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The impact of consumer resistance to brand substitution on brand relationship

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Abstract

Purpose – The purpose of this research is to propose and test a model that aims to identify key determinants which could alleviate the loss of brand trust and loyalty caused by brand name change using the resistance to change theory (RCT).

Design/methodology/approach – Because of the causal nature of the research, the quantitative research methodology was considered as best suitable. An online questionnaire was administered on a sample composed of 313 consumers.

Findings – The paper provides empirical insights regarding the fact that consumers' resistance to the brand name substitution is the main determinant of the transfer of consumers' trust from the old to the new brand. Finally, loyalty transfer heavily relies on trust transfer.

Research limitations/implications – Because of the convenience sample used, the research results may lack generalisability. Furthermore, researchers are encouraged to test the proposed hypotheses based on different brand name change cases.

Practical implications – The paper includes implications for the alleviation of consumers' resistance to the brand name substitution, a main determinant for the loss of brand trust and loyalty in the case of brand name change.

Originality/value – This paper fulfils an identified need to study how consumers' resistance to the brand name change can be diminished. Overall, our research supports the use of the RCT for a better understanding of brand name change-related issues.

Keywords Brand name change, Brand trust and loyalty transfer, Resistance to change theory

Paper type Research paper

An executive summary for managers and executive readers can be found at the end of this issue.

Lately, brand name change/substitution has become a common phenomenon (Collange, 2008; Pauwels-Delassus and Fosse-Gomez, 2012). Brand name substitution concerns the changing of a brand name of a product/service which is marketed by a company (Muzellec and Lambkin, 2006). Frequently, to increase their profitability, companies aim to improve the performance of their brand portfolio by substituting some small, regional brands with stronger and frequently global brands. Several well-known examples of brand name change are Allegheny Airlines–USA Air, Raider–Twix or Marathon–Snickers. More recently, the radio station Radio Shack has changed its name to The Shack and UPS (United Parcel Service) has become Brown in its recent advertising campaigns. If brand name change is a strategic and current question for managers, relatively little academic research has been developed on this subject. Nonetheless, brand name change is an extremely risky decision, potentially aborting many years of heavy financial investment in a brand

name that can seriously damage the consumers' relationship with the brands (Muzellec and Lambkin, 2006). Brand names act as signals to consumers (Erdem *et al.*, 2006) and provide the consumers with a variety of rational, relationship, habitual and symbolic functions. Brand substitutions disturb the fundamental functional role of the brand, which relates to product recognition (Round and Roper, 2012). Kapferer (2007) suggests that when consumers are confronted with brand substitutions, they express resistance to change because they might not recognise their usual product and get confused. As a result, they start to doubt its quality, mistrust the new brand and stop buying it. To sum up, consumer resistance to change leads to the rejection of the substituted brand and may alter their relationship with the brand, producing a drastic loss of brand loyalty (Pauwels-Delassus *et al.*, 2014). Previous research in brand relationship has emphasised the key role of brand trust in preserving and developing brand loyalty (Hess and Story, 2005; Albert and Merunka, 2013). Therefore, for managers confronted with brand name change, it is a matter of utmost importance to make sure they can minimise consumer resistance to change to diminish the negative consequences of brand substitutions, and thus preserve consumer trust and loyalty capital after the brand name change. To the best of our knowledge, no previous study has ever addressed the question of the link existing between consumer resistance to change and trust and loyalty transfer in the case of brand name change. Our study aims to at least partially address this gap in the

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literature by proposing two major contributions. First, on the theory front, this study uses the resistance to change theory (RCT) to develop and test a comprehensive research model aiming to explain the determinants of consumer resistance to brand name change (CRTBNC) and its impact on the transfer of their trust and loyalty towards the new/substitute brand. Secondly, on an empirical basis, our study is the first quantitative research which has been conducted to determine how marketing managers can alleviate the consequences of consumer resistance to a brand name change and, therefore, transfer efficiently the brand trust and loyalty from the old to the new brand. Consequently, the results of our research will provide marketing decision-makers with a checklist of determinants, allowing them to diminish consumer resistance to the brand name change and preserve the trust and loyalty capital of the old brand in the case of a brand name change.

In the remainder of this article, we first focus on the RTC, and then we describe the relationship the consumers have developed with their brands. Subsequently, we define a research model to explain how resistance to brand substitution may impact the transfer of trust and loyalty toward the new brand, and then we will present the research methodology and results along with a discussion on their implications. Finally, conclusions, contributions, limitations and prolongations of our research will be discussed.

Consumer resistance to brand name change

The transfer of brand trust and brand loyalty will be approached under the lens of the RCT. RCT roots in the human relations movement (Mayo, 1933), epitomizing a common pattern: an introduction of new technologies and/or new ways to organise work, followed quickly by resistance to change and the employees' resistant behaviour (e.g. Coch and French, 1948; Lawrence, 1954).

The resistance to change can be explained by different human characteristics that can be applied not only to employees but it could also probably be generalised to individuals and, therefore, to consumers. Agboola and Salawu (2011) argue that humans facing change will express resistance, as a natural response to the change. By analysing the systems model of resistance, these authors indicate that the resistance does not come from the change itself, but from the perception people have of losing something they like. Indeed, Mullins (2005) suggests that individuals are accustomed to their routines, and in most of the cases, they cherish them and believe there is no need to change them because they make them feel comfortable. Antonacopoulou and Gabriel (2001) remind us that Freud (1984) states that individuals believe they are already perfect and do not feel the need to change anything. Moreover, according to Hurn (2012, p. 42) "there is often a sense of security in the past, the way things have always been done and which appear to have done reasonably well". So, the change appears as something useless and threatening.

In the case of a brand name change, the main problem encountered by consumers is the loss of their past references to the brand (Kapferer, 2007), creating confusion and resistance to the brand name change. For these reasons, consumers may start to mistrust the new (replacement) brand because they cannot rely any longer on their references to the (old) brand, and thus stop buying it. One of the other assumptions of the RTC theory

is that people generally accept a change more easily if it is gradual and they can still rely on their past habits and references when embracing the change (Leonardi and Barley, 2008). Transposed to the consumer behaviour context, consumer resistance and reactance to change is closely related to the force of consumer attitudes to engage with a brand (Crosby and Taylor, 1983; Wendlandt and Schrader, 2007). Consumer resistance to change may be defined as their likelihood to oppose a change (Roux, 2007); in other words, a negative attitude towards the brand name change.

To conclude, in the case of brand substitutions, the RTC theory suggests that consumers would be less resistant to change, and thus agree to trust and transfer their loyalty to the new brand more easily if their past references to the brand do not completely disappear with the change.

Conceptual model

We discuss the impact of each of these factors on CRTBNC. We also address the potential impact of CRTBNC on the transfer of brand trust and brand loyalty transfer from the old to the new brand.

Lessening consumer resistance to brand substitution

The RTC theory suggests that consumers are less resistant to change if their past references to the brand do not completely disappear with the change. Based on previous research on the subject, but also on our qualitative research, it appears that to preserve the consumers' past references to the brand and reduce their resistance to change, brand managers could, for instance, make sure that the substitute/new brand stays similar to the old one (Collange, 2008; Pauwels-Delassus and Mogos Descotes, 2012). Indeed, in the context of brand extension and co-branding literature, Collange (2008) suggests that a high level of similarity between the substitute and the initial brand increases the consumers' positive evaluations and buying intentions towards the substitute brand. Pauwels-Delassus and Mogos Descotes, (2012) observe that the perceived level of similarity between the old and the new brand contribute to the transfer of brand image and associations towards the substitute brand. The similarity between the old and new brand relies highly on the similarity of the packaging of the old and new product brand (Pauwels-Delassus and Mogos Descotes, 2012). Those latter authors observed in their qualitative research conducted in France that consumers did not appreciate the change of colour on the packaging nor the pictures on the packaging when the biscuit brand Tallefine changed to Belvita. Moreover, the change of the brand name itself seemed to disturb the transfer of brand associations. Consumers felt that the former brand Tallefine was a brand for women interested in taking care of their figure, while the new brand Belvita addressed those consumers wanting to enjoy a product with a feel-good factor. All those elements provoked negative reactions towards the substitution brand.

Thus, if consumers believe that the two brands are similar, they will assume the products have a similar image/similar associations. According to the RTC theory, this will help consumers to go through the change without losing their past references, and thus minimising their resistance to brand name change (Leonardi and Barley, 2008). Therefore, we propose that:

H1. The perceived similarity between the old and the new brand minimises the CRTBNC.

Aaker (2004) suggests that umbrella brands serve as an overall endorsement and provide additional brand equity to all the related brand products. Umbrella brands achieve two general goals:

- 1 They reduce the perceived risk (Iversen and Hem, 2008); and
- 2 They guarantee a consistent quality throughout the brand range (Laforet and Saunders, 1994; Rao *et al.*, 1999).

Kapferer (2007) suggests that brand name changes cause a significant loss of the consumers' past references to the brand, creating confusion and a resistance to the brand name change. In the case of a brand name substitution, the existence of an umbrella brand minimises the consumers' perception of risk-taking. (Pauwels-Delassus and Mogos Descotes, 2012). Moreover, it helps them to be able to rely on the guarantee of consistent quality throughout the range of products connected to a certain umbrella brand. Therefore, they can still rely on their past references relative to the umbrella brand when embracing the new substitute brand (Delassus, 2005). Our interviews, conducted with 20 consumers from different age groups and with a variety of occupations, regarding the replacement of the French biscuit brand Petit Déjeuner by Lu with Belvita by Lu confirmed this thesis. All the interviewees had a high appreciation of the umbrella brand Lu: "I have known Lu since I was a child and this brand is a high quality brand. I like all the Lu products" (Consumer 7):

I'm a fan of Lu. I just love all their products. They can name the products whatever they want; I know that Lu offers high quality products to their customers.

Remember that the RTC theory suggests that consumers are less resistant to change if their past references to the brand do not completely disappear once the change has taken place (Leonardi and Barley, 2008). Therefore, we believe that the umbrella brand can minimise the resistance to brand name change and facilitate the transfer of brand trust:

H2. The presence of an umbrella brand will reduce CRTBNC.

The transfer of brand trust and brand loyalty

Brand trust represents the consumer's belief that the brand is consistent, competent, honest, responsible, helpful and benevolent (Ferrell, 2004). Even though scholars do not fully agree concerning the definition and conceptualisation of trust, they all recognise the fundamental role of trust in the construction and maintenance of the consumer-brand relationship (Gurvia and Korchia, 2002; Aurier and Goala, 2010). Gurvia and Korchia (2002) consider brand trust as a three-dimensional construct including brand trustworthiness, brand integrity and brand goodwill. Brand trustworthiness relies on the degree of expertise of the brand as far as its functions are concerned. It translates the capacity of a brand to satisfy the consumers in terms of performance and quality. Brand integrity concerns the company's respect of the brand promise and the honesty of its message. Finally, brand goodwill corresponds to their ethical commitment to take into

account consumer interests in the long term (Gurvia and Korchia, 2002).

In the case of brand name change, consumers might not recognise their usual product and start doubting its quality and mistrusting the new brand. We argue that the three dimensions of trust can be disturbed when the brand name changes. First, consumers might doubt that the "new" brand can still fulfil their expectations in terms of quality/brand trustworthiness (Pauwels-Delassus and Mogos-Delassus, 2012). As we were able to observe during the qualitative phase of our research, consumers doubt that product quality will stay the same: "They say the quality stays the same. Is it really the case? I don't believe what marketers say" (Consumer 2). Secondly, they might also ask themselves if the substitute brand is reliable (brand integrity). Our qualitative research pinpoints that consumers seem to point out reliability-related problems:

Belvita is just another brand even though they say it's the same. Before, I knew those were the right biscuits for my breakfast. Now, they are a little different and I am not sure I can count on that (Consumer 3).

Finally, they might doubt the substitute brand's capacity to put their interest first (brand goodwill):

Petit Déjeuner was the best biscuit ever for my breakfast. Is Belvita still going to put the same effort into R&D regarding the morning nutrition of their consumers? That's not for sure [. . .] (Consumer 5).

To sum up, it seems that the brand name change leads to the disturbance of the three dimensions of trust, namely, brand trustworthiness, brand integrity and brand goodwill. The qualitative research also suggested that the perceived level of similarity between the old and the new brand reassures the consumers and helps them to better trust the new brand:

When I look at the packaging of the product, I see the same product. It seems to me that only the name of the product has changed. I think it's the same biscuit after all, I can just buy it as I did before (Consumer 11).

Collange (2008) observes that the perceived level of similarity between the old and the new brand contribute to the transfer of the buying intention to the substitute brand. In line with her findings, we suggest that if consumers accept to buy the new brand instead of the old one, they have to first trust the substitute brand. Therefore, it is expected that the perceived similarity between the two brands will facilitate the transfer of brand trust:

H3. The perceived similarity facilitates the transfer of brand trust, namely the transfer of (3a) brand trustworthiness, (3b) brand integrity, and (3c) brand goodwill.

Pauwels-Delassus and Mogos Descotes (2012) bring empirical evidence that the existence of an umbrella brand enhances the transfer of the perceived quality in the case of a brand name substitution and they suggest that the presence of an umbrella brand enhances consumer trust towards the new brand, as they can rely on the quality of the umbrella brand when they evaluate the new substitute brand. If consumers can rely on the guarantee of consistent quality throughout the range of products linked to a certain umbrella brand, they are more likely to be trustful regarding the evaluation of the new substitute brand (Delassus, 2005). The qualitative research provided evidence that the existence of the umbrella brand (Lu) seemed to enhance the transfer of the three dimensions

of trust. The umbrella brand reassured the consumers regarding brand trustworthiness: “All the Lu product are quality products” (Consumer 1), brand integrity: “I can buy any Lu product and I know it will be a good product” (Consumer 4) and brand goodwill “Since I was a child I have eaten Lu biscuits. And I know Lu is trying hard to offer the best products on the market” (Consumer 9). Therefore, we propose:

H4. The presence of the umbrella brand will facilitate the transfer of trust, namely the transfer of (4a) brand trustworthiness, (4b) brand integrity, and (4c) brand goodwill.

In her study, [Delassus \(2005\)](#) emphasises the key role played by the consumers’ attitude towards the brand name change, defined as the consumers’ degree of acceptance of the brand name change. She observes that consumers who accept the brand name substitution, transfer their associations from the old to the new brand more easily and tend to trust the new replacement brand more. Our qualitative investigation also brought to light the fact that the consumers’ attitude towards the brand name change influences the transfer of the trust towards the new replacement brand: “I don’t like this change. I don’t trust Belvita” (Consumer 12); “I have nothing against this change. The product stays the same, the quality of the product is the same, I can go on buying it” (Consumer 14). Remember that CRTBNC was broadly defined as the consumers’ likelihood to oppose a change ([Roux, 2007](#)) to exhibit a negative attitude towards the change. According to the RTC theory, RTC causes a disturbance within the relationship consumers have built in the past with the brand ([Collange, 2008](#)). Therefore, we propose that CRTBNC will block the transfer of brand trust:

H5. CRTBNC will impact negatively on the transfer of the three dimensions of brand trust, namely, (*H5a*) brand trustworthiness, (*H5b*) brand integrity and (*H5c*) brand goodwill.

Furthermore, trust appears as the cardinal driver of loyalty because it creates exchange relationships that are highly valued ([Chaudhuri and Holbrook, 2001](#); [Degado-Ballester and Manuera-Aleman, 2005](#)). Consequently, brand loyalty underlies the on-going process of continuing and maintaining a valued and important relationship that has been created by trust ([Chaudhuri and Holbrook, 2001](#)). Moreover, consumers’ testimonies seem to support the impact of the transfer of trust on the transfer of loyalty: “The product stays the same, the quality of the product is the same, I can go on buying it” (Consumer 14); “First I was a little bit reluctant regarding this change. But after I tried Belvita, I knew the biscuit was exactly the same. Now, I buy it just like I did before” (Consumer 18). Therefore, we suggest that the transfer of brand trust will facilitate (through its three dimensions) the transfer of brand loyalty from the old brand to the new one:

H6a. Brand trustworthiness transfer facilitates brand loyalty transfer.

H6b. Brand integrity transfer positively influences brand loyalty transfer.

H6c. Brand goodwill transfer positively impacts brand loyalty transfer.

Below is a summary of the research propositions explained in [Figure 1](#).

Methodology

The causal nature of our research question suggested a quantitative methodology. Nevertheless, to better understand how consumers view the transfer of trust and loyalty towards the brand and which factors influence the efficiency of this process, we conducted a preliminary qualitative study with a sample of 18 consumers of different ages and occupations. Using a pre-tested online questionnaire, a final sample of 313 consumers has indicated:

- their level of trust – made up of three dimensions, namely, brand integrity, brand trustworthiness and brand goodwill; and
- their level of loyalty towards the substituted brand Taillefine.

Afterwards, in the second part of the questionnaire, consumers were asked whether they were aware of the brand substitution, and furthermore asked to indicate:

- their degree of resistance to the brand name change;
- the perceived brand similarity; and
- the perception of the umbrella brand reassurance.

Finally, in the third part of the questionnaire, they were asked to indicate their level of trust and loyalty towards the new (replacement) brand Belvita, and some general questions concerning their socio-cultural characteristics. The transfer of brand trust and loyalty from the old to the new brand was measured as the Euclidian distance between the measures for Belvita and Taillefine.

The measurements used to capture the main concepts of interest for our researchers are summarised in [Table I](#). To measure consumer trust, we used a three-dimensional scale developed by [Gurvia and Korchia \(2002\)](#), as most of the scholars in the field do agree that consumer trust is a multidimensional concept, even though they do not completely agree on the number of the dimensions of the

Figure 1 Conceptual model

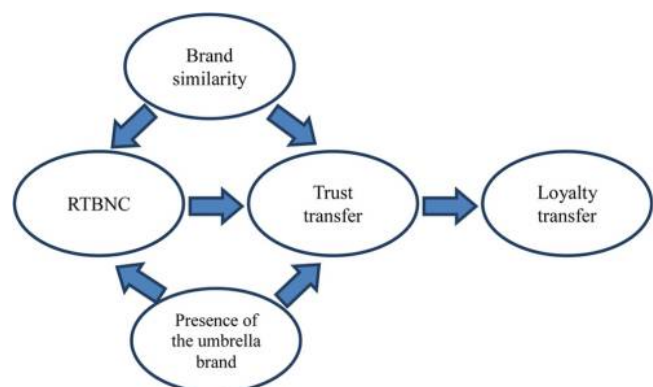


Table I Overview of the measurement scales used

Construct	Measurement scale	Reference
Brand trust	<i>Brand credibility:</i>	Gurvía and Korchiá (2002)
<i>Three-dimensional construct:</i>	The products of brand X make me feel safe	
Brand credibility	I trust the quality of Brand X	
Brand integrity	I can count on the products of Brand X	
Brand goodwill	<i>Brand integrity:</i> This brand is sincere This Brand X is honest Brand X cares for its consumers	
	<i>Brand goodwill:</i> I think Brand X improves its product in order to keep pace with the latest research innovations I think this brand does its best to serve its clients	
Brand Loyalty	It would be very difficult for me to leave this brand I am willing to pay more money for this brand than I would pay for another one I intend to stay loyal to this brand	Adapted from Algesheimer <i>et al.</i> (2005)
Consumers' resistance to brand name change	I don't approve this brand name change I have a bad opinion regarding this brand name change	Adapted from Engel <i>et al.</i> (1995)
Brand similarity	Brands X and Y are likely to be similar The consumers of Brand X and Y are likely to be the same	Adapted from Desai and Keller (2002)
Umbrella brand reassurance	The presence of the Logo X reassures me we are talking about the same brands The presence of the Logo X indicates that the products' quality is good The presence of the Logo X gives me confidence in Brand X	Pauwels-Delassus and Mogos Descotes (2012)

Note: All the items were measured on a 7-point Likert scale ranking from 1 = "completely disagree" to 7 = "completely agree"

concept (Hess and Story, 2005; Albert and Merunka, 2013). Moreover, this scale proved to be psychometrically sound in a French context, which is the context of the study. It is also important to add that during our qualitative phase, we were able to determine that the interviewees referred to the transfer of those three dimensions of trust: brand integrity, brand trustworthiness and brand goodwill. Furthermore, to measure brand loyalty we used a short three-item scale by Algesheimer *et al.* (2005). We used this scale because it has been used before in previous studies carried out on CRTBNC (Pauwels-Delassus and Mogos-Descotes, 2012) and it, therefore, allows us to compare results collected from both studies. The scales used for CRTBNC and for brand similarity were adapted from Engel *et al.* (1995) and Desai and Keller (2002) during the pre-test of the questionnaire (carried out with 15 consumers of different age and occupations). Finally, we used the scale developed by Pauwels-Delassus and Mogos Descotes (2012) for the umbrella brand reassurance, as this scale has been developed and applied in a previous study regarding the determinants of the transfer of brand equity in the case of a brand name change.

A brand name change case that occurred on the biscuit market in France in 2012 was selected for this research. In 2007, Kraft bought Danone's biscuit division LU and lost all rights over the brand Taillefine, which was replaced with Belvita.

In 2012, the multinational Kraft Foods had to change the brand name Petit Déjeuner (which means breakfast in English), used for a biscuits range of the umbrella brand LU. INPI (the French National Institute of the Industrial Property) did not allow anymore Kraft Foods to use the brand name Petit Déjeuner because it represents a common word. Therefore, Kraft Foods decided to replace the brand name Petit Déjeuner with Belvita. This brand name change is

considered to be particularly appropriated for studying consumers' resistance to change because Petit Déjeuner is a brand that is highly appreciated and well-known by the French consumers. Moreover, Kraft Foods made it best to successfully assure the transition from the old brand to the new one. First, the brand name substitution was accompanied by only a very slight modernisation of the product packaging (i.e. they kept both picture and colours) and the tagline of the product stayed exactly the same: "Energy for the whole morning" (see Figure 2). The change was also accompanied by an important transition phase. Kraft Foods used a three weeks TV communication campaign and an extensive Internet communication campaign for about three months to inform and prepare the consumers regarding the brand name change. The main message of this communication campaign was that the product stays exactly the same; only the brand name changes. Moreover, consumers can still read on the packaging of the product the phrase "Petit Déjeuner becomes Belvita". Therefore, this brand name substitution is particularly interesting in terms of our study, in that it was conducted in such a way to reduce consumers' resistance to the brand name change.

Figure 2 Brand name change case study investigated



PLS path modelling (PLSPM) was used to test the research hypotheses and the assessment of the psychometric properties of the measurement instruments (Chin, 1998; Fornell and Bookstein, 1982). PLS was preferred to LISREL because PLS is known to be more robust than LISREL in the sense that it does not require normally distributed data and it is more suitable in early stages of theory testing because of its prediction orientation. These attributes of PLS were judged as particularly appealing for this type of research because several items composing the latent constructs in our questionnaire are not normally distributed. Kolmogorov–Smirnov and Shapiro–Wilk normality tests reveal the data is not completely normally distributed; the Kolmogorov–Smirnov statistic varies between 0.126 and 0.232 ($p < 0.001$), while all the Shapiro–Wilk's W s computed are significantly lower than the cut-off value of 1 ($p < 0.001$ for all the items). Moreover, from a theoretical perspective, to the best of our knowledge, our study is the first to explore the determinants of CRTBNC and how CRTBNC influences the transfer of consumer trust and loyalty from the old to the new brand.

Results

Sample description

The final sample shows sufficient heterogeneity: It is composed of 24 per cent men and 76 per cent women, with ages ranging from 18 to 56 (mean = 31.5; standard deviation = 8.92). Approximately 43.5 per cent of the respondents are students, 29.8 per cent executives and the rest have other occupations.

We used Mann–Whitney tests to check for a significant brand equity transfer from Taillefine to Belvita. We found a significant ($p < 0.001$) brand equity loss occurred after the brand name substitution, as we show in Table I.

As we can see in Table II, despite the fact that the brand name change took place in 2007, in 2010, the substituted brand still benefits from a higher level of brand trust and loyalty.

Consumer resistance to brand name substitution is above average (mean = 2.71, standard deviation = 0.96), and the degree of the perceived similarity between the old and the new brand is rather average (4.08, 0.88), while the reassuring role played by the umbrella brand is quite strong (5.56; 1.00).

Table II Brand trust and brand loyalty transfer from Petit Déjeuner to Belvita

Variables	Mean for Petit Déjeuner	Mean for Belvita
Brand trustworthiness	3.01***	1.94***
Brand integrity	2.82***	2.13***
Brand goodwill	3.34***	2.34***
Loyalty	2.74***	2.33***

Notes: ***Differences significant at $\alpha = 0.001$; the means values in the table are calculated as the means of the (manifest variables) MVs composing the LV (latent variables) that captures the three dimensions of brand equity transfer

Psychometric properties of the measurement instruments

We used (PLSPM) for the hypotheses' tests and the assessment of the psychometric properties of the measurement instruments. This method does not require multivariate normal data, places minimum requirements on measurement levels and is more suitable in the stages of early theory development (Chin, 1998; Fornell and Bookstein, 1982).

In addition, PLSPM supports the assessment of the psychometric properties of the measurement instruments: reliability, convergent validity and discriminant validity (Chin, 1998; Fornell and Larcker, 1981). Convergent validity can be evaluated by inspecting the factor loadings of the measures on their respective constructs (Chin, 1998; Tenenhaus *et al.*, 2005). Every item should have a standardised loading that exceeds 0.5. The purification of the measures led us to drop one of the three loyalty items, loading low on the MV low loading for the measure of consumers loyalty toward Belvita (loading = 0.32), as well as for the Euclidian distance between Belvita and Petit Déjeuner (0.25).

We assessed the instrument's reliability with composite reliability and average variance extracted (AVE > 0.5; Chin, 1998). The AVE ranged between 0.538 and 0.917, greater than the 0.5 cut-off value proposed by Fornell and Larcker (1981). Composite scale reliability exceeded the cut-off value of 0.7 suggested by Nunally and Bernstein (1994), with one exception, that is, the perceived similarity between the old and new brands (Cronbach's $\alpha = 0.62$; Dillon–Goldstein $R\hat{\rho} = 0.81$). Because Cronbach's α is sensitive to the number of items (Roussel *et al.*, 2001), and is based on the value of Dillon–Goldstein's $R\hat{\rho}$, we judged the reliability of the perceived similarity scale acceptable.

Finally, we assessed discriminant validity by examining whether each construct shared more variance with its measures than with other constructs in the model (Barclay *et al.*, 1995; Chin, 1998). In other words, the AVE should be higher than the squared correlation of any two LVs in the model. This condition is fulfilled.

Hypotheses' test

The estimation of our research model led to the validation of all the proposed research hypotheses.

In total, 17.6 per cent of the variance of consumer resistance to the brand name change is explained by the perceived similarity between the old and the new brand ($\beta = -0.380$, $p < 0.001$), and the presence of an umbrella brand ($\beta = -0.145$, $p < 0.05$).

As expected, brand trustworthiness (18.6 per cent of variance explained) transfer relies on importance of reducing CRTBNC ($\beta = -0.316$, $p < 0.001$), followed by the presence of an umbrella brand ($\beta = 0.307$, $p < 0.001$). The perceived similarity between the old and the new brand has only a weak impact at the 10 per cent level upon brand trustworthiness transfer. Brand integrity transfer (13 per cent of variance explained) relies most on CRTBNC ($\beta = -0.249$, $p < 0.001$), followed by the presence of the umbrella brand ($\beta = 0.226$, $p < 0.001$) and the perceived similarity between the old and the new brand ($\beta = 0.139$, $p < 0.05$).

Furthermore, brand goodwill transfer (7.5 per cent of variance explained) is impacted the most strongly by the presence of the umbrella brand ($\beta = 0.196$, $p < 0.001$),

followed by CRTBNC ($\beta = -0.162, p < 0.001$) and only weakly determined by the perceived similarity of the two brands ($\beta = 0.110, p < 0.01$).

Finally, an important percentage of brand loyalty transfer (41.9 per cent of variance explained) is explained by the transfer of brand trustworthiness ($\beta = 0.257, p < 0.001$), brand integrity ($\beta = 0.238, p < 0.05$) and, finally, brand goodwill ($\beta = 0.235, p < 0.001$).

We also applied Tenenhaus *et al.*'s (2005) global goodness-of-fit (GoF) index, adapted to PLSPM, which reflects the geometric mean of the communality (equal to AVE in PLSPM). The GoF index for our model reaches the value of 0.395, which according to Antiocho *et al.* (2008) is very satisfying and reflects an excellent explanatory power of our model. The inner GoF index (influence paths) also exceeded the cut-off point of 0.9 (0.92), and the outer GoF index (measurement model evaluation) exceeds the cut-off point 0.9 (0.99) (Tenenhaus *et al.*, 2005).

Table III summarises these validations of our research hypotheses.

Conclusion, implications, limits and extensions

The aim of this study was to understand how CRTBNC can be diminished, and how it influences the transfer of brand trust and loyalty towards the substitute brand in the case of a brand name change. Our study has several theoretical, managerial and methodological implications that we are in the process of developing.

On the theory front, our research work brings empirical support to the use of the RTC theory in the case of brand name change. Both our qualitative and quantitative studies support Kapferer's (2007) suggestion that in the case of a brand name change, the main problem encountered by consumers is the loss of their past references to the brand creating confusion and a resistance to the brand name change. Furthermore, Roux (2007) indicates that it is highly important to take into account consumer resistance to brand change because it has important consequences on the formation of consumer attitudes towards the brand. Our study brings strong empirical evidence to this claim, as CRTBNC disturbs the stability of the relationship they

have built in the past with the brand. Indeed, CRTBNC acts as the main driving factor, blocking the transfer of the three dimensions of consumer trust towards the brand: brand trustworthiness, brand integrity and brand goodwill. Furthermore, the transfer of the previous degree of brand trust towards the replacement brand contributes to the transfer of consumer loyalty from the old to the new brand.

The other assumptions of the RTC theory is that people generally accept change more easily if it is gradual and they can still rely on their past habits and references when embracing the change (Leonardi and Barley, 2008). This assumption has also received strong empirical support in our research, as the perceived similarity between the old and the new brand and the presence of the umbrella brand (both referring to past consumer references to the brand) diminish CRTBNC. Concluding, in the light of the results obtained by our research, the RTC theory seems to be highly suitable for studying the brand name change phenomenon.

Our study also has important implications for marketing managers confronted with brand name change. The results obtained also allow brand managers to get important indications concerning the way they can minimise CRTBNC, the key factor towards an efficient transfer of consumer trust towards the substitute brand. Consumer resistance to the brand name change is most impacted in our research by the perceived brand similarity, followed by the presence of the umbrella brand. Thus, marketing managers should make sure that the new and the old brand appear as similar as possible to consumers and that the packaging does not differ too much after the brand name change. By means of qualitative and quantitative marketing research techniques, marketing managers could make sure that the consumers believe that the old and the new brand are perceived as being similar. Moreover, for a product such as biscuits, our qualitative marketing research revealed that it is of key importance that the packaging of the product should not drastically evolve once the brand name has changed. For instance, the colour of the packaging and the pictures should not be drastically changed. As Kapferer (2007) suggests, it is a matter of utmost importance to minimise the problems related to product

Table III Research hypotheses' test

Research hypotheses	Standardised regression coefficient	p-Value
H1. Perceived similarity \Rightarrow CRTBNC	-0.380***	$p < 0.001$
H2. Presence of the umbrella brand \Rightarrow CRTBNC	-0.145**	$p < 0.05$
H3a. Perceived similarity \Rightarrow brand trustworthiness transfer	0.009*	$p < 0.1$
H3b. Perceived similarity \Rightarrow brand integrity transfer	0.139**	$p < 0.05$
H3c. Perceived similarity \Rightarrow brand goodwill transfer	0.110**	$p < 0.01$
H4a. Presence of the umbrella brand \Rightarrow brand trustworthiness transfer	0.307***	$p < 0.001$
H4b. Presence of the umbrella brand \Rightarrow brand integrity transfer	0.226***	$p < 0.001$
H4c. Presence of the umbrella brand \Rightarrow brand goodwill transfer	0.196***	$p < 0.001$
H5a. CRTBNC \Rightarrow brand trustworthiness transfer	-0.316***	$p < 0.001$
H5b. CRTBNC \Rightarrow brand integrity transfer	-0.249***	$p < 0.001$
H5c. CRTBNC \Rightarrow brand goodwill transfer	-0.162***	$p < 0.05$
H6a. Brand trustworthiness transfer \Rightarrow loyalty transfer	0.257	$p < 0.001$
H6b. Brand integrity transfer \Rightarrow loyalty transfer	0.238	$p < 0.05$
H6c. Brand goodwill transfer \Rightarrow loyalty transfer	0.235	$p < 0.05$

Notes: *Significant at the 10% level; **significant at the 95% level; ***significant at the 99% level

recognition in the case of a brand name change to alleviate resistance to change. CRTBNC is also alleviated by the presence of the same umbrella brand, reassuring them that the product quality can be related to the quality of all the other products which feature in the range connected to the umbrella brand. The umbrella brand could be better highlighted on the packaging of the product. In this way, consumers could feel reassured regarding the quality of the substitute brand, as it belongs to the umbrella brand product range.

From a methodological point of view, our study has validated again the psychometrical properties of some already existing measurement scales: brand trust (Gurvia and Korchia, 2002), brand loyalty (Algesheimer *et al.*, 2005), brand similarity (Desai and Keller, 2002) and umbrella brand reassurance (Pauwels-Delassus and Mogos Descotes, 2012). Moreover, a new measure of the resistance to brand name change has been adapted from the scale of Engel *et al.* (1995).

Furthermore, our results suggest that consumer resistance to change is the strongest barrier to the transfer of credibility and integrity from the old to the new brand. Finally, the transfer of consumer loyalty from the old to the new brand relies heavily on the transfer of the three dimensions of brand trust: trustworthiness, integrity and goodwill. These results indicate to marketing managers that if they want to assure an effective transfer of brand loyalty in the case of a brand name change, they must first make sure that consumers trust the substitution brand. To sum up, marketing managers should be aware of the fact that the transfer of the relational chain from the old to the new brand seems to be a sequential process. Therefore, they have to make sure in the first place that consumer trust is transferred because the efficient transfer of trust is the main determinant for a successful transfer of consumer loyalty towards the new brand.

As with all research exploring new grounds, this study has several limitations. The biggest is the limitation of the results in the context of the brand name substitution we selected and our use of a convenience sample. Further studies should address these limitations, for example, by replicating our study with another product or service category with a representative sample. The brand name change study selected by our research can be considered as a radical brand name change. This choice was deliberate, however, since it was deemed and checked through the qualitative approach used that this brand name change is likely to cause a high degree of resistance to change. Moreover, the brand name change selected by our study refers to the substitution of a highly appreciated French brand, Taillefine. This was also a deliberate choice because this brand name setting is also highly appropriate for the study of CRTBNC. However, we acknowledge the fact that in the case of the replacement of a less successful brand, studying CRTBNC makes less sense. Our research is also limited by the use of a punctual study to measure the transfer of consumer trust and loyalty to the brand. Future studies could use longitudinal approaches to capture the evolution of the efficiency of this transfer and the evolution of CRTBNC over time.

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Further reading

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