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**GLOBAL AND LOCAL BRANDS: DISTINGUISHING PERCEPTIONS FROM ORIGIN\***

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**ABSTRACT**

This study aims to (1) disentangle the relationship between brand origin (global vs. local) and brand perceptions (perceived brand globalness, PBG vs. local iconness, LI), and (2) investigate how consumer ethnocentrism moderates these model pathways. We utilize a multi-method approach in two complementary studies, a survey (N=253) and an experiment (N=148). We find that brand origin (global vs. local) and perceptions (PBG vs. LI) are distinct constructs that need to be accounted for separately in brand evaluation models. We show that the routes to purchase intentions (PIs) differ across global and local origin brands. PBG has a positive relationship with perceived brand quality and prestige but only for global origin brands. In contrast, for local origin brands, LI plays a crucial role via positive relationships to perceived brand quality and prestige. Consumers prefer brands to stay true to their brand origin. Ethnocentrism dampens both the PBG-PI and LI-PI relations only for global origin brands. Neither PBG nor LI seems to trigger PIs for ethnocentric consumers for global origin brands. We show that the routes to PIs differ across global and local origin brands. Brand managers should stay true to the origins of their brands (global/local) in building their brands' globalness/localness perceptions since consumers prefer a fit between origin and perceptions.

**Keywords:** Brand origin, perceived brand globalness, local iconness, ethnocentrism.

**JEL Classification:** M31.

**KÜRESEL VE YEREL MARKALAR: KÖKEN VE ALGI AYRIMI**

**ÖZ**

Bu çalışma, (1) marka kökeni (küresel ve yerel) ile marka algıları (marka küreselliği, MK ve yerel ikonluk, Yİ) arasındaki ilişkileri ve (2) bu yapısal ilişkiler üzerinde tüketici etnosentrizminin rolünü araştırmaktadır. Ampirik olarak birbirini tamamlayıcı iki metot, bir anket (N=253) ve bir deney (N=148) kullanılmaktadır. Marka değerlendirme modellerinde marka kökeni (küresel ve yerel) ile marka algıları (MK ve Yİ) ayrı ayrı hesaba alınması gereken farklı kavramlardır. Tüketicilerin satın alma niyetlerini (SAN) artırmada küresel ve yerel kökenli markalar arasında farklılıklar bulunmaktadır. MK'nin marka kalitesi ve prestiji ile pozitif bir ilişkisi vardır, ancak bu sadece küresel kökenli markalar için geçerlidir. Buna karşılık, yerel kökenli markalar için Yİ, marka kalitesi ve prestiji ile pozitif ilişkisi sebebiyle önemli bir rol oynar. Tüketiciler, marka kökenlerine sadık kalan markaları tercih etmektedir. Ayrıca, etnosentrizm, hem MK-SAN hem de Yİ-SAN ilişkilerini yalnızca küresel kökenli markalar açısından zayıflatıcı etkiye sahiptir. Etnosentrik tüketicilerin küresel kökenli markalar açısından SAN'larını tetiklemekte ne MK, ne de Yİ etkin bir rol oynar. Çalışmamız SAN'a giden yolların küresel ve yerel kökenli markalar arasında farklılık gösterdiğine işaret ediyor. Tüketicilerin köken ile algılar arasında uyumu tercih etmesi nedeniyle, yöneticilere markalarının küresellik/yerellik algılarını oluştururken marka kökenine (küresel/yerel) sadık kalmalarını öneriyoruz.

**Anahtar kelimeler:** Marka kökeni, algılanan marka küreselliği, yerel ikonluk, etnosentrizm.

**JEL Sınıflandırması:** M31.

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## **INTRODUCTION**

The branding literature underlines the benefits of global brands and assumes that consumers generally prefer them over local ones (e.g., Steenkamp et al., 2003). However, emerging market firms enter international markets heavily with their own, newly developed brands such as Huawei and Haier from China and Wipro from India. As well, they acquire global brands such as IBM's PC division by Lenovo or Godiva chocolates by Ülker. Thereby, the international competitive landscape has increased in variety with respect to the origin of global brands. This increased variety in global brand origin would not be of interest if consumers did not care about brand origin in their global brand evaluations. Because sourcing and production have spilled over national borders, it has in general become difficult to correctly identify brand origin (Balabanis & Diamantopoulos, 2008; Samiee et al., 2005). Furthermore, to disguise their origin, brands acquire other brands and use foreign sounding brand names (Gurhan-Canli et al., 2018). Nonetheless, perceived origin of a brand is still considered an important attribute (e.g., Magnusson et al., 2011; Samiee, 2011). Given this background, we lack a clear understanding of how brand origin adds to consumer evaluations above and beyond brand perceptions.

The extant literature defines perceived brand globalness (PBG) as a brand's *perceived* multimarket reach. The brand origin concept, on the other hand, captures the country with which consumers relate the brand with (Balabanis & Diamantopoulos, 2008; Samiee, 2011; Usunier, 2011). While consumers find it hard to correctly identify brands' origin (Mandler et al., 2017), they do have a perception of at the minimum whether brands are of domestic or foreign origin (Riefler, 2012). This implicit categorization of brands over their (perceived) origin influence their evaluations (e.g., Balabanis & Diamantopoulos, 2011; Mandler et al., 2021). For example, Winit, Gregory, Cleveland, and Verlegh (2014) distinguish distribution globalness from ownership globalness and show that each has different effects. Consumers may prefer a locally owned global brand over a globally owned one depending on their level of ethnocentrism or home country bias. Similarly, Riefler (2012) distinguishes between domestic and foreign origin global brands to find significant differences in brand evaluations driven by globalization attitudes and global consumption orientation.

The difference between global and local origin is expected to become even more relevant in Western countries that have entered a "post-globalization" phase (Gardels, 2008), characterized by shifts in public opinion against globalization processes (Ghemawat,

## Peren ÖZTURAN

2017). Global brands as symbols and tools of globalization are expected to get their share of negative sentiments in this shifting environment, particularly by ethnocentric consumers who generally prefer local origin brands (Balabanis & Diamantopoulos, 2004). Global marketing managers should care about and respond to the local marketplace, positioning their brands as a local player, or even as a symbol of the local culture when necessary (Alden et al., 1999; Özsomer, 2012). Indeed, consumer responses to globalization and global brands have proven to be much more complex than initially assumed (Strizhakova et al., 2012; van Ittersum & Wong, 2010).

Inspired by the changing landscape and recent research, this paper aims to address the research gap in international marketing literature on global brand origins and perceptions. This we do this in two steps. First, we disentangle the relationship between brand origin (global vs. local) and perceptions (perceived brand globalness, PBG vs. local iconness, LI) (e.g., Batra et al., 2000; Özsomer & Altaras, 2008; Özsomer, 2012; Riefler, 2012; Steenkamp et al., 2003). Secondly, we investigate how consumer ethnocentrism moderates this model pathways. We focus on ethnocentrism because it is a particularly relevant consumer dispositional factor strongly predicting local origin brand purchasing behavior, especially when these brands are also globally available and desired (e.g., Winit et al., 2014). While reaching these goals, we theoretically compare and contrast Consumer Culture Theory (CCT) and Signaling Theory (ST) and empirically utilize a multi-method approach in two complementary studies (a survey and an experiment). Thence, we like to answer the recent call to address some of the inconsistencies and omissions of previous work on global branding (Liu et al., 2021) and advance our branding knowledge.

With survey data, we first show that brand origin (global vs. local) and brand perceptions of globalness and local iconness are distinct constructs that need to be accounted for separately in brand evaluation models. We also find that the routes to purchase intentions (PIs) differ across global and local origin brands. PBG is positively related to perceived brand quality and prestige but only for global origin brands. In contrast, for local origin brands, local iconness plays a crucial role via positive relationships to perceived brand quality and prestige. Interestingly, while the total effect of local iconness on purchase intentions are significant for local origin brands, a similar effect is not observed for global origin brands. Thus, it is tough for a global origin brand to start the local iconness path going, implying that consumers prefer global

## **Global And Local Brands: Distinguishing Perceptions from Origin**

brands to stay true to their brand origin. When considered against the previous work in the domain (e.g., Ozsomer 2012; Steenkamp et al., 2003), these insights are new.

Furthermore, global origin brands need to be cognizant of ethnocentric consumers. Our results show that consumer ethnocentrism dampens both the PBG-PI and Local iconness - PI relations only for global origin brands. Neither PBG nor Local iconness seems to trigger PIs for ethnocentric consumers for global origin brands.

Results from the experiment complement our survey findings and are especially relevant for re-positioning brands with established origin and image/symbolism perceptions. If brand managers would like to update a brand's positioning along global image and symbolism, they need either a previously recognizable global image and symbolism perceptions or a global origin. Thus, the fit between previous origin and image perceptions are critical. For local iconness, what matters is that the brand is perceived of local origin, especially when there are ethnocentric consumers in that market.

Theoretically, we build a bridge between the Consumer Culture Theory (CCT) and Signaling Theory perspectives to global branding by clarifying whether the *consumer culture-based perceptions* or *information-based signals* explain more of consumers' brand evaluations and purchase intentions. We also explore their complementary effects.

## **THEORETICAL BACKGROUND AND HYPOTHESES**

### **Consumer Culture and Signaling Theories**

International marketing scholars have used mainly two theoretical perspectives when investigating consumer attitudes and preferences of global and local brands: consumer culture theory (CCT, Arnould & Thomson, 2005) and signaling theory (Erdem & Swait, 1998; 2004). CCT enables researchers to address the cultural meanings, sociohistoric influences, and experiential indicators over the choice of global vs. local offerings (e.g., Alden et al., 1999; Batra et al., 2000). Consumer Culture Theorists also highlight how global brands enable participation in an imagined global world (Holt et al., 2004). They hold a capacity to serve as a legitimacy tool, a license while becoming cosmopolitan (Strizhakova et al., 2008; 2012). These researchers define perceived brand globalness (PBG) as a brand's *perceived* international and utilize

## Peren ÖZTURAN

subjective consumer-level data for its measurement (e.g., Steenkamp et al., 2003). A brand's globalness operates as a halo effect, influencing usually in a positive way the evaluation of other, more objective product attributes like quality or prestige (Holt et al., 2004). Perceived brand globalness increases willingness to pay (Davvetas et al., 2015).

The prominent approach in the domain is that to curate globalness perceptions, the brand should be positioned in more than a couple of countries and recognized as worldwide in these markets (Steenkamp 2019). This can happen in following ways: first via segmentation-targeting-positioning efforts that connote a global, multicultural lifestyle and secondly via Public Relations efforts, advertising, and word of mouth, especially using names, influencers.

Signaling theory, on the other hand, drives from information economics and argues in case of a market with no perfect and symmetric information, actors employ information regarding the uncertain characteristics to convey their brands' positions to consumers (Erdem & Swait, 1998). Signaling theorists use global origin, captured via worldwide availability and recognition as a positive market signal that carries information on the brand's capacity and motivation to fulfil on its potentials (Erdem & Swait, 2004; Erdem et al., 2002; Özsomer & Altaras, 2008). A brand's globalness implies worldwide success and, therefore, serves as a hallmark of endorsement for any audience. Objective measures such as actual multimarket reach and ratio of sales from abroad are generally used to capture the signaling function of global brands. Objective measures are used mainly by practitioners and by brand ranking frameworks such as those developed by ACNielsen and BusinessWeek (Chu & Keh, 2006).

Local brands, on the other hand, hint a closer tie and a richer commitment to consumers' niche wishes, a sensitivity to the local market peculiarities, culture, and preferences (Dimofte et al., 2008; Kapferer, 2005; Özsomer, 2012; Steenkamp & de Jong, 2010). Appendix A compares the current research with exemplary international marketing literature regarding key concepts and measurements.

By examining the relative effectiveness of global vs. local cultural positioning, consumer culture theorists assume that the actual origin of a brand is *less* relevant for consumers compared to their perceptions of globalness or localness whilst they form their purchase intentions and brand choices (e.g., Alden et al., 1999; Batra et al., 2000). If a brand communicates its globalness (availability and acceptance in world markets) in a specific market, even though it may actually be a local origin brand, it may still be perceived as high on

### Global And Local Brands: Distinguishing Perceptions from Origin

globalness by consumers in that particular market. Indeed, brands of local origin engage in market availability abroad in an effort to boost local perceptions of quality and prestige (Özsomer, 2012).

In contrast, a brand may engage in activities and communication that increases its representativeness and symbolism of the local culture, even though it may have a global origin. Thence, it may be associated with localness in consumers' minds and hearts. Such a brand would have a local consumer culture positioning according to Steenkamp (2019). For example, Coca Cola is successfully positioned as the drink to be enjoyed with family in the holy month of Ramadan (Bilgin & Wührer, 2014) and has become an indispensable staple of Ramadan dinner tables in Turkey for several decades. The brand not only eliminated seasonality, which was a problem with declining sales in the winter, but Ramadan became a month of increased sales. In this reasoning, the origin of the brand (global or local) does not matter or matters less, while the cultural positioning global vs. local is what matters or matters more (Liu et al., 2021). This leads to the following proposition:

*Proposition 1a:* Perceived brand globalness is positively associated with purchase intentions irrespective of brand's global origin.

*Proposition 1b:* Perceived local iconness is positively associated with purchase intentions irrespective of brand's local origin.

We first test the validity of this proposition and then extend it by arguing that the benefits of global (local) brand perceptions (i.e., PBG vs, Local Iconness) may actually depend on brand origin (global vs. local). That is, building on the inconsistencies and omissions of the previous literature (Liu et al., 2021), we investigate if and how the proposed relationships change when we consider a brand with a global versus a local origin.

Previous work has suggested that consumers may prefer brands that have a *fit* between their natural origin and nurtured perceptions (Riefler, 2012). Riefler (2012) shows that globalness perceptions enhance evaluations of domestic origin global brands if consumers have a positive attitude to globalization while foreign origin global brands suffer if consumers oppose globalization. Local brands often share a long history and heritage with their home markets, some even becoming representations of the local culture (Steenkamp

et al., 2003). That said, in our context, local iconness could be a defensive strategy for local brands while perceived globalness could be a proactive strategy for global brands (Özsomer, 2012) as these two groups of brands compete with each other for consumer's minds, hearts, and wallets. Therefore, brand perceptions may not be two ends of a continuum yet indicate positionings with a potential to exist together. This is a viable strategic option for brand managers who face fragmented segments (e.g., ethnocentric customers) when pursuing a multi-market strategy. Given the emotional value attached to localness and functional value attached to globalness (c.f., Zarantonello et al., 2013), the local iconness - prestige relationship may be higher (lower) while globalness - quality relationship may be lower (higher) for brands with a local (global) origin. Consequently, we suggest that the effectiveness of the routes to create brand preference and purchase intentions may differ depending on brand origin. For global origin brands, perceived globalness may enhance purchase intentions more while for local origin brands, local iconness could be the key.

*Hypothesis 1:* The positive association between local iconness (PBG) and purchase intentions is stronger for local (global) origin brands.

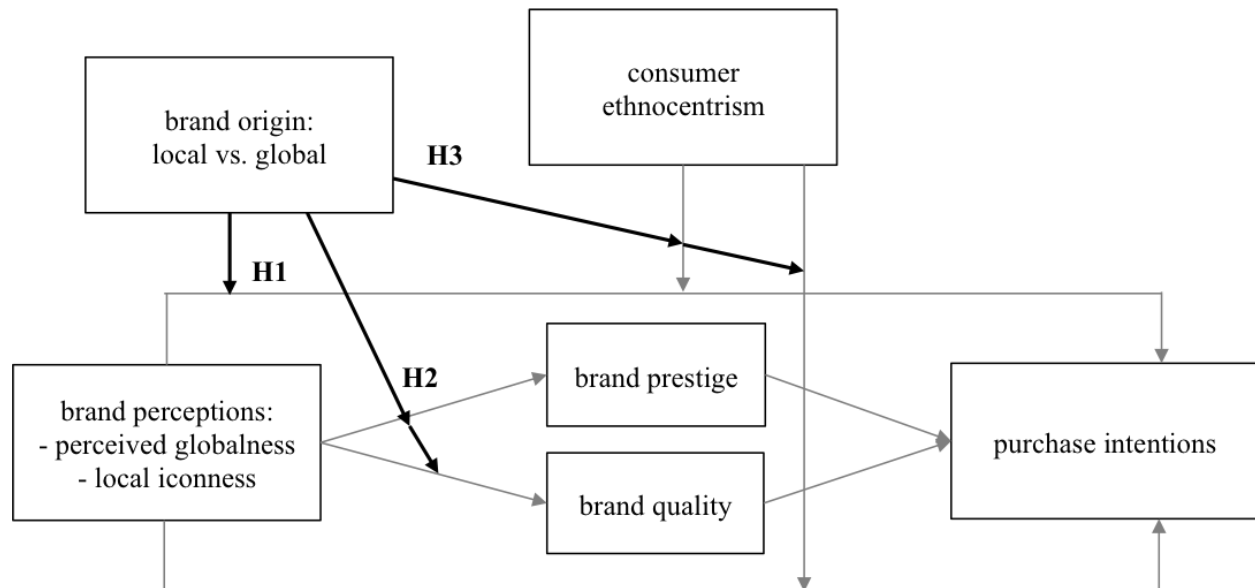
*Hypothesis 2:* For a local (global) origin brand, local iconness (PBG) enhances purchase intentions via prestige (quality).

The difference between brand origins is particularly relevant when bearing in mind home country predispositions (Alden et al., 2006; Balabanis & Diamantopoulos, 2004; Dimofte et al., 2008; Verlegh, 2007). That is, "cultural associations are an important source of brand equity, provided that the cultural positioning is aligned with consumers' cultural attitudes" (Steenkamp 2019 p.13). Ethnocentric consumers, those who find it morally wrong to purchase foreign branded products and services, may buy the brands with global origin less, no matter how high they rate these offerings on globalness. Conversely, such consumers may prefer the local origin brands more, no matter the high efforts of the global origin brands to build local symbols/image. In fact, these efforts may be perceived with skepticism and labeled as not sincere (Winit et al., 2014). When consumers have feelings of unease or lack of fluency in judgements, this may lead to negative brand evaluations (Torelli et al., 2012). We, therefore, expect the well-established consumer ethnocentrism's negative moderation effect on the perceived globalness – purchase

## Global And Local Brands: Distinguishing Perceptions from Origin

intention relation to be higher for global origin brands while its positive moderation effect on the local iconness – purchase intention relation to be higher for local origin brands. Overall, these predictions suggest that the way consumer brand perceptions (PBG and local iconness) affect preferences may vary with brand origin and consumer ethnocentrism. Our conceptual framework capturing these nuances is depicted in Figure 1.

*Hypothesis 3:* Brand origin attenuates consumer ethnocentrism’s weakening effect on purchase intentions relationships, in that: for a local origin brand, consumer ethnocentrism’s weakening effect is less, while for a global origin brand, consumer ethnocentrism’s weakening effect is more.



**Figure 1: Conceptual Model**

## METHODOLOGY

To follow a multi-method approach in our empirical research, we conducted a survey and an experiment. With the survey, data was collected from the Netherlands during a period of two weeks in May 2014. The Netherlands is a mature market in the “post-globalization” phase that has achieved high global integration through foreign trade and internationally oriented citizens



## Peren ÖZTURAN

(Nijssen & Douglas, 2004). In line with the matched samples technique, the survey was conducted in shopping malls and open markets catering to middle-income clientele who are generally reasonably familiar with global and local brands (e.g., Özsomer, 2012). Six Master students (who we refer as the project team) conducted the survey under the supervision of the author. As a token of appreciation, a small gift, a bar of chocolate, was given to respondents. Overall, a total number of 256 respondents participated in the study. Three surveys were excluded due to the respondent age below 18, leaving us with 253 completed surveys. The resulting sample comprised of 73% respondents in the 18- to 45-year age range, 49% males, an average daily television watching of 1.9 hours, and 38% with a university degree or higher.

**Table 1: Profile of Respondents**

	<i>Percentage</i> (N = 253)
<u>Age:</u>	
18-25	30
26-35	23
36-45	20
46-55	15
56 and above	12
<u>Gender:</u>	
Female	51
Male	49
<u>Average daily television watching:</u>	
< 1 hour	13
>= 1 and < 2 hours	24
>= 2 and < 3 hours	31
>= 3 and < 4 hours	15
>= 4 hours	9
Information not available	8
<u>Education:</u>	
High School	24
Vocational Education	39
University	21
Master	14
PhD	2
Others	1
<u>Monthly income:</u>	
€1500 or less	28
€1501- €2500	35
€2501- €3500	15
More than €3500	18
Information not available	4

### **Global And Local Brands: Distinguishing Perceptions from Origin**

Product categories and brands were selected according to previous work examining the interplay between local and global brands (i.e., Özsomer, 2012). Brands were identified in two steps. In the first step, the project team evaluated the ACNielsen rankings to select the global origin brands in the Dutch market. The best-known global origin brands in the Dutch market were first chosen and then matched with their best-known local-origin counterparts using Euromonitor market share of brands in the Dutch market. In the second step, following previous work (i.e., Özsomer, 2012), a preliminary survey was conducted to establish consumer perceptions of the selected 21 brands from 9 product categories. An online survey using Qualtrics was preferred instead of a focus group to save time and increase reach. The preliminary survey was sent out to 210 participants from the family and friend circles of the research team, out of which 120 responded. The respondents were mostly young (i.e., 88% in the age group of 21 and 40 years), educated (50% holding a Master's degree), and represented both genders (51% female). The high/low involvement scale for product categories and perceived globalness and local iconness for brands were used to identify six categories (i.e., beer, coffee, jeans, laundry detergent, mobile service provider, and yoghurt) and a global - local brand pair for each category (i.e., Grolsch - Corona, Douwe Egberts - Nespresso, G-star - Levi's, Witte Reus - Ariel, KPN - Vodafone, and Campina - Danone) to be used in the actual survey. Many of what we identified as local origin brands (i.e., originating in the Netherlands) were actually perceived as high in perceived brand globalness. The relationship between brand origin and perceived brand globalness (and local iconness) is indeed the issue we would like to address, providing ecological validity for our selection of country with such success stories of local origin brands.

The original English questionnaire was translated into Dutch and the Dutch version was translated back into English by the researcher. To decrease order-effects, two versions of the survey for each product category were randomly distributed: one starting with questions pertaining to the local brand (N=128) and the other to the global brand (N=125). To reach residents with an international background, the survey was also administered in English, N = 77. The language and order of the survey did not have an impact on focal variables,  $p > .10$ , except for brand purchase likelihood ( $M_{\text{Dutch}} = 4.36$ ,  $M_{\text{English}} = 4.90$ ,  $F(1,504) = 12.12$ ,  $p < .001$ ). The respondents completed the survey in 20 minutes, on average.

**Peren ÖZTURAN**

We employed the same measurement items as Steenkamp et al. (2003) for our constructs (see Appendix B for exact items). For the seven multi-item constructs (only prestige was a single item construct), we standardized their items before conducting confirmatory factor analysis (CFA) in MPlus (Muthén & Muthén, 2017) and used 5,000 bootstrap samples in our examination. The item “purchasing foreign-made products is un-Dutch” and the reversed item “not all knowledgeable about this brand” were dropped because of their low contribution to the consumer ethnocentrism and brand familiarity measures, respectively. Factor loadings were all higher than .50 ( $p < .001$ ).

The measurement model’s fit is high, ( $\chi^2(131) = 232.6$  ( $p < .001$ ), RMSEA = .04 [90% C.I. = .03 - .05], CFI = .98, SRMR = .03). The seven multi-item constructs had convergent validity, with average variance extracted (AVE) higher than .50 and composite reliability (CR) larger than .70. The AVEs and CRs were higher ( $p < .001$ ) than these benchmark levels. All constructs expressed discriminant validity, which was checked by comparing the AVE of each construct against its squared-correlation with another. Jointly, the results support the good psychometrics properties for the latent constructs. Table 2 provides descriptive statistics about the measures.

**Table 2. Descriptive Information about the Measures**

<i>Construct</i>	<i>Scale</i>	<i>M</i>	<i>SD</i>	1.	2.	3.	4.	5.	6.	7.	8.
1. Brand Purchase Likelihood	7-point	4.522	1.631	.934							
2. Perceived Brand Globalness	7-point	4.579	1.735	.063	.842						
3. Perceived Brand Quality	7-point	5.006	1.048	.412	.207	.746					
4. Local Iconness	7-point	3.593	1.652	.042	-.633	-.036	.892				
5. Perceived Brand Prestige	7-point	4.443	1.365	.130	.165	.231	.041	1.000			
6. Brand Familiarity	7-point	5.603	1.322	.265	.134	.340	.089	.153	.788		
7. Country of Origin	7-point	5.453	.789	.154	-.048	.144	.039	.047	.162	.806	
8. Consumer Ethnocentrism	7-point	2.169	.986	.056	-.040	-.009	.097	.097	-.057	-.010	.799
AVE				.873	.709	.557	.796		.621	.649	.639
CR				.932	.880	.715	.921		.765	.881	.840

*Note:* Correlations larger than .09 and smaller than -.09 are significant at  $p < .05$  ( $N = 506$ ). Diagonal elements are the square roots of average variance extracted (AVE).

**Survey Results**

We first aimed to seek the validity of the proposition offered by research embracing CCT theory: Perceived brand globalness (local iconness) is positively related to purchase likelihood

### Global And Local Brands: Distinguishing Perceptions from Origin

irrespective of brand global (local) origin. We compared fit indices of two structural equation models (SEMs) of a pooled approach and a multi-group analysis. By pooling all sampled brands into one model, the first SEM treats all global/local origin brands the same, assuming brand origin does not matter. The pooled approach builds on the model by Steenkamp et al. (2003). The alternative approach we propose acknowledges brand origins and distinguishes between global/local origins by testing them separately in a multi-group SEM. The multi-group SEM also tests our hypothesis H1, H2, and H3 and allows us to account for consumer ethnocentrism's moderation effects. Given that ethnocentrism is measured by a scale and in light of concerns with dichotomizing a continuous variable when not conceptually relevant, we used latent factor interactions (Klein & Moosbrugger, 2000) for testing the consumer ethnocentrism moderations. To assess latent factor interactions in a multi-group set-up, mixture model analysis with known class membership (class 1 = local and class 2 = global) was employed (Muthén & Muthén, 2017).

Loglikelihood difference tests were used to test the SEM models' fit. The first SEM has 86 free parameters, with a loglikelihood value of -11695.2, and a scaling correction factor of 1.442. The second SEM has 112 free parameters, a loglikelihood value of -11866.6, and a scaling correction factor of 1.362. Results from both models were obtained with the MLR estimator. Following the steps needed to compute a chi-square difference test based on these figures (Muthén & Muthén, 2017), we find that the multi-group SEM improves the model fit when compared to the first utilizing pooled data,  $\Delta\chi^2$  ( $\Delta df$ ),  $p$ -value = 311.9 (26),  $p < .001$ . Thus, Proposition 1 is not validated, providing support for our more fine-tuned approach integrating global/local brand origin. Distinguishing between the global vs. local origins of brands shed more light on the phenomenon under study than the dominating view that does not consider the origin of global/local brands.

Having found support for a nuanced approach that accounts for global vs. local brand origin together with perceptions of globalness and localness, we turned to testing our hypotheses. Our hypotheses suggest different routes to purchase intentions for brands with global versus local origins. Before reporting the results, it is worth noting that the main effects model with parameters set free across the brand groups did not have a better fit compared to the one where parameters were constrained to be equal, ( $\Delta\chi^2$  (15)= 17.1,  $p = .311$ ). However, including consumer ethnocentrism interactions significantly improved the model fit when

**Peren ÖZTURAN**

compared to both the constrained main effects model ( $\Delta\chi^2 (19)= 31.3, p = .038$ ), and the free main effects model ( $\Delta\chi^2 (4)= 21.2, p < .001$ ). This suggests that consumer ethnocentrism brings the effect of global/local brand origin to life. The multi-group SEM approach we endorse is worthwhile when consumer ethnocentrism is accounted for in the model. This approach incorporates a mixture model with free parameters across two groups (global vs. local origin brands) and latent factor interactions (Table 3) and the mediation analyses incorporating these effects are reported in Table 4.

**Table 3: The Role of Origin**

	<i>Local Brands</i>			<i>Global Brands</i>		
	<i>b</i>	<i>S.E.</i>	<i>p-value</i>	<i>b</i>	<i>S.E.</i>	<i>p-value</i>
<u>Perceived Brand Quality</u>						
Brand Familiarity	.315	.112	.005	.259	.099	.009
Country-of-origin	.096	.065	.143	.073	.081	.368
Perceived Brand Globalness	.207	.117	.078	.428	.168	.011
Local Iconness	.285	.141	.043	.054	.134	.685
<u>Perceived Brand Prestige</u>						
Brand Familiarity	.079	.100	.432	.088	.101	.384
Country-of-origin	.052	.071	.463	.003	.084	.972
Perceived Brand Globalness	.404	.122	.001	.444	.188	.018
Local Iconness	.477	.139	.001	.289	.170	.090
<u>Brand Purchase Likelihood</u>						
Brand Familiarity	.098	.111	.377	.171	.108	.115
Country-of-origin	.113	.073	.120	-.045	.069	.516
Perceived Brand Globalness	-.028	.117	.810	-.199	.233	.395
Local Iconness	.166	.119	.164	-.088	.175	.613
Perceived Brand Quality	.632	.106	<.001	.561	.136	<.001
Perceived Brand Prestige	-.109	.063	.084	.068	.063	.286
Consumer Ethnocentrism (CET)	.040	.239	.867	.114	.092	.216
CET x Perceived Brand Globalness	.044	.098	.650	-.598	.193	.002
CET x Local Iconness	.081	.126	.519	-.610	.185	.001
Number of free parameters	112					
Loglikelihood value	-11866.6					
Scaling correction factor	1.362					
$\Delta\chi^2 (\Delta df), p\text{-value}^a$	21.2 (4), $p < .001$					

*Note: Unstandardized solution; p-values are two-tailed.* <sup>a</sup>: The main effects model with free parameters across the two groups had 108 free parameters, loglikelihood value of -11873.0, and a scaling correcting factor of 1.390.

Global And Local Brands: Distinguishing Perceptions from Origin

**Table 4: The Direct, Indirect, And Total Effects on Brand Purchase Likelihood: A Multi-Group Analysis with Brand Origin**

	<i>Local Brands</i>						<i>Global Brands</i>					
	Perceived Brand Globalness			Local Iconness			Perceived Brand Globalness			Local Iconness		
	b	S.E.	<i>p</i> -value	b	S.E.	<i>p</i> -value	b	S.E.	<i>p</i> -value	b	S.E.	<i>p</i> -value
Direct effect	-.028	.117	.810	.166	.119	.164	-.199	.233	.395	-.088	.175	.613
Direct effect moderated by Consumer Ethnocentrism	-.001	.007	.850	.013	.024	.580	.119	.128	.353	.054	.103	.601
Total direct effect	-.029	.123	.812	.179	.133	.179	-.080	.115	.490	-.034	.074	.643
Indirect effect via Perceived Brand Quality	.131	.073	.075	.180	.088	.041	.240	.124	.053	.030	.077	.695
Indirect effect via Perceived Brand Prestige	-.044	.028	.116	-.052	.034	.123	.030	.031	.327	.020	.020	.331
Total indirect effect	.087	.071	.220	.128	.088	.145	.270	.131	.039	.050	.082	.541
Total effect	.057	.122	.638	.307	.146	.035	.190	.142	.180	.015	.096	.873

*Note:* Unstandardized solution; *p*-values are two-tailed. Since this model incorporated latent factor interactions, bootstrapping and Confidence Interval estimations were not possible to conduct.

The routes to purchase intentions differ across global and local origin brands, supporting H1. Table 3 shows that, in line with CCT theory (Steenkamp et al., 2003), for global origin brands, PBG has a positive relationship with perceived brand quality ( $b = .428, p = .011$ ) and perceived brand prestige ( $b = .444, p = .018$ ). But, this holds true only for global origin brands. In contrast, for local origin brands, local iconness plays a crucial role. That is, the local iconness of the local origin brand has a positive relationship with its perceived brand quality ( $b = .285, p = .043$ ) and perceived brand prestige ( $b = .477, p = .001$ ). The other relationships, PBG for local origin brands or local iconness for global origin brands were insignificant,  $p > .10$ . Table 4 shows that the total effect of local iconness on purchase intentions holds true for local origin brands ( $b = .307, p = .035$ ), while a similar effect is not observed for brands with global origin,  $p > .10$ . In contrast, PBG has a significant indirect effect on purchase intentions for global origin brands ( $b = .270, p = .039$ ), while its total effect is not significant for both global and local origin brands with,  $p > .10$ , confirming H1 predictions. These results suggest that there are different routes to purchase intentions depending on the global versus local origin of the brand. While

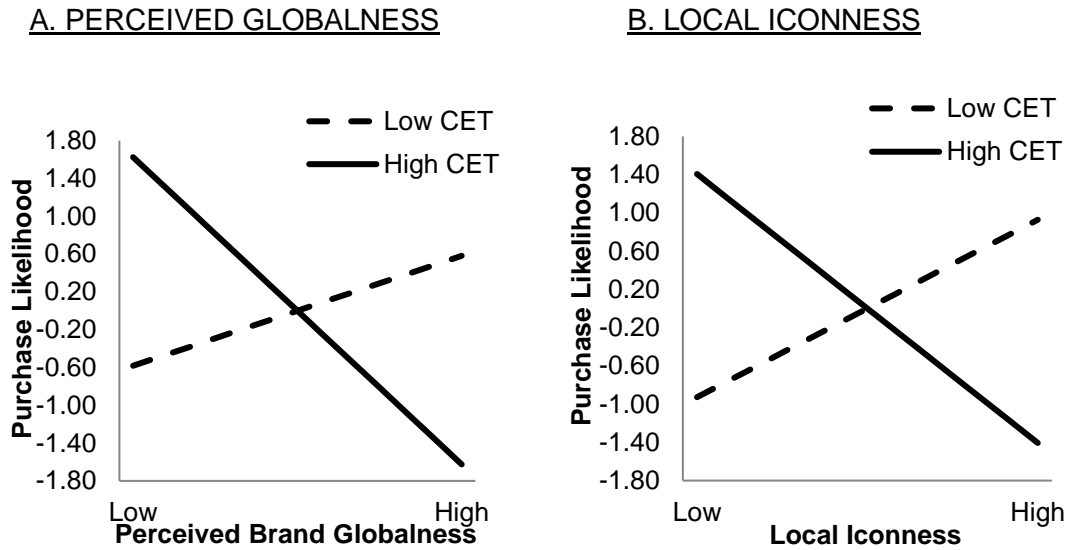
## Peren ÖZTURAN

local origin brands boost purchase intentions with local iconness, global origin brands benefit from perceived globalness but to a lesser extent, supporting Özsomer (2012)'s local iconness results.

When we look at the results per mediator, the picture becomes clearer. Perceived brand quality has a significant relationship with purchase intentions for both local and global origin brands (respectively,  $b = .632$  and  $b = .561$ , for both  $p < .001$ ) while prestige plays an insignificant role,  $p > .05$  (see Table 3). Consequently, for local origin brands, the indirect impact of local iconness on purchase likelihood via perceived quality is the most important path ( $b = .180$ ,  $p = .041$ ) while for global brands, the indirect impact of PBG on purchase likelihood via perceived quality is the most important ( $b = .240$ ,  $p = .053$ , see Table 4). This partially confirms H2 in that when we account for brand global/local origin, the mediation effect of prestige is surpassed in importance by to the role of quality.

*Consumer ethnocentrism as moderator.* The consumer ethnocentrism moderation is impactful only for the purchase likelihood of *global origin brands* supporting H3 (Table 3). The effect of PBG and local iconness on purchase likelihood gets significantly weaker with higher consumer ethnocentrism, ( $b = -.598$ ,  $p = .002$ ;  $b = -.610$ ,  $p = .001$ , respectively) for global origin brands. Contrast this with the insignificant moderation effects for local origin brands. To better understand these moderation effects, we compared the impact of consumer ethnocentrism on brand purchase likelihood at low and high levels of PBG and local iconness (Cohen et al., 2003). As depicted in Figure 2a and 2b, respectively, for global origin brands, perceived brand globalness has an insignificant effect on purchase likelihood when consumer ethnocentrism is low ( $b_{\text{LOW}} = .195$ ,  $p = .482$ ) but has a significant negative effect as consumer ethnocentrism gets higher ( $b_{\text{HIGH}} = -.542$ ,  $p = .004$ ). Similarly, local iconness has an insignificant effect on purchase likelihood when consumer ethnocentrism is low ( $b_{\text{LOW}} = .309$ ,  $p = .166$ ) but has a negative significant effect, as consumer ethnocentrism gets higher ( $b_{\text{HIGH}} = -.469$ ,  $p = .005$ ). Together, these results indicate that consumer ethnocentrism negatively moderates the perceived globalness – purchase intention as well as the local iconness – purchase intention relationships. Yet these hold true, only for *global origin brands*, and not for local origin brands. Ethnocentric customers are more sensitive when approaching brands with a global origin, while having more stable preferences for local origin brands. We revisit these findings and provide some recommendations in the Discussion section.

Global And Local Brands: Distinguishing Perceptions from Origin



Notes: CET = Consumer Ethnocentrism. Interaction effects were not significant for local brands ( $p > .10$ ), hence are not depicted here.

**Figure 2: Consumer Ethnocentrism (CET) Moderates the Focal Relationships for Global Brands**

*Survey study summary.* Overall, we can conclude that when brand global vs. local origin is accounted for, consumers attach different values to brands with perceived brand globalness versus local iconness perceptions. Specifically, a local brand’s iconness connotes better quality which in turn makes consumers prefer the local origin brand more while perceived globalness and quality perceptions are the main route for global origin brand purchase likelihood. This finding is new and consistent with ideas proposed by earlier work that accounts for brand origin misclassifications (e.g., Winit et al., 2014).

The survey study helps us understand that brand perceptions (PBG and local iconness) are related to consumer brand evaluations and purchase likelihood, depending on brand global/local origin. This nuance is not addressed sufficiently in the global branding research (Liu et al., 2021). Specifically, the focal relationships between brand perceptions and quality, prestige, and purchase intentions not only depend on consumer characteristics such as



## Peren ÖZTURAN

consumer ethnocentrism but also on brand characteristics such as brand global or local origin. This is a valuable extension of previous work.

What can marketers do when they want to create new perceived brand globalness and local iconness perceptions for a brand with a specific brand origin and an existing brand perception? This is an important question given the increase in acquisitions by emerging market multinationals (EMNCs) of global origin brands (e.g., Chattopadhyay et al., 2012) with firmly established brand schemas in consumer's mind. In the introduction, we had mentioned Lenovo's acquisition of IBM's PC unit, or Ülker's acquisition of Godiva chocolates as examples of such acquisitions of established brands by EMNCs. What happens when a global brand is acquired by a local origin brand that signals connections to local culture and symbolism such as Tata's acquisition of Jaguar and Land Rover and Haier's acquisition of GE Appliances, or Geely's acquisition of Volvo Cars in 2010. How should brand managers design the communication and advertising to re-position the Lenovo or the GE brand if necessary? Should Lenovo build local iconness and GE build perceived globalness? In these examples, over time a misalignment between the actual brand origin and its perceived positioning (PBG vs. local iconness) can occur as more consumers learn the new origin of the brand. Then, it may be possible to see some negative misclassification effects. To probe this possibility further, we run our second study.

### **Experimental Study**

Having established that brand global/local origin matters with a survey-based study, the second study aims to provide guidance to managers who face an inexorable misalignment between brand origin and perceptions. We manipulate rather than measure brand origin and perceptions by making use of a fictitious brand. We distinguished four conditions for this brand: (1) brand has a global origin and is perceived as a global brand, (2) brand has a global origin and is perceived as a local brand, (3) brand has a local origin and is perceived as a local brand, and (4) brand has a local origin and is perceived as a global brand. We will explore if new perceptions of brand globalness and local iconness are differentially influenced by the origin and the existing perceptions or is it simply a story of fit such that perceived globalness and local iconness are higher when the brand origin (global vs. local) fits existing perceptions (conditions 1 and 3, respectively) compared to no-fit conditions (conditions 2 and 4). The measurement

### Global And Local Brands: Distinguishing Perceptions from Origin

items used in the experimental manipulations build on previous work (i.e., for brand origin: Zhang & Khare, 2009 and for brand perceptions: Alden et al., 1999) and the same with the survey.

*Experimental study method.* In a 2 (origin: local vs. global) by 2 (perceptions: local vs. global) experimental between-subjects design 148 students were recruited from a behavioral lab at a Dutch University in exchange for course credit ( $M_{age} = 19.97$ ,  $SD_{age} = 1.88$ , 27% female). The data collection took a week during late January-early February of 2017. Every participant was allocated to an experimental condition in a randomized fashion.

All respondents were requested to read the information about a jeans brand called SyPHer imagining it to be highly relevant for them. They were given some brief information (brand origin manipulation) and an advertisement (brand perception manipulation) about SyPHer. We manipulated brand origin by providing the following information: for the local brand origin condition, “SyPHer is produced and marketed **in the Netherlands, for Dutch consumers**. It is a local brand that is available on the Dutch market only.” and, for the global brand origin condition: “SyPHer is produced and marketed **internationally, for global consumers**. It is a global brand that is available across the world.” After reading this information, respondents were asked to examine the brand’s new advertisement, which was to be placed in magazines and online. The local versus global perceptions were manipulated such that for the local iconness (perceived globalness) condition, respondents saw an ad stating, “SyPHer represents what the Netherlands (world) is all about. For me, SyPHer is **a symbol** of the country (world) we live in. (see Appendix C for the exact image and wording). This is a frequently used priming procedure in the international marketing research domain where consumers are requested to examine an advertisement that is systematically varied across conditions (e.g., Diamantopoulos et al., 2017).

After the manipulations, respondents indicated the brand’s perceived globalness and local iconness by means of the same items as in the survey study (i.e., Steenkamp et al., 2003). We later asked the manipulation checks and some demographic questions such as age and gender.<sup>1</sup>

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<sup>1</sup> We also collected data for other constructs used in the survey such as purchase intentions, quality, prestige, and consumer ethnocentrism. For brevity, we do not report these results here. We can do so upon request.

Peren ÖZTURAN

*Manipulation checks.* Post-hoc manipulation checks demonstrated that our manipulations effectively primed brand origin and perceptions. For each manipulation, we asked one manipulation check question. For the brand origin question, respondents indicated their perceptions of SyPHer's origin, where 1= owned by a Dutch company (local), 7=owned by an international company (global). Self-reported origin was significantly higher for the global origin condition ( $M_{globalO} = 4.92$ ) than for the local origin brand ( $M_{localO} = 3.04$ ;  $F(1,146)=40.6, p < .001$ ), suggesting that the manipulation worked. For the brand perception question, respondents indicated their perceptions of SyPHer's advertisement, where 1=about the Netherlands 7=about the world. Self-reported perception was significantly higher for the global perception ( $M_{globalP} = 6.09$ ) than for the local perception condition ( $M_{localP} = 2.62$ ;  $F(1,146)=332.9, p < .001$ ).

*Experimental study results.* We followed the same procedures as those used in the survey to check the convergent and discriminant validity of our multi-item constructs. After seeing all perform well, we averaged the items to calculate factor scores for path analyses. As a preliminary check, we tested for the mean differences using an ANOVA. We found that perceived globalness and local iconness showed significant differences between the four conditions,  $F(3,144)=29.3, p < .001$  and  $F(3,144)=4.5, p = .005$  (see Figure 3 for actual means) providing confidence for our experimental design and manipulations.

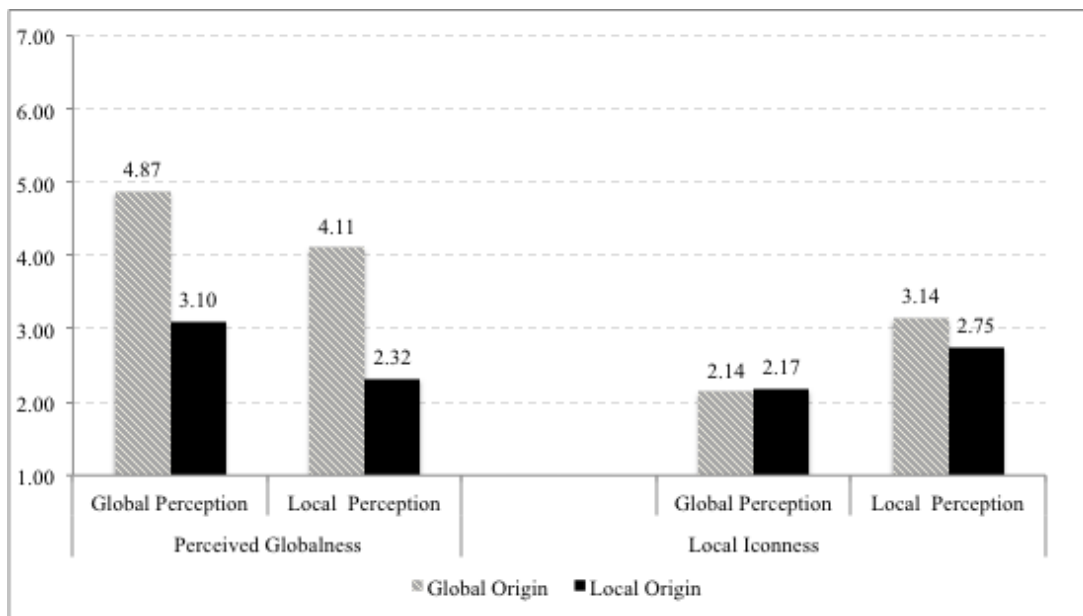


Figure 3: Experimental Results of Brand Origin Interaction with Brand Perception

## Global And Local Brands: Distinguishing Perceptions from Origin

Before running the path models, we transformed the dummy codes into effect codes to ease coefficient interpretation (following Cohen et al., 2003 and earlier work e.g., Harmeling et al., 2015; Schrift & Amar, 2015) i.e., -0.5 for global brand origin / global brand perception and +0.5 for local brand origin / local iconness variables and then calculated an interaction variable. The path analyses results show that for perceived brand globalness, both brand origin and brand perceptions mattered. That is, local brand origin created lower perceived globalness compared to global brand origin ( $b = -1.780, p < .001$ ). In addition, local perception created lower perceived globalness compared to global perceptions ( $b = -.776, p < .001$ ). Regarding local iconness, however, only brand perceptions mattered (right hand side of Figure 3). That is, local brand perceptions created higher local iconness compared to global brand perceptions ( $b = .792, p < .001$ ) while brand origin seemed not to drive new localness perceptions,  $p > .10$ . Furthermore, with respect to the fit idea, we find that it does not hold. Specifically, the interaction between brand origin and brand perceptions impacted neither the globalness nor the iconness perceptions,  $p > .10$ . To summarize, we found that if marketers would like to re-position a brand along perceived globalness, they should see if it originally has a global origin or holds existing global perceptions. However, if they would like to position it along local iconness, they should only do so if it is perceived as a local origin brand in the market. A brand with a global origin cannot achieve local iconness according to these experimental results, not to mention it would lose returns especially among ethnocentric consumers as suggested by our survey results.

## DISCUSSION

This study revisits previous research on global branding (e.g., Steenkamp et al., 2003) and investigates the benefits of disentangling the well-established effects of perceived brand globalness versus local iconness perceptions for brands with global or local origin. The results of the survey conducted in the Netherlands indicate that the routes to purchase intentions are indeed asymmetric for global versus local origin brands. Specifically, perceived globalness helps boost purchase intentions of global origin brands while local iconness enhances purchase intentions for local origin brands. For both, however, the effects are only attainable if the quality perceptions are primarily established. This is an important finding since Steenkamp et al. (2003)

## Peren ÖZTURAN

did not observe a positive relation between local iconness and perceived quality while Özsoy (2012) found a positive relation only in the culturally grounded food categories. The importance of quality perceptions for local iconness is in line with Winit et al.'s (2014) finding for Thai Airlines. Meanwhile, there is room to find ways to persuade highly ethnocentric consumers. The findings show that neither perceived brand globalness nor local iconness can reverse this type of consumers' aversion to global brands. Hence, what global brand managers should do with regard to ethnocentric customers depends on how large the ethnocentric consumer segment is in the market of interest. How does the anti-globalization sentiments reflected in and fueled by Br(exit), the Trump administration's anti-globalization moves and similar sentiments affect the number of ethnocentric consumers? If these segments reach a size difficult to ignore for global origin brands, they may have to acquire local icon brands to complement their brand portfolios.

Building on these findings, we also examine in an experiment what happens if a re-positioning strategy is intended. We suggest that for globalness, what marketers need is either prior globalness perceptions or a global origin while for local iconness, what matters is that the brand is perceived as local in the given market, especially when ethnocentric consumers are targeted. This seems in line with anecdotal evidence as well as prior empirical findings. For example, Cola Turka, a local, soft drink brand, was launched in 2003 by Ülker, a large food and beverage manufacturer in Turkey. With Coca-Cola the market leader, followed by Pepsi, Cola Turka needed a unique differentiation point whilst facing the global brands. The ad agency curated a launch campaign that played on the Turkish pride and featured Chevy Chase. Later on, the company has always built its localness perceptions in line with its local origin (Britt, 2003). Ülker in the recent decade turned out to be an emerging giant and even acquiring global brands like Godiva chocolates. Yet for such brands, it followed a light-touch acquisition strategy and has continued to build on their globalness perceptions, given the global brand origins as well as their already established global brand schema (Chattopadhyay et al., 2012). Overall, the two studies support such practical examples and provide practitioners evidence on how actual brand origin plays a role in addition to prior global/local perceptions when making new positioning decisions.

Torelli and colleagues' findings (2012) in the context of global brands inform our findings. Torelli et al. (2012) find that associations that contradict the existing brand concepts may make consumers experience a sense of confusion, which in turn leads to negative brand associations.

### **Global And Local Brands: Distinguishing Perceptions from Origin**

They find that brand concepts that fit (vs. misfit) with each other are as a result more (less) positively perceived by consumers when a certain brand concept already exists. In our context, perceived brand globalness and local iconness are brand concepts. When local iconness is added to a global origin brand, consumers may experience a sense of unease or disfluency dampening brand evaluations and purchase intentions.

Extending the findings of earlier work mostly emphasizing the perceptions and related positioning efforts of brands (e.g., Steenkamp 2019), our conceptualization and empirical approach shows that origin and the related impressions towards the brands are important for consumers. These findings address gaps in global branding literature (Liu et al., 2021) in two folds. First, we theoretically clarify inconsistencies of perceived globalness and local iconness definitions. Second, we include experimental data using fictitious brands, which is empirically not much preferred by prior work, mostly employing surveys and real brands. These insights are essential for marketing practitioners in that both global and local brand managers need to re-position their brands if the origin changes with growth or acquisition and in contexts with heterogeneous consumer ethnocentrism. The different routes to purchase intentions for global and local origin brands revealed in this study tilt the balance towards staying true to the “nature” of global vs. local brands both in terms of origin as well as perceptions. While new positions can be nurtured, there seems to be path dependence in terms of where the brands start. A brand’s globalization trajectory is usually part of its growth story while its genetics stay the same (Sharp, 2010). Both managers and researchers could benefit from matching conceptual and empirical choices with the delicate processes that consumers’ hearts and minds go through and thereby keeping global - local brand origin and ethnocentrism as important variables in their models. The key takeaways align well with recent work on omni-brand orientation (Schmidt-Devlin et al. 2022) and are underlined further since the meta-analysis that shows consumer ethnocentrism is at varying degrees is dependent on cultural factors, yet overall universal (Balabanis & Siamagka, 2022).

### **LIMITATIONS AND FUTURE RESEARCH**

We hope our research stimulates future studies where the multi-faceted interplay between brand origin and perceptions are investigated in the context of rising anti-globalization trends particularly in post-industrialized markets and the growth of ethnocentric consumer segments. It

## Peren ÖZTURAN

would be interesting to examine if brands that behave in ways that are congruent (incongruent) to their origin (i.e., local origin brands building on their local iconness and global origin brands building on PBG), translate into willingness to pay. While for local brands, this may translate into favorable brand evaluations (attitude, preference, consideration), global brands may still warrant higher margins in the marketplace. Winit et al. (2014) find heterogeneous effects across categories on purchase intentions in Thailand. This is an interesting area worthy of exploring further.

Future research could also use longitudinal or time-series data to track how the brand origin and global/local perception interaction evolves with actual changes in brand positioning (not hypothetical as we tested in the experiment). Given the initial support we find for path dependence and staying true to the genetics of the brand (Sharp, 2010) such longitudinal analyses could answer questions such as: How long does a brand need to shed its brand origin effect in a specific market (think of the Coca Cola example in Turkey provided earlier before).

Since consumers in emerging and high-income markets are expected to react differently to global origin and global brand perceptions (e.g., Burgess & Steenkamp, 2006; Batra et al., 2000; Özsomer, 2012), a multi-country study could be employed to investigate how results differ in these contexts (e.g., Eng et al., 2016). We hope our study contributes to the insightful and interesting research stream on global and local branding as their paths cross in many markets, contexts, and hearts.

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### Global And Local Brands: Distinguishing Perceptions from Origin

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**APPENDIX A. COMPARING THE CURRENT RESEARCH WITH HIGHLY RELEVANT PAPERS ON GLOBAL BRANDING**

Article	Key Constructs	Definitions	Operationalization / Methodological outcome	Substantive outcome
Steenkamp et al., (2003)	Perceived globalness-localness	the perceived multimarket reach of a brand and is based upon consumer perceptions.	Survey based, using subjective consumer-level data e.g., brands selected from focus groups, where two brands in each category represent the global and local ends of the perceived globalness continuum.	Perceived globalness is positively related to quality and prestige and through them to purchase likelihood (PL) while local iconness has only a direct impact on PL. Brands can be simultaneously global and local.
Özsomer (2012)	Actual global-local origin and perceived globalness-localness	widespread regional/ global awareness, availability, acceptance, and demand	Survey based, using objective measures e.g., ACNielsen rankings help identify best-known global (local) brands and focus groups are used to check local brands have high local iconness and global counterparts high perceived globalness	Perceived brand globalness is positively related to local iconness in an emerging market, but the relationship is negative in advanced markets. Local brand's globalness and global brand's local iconness has differential effects.
Holt et al., (2004)	Actual global-local origin	wide availability and recognition as the key features of global brands	Survey based, using brands selected by objective measures i.e., from Interbrand Global Scorecard	Consumers choose global brands due to quality signal, global myth, and social responsibility.
Winit et al. (2014)	Brand ownership (local versus foreign owned) versus perceived globalness	brand globalness is a continuum, based on the relative geographical scope of the brand while brand ownership is what underlies the global / local distinction i.e., perceived origin of the brand.	Experiment based, using manipulations that include brand information on geographical availability and promotions for brand globalness and information on headquarters location, nationality of majority of shareholders, and nationality of board / executives for brand ownership.	Consumers who perceive a brand as being global (non-global) associate the brand with higher (lower) quality and intended to purchase it more (less), regardless the perceived ownership of the brand (consistent with Steenkamp et al. 2003). Brands can be simultaneously global and local.
<b>The current research</b>	Actual global-local origin and perceived globalness - local iconness	wide availability and recognition.	Survey and experiment based, using objective measures: ACNielsen rankings and Euromonitor market share for actual brand origin and manipulating promotions for perceived brand globalness / local iconness.	Actual brand origin matters: The fit between the perceived globalness (local iconness) and global/local origin are associated with higher purchase intentions.

**Global And Local Brands: Distinguishing Perceptions from Origin**

**APPENDIX B. MEASURES**

<i>Constructs</i>	<i>Items</i>
Perceived Brand Globalness (AVE = .71, Steenkamp et al., 2003)	Answer the questions below considering brand X in the Y category 1. To me, this is a global brand - To me, this is a local brand 2. I DON'T think consumers overseas buy this brand - I DO think consumers overseas buy this brand 3. This brand is sold only in the Netherlands - This brand is sold all over the world
Local Iconness (AVE = .80, Steenkamp et al., 2003)	1. I associate this brand with things that are Dutch - I DO NOT associate this brand with things that are Dutch 2. To me, this brand represents what the Netherlands are all about - To me, this brand does NOT represent what the Netherlands are all about 3. To me, this brand is a very good symbol of the Netherlands - To me, this brand is not a very good symbol of the Netherlands
Perceived Brand Quality (AVE = .56, Keller & Aaker, 1992)	1. This brand is very low on overall quality - This brand is very high on overall quality. 2. This is a brand of inferior quality - This is a brand of superior quality.
Perceived Brand Prestige (Han & Terpstra, 1988)	• This is a prestigious brand - This is not a prestigious brand
Brand Purchase Likelihood (AVE = .87, Dodds et al., 1991)	1. I would not buy it - I would certainly buy it 2. I am not at all likely to buy it - I am very likely to buy it.
Brand Familiarity (AVE = .62, Steenkamp et al., 2003)	1. This brand is very familiar to me -This brand is unfamiliar to me 2. Everybody here has heard of this brand - Almost nobody here has heard of this brand 3. I am not all knowledgeable about this brand-I am very knowledgeable about this brand
Consumer Ethnocentrism (AVE = .64, Shimp & Sharma, 1987)	Please indicate your own personal preference or feeling about each item by drawing a circle around the number that is closest to your personal feeling. There is no right or wrong answer. 1. Purchasing foreign-made products is un-Dutch. 2. It is not right to purchase foreign products. 3. A real Dutch person should always buy products made in the Netherlands. 4. Dutch should not buy foreign products, because this hurts Dutch business and causes unemployment.
Country-of-origin (AVE = .65, Jaffe & Nebenzahl, 1984)	Products/brands made in the Netherlands are: 1. Overall quality: Poor - Excellent 2. Design and style: Poor - Excellent 3. Level of technology: Poor – Excellent 4. Value for money: Poor - Excellent

*Note:* Brand-related and country-of-origin items were scored on seven-point bipolar scales with the end poles given above. Consumer Ethnocentrism items were scored on seven-point scales with 1=strongly disagree and 7=strongly agree as anchors.

APPENDIX C. EXPERIMENTAL MANIPULATIONS OF LOCAL VERSUS GLOBAL PERCEPTIONS

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*Condition: Local Perceptions*

SyPHer represents what the Netherlands is all about. For me, SyPHer is **a symbol** of the country we live in.



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*Condition: Global Perceptions*

SyPHer represents what the world is all about. For me, SyPHer is **a symbol** of the world we live in.

