

# The Influence of Perceptual Matching of Brand Public Welfare Sponsorship and Perception Reputation of Nonprofit Organizations on Consumer Brand Identity

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**Abstract**—Based on the theory of social identity and self-consistency, this study studies the influence of public service sponsorship perception matching and public welfare organization perception reputation on consumer brand identity through brand symbolic image, and verifies the mediating effect of the brand's symbolic image in this role, and the regulating effect of consumer altruism tendency. The results show that consumers' perception of public service sponsorship and the perception of public welfare organizations have a positive impact on the symbolic image of the brand after public welfare sponsorship. The symbolic image of the brand after public welfare sponsorship will positively influence consumer brand identity. Finally, through the structural equation model, it is proved that the tendency of consumer altruism will positively enhance the influence of brand symbolic image on consumer brand identity after public welfare sponsorship.

**Keywords**—charity sponsorship; brand symbolic image; altruism tendency; consumer brand identity

## I. INTRODUCTION

Consumers are paying more and more attention to whether companies fulfill their social responsibilities, and consumers have a higher level of preference and approval for products with higher levels of social responsibility participation (Anand, 2002). In this context, the brand allows consumers to accept the brand through public charity sponsorship to fulfill social responsibility. When performing social responsibility through public welfare sponsorship, it is necessary to pay attention to the degree of perceptual matching between brands and non-profit organizations. Consumers may rely on the degree of consistency or perceived matching between sponsored brands and public welfare activities to determine whether the brand sponsorship is appropriate. (Sen and Bhattacharya, 2001). Smith (2004) found in the study of image transfer that associations with high levels of perceived quality can achieve effective image transfer under the condition of low matching between sponsors; that is, the degree of perceptual matching and the perceived quality of the sponsors will

influence consumers' overall perception of the public sponsorship and influence the evaluation of the brand.

Public welfare sponsorship can form new evaluations and associations of consumers for brands and nonprofit organizations, and can bring image enhancement to both parties (Lafferty and Goldsmith, 2005). Park et al. (1986) proposed that the symbolic image of the brand can meet the internal needs of consumers, such as self-worth improvement and social recognition. However, public welfare sponsorship is a kind of social cooperation. When consumers support brand public welfare sponsorship, they will transfer the perception of society to themselves, and then they may get social recognition or self-worth improvement. Therefore, enterprises participating in public welfare sponsorship will also generate a symbolic corporate brand image. However, in the existing research on public welfare sponsorship, most of the research uses the overall brand image as the research construct, and do not focus on the symbolic brand image. Therefore, this study will explore the relationship between public welfare sponsorship and symbolic brand image and consumer brand identity.

Each consumer's perception is not only influenced by external stimulus, but also by internal personal values and attitudes. Some studies have pointed out that when companies make social responsibility behaviors, consumers will resonate with certain characteristics of the company and their own self-concepts, and consumers will be more inclined to identify with the company (Lichtenstein et al., 2004). However, in general, consumers who have an altruism orientation will usually give more support and higher evaluation of corporate social responsibility behavior, and will be with a more grateful heart (Romani et al., 2013). That is to say, altruistic consumers will pay more attention to corporate social responsibility behavior than self-interested consumers, and will have stronger brand awareness than those with egoistic tendencies, thus generating brand identity of different degrees.

## II. THEORETICAL BASIS AND RESEARCH HYPOTHESIS

### A. *Perceptual Matching Degree and Brand Symbolic Image*

Matching refers to the association, complementarity, or consistency between organizations in some characteristics (Rifon et al., 2004). Consumers may rely on consistency and perceived matching to determine the degree of match between sponsored brands and nonprofits organization (Sen and Bhattacharya, 2001). The symbolic image of the brand is the brand association in the memory of consumers, and it is the subjective perception generated by the consumers after the brand association. From the brand image transfer model proposed by Smith (2004), it can be known that in addition to the pre-factors that influence brand association, the conversion process of brand association in consumer memory is also affected by perceived matching and perceived quality, which in turn causes consumers to change their brand impressions. The lack of perceptual matching may affect consumers' perception image of public welfare sponsorship, which may cast doubt on public welfare sponsorship and even lead to more negative associations. Therefore, in the case of brand public sponsorship, the degree of perceived matching between the two parties must be considered.

Brand public welfare sponsorship is a social cooperation. When consumers support brand public welfare sponsorship, they may also generate social identity and self-identity to meet the internal needs of consumers. If the degree of perceptual matching is higher, it is easier to convert their association (Smith, 2004), and the transmission of the brand image will be stronger. Perceptual matching may also be related to the degree of similarity of the nonprofit organization due to the social participation background of the brand or the perceived value conveyed by the brand. It can be seen that for public welfare sponsorship, in order to enhance the symbolic image of the brand, enterprises should also consider the perception matching degree in public welfare sponsorship. Based on the above analysis, the following hypotheses are proposed:

H1: Consumer perception matching has a positive impact on the brand's symbolic image after public sponsorship.

### B. *The Reputation of the Public Welfare Organization and the Symbolic Image of the Brand*

Reputation is an intangible asset. It is the result of long-term operation and continuous accumulation, which represents its position in society. And a good reputation can get good evaluation (Bergami and Bagozzi, 2000). It can be seen that the popularity of nonprofit organizations includes consumers' expectations of the past performance of the nonprofit organization in the society and its future development. When public welfare organizations have a high reputation, according to the social identity theory, consumers will develop self-improvement perceptions because of their recognition of public welfare organizations.

For companies, public welfare sponsorship can represent the company's investment in social responsibility. Compared with commercial sponsorship activities, consumers will have

a more trusting and positive attitude towards charity sponsorship activities (Berger et al., 2006). Smith (2004) pointed out that association with a high level of perceived quality can effectively achieve image transfer even when the matching degree of sponsors is low. It can be seen that in the process of image transfer between the sponsors, not only can a brand with a high degree of matching be able to successfully transfer the image, but a high level of perceived quality may also successfully transfer the brand image.

According to associative network theory, people will link the relevant memories of brands and non-profit organizations, and after assessing and correcting them, they will produce a revised image. Due to the good reputation of the non-profit organization in the society, the social status and social image of the representative organization can effectively enhance the symbolic image of the brand in the cooperative relationship of the brand public welfare sponsorship. Based on this, the following assumptions are made:

H2: The perceived reputation of consumers to public welfare organizations has a positive impact on brand symbolic image after public welfare sponsorship.

### C. *Consumers' Brand Identity and Brand Symbolic Image*

According to social identity theory, consumers' self-definition and motivation enhancement are the main driving factors of consumer brand identity (Ahearne et al., 2005). Sen and Bhattacharya (2003) propose that when an individual identifies an organization, it is a cognitive state of self-classification. Because the relationship between consumers and businesses is based on consumers' recognition of the company, and the company can help them meet one or more self-demand. When a company's behavior is seen as fulfilling corporate social responsibility, the consumer's self-awareness will resonate with certain characteristics of the enterprise, which will lead consumers to identify with the enterprise (Lichtenstein et al., 2004).

Brand identity of consumers refers to a psychological state in which consumers consciously define themselves in a natural state, establish relations with the brand, and then, through comprehensive self-concept and brand comparison, resonate with consumers' self-consciousness and thus identify with the brand (Stokburger-Sauer et al., 2012). After the brand sponsors the public welfare organization, the relationship between the societies is established. Consumers will think that the symbolic image and characteristics of the brand are consistent with their own image, and attribute themselves to the brand members, and then identify with the brand. Based on the above analysis, the hypothesis is:

H3: The symbolic image of the brand after the charity sponsorship will positively influence the consumer's recognition of the brand.

### D. *The Regulating Role of Consumer Altruism*

The values of altruism reflect empathy that is full of love or compassion for others and can produce empathy (Eisenberg, 2000). Individuals with altruistic tendencies, in the absence of compensation and compensation, contribute

significantly more to others than self-interested individuals. Altruistic consumers are more likely to think about the interests of others and are willing to sacrifice some of their own interests to protect the interests of others.

In general, individuals with altruistic tendencies will give more support and a higher evaluation of the company's social responsibility; because these advocacy and actions are more in line with their ethical goals (Grappi et al., 2013); to a certain extent, individuals with altruistic tendencies attach more importance to corporate social responsibility than self-interested individuals. That is to say, altruistic consumers will be more aware of the brand's public welfare sponsorship than the self-interested consumers, and will give more support and higher evaluation to the brand public welfare sponsorship. According to the theory of social identity, when consumers generate brand identity, the brands that generate identity are more consistent with their own image, and then they regard themselves as brand members. Therefore, brand public welfare sponsorship is a social responsibility behavior, which is more consistent with the altruistic consumers' self-values, while altruistic consumers will have more recognition of the brand than self-interested consumers. The assumption is as follows:

H4: The altruism tendency of consumers will positively enhance the role of brand symbolism in brand identity after charity sponsorship.

### III. RESEARCH DESIGN AND HYPOTHESIS TESTING

#### A. Experimental Design

In this study, an experimental method was adopted to conduct research. Through manipulating independent variables, an experimental design was conducted to test the influence of independent variables on dependent variables and the interaction between variables. The independent variable of this study was the consumer's perception of the brand's public welfare sponsorship and the perception of the public welfare organization and the brand symbolic image of the intermediary variable had an impact on the brand identity of the dependent variable consumers. This study used 2 (the perception matching degree of brand and non-profit organization: high vs low)  $\times$  2 (public interest organization perception reputation: high vs low) two-factor experimental design, and in the four experimental scenarios, the consumer's symbolic image of the brand after the sponsorship of the public interest and consumer brand identity were measured. Participants were randomly assigned to four experimental scenarios for questionnaires.

The research participants in this study were college students in a university in China. In order to exclude the influence of brand awareness on the subjects, this study used virtual brands. The selection of the type of non-profit organization is based on the five factors of the accuracy, reliability, accountability, trustworthiness and accountability of Petick et al. (1999). The study selected Hope Engineering Foundation, Chunyu Foundation and One Foundation as the targets of non-profit organizations. For the evaluation of the perceived reputation of the nonprofit organization, this study

selects the higher/lower prestige by the average score of the positive item, namely: Hope Engineering Foundation (high) and Chunyu Foundation (low).

#### B. Pretest

The pretest is divided into two stages. In the first stage, 50 participants were interviewed to fill out the questionnaire and according to the questions and suggestions at the time of filling in, the unclear expression of words and improper words in the questionnaire were corrected and the experimental situation of this study was evaluated. In the second stage, questionnaires were mainly distributed, and inappropriate questions were deleted through reliability and validity analysis of the recovered samples. A total of 92 questionnaires were collected, and the number of valid questionnaires was 79, of which 43 were in the high-prestige group and 36 in the low-prestige group.

#### C. Confirmatory Factor Analysis

This study adopts a two-stage SEM method, which first performs confirmatory factor analysis (CFA), confirms the reliability and validity of the model, and then performs structural model analysis. The matching degree of CFA model is:  $\chi^2$  is 486.12,  $\chi^2/df$  is 3.37, CFI is 0.90, SRMR is 0.050, GFI is 0.89, RMSEA is 0.071 and AGFI is 0.88, indicating that the model matching degree is consistent with Hair et al. (2006), with good matching degree.

In terms of construct validity analysis, the factor load of each item is above 0.5, the combined reliability (CR) of each construct is above 0.7 and the average variance extracted (AVE) reaches the standard threshold of 0.5, indicating the research model has good convergence validity. The square root value of the variance extracted (AVE) of each construct in this study is greater than the correlation coefficient between the construct and other constructs, so that it can be judged that the constructs have good discriminant validity.

#### D. Structural Equation Model Analysis

The results of SEM analysis showed that the matching degree was  $\chi^2$  of 351.79,  $\chi^2/df$  of 2.57, CFI of 0.92, SRMR of 0.052, GFI of 0.88, RMSEA of 0.068 and AGFI of 0.90. Compared with the previous measurement model matching degree, it is found that the structural equation model has little difference between the performance of the matching index and the measured matching index, and the index values are all within the acceptable range, so the structural equation model has a good match.

Next, path analysis and related hypothesis testing were performed. The path coefficient between the perceptual matching degree and the brand symbolic image is 0.47, and the t value is 7.61, indicating a significant positive relationship between the two constructs, supporting the hypothesis H1 of this study. The path coefficient between the perception of the public welfare organization and the symbolic image of the brand is 0.31, and the t value is 4.45, indicating a significant positive relationship between the two constructs, supporting the hypothesis H2 of this study. The path coefficient between the brand symbolic image and



brand identity is 0.66, and the t value is 9.13, indicating a significant positive relationship between the two constructs, which also supports the hypothesis H3 of this study.

The mediating effect test set the direct action path of the two independent variables to the dependent variable respectively, and SEM analysis was carried out again. The results show that the path coefficient between the perceived matching degree and the brand identity is 0.03, and the t value is 0.19. The path coefficient between the perception of the public welfare organization and the brand identity is 0.07, the t value is 1.12, and the two direct action paths are not significant, which means that the symbolic image of the brand after public welfare sponsorship has a complete mesomeric effect between the perceived reputation of the public welfare organization and the perception matching and consumer brand identity, verifying the research hypothesis that the brand symbolic image proposed by this research plays a mediating role.

#### *E. Adjustment Effect Test*

In order to clearly distinguish the level of consumer altruism, the items with lower factor load in the altruism scale were deleted first, and according to the average score of each subject's altruistic tendency, 3 groups were divided, in which the testers with an average score greater than 4 belonged to high altruism tendencies; testers equal to 4 belonged to middle altruistic tendencies and testers below 4 belonged to low altruistic tendencies. This study excluded the sample of altruism tendency, and high score group and low score group were selected as 109 and 118 samples respectively, and then the SEM analysis was performed of the two groups. In order to compare whether the two groups of samples have significant differences in the path from brand symbolic image to brand identity, it is necessary to first test whether the confirmatory factor analysis models of the two groups of samples meet the measurement invariance conditions.

First, the individual confirmatory factor analysis of the two groups of samples was performed according to the high/low groups. The compatibility of the high altruism (H) sample CFA was:  $\chi^2=232.69$ ,  $df=129$ ,  $RMSEA=0.081$ ,  $SRMR=0.065$ ,  $CFI=0.93$ ; the compatibility of the low altruism (L) sample CFA was:  $\chi^2=257.47$ ,  $df=129$ ,  $RMSEA=0.089$ ,  $SRMR=0.080$ ,  $CFI=0.94$ . The results showed that the matching of the two groups of confirmatory factor analysis was within the acceptable range.

Then, whether the two sets of samples meet the test of the measurement invariance test condition was tested, wherein the matching degree of the two groups of structural equivalent models is:  $\chi^2=480.26$ ,  $df=258$ ,  $RMSEA=0.087$ ,  $SRMR=0.072$ ,  $CFI=0.91$ ,  $PNFI=0.75$ , which is in accordance with the recommended indicators of Hair et al. (2006), indicating that the two groups of sample factors are roughly the same.

Before testing whether the path coefficients of the group samples are equal, the factor load equivalent model analysis must be performed first, that is, the complete measurement invariant test is performed to confirm whether the load of

each measurement index of the two groups is also equal. The matching of the factor load equivalent model is:  $\chi^2=533.70$ ,  $df=276$ ,  $RMSEA=0.091$ ,  $SRMR=0.13$ ,  $CFI=0.95$ ,  $PNFI=0.78$  and the model matching degree is within the acceptable range. Then, the chi-square difference test between the model and the TF model was carried out. The results were:  $\Delta\chi^2=54.2$ ,  $\Delta df=18$ ,  $p<0.001$ , indicating that the two models did not satisfy the conditions of complete measurement.

In the structural equation model analysis of the two sets of samples, the study set the variation of each construct to 1 to determine the dimension of each construct. First of all, the two groups were not set equal in terms of path limitation. The model matching degrees are:  $\chi^2=476.24$ ,  $df=263$ ,  $RMSEA=0.087$ ,  $SRMR=0.083$ ,  $CFI=0.95$ ,  $PNFI=0.74$ , the indicator values are all within the acceptance range, indicating a good match. Secondly, in this study, the path coefficients of the two groups of samples from brand symbolic image to brand identity were set to be equal, which became the path equality mode. The matching degrees are:  $\chi^2=479.89$ ,  $df=264$ ,  $RMSEA=0.086$ ,  $SRMR=0.071$ ,  $CFI=0.92$ ,  $PNFI=0.78$ , indicating a good match. Finally, the chi-square difference check was performed between the path equal mode and the unrestricted mode, and  $\Delta\chi^2=3.89$ ,  $p<0.05$ , indicating that the structural model of the two sets of samples is significantly different in this path coefficient. Therefore, this study assumes that H4 is valid. The altruistic tendency of consumers can enhance the positive relationship between brand symbolic image and brand identity of consumers.

## IV. RESEARCH CONCLUSION AND DISCUSSION

### *A. Research Conclusion*

The perceptual matching degree of both sides of the public sponsors has a significant positive impact on the symbolic image of the brand after the charity sponsorship. That is, under the charity sponsorship relationship, if the consumer has a higher degree of perception matching between the nonprofit organization and the brand, consumers will believe that the symbolic image of the brand after public welfare sponsorship will also be higher.

In the brand public welfare sponsorship, the prestige of the nonprofit organization has a significant positive impact on the symbolic image of the brand after the charity sponsorship. Under the brand public welfare sponsorship relationship, the higher the reputation levels of the nonprofit organization, the better the symbolic image of the brand after public welfare sponsorship.

The brand symbolic image has a significant positive impact on consumers' brand identity. The stronger the brand symbolic image, the higher the consumer brand identity.

Consumer altruistic tendency positively enhances the relationship between brand symbolic image after public welfare sponsorship and consumer brand identity, that is, for consumers with higher altruistic tendency, brand symbolic image after public welfare sponsorship has a positive effect on consumer brand identity. On the contrary, for consumers with low altruistic tendency, the brand symbolic image after

public welfare sponsorship has only a small positive effect on consumers' brand identity.

When a corporate brand sponsors a nonprofit organization, it can be regarded as one of the ways in which the corporate brand fulfills its corporate social responsibility. For the highly altruistic consumers, the concept of public welfare organizations is highly consistent with consumers' own values or moral goals. Therefore, the brand symbolic image of public welfare sponsorship has an enhanced effect on its brand identity. That is to say, consumers' high-altruistic tendency will strengthen the positive relationship between brand symbolic image and consumers' brand identity.

In addition, in the group analysis of the regulatory variables, it is found that the difference between the perceived prestige of the public welfare organizations in the high/ low altruism groups to the symbolic brand image is small, but the path coefficient of the perceptual matching degree to the brand symbolic image are respectively: high altruism=0.35, low altruism=0.61. It can be seen that consumers with high or low altruistic tendencies can effectively improve the brand's symbolic image after public welfare sponsorship only when the perception of both sides is highly matched.

#### *B. Research Deficiencies and Future Research Suggestions*

This study has the following shortcomings.

- Research scope and sample limitations: In terms of region, time and cost considerations, questionnaires are distributed by sampling method, so the scope of research is limited.
- Uneven distribution of samples: The study subjects are college students, so the results of this study may not be able to be estimated to different types of demographic groups.
- Perceived time limit of the subject: As the study was conducted by the experimental method, the time of the affected subject was short, so that some subjects may not be able to exclude the previous subjective impression of the experimental brand, which may affect the experimental results.
- Authentic brand and experimental object restrictions: Since the empirical brand originally had its brand image, the participants may have a stereotype of the brand when they answer, which may lead to errors in answers.

For the follow-up study, the recommendations are as follows.

- Sampling method: It is recommended that follow-up related research can extend the questionnaire range to the different test groups and improve the generalization of the research.
- Re-selection of brands and non-profit organizations: It is suggested that follow-up research may consider other more generalized authentic brands, which are

less restricted by regions; the non-profit organizations selected in this study are only educational non-profit organizations, so it is necessary to consider adding different types of nonprofit organizations for follow-up research.

- Changes of research method: Since the average consumer may not be able to distinguish the difference between cause-related marketing and public welfare sponsorship, this study uses contextual control to conduct experimental design, which may not accurately convey the meaning of public welfare organizations, resulting in insufficient consumer awareness. Therefore, it is recommended that follow-up research can compare brands with non-profit sponsorships to brands without public sponsorship.

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