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Leveraging brand equity to attract human capital

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Abstract We propose that brand equity can influence job seekers' perceptions of job opportunities. Our results suggest that job seekers view working for a strong brand as a way to build the power of their résumé. The belief that strong brands build powerful résumés is, in part, the outcome of job seekers' beliefs that working for a strong brand will allow them to advance to better positions internally, provide them job-related training and skills, and demonstrate their willingness to work hard. In turn, job seekers express a greater desire to work for strong brands as measured by salary requirements and perceptions of job appeal in experiment 1 and job choice in experiment 2.

Keywords Brand equity · Marketing · Human resources

1 Introduction

Brand equity has been defined as the differential impact of brand knowledge on consumer response to the marketing of the brand (Keller 1993). "Differential advantage" refers to the returns that a strong brand gains, such as price premiums and increased choice, relative to a weaker brand name product offering the same

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features/attributes (DelVecchio and Smith 2005; Erdem at al. 2002; Smith and Park 1992). These advantages arise because brand names simplify decision-making and reduce risk for consumers in the face of uncertainty (Roselius 1973). While the benefits of brand equity in consumer markets have been explicated, the potential for a brand's equity to influence decisions in the human resources market has been neglected. This neglect is surprising given that (a) like product selection, job selection also involves significant uncertainty and risk, and (b) human resources represents the single highest cost in many organizations (Gomez-Mejia 2001) and is a primary source of competitive advantage (Greening and Turban 2000). We therefore predict a recruiting advantage for companies that possess strong brands. Perhaps of greater interest, however, is the process by which such brands may influence job selection. For this we turn to the brand extension literature.

Consumers rely on existing brand beliefs to evaluate brand extensions (Aaker and Keller 1990). Brand extension evaluations may be holistic or mediated by evaluations of the extension's likely performance on specific attributes (Boush and Loken 1991). The transfer of a positive evaluation from a brand to an extension results in increased choice and/or a price premium for the extension (e.g., DelVecchio and Smith 2005; Smith and Park 1992). Perceptions of a job opportunity may be similarly related to the employer's brand equity and subsequent brand-based evaluations of the attributes of the work environment. We consider the potential positive effect of brand equity on job seekers' perceptions of three attributes of the work environment: internal opportunities, skill development, and the corporate work ethic. Positive perceptions of the work environment should lead job seekers to view a job with a strong brand as a way to build a powerful résumé. In turn, the ability to build a powerful résumé should make a job offer from a strong brand more appealing than a similar offer from a weaker brand.

Although companies, not brands, make hiring decisions, we focus on brand-level effects. We do so for two reasons. First, brands are likely to influence perceptions of a firm. For a college graduate seeking an entry-level job, the primary interaction with many companies is as a consumer (i.e., through advertising exposure and/or product use). Therefore, evaluations of the company are likely based, in large part, on brand perceptions. Second, while research indicates that the overall reputation of a company can help attract new employees (Gatewood et al. 1993), brand equity appears to have little role in measures of corporate reputation. Rather, the best predictors of corporate reputation are financial dimensions, such as firm profitability (McGuire et al. 1990; Sobol and Farrelly 1988). Thus, brands are likely to affect perceptions of companies, and the effects of brands in forming such perceptions do not appear to be accounted for in studies linking corporate reputation to employees' job-selection decisions.

2 Hypotheses

When being marketed to a consumer, the benefits of a brand arise from the consumption experience. The benefits of consuming a strong brand are derived, at least in part, from the attributes of the brand's product or service. For instance, diners at McDonald's derive benefits from the speed of service, the consistency of the physical product, and the low prices. Similarly, we expect that employees will derive benefit from a set of job attributes. The equity of a firm's brand(s) is likely to affect a variety of beliefs about a prospective job. Some inferences about basic job responsibilities and benefits will be quickly replaced by objective information that is included in the offer provided by the hiring firm. However, applicants also make inferences about longer-term opportunities that are more difficult to assess (Cable and Turban 2003). We focus our attention on how brand equity affects perceptions of the longer-term opportunities that a job may provide by serving as a résumé builder. That working for a strong brand will serve as a résumé builder has been voiced in the popular press (e.g., McNally and Speak 2003; Peters 1997). For instance, David D'Alessandro, CEO of John Hancock Financial Services, states: "...the best brands are the best places to be *from*. These names work magic on a résumé, which is, after all, not just a statement of experience, but also a collection of more and less desirable brands that determines your relative desirability as a job-seeker" (D'Alessandro 2001, p. 152). We refer to this résumé building effect that a brand can have as *résumé power*. Next, we describe the manner in which this effect occurs. Specifically, we build a model in which a brand's effect on résumé power is mediated by perceptions of job attributes.

The first job attribute that we consider is the ability to advance within the hiring firm. A brand's success is likely to be the result of the ability to attract and keep good employees. Keeping good employees is driven, in part, by providing internal opportunities because internal opportunities relate positively to job satisfaction and negatively to turnover intentions (Bretz and Boudreau 1994). In fact, employees have indicated "opportunities for promotion and advancement" as the most important aspect of their psychological contract with their employers (Lester and Kickul 2001). As expressed in hypothesis 1a, job seekers are likely to conclude that strong brands have been built by employees who are motivated by attractive internal opportunities.

Hypothesis 1a Brand equity will positively affect job seekers' perceptions of internal opportunities.

How do perceptions of internal opportunities translate into résumé power? Employees send a powerful signal to potential future employers when their advancement stems from their work on a strong brand. Internal advancement may signal that an employee has taken on additional responsibilities and/or is viewed as being competent by the employing firm. This signal of competency makes the employee more attractive to future employers and is likely to be recognized as doing so by job seekers. The expectation that potential employees will view internal advancement as a résumé builder is formalized as hypothesis 1b.

Hypothesis 1b Perceptions of internal opportunities will positively affect perceptions of résumé power.

We next consider how working for a strong brand can create external opportunities (outside the hiring firm). A brand's success in the marketplace is likely to be the result of skilled employees. In turn, the brand should be associated with a work environment that develops employee skills (referred to as *skill development*). Thus, we expect brand equity to be positively related to job seekers' perceptions of skill development. The skills that are acquired by working for a strong brand should allow employees to compete for job openings outside the company.

Recognizing this, skill development has been tied to differences in individuals' marketability and capacity to leave one employer for a better opportunity (Bretz and Boudreau 1994; March and Simon 1958). Therefore, perceptions of skill development should positively affect perceptions of résumé power. Together, this suggests that brand equity will lead to heightened perceptions of skill development (hypothesis 2a) which, in turn, will increase perceptions of résumé power (hypothesis 2b).

Hypothesis 2a Brand equity will positively affect perceptions of skill development.

Hypothesis 2b Perceptions of skill development will positively affect perceptions of résumé power.

We next consider the inferences job seekers may make regarding the work demands that a prospective employer places upon its employees. We define *expected work ethic* as the extent to which a firm is perceived as being demanding of its employees. Job seekers may conclude that building strong consumer brands is either the result of, or has led to, a culture that demands hard work and expects results from employees. D'Alessandro (2001, p. 158) notes that a strong-brand company can work people very hard: "With a great brand, you can convince your employees that they can do things that your competitors' teams can't do, that they can get products out faster, be more customer focused, be more profitable." Hypothesis 3a formalizes the expectation that job seekers are likely to recognize that the success of a brand is the result of hard work.

Hypothesis 3a Brand equity will positively affect job seekers' perceptions of expected work ethic.

Working for a company that is demanding of its employees may be viewed negatively. However, previous research indicates that the attractiveness of a potential employer is not negatively associated with the demands of the job (Lievens and Highhouse 2003). In fact, although not statistically significant, Lievens and Highhouse report that increased task demands are associated with more positive employer attractiveness ratings. Why might working at a demanding firm be attractive? One explanation is that job seekers assume that such companies serve as a "proving ground" in the eyes of other potential employers. Thus, as expressed in hypothesis 3b, job seekers will be willing to "pay their dues" to build their résumés.

Hypothesis 3b Expected work ethic will positively affect job seekers' perceptions of résumé power.

That a firm may provide a résumé-building benefit is valuable only to the extent that it affects positive evaluations of the job opportunity. That résumé power will cause job seekers to view a job as being more appealing is consistent with theory and research on real options. Real options refer to the value of being able to reverse or delay choice (Myers 1977). By accepting a position with a strong brand, employees build a powerful résumé that provides the option to work for a number of other companies in the future. As expressed in hypothesis 4, the value of the options that accrue by working for a firm with a strong brand or brands should lead to more positive perceptions of job opportunities with such firms.

Hypothesis 4 Résumé power will positively affect job seekers perceptions of the appeal of the job.

3 Methodology

The effects of brand equity on job seekers' perceptions were tested via an experiment. The sample consisted of upper-class students (n=385) majoring in finance, accounting, and computer information systems. The experimental task required participants to read a description of a hypothetical job offer that was tailored to the participant's major (see Appendix A). A pretest confirmed that the different job descriptions were equivalent in terms of amount of information, perceived job difficulty, and overall job attractiveness when not paired with a particular employer. After reading the job description, participants were told that they had a second offer for which the "job description is almost identical to your previous offer." Participants were assigned to one of two between-subjects brand equity conditions. In the high-brand-equity condition, the initial job offer was from a lower-equity brand and the second offer was from a higher-equity brand. The job offer ordering was reversed in the low-equity condition. The starting salary given in the initial job offer was $30,000. This salary was 85% of the average starting salary for business graduates at the universities, thereby providing a credible baseline.

Participants indicated their perceptions of the attractiveness of the focal (second) job offer in two ways. First, participants stated the minimum salary needed to accept the focal job offer instead of the competing job offer. This measure is akin to measuring price premiums as an indicator of the effect of a brand name on extension attractiveness (e.g., DelVecchio and Smith 2005). The second measure of the appeal of the job is a seven-point scale item anchored by "very attractive" and "very unattractive." This measure is similar to those used to assess liking of brand extension products (e.g., Aaker and Keller 1990; Klink and Smith 2001).

To avoid an industry confound, each participant was exposed to competing job offers in the same product category. Specifically, participants responded to job offers with whiskey brands Old Forester and Jack Daniels (n=193) or sunglasses brands

Table 1 Experiment 1—construct means, standard deviations, reliabilities, and correlations

	High brand equity	Low brand equity	Internal opportunity	Skill development	Expected work ethic	Résumé power	Brand equity
Internal opportunities	5.00 (0.98)[a]	4.58 (1.25)[a]	0.80/0.61[b]				
Skill development	4.95 (1.21)	4.44 (1.32)	0.6[c]	0.93/0.81			
Expected work ethic	4.70 (0.87)	4.38 (0.89)	0.53	0.48	0.77/0.48		
Résumé power	4.50 (1.25)	3.53 (1.32)	0.61	0.76	0.52	0.93/0.77	
Brand equity	5.81 (0.81)	2.56 (0.94)	0.29	0.27	0.23	0.44	0.95/0.76
Job appeal	3.48 (1.51)	2.97 (1.32)	0.27	0.34	0.18	0.34	0.21
Salary requirement	$39,389 (5,659)	$41,254 (7,833)	−0.23	−0.29	−0.26	−0.24	−0.17

[a] Construct means (standard deviations)

[b] Diagonal entries are Cronbach's alpha/Fornell and Larker's average shared variance (ρ_{vc})

[c] Subdiagonal entries are correlations among constructs

Ray-Ban and SunGear (n=192). Brands were selected that have parent companies with which the participants are likely to be unfamiliar to ensure that results are attributable to the brands' equity rather than company factors. To ensure this is the case, participants were asked to identify the brands' parent companies from a list of 18 names and indicate their confidence that they identified the correct manufacturer. Anyone reporting confidence at a level above the scale midpoint, regardless of their accuracy, was eliminated from subsequent analysis to further ensure brand-level, rather than company-level, effects. Data from 14 participants were removed as a result.

Most importantly, the brands were selected due to differences in brand equity. Jack Daniel's commands a 50% higher price than Old Forrester and holds four times more market share (Korolishin 2004; http://www.abc.state.va.us/Pricelist/price.html). Prices for Ray-Ban are twice those for Sungear (http://www.sunglasshut.com) and Ray-Ban's market share is eight times that of Sungear (Lazich 2004). To ensure that the sample perceived Jack Daniel's and Ray-Ban as stronger brands, participants responded to a set of items measuring brand awareness and perceived quality for the two brands to which they were exposed.[1] The items were averaged to provide a single scale score of brand equity (alpha=0.953) for each brand. Twenty-three participants perceived either no difference between brands or a difference in the opposite direction as intended (e.g., rated Sungear as higher equity than Ray-Ban). These 23 participants were removed, resulting in a final sample of 354 participants.

Following the job-attractiveness measures and prior to the items assessing brand equity, participants responded to scale items measuring their perceptions of internal advancement opportunities, skill development, expected work ethic, and résumé power at the company associated with the focal job offer (see Appendix B). We followed the procedure recommended by Churchill (1979) to develop and verify measurement scales including the use of confirmatory factor analysis. The comparative fit index=0.92 and root mean square error of approximation=0.09 resulting from the confirmatory factor analysis indicate an acceptable fit with the data. Table 1 presents construct correlations and two measures of construct reliability, Fornell and Larcker's (1981) measure of the average variance extracted by the construct (AVE) and Cronbach's α. All of the scales surpass the 0.70 α cutoff level suggested by Nunnally (1978). All scales reach the 0.50 level for AVE recommended by Fornell and Larcker, except for expected work ethic. Although the value falls slightly short (0.483) of the suggested cutoff, this is, as Fornell and

[1] Brand equity is sometimes conceptualized as consisting of awareness, perceived quality, and favorable brand associations (e.g., Aaker 1996; Keller 1993). Numerous associations are likely to exist for any brand. For instance, Pepsi may be associated with NASCAR, youth, Britney Spears, the phrase "you got the right one," etc. The extent to which each association enhances or dilutes brand strength is a function of the congruity between the association and the personality and/or taste of the customer (Aaker, 1999; Sirgy, 1982). Thus, the effects of brand associations are highly idiosyncratic. Given (a) the complexity stemming from the wide array of associations held for any brand and the potential for each of these to either positively or negatively effect brand evaluations and (b) our goal of establishing a general relationship between brand equity and job selection, our focus in measuring brand equity is on the less idiosyncratic aspects of brand equity. Therefore, consistent with well-established measures of brand equity (e.g., Aaker and Keller 1990; Smith and Park 1992), we measure brand equity based on awareness and perceived quality, where perceived quality reflects a global brand evaluation.

Table 2 Regression models testing hypotheses 1–4 and related mediation effects

Model	Dependent variable	Independent variable	Hypothesis	Std. Beta	t	p	Model R^2	Model F
1	Internal opportunity	Brand equity	1a	0.185	3.53	<0.001	0.04	12.45
2	Skill development	Brand Equity	2a	0.199	3.82	<0.001	0.04	14.59
3	Work ethic	Brand equity	3a	0.178	3.40	0.001	0.03	11.53
4	Résumé power	Internal opportunity	1b	0.174	4.17	<0.001	0.59	169.33
		Skill development	2b	0.559	13.34	<0.001		
		Work ethic	3b	0.181	4.60	<0.001		
5	Job appeal	Résumé power	4	0.335	6.63	<0.001	0.11	43.94
6	Salary requirement	Résumé power	4	−0.235	4.53	<0.001	0.06	20.52
7	Job appeal	Brand equity		0.216	4.14	<0.001	0.05	17.10
8	Job appeal	Brand equity		0.090	1.62	0.106	0.12	23.38
		Résumé power		0.296	5.32	<0.001		
9	Salary requirement	Brand equity		−0.174	−3.32	0.001	0.03	11.01
10	Salary requirement	Brand equity		−0.089	−1.54	0.123	0.06	11.49
		Résumé power		−0.196	−3.41	0.001		

Larcker note (p. 46), a stringent test of reliability. All the item loadings are significant, suggesting item validity. In addition, the squared interconstruct correlation for each pair of constructs was compared to the average shared variance for each construct, as a test of discriminant validity as suggested by Fornell and Larcker (1981). All construct pairs showed adequate discriminant validity.

4 Analysis and results

We test the hypotheses via a series of ten regression models and associated Sobel tests of mediation (e.g., Sobel 1982).[2] The results, which are displayed in Table 2, are invariant to inclusion of the product category (coded as a dichotomous variable) in the regression models. First, we test for the effects of brand equity on the three variables expected to mediate the relationship between brand equity and résumé power (regression models 1–3 in Table 2). In regressing internal opportunity on brand equity, we find support for hypothesis 1a's prediction that higher-equity brands will be associated with greater internal opportunities (β=0.185, p<0.001). In support of hypothesis 2a and hypothesis 3a, we find similar positive results for the effect of brand equity on skill development (β=0.199, p<0.001) and expected work ethic (β=0.178, p=0.001). Next, we test the effects of the job perception variables on résumé power (regression model 4). Consistent with the expectations (hypotheses

[2] A multigroup (high brand equity/low brand equity) structural equation model analysis leads to the same conclusions as those found with the regression analyses.

1b, 2b, and 3b) that internal opportunity (β=0.174), skill development (β=0.559), and expected employee work ethic (β=0.181) will affect perceptions of résumé power, each is significant at $p<0.001$.

Hypothesis 4 predicts that a job will be viewed as more appealing to the extent that it provides the opportunity to build a powerful résumé. This was tested by regressing résumé power on job appeal (model 5) and on salary requirement (model 6). Consistent with hypothesis 4, résumé power is positively related to the measure of job appeal (β=0.335, $p<0.001$) and is negatively related to the salary demanded to accept the job offer (β=−0.235, $p<0.001$). Furthermore, résumé power mediates the relationship that otherwise emerges between brand equity and job appeal (Sobel test statistic=5.31, $p<0.001$). Without controlling for résumé power (model 7), brand equity has a significant effect on perceived job attractiveness (β=0.216, $p<0.001$). This relationship is not significant when controlling for résumé power in model 8 (β=0.090, $p>0.10$). Similarly, résumé power mediates the relationship between brand equity and salary requirement (Sobel test statistic=4.04, $p<0.001$). As shown in model 9 of Table 2, greater brand equity reduces salary demands (β=−0.174, p=0.03). This relationship is not significant when controlling for résumé power in model 10 (β =−0.089, $p>0.10$).

4.1 Experiment 2

Experiment 1 provides evidence that assessments of job characteristics are affected by brand equity and result in the perception that working for a higher-equity brand builds résumé power. In turn, job seekers expressed a preference to work for a strong-brand firm. Experiment 1 does leave some questions unanswered. First, as mentioned, strong brands are typically defined as those of which consumers are aware *and* perceive positively (e.g., Aaker 1996; Keller 1993). In selecting brands in experiment 1, there was a strong correlation between awareness and perceived quality (correlation=0.80). Thus, the results of experiment 1 may be driven exclusively by a familiarity halo rather than by the broader concept of brand equity. Second, we measured the effects of brand equity on preference for a job. However, preference ratings do not always align with choice (e.g., Fischer and Hawkins 1993; Johnson and Busemeyer 2005). Thus, one may ask whether the observed effects will hold true when job seekers are given an explicit choice between two jobs, as might be more typical of the job selection decision. Third, the results of experiment 1 may be confounded by participants' assumptions about the company, such as size and financial stability (e.g., that larger firms provide more room for advancement or more profitable/stable firms provide better job security).

Experiment 2 replicates the focus of experiment 1 on the effect of brand equity on résumé power and the effect of résumé power on the allure of a job, while resolving the above issues by using an orthogonal manipulation of brand awareness and perceived quality in a job-choice task that explicitly controls for possible firm-level covariates not addressed in experiment 1.

Sample and task One hundred forty seven upper-class undergraduate business students participated in experiment 2. The experiment required participants to select between two job offers. One job offer is with a fictitious nontarget brand that is manipulated to be of moderate equity (Foundation Clothing), at a starting salary of $34,000. The alternative offer is with one of four real target brands at a starting salary of $32,000. This method follows that espoused by Keller (1993) to measure the effect of brand equity in a consumer product environment.

To manipulate brand equity, participants read a cover story that indicated that they have collected information via discussions with recruiters, current employees, and articles in the popular press and that they have summarized the information resulting from this search in both written form and numerically in a table (see Appendix C). When combined with the use of carefully selected actual brand names, the search information served to create a 2×2 factorial manipulation of brand awareness (high/low) and perceived quality (high/low). Tommy Hilfiger (high awareness, high quality), Wrangler (high awareness, low quality), Axis (low awareness, high quality), and Catalina (low awareness, low quality) brand names were paired with the information to provide the desired manipulation. As an example of the equity manipulation, the description of the Wrangler brand reads: "Wrangler makes and markets a brand of clothing with which consumers are highly familiar but view as being of poor quality. This low level of quality is also reflected in the negative evaluation of Wrangler in *Consumer Reports* magazine." Provided numerically in the information table viewed by participants, this description translates into a score of 8 (out of 10) for awareness and score of 2 for quality. To ensure that brand equity does not lead to different inferences regarding firm size, benefits provided, geographic location, financial performance, and job security, information was provided about the target brands on these dimensions that was invariant across equity conditions.

Measures Following the job choice task, participants completed the same measures of brand awareness, perceived quality, and résumé power used in experiment 1. Alpha exceeded 0.85 for each scale. Given the relatively small number of items used to measure our constructs and that the "width" (seven scale points) of the response categories is not unusually large, coefficient alpha appears to be a suitable test of reliability (Voss, Stem, and Fotopoulos 2000).

As intended, Hilfiger and Axis were perceived to be of higher quality than Wrangler and Catalina (for all pairwise comparisons $p<0.001$). Similarly, brand awareness was rated as being higher for Hilfiger and Wrangler than for Axis and Catalina (all $p<0.001$). Means did not differ (all $p>0.10$) within perceived quality and brand awareness conditions (e.g., Hilfiger and Axis were viewed as being equivalent in quality).

To ensure the manipulation controlled for covariate variables as intended, single-item measures were collected to assess perceptions of health benefits, the retirement plan, the firm's financial security, job security, and the ease of doing the job associated with the target brand. Of these covariate variables, company financial security and job security differed across equity conditions (lower for Catalina than for all other brands). All of the tests presented below are insensitive to the presence of participants' rating of financial and job security as covariates.

Results ANOVA indicates that both perceived quality ($F_{1,146}=34.14$, $p<0.001$) and brand awareness ($F_{1,146}=9.03$, $p<0.01$) are positively related to perceptions of résumé power. The quality by awareness interaction is not significant ($F_{1,146}$=0.35). The effects of brand familiarity and brand quality on job choice were assessed via logit log-linear analysis for differences in the proportion of job acceptors. As displayed in Table 3, the analysis reveals a greater rate of job acceptance for brands associated with higher quality [$\chi^2(1)=35.65$, $p<0.001$]. Neither a main effect of brand awareness [$\chi^2(1)=0.71$, $p=0.40$] nor an awareness-by-quality interaction emerge [$\chi^2(1)=1.21$, $p>0.25$]. Furthermore, logit analysis reveals that perceptions of résumé power are positively related to job acceptance [$\chi^2(1)=4.34$, $p<0.05$].

The results detailed above indicate that (a) brand awareness and perceived quality lead to perceptions of résumé power, (b) résumé power affects job acceptance, and (c) perceived quality, but not brand awareness, has a direct effect on job acceptance. Adding résumé power to the model of job acceptance lessens but does not eliminate the effect of perceived quality on job acceptance [to $\chi^2(1)=23.80$, $p<0.01$, Sobel test statistic=3.33, $p<0.01$]. This outcome suggests that résumé power partially mediates the effect of brand equity on job acceptance.

5 Discussion

Our results indicate that job seekers perceive that working for a firm with strong brands builds a powerful résumé. In turn, the opportunity to build a powerful résumé leads job seekers to view job opportunities with strong brands more favorably than those with weaker brands, as measured by perceptions of the attractiveness of the job and salary demands (experiment 1) and the rate of job choice (experiment 2). In addition, experiment 2 indicates that the positive effect of brand equity on job choice (that is mediated by résumé power) is the result of strong brands being associated with high quality. This indicates a need for less well-known brands to communicate their ability to make high-quality products if they can credibly do so.

Table 3 Experiment 2—rate of job choice and means (standard deviations) for résumé power by experimental condition

	Low quality	High quality	Awareness total
High awareness			
Brand	Wrangler	Hilfiger	
Résumé power	4.91 (1.04)	5.86 (0.78)	5.39 (1.03)
Percent accepting job	8.0	65.2	35.4
Low awareness			
Brand	Catalina	Axis	
Résumé power	4.41 (1.27)	5.27 (0.93)	4.81 (1.18)
Percent accepting job	17.4	45.5	31.1
Quality total			
Résumé power	4.68 (1.18)	5.54 (0.92)	5.10 (1.14)
Percent accepting job	12.5	55.6	33.3

The results are bound by applicable limitations. First, by sampling college students, our results may not generalize to seasoned professionals who may rely less on brand names to assess job attributes. Second, care should be taken when interpreting salary requirements in experiment 1. During the interview process, job seekers have time to form salary expectations. These expectations may be higher for strong-brand firms because such firms may be viewed as more able to pay higher salaries due to their market success. Thus, the finding that higher-equity brands can offer lower salaries may be partially offset by salary expectations when potential employees have more time to contemplate a job and firm before receiving an offer. Third, we did not consider brand associations and their role in determining person–brand fit. Particularly in service industries, where the employee is the face of the company, the match between the employee's tastes and brand's associations are likely to influence job attractiveness.

A final limitation stems from our focus on the relatively direct benefits of working for a strong brand. Just as consuming brands can serve to enhance a consumer's social image (e.g., Bearden and Etzel 1982), it is possible that people believe that being employed by a strong brand can prove to be socially enhancing as well. Thus, while strong brands lend résumé power – by enhancing employees' skills, offering internal advancement, and serving as a proving ground – they may also affect job preferences simply due to the signaling value of an employee's association with a strong brand. Future research may address the possibility that being employed by a strong brand may provide socially enhancing benefits to employees both in the eyes of potential employers (even when accounting for effects from skill development, internal career advancement, and perceptions of the employees' work ethic) and/or as a social being in the eyes of friends, family, and acquaintances.

Despite these limitations, the study holds important implications for theory and practice. An obvious implication of this work is that recruiters should use their brand (s) as a recruiting tool. Presently, there is a "significant gap between the job attributes company representatives emphasize to attract applicants and the attributes target people regard as the most important" (Hiltrop 1999, p. 429). Our results indicate that highlighting a firm's high-equity brand(s) to attract candidates may allow a firm to attract and retain the best human capital. In addition, as evidenced by the salary benefits accruing to stronger brands in experiment 1, strong brands may lead to lower hiring costs.

To date, the financial value of brands has been assessed strictly in the consumer arena. By extending the value of brands to human resource procurement, our work attests that brands are more valuable than previously thought. Brand valuation techniques therefore should account for the value brands have in acquiring human capital. More generally, definitions of brand equity and models of brand valuation should consider the effects that brands may have on a variety of resource market exchanges. For instance, the effect of brands may extend to the acquisition of capital resources as lenders may be swayed by their perceptions of strong brands. Similarly, brands may be leveraged to gain more favorable tax plans from local municipalities when negotiating the terms surrounding plant location decisions or to negotiate more favorable prices from suppliers of component parts that wish to leverage their relationship as a supplier to a strong brand. Recognition of these effects may result in the development of a resource-based model of brand value that includes constructs such as supplier negotiating strength and human capital acquisition power as dimensions of brand equity.

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Appendix A

Sample Job Description in Experiment 1

JOB OFFER:	
Description:	This position involves creative problem solving, a challenging work environment, career advancement opportunities and extensive interaction with other departments and all levels of management. *Responsible for business projects involving long range analysis on future technologies and investments, capital purchase analysis, competitor analysis, process improvement projects, optimal inventory model development, and product cost reduction analysis. Prepare detailed projections and assist in preparing written strategy recommendations.*[a] We are looking for mature, highly motivated college graduates with the ability to logically structure analyses of complex issues. Excellent interpersonal and communication skills are essential.
Employer:	The makers of Ray-Ban© sunglasses
Salary:	$30,000
Benefits:	Blue Cross and Blue Shield medical and dental coverage, two weeks paid vacation, four week training program. 401k retirement plan.

[a] Italicized section was altered to fit the participant's major.

Appendix B

Scale Items for Job Characteristics and the Brand Equity Manipulation Check

Internal Opportunity:

- I feel that I would be able to advance in my career in Ray-Ban. (.711, .062, 11.53)[a]
- There would be a lot of desirable positions within Ray-Ban that I may be able to grow into.
- There would be many opportunities within Ray-Ban for advancement to better and higher positions. (.882, .052, 16.85)

Skill Development:

- Working for Ray-Ban, it is likely that I will develop skills that will make me attractive to other companies.
- The experience I gain working for Ray-Ban would make me more marketable to other firms the next time I go on the job market. (1.032, .042, 24.59)
- The training and exposure I would receive by working at Ray-Ban would allow me to get an even better job at another company in the future. (1.011, .041, 24.91)

Expected Work Ethic:

- Standards for performance for employees at Ray-Ban likely require that employees spend a lot of time and effort at their jobs. (.982, .090, 10.92)
- Ray-Ban's employees are likely to have to work long hours in order to achieve expected results. (.968, .090, 10.77)
- Ray-Ban is likely to expect its employees to work harder and/or longer hours than employees at other companies in order to achieve high performance goals.
- Ray-Ban employees are probably expected to work long hours. (.864, .090, 9.59)

Resume Power:

- Working for Ray-Ban would be a definite "resume builder."
- Having Ray-Ban's brand name on my resume will make me stand out among other applicants for future jobs. (1.058, .054, 19.74)
- Having Ray-Ban's name on my resume will lend credence to my abilities when searching for another job. (1.073, .052, 20.61)
- Having worked at Ray-Ban is likely to make me highly regarded by recruiters at other firms. (.959, .049, 19.48)

Brand Equity:

- Other consumers are familiar with the Ray-Ban brand.
- Most people have heard of the Ray-Ban brand. (1.021, .021, 48.52)
- Ray-Ban's brand name is not widely recognized. (reverse coded) (.877, .039, 22.73)
- Other consumers rate Ray-Ban favorably. (.589, .023, 22.83)
- Consumers hold a positive view of Ray-Ban. (.542, .024, 22.83)
- In general, people feel that Ray-Ban sunglasses are of high quality (.634, .024, 26.16)

[a] Numbers in parentheses are the unstandardized factor loading, standard error, and critical ratio for the item. All loadings are significant at $p < .001$. Items without loading information are those that were fixed to 1.0 to estimate the measurement model parameters.

Appendix C

Manipulations in Experiment 2

Imagine that you are about to graduate and begin your career. After interviewing for a full-time job, you have received two job offers. The jobs are similar in many ways. Both involve working for a company that makes a brand of clothing. The two companies are Foundation Clothing and Axis. Both companies are relatively large (approximately 2,500 employees) and both appear to be in solid financial shape.

Both jobs have the same basic responsibilities associated with the job in that they offer immediate responsibility through on-the-job training in areas such as purchasing, inventory control, and stock management.

You have collected information on each job/company. This information has come from discussions with the recruiters, people working for the companies who accepted a job the previous year, the companies' financial reports, and through articles in the popular press (e.g., Wall Street Journal, Businessweek, Consumer Reports). To help yourself decide which offer to accept, you rated the jobs on various criteria. Each rating is on a scale of 0 to 10 with 10 being the best. As you can see from the chart below, there are some differences between the jobs. Although the ease with which you can perform your job isn't related to the brand's success in the market, you notice that Axis makes and markets a brand of clothing with which consumers are **relatively unfamiliar (highly familiar)**[a] but view as being of **excellent (poor)** quality. This **high (low)** level of quality is also reflected in the **positive (negative)** evaluation of Axis in *Consumer Reports* magazine. On the other hand, Foundation Clothing is moderately well-known and is viewed as being of average quality.

	Foundation Clothing	Axis
Number of Employees	2,550	2,640
Benefits – Retirement Plan	6	5
Benefits – Health Coverage	5	6
Is Well Known By Consumers	5	2[b]
Makes a High Quality Product	5	8[b]
Geographic Location	7	7
Financial Performance	5	5
Job Security	6	6
Salary	$34,000	$32,000

[a] Words in bold are those altered (in addition to the brand name) to create the written aspect of the equity manipulation.

[b] The scores on well-know by consumers and makes a high quality product were manipulated to be either 2 or 8 in the low and high quality and awareness conditions

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