more important than others? Should brand managers focus on one type or a combination of types? Does benefit

differentiation mainly affect benefit evaluation, or do any of the identified types of differentiation influence important variables directly at brand level (e.g., brand attachment)?

These findings also have important methodological implications for researchers and managers. To clarify how benefits are differentiated for a given brand and how this changes over time, managers must perform regular in-depth analyses of associative networks of benefits. It is not enough to instruct respondents to list benefit associations; the nature of differentiation can only be understood through careful analysis of the links between benefit associations, based on elicitation of individual associations. The extended version of John et al.'s (2006) BCM approach presented here shows promise in this regard. However, one potential limitation of this approach relates to respondents' ability to construct their own networks, especially when the number of benefit associations is high. In such instances, respondents may feel overwhelmed and less motivated, and further research is needed to assess the validity of alternative approaches for mapping such networks.

In relation to measurement, future research should also explore the possibility of constructing latent measures of the four types of benefit differentiation. Our extended version of John et al.'s (2006) method is demanding and time-consuming, as it involves the collection of qualitative data and subsequent mapping of cognitive structures. Instead, it might be possible to develop direct measures with comparable validity. For instance, researchers have already used direct measures of categorical differentiation (uniqueness), asking respondents to indicate whether or not a brand attribute or association is unique (e.g., Romaniuk et al., 2007). As our approach is based on a comparison of associative networks, we would expect it to be more precise, but further research is needed to test this assumption. Other types such as structural differentiation seem more difficult to translate into direct measures of benefit associations.

In sum, the present findings indicate a number of theoretical and methodological opportunities for future research on benefit differentiation. Well-grounded answers to these questions can be expected to advance the branding literature and to assist managers in developing effective positioning strategies.

Table 2. Summary of benefit associations

Smartphone brands						Soft drink brands					
Apple iPhone			Samsung Galaxy			Coca Cola			Pepsi Cola		
Functional (N = 28)	Experiential (N = 27)	Symbolic (N = 29)	Functional (N = 27)	Experiential (N = 28)	Symbolic (N = 25)	Functional (N = 23)	Experiential (N = 26)	Symbolic (N = 27)	Functional (N = 24)	Experiential (N = 25)	Symbolic (N = 25)
<i>Easy to use (27)</i>	<i>Modern (23)</i>	<i>Design (24)</i>	<i>Large screen (21)</i>	<i>Large screen (28)</i>	<i>Good camera (15)</i>	<i>Refreshing (16)</i>	<i>Carbonated (22)</i>	<i>Advertisement (22)</i>	<i>Refreshing (16)</i>	<i>Sweet (18)</i>	<i>Advertisement (14)</i>
<i>Simple (24)</i>	<i>Pretty (22)</i>	<i>Expensive (23)</i>	<i>Modern technology (18)</i>	<i>Modern (23)</i>	<i>Advanced (14)</i>	<i>Ice cold (14)</i>	<i>Cold (21)</i>	<i>Sugar (21)</i>	<i>Good taste (15)</i>	<i>Good (18)</i>	<i>Youth (14)</i>
<i>Apps (22)</i>	<i>Stylistically pure (19)</i>	<i>User friendly (22)</i>	<i>Design (17)</i>	<i>Quality (17)</i>	<i>Design (13)</i>	<i>Summer (13)</i>	<i>Sweet (18)</i>	<i>Unhealth (18)</i>	<i>Ice cold (15)</i>	<i>Carbonated (16)</i>	<i>Good taste (14)</i>
<i>Intuitive (22)</i>	<i>Exclusive (16)</i>	<i>Brand (20)</i>	<i>Advanced (15)</i>	<i>Simple (14)</i>	<i>Brand (13)</i>	<i>Sweet (11)</i>	<i>Ice cubes (18)</i>	<i>Sweet (17)</i>	<i>Coziness (15)</i>	<i>Cold (16)</i>	<i>Social (14)</i>
<i>Large screen (19)</i>	<i>Quality (15)</i>	<i>Popular (16)</i>	<i>Apps (14)</i>	<i>User friendly (13)</i>	<i>Expensive (12)</i>	<i>Cold (11)</i>	<i>Refreshing (17)</i>	<i>Holiday (15)</i>	<i>Carbonated (14)</i>	<i>Fizzy (15)</i>	<i>Soccer (11)</i>
<i>Modern technology (18)</i>	<i>User friendly (14)</i>	<i>Easy to use (15)</i>	<i>Good camera (14)</i>	<i>Pretty (13)</i>	<i>Competence (11)</i>	<i>Quenching (11)</i>	<i>Good (16)</i>	<i>Movie night (15)</i>	<i>Fizzy (11)</i>	<i>Unhealthiness (15)</i>	<i>Movie night (11)</i>
<i>Compatible (17)</i>	<i>Thorough (14)</i>	<i>Reliable (14)</i>	<i>Intuitive (13)</i>	<i>Practical (13)</i>	<i>Reliable (11)</i>	Fizzy (10)	<i>Summer (15)</i>	<i>Youth (13)</i>	Unhealthy (10)	<i>Refreshing (12)</i>	Cinema (10)
<i>Design (15)</i>	<i>Simple (13)</i>	<i>Innovative (13)</i>	<i>Quality (12)</i>	Thorough (11)	Battery life (9)	Good taste (10)	Unhealthiness (15)	<i>Cinema (13)</i>	Quenching (10)	Ice cubes (9)	Sugar (9)
<i>Good camera (15)</i>	Status (13)	<i>Good camera (13)</i>	<i>Easy to use (12)</i>	Stylistically pure (11)	Cutting edge (9)	Coziness (10)	Fizzy (11)	<i>Good taste (12)</i>	Sweet (9)	Weekend (7)	Summer (9)
Quality (10)	Practical (11)	Battery life (12)	Compatible (11)	Exclusive (8)	User friendly (9)	Carbonated (9)	Holiday (10)	<i>Social (12)</i>	Hangover (9)	Highly carbonated (7)	Beach (9)
Cloud storage (7)	Large screen (9)	Competence (12)	Simple (9)	Easy to use (8)	Popular (9)	Fresh (9)	Weekend (9)	Soccer (11)	Pizza (9)	Holiday (6)	Holiday (9)
Advanced (3)	Easy to use (6)	Cutting edge (12)	Cloud storage (7)	Timeless (4)	Innovative (7)	Unhealthy (9)	Restaurant (8)	Beach (8)	Cold (7)	Sticky (6)	Sweet (9)
	Timeless (6)	Warranty (8)		Status (3)	Easy to use (7)	Pizza (8)	Fresh (7)	Summer (7)	Restaurant (7)	Restaurant (6)	Unhealthy (8)
	Multiple colors (6)	Advanced (3)		Multiple colors (3)	Warranty (6)	Restaurant (8)	Sticky (7)	Music (7)	Summer (6)	Summer (6)	Sun (8)
						Hangover (7)	Nauseous (6)	Sun (6)	Sugar-free (6)	Warmth (6)	Music (6)
						Warmth (6)	Highly carbonated (5)	Party (6)	Short term (5)	Fresh (5)	Sport (5)
						After exercise (6)	Warmth (5)	Sport (6)	Fresh (5)	Nauseous (4)	Party (4)
						Short term (5)	Caramel (0)	Expensive (1)	Black (4)	Caramel (3)	Expensive (0)
						Nausea (5)		For kids (1)	Warmth (4)		For kids (0)
						Sticky (4)			After exercise (2)		
						Black (2)			Sticky (2)		
						Sugar-free (0)			Nausea (1)		

Notes: Frequency of mention in parentheses; core benefit associations in **bold**; first-order benefit associations in *bold italics*.

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Article 3

**Beyond Uniqueness:
Testing a New Typology of Brand Benefit Differentiation**

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Abstract

As the dominant perspective on brand management, customer-based brand equity theory holds that successful branding depends on managers' ability to link their brands with associations that are strong, favorable, and unique. While it seems self-evident that strong and favorable associations are likely to be useful, some researchers have questioned the need for uniqueness and, indeed, its desirability. This study contributes to the existing literature by testing a new typology that includes uniqueness as one of four types of brand benefit differentiation. The results confirm the negative effects of uniqueness on benefit evaluation and brand attachment while other types of benefit differentiation have significant and positive effects. This suggests that managers who rely on customer-based brand equity theory run the risk of *uniqueness myopia*, focusing too narrowly on suboptimal unique associations and so neglecting other more effective types of differentiation.

Keywords: brand image, brand benefits, associations, associative network, differentiation, uniqueness

Introduction and contribution

Differentiation is a fundamental concept in the brand management literature (e.g., Kapferer, 2012; Keller, 2012). According to customer-based brand equity (CBBE) theory (Keller, 1993, 2012), a brand's competitiveness and value depends on managers' ability to link their brands to unique and favorable associations (so-called *points of differentiation*). Favorability means that associations are related to brand benefits—that is, to the perceived personal values or utilities derived from brand usage (Keller, 1993). In support of CBBE, there is evidence that perceived uniqueness has a number of positive effects in terms of increased attention, stronger brand preference and loyalty, and higher turnover and market value (Keller, 2012; McAlister, Srinivasan, & Kim, 2007; Mizik & Jacobson, 2009, 2009; Rego, Billett, & Morgan, 2009). However, recent evidence suggests that differentiation can have weak and sometimes even negative effects on brand performance (e.g., Datta, Ailawadi, & van Heerde, 2017; Romaniuk & Gaillard, 2007). These findings have led some researchers to conclude that differentiation is neither necessary nor desirable. Instead, they recommend that brand managers should focus on general category needs and (visual) distinctiveness (Romaniuk & Gaillard, 2007).

This critique of CBBE theory's logic of differentiation is important, not least because it highlights the need for better conceptualization, definition, and measurement. Given the stated importance of differentiation in the CBBE literature, it is surprising that there is no formal definition or guidelines for measurement. In the absence of any formal definition, the term *differentiation* is typically used interchangeably with *uniqueness* (e.g., Datta et al., 2017; Keller, 2012; Romaniuk & Gaillard, 2007). However, there are good reasons to distinguish clearly between these as discrete theoretical concepts. Hem and Supphellen (2019) have recently proposed a new typology that includes uniqueness as one of four types of benefit differentiation, which the authors define as *variations in the perceived meaning of benefits across brands*. Using a cognitive network approach, they show how the meaning of benefits may vary across brands in at least four ways. The present paper reports initial empirical evidence of the effects of the four types on benefit evaluation and brand attachment from two studies addressing the following two questions. 1) To what extent do the four types of benefit differentiation influence benefit evaluation and brand attachment? 2) How important is uniqueness as compared to other types of differentiation?

The studies' contribution is threefold. First, whereas previous research has relied on *overall* measures of *perceived uniqueness* (Datta et al., 2017; Mizik & Jacobson, 2008, 2009; Rego et al., 2009), this is the first empirical validation of other types of benefit differentiation, based on

detailed analyses and comparison of associative networks across brands. Second, the two studies confirm that uniqueness has no significant effect on benefit evaluation and brand attachment other than possible negative effects. Third, other types of differentiation were found to have positive effects on both benefit evaluation and brand attachment. In sum, the findings confirm the risk of *uniqueness myopia*—a narrow focus on unique but less important associations that neglects other more relevant types of differentiation—if researchers and managers adhere to the traditional principles of CBBE theory.

After discussing positive and negative aspects of uniqueness, we go on to review the new typology of brand benefit differentiation (Hem & Supphellen, 2019), and we develop a set of hypotheses concerning the effects of the four types on benefit evaluation and brand attachment. The first empirical study focuses on the impact of uniqueness on benefit evaluation. The second study tests the effects of all four types of differentiation on benefit evaluation and brand attachment. Finally, we discuss implications for managers and for future research on brand differentiation.

Uniqueness: Asset or liability?

In research inspired by CBBE theory, differentiation is commonly defined in terms of uniqueness as a means of improving brand performance and strengthening brand equity. Keller (1993, 2012) argued that brands with strong, favorable, and unique associations will stand out from the competition, developing higher levels of equity than brands that lack such associations. This CBBE logic of differentiation aligns with the advertising concept of the Unique Selling Proposition (Reeves, 1961). Several large-scale studies that tested the effects of *perceived brand uniqueness* reported positive effects on turnover, brand loyalty, customer profitability, and market value (Keller, 2012; McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009).

Studies of consumer decision-making have often argued that it is desirable to link unique associations to a brand as a source of relevant information for the consumer decision-making process that shared associations fail to provide (Dhar & Sherman, 1996; Houston & Sherman, 1995; Houston, Sherman, & Baker, 1991; Tversky, 1972). Even trivial unique associations have been shown to impact positively on brand preference (Broniarczyk & Gershoff, 2003), and Brown and Carpenter (2000) argued that unique associations assist consumers by providing salient arguments that justify brand choice.

The recent critique of this view is based on new evidence of a weak or even negative relationship between uniqueness and brand evaluation and performance. For example, Datta et al. (2017) used Young and Rubicam's brand asset valuator (BAV) framework to measure CBBE variables. One of these was *energized differentiation*, involving two questions about (overall) *perceived uniqueness* and *perceived distinctiveness*, as well as one asking about a brand's ability to meet future customer needs (the *energized* element). The results indicated a (weak) negative relationship (-.14) between energized differentiation and sales. Stahl, Heitmann, Lehmann, and Neslin (2012) also used BAV data to test the effects of CBBE on customer profitability. They found that differentiation is a double-edged sword; while the effect on customer profitability was positive, effects on rates of acquisition and retention were negative. They suggested that many of the brands that score high on differentiation may be niche brands that appeal to special consumer segments rather than to the majority, and that a considerable proportion of those who try these niche brands may find them too special (Stahl et al., 2012).

Romaniuk and Gaillard (2007) also used the BAV database to study the relationship between brand uniqueness and brand performance, based on a more precise measure of uniqueness. One BAV sub-procedure asks respondents to link relevant attributes or associations to brands from a predefined list. Unique associations can then be identified as those linked to only one brand. Romaniuk and Gaillard (2007) noted that, for most brands, the proportion of unique associations is not related to brand preference.

There are also theoretical arguments for a negative relationship between uniqueness and brand evaluation or preference. While some studies of the psychology of decision making have argued that unique attributes can be useful in that context (e.g., Tversky, 1972), others suggest that unique attributes may increase decision complexity and make alternatives less comparable (e.g., Johnson, 1984). This aligns with the basic premise of *structural alignment theory* (Gentner & Markman, 1994; Markman & Gentner, 1993), which uses the term *non-alignable* for attributes that are brand-specific, with no correspondence across brands. In contrast, *alignable* attributes are shared across brands, and a series of studies has confirmed that people tend to rely more on alignable attributes when describing differences between options and making brand decisions (Gentner & Markman, 1994; Markman & Gentner, 1993; Markman & Medin, 1995). This is mainly because alignable attributes are easier to process and are therefore considered more diagnostic (Zhang & Markman, 1998). In contrast, non-alignable attributes require the consumer to expend additional cognitive resources, usually involving some process of

abstraction that renders alternatives more comparable (Johnson, 1984; Nam, Wang, & Lee, 2012).

Research also suggests that unique associations may overshadow other relevant associations reflecting general category or product benefits (Keller, 2001; Romaniuk & Sharp, 2004) by distracting from what is important rather than providing information that assists decision making. This may result in increased uncertainty about the brand's ability to deliver on primary category needs. Keller et al. (2002) used the example of the soap manufacturer Dove to show how unique associations can detract from benefit evaluation. Dove tried to move into the dishwashing-liquid market with a "moisturizing soap" that would "soften your hands as you do the dishes." The focus on this unique "moisturizing" attribute detracted from what consumers wanted most—a dishwashing liquid that cleans dishes effectively.

Here, we focus on benefits and benefit associations because such associations play a key role in the formation of brand attitudes and preference, and therefore in brand differentiation (Keller, 1993, 2012; Park, Jaworski, & MacInnis, 1986). Brands rarely offer unique benefits (Keller, 1993, 2012); rather, benefits are the same across brands, but *meanings* and *evaluations* of benefits vary across brands. For instance, all car brands offer comfort and safety but differ in terms of the type and level of those attributes. For that reason, the nature and effects of brand uniqueness are better examined at the level of benefits. The question, then, is whether the presence and number of unique benefit associations will enhance or diminish benefit evaluations. Based on the research reviewed above, both outcomes seem possible. Unique benefit associations represent salient arguments and emphasize benefits. On the other hand, such associations also make comparison across brands more difficult and may overshadow other more relevant associations. Here, we advance two rival hypotheses to test the effect of uniqueness.

H_{1a}: The number of unique associations linked to brand benefits is positively related to benefit evaluation.

H_{1b}: The number of unique associations linked to brand benefits is negatively related to benefit evaluation.

Four types of brand benefit differentiation and their effects on benefit evaluation

In brand research informed by CBBE theory, differentiation is usually defined in terms of uniqueness. However, Hem and Supphellen (2019) have recently argued that several types of differentiation operate at the level of benefits. They provide empirical examples of four types of benefit differentiation but offer no evidence of the effects of these types on benefit or brand evaluation, which is needed in order to advance existing knowledge of benefit differentiation and how best to develop brand equity.

The brand benefit differentiation typology is based on associative network models of memory, which conceptualize human long-term memory in terms of networks of concepts connected by associative links (Keller, 1993; van Osselaer & Janiszewski, 2001). Human associative memory (HAM) models (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975) have predominated in explanations of brand knowledge (Keller, 1993; van Osselaer & Janiszewski, 2001). In HAM models, associative networks can be updated for associative learning in three principal ways: the strengthening of associative links between two concepts, the formation of links between formerly unconnected concepts, or the introduction of novel concepts to the network.

In Anderson's (1983) model, all long-term memory traces have a starting strength of one, which increases by one unit with every subsequent exposure. The more a brand and benefit co-occur, the stronger the link between two nodes will be. One underlying assumption of HAM models is that learned associations between cues and outcomes are independent of the presence of other cues and the same outcome (van Osselaer & Janiszewski, 2001). Traces established in long-term memory cannot be lost but will decay over time if not activated (Anderson, 1983). In HAM models, activation spreads with decreasing strength from the processed concept along the paths of the association network if the strength of activation surpasses a certain threshold (Collins & Loftus, 1975). Node strength is critical for retrieval dynamics and is a function of use and activation of the concept (Anderson, 1983; Collins & Loftus, 1975).

Adaptive network (AN) models of memory have also attracted increasing attention in the consumer research literature (Janiszewski & van Osselaer, 2000; van Osselaer & Alba, 2000; van Osselaer & Janiszewski, 2001). While AN and HAM models share many similar features, associations are updated in AN models only to the extent that outcomes are not perfectly predicted (van Osselaer & Janiszewski, 2001). Additionally, concepts in AN models are

dependent on all the other cues co-present with the same outcome, and associations between cues and outcomes are therefore learned interdependently (van Osselaer & Janiszewski, 2001). AN models are predictive, relying on feedback from the experienced outcome to update the strength of association between cue and outcome. van Osselaer and Janiszewski (2001) argued that HAM and AN models are not necessarily mutually exclusive but are variously applicable in different situations. While HAM models are more relevant when consumers are less involved, AN models may apply more to situations that are motivationally significant for the consumer (van Osselaer & Janiszewski, 2001).

Based on an association network perspective, the new brand benefit differentiation typology addresses how the meaning of benefits associated with a brand may vary across brands. The four types of differentiation represent four distinct ways in which the structure of benefit associations may vary across brands. The first type, *categorical differentiation*, is similar to the concept of uniqueness and refers to “*benefit associations that are specific to one brand and are not found in the benefit images of other brands*” (Hem & Supphellen, 2019, p. 5). The authors argue that, from an associative network perspective, differences in the meaning of benefit (and brand) images may come from sources other than uniqueness. For that reason, the alternative term *categorical differentiation* is used to indicate that this is only one of several types of differentiation. As theoretical arguments can be advanced for both positive and negative effects of categorical differentiation on benefit evaluation, we formulated the two rival hypotheses (H_{1a} and H_{1b}) above.

The three other types of benefit differentiation refer to the nature, strength, and structure of links between benefit associations. *Structural differentiation* is created by differences in the structure of links between benefit associations (Hem & Supphellen, 2019). Although two brands may share the same set of associations with a benefit, differences in how these associations are interlinked may lead to perceived differences in the meaning of the benefit. Hem and Supphellen (2019) illustrated structural differentiation by comparing the benefit “good design” for Apple iPhone and Samsung Galaxy. For both brands, “good design” is associated with “pretty”, but this term means different things for the two brands, as reflected in the links between “pretty” and surrounding benefit associations. For iPhone, “pretty” is tightly linked with “modern” and “stylistically pure”. For Samsung Galaxy, “pretty” is linked only to “status.” This means that both brands are associated with the benefit “good design”, which in part means “pretty,” but the meaning of “pretty” is different for the two brands.

Instrumental differentiation builds on the logic of AN models (Hem & Supphellen, 2019), which posit that some associative links are directional because of their predictive nature. This form of differentiation is grounded in the variation in directional strength or instrumentality across brands. A benefit association is described as instrumentally differentiated if it has more directional strength than similar benefit associations for other brands in the category (Hem & Supphellen, 2019). This means that such associations play a more prominent role in defining the meaning of the benefit than for other brands. For instance, Hem and Supphellen (2019) showed that “user friendly” is more instrumental in defining the meaning of “good design” for iPhone than for Samsung Galaxy. This does not mean the link between “user friendly” and “good design” is stronger for iPhone but only that “user friendly” is more instrumental in defining the meaning of “good design” for iPhone than for Samsung Galaxy.

Graded differentiation refers to the relative strength of the link between benefit and benefit associations. This occurs when an associative link between benefit and benefit association is substantially stronger for one brand than for competing brands (Hem & Supphellen, 2019). Graded differentiation is not directional; like instrumental differentiation, the defining dimension is the relative strength of the link. It is meaningful to view the relative strength of benefit associations as a type of differentiation because greater strength leads to quicker and more frequent activation of the association, creating a perceived difference in the meaning of the benefit, especially when cognitive processes are shallow or fast.

Drawing on schema congruity theory, we predict that structural, instrumental, and graded benefit differentiation will all have positive effects on benefit evaluation where benefit associations are positive. According to schema congruity theory, moderately incongruent schemas are more positively evaluated than either congruent or completely incongruent schemas (Mandler, 1982; Meyers-Levy & Tybout, 1989) because they are sufficiently different or incongruent to be interesting but not to the extent of preventing comparison across objects. Brand benefits can be viewed as cognitive sub-schemas within larger brand-level schemas (see Halkias, 2015). Structural, instrumental, and graded benefit differentiation may all lead to some level of incongruity of benefit schemas, making them more interesting. Because the associations involved are not categorical (unique) and relate to abstract benefits shared across brands, these incongruities should be easy to resolve. On that basis, we expect that these forms of differentiation will typically entail moderate levels of solvable incongruity, triggering positive arousal (Mandler, 1982; Meyers-Levy & Tybout, 1989).

H₂: All three types of non-categorical benefit differentiation (structural, instrumental, and graded) have positive effects on benefit evaluation.

We further anticipated that *structural differentiation* would have a stronger effect on benefit evaluation than the other two types of non-categorical differentiation. Unlike instrumental and graded differentiation, structural differentiation usually involves several associations integrated as sub-clusters within a benefit schema. When differentiated, these links and associations may create a stronger sense of incongruity than instrumental and graded forms of differentiation, both of which refer to individual links and associations. Although structural differentiation creates greater incongruity, this should be resolvable because the benefit associations and the types of benefit to which they are linked are known and largely comparable across brands. On that basis, we predict that structural differentiation will create more positive interest and arousal than graded and instrumental differentiation.

H₃: The effect of structural differentiation on benefit evaluation is stronger than the effects of instrumental and graded differentiation.

Effects on brand attachment

To test the importance of the various types of benefit differentiation at brand level, we examined how they relate to brand attachment, which is among the strongest predictors of behavioral intent and actual brand behavior (Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010). *Brand attachment* refers to the psychological bond between consumer and brand and consists of two dimensions: self-brand connection and brand prominence (saliency). The former refers to the strength of the link between the consumer and the brand—that is, the extent to which the brand becomes part of the self. *Brand prominence* refers to the accessibility of brand-related associations. When brand attachment is high, the brand is perceived as strongly related to the self, and thoughts about the brand come quickly to mind, more or less automatically (Park et al., 2010). Brand attachment is strongly and positively related to a brand's customer lifetime value and profitability (Stokburger-Sauer, Ratneshwar, & Sen, 2012; Thomson, MacInnis, & Park, 2005).

As self-brand connection is the dominant dimension of brand attachment and explains most of its variance (see factor analyses in Park et al., 2010), we focus on this dimension and suggest that benefit differentiation type may influence perceived self-brand connection in two ways. First, we predict that benefit differentiation type will influence brand attachment indirectly through benefit evaluation. Benefits are important for the formation of consumer-brand

connections because they incorporate information about the personal value of using a given brand (Park et al., 2010). Consumers connect to brands that provide personal value, and this positive relationship between brand benefits and attachment is not confined to symbolic benefits that refer explicitly to identity and social classification effects (Keller, 1993, 2012). Other benefits (e.g., functional and experiential) are also valued by the consumer and may influence the level of self-brand connection (Park et al., 2010). For instance, Belaid and Behi (2011) found that consumers developed a considerable attachment even to brands in the utilitarian category with minimal symbolic value (e.g., batteries). Additionally, for brands in these categories, experienced consumers develop personal memories and engage in simple “my brand” versus “not my brand” classifications, resulting in significant variations in attachment across brands. On that basis, we would expect brand attachment to be influenced by benefit evaluations (which are in turn affected by benefit differentiation type; see H1-3), regardless of the type of benefit involved.

H4: Benefit evaluation has a positive effect on brand attachment.

Secondly, we predict that three types of benefit differentiation—categorical, structural, and graded—will directly affect brand attachment. Benefits are not the only source of brand attachment; previous research suggests that differentiation may have direct effects on attachment, independent of benefit evaluation. This is principally because, during the development of brand attachment, the consumer engages in mental categorization as a basic learning and memory strategy in a complex world with information overload (Gutman, 1982; Rosch, 1978). Complexity is reduced by grouping new information into categories, making it more manageable.

In the present context, consumers learn about brands through first-hand experience, observation, and by processing advertisements. In so doing, brand information is grouped into categories according to criteria that depend on the goal of information processing. In brand attachment formation, self-relevance is a major driver of information processing. It follows that brands and brand information are organized into categories that refer to the self—for example, “my kind of brand” or “not my kind of brand.” For brands assigned to the “my kind of brand” category, an associative network is formed, containing both self-relevant information and information about how this brand differs from those in the “not my kind of brand” category. Brands with high levels of attachment engender strong self connection and are clearly differentiated from brands in the “not my kind of brand” category. In this way, benefit differentiation may play a role in processes of brand attachment. In support of this reasoning,

there is evidence that differentiation at brand level stimulates consumer identification with brands in a dual phenomenon of brand attachment (Berger & Heath, 2007; Stokburger-Sauer et al., 2012).

We would expect three of the four types of differentiation to directly influence brand attachment. First, we predict that categorical differentiation (number of unique associations) will have a direct effect on brand attachment because it is brand-specific and especially relevant when making categorical distinctions (such as “my kind of brand”). However, the effect of categorical differentiation may be either positive or negative. The brand-specific nature of categorical associations can make them more interesting but also harder to evaluate because they are non-alignable. Less important categorical associations may also overshadow more important associations (see discussion of H1 and H2). On that basis, we advanced two rival hypotheses concerning the direct effect of categorical differentiation on brand attachment.

H_{5a}: The level of categorical differentiation has a positive direct effect on brand attachment.

H_{5b}: The level of categorical differentiation has a negative direct effect on brand attachment.

We predict that structural and graded differentiation will have positive direct effects on brand attachment. Both types have characteristics that make them relevant and accessible for differentiation at brand level, beyond the indirect effect of benefit evaluations. Graded differentiation is characterized by strong memory links, which means that the associations involved are more easily activated than other associations—that is, less activation power is needed (Anderson, 1983). This means that graded differentiation can involve categorizations that occur during brand attachment. Structural differentiation typically involves a small cluster of associations with further links to other associations in the brand network. These multiple links increase the probability of activation because there are many pathways between the brand attachment node and the clustered associations underpinning structural differentiation (see Anderson, 1983; Collins & Loftus, 1975). Like graded differentiation, then, structural differentiation is both relevant and accessible to categorization processes that occur during the development of brand attachment.

H₆: The levels of structural differentiation (a) and graded differentiation (b) have direct positive effects on brand attachment.

Finally, we would not expect instrumental differentiation to have any direct effect on brand attachment. Instrumental differentiation means that a certain benefit association is more instrumental in defining the meaning of a benefit as compared to other brands. As instrumental differentiation is related to the nature of benefits, it should have no independent effect on attachment beyond indirect effects through benefit evaluation.

Study 1: The effect of categorical differentiation on benefit evaluation

In CBBE theory, categorical differentiation (i.e., unique associations) is the key source of brand positioning. The first study focuses on this type of differentiation and assesses the effects of the number of unique benefit associations on benefit evaluation (H_{1a} and H_{1b}).

Methodology

To investigate the effects of unique associations on consumer benefit evaluation, we used a brand mapping technique as an objective measure of unique associations. The two main categories of brand mapping techniques are *analytical techniques* and *consumer mapping techniques* (John, Loken, Kim, & Monga, 2006). Consumer mapping techniques, which include John et al.'s (2006) brand concept mapping (BCM) and Zaltman's metaphor elicitation approach (ZMET), derive individual brand association networks directly from consumers. These can then be aggregated to create consensus maps for the brand (John et al., 2006; Zaltman & Coulter, 1995). In the case of analytical techniques, consumer surveys are used to collect data, and analytical methods (e.g., network analysis) are then applied to derive the underlying consensus maps (Henderson, Iacobucci, & Calder, 1998). The BCM technique has some advantages over ZMET and analytical techniques, including structured association elicitation, mapping, and aggregation procedures, as well as facilitating analysis of brand maps at both individual and aggregate levels (John et al., 2006; Schnittka, Sattler, & Zenker, 2012). John et al. (2006) provided empirical evidence of the high reliability and validity of the BCM approach. BCM involves two main stages. The first of these involves collecting salient associations that are representative of consumer perceptions of the brand (John et al., 2006). To that end, we employed a thought-listing technique to elicit brand benefits for two smartphone brands from a sample of 56 students. Following a description of benefit types from Park et al. (1986), respondents were asked to identify functional, experiential, and symbolic benefits of the brand. The average number of functional benefits was 1.826; experiential benefits averaged 2.239, and symbolic benefits averaged 1.935. To take account of the slightly different wording used by respondents, benefits were grouped according to common concepts. The most frequently

mentioned benefits in the three categories were selected for later use; these were “user friendly” (functional), “design” (experiential), and “quality conscious” (symbolic).

In stage two, 70 undergraduate students were recruited to create benefit association maps. Using the BCM framework, each respondent drew their own individual network of associations. Respondents were randomly assigned to one of the three types of benefits and were asked to list benefit associations before developing associative networks, following the guidelines of John et al. (2006). We wanted the respondents to list their own associations and to use these in the mapping process because we believed that this would provide a better sense of the respondents’ unique associations.

To make the mapping process as manageable as possible, it was broken into four steps. In the first step, respondents connected their previously mentioned associations to the benefit. In step two, they indicated the strength of the connection between benefit and associations, as well as between associations, using one link to represent a weak connection, two links for a moderate connection, and three links for a strong connection. Following Hem and Supphellen’s (2019) extension of BCM, we included measures of instrumentality and favorability. In the third step, instrumentality was indicated by linking association and benefit with directional arrows. (The instruction read as follows: Is the association critical to the benefit’s meaning?) Finally, respondents indicated the favorability of associations by rating each association on a seven-point Likert scale (from 1 = *not favorable* to 7 = *very favorable*).

After the association mapping procedure, participants completed a short questionnaire to measure benefit evaluations. Benefit evaluation was measured by three items, again rated on a seven-point Likert type scale. On completing the questionnaire, the students were debriefed. They received a free cup of coffee and a brownie for participating in the study.

Results

Several unique associations were identified for both brands (see Table 1). The uniqueness of benefit associations was measured by comparing responses across the two brands and counting the number of unique (brand-specific) associations. On average, respondents reported 2.381 unique functional benefit associations, 2.192 unique experiential benefit associations, and 2.217 unique symbolic benefit associations. The average totals were 4.524 functional benefits, 4.692 experiential benefits, and 4.783 symbolic benefits. The associations refer to different aspects of the brands within the category of smartphones. Some were concrete, such as “large screen”

(Samsung Galaxy) or “iCloud” (Apple iPhone); others were more abstract (e.g., “innovative” and “timeless” for Samsung Galaxy).

Table 1. Examples of unique benefit associations (categorical differentiation)

Apple iPhone	Samsung Galaxy
iCloud (functional)	Large screen (functional)
Minimalistic (experiential)	Waterproof (functional)
Trendsetting (experiential)	Timeless (experiential)
Good accessories (symbolic)	Innovative (symbolic)
Universal (functional)	Android (symbolic)

To test H_{1a-b}, we used a simple path model with benefit evaluation as dependent variable and categorical differentiation (uniqueness), number of associations, and average favorability as predictors (maximum likelihood estimation) (see Table 2). RStudio version 1.1.456 running lavaan version 0.6-3 was used to test the model. The benefit evaluation construct’s average variance extracted (AVE) of 0.803 and construct reliability (CR) of 0.924 are well above the recommended 0.5 cut off points.

Table 2 shows that the number of (positive) unique associations is negatively related to benefit evaluation (-.250, $p < .05$), providing preliminary support for H_{1b}. Average favorability of benefit associations has a strong positive effect on benefit evaluation (.549, $p < .001$). The effect of number of benefit associations is not significant (.019, $p > .05$).

Table 2. Effects on benefit evaluations

Independent variable	Benefit evaluation
Number of associations	$\beta = .019 (.108)$
Number of unique positive associations	$\beta = -.250 (.100)**$
Average favorability	$\beta = .549 (.118)***$

Notes: $\chi^2(6, N = 70) 5.337; p > .05$; CFI = 1; RMSEA = 0. The table reports standardized coefficients. ** = $p < .05$, *** = $p < .001$. $R^2 = .483$.

Discussion

It is a fundamental premise of CBBE theory—the dominant theory of brand management—that managers need to link unique associations to their brands in order to succeed in the marketplace (Keller, 1993, 2012). However, several researchers have recently questioned this assumption, and the present findings support and extend this critique. Focusing on brand benefits as the

cornerstone of brand equity (Keller, 1993, 2012), our results show that benefit evaluations are not dependent on unique benefit associations. On the contrary, there is an observed negative relationship between brand evaluation and number of unique benefit associations ($p < .05$). Notably, the unique associations were all positive, and the absence of negative effects on benefit evaluations may be a consequence of several factors, such as non-comparability and lower relevance. We return to this issue in the general discussion.

These findings are consistent with Datta et al.'s (2017) observations concerning the effects of perceived uniqueness on sales performance at brand level, which also showed a (weak) negative relationship (-.14) between uniqueness and sales. However, the present study is the first to demonstrate such a relationship at the level of benefits and is also the first to test effects of uniqueness by analyzing individual networks of associations. We contend that this is a more valid way of measuring uniqueness than indirect measures of perceived uniqueness.

Although uniqueness (or categorical differentiation) may not be necessary or even desirable for developing a strong brand, we expect that other types of differentiation will have positive effects on brand evaluation and brand attachment (H₂–H₆).

Study 2: Replication and extension

This study was designed to test all the hypotheses. As well as replicating and extending the findings in Study 1 regarding categorical differentiation, this study is the first to test the effects of the three new types of differentiation (instrumental, structural, and graded) (H₂–H₆).

Methodology

A survey and an association mapping task were administered to a convenience sample (N = 195) of students from a number of universities in a large Norwegian city. The first part of the study measured respondents' brand attachment and benefit evaluation, along with demographic variables. As suggested by Park et al. (2010), brand attachment was measured by four items and rated on a five-point Likert-type scale. However, only two items related to brand-self connection were of interest here: *To what extent is the X part of you and who you are?* and *To what extent do you feel personally connected to the X?* Benefit evaluation was measured by three items, rated on a seven-point Likert-type scale; for example, in the case of experiential benefits of the Apple iPhone, these were: *I like the design of the Apple iPhone*, *The brand excels at design*, and *Good design is a strength for the brand*.

To elicit the individual benefit maps and to create consensus maps for the two brands, John et al.'s (2006) BCM approach was used, with modifications by Hem and Supphellen (2019). In the first stage, rather than collecting new associations, we used the benefits and associations from the first study. On average, respondents in the first study produced 4.524 functional, 4.692 experiential, and 4.783 symbolic benefit associations, and the most commonly mentioned were then used to create lists of benefit associations for the different categories of benefit. The lists included 13 functional benefit associations, 14 experiential benefit associations, and 14 symbolic benefit associations. To be included on the list, associations had to be mentioned by at least two respondents (2.86% of the sample).

In the second stage of BCM, 195 undergraduate students created benefit maps based on the list of benefit associations from the previous stage. Respondents were randomly assigned to one of the three types of benefits for one smartphone brand and followed the same mapping procedure as in Study 1.

To create consensus maps, the BCM methodology employs a stepwise procedure to aggregate the individual concept maps. This requires the respondents to create their concept maps based on a pre-defined list of associations. This differs slightly from the procedure used in Study 1 but is necessary for comparison of consensus maps and individual maps to register types of differentiation other than categorical. The original BCM framework (John et al., 2006) specified five aggregation steps, and Hem and Supphellen (2019) added two further steps to incorporate measures of instrumentality and favorability.

In the first step core benefit associations are selected according to frequency of mention and number of interconnections. The second step is to identify associations that are linked directly to the benefit (known as *first-order* benefit associations). The third step is to identify links between benefit associations, and the fourth step identifies important non-core benefit associations. The fifth step is to specify the strength of the connection between associations (i.e., the number of connecting lines). The sixth step is to identify instrumental benefit associations, and the seventh step involves color coding benefit associations according to their favorability score. For a fuller explanation, see John et al. (2006) and Hem and Supphellen (2019).

To measure the different types of benefit differentiation, individual benefit maps were compared to a consensus map of the competing brand. Instances of the different types of differentiation were then recorded for each of the associations identified for each benefit. In the case of categorical differentiation, this involved comparing the individual map with the

consensus map; associations that featured on the individual map but not on the consensus map were identified as instances of categorical differentiation. This measure is less restrictive than the measure of categorical differentiation used in Study 1. Associations classified as categorical differentiation included *cloud storage*, *advanced*, *battery life*, *innovative*, and *competence* (for Samsung Galaxy) and *status* (for Apple iPhone).

If an association was instrumental on the individual map but not on the consensus map, it was registered as instrumental differentiation. If an association was linked by more lines than on the consensus map, or if it was linked at a level closer to the benefit node than on the consensus map, it was recorded as graded differentiation. Finally, if an association was connected to the same associations but in a different way on the individual and consensus maps, and if the association was connected to other or more associations on the individual map, it was recorded as structural differentiation. Totals for the different types of differentiation were then coded into the data file for use in the analysis.

To improve reliability, two researchers coded the differentiation types individually and discussed their findings to see if their interpretations were similar. The interrater agreement rate was 91.75%. Disagreements were resolved through discussion. Average favorability of associations was included as a control variable because the results of Study 1 indicated that this variable had a significant independent effect on benefit evaluation. Favorability was measured in the same way as in Study 1.

Results of hypothesis testing

A structural equation model was used to test the hypotheses based on maximum likelihood estimation, using RStudio version 1.1.456 running lavaan version 0.6-3. The two multi-item constructs exhibited satisfactory construct validity (AVE of 0.817 and CR of 0.930 for benefit evaluation; AVE of 0.786 and CR of 0.880 for brand attachment). Table 3 shows the relationships between the four types of differentiation, average favorability, benefit evaluation and brand attachment. Model fit is good (see notes).

Table 3. Hypothesis testing: Structural equation model

Independent variable	Benefit evaluation	Brand attachment
Categorical differentiation	$\beta = -.147 (.084)^*$	$\beta = -.237 (.078)^{**}$
Instrumental differentiation	$\beta = .051 (.073)$	$\beta = -.013 (.068)$
Structural differentiation	$\beta = .190 (.069)^{**}$	$\beta = .081 (.067)$
Graded differentiation	$\beta = .099 (.089)$	$\beta = .224 (.082)^{**}$
Average favorability	$\beta = .275 (.065)^{***}$	$\beta = .110 (.066)^*$
Benefit evaluation	—	$\beta = .442 (.065)^{***}$

Notes: $\chi^2(19, N = 195) 27.773$; $p > .05$; CFI = .989; RMSEA = .049. The table reports standardized coefficients. * = $p < .10$, ** = $p < .05$, *** = $p < .001$. $R^2 = .157$ for benefit evaluation; $R^2 = .348$ for brand attachment.

Effects on benefit evaluation (H₁–H₃)

Table 3 shows that categorical differentiation (uniqueness) has a negative effect on benefit evaluation (-.147), although the effect is only marginally significant ($p < .10$). This means that H_{1a} (predicting a positive effect) is rejected, and H_{1b} (predicting a negative effect) is supported. This replicates the negative effect of categorical differentiation observed in Study 1, using a different measure of the construct.

In support of H_{2a}, structural differentiation has a positive effect on benefit evaluation (.190, $p < .05$). Neither graded (.099) nor instrumental differentiation (.051) has any significant effect on brand evaluation, rejecting H_{2b} and H_{2c}. H₃ predicted that structural differentiation would have stronger effects on benefit evaluation than graded and instrumental differentiation. As structural differentiation is the only significant predictor of benefit evaluation, H₃ is also supported.

Effects on brand attachment (H₄–H₆)

Benefit evaluation has a strong and positive effect on brand attachment, providing support for H₄ (.442, $p < .001$). Two types of benefit differentiation have direct effects on brand attachment; categorical differentiation is negatively related to brand attachment (-.237, $p < .05$) while graded differentiation has a positive effect (.224 $p < .05$). It follows that H_{5a} and H_{6b} are supported, and H_{5b} and H_{6a} are rejected.

General discussion

This section discusses the article's contributions to theory and methodology, along with managerial implications, and limitations and future research opportunities are also addressed.

Theoretical contribution

It is a fundamental principle of CBBE theory that managers should differentiate their brand by linking associations to the brand name that are strong, favorable, and *unique* in the consumer's memory (Keller, 1993, 2012). However, the concepts of uniqueness and differentiation are not clearly defined, and recent studies have questioned the need for, and the desirability of, unique associations. The present study contributes to this stream of research in several important ways.

First, this study tests Hem Supphellen's (2019) new typology of brand benefit differentiation, which proposes that uniqueness is one of four types of benefit differentiation. Across two studies, we found that the number of unique benefit associations was negatively related to benefit evaluation. Notably, these negative effects were observed even though all of the included unique associations were positive and average favorability was controlled for. These findings are consistent with recent research reporting negative effects of uniqueness on sales (Datta et al., 2017). However, the present study is the first to show negative effects of uniqueness at the level of benefits, based on the analysis of individual concept maps. We also show for the first time that uniqueness has a direct negative effect on *brand attachment*. This is important because brand attachment is one of the strongest predictors of brand behavior and brand profitability (Park et al., 2010; Stokburger-Sauer et al., 2012; Thomson et al., 2005).

Taken together, there is now substantial evidence to contradict CBBE theory's basic premise that brands need unique associations to succeed in the marketplace (Keller, 1993, 2012). Nevertheless, it would be premature to entirely dismiss the usefulness of unique brand associations. A possible explanation for the observed negative effect of *number of unique associations* on benefit evaluations is that the presence of several unique associations may blur the meaning of benefits—in other words, several points of uniqueness may be too much of a good thing. On the other hand, a single unique benefit association might make the benefit's meaning both differentiated and clear, resulting in a more positive evaluation. To test this prediction, we recoded uniqueness as a dummy variable (where 1 = *one unique association* and 0 = *no unique benefit associations*). The effect of the recoded variable on benefit evaluation was not significant ($p > .1$), supporting the idea that several unique associations may blur the meaning of benefits and so lower benefit evaluations. However, the null effect of the recoded uniqueness variable also suggests that one unique benefit association (as compared to none) is not important for benefit evaluation. While this certainly confirms that uniqueness is not necessary, it does not rule out the possibility that uniqueness is *sometimes* useful for *some* brands, and more research is needed to determine whether there are any circumstances in which

uniqueness might have a positive effect. Further research is also needed to explain why number of unique associations is negatively related to benefit evaluation. Based on structural alignment theory, we suggest that uniqueness may confuse consumers, making comparison of benefits and brands more difficult (Gentner & Markman, 1994; Markman & Gentner, 1993). Future research should test this and other possible explanations of the negative effect of uniqueness.

This research provides the first empirical confirmation of the importance of forms of differentiation other than uniqueness. Specifically, we found that *structural differentiation* had a positive effect on benefit evaluation (which in turn affects brand attachment), and that *graded differentiation* had a direct positive effect on brand attachment. Structural differentiation means that some associations with a given benefit are interlinked in a way that differs from associations to the same benefit for other brands. This results in a difference in the benefit's meaning, implying that structural differentiation is not about the unique content of benefit associations but how associations are structured or linked.

From the combined perspectives of associative network theory and structural alignment theory, the observed positive effect of this kind of differentiation is unsurprising. According to associative network theory (Anderson, 1983; Anderson & Bower, 1973; Collins & Loftus, 1975), a node in a network has no inherent independent meaning; instead, meaning is derived from the set of surrounding nodes linked to the focal node. It follows that the meaning of a benefit is the product of the associations linked to the benefit in memory and the interlinks between these. Different structures of benefit associations lead to differences in meaning—exactly the logic of *structural differentiation*. The positive effect is in part explained by structural alignment theory; as unique associations are non-alignable, they are not useful for brand comparison. In contrast, attributes shared across brands are alignable and easier to process and compare, making them more diagnostic (Zhang & Markman, 1998). Structural differentiation means that a benefit is positively different and therefore interesting while maintaining a high level of alignment among associations.

Graded differentiation relates to the relative strength of the links between benefit associations and the benefit node. In the present study, this type of differentiation was found to have a positive effect on brand attachment, probably because of its greater accessibility. The stronger links between these associations means that they are more easily activated. Because less activation power is needed (Anderson, 1983), graded differentiation is highly accessible to the processes of categorization that occur during brand attachment formation, where brands are typically assigned to categories such as “my kind of brand” versus “not my kind of brand” (see

Stokburger-Sauer et al., 2012). It is surprising that graded differentiation had no effect on benefit evaluation, given that all of the involved benefit associations were positive, and more research is needed to account for this finding.

The third new type, instrumental differentiation, had no significant effects on either benefit evaluation or brand attachment. Because this form of differentiation is not particularly accessible and relates specifically to a benefit's meaning, we did not expect it to influence attachment directly at brand level. However, we did expect to find a positive effect on benefit evaluation. One possible explanation for the null effect on brand evaluation relates to our measure, which counted the number of instrumental associations. As in the null or negative effects of categorical differentiation (uniqueness) reported above, it can be argued that only one strongly instrumental association should be included, as several may render the meaning of the benefit unduly complex. The use of a recoded dummy of instrumental differentiation (1 = *one instrumental association* and 0 = *no instrumental association*) increased the coefficient, but the effect remained insignificant ($p > .1$). More research is needed to establish whether and when instrumental differentiation is a relevant determinant of benefit evaluation.

In sum, the findings reported here suggest that CBBE theory should be revised to accommodate the negative potential of uniqueness and to include other relevant types of differentiation.

Methodological contribution

Rather than using latent measures of “perceived differentiation” as in previous studies (Datta et al., 2017; McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009), this research analyzed individual networks of brand associations as a means of identifying instances of differentiation, based on an established method for eliciting and mapping individual cognitive structures (John et al., 2006). Extending this approach to include procedures for assessing the instrumentality and favorability of benefit associations, we confirmed that this is a useful tool for identifying the four types of benefit differentiation proposed by Hem and Supphellen (2019).

Managerial implications

These results suggest that managers relying on CBBE theory (Keller, 1993, 2012) run the risk of *uniqueness myopia*: focusing too narrowly on suboptimal or negative unique associations while neglecting other more effective forms of differentiation. Managers expending resources on linking unique attributes to their brand should reconsider this strategy; at the very least, the

effect on brand benefit evaluation and brand attachment should be properly tested. The present findings suggest that these effects may be marginal or even negative. The good news is that there are other options that are probably less expensive. Structural differentiation does not require managers to link unique attributes to their brands; instead, this can be achieved by consistent communication over time of certain combinations of information related to brand benefits. By forming small clusters of benefit associations, this would differentiate the meaning of the benefit in a favorable way.

Notably, identifying the four types of differentiation depends on mapping of cognitive structures. To that end, managers should pursue in-depth knowledge of associative networks to learn how the benefits associated with their brands are differentiated, revealing new and potentially better opportunities for developing brand equity.

Limitations and future research

This research represents a first step into new territory. Despite the importance of brand management as a sub-discipline of marketing, differentiation of benefits has rarely been studied from the perspective of associative network theory. The results reported here indicate several interesting avenues for future research. We examined benefit differentiation for brands in only one category (smartphones), and more studies are needed to explore benefit differentiation for brands in different product and service categories, as well as in B2B markets. The relevance and effect of the four types of benefit differentiation may vary across categories—for instance, sensory products purchased on impulse (e.g., chocolate bars) may differ from durables such as dishwashers.

A number of studies have reported the effect of overall “perceived differentiation” or “perceived uniqueness” (Keller, 2012; McAlister et al., 2007; Mizik & Jacobson, 2008, 2009; Rego et al., 2009). The discovery and validation of four types of differentiation based on detailed analyses of cognitive structures poses a question: *Which type(s) of benefit differentiation dominates when respondents answer general questions about brand uniqueness?* In light of the present findings, it seems possible that previously observed positive effects may indicate that structural differentiation exerted a greater influence than uniqueness. That being so, it would be useful to test the relationships between specific types of differentiation at benefit level and overall ratings of perceived uniqueness.

Our study design did not accommodate comparison of benefits. However, as benefits differ and serve different functions, it is important to ask whether all four types of differentiation are

equally relevant for all types of benefits (e.g., functional, symbolic, experiential) (Keller, 1993). Do some forms of differentiation affect evaluation of some types of benefit more than others? Answering these questions would advance our understanding of how differentiation works, as well as helping managers to develop more effective positioning strategies.

Finally, the moderate level of explained variance for benefit evaluation ($R^2 = .157$) suggests that, beyond the four types of benefit differentiation, other variables also play a role. Clearly, the content and quality of attributes, not least emotional benefits, will have an impact, and future research should examine how such variables might interact with the four types of differentiation addressed here.

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Appendix

Article 3

Table 1. Descriptive statistics (Study 1)

Variable	Mean	St.dev.	Min	Max	Skewness	Kurtosis
Evaluation ₁	5.314	1.440	2.000	7.000	-0.665	-0.451
Evaluation ₂	5.114	1.620	2.000	7.000	-0.484	-0.997
Evaluation ₃	4.486	1.700	1.000	7.000	-0.142	-1.154
Number of associations	4.671	1.248	3.000	8.000	0.672	0.021
Unique associations	2.257	1.51	0.000	8.000	0.935	1.612
Average favorability	4.979	1.205	1.333	6.667	-1.148	0.613

Note: N = 70

Table 2. Factor loadings (Study 1)

Variable	Estimate	Std.err.	z-value	p-value	Standardized
Benefit evaluation					
Evaluation ₁	1.000				0.912
Evaluation ₂	1.174	0.090	13.100	0.000	0.952
Evaluation ₃	1.060	0.110	9.608	0.000	0.819

Table 3. Fitted covariance matrix for analysis of structural model (Study 1)

Variable	1	2	3	4	5	6
1. Evaluation ₁	2.044					
2. Evaluation ₂	1.996	2.587				
3. Evaluation ₃	1.802	2.115	2.850			
4. Number of associations	-0.111	-0.130	-0.118	1.535		
5. Number of unique associations	-0.952	-1.117	-1.009	0.756	2.248	
6. Average favorability	1.031	1.210	1.092	0.038	-0.799	1.431
Mean	5.314	5.114	4.486	4.671	2.257	4.979

Note: N = 70

Table 4. Descriptive statistics (Study 2)

Variable	Mean	St.dev.	Min	Max	Skewness	Kurtosis
Evaluation ₁	5.250	1.434	1.000	7.000	-0.690	-0.173
Evaluation ₂	5.337	1.388	1.000	7.000	-0.647	-0.218
Evaluation ₃	5.330	1.491	1.000	7.000	-0.793	-0.026
Categorical differentiation	1.107	1.267	0.000	7.000	1.686	3.533
Instrumental differentiation	1.888	1.269	0.000	6.000	0.775	0.717
Structural differentiation	1.543	1.592	0.000	8.000	1.325	1.670
Graded differentiation	2.954	1.636	0.000	9.000	0.852	0.915
Self connection ₁	2.548	1.330	1.000	5.000	0.421	-1.063
Self connection ₂	1.980	1.143	1.000	5.000	0.999	0.154
Average favorability	5.096	0.813	2.500	7.000	-0.359	-0.083

Note: N = 197**Table 5.** Factor loadings (Study 2)

Variable	Estimate	Std.err.	z-value	p-value	Standardized
Benefit evaluation					
Evaluation ₁	1.000				0.833
Evaluation ₂	1.124	0.062	18.002	0.000	0.968
Evaluation ₃	1.132	0.068	16.661	0.000	0.906
Brand Attachment					
Self connection ₁	1.000				0.935
Self connection ₂	0.769	0.072	10.694	0.000	0.835

Table 6. Fitted covariance matrix for analysis of structural model (Study 2)

Variable	1	2	3	4	5	6	7	8	9	10
1. Evaluation ₁	2.047									
2. Evaluation ₂	1.598	1.918								
3. Evaluation ₃	1.610	1.809	2.222							
4. Self connection ₁	0.785	0.882	0.889	1.755						
5. Self connection ₂	0.604	0.678	0.683	1.180	1.302					
6. Categorical differentiation	-0.155	-0.174	-0.175	-0.257	-0.198	1.608				
7. Instrumental differentiation	0.171	0.193	0.194	0.147	0.113	0.335	1.600			
8. Structural differentiation	0.472	0.530	0.534	0.495	0.381	-0.102	0.317	2.546		
9. Graded differentiation	0.112	0.126	0.127	0.240	0.184	1.210	0.760	0.463	2.685	
10. Average favorability	0.291	0.327	0.329	0.255	0.196	-0.051	0.101	0.115	-0.040	0.653
Mean	5.256	5.344	5.333	2.549	1.979	1.113	1.897	1.538	2.959	5.090

Note: N = 195

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