

Introduction to the special section “Brand and Innovation Interdependency”

Barry Bayus¹ · Tim Oliver Brexendorf² · Kevin Lane Keller³

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Introduction

Over the past decade, a number of empirical studies and analytical models have contributed to our understanding of brand and innovation management. Although branding and innovation are both popular and fruitful areas of academic research, we suggest a more expansive discussion to consider the interrelationship between the two in greater detail. To help address this complex interdependency, we issued a call for papers to encourage research that unites the two often disparate disciplines. The timing of the special issue is appropriate because many firms today are based and deeply rely on both strong brands and product and service innovations for their long-term survival and success. For example, many fast moving consumer goods (FMCG) companies focus on strengthening brands with products and services of superior value supported by new technologies and innovations to improve the lives of consumers (e.g., Henkel, Procter & Gamble, Unilever).

The articles in this special section offer a more complete understanding of the interrelationship of branding and innovation with the goal of helping marketers make important decisions such as which innovations to launch under which brand. The objective of this introductory note is to provide an

overview for the articles that comprise the special section. After undergoing a rigorous review process, four articles have been selected from all submissions to be included in the special section, each with its own distinctive contribution to expanding our knowledge of the brand and innovation interdependency. Through these four papers, we aim to bridge the branding and innovation research streams to gain insight and encourage further research that explicitly combines these two areas.

The contributions and papers in this special section

In this introduction, we provide a brief summary of the papers in this special section. In response to our call for papers, we received 21 submissions with a high level of scholarship and intent. The guest editors wish to thank everyone who submitted a manuscript. All papers went through the usual rigorous double-blind, multiple-stage JAMS review process to ensure that they were based on strong evidence and sound academic reasoning. From the 21 submissions, four papers were accepted for this special section.

The four papers which emerged address a variety of topics and are multifaceted in terms of methodologies involved, the type of contributions they make, and the authors' affiliations, which are international in scope. The articles are based on qualitative and quantitative research and use econometric models as well as experimental designs. All four articles, however, share an important characteristic. Each article brings together ideas from at least the two separate bodies of literature on branding and innovation and offers new insights that could not have been made possible by using only one body of literature on its own.

The first paper, by Tim Oliver Brexendorf, Barry Bayus, and Kevin Lane Keller, “Understanding the Interplay between Brand and Innovation Management: Findings and Future Research Directions,” aims to provide a comprehensive review of the interrelationship between brand and innovation. Based

✉ Tim Oliver Brexendorf
tim.brexendorf@whu.edu

Barry Bayus
barry_bayus@kenan-flagler.unc.edu

Kevin Lane Keller
kevin.l.keller@tuck.dartmouth.edu

¹ Kenan-Flagler Business School, The University of North Carolina at Chapel Hill, CB3490, Chapel Hill, NC 27599, USA

² WHU-Otto Beisheim School of Management, Burgplatz 2, 56179 Vallendar, Germany

³ Tuck School of Business, Dartmouth College, 100 Tuck Hall, Hanover, NH 03755-9000, USA

on a broad and profound literature review, the authors present a conceptual framework that helps to align the areas of branding and innovation. Based on the knowledge of current study results and the proposed framework, some promising directions for future research on the brand and innovation interdependency are identified.

The second paper, by Ian Clark S. Sinapuelas, Hui-Ming Deanna Wang, and Jonathan D. Bohlmann, “The Interplay of Innovation, Brand, and Marketing Mix Variables in Line Extensions,” investigates how line extensions can contribute to brand success. Specifically, this paper provides empirical evidence as to the interrelationship between brand, innovation, and the marketing mix by analyzing several consumer-level datasets of 196 new line extensions across 23 categories of the FMCG industry. The analysis is a two-stage estimation, with the first stage using a within-product analysis and the second stage using a between-products analysis. The study findings indicate that innovative line extensions—when supported by parent brand strength—have a higher level of average trial probability, whereas non-innovative line extensions draw relatively weaker support from a strong brand and gain higher trial from greater distribution and promotion. The key contribution of this paper is its demonstration of the importance of parent brand strength for innovative extensions. The results offer guidance as to how managers can better utilize brand strength and the marketing mix when employing a line extension strategy.

The third paper, by Christoph Baumeister, Anne Scherer, and Florian von Wangenheim, “Branding Access Offers: The Importance of Product Brands, Ownership Status, and Spillover Effects to Parent Brands,” examines the role of brands in business model innovations for the car and fashion industry where access, next to ownership of the product, is an additional consumption mode. Their paper makes a significant contribution to the literature by underscoring the importance of branding of new access services, which constitute an important upcoming business model innovation. Drawing on information integration theory, the authors derive hypotheses on the evaluation of access offerings and their parent brands, which are examined in a series of four experimental studies. The results of these studies show that the perception of access offerings is strongly related to the product category and equity of the parent brand. Specifically, the study results indicate that a brand can benefit from the introduction of a new access offer, especially in terms of its image as an innovative brand. They also find that owners of a high prestige brand react more favorably toward the introduction of an access offering for that brand. The findings suggest several managerial implications for branding new access offers and how this business innovation model affects current customers and image of the parent brand.

The fourth and final paper, by Michael B. Beverland, Sarah J.S. Wilner, and Pietro Micheli, “Reconciling the Tension

between Consistency and Relevance: Design Thinking as a Mechanism for Brand Ambidexterity,” addresses the important balance between brand consistency and change. Using a qualitative research approach, the authors conducted their study in three phases: (1) an expert sample; (2) firm-level case analysis and interviews of senior industrial designers and brand managers; and (3) a population check with six designers. Drawing on cases of innovation at firms across a range of industries, the authors examine the logic and practices employed by designers. They find that four design thinking practices help brand managers increase the likelihood that innovations support, rather than conflict with, existing brand identities. The authors propose that design thinking is a mechanism to manage this “ambidexterity” and that helps to facilitate the integration of consistency and relevance. The authors encourage brand managers to engage in reflexivity to balance the symbiotic relationship between exploitation and exploration logics in building strong equity for a brand and/or to work more closely with designers.

Summary

Overall, the findings of the four papers in this special section contribute to our understanding of the complex interrelationship of brands and innovation. Although important topics related to brand and innovation interdependency are addressed by each paper, many other interesting topics are also put forth with the hope of stimulating future academic research.

We strongly believe that the intertwined relationship between branding and innovation will continue to attract considerable managerial interest and merits further conceptual work and empirical investigation by academics. Even with the topics that have already received research attention, there is still a need to undertake new investigative approaches to gain additional insight. We hope the findings from this special section serve as a point of departure for future progress in the area of brand and innovation interdependency.

A note of appreciation

Creating a special issue requires a great deal of work for many scholars. First, we would like to thank the JAMS Editor, Tomas Hult, for his encouragement and support to develop this special issue and the JAMS Managing Editor, Anne Hoekman, for her outstanding and continuous help and for keeping us on track. Second, the guest editors would further like to thank the authors who contributed. We hope that their contribution to the field receives high attention and impact in the marketing community. Third, this special section would not have been possible without the great help of a set of

knowledgeable reviewers. We thank and are indebted to all reviewers who participated in generously reviewing; giving their valuable input and further developing the manuscripts submitted.

We believe this special section contains significant work which is highly meaningful for both branding and innovation.

By clarifying the challenges and opportunities of the brand and innovation interdependency and by bringing these two streams of research closer together, we hope to encourage researchers in marketing to gain greater appreciation and new perspectives on these two important areas of research.

We hope you enjoy reading.