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Influences of two modes of intergenerational communication on brand equity[☆]Yuanyuan Cai^a, Guangzhi Zhao^b, Jiaxun He^{c,*}^a SILC Business School, Shanghai University, Shanghai 201800, China^b The Sellinger School of Business and Management, Loyola University Maryland, Baltimore, MD 21210, USA^c Center for Branding Science, School of Business, East China Normal University, Shanghai 200241, China

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ABSTRACT

Intergenerational (IG) communication within a family is an important source of brand equity. This study investigates how IG communication influences brand equity through multiple mechanisms. A careful examination of the nature and process of IG communication reveals two distinctive modes of IG influences – IG conversation and IG recommendation. Evidence from a large scale empirical study using structural equation modeling shows that these two modes of IG communication differentially impact brand equity through contrasting mechanisms. Managerial implications and directions for future research are discussed.

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1. Introduction

A brand represents enormous values for a company and is a powerful tool to improve marketing productivity (Aaker, 1991). Brand value is commonly called brand equity, which is accrued gradually overtime and can be derived from multiple sources (Keller, 1993). Recently, a growing stream of research has focused on the role of family interaction as a vital source of brand equity with an emphasis on intergenerational (IG) influences within a family (Bravo, Fraj, & Martínez, 2007a; Moore, Wilkie, & Alder, 2001; Perez, Padgett, & Burgers, 2011). IG influence refers to the transmission of knowledge or value, succession of rituals, and continuation of traditions from one generation to the next (Shah & Mittal, 1997). This phenomenon is prominently dubbed as the passing the torch effect in Moore, Wilkie, and Lutz (2002), which shows that, in marketing context, IG influence can exert a powerful and persistent impact on brand equity across an array of consumer packaged goods. The authors conclude that IG influence is “a real marketplace phenomenon and a factor that merits much closer attention” (p. 17).

Empirical research examining the impact of IG influence on brand equity is sparse. A handful of studies have shown that brand information obtained from family indeed contributes to brand awareness and association (Bravo, Fraj, & Martínez, 2007b; Bravo et al., 2007a). As of now, this stream of research has typically conceptualized IG influence as a homogenous force influencing brand equity. Such an approach is

useful and efficient for establishing the first connection between IG influence and brand equity, but on the other hand, it oversimplifies IG influence as a singular force, which is in contrast to previous research showing the richness and multitude modes of IG influence (e.g., Moore et al., 2002; Moschis, Moore, & Smith, 1984; Ward, Wackman, & Wartella, 1977). Further research needs to take a close look at the nature of IG influence to identify and study its specific modes and the mechanisms through which they affect brand equity.

This research examines how brand information is actually transmitted or communicated between generations (i.e., IG communication) in different modes and how the different modes of communication can contribute to brand equity through different mechanisms. This research carefully examines the nature and process of IG communication within a family and thereafter theorizes and empirically tests, using structural equation modeling (SEM), the relationship between two modes of IG communication and their impacts on the major elements of brand equity. In so doing, this research not only achieves a deeper understanding of IG communication, but also paves the way for developing pragmatic guidelines for brand managers to capitalize on IG influence to augment their brand equity. This research uses a sample of Chinese consumers, and the findings added to the pool of empirical evidence regarding the IG influence on brand equity in different cultures.

2. Theoretical background and hypotheses

2.1. IG influence on consumer behavior and its forms

In general, IG influence refers to the impact of one generation on another within a family in terms of transferring information, beliefs, attitudes, preferences, values, skills, and behavior. IG research in consumer behavior is relatively new. Early research on this topic exists in the area of family decision making and the family life cycle (e.g., Wells

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* Corresponding author.

E-mail addresses: cyy724_0@126.com (Y. Cai), gzhao@loyola.edu (G. Zhao), jxhe@dbm.ecnu.edu.cn (J. He).

& Gubar, 1966; Woodson, Childers, & Winn, 1976). IG influence was found to influence a multitude of marketing variables such as marketplace beliefs (e.g., skepticism toward advertising), choice rules, brand loyalty, and brand preference (Heckler, Childers, & Arunachalam, 1989; Moore-Shay & Lutz, 1988; Obermiller & Spangenberg, 2000; Olsen, 1993, 1995; Perez et al., 2011).

More recently, IG consumer research has expanded to the area of brand equity. Moore et al. (2002) demonstrate that IG influence bears considerable potential for building a strong brand and improving marketing efficiency. The premise has been that IG influence represents a rich and highly credible source of brand meanings (i.e., brand equity). Indeed, research has shown that product information learned within a family significantly relates to consumer brand awareness, brand association, and overall brand equity (Bravo et al., 2007a). Nevertheless, a number of research questions remain, and more empirical evidence is needed to demonstrate the impact of IG influence on brand equity across marketing conditions. One prominent issue is that IG influence has often been treated as a singular and homogeneous force, yet IG influence actually manifests itself in multiple forms.

Several forms of IG influence have been identified and discussed in the literature. For example, Ward et al. (1977) differentiate three primary types of parental influences on their children – acting as role models, directly interacting, and providing independent purchase opportunities. Moschis et al. (1984) focus on the cognitive and social learning processes and described three types of parental influences in terms of modeling, social interaction, and reinforcement. Among these different forms of IG influences, IG communication is an important force. Moschis et al. (1984) point out that most consumer socialization research on parental influences has emphasized the role of overt communication between parents and children. Along the same line, Moore et al. (2002) stress the importance of verbal communications in IG influence and discussed several forms of consumption-related communication between parents and their children, including overt articulation of preferences, negotiation on conflicting preferences, and discussion about shopping styles.

IG communication becomes an even more important form of IG influence as children grow into young adults. At a younger age, observation and modeling are likely to serve as the primary mechanisms through which young children acquire consumption knowledge and skills from their parents (Hayta, 2008). As the children grow older, the importance of observation and modeling is likely to recede, while other mechanisms of parental influences, such as verbal communications, become more important since young adults are frequently absent from home and away from their parents. Previous research on IG influence typically studies a range of consumers spanning across multiple life stages (Heckler et al., 1989). This research focuses on young adult consumers, and considers IG communication to be the primary form of IG influence affecting brand equity for this segment of consumers.

2.2. Two modes of IG communication

IG communication within a family occurs naturally and frequently. For example, daily conversations at breakfast time allow family members to interact and exchange information about breakfast products or past shopping experiences (Price, 2008). Intense in-car conversations on frequent trips to grocery stores, churches, or sport events provide family members multiple opportunities to share product opinions and information. Given its scope and situational diversity, IG communication within a family can take on various modes like casual conversation, specific shopping recommendations, or even coercion (e.g., don't smoke) (Moschis et al., 1984). In the consumption context, two common modes of IG communication within a family are IG conversation and IG recommendation.

IG conversation refers to general discussions and chats between parents and children about product, purchase, and marketplace information. IG conversation can pertain to broad or metacognitive consumption

knowledge (e.g., enjoyment of shopping, price consciousness, consumerism) or specific and detailed information about product features and attributes (Moore et al., 2002). Such conversations are often spontaneous and do not evoke specific purchasing intentions, though information acquired through such conversations may form the basis for a later purchase decision.

In contrast, IG recommendation is less rich in its informational content but more of an endorsement to buy a product or brand without explanation of why (Bravo et al., 2007a). IG recommendation can happen because the reasons to buy a product are not consciously available or hard to articulate as is often the case for experience and credence products (e.g., movie, perfume, or fashion products) (Shah & Mittal, 1997). IG recommendation can also happen because the parents are so confident in the purchase that they do not find it necessary to explain why the product is a good choice. Thirdly, children sometimes actively seek purchase recommendations from their parents without asking for reasons (Carlson & Grossbart, 1988; Moschis & Moore, 1979). In all of these cases, IG communication boils down to a purchase recommendation, often without justification or detailed product information.

Previous IG consumer research, especially the empirical studies, routinely lumps IG conversation and IG recommendation as IG communication and does not explicitly differentiate the two modes of communication (e.g., Moore-Shay & Lutz, 1988; Moschis et al., 1984). Nevertheless, theoretical work and exploratory research on IG studies indicate that IG conversation and IG recommendation are two distinctive modes of IG communication (Bravo et al., 2007a; Moore et al., 2002; Shah & Mittal, 1997) that can have differential influences on marketing variables related to brand equity. A preliminary qualitative study conducted earlier¹ has garnered empirical evidence supporting the differentiation of these two modes of IG communication and their impact on brand equity.

2.3. IG conversation, IG recommendation, and dimensions of brand equity

Moore et al. (2002) argue that IG communications are interesting and potentially powerful contributors to brand equity. Brand equity is the added value that a brand accrues as a result of marketing investment and efforts (Aaker, 1991). The added values are often derived from the meanings associated with a brand name (Keller, 1993). The multitude of family interactions and the accompanying IG communications can significantly augment and enrich brand meanings, and thereby brand equity.

According to Aaker's (1991) framework, brand equity is comprised of five dimensions: brand awareness, brand associations, perceived quality, brand loyalty, and other proprietary brand assets. Except for the last dimension, which refers to patents and other intellectual rights, the other four dimensions are consumer-based brand equity (Keller, 1993) and relevant to consumer study. Furthermore, for this research, brand awareness is not a key consideration since this research studies the well-known and well-established consumer brands in China, which all enjoy a high level of brand awareness (Aaker, 1991; Keller, 1993). Thus, this research focuses primarily on three dimensions of brand equity, namely, brand association, perceived quality, and brand loyalty. Since this research focuses on the brand equity that is derived mainly from IG influence, a prefix of IG is added to the names of these three dimensions to distinguish them from other non-IG-communication-related brand equity. In this paper, the three key brand equity dimensions are called IG brand association, IG perceived quality, and IG brand loyalty.

¹ A multi-stage in-depth interview with ten mother–daughter pairs was conducted in Shanghai, China. The interviews produced 55 h of voice recordings which was transcribed in a document containing 600,000+ words. Analysis of the data clearly reveals two modes of IG communication – IG conversation and IG recommendation. Data are available upon request to the corresponding author.

2.3.1. IG conversation and brand association

Brand association has two aspects: attribute association and affective association (e.g., brand meaning or image) (Keller, 1993). Attribute association is consumers' knowledge about product attributes, whereas brand affective association is consumers' feelings related to a brand's experiential benefits (i.e., how does it feel to use the product?) or a brand's symbolic benefits (e.g., tradition, nostalgia, pride, or social approval). According to Keller (1993), direct consumption experience with a product is the primary source of brand attribute association, whereas personal communications (e.g., word of mouth) play a limited role in building attribute association. In contrast, Keller (1993) points out that various social influences (e.g., opinion leaders) play a crucial role in shaping consumers' feeling toward a brand (i.e., affective association). Extending Keller's (1993) reasoning, IG communication, as a special form of social influence, can significantly impact the affective associations of a brand and add an aspect of IG-based brand association to brand equity. In line with this reasoning, Fournier (1998) shows that family, as a channel of exchanging consumption information, can foster the formation of affective bonds between a brand and its customers. In studying IG influences, Moore et al. (2002) also stresses the importance of emotional bond and affective associations because of IG interactions.

Comparing the two modes of IG communication, IG conversation will be more effectual than the IG recommendation at creating affective brand association. This is because the topics of IG conversations often center on the experience of purchase and consumption. Through such conversations, the meanings of a brand for consumers (e.g., the fun of shopping/purchasing, the sensation and pleasure of using, and the pride and self-esteem related to ownership) are articulated, shared, renewed, and augmented. In contrast, IG recommendation is action-oriented and task-specific for a choice and lacks the richness of information content regarding consumption experience and meaning associated with a given brand (Bravo et al., 2007b). As a result, IG recommendation would have limited impacts on IG affective brand associations. Formally,

H1. IG conversation positively influences IG affective brand association in younger generation consumers.

2.3.2. IG recommendation and brand perceived quality

Perceived quality is another key dimension of brand equity and refers to consumers' subjective judgments of a product's overall superiority or excellence (Aaker, 1991). In addition to first-hand consumption experience, an important source of perceived quality is the product performance information communicated to consumers through either non-personal channels (e.g., advertising) or personal channels (e.g., word of mouth) (Keller, 1993). As a personal channel, IG communication can also be a potent source of perceived quality (Bravo et al., 2007a, 2007b). To conceptually distinguish the contribution of IG influence on perceived quality from other non-IG-based influence, the term *IG perceived quality* is used to describe the augmented brand equity derived from IG communication. Here, IG recommendation will more closely relate to IG perceived quality, whereas IG conversation will not.

By engaging IG recommendation, parents essentially express their endorsement for, confidence in, and urge for buying a specific brand (Bravo et al., 2007b). Because such confident endorsement from parents is often not accompanied by detailed information about product attributes, IG recommendation will be more likely to influence children's overall judgment of the superiority of a brand (i.e., perceived quality) rather than alter children's specific associations about brand attributes. Furthermore, the impact of IG recommendation on IG perceived quality can be especially strong because brand endorsement from parents can be interpreted by children as a confidence-in-quality vote from an experienced, credible, and trustworthy source (Childers & Rao, 1992; Keillor, Parker, & Schaefer, 1996). Formally,

H2. IG recommendation positively influences the IG perceived brand quality in younger generation consumers.

2.3.3. IG communication, brand trust, and brand loyalty

IG affective brand association and IG perceived quality that are derived from IG communication are expected to subsequently impact IG brand loyalty. In previous research, brand association and perceived quality have been frequently linked to brand loyalty (Dick & Basu, 1994; Yoo, Donthu, & Lee, 2000) but never in the context of IG influences. This research is the first to establish a link between brand loyalty and IG affective brand association and IG perceived quality. The contribution of IG communication to brand loyalty is deemed to be conceptually different from other non-IG-communication-related influences (e.g., direct consumption experience, advertising, personal selling). The contribution of IG influence to brand loyalty is called *IG brand loyalty* to differentiate it from brand loyalty that is built on a non-IG-communication-related base.

As hypothesized in H1, IG conversation can enhance IG affective brand associations, where a set of powerful feelings related to a brand's experiential or symbolic benefits (e.g., tradition, nostalgia, pride or social approval) is transferred from parents to their children. Such affective brand association can be one major driver for brand loyalty. Moore et al. (2002) explain that, through IG influences, parents help establish a strong emotional bond between their brand and their children, including an appreciation of the brand's long-term and faithful services for the family, a nostalgic sentiment of home interwoven with the brand's image and properties, and even an attachment to the brand as a symbol of family allegiance. That is, through IG conversation, a brand can become an affective bond linking children to their family even after children grow up and leave home. Such unique emotional bonds based on IG conversation will naturally transfer to heightened emotional commitment to and repeated purchase (i.e., brand loyalty) of a brand. Formally,

H3. IG affective brand association positively influences younger generation consumers' IG brand loyalty.

In addition to IG affective brand association, another source of IG brand loyalty is IG perceived quality. As discussed in developing H2, IG recommendation from the parents can spur the first buy of a brand for children who follow their parents' recommendation. Once a consumer starts to buy a brand recommended by his/her parents, the consumer tends not to switch to other brands. This is not only because consumers have greater confidence in the brand's superiority in quality, but also because it is a way to express personal trust or loyalty to their parents (Moore et al., 2002). Thus, formally,

H4. IG perceived quality positively influences younger generation consumers' IG brand loyalty.

Going beyond previous research on the relationships among dimensions of brand equity following Aaker's (1991) model, brand trust based on IG communication emerges as a new and important factor in shaping brand loyalty. According to Chaudhuri and Holbrook (2011), brand trust is "the willingness of the average consumer to rely on the ability of the brand to perform its stated function" (p. 82). Brand trust reflects consumers' beliefs about a brand's reliability, safety, and honesty. Furthermore, brand trust is a key determinant of brand loyalty – both attitudinal loyalty and purchase loyalty. Chaudhuri and Holbrook (2011) conceptualize that two key precedents of brand trust are consumers' knowledge of product's utilitarian and hedonic values and brand affect. To Chaudhuri and Holbrook (2011), consumers' knowledge of product/brand values is gathered from prior brand experience; whereas brand affect is understood as a brand's potential to elicit a positive emotional response in the average consumer as a result of direct brand experience (i.e., usage).

Extending Chaudhuri and Holbrook (2011)'s framework, IG-communication-based perceived quality and affective brand associations

represent two distinctive precedents of brand trust. Here, brand trust is called *IG brand trust* in order to differentiate it from other non-IG-communication-based brand trust. Perceived quality derived from IG recommendation (i.e., IG perceived quality) corresponds to the consumers' knowledge of brand value in Chaudhuri and Holbrook (2011) but is drawn from a source other than consumer prior brand experience. Since the IG perceived quality is drawn from a source (namely, parents' recommendation) that is interpersonal in nature and deeply rooted in interpersonal trust between children and their parents, IG perceived quality will be more conducive in building brand trust. Therefore, IG perceived quality will be positively related to brand trust, which will be positively relative to brand loyalty. Thus,

H5. IG perceived quality positively influences younger generation consumers' IG brand trust.

Affective brand association derived from IG conversation (i.e., IG affective brand association) corresponds to the brand affect in Chaudhuri and Holbrook (2011), but IG affective brand association is a richer and stronger emotional experience than what is elicited through product use. As discussed in developing H1, IG affective brand association not only relates to a product's experiential benefits, but also encompasses a product's symbolic benefits such as nostalgia, tradition, pride, and family loyalty. Such rich and strong affective brand association will cultivate a deep brand trust. Thus,

H6. IG affective brand association positively influences younger generation consumers' IG brand trust.

Consistent with previous research (Ambler, 1997; Chaudhuri & Holbrook, 2011; Delgado-Ballester, Munuera-Alemán, & Yagüe-Guillén, 2003; Laroche, Habibi, Richard, & Sankaranarayanan, 2012; Laroche, Habibi, & Richard, 2013), brand trust will lead to brand loyalty. Thus,

H7. IG brand trust positively influences younger generation consumers' IG brand loyalty.

Brand loyalty reflects a consumer's strong commitment to a preferred product or service, and it is a significant contributor to overall brand equity (Delgado-Ballester & Munuera-Alemán, 2005; Yoo & Donthu, 2001; Yoo et al., 2000). Much of the previous research on brand loyalty has focused on the role of direct consumption experience (Fullerton, 2003; Garbarino & Johnson, 1999). This research focuses on brand loyalty

derived from IG communication (i.e., IG brand loyalty) and proposes that IG brand loyalty is a unique and significant contributor to overall brand equity:

H8. IG brand loyalty positively influences overall brand equity among younger generation consumers.

The proposed model and hypotheses are summarized in Fig. 1.

3. Study

The goal of this study is to empirically examine the proposed model (see Fig. 1) using a two-step structural equation modeling (SEM) approach (Anderson & Gerbing, 1988).

3.1. Study design and data collection

Data collection was conducted with four kinds of parent–child pairs including mother–daughter, mother–son, father–daughter, and father–son. The younger generation participants were first recruited from a large public university in Shanghai, China. The majority of respondents (86%) were undergraduate business majors. These participants were asked to invite their parents with whom they had the closest contact to participate in the study.

Upon agreement to participate, the child participants were first asked to choose a product category from the following eight options: apparel and accessories, home appliances, cleaning supplies, electronics, food and dining, kitchenware, personal care, and sauces and condiments. Then, within the chosen product category, they were instructed to name a brand toward which their brand knowledge, attitude, or purchase intentions and behavior had been greatly influenced by their interactions with their parents over time. After compiling the brand list, each parent–child pair answered questions about the same brand named by the child.

A separate survey was mailed to the parent and the child participants. The survey for the child participants pertains to the different dimensions of IG brand equity including IG affective brand association, IG perceived quality, IG brand trust, IG brand loyalty, and overall brand equity. These measures aim to capture the IG communication effects that the parents had on their children. The survey for the parent participants pertains to IG conversation and IG recommendation, which are the sources of IG influence. Thus, the data comprise independent responses from

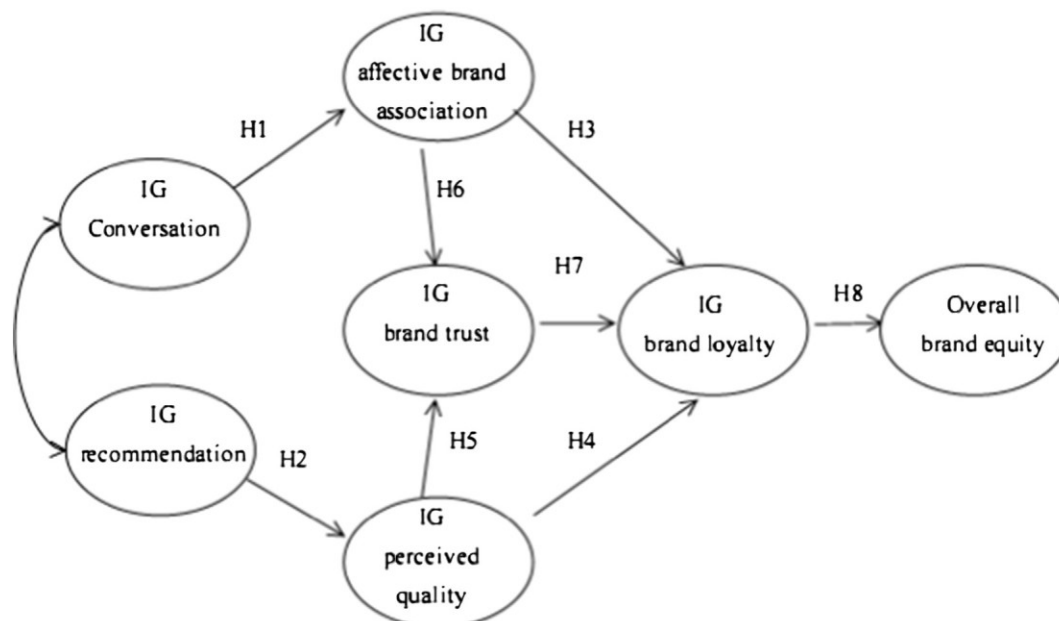


Fig. 1. Proposed model.

the parents (the source of IG influence) and the children (the recipient of IG influence). This provides a more stringent test of the proposed model than having the participants (either parents or children) respond to measures related to both the source and the effect of IG influence.

A total of 450 surveys were sent out and 323 useable surveys were collected with a response rate of 71.8%. Of all the parent–child pairs, 65.1% were mother–daughter, 21.5% were mother–son, 7.6% were father–daughter, and 5.8% were father–son (see Table 1 for demographic descriptions).

3.2. Scale development

Because this research focuses on the IG-influence-related aspects of the various dimensions of brand equity, not all the standard scales in the literature were appropriate for this research. A list of the standard scales was first compiled from the literature and then modified to make them relevant to IG influence. Whenever possible, existing scale items were adopted and modified the wordings to reflect IG influence. For example, the item *X reminds me of important people in my life* was borrowed from Bravo, Fraj, and Montaner (2008) and modified to *this brand reminds me of my mother/father* to measure IG brand association. In addition, new items were added based on insights gained through a preliminary study (see footnote 1) and other related research (e.g., Bravo et al., 2008; Viswanathan, Childers, & Moore, 2000). Examples of new items included *I make suggestions regarding my child's consumption habits* to measure IG conversation, *I have recommended certain products or brands to my child* to measure IG recommendation, and *I trust my mother's/father's remarks about this brand* to measure IG brand trust. The scale of overall brand equity was borrowed from Yoo and Donthu (2001) without modification. All measurements employed a 7-point Likert scale (1 = completely disagree and 7 = completely agree). The scales were listed in Table 2 together with their psychometric characteristics.

3.3. Research model

There are eight major proposed paths in the proposed research model (see Fig. 1). In the structural equation model, IG conversation and IG recommendation were set as exogenous variables, and IG affective brand association, IG perceived quality, IG brand trust, IG brand loyalty and overall brand equity were set as endogenous variables.

3.4. Analysis and results

3.4.1. Measurement model

The measurement scale consisted of IG conversation, IG recommendation, IG affective brand association, IG perceived quality, IG brand trust, IG brand loyalty, and overall brand equity. The reliability and

validity of the measurement model were tested with the maximum likelihood method. The incremental fit indexes, such as NNFI and CFI, were greater than 0.9 although the absolute index RMSEA of the measurement model was 0.068, slightly higher than the 0.05 that Steiger (1990) recommended. In addition, the loadings of the items on their corresponding dimensions ranged from 0.60 to 0.87. The t-values of the loadings ranged from 10.20 to 19.37, which indicated a high level of significance of the loadings. Except for one subscale of IG conversation ($\alpha = 0.64$), the internal consistency reliability index of each subscale (α ranging from 0.73 to 0.90) was above the threshold of 0.70 that Fornell and Larcker (1981) recommended. Next, the convergent validity of each subscale was checked with the average variance extracted (AVE). Most subscales were above or close to the standard of 0.50 that Bagozzi and Yi (1988) proposed, except IG recommendation with the lowest AVE (0.41). The square root of AVE for each construct exceeded all the correlation coefficients among the constructs (Fornell & Larcker, 1981) (see Table 3). Overall, the scale had acceptable construct reliability and validity (see Table 2).

3.4.2. Structural model

After the measurement scale was developed, the structural model was tested. The fit indexes were summarized in Table 3. With a few exceptions, most of the fit index values were adequate and in line with the commonly accepted standards. The incremental fit indexes, such as NNFI and CFI, were above 0.9 although the absolute indexes, such as GFI, stood at slightly below 0.9, and RMSEA was a little bit higher than 0.05. For the parsimonious fit index, the normed chi-square value was within the recommended 1–3 interval (Hair, Anderson, Tatham, & Black, 1998). The overall fit statistics of the model met good standards as well. With the exception of H4 (IG perceived quality \rightarrow IG brand loyalty), all proposed paths and hypotheses were supported (see Table 4 for the details).

4. Discussions

4.1. Theoretical and managerial implications

As a unique and powerful source of brand equity, the importance of IG influence has been increasingly recognized by both scholars and practitioners (Moore et al., 2002). A growing amount of research efforts are being devoted to the study of IG influence and brand equity. This research represents a new addition to this growing research stream and focuses on the impact of IG communication (i.e., the communication form of IG influence) on brand equity within the context of Chinese culture. Multiple implications, both theoretical and managerial, can be derived from this research.

First, this research identifies and examines two distinctive modes of IG communication – IG conversation and IG recommendation. Previous

Table 1
Sample demographics.

	The older generation			The younger generation		
		Number	Percentage		Number	Percentage
Gender	Male	55	17.0%	Male	84	26.0%
	Female	268	83.0%	Female	239	74.0%
Age	41–50	210	64.9%	18–20	159	49.2%
	51–55	113	35.1%	21–27	164	50.8%
Education	Middle school or below	174	53.8%	Postsecondary or below	29	8.9%
	Postsecondary	85	26.3%	Undergraduate	278	86.1%
	Undergraduate or above	64	19.8%	Graduate or above	16	5.0%
Occupation	Ordinary workers	139	43.0%	Ordinary workers	83	25.7%
	Senior managers	81	25.1%	Senior managers	13	4.0%
	Retirees	103	31.9%	Students or the unemployed	226	70.2%
Monthly family income	Below \$500	62	19.2%			
	\$500–800	94	29.1%			
	\$500–1000	106	32.8%			
	Above \$1000	61	18.9%			

Table 2
Measurement model and scale reliability.

Items	Standardized path coefficient	T value
<i>IG recommendation (ζ_1) alpha = 0.70; Pc = 0.68; AVE = 0.41</i>		
I have recommended certain products or brands to my child	0.72	12.64
I have suggested that my child should not buy certain brands	0.60	10.29
I have asked my child to buy certain brands and products	0.60	10.20
<i>IG conversation (ζ_2) alpha = 0.64; Pc = 0.65; AVE = 0.48</i>		
I sometimes chat with my child about her/his consumption preference and habits	0.73	12.03
I often discuss with my child about my own shopping and consumption experience	0.65	10.92
<i>IG affective brand association (η_1) alpha = 0.73; Pc = 0.74; AVE = 0.49</i>		
This brand stirs up good memories for me	0.80	14.14
Every time I see this brand, I recall my childhood	0.62	10.70
This brand reminds me of my mother/father	0.68	12.00
<i>IG perceived quality (η_2) alpha = 0.77; Pc = 0.78; AVE = 0.54</i>		
I first learned the superiority of this brand from my mother/father	0.83	15.48
Brands recommended by my mother/father often have superior quality	0.69	12.52
I know that my mother/father liked this brand because of its high quality	0.67	12.07
<i>IG brand loyalty (η_3) alpha = 0.83; Pc = 0.83; AVE = 0.62</i>		
I always use this brand because my mother/father used it	0.85	18.05
I buy only this brand because my mother/father assured me about its superior quality	0.79	16.16
I purchase this brand routinely and use it regularly because of my mother/father's influences	0.72	14.14
<i>IG brand trust (η_4) alpha = 0.81; Pc = 0.82; AVE = 0.61</i>		
I trust this brand because my mother/father recommended it	0.86	18.24
My confidence in this brand comes from my mother/father's favorable opinion about the brand	0.74	14.69
This brand did not disappoint me after my first try following my mother/father's advice	0.73	14.30
<i>Overall brand equity (η_5) alpha = 0.90; Pc = 0.86; AVE = 0.68</i>		
Even if another brand has the same features as this brand, I would prefer to buy this brand	0.87	19.37
It makes sense to buy this brand instead of any other brand, even if they are the same	0.87	19.26
This brand is a smart buy even if another brand seems to be superior in some ways	0.84	18.11
If there is another brand just as good as this brand, I prefer to buy this brand	0.76	15.78

Goodness of fit indicators: $\chi^2(168) = 420.20$; $\chi^2/df = 2.50$; RMSEA = 0.068; GFI = 0.89; NNFI = 0.95; CFI = 0.96; PNF1 = 0.75; PGFI = 0.65

research has not made such an explicit distinction between the different modes of IG communication. IG conversation between parents and their children is prevalent and can be initiated by many spontaneous causes. The topics of the conversations are all-encompassing and often trivial. Nevertheless, such casual IG conversations not only facilitate the sharing of specific brand information between generations but also aid the building of strong emotional bonds among the triad of parents, children, and the brands. In contrast, IG recommendation typically involves parents making purchase- or consumption-related recommendations to their children. Such IG recommendations are action-oriented and can take the form of a suggestion or even an instruction made by parents to their children about buying a particular brand. Such brand-purchase recommendations are often willingly accepted by children based on their trust of their parents' overall judgment. This research represents the first step to differentiate these two modes of IG communication.

Table 3
Descriptive statistics of the constructs.

Constructs	1	2	3	4	5	6	7
1. IG recommendation	.64						
2. IG conversation	.50**	.69					
3. IG affective brand association	.17**	.09	.70				
4. IG perceived quality	.14*	.04	.37**	.73			
5. IG brand loyalty	.11	.09	.39**	.35**	.79		
6. IG brand trust	.04	.13*	.27**	.38**	.67**	.78	
7. Overall brand equity	.13*	.07	.28**	.25**	.60**	.57**	.82
Mean	4.52	5.04	3.87	4.73	4.54	5.27	4.75
Standard deviation	1.45	1.27	1.49	1.40	1.52	1.22	1.54

Note: Bold figures on the diagonal are the square root of the AVE for the constructs.

* $p < 0.05$ (two tailed).
** $p < 0.01$ (two tailed).

Second, this research reveals that IG conversation and IG recommendation differentially impact brand equity. IG conversation is found to largely enrich the affective brand associations that consumers have with a brand due to the information-rich and emotion-laden nature of IG conversation. In contrast, IG recommendation mostly enhances consumers' overall judgment and perceived quality of a brand because of the confidence in and endorsement of the brand expressed by the parents. The influences of these two modes of IG communication on brand equity converge to create brand trust and brand loyalty, which leads to higher overall brand equity.

Third, IG-influence-based brand equity (IGBE) is conceptualized and shown to represent a novel aspect or dimension of brand equity. IG influence and specifically IG communication can potentially augment brand equity by adding a whole new chunk of meanings to a brand that are derived from IG interaction. The newly added brand meanings are unmistakably reflected in four dimensions of brand equity. A set of IG influence specific scales aiming to capture the IG-influence-related aspect of brand equity is developed. Indeed, IG conversation and IG recommendation are found to significantly relate to all four dimensions of brand equity and the overall brand equity. These contributions of IG influence to brand equity are conceptually distinctive from those non-IG-influence-related contributions (e.g., advertising, consumption experience) and are also practically significant, so they are called IG affective brand association, IG perceived quality, IG brand loyalty, and IG brand trust. This research is the first to empirically measure these new aspects or dimensions of brand equity and show the augmented brand equity due to IG influence. This research also advances previous exploratory research by Moore et al. (2002). Future research can seek to quantify the incremental contributions of IG influence to brand equity in comparison to those that are not related to IG influence.

Fourth, this research highlighted the unique role of IG brand trust in understanding IGBE. Both modes of IG communication (IG conversation and IG recommendation) are found to converge in building IG brand

Table 4

Proposed model estimates.

Path relations	Parameter	Standardized Beta	T value	Conclusion
H1: IG conversation → IG affective brand association	γ_{11}	0.19	2.56	Yes
H2: IG recommendation → IG perceived brand quality	γ_{22}	0.17	2.32	Yes
H3: IG affective brand association → IG brand loyalty	β_{31}	0.26	4.78	Yes
H4: IG perceived quality → IG brand loyalty	β_{32}	0.02	0.30	No
H5: IG perceived quality → IG brand trust	β_{42}	0.41	5.92	Yes
H6: IG affective brand association → IG brand trust	β_{41}	0.20	3.04	Yes
H7: IG brand trust → IG brand loyalty	β_{34}	0.76	11.20	Yes
H8: IG brand loyalty → overall brand equity	β_{53}	0.70	10.76	Yes

Note. Fit statistics: $\chi^2(180) = 458.58$; $\chi^2/df = 2.55$; RMSEA = 0.069; GFI = 0.88; NNFI = 0.94; CFI = 0.95; PNFI = 0.79; PGFI = 0.069.

trust, which leads to IG brand loyalty. IG brand trust is pivotal to understanding IGBE given the personal–interaction nature of IG communication as a unique source of overall brand equity. The findings that are related to IG brand trust also speak to the importance of cultural and social influences on the development of brand equity, especially in Chinese culture where inter–personal trust is the base and also the result of social interactions in the domain of consumption.

Finally, this research bears managerial implications for product development, brand extension, pricing and promotion. It is particularly relevant to marketers who are interested in the management of classic brands with a rich tradition and meaning and seek to build brand equity through IG communication. One implication is that brand managers can capitalize on IG influence to enhance marketing communications by embedding visual or verbal cues in their marketing vehicles (e.g., advertising and promotion). For example, in 2013, Patek Philippe launched an advertising campaign called *Generations*, in which both the print ads and TV commercials featured personal interactions of either a father–son pair or a mother–daughter pair. For another example, Tesiro Jewellery chooses to position itself along the dimension of IG influence in the Chinese market with a campaign theme called *Collect for the Next Generation*.

The findings in this research also bear significant implications for brand managers seeking to revitalize or rejuvenate old or outdated brands. One significant challenge facing brand managers in revitalizing an old or classic brand is to convince a new, younger generation of consumers to accept a brand that was popular with their parent's generation (Keller, 1993). To this end, IG influence can serve as a viable and potent force to facilitate the transmission of the older generation's positive attitudes to the younger generation (He, 2008). Specifically, brand managers could start with building IG perceived quality and IG affective brand association with the goal of creating IG brand trust and eventually IG brand loyalty.

4.2. Limitations and directions for future research

The proposed positive relationship between IG perceived quality and IG brand loyalty (H4) is not supported. More research is needed to draw a definite conclusion regarding this potential relationship. The pattern of the findings in this research seems to suggest that IG perceived quality indirectly links to IG brand loyalty through IG brand trust. That is, IG brand trust is essential for transforming IG communication into brand loyalty. This interpretation is in line with the previous findings that consumers' commitment to a brand depends on the degree of their emotional involvement with the brand (Song, Hur, & Kim, 2012).

Brand awareness has been commonly conceptualized as an essential dimension of brand equity (Aaker, 1991), yet it is not included in the model in this research. This research focuses on brands that are highly familiar to the participants in order to explore the rich meanings of brand equity. As a result of this familiarity, brand awareness becomes less diagnostic in studying the impacts of IG communication on brand equity. The suspicion regarding the limited role of brand awareness in the context of this research (specifically, studying highly familiar

brands) is partially supported by results from testing a model that encompassed brand awareness. Neither IG conversation nor IG recommendation is found to relate significantly to brand awareness. For the purpose of parsimony, brand awareness is excluded from the final model. Future research that focuses on new or less known brands might aim to incorporate brand awareness into the model.

Another limitation and future research direction deals with the scope of IG communication forms. This research identifies and focuses on only two modes of IG communication. Future research should examine other consumer socialization forms such as observation and modeling, in which the younger generation is exposed to brands and influenced by simply observing their parents' behavior in the marketplace (Mittal & Royne, 2010). Observation, as a form of IG influence, would engender different processes in building IGBE. In addition, another potentially fruitful direction is to study reverse IG communication effect and its impact on overall brand equity. Reverse IG communication involves transferring brand attitudes and behavioral intentions from the younger generation to the older generation. As of today, very little research effort has been devoted to this phenomenon (Ekstrom, 2007; He, 2014; Thomson, Laing, & McKee, 2007) and there is much more to be learned.

Lastly, this research is conducted in the context of Chinese culture. Future research could seek to replicate the findings in a similar culture context in order to examine the robustness of the findings, or in a dissimilar culture to compare the cross-cultural differences. Related to the sample of participants in this research, the majority is mother–daughter relationship (65%) whereas other types of IG relationship (e.g., mother–son, father–daughter, and father–son) are relatively small in number. Future research may want to use a more balanced sample regarding the type of relationship studied.

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