"Double-Standard" Or "Sensible Positioning": What Factors Influence Consumers’ Authenticity Evaluation of Off-Shore Manufactured Brands?

Martin Jen-Yuan Liu, Warwick Business School, U.K.
Qing Wang, Warwick Business School, U.K.

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ABSTRACT
This paper proposes that in the situation of off-shore manufactured brands where indexical authenticity is inherently low, higher authenticity evaluation can be managed and communicated via marketing positioning strategy that takes into account both brand type and consumer expertise and utilizes cues from different dimensions of authenticity. In two experimental studies we found that: (1) a brand elicits higher authenticity evaluation when paired with incongruent marketing positioning images than when paired with congruent marketing positioning images and (2) consumers’ expertise significantly influence their ability to process brand attributes, which in turn affects their authenticity evaluation of the brand. The findings have important implications for market positioning and brand management.

(EXTENDED ABSTRACT)

Objective
Global sourcing activities where country of origin (COO) of a brand is incongruent with country-of-manufacturing (COM), may undermine the authentic value of the brands (e.g. Holt 2002). However, although most researchers (e.g., Beverland and Luxton 2005; Leigh et al. 2006) agree that authenticity evaluation can be managed and cues for communicating authenticity should maintain consistency, the conditions under which, and the process by which, cues for managing and communicating authenticity are evaluated remain unclear. Therefore, the present research designs two experimental studies to examine 1) the effect of different marketing positioning images on consumers’ authenticity evaluation when incongruent COO-COM cue occurs, and 2) the effect of different brand attributes on consumers’ authenticity evaluation due to differences in their expertise, and consequently their differing ability to elaborate on brand attributes.

Conceptual Background
Existing research suggests that authenticity is associated with evidence and truth, and that consumers’ evaluation of cues for communicating ‘truth’ and ‘evidence’ is at the foundation of the dialogue between marketers and consumers over what is (or is not) authentic. Grayson and Martinec (2004) identified two dimensions of authenticity based on the semiotic model developed by Peirce (1998). Indexical authenticity refers to an object to have authenticity of off shore manufactured brands is inherently low.

 Meanwhile, a brand contains both symbolic and utilitarian elements. The symbolic element is related to sensory attributes, and focuses on consummatory affective gratification, whereas the utilitarian element is related to functional and non-sensory attributes and focuses on instrumental expectations (Roth 1995; Dhar and Wertenbroch 2000). Marketing positioning strategy may either elicit in the mind of consumers symbolic association or utilitarian association of a brand. Drawing from the multidimensional authenticity framework to studying off-shore manufactured brands, the iconic authenticity refers to the products looking like ‘the kind of thing’ that would be produced by the brand owner (i.e. indexical authenticity), although they are not actually produced by the brand owner. Therefore the indexical authenticity of off shore manufactured brands is inherently low.

Since the sensation we get from perceiving the sign (i.e. iconic cues) is similar to the sensation we get when perceiving the object, iconicity is more replicable than indexicality (Grayson 1998). Meanwhile, for brands that are high in symbolic association, consumers will have higher demand for evidence than for truth, thus their need for indexical authenticity will be higher than for iconic authenticity. On the contrary, for brands that are higher in utilitarian association, consumers will have higher demand for evidence than for absolute truth, thus their need for iconic authenticity is relatively higher than their need for indexical authenticity. Therefore in two experimental studies we hypothesize that:

H1: Incongruent Country of Origin (COO) and Country of Manufacturing (COM) will trigger consumers’ authenticity evaluation.

H2: Compared to utilitarian type of brand, symbolic type of brand will have lower authenticity evaluation.

H3: For off-shore manufactured symbolic brand, incongruent marketing image (i.e. image that elicits utilitarian association) will result in higher authenticity evaluation than congruent marketing image (i.e. image that elicits symbolic association).

H4: For off-shore manufactured utilitarian brand, incongruent marketing image (i.e. image that elicit symbolic association) will result in higher authenticity evaluation than congruent marketing image (i.e. image that elicits utilitarian association).

In addition, when asked to evaluate authenticity of a particular market offering, experts are likely engaging the mode of automaticity which will result in perceptual imperfections as they are more likely to try to recall an answer rather than re-evaluate them based on additional information (i.e. brand attributes or iconic cues).

H5: Expert consumers are likely to form authenticity evaluation only based on indexical cues.

H6: Expert consumers’ authenticity evaluation is unlikely to be influenced by the strength of additional iconic cues.

On the other hand, novices tend to adopt a more concrete schemata compared to experts (Chi et al. 1982; et al. 1992) that promotes more data-driven processing (Laniberti and Newsonie 1989). Therefore compared to experts, novices are more likely to detect and use the additional product information (i.e. iconic cues). In the meantime, past research (e.g. Maheswaran 1994; Gurhan-Canli and Maheswaran 2000) indicate that COO information also influence how novices interpret product attributes when evaluating
products, but owing to lack of domain specific knowledge, they prefer standard, easy to understand and less ambiguous product attribute information.

H7: Novice consumers will form their evaluation of authenticity based on both indexical and iconic cues.

H8: Short iconic cues will have greater effect on novice consumers’ evaluation of authenticity than excessive iconic cues.

Research Methods

We used two experiments to test our hypothesis. Sixty-six students participated in Study 1. The result of a preliminary focus group study showed that even for off-shored manufactured brands where COO and COM is incongruent, some combinations of COO and COM were perceived more favorably than some others. For example, a German car brand (e.g. BMW) combined with Chinese manufacturing was perceived less favorably than a Korean car brand (e.g. Hyundai) combined with Chinese manufacturing. Therefore, we manipulated COO-COM incongruent combinations and marketing communication images. The favorable versus unfavorable COO-COM combinations were anchored by symbolic or utilitarian brand type. The images were designed to elicit either symbolic or utilitarian associations. The study described as concerning new automobile. The data was analyzed by a 2 (COO-COM Types) x 2 (Image Types).

Eighty-four students participated in Study 2 where we manipulated marketing communication types and length of brand attributes. The images were designed for the same purpose as in study one. Length of product attributes were either short or excessive. A computer knowledge questionnaire were administered to classify respondents into either experts or novices for data analysis. The data was analyzed by a 2 (Expert vs. Novices) x 2 (Images Types) x 2 (Types of Product Attributes).

Results and Major Findings

All hypothesis for study 1 (H1, H2, H3 and H4) were supported. The findings reveal that for off-shore manufactured brands where COO and COM are incongruent, it is likely to trigger in consumers the need for authenticity evaluation. Without marketing intervention, the inherently low indexicality nature of off-shore manufactured brand is likely to result in low authenticity evaluation, particularly for brands with higher symbolic association. However higher authenticity evaluation can still be supported. The findings reveal that for off-shore manufactured brands where COO and COM is incongruent, some combinations of COO and COM incongruence) novice consumers base their authenticity evaluation on the indexical cues (i.e. COO and COM incongruence) novice consumers base their authenticity evaluation on both indexical and iconic cues. In addition, novices with simpler knowledge structure find short and concise product attributes a better interpretant to learn more about the product which in turn yield better authenticity evaluation.

REFERENCE


